

A G E N D A

BUILDING COMMITTEE

March 1, 2006
11:00 A.M. Lake Superior Room
1st Floor Michigan Library and Historical Center

STATE ADMINISTRATIVE BOARD

March 7, 2006
11:00 A.M. Museum Education Room
1st Floor Michigan Library and Historical Center

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MODIFICATION TO PROFESSIONAL SERVICES CONTRACTS

1. DEPARTMENT OF MANAGEMENT AND BUDGET, GRAND RAPIDS – One Division Avenue Leased Facility – United States Bankruptcy Court Build Out
File No. 071/05018.IJH - Index No. TBE
That the contract for professional services with The Granger Group, Grand Rapids, Michigan, be increased \$30,222.42 on a payroll basis plus construction costs, plus a D/CCS fee, to provide for various revisions (Bulletins 25, 30, 31, 32, 33, 34, 36, and 38) to the build out of the United States Bankruptcy Court at One Division Avenue, Grand Rapids, Michigan.

REVISIONS TO CONSTRUCTION CONTRACTS

2. DEPARTMENT OF COMMUNITY HEALTH, YPSILANTI – Center for Forensic Psychiatry – New Forensic Center
File No. 391/99210.JAN – Index No. 53086
Walbridge Aldinger Company, Detroit; CCO No. 45, Incr. \$282,891.00
3. DEPARTMENT OF CORRECTIONS, KINCHELOE – Kinross & Chippewa Correctional Facilities – New Power Plants
File No. 472/04034.EEW – Index Nos. 53093 & 53094
M.A.P. Mechanical Contractors, Inc., Midland; CCO No. 2, Incr. \$98,373.00
4. DEPARTMENT OF ENVIRONMENTAL QUALITY, MONROE – Consolidated Packaging Corporation Site – Lagoons 1 & 3 Remediation
File No. 761/05132.RRD – Index No. 47868
Homrich, Inc., Carleton; CCO No. 1, Incr. \$1,454,768.29
5. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, GRAND RAPIDS – Grand Rapids Home for Veterans – NFPA Compliance Assessment
File No. 511/05429.EEW – Index Nos. 11612 & 11613
Parkway Electric & Communications, LLC, Holland; CCO No. 2, Incr. \$76,105.54

RECOMMENDATION FOR CONSTRUCTION CHANGE ORDER

6. DEPARTMENT OF HUMAN SERVICES, DETROIT – Construction Change Order #1 for Lease #2773 approved by the State Administrative Board on July 17, 1978 by Item #11 between Mostly Zussmans, LLC, as Lessor, and the Department of Human Services, as Lessee. This Construction Change Order provides for renovations to the lobby and to client restrooms, as requested by the Department of Human Services at a cost not-to-exceed \$51,967.00. The space is located at 14000 Schoolcraft Avenue, Detroit, Michigan 48227.

RENEWAL OF LEASE FOR PRIVATE PROPERTY

7. DEPARTMENT OF STATE, GRAND HAVEN – Renewal of Lease #10496 effective December 1, 2007 through November 30, 2012 with DEG Development Co., L.L.C., a Limited Liability Company, 1946 Turner, N.W., Grand Rapids, Michigan 49504, as Lessor, and the Department of State, as Lessee, for 2,580 square feet of office space located at 1110 Robbins Road, Grand Haven, Michigan 49417. The annual per square foot rental rate for this space is \$9.00 (\$1,935.00 per month). This is a full service Lease. This Lease contains a Standard 90-day cancellation. The Attorney General has approved this Lease as to legal form.
8. DEPARTMENT OF TREASURY, DALLAS, TEXAS - Renewal of Lease #7113 effective February 1, 2006 through January 31, 2011 with Metro Glen, L.P., a Partnership, 2650 Fountainview, Suite 400, Houston, Texas 77057, as Lessor, and the Department of Treasury, as Lessee, for 2,137 square feet of office space located at 12200 Ford Road, Suite 240, Dallas, Texas 75234. The annual per square foot rental rate for this space is \$15.50 (\$2,760.29 per month). This is a full service Lease. This Lease contains one five-year renewal option with an annual per square foot rental rate of \$15.50 (\$2,760.29 per month). This Lease contains a Standard 90-day cancellation. The Attorney General has approved this Lease as to legal form.
9. DEPARTMENT OF STATE, BATTLE CREEK - Renewal of Lease #10186 effective December 1, 2005 through November 30, 2010 with Promenade Limited Partnership, a Michigan Limited Partnership, 8175 Creekside Drive, Suite 210, Portage, Michigan 49024, as Lessor, and the Department of State, as Lessee, for 3,044 square feet of office space located at 1791 W. Columbia Avenue, Battle Creek, Michigan 49015. The annual per square foot rental rate for this space is \$14.49 (\$3,675.63 per month). This is a full service Lease. This Lease contains one five-year renewal option with an annual per square foot rental rate of \$15.94 (\$4,043.45 per month). This Lease contains a Standard 90-day cancellation. The Attorney General has approved this Lease as to legal form.

10. DEPARTMENT OF STATE, WEST BLOOMFIELD - Renewal of Lease #7319 effective June 1, 2006 through May 31, 2011 with AZOI, LLC, a Limited Liability Company, 31550 Northwestern Highway, Farmington Hills, Michigan 48334, as Lessor, and the Department of State, as Lessee, for 3,881 square feet of office space located at 4301 Orchard Lake Road, West Bloomfield, Michigan 48323. The annual per square foot rental rate for this space is \$22.67 (\$7,333.33 per month). This rate does not include heat, electric, water, sewer or janitorial services. This Lease contains an Executive New 90-day cancellation. The Attorney General has approved this Lease as to legal form.

NEW LEASE FOR PRIVATE PROPERTY

11. DEPARTMENT OF STATE, BROWNSTOWN - New Lease #11193 effective April 1, 2006 through March 31, 2011 with Flood Properties, LLC, a Limited Liability Company, 18406 Telegraph Road, Brownstown, Michigan 48183, as Lessor, and the Department of State, as Lessee, for 3,400 square feet of office space located at T & R Plaza, 18412 Telegraph Road, Brownstown, Michigan 48183. The annual per square foot rental rate for this space is \$19.75 (\$5,595.83 per month). This is a full service Lease. This Lease contains four five-year renewal options with an annual per square foot rental rate of \$20.74 (\$5,876.33 per month). This Lease contains a Standard 90-day cancellation. The Attorney General has approved this Lease as to legal form.

12. DEPARTMENT OF TRANSPORTATION, LANSING - New Lease #11131 effective April 1, 2006 through March 31, 2011 with Kerrins & Lange, LLC, a Limited Liability Company, P.O. Box 4172, Lansing, Michigan 48901, as Lessor, and the Department of Transportation, as Lessee, for 15,664 square feet of warehouse space located at 1340 South Waverly Road, Lansing, Michigan 48917. The annual per square foot rental rate for this space is \$5.56 (\$7,252.14 per month). This rate does not include janitorial or security. This Lease contains one five-year renewal option with an annual per square foot rental rate of \$5.81 (\$7,577.64 per month). This Lease contains a Standard 90-day cancellation. The Attorney General has approved this Lease as to legal form.

ADDENDUM TO LEASE FOR PRIVATE PROPERTY

13. DEPARTMENT OF TRANSPORTATION, LAKE LINDEN - Addendum #1 to Lease #11123 approved by the State Administrative Board on November 1, 2005, by Item #5, between Kiley Enterprises, LLC, a Limited Liability Company, 4112 Jefferson Avenue, Midland, Michigan 48640-3512, as Lessor, and the Department of Transportation, as Lessee, for space located at 52705 State Highway M-26, Lake Linden, Michigan 49945. This Addendum provides for increasing the square footage by 13,559 for a revised total of 24,600 square feet, a reduced square foot rental rate with annual and monthly rental rates adjusted accordingly; add the Electronic Funds Transfer language; and to replace the

sample Non Disturbance Agreement with an executed one. The annual per square foot rental rate is \$3.03 (\$6,219.75 per month), which is a cost decrease from the previous Lease. This Lease does not include adjustments for real estate taxes. This Addendum becomes effective upon the last State approval and continues to the termination date of the Lease, or any extension. This Lease contains a Standard 90-day cancellation. The Attorney General has approved this Lease as to legal form.

ADDENDUM TO STATE AS LESSOR LEASE

- 14.A Recommendation to the State Administrative Board to Approve Addendum #1 to Lease #10406 with The Michigan Department Of Education (DOE) As Lessor And The Mid-Michigan Leadership Academy (MMLA) As Lessee.

It is recommended that the State Administrative Board, under authority of Act 431 of the Public Acts of 1984, as amended, approve the above referenced addendum for 163 feet of school campus buildings and surrounding grounds located at the Former School For the Blind Campus in Lansing, Michigan, 48906. In addition, the Addendum redistributes the Lessee's existing space among various campus buildings. Said property is managed by DOE and, under this Addendum, is leased to MMLA for the purposes specified in the original lease for the period 10/1/05 through 9/30/06 at a rate of \$38,605.71 per month, increased from \$38,484.00. The Addendum also increases the lease rates for each of two possible renewals – from \$39,639.00 to \$39,763.00 after 10/1/06 and from \$40,828.00 to \$40,956.81 after 10/1/07. The Attorney General has approved this Lease as to legal form.

RECOMMENDATION FOR CONVEYANCE OF SURPLUS STATE REAL PROPERTY

- 15.THE DEPARTMENTS OF MANAGEMENT AND BUDGET (DMB) AND CORRECTIONS (DOC), recommend the conveyance of the Property described below (the "Property"), located in Plymouth Township, Wayne County, Michigan to the Charter Township of Plymouth for consideration of \$1.00 (one dollar).

Legislative Background

Public Act 274 of 2005 (the "Act") authorizes the State Administrative Board to convey the Property to the Charter Township of Plymouth for consideration of \$1.00 (one dollar).

The Property is described as:

A parcel of land in the northeast quarter of section 20, Plymouth Township, Wayne County, Michigan, Town 1 South, Range 8 East, described as:

commencing at the North 1/4 corner of said Section 20; running thence S89°45'02"E along the north line of said section, 1,119.14 feet to the point of beginning of this description; continuing thence S89°45'02"E, 50.00 feet; thence S01°03'21"W, 225.00 feet; thence S89°45'02"E, 150.00 feet to the east line of a parcel recorded in Liber 22436, page 520; running thence along said east line S01°03'21"W, 200.00 feet; thence N89°45'02"W, 200.00 feet; thence N01°03'21"E, 425.00 feet to the point of beginning, containing 1.18 acres, more or less.

In accordance with Section 2, subsection 4(a) of the Act, the Property shall be used exclusively for public purposes, including, but not limited to, the construction of a water tower. If any fee, term or condition for the use of the Property is imposed on the members of the public, or if any of those fees, terms, or conditions are waived for use of the Property, all members of the public shall be subject to the same fees, terms, conditions, and waivers.

In accordance with Section 2, subsection 4(b) of the Act, in the event of an activity inconsistent with the above, the state may reenter and repossess the Property, terminating the township's title.

In accordance with Section 2, subsection 7 of the Act, the quitclaim deed provides that if the Property is subsequently offered for sale within three years, the township shall notify the Department of Management and Budget ("DMB"). DMB shall retain the right of first refusal at the original sale price, plus the value of any improvements to the property as determined by an independent appraiser, within 90 days after the notice. If the state waives its first refusal right, the township shall pay to the state forty percent (40%) of the difference between the sale price of the conveyance from the state and the sales price of the township's subsequent sale or sales to a third party.

In accordance with Section 2, subsection 5 of the Act the quitclaim deed does not reserve mineral rights to the State, but reserves the right to receive ½ of any revenue generated in the event the township or a subsequent owner develops any minerals from the Property.