

# APPROVED

December 20, 2011

Michigan State  
Administrative Board

Lansing, Michigan

December 6, 2011

A regular meeting of the State Administrative Board was held in the Lake Superior Room, 1st Floor, Michigan Library and Historical Center, on Tuesday, December 6, 2011, at 11:00 a.m.

Present: Mike Gadola, Legal Counsel, representing Rick Snyder, Governor,  
Chairperson  
Nat Forstner, Chief of Staff, representing Brian Calley, Lt. Governor  
Mike Senyko, Chief of Staff, representing Ruth Johnson, Secretary of State  
Michael Reilly, Assistant Attorney General, representing Bill Schuette, Attorney  
General  
Richard Darling, Deputy Treasurer, Banking and Administrative Services,  
representing Andy Dillon, State Treasurer  
Janet Laverty, Director, Office of Financial Management, representing Michael  
P. Flanagan, Superintendent of Public Instruction  
Laura Mester, Chief Administrative Officer, representing Kirk T. Steudle,  
Director, Department of Transportation  
Sherry Bond, Secretary

Others Present:

Pat Mullen, Deborah Roberts, Janet Rouse, Department of Technology, Management and Budget; Bill Rottiers, Department of Transportation; Rick Wiener, Wiener Associates

1. CALL TO ORDER:

Mr. Gadola called the meeting to order and led the Pledge of Allegiance to the Flag.

2. READING OF MINUTES OF PRECEDING MEETING AND APPROVAL THEREOF:

Mr. Darling moved that the minutes of the regular meeting of November 15, 2011, be approved and adopted. The motion was supported by Mr. Reilly and unanimously approved.

3. HEARING OF CITIZENS ON MATTERS FALLING UNDER JURISDICTION OF THE BOARD:

NONE

4. COMMUNICATIONS:

Veterans Benefit Trust Fund Investment Report of October, 2011

5. UNFINISHED BUSINESS:

NONE

6. NEW BUSINESS:

RETENTION AND DISPOSAL SCHEDULE:

CITY OF KALAMAZOO, City Clerk's Office, Election Division, 12/6/2011

Mr. Senyko moved that the Retention and Disposal Schedule be approved and adopted. The motion was supported by Ms. Mester and unanimously approved.

7. REPORTS AND RECOMMENDATIONS OF COMMITTEES:

(Please see the following pages)

Michigan State  
Administrative Board

**COMMITTEE REPORT TO THE  
STATE ADMINISTRATIVE BOARD**

The Honorable Rick Snyder, Governor  
and  
Members of the State Administrative Board

A regular meeting of the Building Committee was held at 11:00 a.m.  
on November 29, 2011. Those present being:

Chairperson: Brom Stibitz, representing  
State Treasurer Dillon

Approved Brom Stibitz

Member: David Murley, representing  
Governor Snyder

Approved DM

Member: Nat Forstner, representing  
Lt. Governor Calley

Approved Nat Forstner

Others: Iris Lopez, Department of Attorney General; Sherry Bond, Bob Burns,  
Pat Mullen, Janet Rouse, Department of Technology, Management and  
Budget

Mr. Stibitz called the meeting to order.

The Building Committee Regular Agenda and Recovery Act Funds Agenda  
were presented.

Following discussion, Mr. Murley moved that the Regular Agenda and  
Recovery Act Funds Agenda be recommended to the State Administrative  
Board for approval. Supported by Mr. Forstner, the motion was  
unanimously adopted.

Mr. Stibitz adjourned the meeting.

# AGENDA

## BUILDING COMMITTEE / STATE ADMINISTRATIVE BOARD

November 29, 2011 / December 6, 2011  
11:00 A.M. Lake Superior Room 1<sup>st</sup> Floor  
Michigan Library and Historical Center

.....  
This agenda is for general informational purposes only. At its discretion, the Building Committee may revise this agenda and may take up other issues at the meeting.

### MODIFICATION TO PROFESSIONAL SERVICES CONTRACTS

1. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET, LANSING - State Capitol Governmental Complex - Allegan and Ottawa Plaza Renovations  
File No. 071/08281.JNS - Index No. 44100, 53200, 11720 and 46105  
That the contract for professional services with Carl Walker, Inc., Kalamazoo, be increased \$64,730.45

#### **Purpose/Business Case**

The purpose of this modification is to provide additional construction administration services for the irrigation system review and repairs; including added design services to repair a failed fire suppression system at the Allegan Ramp. This modification also provides for added services due to the extended construction schedule caused by unknown field conditions, contractor issues, and required bulletin review.

#### **Benefit**

The State will benefit by completing renovations to the Allegan and Ottawa Plazas including hardscape and landscape repairs, the addition of snowmelt, replacement of lighting, irrigation repairs and replacements, and the replacement of handrail, with these improvements increasing Plaza life and providing a safer environment for plaza users.

#### **Funding Source**

96.8% Lump Sum  
3.2% Building Occupancy Funds

#### **Commitment**

The professional services contract modification will be paid on an hourly/direct payroll basis times a multiplier plus reimbursables. The amount of the contract is within the authorized budget.

#### **Risk Assessment**

Failure to approve this modification will result in the Allegan Plaza concrete paving continuing to deteriorate with existing walkways showing significant deterioration and presenting potential safety hazards to plaza users. Failure to approve this modification will also result in emergency repairs to the failed Mason and Austin Buildings Fire Suppression Main Feed Line being completed without necessary engineering input.

#### **Zip Code**

48909

11/28/11 – 2:30 pm - FINAL

2. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET,  
DIMONDALE – Secretary of State Office Building, Lake Superior Hosting Center  
– Data Center Expansion  
File No. 084/07096.SJU - Index No. 85702  
That the contract for professional services with Engineering Applications EAI,  
LCC, East Lansing, be increased \$113,217.37

**Purpose/Business Case**

The purpose of this modification is to provide professional architectural/engineering services for additional phase 500, 600 & 700 professional services associated with the renovation and expansion of the Lake Superior Hosting Center (LSHC) and Michigan Department of State (MDOS) into areas currently occupied by the Secretary of State and the SOS Building Cafeteria. Unforeseen programming changes and changes to project funding sources have resulted in the need for additional professional services.

**Benefit**

The State will benefit by having professionally prepared construction bid documents completed as well as having construction field and administrative service provided during the course of construction.

**Funding Source**

100% Enterprise Housing Overhead Funds

**Commitment**

The professional services contract modification will be paid on an hourly/direct payroll basis times a multiplier plus reimbursables. The amount of the contract is within the authorized budget.

**Risk Assessment**

Failure to approve this modification will result in the State not having professionally prepared construction documents available and construction field services provided for this work.

**Zip Code**

48821

**REVISIONS TO CONSTRUCTION CONTRACTS**

3. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET,  
DIMONDALE - MSP Training Academy – Replace Existing Fan Coil Units  
File No. 071/09443.RMP - Index No. 44202  
Laux Construction LLC, Dansville; CCO No. 1, Increase \$116,860.23

**Purpose/Business Case**

The purpose of this change order is to install maintenance access panels in the pipe chases, shut-off valves on the hot water and chilled water lines, and clean-outs on condensate drain lines. This work will allow isolation of sections of the system during maintenance, eliminating shutdown of the entire system. This change order will also repair damage to the exterior waterproofing system, allowing for proper drainage. Ground surface settlement has exposed the waterproofing system, causing rain water to leak inside the building.

11/28/11 – 2:30 pm - FINAL

**Benefit**

The State will benefit by operational efficiencies and eliminating the leaks.

**Funding Source**

100% Building Occupancy Funds

**Commitment**

The change order costs are fixed actual costs provided by the construction contractor in response to a bulletin provided by the PSC. The amount of the contract is within the authorized budget.

**Risk Assessment**

Failure to approve this change order will result in shut down of the entire system for required maintenance and continued leaking.

**Zip Code**

48821

4. DEPARTMENT OF ENVIRONMENTAL QUALITY, WATERFORD – Closed Waterford Hills Sanitary Landfill Site – Leachate Pretreatment System  
File No. 761/06201.RRD - Index No. 44701  
Technical Service Professional, LLC, Livonia; CCO No. 11, Increase \$199,564.08

**Purpose/Business Case**

The purpose of this change order is to extend the contract completion date for two years. The extension is needed to continue remediation system operation and maintenance (O&M) services on a contaminated site requiring further cleanup. It is anticipated that the treatment system will continue to operate until the groundwater meets cleanup standards.

**Benefit**

The State will benefit by complying with the environmental regulations and implementing remediation activities.

**Funding Source**

100% Strategic Water Quality Initiative (SWQI) Funds

**Commitment**

The change order costs are fixed actual costs provided by the construction contractor in response to a bulletin provided by the PSC. The amount of the contract is within the authorized budget.

**Risk Assessment**

Failure to approve this change order may result in shutting down the remediation system and therefore risk violating the environmental regulations.

**Zip Code**

48237

5. DEPARTMENT OF ENVIRONMENTAL QUALITY, KALAMAZOO – Portage Creek – Toxic Substance Source Reduction  
File No. 761/10353.SAR - Index No. 44501  
EVR, Inc., Williamston; CCO No. 3, Increase \$336,317.94

11/28/11 – 2:30 pm - FINAL

**Purpose/Business Case**

The purpose of this change order is to remove and dispose of an additional 10,000 tons of contaminated soil, dewater the work area, abandon three additional water wells, revise the connections at Reed Street and Alcott Street, abate 269 lineal feet of subsurface asbestos containing materials (ACM) and extend the contract completion date by 56 calendar days. The additional quantities reflect actual field conditions. The site is located along Portage Creek and consists of 29 acres. The site is a former location of paper mills. All structures above grade have been removed but some foundations and substructures remain. Various environmental investigations were conducted and confirmed contamination due to the paper operations.

**Benefit**

The State will benefit by removing sources of contamination and abating the environmental health hazard to protect the public health and the environment.

**Funding Source**

100% Federal-Great Lakes Restoration

**Commitment**

The change order costs are fixed actual costs provided by the construction contractor in response to a bulletin provided by the PSC. The amount of the contract is within the authorized budget.

**Risk Assessment**

Failure to approve this change order will result in leaving known contaminated soil on site that may pose substantial threat to public health and the environment and therefore violating environmental regulations.

**Zip Code**

48895

**JURISDICTIONAL AFFIDAVIT**

6. DEPARTMENT OF NATURAL RESOURCES – That the following properties be transferred, under authority of Section 20 of the Land Bank Fast Track Act, Act 258 of the Public Acts of 2003, MCL 124.770, to the MICHIGAN LAND BANK FAST TRACK AUTHORITY, a Michigan public body corporate and politic, Grantee, whose address is Michigan Land Bank Fast Track Authority, MEDC Building, 300 North Washington Square, Lansing, Michigan 48913. Further, the transfer shall be by jurisdictional affidavit.

The transferred lands are located in Saginaw County, City of Saginaw; Townships of Bridgeport, Buena Vista, Carrollton, Thomas; and the Village of St. Charles, Michigan. The descriptions are on file with the State Administrative Board.

**JURISDICTIONAL TRANSFER**

7. THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET (DTMB) FOR THE DEPARTMENT OF CORRECTIONS (DOC), CITY OF MARQUETTE, MARQUETTE COUNTY, MI recommends that the State Administrative Board grant to The Michigan Department of Transportation (MDOT), whose address is

11/28/11 – 2:30 pm - FINAL

425 West Ottawa Street, City of Lansing, County of Ingham, State of Michigan the permanent Jurisdictional Transfer of certain parcels of land adjacent to Highway U.S. 41 in consideration of mutual benefits to MDOT and DOC. Said Jurisdictional Transfer is on lands located in the City of Marquette, County of Marquette, State of Michigan, described as:

That part of the following described Tract "A" lying Northeasterly of a line described as:

Commencing at the Southwest (SW) Section Corner of Section 36, T48N, R25W, City of Marquette, Marquette County, Michigan; thence N 01° 11' 51" E, 2,648.66 feet along the West Section line of said Section 36 to the West Quarter (W $\frac{1}{4}$ ) Corner of Section 36, T48N, R25W, City of Marquette, Marquette County, Michigan; thence continuing along said West Section line of said Section 36, N 01° 12' 49" E, 1,921.92 feet to a point on the Survey centerline - 2 of State Highway US-41, as now surveyed; thence S 45° 22' 37" E, 601.95 feet to a point on the Survey centerline - 2 of State Highway US-41; thence S 44° 37' 23" W, 72.46 feet to a point on the existing Southwesterly right of way line of State Highway US-41, said point also being the point of beginning; thence continuing S 44° 37' 23" W, 17.54 feet to a point being 90.00 feet Southwesterly of the Survey centerline - 2; thence S 45° 22' 37" E, 825.00 feet; thence N 44° 37' 23" E, 15.00 feet; thence S 45° 22' 37" E, 87.49 feet to a point on a 11,537.09 foot radius curve to the left; thence Southeasterly along the arc of said curve 314.55 feet (Chord Bearing S 46° 09' 29" E, Chord Distance 314.54 feet ) to the point of tangency of said curve; thence S 43° 03' 40" W, 15.00 feet to a point on a 11,552.09 foot radius curve to the left; thence Southeasterly along the arc of said curve 512.98 feet (Chord Bearing S 48° 12' 40" E, Chord Distance 512.94 feet ) to the point of tangency of said curve; thence S 49° 29' 00" E, 791.01 feet; thence S 40° 31' 00" W, 35.00 feet; thence S 49° 29' 00" E, 77.31 feet to a point on a 2,517.16 foot radius curve to the right; thence Southeasterly along the arc of said curve 437.69 feet (Chord Bearing S 44° 30' 07" E, Chord Distance 437.13 feet ) to the point of ending, said point of ending being a point on the North-South Quarter (N-S  $\frac{1}{4}$ ) line of Section 36, T48N, R25W, City of Marquette, Marquette County, Michigan, said point of ending also being S 01° 11' 06" W, 185.90 feet along said North-South Quarter (N-S  $\frac{1}{4}$ ) line to a point on the Survey centerline - 2 of State Highway US-41, as now surveyed and also being N 01° 11' 06" E, 671.74 feet along said North-South Quarter (N-S  $\frac{1}{4}$ ) line to the South 1/16th Corner of said Section 36. Said South 1/16th Corner being N 01° 10' 04" E, 1,318.12 feet from the South Quarter (S $\frac{1}{4}$ ) Corner of Section 36, T48N, R25W, City of Marquette, Marquette County, Michigan.

The lands described above contain 77,634 square feet, more or less.

Tract "A":

All that part of Lot Two (2), Section Thirty-six (36), Township Forty-eight (48) North, Range Twenty-five (25) West, Marquette County, Michigan, described as follows:

Beginning at a point in the West line of said Lot 2, 600 feet North from the Southwest corner thereof; thence North 8 1/2 deg. East 331 feet; thence North 46 1/2 deg. East to low water mark on the shore of Lake Superior, 920 feet, more or less; thence

11/28/11 – 2:30 pm - FINAL

North 48 deg. 23 min. West along the said shore of Lake Superior to the intersection of the West boundary line of said Lot 2, 953 feet, more or less; thence South along said West boundary line to place of beginning, 1595 feet, more or less.

AND

All that part of Lot One (1) and Northwest Quarter of the Southwest Quarter (NW  $\frac{1}{4}$  of SW  $\frac{1}{4}$ ), Section Thirty-six (36), Township Forty-eight (48) North, Range Twenty-five (25) West, in the City of Marquette, Marquette County, Michigan, described as follows:

Beginning at the Southwest corner of the NW  $\frac{1}{4}$  of SW  $\frac{1}{4}$ , running thence East along the South boundary thereof to the Southeast corner thereof; thence North along the East boundary line of said NW  $\frac{1}{4}$  of SW  $\frac{1}{4}$  and East line of said Lot 1 to low water mark on the shore of Lake Superior, 2195 feet more or less; thence North 47 deg. West along the said shore, 200 feet; thence South 50  $\frac{1}{4}$  deg. West, 1230 feet; thence South 45 min. West, 100 feet; thence South 19  $\frac{1}{2}$  deg. West 161 feet; thence South 35  $\frac{1}{2}$  deg. West 309 feet to the intersection of section line between Sections 35 and 36; thence South on said section line 15 chains and 81 links to place of beginning.

AND

The Southeast Quarter of the Southwest Quarter (SE  $\frac{1}{4}$  of SW  $\frac{1}{4}$ ) and Lot Two (2), except the portions heretofore conveyed to the Detroit, Mackinaw & Marquette Railway Company for a main line recorded at Liber X of Deeds, Page 201 and to the Duluth South Shore and Atlantic Railway Company for a branch line to the prison recorded at Liber 16 Deeds, Page 44, a parcel to the State of Michigan by deed dated November 7, 1885 recorded at Liber 9 Deeds, Page 483, 2 parcels conveyed to Wright by deeds dated February 2, 1895 recorded at Liber 31 Deeds, Page 147 and December 22, 1896 recorded at Liber 30 Deeds, Page 627, all in Section Thirty-six (36), Township Forty-eight (48) North, Range Twenty-five (25) West, Marquette County, Michigan.

Subject to easements and restrictions of record, if any.

The Attorney General's office has approved this Jurisdictional Transfer as to legal form.

**Purpose**

The purpose of this Jurisdictional Transfer is to place the subject property specifically under the jurisdiction of the Department of Transportation to satisfy Federal requirements for receiving federal highway construction funding for improvements thereon.

**Benefit**

Granting this Jurisdictional Transfer will allow the State to accommodate needed highway drainage improvements along Highway U.S. 41 that will benefit the adjacent State-owned property and the general public by reducing flood hazards and road closures in the vicinity of the Department of Corrections facility.

**Funding Source**

N/A

11/28/11 – 2:30 pm - FINAL

**Commitment**

This Jurisdictional Transfer will be permanent.

**Risk Assessment**

Failure to grant this Jurisdictional Transfer will preclude the State from accommodating needed highway drainage improvements recommended by MDOT.

**Zip Code**

48955

**ADDENDUM TO LEASE FOR PRIVATE PROPERTY**

8. DEPARTMENT OF HUMAN SERVICES, FLINT – Addendum #1 to Lease #11428 (Lease) for the State of Michigan by the Department of Technology, Management & Budget (DTMB) for the Department of Human Services, as Lessee and approved by the State Administrative Board on June 30, 2010, Item #19. The Lease is with MIG Investments, LLC, and will be assigned to The Economic Development Corporation of the City of Flint, as Lessor to secure the payment of bonds to be issued by The Economic Development Corporation of the City of Flint. The Addendum will provide for a rental rate reduction for a fifteen year period beginning October 1, 2012. This Addendum is effective upon obtaining State Administrative Board approval and its execution by DTMB contemporaneously with the bond sale closing. The Addendum also requires signatures and continues to the termination date of September 30, 2041. This Addendum is for 40,734 square feet of space located at 4809 Clio Road, Flint, Michigan. The annual per square foot rental rate for this space beginning October 1, 2011 through September 30, 2012 is zero (\$-0- per month). Effective October 1, 2012 the annual per square foot rental rate for this space will be reduced by \$.71 to \$14.54 (\$49,372.50 per month). Effective October 1, 2021 the annual per square foot rental rate for this space will be reduced by \$.70 to \$15.05 (\$51,069.50 per month). Effective October 1, 2026 the annual per square foot rental rate for this space will be reduced by \$.71 to \$15.54 (\$52,766.50 per month). The Lease contains a Legislative cancellation clause with 30 day notice. The Attorney General has approved this Addendum as to legal form. DTMB requests that the Administrative Board approve the Addendum and authorize DTMB to execute the Addendum contemporaneously with Bond sale closing. DTMB will report to the Board when the bond sale has closed and the Addendum is executed. This Lease meets the criteria requiring approval of the Joint Capital Outlay Subcommittee of the Legislature. The Subcommittee approved this Lease on May 6, 2010.

**Purpose/Business Case:**

The purpose of this Addendum is to reduce the rental rate for the next fifteen (15) years, change ownership, memorialize the date modification agreement, modify the adjustment and EFT language, and replace two enclosures.

11/28/11 – 2:30 pm - FINAL

**Benefit:**

The Addendum allows the Department to secure a rental rate savings of \$430,000.00 during the next fifteen (15) years. The rental rate is within market value for comparable spaces.

**Source of Funds:**

55% General Fund

45% Federal Funds

**Commitment Level:**

Thirty (30) years; however, this Lease contains a Legislative cancellation clause with 30 day notice.

**Risk Assessment:**

Non-approval of this Addendum will hinder the Department from realizing savings in the rental rate for the next fifteen years.

**Zip Code:**

48212

**CONTRACT CHANGE ORDER**

9. MICHIGAN STATE POLICE, STERLING HEIGHTS - CCO #6 for Lease #10261 approved by the State Administrative Board on December 30, 1996, between Lansing DHS, LLC, as Lessor, and the State of Michigan by the Department of Technology, Management & Budget for the Michigan State Police (MSP), as Lessee. This CCO provides for materials and labor to expand and enhance the evidence storage locker at a cost not-to-exceed \$4,930.20. The space is located at 4000 Collins Road, Lansing MI 48910.

**Purpose/Business Case:**

The purpose of this CCO is to upgrade the evidence locker doors to fire-rated doors with a new keypad lock and to install occupancy sensors in the leased premises.

**Benefit:**

This CCO allows MSP to safely centralize its evidence storage capacity and capability, thus making more efficient use of space at this MSP facility and others.

**Source of Funds:**

100% General Funds

**Commitment Level:**

Present through February 29, 2016; however, this Lease contains a standard cancellation clause with 90 days notice.

**Risk Assessment:**

Non-approval of this CCO will hinder the Department from centralizing its evidence storage functions efficiently and may delay full implementation of MSP's regional policing plan which relies on that efficiency.

**Zip Code:**

48910

# RECOVERY ACT FUNDS AGENDA

## BUILDING COMMITTEE / STATE ADMINISTRATIVE BOARD

November 29, 2011 / December 6, 2011  
11:00 A.M. Lake Superior Room, 1<sup>st</sup> Floor  
Michigan Library and Historical Center

.....

This agenda is for general informational purposes only. At its discretion, the Building Committee may revise this agenda and may take up other issues at the meeting.

### MODIFICATION TO DESIGN AND CONSTRUCTION CONSULTANT SERVICES CONTRACT

1. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET,  
DIMONDALE – Energy Center, State Secondary Governmental Complex –  
Cogeneration Project  
File No. 071/10222.DCS - Index No. 02034  
That the contract for professional services with The Christman Company,  
Lansing, be increased \$293,794.00

#### **Purpose/Business Case**

The purpose of this modification is to provide professional architectural, engineering and construction services for the installation of floor shoring, a chiller water turbine oil cooler, a security gate, new condenser water control valves, and additional electrical scope required by the parallel operating agreement with Consumers Energy. This modification will also provide for the removal of existing office plates, the relocation of Solar Turbine control panels, and additional project management and engineering services. These additional services are required to resolve critical unforeseen existing conditions, agency requests, and scope changes to complete the planned Cogeneration Project.

#### **Benefit**

The State will benefit by having professionally prepared contract documents, code compliant solutions, construction, and complete contract administration services through construction.

#### **Funding Source**

91% ARRA

9% Building Occupancy Funds

#### **Commitment**

The professional services contract modification will be paid on a lump sum fee basis plus reimbursables. The amount of the contract is within the authorized budget.

#### **Risk Assessment**

Failure to approve this modification will result in the State not obtaining design, construction, and construction administration services through the completion of the Cogeneration System.

#### **Zip Code**

48821

**APPROVED**

December 6, 2011

December 6, 2011 No. 13

Michigan State  
Administrative Board

**COMMITTEE REPORT TO THE  
STATE ADMINISTRATIVE BOARD**

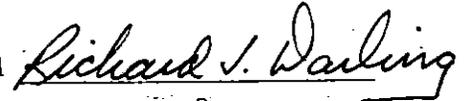
---

The Honorable Rick Snyder, Governor  
and  
Members of the State Administrative Board

A special meeting of the Building Committee was held at 11:00 a.m.  
on December 6, 2011. Those present being:

Chairperson: Richard Darling, representing  
State Treasurer Dillon

Approved



Member: Mike Gadola, representing  
Governor Snyder

Approved



Member: Nat Forstner, representing  
Lt. Governor Calley

Approved



Others: Iris Lopez, Michael Reilly, Department of Attorney General; Janet Lavery, Department of Education; Sherry Bond, Pat Mullen, Deborah Roberts, Janet Rouse, Department of Technology, Management and Budget; Rose Jarois, Mike Senyko, Department of State; Laura Mester, Bill Rottiers, Department of Transportation; Rick Wiener, Wiener Associates

---

Mr. Darling called the meeting to order.

The Building Committee Special Agenda was presented.

Following discussion, Mr. Forstner moved that the Special Agenda be recommended to the State Administrative Board for approval. Supported by Mr. Gadola, the motion was unanimously adopted.

Mr. Darling adjourned the meeting.

# SPECIAL AGENDA

## BUILDING COMMITTEE / STATE ADMINISTRATIVE BOARD

December 6, 2011  
11:00 A.M. Lake Superior Room 1<sup>st</sup> Floor  
Michigan Library and Historical Center

.....

This agenda is for general informational purposes only. At its discretion, the Building Committee may revise this agenda and may take up other issues at the meeting.

### **RECOMMENDATION FOR AMENDMENT OF LAND CONTRACT**

THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET (DTMB) – SALE OF FORMER NORTHVILLE PSYCHIATRIC HOSPITAL PROPERTY

#### **LEGISLATIVE BACKGROUND:**

2002 PA 6 AUTHORIZED THE State Administrative Board to sell the former Northville Psychiatric Hospital property (the Property). On September 30, 2005, the Board authorized the sale of the Property to REIS-Northville LLC (REIS) pursuant to the terms of a purchase agreement and amendment executed August 31, 2005. The purchase agreement provided that the parties would enter into a land contract. On April 26, 2006, the Board approved the land contract.

Pursuant to the land contract, REIS agreed to purchase the Property for \$31,500,000.00 with a down payment of \$25,000,000.00 due by October 12, 2005 and the balance of \$6,500,000.00 due four years later. The land contract allowed a delay for the 25,000,000.00 down payment "for such period of time as may be reasonable, necessary to remove or discharge" any litigation seeking to enjoin the sale of the Property. The land contract does not contain a similar provision allowing REIS to delay tender of the \$6,500,000.00 balance. REIS' ability to obtain financing was delayed by two lawsuits. When the lawsuits were dismissed, REIS' lender insisted that the land contract be amended to extend the due date so that the payoff of the \$6,500,000.00 balance would parallel the provision providing for the delay of the \$25,000,000.00 down payment. The Board approved the First Amendment of land contract on October 24, 2007, making the land contract balance due date October 24, 2011.

After closing, the unforeseen impact on Michigan's real estate market by our country's extended economic difficulty caused understandable delay to REIS' effort in development of the property. In order to afford REIS the opportunity to complete remediation and the development of the property, a request for an additional extension of time has been made for payment of the \$6,500,000.00 balloon payment that is due.

12/05/11 – 1:30 am - FINAL

**RECOMMENDATION:**

That DTMB be permitted to amend the land contract to extend the due date for the \$6,500,000.00 balance to April 30, 2015.

**PURPOSE/BUSINESS CASE:**

Prior to REIS' purchase of this facility, the State had been attempting to sell the property for many years. Protracted litigation, environmental contamination and township demands consistently impacted the ability to close any prior sale. Declining value in Michigan's real estate market lengthened the time required for successful property development. Although receipt of the State's \$6,500,000.00 is delayed by this second amendment of land contract requires the buyer to pay 7% interest until the balance is paid. Additionally, the buyer will be required to pay \$150,000 per acre to the state when any additional parcels are sold until the \$6.5 million balance is paid off. This is an increase from the \$140,000 required in the current Land Contract. This will result in the State recouping the \$6.5 million sooner. Without an extension, the option would be for the State to foreclose. However, the State's interest in the land is subordinate to a mortgage and therefore the likelihood of recovering the \$6.5 million in a foreclosure action is unlikely at this time.

**BENEFIT:**

Approval of the amendment to the land contract will result in an opportunity for REIS to continue its work on development and pay the \$6,500,000.00 with interest. The State will receive the accruing interest. Additionally, the increase in the per-acre price for the remaining land will result in the balance due being paid off sooner.

**FUNDING SOURCE/COMMITMENT LEVEL:**

N/A

**RISK ASSESSMENT:**

Failure to approve the amendment to the land contract could result in the buyer's inability to complete development of the property. The State's land contract, which is subordinate to REIS' mortgage, could prove worthless and the State would continue with the ownership burden of property that has declined in value.

**ZIP CODE:**

48167

-----

Mr. Darling presented the Building Committee Reports for the regular meeting of November 29, 2011, and the special meeting of December 6, 2011. After review of the foregoing Building Committee Reports, Mr. Darling moved that the Reports covering the regular meeting of November 29, 2011, and the special meeting of December 6, 2011, be approved and adopted. The motion was supported by Mr. Forstner and unanimously approved.

**APPROVED**

December 6, 2011

December 6, 2011 No. 17

Michigan State  
Administrative Board

**COMMITTEE REPORT TO THE  
STATE ADMINISTRATIVE BOARD**

---

The Honorable Rick Snyder, Governor  
and  
Members of the State Administrative Board

A regular meeting of the Finance and Claims Committee was held at  
11:00 a.m. on November 29, 2011. Those present being:

Chairperson: Brom Stibitz, representing Approved Brom Stibitz  
State Treasurer Dillon

Member: David Murley, representing Approved [Signature]  
Governor Snyder

Member: Iris Lopez, representing Approved Iris Lopez  
Attorney General Schuette

Others: Sherry Bond, Bob Burns, Patrick Mullen, Janet Rouse, Department of  
Technology, Management and Budget

---

Mr. Stibitz called the meeting to order.

The Finance and Claims Committee Regular Agenda and Recovery Act Funds  
Agenda were presented.

Following discussion, Ms. Lopez moved that the Regular Agenda and  
Recovery Act Funds Agenda be recommended to the State Administrative  
Board for approval. The motion was supported by Mr. Murley and  
unanimously adopted.

Mr. Stibitz adjourned the meeting.

**A G E N D A**

11/22/2011 10:00 version

**FINANCE AND CLAIMS COMMITTEE**

November 29, 2011, 11:00 a.m.  
Lake Superior Room  
1<sup>st</sup> Floor, Michigan Library  
and Historical Center

**STATE ADMINISTRATIVE BOARD**

December 6, 2011, 11:00 a.m.  
Lake Superior Room  
1<sup>st</sup> Floor, Michigan Library  
and Historical Center

.....

This agenda is for general informational purposes only.  
At its discretion the Finance and Claims Committee may revise  
this agenda and may take up other issues at the meeting.

**SECTION I - AGENCY SUBMITTED - NEW CONTRACTS**

1. DEPARTMENT OF COMMUNITY HEALTH

- 1) Staff Care, Inc. NOT TO EXCEED  
Irving, TX \$ 340,704.00 Total  
**FY12** 100% General Fund  
Three-year contract for dental  
services for patients at Caro  
Center

**SECTION II - AGENCY SUBMITTED - CONTRACT CHANGES**

**SECTION III - AGENCY SUBMITTED - NEW GRANTS**

2. DEPARTMENT OF HUMAN SERVICES

- 1) University of Michigan \$ 469,765.00 Total  
Ann Arbor, MI **FY12-15** 100% Federal Fund  
To partner with the University  
of Michigan's School of Social  
Work to conduct special  
studies, research and  
evaluation of the current child  
support program enforcement  
policies and practices
- 2) County of Wayne \$ 1,600,000.00 Total  
Detroit, MI **FY12** 100% Federal Fund  
To provide home-based programs  
as part of the county expansion  
of community-based services to  
serve the county's adjudicated  
delinquent and abused and  
neglected youth

3. DEPARTMENT OF STATE POLICE

- 1) Various Grantees \$ 1,861,016.72 Total  
Listing on file **FY12-13** 100% Restricted Fund  
*Michigan Justice Training Fund*  
For in-service Criminal Justice  
Training

**SECTION IV - AGENCY SUBMITTED - GRANT CHANGES**

4. DEPARTMENT OF COMMUNITY HEALTH

- 1) AIDS Partnership Michigan \$ 195,245.00 Amendment  
Detroit, MI \$ 260,326.00 New Total  
**FY12** 91% Federal Fund  
9% State Restricted Fund  
*Michigan Health Initiative Fund*  
Additional funds for community  
re-entry services for HIV+  
incarcerated individuals upon  
release, and case management  
and support services to women,  
infants, and children infected  
and/or affected with HIV/AIDS
- 2) Community Aids Resources \$ 151,296.00 Amendment  
and Education Services \$ 302,592.00 New Total  
Kalamazoo, MI **FY12** 99% Federal Fund  
1% State Restricted Fund  
*Michigan Health Initiative Fund*  
Additional funds to provide  
continuum of care services to  
persons living with HIV/AIDS
- 3) HIV/AIDS Resource Center \$ 125,000.00 Amendment  
Ypsilanti, MI \$ 250,000.00 New Total  
**FY12** 100% Federal Fund  
Additional funds to provide  
continuum of care services to  
persons living with HIV/AIDS

4. DEPARTMENT OF COMMUNITY HEALTH continued

4) Lansing Area AIDS Network           \$ 125,000.00 Amendment  
 Lansing, MI                               \$ 250,000.00 New Total  
**FY12** 100% Federal Fund  
 Additional funds to provide  
 continuum of care services to  
 persons living with HIV/AIDS

5. DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS/  
 MICHIGAN STRATEGIC FUND

1) Various Michigan Works!  
 Agencies  
 (Listing on file)                       \$ 3,770,560.00 Amendment  
   \$ 79,353,560.00 New Total  
**FY12** 100% Federal Fund  
 Federal Jobs, Education and  
 Training (JET) Program formula  
 funding for Michigan Works!  
 Agencies

**SECTION V - DTMB SUBMITTED - NEW CONTRACTS**

6. DEPARTMENT OF CORRECTIONS

1) Austin Sales Group                   \$ 1,577,950.00 (3 years)  
 Bloomfield Hills, MI                 **FY12-15** 100% Other  
   *Correctional Industries*  
   *Revolving Fund*  
   071I1300257 One Gallon Jugs  
   and Five Gallon Pails for  
   Michigan State Industries

7. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

1) Gordon Food Service, Inc.         \$ 3,714,209.00 (1 year)  
 Grand Rapids, MI                     **FY12-13** 100% Various Funds  
   *See bid tab for list of funds*  
   071B2200040 Prime Vendor Food  
   & Supplies Food Purchase  
   Program - Statewide

2) Ikon Office Solutions, Inc.         \$ 1,933,731.00 (4 years)  
 Novi, MI                                 **FY12-17** 100% Revolving Fund  
   *Office Services Revolving Fund*  
   071I1300230 Continuous Feed  
   Twin Printers

7. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET continued

- |    |   |   |
|----|---|---|
| 3) | Jones Lang LaSalle<br>Detroit, MI                             | \$ 1,077,017.88 (3 years)<br><b>FY12-16</b> 100% Restricted Fund<br><i>Building Occupancy Fund</i><br>071I1300250 Property<br>Management Services for<br>Cadillac Place   |
| 4) | NEC Corporation of America<br>Rancho Cordova, CA              | \$ 16,000,000.00 (5 years)<br><b>FY12-17</b> 100% Restricted Fund<br><i>Criminal Justice Information<br/>Center Fees</i><br>084R1300096 Automated<br>Fingerprint Identification<br>System Maintenance and Support<br>for Department of State Police |
| 5) | Charter Communications<br>Holding Company, LLC<br>Saginaw, MI | \$ 2,875,000.00 (5 years)<br><b>FY12-17</b> Various Funding<br>071I1300248 Commercial<br>Broadband, Cable TV, and Basic<br>Internet Services -<br>Telecommunications - Statewide  |
|    | Comcast Business<br>Communications, LLC<br>Lansing, MI        | \$ 2,875,000.00 (5 years)<br><b>FY12-17</b> Various Funding<br>071I1300248 Commercial<br>Broadband, Cable TV, and Basic<br>Internet Services -<br>Telecommunications - Statewide  |
|    | AT&T<br>Lansing, MI   | \$ 250,000.00 (5 years)<br><b>FY12-17</b> Various Funding<br>071I1300248 Commercial<br>Broadband, Cable TV, and Basic<br>Internet Services -<br>Telecommunications - Statewide  |

7. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET continued

**Various RE:START Vendors**

**Short-term Staff Augmentation  
for information technology for  
various departments**

<p>6) Gnosis Technologies          (Prakrit Adhikari)          (Madhuri Buddha)          (Awais Parvez)          (Srinivas Pavuluri)          (FNU Suyash)          Dewitt, MI</p>	<p>NOT TO EXCEED          \$ 595,140.00 (1 year)  <b>FY12</b> 50% General Fund          50% Federal Fund          071I2200024 For Five Testing          Technicians to assist the          Department of Human Services          with quality control for          design, development, and          implementation of a Statewide          Automated Child Welfare          Information System (SACWIS)</p>
--	--

8. DEPARTMENT OF TRANSPORTATION

<p>1) Road Runr Maintenance          Pontiac, MI</p>	<p>\$ 898,380.00 (5 years)  <b>FY12-17</b> 100% Restricted Fund  <i>State Trunkline Fund</i>          071I2200003 Janitorial, Lawn          Care, and Snow Removal for the          Clare and Dundee Welcome          Centers</p>
--	---

**SECTION VI - DTMB SUBMITTED - CONTRACT CHANGES**

9. DEPARTMENT OF COMMUNITY HEALTH

<p>1) Detroit Bio Laboratories,          Incorporated          Farmington Hills, MI</p>	<p>\$ 200,000.00 Amendment          \$ 909,645.74 New Total  <b>FY12-13</b> 62% Federal Fund          3% Restricted Fund  <i>First and Third Party Payments</i>          35% Other Funds          071B8200075 Additional funding          to exercise a one-year option          to the contract for Medical lab          Services for the Hawthorn          Center</p>
---	---

9. DEPARTMENT OF COMMUNITY HEALTH continued

2) Morrison Management Specialist, Inc.  
Novi, MI

	\$ 1,860,000.00	Amendment
	\$ 7,502,104.00	New Total
	<b>FY12-13</b>	100% General Fund
	071B9200075	Additional funding to exercise a one-year option to the contract for Food Management Services at Walter Reuther Hospital

10. DEPARTMENT OF CORRECTIONS

1) Corizon Health, Inc.  
Brentwood, TN

	\$ 52,000,000.00	Amendment
	\$377,344,397.00	New Total
	<b>FY12</b>	100% General Fund
	071B9200147	Additional funding to exercise a six-month option to the contract for Prisoner Health Care Services

11. DEPARTMENT OF NATURAL RESOURCES

1) Pacific Regeneration Technologies  
Dryden, ON, Canada

	\$ 195,000.00	Amendment
	\$ 966,250.00	New Total
	<b>FY12</b>	100% Restricted Fund
	<i>Forest Development Fund</i>	
	071B5200208	Additional funds for the contract for seedlings

12. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

1) Altarum Institute  
Ann Arbor, MI

	\$ 275,000.00	Amendment
	\$ 1,191,203.00	New Total
	<b>FY12</b>	10% General Fund
		90% Federal Fund
	071B1300364	Additional funding for the contract for MI Disease Surveillance System for the Department of Community Health

12. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET continued

- |    |  |  |  |
|----|--|--|--|
| 2) | Asbestos Abatement, Inc.<br>Lansing, MI                    | \$ 125,000.00 Amendment<br>\$ 398,600.00 New Total       | <b>FY12</b> 100% Restricted Fund<br><i>Building Occupancy Fund</i><br>071B9200065 Additional funds<br>for an option year to the<br>contract for Asbestos Abatement<br>services - Statewide   |
| 3) | Magellan Behavioral of<br>Michigan<br>Maryland Heights, MO | \$ 13,696,515.84 Amendment<br>\$ 60,507,278.17 New Total | <b>FY12-13</b> 100% Restricted Fund<br><i>State Sponsored Group Insurance Fund</i><br>071B9200146 Additional funding<br>to exercise a one-year option<br>to the contract for Mental<br>Health and Substance Abuse<br>Preferred Provider Services for<br>the Civil Service Commission |
| 4) | Pro-Tech Environmental, Inc.<br>Grand Rapids, MI           | \$ 99,950.00 Amendment<br>\$ 599,700.00 New Total        | <b>FY12</b> 100% Restricted Fund<br><i>Building Occupancy Fund</i><br>071B7200005 Additional funds<br>for a one-year extension of the<br>contract for Hazardous Lead<br>Clean-up Services at the<br>Michigan State Police Training<br>Academy firing range                           |
| 5) | Strategic Protection Group<br>Oak Park, MI                 | \$ 256,558.11 Amendment<br>\$ 11,652,851.00 New Total    | <b>FY12-14</b> 66% Federal Fund<br>34% General Fund<br>071B9200247 Additional funds<br>for Unarmed Security Guard<br>Services at eight additional<br>locations for the Department of<br>Human Services   |

12. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET continued

6) West Publishing \$ 515,400.00 Amendment  
Eagan, MN \$ 3,054,869.59 New Total  
**FY12-15** 100% General Fund  
071B0200323 Additional funding  
to add the Department of  
Education Law Library to the  
contract for Legal Research/  
Personal Information Databases  
and Legal Print Products

**SECTION VII - RELEASE OF FUNDS TO WORK ORDER**

**SECTION VIII - REVISION TO WORK ORDER**

**SECTION IX - CLAIMS - PERSONAL PROPERTY LOSS**

13. DEPARTMENT OF CORRECTIONS

Inmate Claims

1) Jace Adams #674887 \$ 18.70

The claimant (11-SAB/DOC-543) requests \$18.70 reimbursement for two homemade hats and two tank tops lost while under control of the Department. The Committee recommends approval of this claim.

2) Brock Altringer #779743 \$ 58.75

The claimant (11-SAB/DOC-516) requests \$58.75 reimbursement for his Union Supply order never received. The Committee recommends approval of this claim.

3) Jabari Black #335726 \$199.75

The claimant (11-SAB/DOC-517) requests \$199.75 reimbursement for his TV damaged during transfer from one facility to another. The Committee recommends approval of this claim.

4) Antwan Coleman #253975 \$ 49.99

The claimant (11-SAB/DOC-519) requests \$49.99 reimbursement for his gym shoes stolen while under control of the Department. The Committee recommends approval of this claim.

13. DEPARTMENT OF CORRECTIONS continued

- 5) Paul Davis #514719 \$141.25

The claimant (11-SAB/DOC-067) requests \$141.25 reimbursement for his footlocker, tape player and TV lost during transfer from one facility to another. The Committee recommends approval of \$122.44 for this claim.

- 6) Charles Evans #198254 \$161.06

The claimant (11-SAB/DOC-545) requests \$161.06 reimbursement for his TV damaged during transfer from one facility to another. The Committee recommends approval of this claim.

- 7) left blank intentionally

- 8) Troy Jones #403344 \$139.85

The claimant (11-SAB/DOC-133) requests \$139.85 reimbursement for 3 legal books lost while under control of the Department. The Committee recommends approval of this claim.

- 9) Shaquann Mayo #766855 \$ 70.00

The claimant (11-SAB/DOC-547) requests \$70.00 reimbursement for his TV damaged while under control of the Department. The Committee recommends approval of this claim.

- 10) Lance McNeal #302062 \$ 77.48

The claimant (11-SAB/DOC-520) requests \$77.48 reimbursement for his shoes ordered and never received. The Committee recommends approval of this claim.

- 11) Michael Mitchell #431796 \$203.40

The claimant (10-SAB/DOC-239) requests \$203.40 reimbursement for his TV and visiting clothing lost while under control of the Department. The Committee recommends approval of \$20.34 for this claim.

13. DEPARTMENT OF CORRECTIONS continued

12) Brandon Moore #488354 \$129.32

The claimant (11-SAB/DOC-523) requests \$129.32 reimbursement for his MP3 player damaged by staff. The Committee recommends approval of \$103.46 for this claim.

13) Calvin Nealous #480801 \$ 55.00

The claimant (11-SAB/DOC-548) requests \$55.00 reimbursement for miscellaneous items lost during transfer from one facility to another. The Committee recommends approval of this claim.

14) Matthew O'Non #409263 \$ 75.25

The claimant (11-SAB/DOC-549) requests \$75.25 reimbursement for 1 pair of boots and 2 pair of sweatpants lost while under control of the Department. The Committee recommends approval of this claim.

15) Lynette Pontius #408192 \$ 68.42

The claimant (11-SAB/DOC-386) requests \$ 68.42 reimbursement for her laundry never returned. The Committee recommends approval of this claim.

16) Jack Tillman #273361 \$311.81

The claimant (11-SAB/DOC-100) requests \$311.81 reimbursement for his MP3 player, TV and speakers lost while under control of the Department. The Committee recommends approval of \$280.06 for this claim.

17) Ronald Wheeler #443780 \$ 45.39

The claimant (11-SAB/DOC-552) requests \$45.39 reimbursement for his store order never received. The Committee recommends approval of this claim.

18) Troy Williams #675850 \$545.53

The claimant (11-SAB/DOC-553) requests \$545.53 reimbursement for miscellaneous items stolen while under control of the Department. The Committee recommends approval of this claim.

13. DEPARTMENT OF CORRECTIONS continued

- 19) Anthony Young #176203 \$ 15.42

The claimant (11-SAB/DOC-387) requests \$15.42 reimbursement for 1 doo rag and 2 pairs of gloves sent to laundry and never returned. The Committee recommends approval of this claim.

14. DEPARTMENT OF NATURAL RESOURCES

Citizen Claims

- 1) Robert Armstrong \$999.99

The claimant (11-SAB-042) requests \$999.99 reimbursement for damage to his 5<sup>th</sup> wheel trailer when a tree fell on it. The Committee recommends approval of this claim.

- 2) Jeff Bruns \$164.20

The claimant (11-SAB-105) requests \$164.20 reimbursement for damage to his vehicle after hitting a trailer. The Committee recommends approval of this claim.

- 3) Peggy Dion \$999.99

The claimant (11-SAB-100) requests \$999.99 reimbursement for damage to her trailer from an electrical storm. The Committee recommends denial of this claim.

- 4) Lonnie Harger \$ 49.75

The claimant (11-SAB-109) requests \$49.75 reimbursement for damage to his camper when a rock from a lawn mower driven by an employee broke his window. The Committee recommends approval of this claim.

- 5) Raymond Kline \$999.99

The claimant (11-SAB-067) requests \$999.99 reimbursement for damage to his trailer when a rock from a lawn mower driven by an employee put a hole in the side. The Committee recommends approval of this claim.

14. DEPARTMENT OF NATURAL RESOURCES continued

- 6) Kristen LaFontsee \$108.51

The claimant (11-SAB-086) requests \$108.51 reimbursement for damage to the plugs in her camper by an electrical surge. The Committee recommends approval of this claim.

- 7) Latitude Subrogation \$999.99  
For Jerry Balmes

The claimant (11-SAB-090) requests \$999.99 reimbursement for damage to his computer from a power surge. The Committee recommends approval of this claim.

- 8) Tarri Oeverman \$759.70

The claimant (11-SAB-099) requests \$759.70 reimbursement for damage to his trailer when an employee using a sweeper hit it. The Committee recommends approval of this claim.

- 9) Barbara Pyle \$485.17

The claimant (11-SAB-044) requests \$485.17 reimbursement for damage to her appliances from a power surge caused by a tree limb cut down by DNR employees. The Committee recommends approval of this claim.

- 10) Verna Swerdan \$845.88

The claimant (11-SAB-038) requests \$845.88 reimbursement for damage to her appliances from a power surge caused by a tree limb cut down by DNR employees. The Committee recommends approval of this claim.

- 11) Steven Weiler \$ 91.66

The claimant (11-SAB-106) requests \$91.66 reimbursement for damage to his camper due to a power surge. The Committee recommends approval of this claim.

15. DEPARTMENT OF STATE

Citizen Claim

- 1) David Hughey \$200.00

The claimant (11-SAB-016) requests \$200.00 reimbursement for towing and impound charges due to Secretary of State error. The Committee recommends denial of this claim.

16. DEPARTMENT OF STATE POLICE

Citizen Claim

- 1) Larry Sikorski \$180.00

The claimant (11-SAB-143) requests \$180.00 reimbursement for damage to his soybean crop after an officer drove into his field. The Committee recommends approval of this claim.

17. DEPARTMENT OF TRANSPORTATION

Citizen Claims

- 1) Christopher Johnson \$541.69

The claimant (11-SAB-145) requests \$541.69 reimbursement for damage to his tires due to poor road conditions. The Committee recommends approval of this claim.

- 2) Rodney Williams \$999.99

The claimant (10-SAB-105) requests \$999.99 reimbursement for damage to his vehicle due to orange barrels not being placed correctly. The Committee recommends denial of this claim.

**SECTION X - CLAIMS - PERSONAL INJURY LOSS**

**SECTION XI - SPECIAL ITEMS**

The Director of the Department of Technology, Management and Budget recommends approval by the State Administrative Board of the items contained in Sections I, II, III, IV, V, and VI of this agenda. Approval by the State Administrative Board of these award recommendations does not require or constitute the award of same. Award of contracts shall be made at the discretion of the DTMB Director or designee.

**R E C O V E R Y   A C T   F U N D S**  
**A G E N D A**

11/18/2011 11:30 version

**FINANCE AND CLAIMS COMMITTEE**  
November 29, 2011, 11:00 a.m.  
Lake Superior Room  
1<sup>st</sup> Floor, Michigan Library  
and Historical Center

**STATE ADMINISTRATIVE BOARD**  
December 6, 2011, 11:00 a.m.  
Lake Superior Room  
1<sup>st</sup> Floor, Michigan Library  
and Historical Center

.....

This agenda is for general informational purposes only.  
At its discretion the Finance and Claims Committee may revise  
this agenda and may take up other issues at the meeting.

**SECTION I - AGENCY SUBMITTED - NEW CONTRACTS**

**SECTION II - AGENCY SUBMITTED - CONTRACT CHANGES**

**SECTION III - AGENCY SUBMITTED - NEW GRANTS**

1a. **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS/  
MICHIGAN STRATEGIC FUND**

- 1) NextEnergy \$ 800,000.00 Total  
Detroit, MI **FY12** 100% Recovery Act Funds  
One-year contract to procure  
and install a four-bay,  
commercial electric vehicle  
charging station

**SECTION IV - AGENCY SUBMITTED - GRANT CHANGES**

**SECTION V - DTMB SUBMITTED - NEW CONTRACTS**

**SECTION VI - DTMB SUBMITTED - CONTRACT CHANGES**

**SECTION VII - RELEASE OF FUNDS TO WORK ORDER**

**SECTION VIII - REVISION TO WORK ORDER**

**SECTION IX - CLAIMS - PERSONAL PROPERTY LOSS**

**SECTION X - CLAIMS - PERSONAL INJURY LOSS**

**SECTION XI - SPECIAL ITEMS**

The Director of the Department of Technology, Management and Budget recommends approval by the State Administrative Board of the items contained in Sections I, II, III, IV, V, and VI of this agenda. Approval by the State Administrative Board of these award recommendations does not require or constitute the award of same. Award of contracts shall be made at the discretion of the DTMB Director or designee.

December 6, 2011

Michigan State  
Administrative Board

COMMITTEE REPORT TO THE  
STATE ADMINISTRATIVE BOARD

The Honorable Rick Snyder, Governor  
and  
Members of the State Administrative Board

A special meeting of the Finance and Claims Committee was held at  
11:00 a.m. on December 6, 2011. Those present being:

- Chairperson: Richard Darling, representing Approved Richard I. Darling  
State Treasurer Dillon
- Member: Mike Gadola, representing Approved Michael B. ...  
Governor Snyder
- Member: Iris Lopez, representing Approved Iris Lopez  
Attorney General Schuette

Others: Michael Reilly, Department of Attorney General; Janet Laverty,  
Department of Education; Rose Jarois, Mike Senyko, Department of  
State; Sherry Bond, Patrick Mullen, Deborah Roberts, Janet Rouse,  
Department of Technology, Management and Budget; Laura Mester, Bill  
Rottiers, Department of Transportation; Nat Forstner, Lt.  
Governor's Office; Rick Wiener, Wiener Associates

Mr. Darling called the meeting to order.

The Finance and Claims Committee Special Agenda was presented.

Following discussion, Ms. Lopez moved that the Special Agenda be  
recommended to the State Administrative Board for approval. The motion  
was supported by Mr. Gadola and unanimously adopted.

Mr. Darling adjourned the meeting.

**A M E N D E D  
S P E C I A L  
A G E N D A**

12/6/2011 9::20 version

**FINANCE AND CLAIMS COMMITTEE**  
December 6, 2011, 11:00 a.m.  
Lake Superior Room  
1<sup>st</sup> Floor, Michigan Library  
and Historical Center

**STATE ADMINISTRATIVE BOARD**  
December 6, 2011, 11:00 a.m.  
Lake Superior Room  
1<sup>st</sup> Floor, Michigan Library  
and Historical Center

.....

This agenda is for general informational purposes only.  
At its discretion the Finance and Claims Committee may revise  
this agenda and may take up other issues at the meeting.

**SECTION I - AGENCY SUBMITTED - NEW CONTRACTS**

**SECTION II - AGENCY SUBMITTED - CONTRACT CHANGES**

**SECTION III - AGENCY SUBMITTED - NEW GRANTS**

**SECTION IV - AGENCY SUBMITTED - GRANT CHANGES**

**SECTION V - DTMB SUBMITTED - NEW CONTRACTS**

**SECTION VI - DTMB SUBMITTED - CONTRACT CHANGES**

**SECTION VII - RELEASE OF FUNDS TO WORK ORDER**

**SECTION VIII - REVISION TO WORK ORDER**

**SECTION IX - CLAIMS - PERSONAL PROPERTY LOSS**

**SECTION X - CLAIMS - PERSONAL INJURY LOSS**

**SECTION XI - SPECIAL ITEMS**

1s. DEPARTMENT OF STATE

- 1) Requests approval to procure \$1,163,446.00 in Electronic Poll Books funded by a federal Help America Vote Act (HAVA) grant for approximately 500 jurisdictions. Department of State will provide a detailed report of the grants to the Board as soon as possible.

2s. DEPARTMENT OF TREASURY

- 1) The Michigan Education Trust Board requests approval of the following Plan D contracts: 2011 University Full and Limited Benefits Plan Contract, 2011 Community College Lump Sum University and Monthly Purchase Plan Contract, and 2011 Community College Monthly Purchase Plan Contract and 2011 Charitable Contract. This request is made in accordance with P.A. 316 of 1986, Section 11. The MET Board of Directors approved these contracts on December 1, 2011 (Resolutions 2011-13 and 2011-14).

The Director of the Department of Technology, Management and Budget recommends approval by the State Administrative Board of the items contained in Sections I, II, III, IV, V, and VI of this agenda. Approval by the State Administrative Board of these award recommendations does not require or constitute the award of same. Award of contracts shall be made at the discretion of the DTMB Director or designee.

-----

Mr. Darling presented the Finance and Claims Committee Reports for the regular meeting of November 29, 2011, and the special meeting of December 6, 2011. After review of the foregoing Finance and Claims Committee Reports, Mr. Darling moved that the Reports covering the regular meeting of November 29, 2011, and the special meeting of December 6, 2011, be approved and adopted. The motion was supported by Mr. Senyko and unanimously approved.

# APPROVED

December 6, 2011

December 6, 2011 No. 37

Michigan State  
Administrative Board

## COMMITTEE REPORT TO THE STATE ADMINISTRATIVE BOARD

---

The Honorable Rick Snyder, Governor  
and  
Members of the State Administrative Board

A Regular meeting of the Transportation and Natural Resources  
Committee was held at 3:30 p.m. on November 30, 2011. Those present  
being:

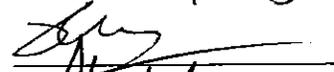
Chairperson: Mike Senyko, representing  
Secretary of State Johnson

Approved



Member: David Murley, representing  
Lt. Governor Calley

Approved



Member: James Shell, representing  
Attorney General Schuette

Approved



Others: Tom Hoane, Shaun Lehman, Department of Natural Resources; Rose  
Jarois, Department of State; Sherry Bond, Janet Rouse, Department  
of Technology, Management and Budget; Bill Rottiers, Department  
of Transportation

---

Mr. Senyko called the meeting to order.

There was no Department of Environmental Quality Agenda presented.

The Department of Natural Resources Agenda was presented.

Following discussion, Mr. Shell moved that the Natural Resources Regular  
Agenda be recommended to the State Administrative Board for approval.  
Supported by Mr. Murley, the motion was unanimously adopted.

The Department of Transportation Regular Agenda was presented.

Following discussion, Mr. Shell moved that the Transportation Regular Agenda  
be recommended to the State Administrative Board for approval with Item 3 of  
the Transportation Regular Agenda withdrawn and Item 2 of the Transportation  
Regular Agenda approved contingent upon approval by the Office of Commission  
Audit. Supported by Mr. Murley, the motion was unanimously adopted.

Mr. Senyko adjourned the meeting.

A G E N D A

NATURAL RESOURCES ITEMS FOR THE

TRANSPORTATION AND NATURAL RESOURCES COMMITTEE - STATE ADMINISTRATIVE BOARD

Transportation and Natural Resources - November 30, 2011 - 3:30 P.M.  
State Administrative Board Meeting - December 6, 2011 - 11:00 A.M.

.....

This agenda is for general informational purposes only. At its discretion, the Transportation and Natural Resources Committee may revise this agenda and may take up other issues at the meeting.

MINERAL LEASES

1. **SIX DIRECT METALLIC MINERAL LEASES - DEVELOPMENT WITH RESTRICTION:** Metallic mineral lease rights to 760 acres, more or less, of state-owned mineral rights have been requested by Aquila Resources USA, Inc. of Menominee, Michigan, located in Sections 9, 10, 14, 22, 23 and 26, T38N, R28W, Faithorn Township, Menominee County.

Terms: Ten year term, standard rental of \$3.00 per acre, variable royalty, and bonus consideration of \$2,280.00.

The Chief of Forest Management Division approved this item on November 8, 2011. The form of legal document involved in these transactions has previously been approved by the Attorney General.

I recommend approval.

Respectfully submitted:  
Department of Natural Resources

By: Thomas Wellman  
Thomas Wellman, Manager  
Mineral and Land Management Section  
Forest Management Division



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF NATURAL RESOURCES  
LANSING

December 6, 2011 No. 29



RODNEY A. STOKES  
DIRECTOR

November 7, 2011

To: Lynne M. Boyd, Chief, Forest Management Division

Subject: Six Direct Metallic Mineral Leases, Development with Restriction

Authority: Part 5, Department of Natural Resources, Section 502, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended

Applicant: Aquila Resources USA, Inc., Menominee, Michigan

Jurisdiction: Department of Natural Resources (DNR) Mineral ownership

Land Description: Sections 9, 10, 14, 22, 23, and 26, T38N, R28W, Faithorn Township, Menominee County, 760 acres, more or less. Please see attached parcel list.

Lease Terms: Ten year term, standard rental (\$3.00 per acre), royalty (variable), and bonus consideration of \$2,280.00 (\$3.00 per acre).

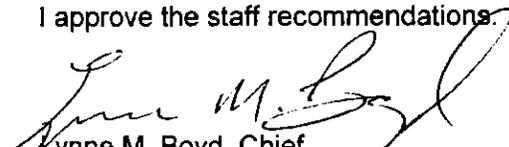
Restriction: "Best Management Practices" along streams, wetlands and steep slopes, and no exploration drilling in wetlands, or within 300 feet of waterways.

Notice: This item appeared on the October 31, 2011 DNR Business Calendar, was published in the *Menominee County Journal* on September 29, 2011, and is eligible for approval on November 7, 2011.

Recommendation: That six direct development with restriction leases be issued to the applicant pursuant to the above terms and conditions.

Thomas Wellman, Section Manager  
Mineral and Land Management Section

I approve the staff recommendations.

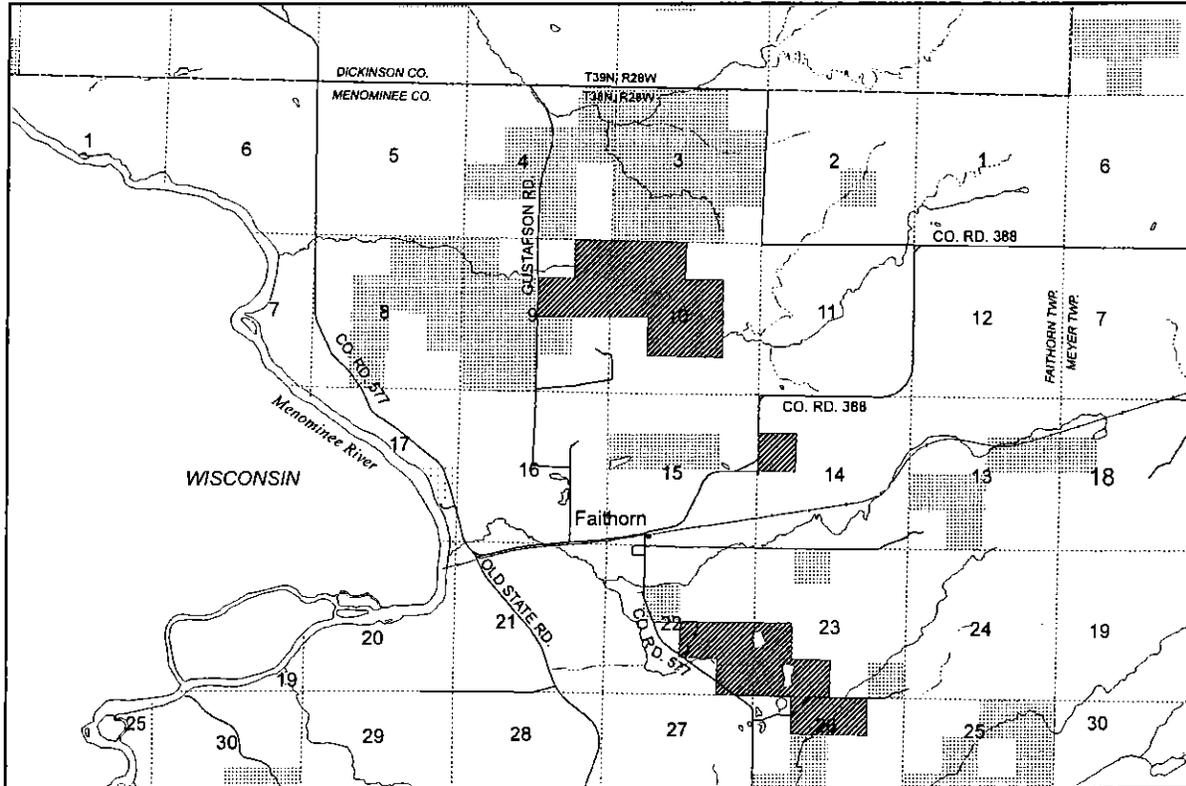


Lynne M. Boyd, Chief  
Forest Management Division

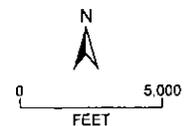
11/18/11  
Approval Date

# DIRECT METALLIC MINERAL LEASES (6) DEVELOPMENT WITH RESTRICTION

Aquila Resources USA, Inc.  
Sections 9, 10, 14, 22, 23, and 26, T38N, R28W  
Faithorn Township, Menominee County



-  State land to be leased (760 acres, more or less)
-  Mineral and surface ownership
-  Mineral ownership
-  Mixed ownership
-  Surface ownership



Aquila Resources USA, Inc.  
 Direct Metallic Mineral Nomination 2011-6

PAR ID	LOCATION	ACRE	CLASS	NOTE
100592	Menominee, T38N, R28W, S09, NE1/4 of NE1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100593	Menominee, T38N, R28W, S09, SW1/4 of NE1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100594	Menominee, T38N, R28W, S09, SE1/4 of NE1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100610	Menominee, T38N, R28W, S10, SW1/4 of NE1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100611	Menominee, T38N, R28W, S10, NE1/4 of NW1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100612	Menominee, T38N, R28W, S10, NW1/4 of NW1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100613	Menominee, T38N, R28W, S10, SW1/4 of NW1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100614	Menominee, T38N, R28W, S10, SE1/4 of NW1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100615	Menominee, T38N, R28W, S10, NE1/4 of SW1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100616	Menominee, T38N, R28W, S10, NW1/4 of SW1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100623	Menominee, T38N, R28W, S14, SW1/4 of NW1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100635	Menominee, T38N, R28W, S22, NE1/4 of SE1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100636	Menominee, T38N, R28W, S22, NW1/4 of SE1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100637	Menominee, T38N, R28W, S22, SE1/4 of SE1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100639	Menominee, T38N, R28W, S23, NW1/4 of SW1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100640	Menominee, T38N, R28W, S23, SW1/4 of SW1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100641	Menominee, T38N, R28W, S23, SE1/4 of SW1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100659	Menominee, T38N, R28W, S26, NW1/4 of NE1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.
100660	Menominee, T38N, R28W, S26, NE1/4 of NW1/4 (1)	40	LDR	BMPs, no drilling within 300 feet of waterways, or in wetlands.

AGENDA

DEPARTMENT OF TRANSPORTATION

TRANSPORTATION and NATURAL RESOURCES COMMITTEE  
STATE ADMINISTRATIVE BOARD

T&NR Meeting: November 30, 2011– Lake Superior Room,  
1st Floor, Michigan Library and Historical Center, 3:30 PM  
State Administrative Board Meeting: December 6, 2011 – Lake Superior Room,  
1st Floor, Michigan Library and Historical Center, 11:00 AM

.....

This agenda is for general informational purposes only. At its discretion, the Transportation and Natural Resources Committee may revise this agenda and may take up other issues at the meeting.

**CONTRACTS**

1.     **\*HIGHWAYS – Intelligent Transportation System Services**  
Contract (2011-0463) between MDOT and Iteris Michigan, LLC, will provide for design services to be performed for the installation of Intelligent Transportation System (ITS) infrastructure (conduit fiber and ITS devices) along I-69 from Harvey Road (St. Clair County line) to the I-69/I-94 interchange and along I-94 from the I-69/I-94 interchange to the Blue Water Bridge (CS various – JN 110937C). The work items will include the development of a Concept of Operations for the project, instruction for ITS design procedures and guidance for use of MicroStation, preparation of required plans, and computation and verification of plan quantities. The contract will be in effect from the date of award through December 31, 2013. The contract amount will be \$559,351.77. Source of Funds: 81.85% Federal Highway Administration Funds and 18.15% State Restricted Trunkline Funds.
  
2.     **HIGHWAYS - Design Services**  
Contract (2011-0486) between MDOT and Alfred Benesch & Company will provide for design services to be performed for the replacement and reconstruction of various bridges located along the I-96/US-23 interchange in Brighton Township, Livingston County (CS 47064 – JN 112877D and 112879D). The work items will include bridge and deck replacement, widening, substructure repair, steel repairs, full cleaning and coating of structural steel, bearing replacements, and slope paving repairs. The contract will be in effect from the date of award through July 31, 2014. The contract amount will be \$1,725,572.85. Source of Funds: 90% Federal Highway Administration Funds and 10% State Restricted Trunkline Funds.

3. \*HIGHWAYS – Construction Engineering Services  
Contract (2011-0532) between MDOT and HNTB Michigan, Inc., will provide for full construction engineering services to be performed for various projects in Wayne and Oakland Counties, Metro Region. The work items will include project administration; inspection; staking; quality assurance testing and reporting; measurement, computation, and documentation of quantities; reporting and record-keeping; and finalizing all project documentation. The contract will be in effect from the date of award through March 31, 2014. The contract amount will be \$1,294,534.95. Source of Funds: 86.69% Federal Highway Administration Funds and 13.31% State Restricted Trunkline Funds.
4. HIGHWAYS - IDS Engineering Services  
Contract (2012-0239) between MDOT and 5 Star Development, LLC, will provide for services for which the consultant is prequalified to be performed on an as needed/when needed basis. The contract will be in effect from the date of award through three years. The maximum contract amount will be \$50,000, and the maximum amount of any authorization will be \$50,000. Source of Funds: Federal, Restricted State, or local funds, depending on the particular project authorized.
5. HIGHWAYS - IDS Engineering Services  
Contract (2012-0240) between MDOT and HNTB Michigan, Inc., will provide for services for which the consultant is prequalified to be performed on an as needed/when needed basis. The contract will be in effect from the date of award through three years. The maximum contract amount will be \$4,000,000, and the maximum amount of any authorization will be \$1,000,000. Authorizations over \$500,000 will be submitted to the State Administrative Board for approval. Source of Funds: Federal, Restricted State, or local funds, depending on the particular project authorized.
6. HIGHWAYS – IDS Engineering Services  
Contract (2012-0241) between MDOT and Orchard, Hiltz & McCliment, Inc., will provide for services for which the consultant is prequalified to be performed on an as needed/when needed basis. The contract will be in effect from the date of award through three years. The maximum contract amount will be \$4,000,000, and the maximum amount of any authorization will be \$1,000,000. Authorizations over \$500,000 will be submitted to the State Administrative Board for approval. Source of Funds: Federal, Restricted State, or local funds, depending on the particular project authorized.

\* Denotes a non-standard contract/amendment

7. \*HIGHWAYS – Law Enforcement in Work Zones  
Memorandum of Understanding (MOU) (2012-0244) between MDOT and the Michigan Department of State Police (MSP) will provide for dedicated police patrols in MDOT-designated highway work zones and for yearly reports evaluating the effectiveness of the patrols in improving motorist speed limit compliance and worker safety for each of the seven regions. MSP will provide off-duty volunteer officers to provide the services on an overtime basis; MDOT will pay MSP the actual rate paid by MSP to its personnel for such work. The MOU will be in effect from the date of award through December 31, 2015. The MOU amount will be \$1,500,000. Source of Funds: Federal, Restricted State, or local funds, depending on the particular project authorized.
  
8. \*INTERNATIONAL BRIDGE ADMINISTRATION – Specialty Services  
Contract (2012-0242) between the International Bridge Administration (IBA) and Windemuller Electric, Inc., will provide for specialty services to be performed for a bridge security system upgrade at the International Bridge in Chippewa County. The work items will include installation and upgrade of software and hardware components of the existing security system and amendment of existing as-built plans. The contract will be in effect from the date of award through May 31, 2012. The contract amount will be \$490,501.01. Source of Funds: 100% International Bridge Administration Funds.
  
9. \*TRANSPORTATION PLANNING – Increase Services and Amount, Extend Term  
Amendatory Contract (2010-0436/A1) between MDOT and the Regents of the University of Michigan will provide for the performance of additional services, will increase the contract amount by \$361,810, and will extend the contract term by approximately 21 months to provide sufficient time for the university to complete the services. The additional services will include updating MDOT's Benefits Estimation System for Transportation (BEST Tool). The BEST Tool needs to be updated to utilize the forecasts being generated by the research team. The final forecast results are being adopted by MDOT for applications moving forward, and the BEST Tool needs to be synchronized to these results for its intended applications. The original contract provides for an updated and consistent set of forecasts of population, employment, households, personal income, and labor productivity for all 83 counties in Michigan. The forecasts will assist in the development of updated travel demand models at the state and metropolitan planning organization levels. The revised contract term will be September 30, 2010, through September 30, 2013. The revised contract amount will be \$821,810. Source of Funds: Federal Highway Administration Funds - \$657,448; State Restricted Trunkline Funds - \$164,362.



3.00 % DBE participation required

BIDDER	AS-SUBMITTED	AS-CHECKED
<b>Pamar Enterprises, Inc.</b>	<b>\$ 1,114,951.89</b>	<b>Same 1 **</b>
Zito Construction	\$ 1,185,772.84	Same 2
Milbocker and Sons, Inc.		
C & D Hughes, Inc.		
Nashville Construction Company		
Fonson, Inc.		
Ajax Paving Industries, Inc.		

2 Bidders

In accordance with MDOT's policies and procedures and subject to concurrence by the Federal Highway Administration, the preparation and award of the appropriate documents approved by the Attorney General, and compliance with all legal and fiscal requirements, the Director recommends for approval by the State Administrative Board the items on this agenda.

The approval by the State Administrative Board of these contracts does not constitute the award of same. The award of contracts shall be made at the discretion of the Director-Department of Transportation when the aforementioned requirements have been met. Subject to exercise of that discretion, I approve the contracts described in this agenda and authorize their award by the responsible management staff of MDOT to the extent authorized by, and in accordance with, the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of April 13, 2011.

Respectfully submitted,



Kirk T. Steudle  
Director



-----

Mr. Senyko presented the Transportation and Natural Resources Committee Report for the regular meeting of November 30, 2011. After review of the foregoing Transportation and Natural Resources Committee Report, Mr. Senyko moved that the Report covering the regular meeting of November 30, 2011, be approved and adopted. The motion was supported by Mr. Reilly and unanimously approved.

8. MOTIONS AND RESOLUTIONS:

NONE

9. ADJOURNMENT:

Mr. Gadola adjourned the meeting and there were no objections.

  
SECRETARY

  
CHAIRPERSON