

MICHIGAN STATE TRANSPORTATION COMMISSION
PUBLIC MEETING
AGENDA

DATE: Thursday, September 18, 2014
TIME: 9:00 a.m.
LOCATION: Office of Aeronautics, Auditorium
Aeronautics Building, First Floor, 2700 Port Lansing Road, Lansing, Michigan

I. **WELCOME**

- Michigan Department of Transportation Director's Report – Director Kirk Steudle

II. **COMMISSION BUSINESS**

- Minutes of July 17, 2014, Commission Meeting (**motion required**)
- 2015 Commission Meeting Schedule -Proposed (**motion required**)

III. **OVERSIGHT**

- Exhibit A: Contract Agreements – Myron Frierson (**motion required**)
- Exhibit A-1: Bid Letting Pre-Approvals – Myron Frierson (**motion required**)
- Exhibit A-2: Letting Exceptions – Mark Van Port Fleet (**motion required**)
- Exhibit A-3: Information for the Commission – Myron Frierson (no motion required)
- Exhibit B: Contract Projects – Brenda O'Brien (no motion required)
- Exhibit C: Six-month Financial Audit Follow-up Report – Jack Cotter (**motion required**)

IV. **NOMINATIONS**

- Transportation Asset Management Council (TAMC) Member Appointments for 2015 – Bob Slattery, TAMC Vice-chair (**motion required and roll call**)

V. **PRESENTATIONS**

- TAMC Fiscal Year 2015 Budget and Fiscal Year 2016 Allocation Request – Bob Slattery, TAMC Vice-chair (**motion required and roll call**)
- 2015 Transportation Program – Karen Howe, Highway Program; Jean Reustman, Passenger Transportation; Deb Brown, Office of Rail; and Dave Baker, Aviation (**motion required and roll call**)

VI. **PUBLIC COMMENTS**

VII. **ADJOURNMENT**

VIII. **NEXT MEETING**

- The next full meeting will be held Thursday, December 4, 2014, in Lansing at the Aeronautics Building.

The Commission may, at its discretion, revise this agenda or take up any other issues as need and as time allows. If you have any questions regarding this meeting, or need special accommodations to attend this meeting, please notify the State Transportation Commission Office at 517-373-2110.

Meeting agendas and minutes can be found on our website at www.michigan.gov/transcommission.

MICHIGAN STATE TRANSPORTATION COMMISSION

PUBLIC MEETING

July 17, 2014, Lansing, Michigan

MEETING MINUTES

Members Present: Jerrold Jung, Chair
Todd Wyett, Vice Chair
Ron Boji, Commissioner
Charles Moser, Commissioner

Members Absent: Angelynn Afendoulis, Commissioner
Michael Hayes, Commissioner

Also Present: Kirk Steudle, Director, Michigan Department of Transportation (MDOT)
Michael Reilly, First Assistant Attorney General, Transportation Division
Frank E. Raha, Commission Advisor
Myron Frierson, Director, MDOT Bureau of Finance and Administration
Mark Van Port Fleet, Director, MDOT Bureau of Highway Development
Brenda O'Brien, Engineer, MDOT Construction & Technology
Jack Cotter, Commission Auditor, Office of Commission Audits
Tony Kratofil, MDOT Metro Region Engineer
David Wresinski, Director, MDOT Bureau of Transportation Planning
Craig Newell, Manager, MDOT Statewide Systems Management Section
Mary Fedewa, Executive Assistant, Office of Commission Audits
A list of additional people who attended is attached to the official minutes.

I. WELCOME

Chair Jung called the meeting to order at 9:00 a.m. in Livonia, Michigan.

• ***Schoolcraft College Welcome – Dr. James Ryan, Executive Director of Institutional Advancement***

Dr. Ryan spoke on behalf of Schoolcraft's president Conway Jeffress. He noted that the meeting is taking place in the college's VisTaTech Center and that VisTaTech stands for vision, talent, and technology; he spoke about the features of the facility for meetings. The college has two satellite locations; the first is Radcliff Center in Garden City. The second is also in Livonia just off the Merriman Road exit; it is a Public Safety Training Complex and its firing range was opened to the public recently. The college serves 13,000 full-time students, and 20,000 part-time and continuing education students. It offers certificates, associates degrees, and starting this winter a bachelor's degree in culinary arts, which is the college's premier curriculum. They also partner with the University of Toledo and Wayne State University to offer their classes in Livonia. The college owns all the land from Six to Seven Mile Road and I-275 to Haggerty Road; the college leases property not used for the main campus and sells oil and gas from the property to help keep costs down for students.

- ***Michigan Department of Transportation Director's Report – Kirk Steudle***

Director Steudle talked about the federal highway trust fund (HTF). HTF balance will go negative in next couple of weeks, at that time we will not receive 100 percent reimbursement. However, we are in good shape financially until the reimbursements catch up. The balance crisis also happened in 2008, 2009, 2010, and 2012; during those times federal general funds were transferred to HTF. Years ago the HTF had a surplus and the states asked for extra funds, but since that time more funds are coming out than going in.

MAP-21, a long-term highway authorization act, expires the end of September. Early this week the U.S. House passed a bill to extend MAP-21 until May 2015, it would put \$10.8 million into HTF with funding from pension smoothing. This is going to the Senate to review; however, the director heard that they want to wait on it until May 2015.

Even if we get federal funds, with the state funding that we have, we cannot meet the current goals. The *Trunkline Corridors of Highest Significance/Condition Goals* presentation later in today's meeting will give the Commissioners background information and a foundation to make decisions later. The Director will be asking the Commission to set policy on how we should make future investments.

Chair Jung noted that the president is trying to bring attention to the funding issue. He also noted that we do not know on the state level when we will get funding, and he agreed it will be an important function for the Commission to help MDOT prioritize.

- ***I-96 Project and Innovations – Tony Kratofil***

Change from order in agenda, this presentation moved to section IV.

No motions required.

II. **COMMISSION BUSINESS**

- ***Minutes of May 22, 2014, Commission Meeting***

Chair Jung requested a motion regarding approval of the minutes from the State Transportation Commission meeting of May 22, 2014. Commissioner Moser made a motion to approve and Commissioner Boji supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

III. **OVERSIGHT**

- ***Exhibit A: Contract Agreements – Myron Frierson***

Mr. Frierson presented information on 39 agreements. One of those is a resolution for a real estate transaction. MDOT purchased some property for \$5,000 an acre from the Spoonville Gun Club and in turn are selling land-locked property for the same price to them. Since the sale is worth more than \$100,000, Commission approval is needed. Pending any questions, Mr. Frierson asked for approval of Exhibit A and the Resolution.

Chair Jung requested a motion regarding approval of Exhibit A. Commissioner Wyett made a motion to approve and Commissioner Boji supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

Chair Jung requested a motion regarding approval of the Sale to Abutting Owner Resolution. Commissioner Wyett made a motion to approve and Commissioner Boji supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

- ***Exhibit A-1: Bid Letting Pre-Approvals – Myron Frierson***

Mr. Frierson presented information about Letting Statistics and Exhibit A-1. There was one letting in June. Projections for fiscal year 2014 were for 300 state jobs and a total construction cost estimate of \$756 billion. At this point in the year, we are 121 percent ahead of jobs projected and have let 100 percent of costs projected. Upcoming August 1 letting is currently advertising 62 projects. Exhibit A-1 lists 23 projects. Pending any questions, Mr. Frierson asked for approval of Exhibit A-1.

Chair Jung requested a motion regarding approval of Exhibit A-1. Commissioner Moser made a motion to approve and Commissioner Boji supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

- ***Exhibit A-2: Letting Exceptions – Mark Van Port Fleet***

Mr. Van Port Fleet provided information on 1 project that was over/under the engineer's estimates. There was a justification for the project since the low bid exceeded the engineer's estimate by more than ten percent; OCA has reviewed. Pending any questions, Mr. Van Port Fleet asked for approval of Exhibit A-2.

Chair Jung requested a motion regarding approval of Exhibit A-2. Commissioner Boji made a motion to approve and Commissioner Moser supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

- ***Supplemental Exhibit A-2: Letting Exceptions – Mark Van Port Fleet*** (addition to agenda)

Mr. Van Port Fleet provided information on 3 projects that were over/under the engineer's estimates. There were 3 justifications for projects where the low bid exceeded the engineer's estimate by more than ten percent; OCA has reviewed. Pending any questions, Mr. Van Port Fleet asked for approval of Supplemental Exhibit A-2.

Chair Jung asked about the low number of bidders. Mr. Van Port Fleet said MDOT has been seeing a low number of bidders and some projects with no bidders, so we are reviewing factors. MDOT has also seen more justifications for items being over/under 10 percent during the last two months, so we are looking at our estimation process.

Chair Jung requested a motion regarding approval of Supplemental Exhibit A-2. Commissioner Wyett made a motion to approve and Commissioner Boji supported. Chair Jung led a voice vote; all members present voted in favor; **motion to approve carried.**

- ***Exhibit B: Contract Projects Finaled – Brenda O’Brien***

Ms. O’Brien presented information about Exhibit B, which included cost comparison information about recently finaled contracts. For MDOT in May, there were 17 projects totaling \$60 million finaled; 1 of those was over 10% overruns. In June, there were 15 projects totaling \$41 million finaled; 1 of those was over 10% overrun. MDOT’s fiscal-year-to-date final contract cost is 1.42 percent over the original contract cost. For local agencies in May, there were 49 projects totaling \$37 million finaled; 3 of those were over 10% overruns. In June, there were 37 projects totaling \$32 million finaled; 4 of those were over 10% overruns.

There have been a large number of overruns because we are working on a backlog, next month we expect to have 9 additional projects and that will bring us current. Ms. O’Brien talked about a project overrun that resulted from revisions needed due to Intelligent Transportation Systems (ITS) being affected by nearby farm equipment using the same frequencies.

No motion required.

IV. **PRESENTATIONS**

- ***I-96 Project and Innovations – Tony Kratofil***

Mr. Kratofil gave an update on what is going in the Metro Region. The 96fix project is one of the largest projects that MDOT has undertaken; the project will reconstruct seven miles of an eight-lane road that includes work on 37 bridges for about \$150 million. This is being built in six months and there is a \$150,000/day incentive/disincentive for opening the road to traffic. This project is the largest we have done with e-construction, which has helped the project move faster. He spoke about other software that has aided the project as well. String-less paving and automated grade control has also helped move the project along faster since the paver can pave areas as grading is completed without waiting for surveyors and strings to be put in place.

A dynamic traffic assignment model was used to assess the effect of closing the road for six months vs. partial closure for two years, and that information was used to present options at a public meeting and through social media for public input. More than 1,700 people voted and 60 percent chose the option to close the road completely in order to complete it faster. The project is on schedule and is expected to open in October 2014.

He spoke about the economic benefit to companies and individuals who are working on the project. Scorecards for Inspector's Daily Reports (IDRs) show a high percentage for timeliness of completion and correction, which keeps the project moving. The project has an ombudsman to handle public inquiries. There has been high degree of public satisfaction; most contact has been questions about reroutes. For more information and updates go to www.96fix.com, www.facebook.com/96fix, or <https://twitter.com/96fix>.

Yesterday Governor Snyder was at Lawrence Tech for a briefing about carbon fiber reinforcement being used in bridge reconstruction at Eight Mile (M-102) over Plum Creek.

Carbon fiber is being used instead of steel because rusting of steel is a primary reason for bridge deterioration. Mr. Kratofil brought poster-size pictures of the project for the audience to view.

The M-1 streetcar project will be starting soon with work on bridges; the project will be about a two-year project.

Metro Region has adopted the road watchers program that MDOT North Region used for winter; they are using it to gain feedback from commuters on the work zones. Motorist can sign up at www.michigan.gov/roadwatchers. The feedback is given to staff weekly.

Chair Jung said he has received questions about why Eight Mile and I-96 are both under construction, since they run parallel and would be detour options. Mr. Kratofil said they have received that feedback. He said that the Eight Mile bridges were to be done last year, but while doing the eastbound bridge they tapped into natural gas. The delay caused work on the westbound bridge to be pushed to this year. Prior to starting this year, a dynamic traffic assignment model was used to assess the impact and it was found that having both roads worked on would still allow traffic flow because of the use of Grand River Avenue.

- ***Trunkline Corridors of Highest Significance/Condition Goals – Dave Wresinski and Craig Newell***

Mr. Wresinski provided background information about our current goals.

State Trunkline	Current Goal	Current Condition	Projected Condition 2025
Freeway Pavement	95% good	85% good/fair	44% good/fair
Non-freeway Payment	85% good	86% good/fair	30% good/fair
Bridge	95% / 85%	94% good/fair	91% good/fair

MDOT needs an additional \$1 billion per year to achieve current trunkline pavement goals by 2025, and an additional \$110 million per year to reach current bridge goals by 2025.

In 2007, MDOT categorized the state trunkline network into four Corridors of Highest Significance (CoHS). Mr. Newell provided information about the corridors.

1. International and National Corridor – connects activity centers with areas outside of Michigan, includes all of Michigan’s interstate and a portion of US-2 in the UP
2. Statewide Corridor – connects activity centers within Michigan, includes US and M routes
3. Regional Corridor – connects to International/National and Statewide corridors and within or between activity centers, includes higher volume M routes and some US routes
4. Local Corridor – connects within or between activity centers and to International/National and Statewide corridors, includes lower volume M routes

Poster-size maps and pictures depicting the corridors were displayed for the audience.

CoHS	State Trunkline Lane Miles	Percent of Trunkline Lane Miles	Annual Vehicle Miles Traveled	Commercial Annual Vehicle Miles Traveled	Current Good/Fair Payment Condition	Projected Good/Fair Condition 2025
Internat'l & Nat'l	6,658	22%	42%	61%	85%	57.4%
Statewide	7,485	25%	31%	23%	87%	48.3%
Regional	8,587	29%	19%	11%	86%	36.3%
Local	7,117	24%	8%	5%	86%	30.9%

Mr. Newell suggested we focus on the higher volume traveled routes when trying to decide how best to utilize limited resources, as those routes are also economically important corridors. Three scenarios were suggested:

	Scenario 1	Scenario 2	Scenario 3
CoHS	Proposed Good Pavement Condition Goals		
Internat'l & Nat'l	90%	80%	80%
Statewide	80%	80%	70%
Regional	70%	current ratings	60%
Local	60%	current ratings	60%
Funding	Annual Funding Needed to Meet Proposed Goals		
Current Funding	\$465 M	\$465 M	\$465 M
Additional Funding	\$775 M	\$465 M	\$604 M
Total Funding	\$1,240 M	\$930 M	\$1,069 M

MDOT will develop additional goal and funding scenarios based on feedback received.

Director Steudle said he would have more information at the next meeting; this is to get the discussion started. He also said the Road Quality Forecasting System has been shown to be very accurate so he is confident in the projections made.

No motion required.

V. **PUBLIC COMMENTS**

There were no public comments.

VI. **ADJOURNMENT**

With no further business being before the Commission, Chair Jung declared the meeting adjourned at 10:12 a.m.

VII. **NEXT MEETING**

The next full meeting will be held Thursday, September 18, 2014, in Lansing at the Aeronautics Building.

Frank E. Raha, III
Commission Advisor

DRAFT



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
STATE TRANSPORTATION COMMISSION
LANSING



DRAFT

Michigan State Transportation Commission

2015 Regular Meeting Schedule and Materials Due Dates

January 22 Materials due by noon on 1/13	July 23 Materials due by noon on 7/14
March 19 * Materials due by noon on 3/10	September 17 Materials due by noon on 9/8
May 21 Materials due by noon on 5/12	December 10 Materials due by noon on 12/1

* The March meeting will be held **jointly** with the Michigan Aeronautics Commission.

Meetings are scheduled for the second last Thursday of odd-numbered months except November and the second Thursday in December. Materials are due to the MDOT Director's Office by the deadlines indicated.

Notice of meeting locations and times are posted on the State Transportation Commission (STC) website at www.michigan.gov/transcommission at least seven working days prior to each meeting date. Agendas and meeting materials are also posted prior to each meeting.

The STC is the policy-making body for all state transportation programs and it oversees the administration of state and federal funds allocated for these programs. The STC is comprised of six members appointed by the Governor, with the advice and consent of the State Senate. For more information about the STC, see our website at www.michigan.gov/transcommission.

All meetings of the STC are open to the public, and attendance is encouraged. For further information, please contact the Commission Office at P.O. Box 30050, Lansing, Michigan 48909 or 517-373-2110.

Adopted by the STC on ____, 2014, to comply with the Open Meetings Act, Public Act 267 of 1976.

- Jerrold M. Jung, Chair • Todd Wyatt, Vice Chair • Angelynn A. Afendoulis • Ron J. Boji • Michael D. Hayes • Charles F. Moser •

REQUEST FOR MICHIGAN STATE TRANSPORTATION
COMMISSION APPROVAL

CONTRACTS

September 18, 2014

The following contracts are being submitted for approval. The appropriate documents will be approved by the Attorney General and comply with all legal and fiscal requirements prior to award.

CONTRACTS

1. HIGHWAYS (Development Service) – Resolution “A” (Over-the-Counter Sale)
Tract 1006, Control Section 50014, Parcel 715B, Part B

The subject tract is located in the City of Sterling Heights, Macomb County, Michigan, and contains approximately 6.20 acres. The tract was offered for sale at public auction on June 25, 2014, and did not sell. It was approved for over-the-counter sale by Kelly Ramirez, Supervisor, Program and Property Management Unit, on August 15, 2014, at the amount of \$175,000. The tract was appraised by John Sabin, Property Analyst, Litigation and Valuation Unit, Development Services Division, on April 25, 2013, at \$175,000. RTS IV, LLC, has submitted an Application to Purchase and Agreement of Sale and a bid deposit in the amount of \$7,500. The tract was offered to the local municipalities prior to being offered at public auction, per procedural requirements. The property has been declared excess by the Bureau of Development.

2. *HIGHWAYS - Participation for Local Agency Construction Contract
Amendatory Contract (2014-5464) between MDOT and the Mackinac County Road Commission will provide for funding participation in the construction of the following improvements utilizing State Priority Roads Investment Program (PRIP) Funds, State Transportation Economic Development Category D Funds, which are allocated for Local Agency projects (State Restricted TED Funds), and Federal Highway Administration Surface Transportation Program – Rural Funds, designated for Local Agency projects (FHWA STP – Rural Funds):

Hot mix asphalt ultrathin overlay work along Worth Road from Highway US-2 to Highway M-123, including shoulder, pavement marking, and traffic control work, together with necessary related work.

The purpose of this amendment is to provide for the inclusion of State PRIP Funds to be applied to the eligible items of the project cost, the resulting adjustment in the participation of the Federal Funds to be applied to the balance of the eligible items of the project cost after deduction of State PRIP Funds (remaining at 80 percent), and the resulting adjustment in the participation of the State Transportation Economic Development (TED) Funds to be applied to the balance of the eligible items of the project cost after deduction of State PRIP Funds and increased from 15 percent to 20 percent.

Estimated Funds:

	<u>ORIGINAL</u>	<u>AMEND.</u>	<u>TOTAL</u>
State PRIP Funds	\$ 0	\$ 500,000	\$500,000
State Restricted TED Funds	\$ 96,800	(\$ 67,800)	\$ 29,000
FHWA STP – Rural Funds	\$516,100	(\$400,000)	\$116,100
Mackinac County Road Commission Funds	<u>\$ 32,200</u>	<u>(\$ 32,200)</u>	<u>\$ 0</u>
Total Funds	<u>\$645,100</u>	<u>\$ 0</u>	<u>\$645,100</u>

STL 49555 – 113021
Amendment

3. *HIGHWAYS - Participation Utility Relocation Work

Contract (2014-5474) between MDOT and the Marquette Board of Light and Water will provide for funding participation in the following activities:

Relocation of power poles and light pole owned by the Marquette Board of Light and Water along Highway US-41/M-28 from Furnace Street to the Carp River Bridge.

Estimated Funds:

Federal Highway Administration Funds	\$8,000
State Restricted Trunkline Funds	<u>\$1,800</u>
Total Funds	<u>\$9,800</u>

ST 52042 - 110447; Marquette County
Local Utility Relocation

4. HIGHWAYS - Participation for Local Agency Construction Contract

Contract (2014-5492) between MDOT and the Keweenaw County Road Commission will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development Category D Funds, which are allocated for Local Agency projects (State Restricted TED Funds), Federal Highway Administration Equity Bonus Funds designated by Act 51 of the Public Acts of 1951 as Transportation Economic Development Category D Funds for Local Agency projects (FHWA Category D Funds), and Federal Highway Administration Surface Transportation Program – Rural Funds designated for Local Agency projects (FHWA STP – Rural Funds):

Pavement marking work at the following locations:

Wright Street from Highway US-41 to Bollman Street
 Bollman Street from Wright Street to Daniel Street
 5 Mile Point Road from Bollman Street to Highway M-26
 Eagle Harbor Road from Highway US-41 to Highway M-26
 Gratiot Lake Road from Highway US-41 southeasterly to the end
 Lac La Belle Road from Highway US-41 to Bete Gris Road
 Gay-Lac La Belle Road from Bete Gris Road to Main Street (Gay)
 Main Street (Gay) from 1st Street to 4th Street
 Gay-Lake Linden Road from Main Street (Gay) to the west county line
 Mohawk-Gay Road from Highway US-41 to approximately 765 feet southeast of Hebard Road

Estimated Funds:

State Restricted TED Funds	\$ 7,300
FHWA Category D Funds	\$ 3,100
FHWA STP – Rural Funds	\$31,100
Keweenaw County Road Commission Funds	<u>\$10,300</u>
Total Funds	<u>\$51,800</u>

STL 42555-124881
Letting of 9/5/2014

5. *HIGHWAYS - Participation for State Local Bridge Construction Contract

Amendatory Contract (2014-5505) between MDOT and the Lake County Road Commission will provide for funding participation in the construction of the following improvements under Section 144 of Title 23 USC and the State Local Bridge Program and utilizing State Transportation Economic Development Category D Funds, which are allocated for Local Agency projects (State Restricted TED Funds):

The removal and replacement of structure B01 of 43-08-04 (#5278), which carries Old Highway M-63 over the Little Manistee River, Section 11, T19N, R13W, Peacock Township, Lake County, Michigan; the reconstruction of the approaches to the structure for approximately 391 feet westerly and 299 feet easterly of the structure.

The purpose of this amendment is to provide for the inclusion of State TED Funds to be applied to the eligible items of the project cost.

Estimated Funds:

	<u>ORIGINAL</u>	<u>AMEND.</u>	<u>TOTAL</u>
Federal Highway Administration Funds	\$417,800	\$ 0	\$417,800
State Restricted Trunkline Funds	\$ 78,300	\$ 0	\$ 78,300
State Restricted TED Funds	\$ 0	\$26,100	\$ 26,100
Lake County Road Commission Funds	<u>\$ 26,100</u>	<u>(\$26,100)</u>	<u>\$ 0</u>
Total Funds	<u>\$522,200</u>	<u>\$ 0</u>	<u>\$522,200</u>

BRT 43008-115763
Amendment

6. HIGHWAYS - Participation for State Local Bridge Construction Contract
Contract (2014-5509) between MDOT and the Kent County Road Commission will provide for funding participation in the construction of the following improvements under the State Local Bridge Program:

Rehabilitation work for structure B01 of 41-13-09 (#5091), which carries Hudson Street over the Grand River, Section 11, T6N, R9W, Lowell Township, Kent County, Michigan, including concrete deck overlay, deck joint replacement, approach, and maintaining traffic work.

Estimated Funds:

State Restricted Trunkline Funds	\$317,100
Kent County Road Commission Funds	<u>\$ 16,700</u>
Total Funds	<u>\$333,800</u>

MCS 41013 - 118529
Letting of 10/3/2014

7. PASSENGER TRANSPORTATION - Section 5307 Capital Program
Project Authorization (32) Revision (3) under Master Agreement (2007-0254) between MDOT and the Mass Transportation Authority (MTA), in Genesee County, will extend the authorization term by one year to provide sufficient time for MTA to complete the projects. Because costs were lower than expected, MTA has identified additional projects to address bus rehabilitation, security and safety items, bus shelter repairs, and facilities rehabilitation. The original authorization provides state matching funds for the FY 2010 Federal Section 5307 Urbanized Area Formula Capital Program grant for the rehabilitation/rebuilding of buses; the rehabilitation/renovation/lease of administrative/maintenance facilities; and the purchase of shop equipment, computer hardware and software, security equipment, maintenance items, preventive maintenance, bus shelters, and signage. The revised authorization term will be September 10, 2010, through September 9, 2015. The authorization amount remains unchanged at \$6,549,815. The toll credit amount remains unchanged at \$684,338. The term of the master agreement is from October 1, 2006, until the last obligation between the parties has been fulfilled. The master agreement includes authorizations for program years FY 2007 through FY 2011. Source of Funds: Federal Transit Administration Funds - \$5,924,190; FY 2010 State Restricted Comprehensive Transportation Funds - \$625,625.

8. PASSENGER TRANSPORTATION - Section 5339 Program
Project Authorization (7) Revision (2) under Master Agreement (2012-0009) between MDOT and the Southeast Michigan Council of Governments (SEMCOG), in Wayne County, will extend the authorization term by six months to provide sufficient time for SEMCOG to complete the project. While the analysis is substantially complete, further discussion is needed regarding the recommended alternative. The original authorization provides toll credits as the state match for the FY 2012 Federal Section 5339 Alternatives Analysis Program grant for an alternatives analysis of bus rapid transit on the Woodward Avenue corridor. The revised authorization term will be April 26, 2013, through March 29, 2015. The authorization amount remains unchanged at \$2,000,000. The toll credit amount remains unchanged at \$400,000. The term of the master agreement is from October 1, 2011, until the last obligation between the parties has been fulfilled. The master agreement includes authorizations for program years FY 2012 through FY 2016. Source of Funds: Federal Transit Administration Funds - \$2,000,000.

9.-26. PASSENGER TRANSPORTATION - Specialized Services

The following project authorizations issued under master agreements between MDOT and the following agencies will provide state funding for the FY 2015 Specialized Services Program, which furnishes operating assistance for transportation services for elderly individuals and individuals with disabilities. The funds will be used for eligible specialized service providers or public transit systems. Reimbursement is based on \$1.20 per vehicle mile, \$4.07 per one-way passenger trip, or \$0.29 per vehicle mile for volunteer driver trips. The authorizations will be in effect from October 1, 2014, through September 30, 2015. The total amount of the authorizations will be \$3,297,298. The terms of the master agreements are from October 1, 2011, until the last obligations between the parties have been fulfilled. The master agreements include authorizations for program years FY 2012 through FY 2016. Source of Funds: FY 2015 State Restricted Comprehensive Transportation Funds - \$3,297,298.

	<u>Authorization</u>	<u>Agency</u>	<u>Total</u>
9.	2012-0028/23	Allegan County Board of Commissioners	\$106,704
10.	2012-0033/19	Ann Arbor Area Transportation Authority (Washtenaw County)	\$176,840
11.	2012-0040/12	Battle Creek, City of (Calhoun County)	\$ 92,624
12.	2012-0042/23	Bay Metropolitan Transportation Authority (Bay County)	\$138,434
13.	2012-0055/19	Capital Area Transportation Authority (Ingham County)	\$ 50,000
14.	2012-0072/12	Detroit, City of	\$377,758
15.	2012-0081/7	Friendship Centers of Emmet County	\$ 93,214
16.	2012-0099/10	Houghton, City of	\$ 58,172
17.	2012-0104/13	Interurban Transit Partnership (Kent County)	\$463,289
18.	2012-0114/16	Key Opportunities, Inc. (Hillsdale County)	\$ 56,999
19.	2012-0118/16	Livingston County Board of Commissioners	\$ 59,862
20.	2012-0129/20	Mass Transportation Authority (Genesee County)	\$306,772
21.	2012-0138/15	Muskegon County Board of Commissioners	\$ 65,499
22.	2012-0150/4	Ottawa County Board of Commissioners	\$157,569
23.	2012-0159/19	Saginaw Transit Authority Regional Services	\$ 98,924
24.	2012-0165/19	Shiawassee Area Transportation Agency	\$ 78,374
25.	2012-0170/32	Suburban Mobility Authority for Regional Transportation (Wayne County)	\$787,819
26.	2012-0175/5	Upper Peninsula Community Services, Inc. (Dickinson County)	\$128,445

27. *PASSENGER TRANSPORTATION - Add Pre-Award Spending Authority Language

Amendatory Contract (2014-0456/A1) between MDOT and Michigan State University (MSU) will retroactively add pre-award spending authority language to the contract (for both state and federal funds) in order to allow costs incurred before the award of the contract to be reimbursable. The notice to proceed was sent to MSU on February 7, 2014; MSU began working on the project upon receiving the notice. The original contract provides state and federal funds for the development of an annual data collection system and reporting process to determine the condition of transit systems in the state of Michigan. The contract term remains unchanged, June 24, 2014, through September 30, 2016. The contract amount remains unchanged at \$152,433. Source of Funds: Federal Transit Administration Funds - \$76,727; FY 2014 State Restricted Comprehensive Transportation Funds - \$75,706.

28. RAIL - Rail Passenger Maintenance

Project Authorization (1) Revision (2) under Master Agreement (2012-0200) between MDOT and the National Railroad Passenger Corporation (Amtrak) will extend the authorization term by one year to provide for an additional year of the maintenance services. The original authorization provides for managed maintenance of the rail line purchased by MDOT from Norfolk Southern Railway Company between Kalamazoo and Dearborn on the Chicago-Detroit/Pontiac High Speed Rail Corridor. MDOT compensates Amtrak for eligible costs under the approved scope of work and spending plan. The revised authorization term will be December 7, 2012, through September 30, 2015. The authorization amount remains unchanged at \$27,303,613. The term of the master agreement is December 7, 2012, through September 30, 2032. Source of Funds: Federal Railroad Administration Funds/American Recovery and Reinvestment Act of 2009 (ARRA) - \$24,703,613; FY 2012 State Restricted Comprehensive Transportation Funds - \$2,600,000.

29. RAIL - Rail Passenger Capital

Project Authorization (2) Revision (3) under Master Agreement (2012-0200) between MDOT and the National Railroad Passenger Corporation (Amtrak) will extend the authorization term by one year to provide for an additional year of the capital work. The original authorization provides for capital work to be performed on the rail line purchased by MDOT from Norfolk Southern Railway Company between Kalamazoo and Dearborn on the Chicago-Detroit/Pontiac High Speed Rail Corridor. MDOT compensates Amtrak for eligible costs under the approved scope of work and spending plan. The revised authorization term will be December 7, 2012, through September 30, 2015. The authorization amount remains unchanged at \$112,145,254.85. The term of the master agreement is from December 7, 2012, through September 30, 2032. Source of Funds: Federal Railroad Administration Funds/American Recovery and Reinvestment Act of 2009 (ARRA) - \$111,545,544.34; FY 2012 State Restricted Comprehensive Transportation Funds - \$599,710.51.

30. *RAIL - Increase Amount

Amendatory Contract (2012-0293/A1) between MDOT and Parsons Brinckerhoff Michigan, Inc., will increase the maximum contract amount and the maximum amount of any work order by \$1,716,073.21 to provide for additional construction engineering and inspection services to be performed for a double track project that will not be constructed by the National Railroad Passenger Corporation (Amtrak) and for which Amtrak will not provide construction engineering and inspection services. The original contract provides for as-needed construction engineering and inspection services to be performed on the Chicago-Detroit/Pontiac High Speed Rail Corridor. The services may include tasks related to the oversight of rail construction work performed by contractors or railroad companies to support the improvement and implementation of accelerated rail services in Michigan and other construction engineering and inspection services as they may arise. The contract term remains unchanged, May 18, 2012, through September 15, 2015. The revised maximum contract amount will be \$2,816,073.21, and the revised maximum amount of any work order will be \$2,816,073.21. Source of Funds: 100% State Restricted Comprehensive Transportation Funds.

31. *RAIL - Increase Loan Amount

Amendatory Contract (2014-0583/A1) between MDOT and Home Acres Building Supply Co., LLC, will increase the loan amount by \$27,129.01 to reflect actual eligible expenses. The project amount was increased by \$54,258.02. The original contract provides financial assistance in the form of a loan for the reactivation of a rail spur at a new facility in Livonia, Michigan. The contract term remains unchanged, from June 25, 2014, until the last obligation between the parties has been fulfilled, until the contract is terminated, or until the loan has been fully repaid. The revised project cost will be \$162,258.02. The revised loan amount will be \$81,129.01, 50 percent of the project cost. Provisions included in the contract permit the loan to be forgiven incrementally over a five-year period, based on the number of carloads of freight shipped from and/or received at the facility via rail. Home Acres Building Supply Co., LLC, commits to shipping and/or receiving a minimum of 60 carloads of freight from/at the facility via rail annually. Source of Funds: FY 2014 State Restricted Comprehensive Transportation Funds - \$81,129.01; Home Acres Building Supply Co., LLC, Funds - \$81,129.01.

32. *RAIL - Port Authority Operating Assistance

Contract (2015-0031) between MDOT and the Detroit/Wayne County Port Authority (DWCPA) will provide funding to help finance the DWCPA's FY 2015 operations. This funding is provided under the provisions of 1978 PA 639 and 2013 PA 59. The contract will be in effect from the date of award through September 30, 2015. The contract amount will be \$468,200. Source of Funds: FY 2015 State Restricted Comprehensive Transportation Funds - \$468,200.

Upon receipt of your approval, the contracts and agreements will be processed for award. Subject to the exercise of the discretion in the processing, I approve the contracts described in this agenda and authorize the 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 June 17, 2014.

Respectfully submitted,

Original signed

Kirk T. Steudle
Director

LETTING STATISTICS

SEPTEMBER 5, 2014

STATE PROJECTS OVERVIEW

The September 5, 2014, Bid Letting, included 12 State projects with \$11.1 million in engineer estimates. The low bids received totaled \$12.3 million. The average low bid was \$1.02 million and the median of \$654.1 thousand. For September of 2013, 17 State projects with \$20.6 million in engineer estimates and a low bid total of \$23.5 million were let.

Of the 12 State projects let on September 5, two included warranties with \$5.3 million as the low bid total. The 12 State projects received 41 bids.

To date, 347 State projects have been let with the low bid total of \$794.5 million. Compared to the same period last year, 335 State projects were let with a low bid total of \$747.9 million.

PROJECTS BID SUMMARY

The total number of bids received for the 42 projects let September 5, was 162 for an average of 3.86 bids per project.

The September 5, bid letting had no projects postponed, no projects withdrawn and currently, no projects for which all bids have been rejected.

Of the 78 contracting companies eligible to bid for the September 5, bid letting, 61 submitted at least one bid.

JOB PROJECTIONS

Anticipated to be let during FY 2014 are 300 State jobs with a total construction cost estimate of \$756.8 million.

For fiscal year to date, 144.0% of State jobs anticipated for this period have been let using 103.0% of the projected cost estimates. For this same period last year, 141.5% of State jobs were let using 115.6% of the projected construction costs.

UPCOMING LETTING STATS

The **September 10, 2014**, Special Bid Letting is advertising one State, Fixed Price-Variable Scope project with a pre-established programmed contract amount of \$654.0 thousand. This project includes warranties.

Currently, the **October 3, 2014**, Bid Letting, is advertising 5 State trunkline projects with an estimated total of \$68.2 million. Of the 5 State projects, three include warranties of which \$64.7 million is the total in engineer's estimates. In addition, 14 Local area projects are advertised with a total of \$7.7 million in engineer estimates and one Aeronautics project advertised includes \$208.7 thousand as the engineer estimate.

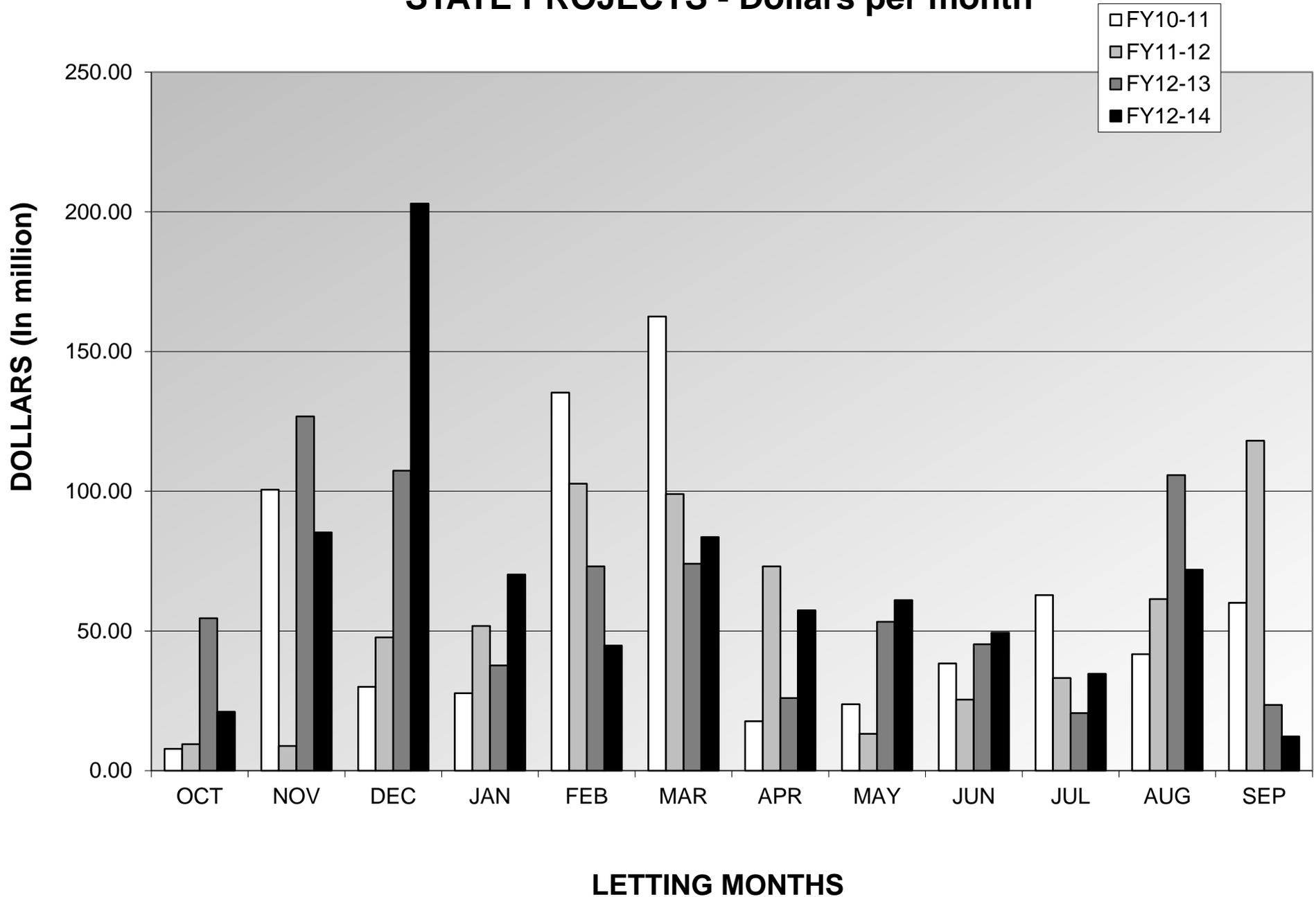
SUMMARY OF SEPTEMBER 5, 2014, BID LETTING

STATISTICS	PROJECT AREA				
	STATE	LOCAL	AERO	FREIGHT SERVICES	TOTALS
Project Report					
Number of Projects Let	12	29	1	0	42
Engineer Estimates of Projects Let	\$11,054,122.71	\$20,330,701.61	\$83,100.00	\$0.00	\$31,467,924.32
Low Bid Report					
Low Bid Totals	\$12,252,000.15	\$22,303,310.57	\$56,150.00	\$0.00	\$34,611,460.72
% over/under eng. est. of projects let	10.84%	9.70%	-32.43%	0.00%	9.99%
All Bid Rejection Report					
All Bid Rejection(s)	0	0	0	0	0
All Bid Rejection(s) Engineer's Estimate	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
All Bid Rejection(s) Low Bid Amount	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
% over/under eng. est. of projects all bids rejected	0.00%	0.00%	0.00%	0.00%	0.00%
TBA Report - Low Bids Pending					
Number of TBAs	7	8	0	0	15
Engineer Estimates	\$6,821,002.36	\$8,660,669.04	\$0.00	\$0.00	\$15,481,671.40
Low Bid Amounts	\$7,963,601.05	\$11,081,494.48	\$0.00	\$0.00	\$19,045,095.53
% over/under engineer's estimate of TBA items	16.75%	27.95%	0.00%	0.00%	23.02%
Bidder (Bids) Report					
Number of Bids Received	41	117	4	0	162
Average # of Bidders per Project	3.42	4.03	4.00	0.00	3.86

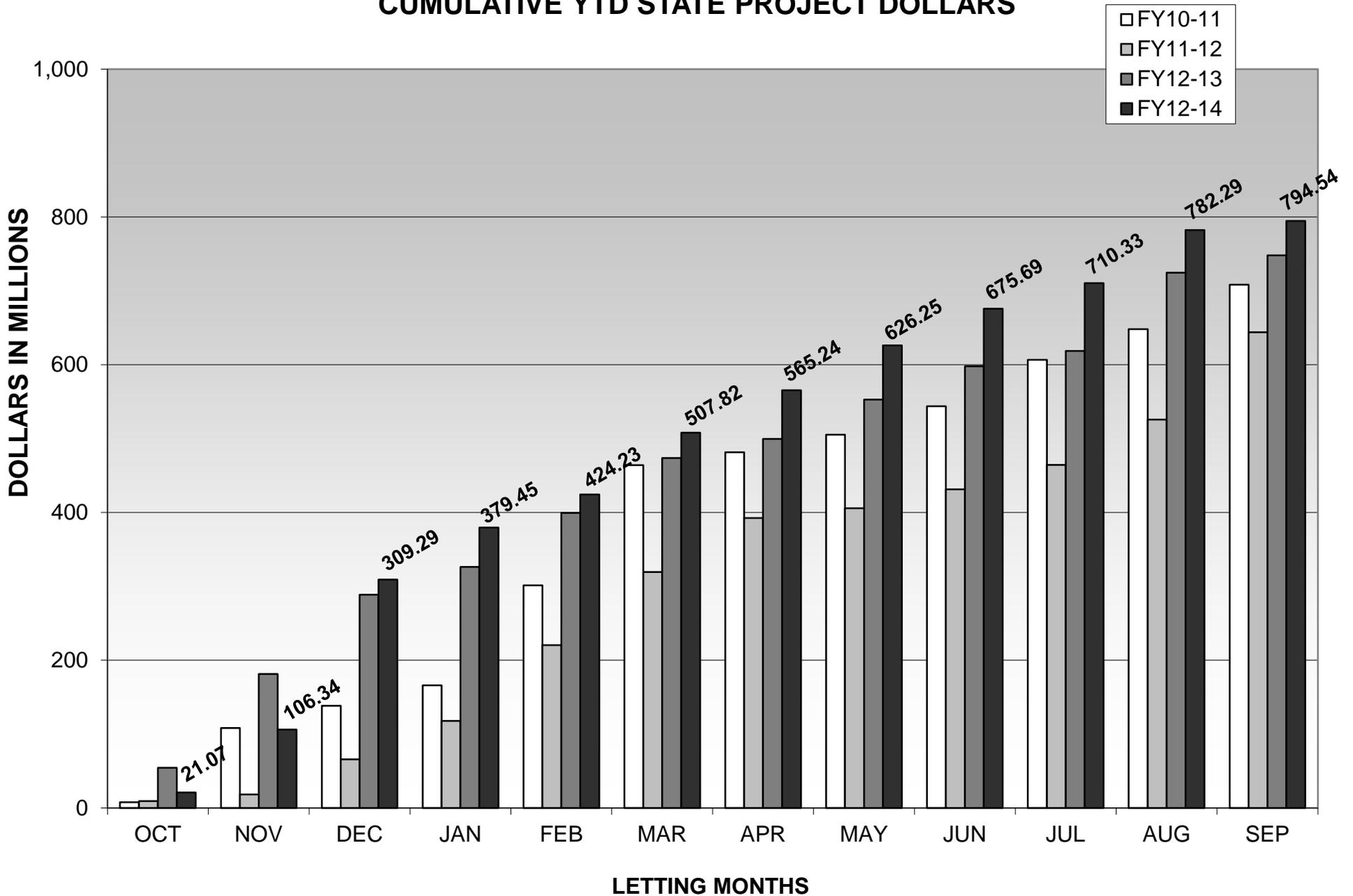
UPCOMING LETTING PROJECTIONS:

	<u>State</u>	<u>Local</u>	<u>Aero</u>	<u>Freight Services</u>	<u>Totals</u>
September 10, 2014, Special Bid Letting					
# of proj. advertised	1	0	0	0	1
# of projects with warranties	1	0	0	0	1
\$ Eng. Est. of projects advertised (In million)	\$0.6	\$0.0	\$0.0	\$0.0	\$0.6
\$ Eng. Est. of warranty projects (In million)	\$0.6	\$0.0	\$0.0	\$0.0	\$0.6
October 3, 2014, Bid Letting					
# of proj. advertised	5	14	1	0	20
# of projects with warranties	3	0	0	0	3
\$ Eng. Est. of projects advertised (In million)	\$68.2	\$7.7	\$0.2	\$0.0	\$76.2
\$ Eng. Est. of warranty projects (In million)	\$64.7	\$0.0	\$0.0	\$0.0	\$64.7

MDOT LETTINGS STATE PROJECTS - Dollars per month

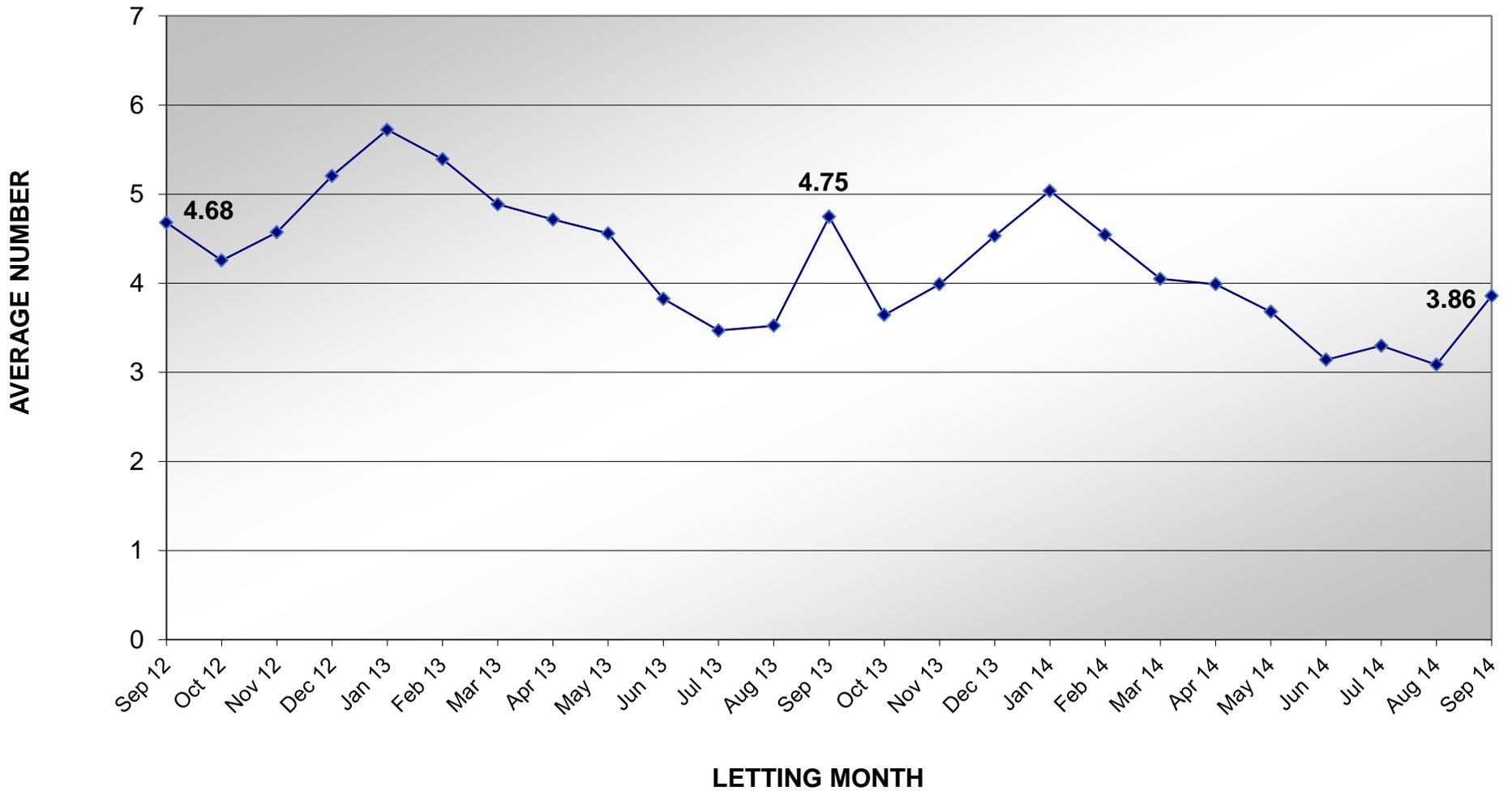


MDOT LETTINGS CUMULATIVE YTD STATE PROJECT DOLLARS



AVERAGE NUMBER OF BIDDERS

SEPTEMBER 2012 through SEPTEMBER 2014



PROJECTS BY NUMBER OF BIDS PER REGION
 SEPTEMBER 5, 2014, BID LETTING

REGION	NO BIDS RECEIVED	PROJECTS 1 BID	PROJECTS 2 BIDS	PROJECTS 3 BIDS	PROJECTS 4 BIDS	PROJECTS 5 BIDS	PROJECTS 6 BIDS	PROJECTS 7 BIDS	PROJECTS 8 BIDS	PROJECTS 9 BIDS	PROJECTS =>10 BIDS	TOTALS BY REGION
BAY			1	2	2							5
GRAND				3		1	1	1	2			8
METRO		1	1	4	4	2						12
NORTH			2	1	1	1						5
SOUTHWEST			2	1			1					4
SUPERIOR		1		1								2
UNIVERSITY			2		1			1			1	5
AERO					1							1
NUMBER OF BIDS ON PROJECTS	0	2	8	12	9	4	2	2	2	0	1	Total 42

REQUEST FOR MICHIGAN STATE TRANSPORTATION
COMMISSION APPROVAL

BID LETTING PRE-APPROVAL

September 18, 2014

The following contracts are being submitted for approval.

STATE PROJECTS

- | | | |
|----|--|---|
| 1. | <p>LETTING OF OCTOBER 03, 2014
PROPOSAL 1410001
PROJECT ST 41101-108914
LOCAL AGRMT.
START DATE - MAY 04, 2015
COMPLETION DATE - AUGUST 15, 2015</p> <p>7.37 mi of hot mix asphalt cold milling and two-course resurfacing, geometric, and drainage improvement on M-44 from west of Ramsdell Drive to just east of the east Kent County line, Kent and Ionia Counties.</p> <p>4.00 % DBE participation required</p> | <p>PREQUALIFICATION LEVEL
\$ 3,330,000.00</p> |
| 2. | <p>LETTING OF OCTOBER 03, 2014
PROPOSAL 1410015
PROJECT IM 47064-112877-2, ETC
LOCAL AGRMT.
START DATE - 10 days after award
COMPLETION DATE - OCTOBER 31, 2018</p> <p>2.35 mi of mainline, collector distributor, and ramp pavement reconstruction, new bridge construction, bridge reconstruction and rehabilitation, drainage and safety improvements, temporary signal work, and cold milling and resurfacing on I-96 from Spencer Road to west of Pleasant Valley Road, Livingston County. This project includes two 5 year materials and workmanship pavement warranties. Alternate 1 is concrete road work with related items and includes an additional 5 year materials and workmanship pavement warranty and Alternate 2 is hot mix asphalt road work with related items.</p> <p>5.00 % DBE participation required</p> | <p>PREQUALIFICATION LEVEL
\$ 59,552,000.00</p> |
| 3. | <p>LETTING OF OCTOBER 03, 2014
PROPOSAL 1410019
PROJECT IM 63172-123144
LOCAL AGRMT.
START DATE - APRIL 15, 2015
COMPLETION DATE - NOVEMBER 15, 2015</p> <p>4.10 mi of hot mix asphalt cold milling and resurfacing, full-depth concrete pavement repair, and detail 7 joint and crack repair on I-75 from Clintonville Road east to M-15, Oakland County. This project includes a 3 year materials and workmanship pavement warranty.</p> <p>5.00 % DBE participation required</p> | <p>PREQUALIFICATION LEVEL
\$ 3,777,000.00</p> |

4. LETTING OF OCTOBER 03, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1410020 \$ 1,405,000.00
PROJECT RRRF 50092-116508
LOCAL AGRMT. 14-5453
START DATE - 10 days after award
COMPLETION DATE - AUGUST 30, 2015

0.83 mi of hot mix asphalt widening, cold milling and resurfacing, slip ramp removal and shared-use path, traffic signal modernization, pedestrian crossing, and drainage on M-19 at the New Haven Road, Gratiot Avenue, and Main Street intersections in the village of New Haven, Macomb County. This project includes a 5 year materials and workmanship pavement warranty.

0.00 % DBE participation required

LOCAL PROJECTS

5. LETTING OF OCTOBER 03, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1410003 \$ 1,789,000.00
PROJECT STH 50609-119583, ETC
LOCAL AGRMT. 14-5489
START DATE - 10 days after award
COMPLETION DATE - NOVEMBER 13, 2015

Traffic signals, traffic signal upgrade, advanced vehicle detection, pedestrian actuation, mast arms, and wireless interconnect at multiple locations, Macomb County.

0.00 % DBE participation required

6. LETTING OF OCTOBER 03, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1410004 \$ 735,000.00
PROJECT EDDF 55555-89956
LOCAL AGRMT. 14-5493
START DATE - 10 days after award
COMPLETION DATE - SEPTEMBER 20, 2015

1.26 mi of hot mix asphalt crushing, shaping and resurfacing, earth excavation, aggregate base, precast box culvert, subgrade undercutting, subbase, geotextile separator, culverts, pavement marking, and slope restoration on County Road 358 from US-41 east to M-1 Road, Menominee County.

3.00 % DBE participation required

7. LETTING OF OCTOBER 03, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1410005 \$ 504,000.00
PROJECT STH 01609-118853
LOCAL AGRMT. 14-5481
START DATE - FEBRUARY 01, 2015
COMPLETION DATE - JULY 02, 2015

0.75 mi of hot mix asphalt removal, crushing, shaping and resurfacing, excavation, clearing, culvert, rumble strips, guardrail, signing, and pavement marking on Bamfield Road from west of AuSable Road to AuSable Road, Alcona County.

2.00 % DBE participation required

8. LETTING OF OCTOBER 03, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1410009 \$ 690,000.00
PROJECT STH 81609-119601, ETC
LOCAL AGRMT. 14-5482
START DATE - 10 days after award
COMPLETION DATE - JULY 31, 2015

Hot mix asphalt cold milling, removal, widening and repaving, concrete spillway, curb and gutter, aggregate base, ditching, guardrail, signal, and pavement markings on Plymouth Road at Curtis Road and Ford Road, Washtenaw County.

4.00 % DBE participation required

9. LETTING OF OCTOBER 03, 2014 PREQUALIFICATION LEVEL
PROPOSAL 1410014 \$ 1,109,000.00
PROJECT HPSL 55428-116813
LOCAL AGRMT. 14-5517
START DATE - JULY 06, 2015
COMPLETION DATE - SEPTEMBER 11, 2015

0.51 mi of hot mix asphalt surfacing, drainage, concrete curb, gutter, sidewalk and ramps, watermain, sanitary sewer, signing, and pavement markings on 30th Avenue from 13th Street east to 22nd Street in the city of Menominee, Menominee County.

2.00 % DBE participation required

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the projects described in this agenda and authorize the 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 June 17, 2014.

Respectfully submitted,

Original signed

Kirk T. Steudle
Director

REQUEST FOR MICHIGAN STATE TRANSPORTATION
COMMISSION APPROVAL

LETTING EXCEPTIONS AGENDA

September 18, 2014

This document will be finalized and distributed at the
State Transportation Commission meeting on September 18, 2014.

INFORMATION FOR MICHIGAN STATE
TRANSPORTATION COMMISSION

September 18, 2014

The following project information is being provided for informational purposes, as requested by the State Transportation Commission.

STATE PROJECTS

1.	LETTING OF AUGUST 01, 2014	ENG. EST.	LOW BID
	PROPOSAL 1408055	\$ 135,949.50	\$ 146,168.90
	PROJECT M 42012-M11450		
	LOCAL AGRMT.		% OVER/UNDER EST.
	START DATE - SEPTEMBER 15, 2014		
	COMPLETION DATE - 5 working days		7.52 %

1.24 mi of intermittent hot mix asphalt rut filling and overlay on US-41 from north of Remillard Lane north to east of Lake Medora Road, Keweenaw County.

0.00 % DBE participation required

BIDDER	AS-SUBMITTED	AS-CHECKED	
Payne & Dolan Inc.	\$ 146,168.90	Same	1 **
Bacco Construction Company			

1 Bidder

2.	LETTING OF AUGUST 01, 2014	ENG. EST.	LOW BID
	PROPOSAL 1408062	\$ 198,628.63	\$ 296,936.40
	PROJECT M 13042-M51467		
	LOCAL AGRMT.		% OVER/UNDER EST.
	START DATE - SEPTEMBER 02, 2014		
	COMPLETION DATE - SEPTEMBER 30, 2014		49.49 %

1.49 mi of hot mix asphalt patches, concrete pavement repairs, and pavement markings on I-94BL (Michigan Avenue) from west of I-69 east to Sycamore Street in the city of Marshall, Calhoun County.

0.00 % DBE participation required

BIDDER	AS-SUBMITTED	AS-CHECKED	
C & D Hughes, Inc.	\$ 296,936.40	Same	1 **
Northern Construction Services, Co			
Major Cement Co.			

1 Bidder

These projects, for which the bid is under Five Hundred Thousand Dollars (\$500,000) and has less than two (2) bidders or is a low bid rejection or have other bid issues, are being submitted for informational purposes. The contracts for these projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the projects described in this agenda and authorize the 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 June 17, 2014.

Respectfully submitted,

Original signed

Kirk T. Steudle
Director

**EXHIBIT B
Department Projects
Items to the Commission - September 18, 2014**

Total Over the Original Cost (All MDOT)				Total Over the Original Cost (MDOT/MDOT)				Total Over the Original Cost (MDOT/Cons)						
\$964,439.07				\$964,439.07				\$0.00						
Number of Projects Over 10% (3 Total)				Total Original Contract Amount	Total Final Contract Amount	Total Increase or Decrease	Total Percent							
				\$7,874,511.41	\$8,838,950.48	\$964,439.07	12.25%							
Region	Control Section	Job Number	Project Description	Prime Contractor	Original Contract Amount	Final Contract Amount	Increase	Percent	Date Work Started	Expect Compl.	Actual Compl.	Final Date	Designed by MDOT (M) or Consultant (C)	Reason for Additional Project Costs
Metro	82211	113511	3.97 mi of hot mix asphalt microsurfacing, overband crack filling, bump removal, and pavement marking on M-85 (Fort Street) from Cloverlawn Street to Schaefer Highway in the cities of Lincoln Park and Detroit, Wayne County. This project includes a 2 year pavement performance warranty.	Pavement Maintenance Systems, LLC	\$1,279,372.62	\$1,426,367.60	\$146,994.98	11.49%	7/29/2013	9/13/2013	10/25/2013	04/07/14	M	<u>Reason #1:</u> CM #1 and #2 included a net increase of \$143,939.48. During construction, it was discovered that the pavement was more deteriorated in some areas, including previously patched areas, and required significantly more patching than originally estimated. It was necessary to complete this work prior to crack sealing and micro surfacing in order to prevent premature failures of the new hot mix asphalt micro surface. Reason #1 accounts for 98% of the total project cost increase.
North	35032	90192	1.92 mi of hot mix asphalt pavement, curb and gutter, sidewalk, storm sewer, watermain, traffic signal vehicle detection upgrade, signing, pavement marking, and streetscape work including exposed aggregate sidewalk, stamped concrete, and trees on US-23 from the AuSable River Bridge to north of F-41, Iosco County. This project includes a 5 year materials and workmanship pavement warranty.	M & M Excavating Company	\$6,466,842.64	\$7,241,029.64	\$774,187.00	11.97%	3/26/2012	11/2/2012	8/23/2013	03/10/14	M	<u>Reason #1:</u> CM #5 and #10 included an increase of \$125,793.86 for the Pavement, Removal, Modified item which was necessary to make driveway grades meet specifications, to correct plan discrepancies in the removal sheets between road plans and water main plans, and to settle a plan error, plans showed that the existing concrete pavement was non-reinforced when it was actually reinforced. This was discussed with FHWA and Form 1365 #4 was signed. <u>Reason #2:</u> CM's #2, 3, and 8 included increases of \$30,503.60 for Backfill, Swamp and \$39,084.20 for Excavation, Peat. The original plan quantity included a miscellaneous estimated quantity. An unexpected quantity of peat was found under the proposed road and needed to be removed and replaced with clean backfill. <u>Reason #3:</u> CM #7 and #9 included an increase of \$138,386.80 for HMA Approach. This was due to additional removals for drives and intersections to achieve allowable grades and proper alignment. This increase is also related to Reason #1 and the road plans and water main plans not showing the same removal limits. Also, the increase is due to allowable aggregate grade tolerance. <u>Reason #4:</u> CM's #1, 2, 6, 7, 8, and 9 included increases and extras for \$36,749.42 for various water main work due to AuSable Township requests, plan errors from incomplete Township information and unknowns. Per agreement, AuSable Township is to pay 100% for these item extra and overruns. <u>Reason #5:</u> CM's #1, 3, and 6 included extras for \$29,590.90 for various water main work due to Oscoda Township requests, plan errors from incomplete Township information and unknowns. Per agreement, Oscoda Township is to pay 100% for these item extras. <u>Reason #6:</u> CM #7 included an increase for \$46,049.25 for Mulch Blanket which was used directly adjacent to traffic. This was necessary to ensure mulch would not be blown from slope restoration areas located in business and sidewalk sections. Also, prior to seeding, AuSable and Oscoda Townships requested that regular straw mulch not be used for slope restoration. <u>Reason #7:</u> CM #6 included an increase of \$28,135.43 for Driveway, No reinforced, Conc, 6 inch. This was due to additional removals for drives to achieve allowable grades. This increase is also related to Reason #1 and the road plans and water main plans not showing the same removal limits. Reasons 1-7 account for \$474,293.46, or 61% of the total project cost increases.
Metro	50051	112499	0.07 mi of hot mix asphalt cold milling and resurfacing, drainage, concrete curb, gutter and sidewalk ramps, and pavement marking on Quinn Road at M-3, Macomb County.	Hart & Associates Construction, LLC	\$128,296.15	\$171,553.24	\$43,257.09	33.72%	7/8/2013	8/30/2013	8/21/2013	06/23/14	M	<u>Reason #1:</u> CM #4 and 5 includes an increase of \$13,742.40 for HMA, Approach. Several areas of the existing HMA pavement designated for a 2" milling and 2" resurfacing were found to be only 2-3" in actual thickness and too thin to mill and resurface. The thin sections of pavement were completely removed and replaced with a full depth section of asphalt (8" total thickness). <u>Reason #2:</u> CM #8 includes an increase of \$17,441.08 for an Inefficiency Claim. The Contractor claimed \$35,269 in inefficiencies during the life of the project due to differing site conditions and utility delays not caused by the Contractor. The Department concurred with \$17,441 of the \$35,269 inefficiency claim. Reasons 1-2 account for \$31,183.48, or 72% of the total project cost increases.

**EXHIBIT B
Local Projects
Items to the Commission - September 18, 2014**

Total Over the Original Cost (All Local)					Total Over the Original Cost (Local/Local)				Total Over the Original Cost (Local/Cons)					
\$1,102,729.04					\$827,420.50				\$275,308.54					
Number of Projects Over 10% (9 Total)					Total Original Contract Amount	Total Final Contract Amount	Total Increase or Decrease	Total Percent						
					\$5,125,733.63	\$6,228,462.67	\$1,102,729.04	21.51%						
Region	Control Section	Job Number	Project Description	Prime Contractor	Original Contract Amount	Final Contract Amount	Increase	Percent	Date Work Started	Expect Compl.	Actual Compl.	Final Date	Designed by Local (L) or Consultant (C)	Reason for Additional Project Costs
University	81075	110855	3.15 mi of concrete patches, joint repair, and intermittent concrete curb and gutter replacement on Baker Road from I-94 to Jackson Road and on Jackson Road from Honey Creek to Wagner Road, Washtenaw County.	Kelcris Corporation	\$68,757.40	\$91,687.31	\$22,929.91	33.35%	9/6/2011	30 Calendar Days	9/22/2011	11/7/2013	L	Reason #1: Due to high unit prices for concrete pavement repairs and the variable nature of quantifying concrete repairs during design, field changes resulted in increases of \$22,929.91. Reason 1 accounted for 100% of the cost overruns for the project.
University	81475	113025	0.98 mi of hot mix asphalt cold milling and overlay, drainage structure repair, concrete curb and gutter repair, sidewalk and ramps, pedestrian signals, and pavement markings on Golfside Road from Packard Road to Clark Road, Washtenaw County.	Pamar Enterprises, Inc.	\$1,114,951.89	\$1,619,167.62	\$504,215.73	45.22%	5/7/2012	9/30/2012	12/11/2012	2/20/2014	L	Reason #1: CM's #1, 2, 3, 4, 5 and 7 include increases of \$120,614.25 for changes to water main work due to the bursting of the existing 16 inch watermain. Plan revisions were necessary to repair and replace the burst watermain. Reason #2: CM's #3, 4, and 5 include increases of \$110,123.78 for additional sidewalk work including earthwork, tree removal and sidewalk construction items to build sidewalk gap filling at township request. Reason #3: CM #3 includes field design changes of \$25,497.96 to bring the existing traffic signal into compliance with current ADA requirements. Reason #4: CM's #5, 6 and 7 include increases of \$178,589.91 for drainage and pavement repairs encountered due to unforeseen field conditions. Reason #5: CM #6 includes an increase of \$33,393.81 in Minor Traf Device and other traffic control devices due to extensions of time. Reasons 1 - 5 account for \$468,219.71 or 92.9% of the total cost overruns.
Metro	50458	115283	2.57 mi of concrete pavement repairs, curb and gutter, joint sealing, and pavement markings on Ryan Road from south of Metropolitan Parkway to 18 1/2 Mile Road in the city of Sterling Heights, Macomb County.	Florence Cement Company	\$799,046.29	\$937,372.50	\$138,326.21	17.31%	4/15/2013	7/15/2013	8/20/2013	3/31/2014	L	Reason #1: CM #3 included an increase of \$127,161.20 for additional pavement repairs. This additional work was necessary due to the increased deterioration of the existing concrete pavement over the time span from design to construction. The project was designed in the summer of 2012 and construction commenced in the Spring of 2013. The increased deterioration occurred during the winter months. Reason 1 accounted for 92% of the cost overruns for the project.
University	76482	88363	0.25 mi of hot mix asphalt cold milling and resurfacing, drainage improvements, concrete curb, gutter, and sidewalk, signing, pavement markings, street lights, landscaping, and streetscape on Saginaw Street from Main Street northerly to Tuscola Street in the city of Durand, Shiawassee County.	C & D Hughes, Inc.	\$895,780.19	\$1,045,231.96	\$149,451.77	16.68%	7/5/2011	10/1/2013	9/5/2013	5/19/2014	C	Reason #1: CM #1 and 2 included an increase of \$85,145.95 for street lighting, 9.5% of the original bid amount. Due to the proximity to the curb scheduled for removal, and depths, the existing street light conduits would be damaged or destroyed during removals. As a result the conduits and wiring in the first two blocks had to be replaced. Reason #2: CM #3 was an interim balancing CM, which was an overall increase totaling \$25,152.32. The major increases were non-participating costs for fence piers (add \$14,175.00) added by the City of Durand, and Sidewalk Ramp, ADA (add \$10,718.57) required due to existing conditions/grades. Reason #3: CM #5, totaling \$24,849.22, consisted primarily of extra work to abandon coal chutes (add \$6,044.82), non-participating costs to remove and replace curb (add \$10,300.00) in order to meet ADA handicap parking guidelines and the constraints of the existing building front elevations, and hand patching (add \$8,254.40) in areas where the existing pavement slated to be milled consisted of shallow brick that had to be removed in order to prevent the mill from penetrating into the brick. Reasons 1-3 account for \$135,147.49, or 90% of the total project cost increases.
Bay	73145	117087	1.16 mi of hot mix asphalt cold milling and resurfacing, concrete sidewalk and ramps, and earthwork on Shattuck Road from Lake State Railroad Crossing to Hermansau Road, Saginaw County.	Ace-Saginaw Paving Company	\$182,810.30	\$204,701.73	\$21,891.43	11.97%	6/20/2013	7/19/2013	7/16/2013	5/27/2014	L	Reason #1: CM #1 and #2 included \$5,326.60 in new items and \$7,969.70 in increases used to make sidewalk landings and connections at improper grade to new ramps ADA compliant. Reason #2: CM #1 included \$4,875.00 to adjust or replace outdated existing drain castings in poor condition and improper grade conflicting with new pavement. Items for adjusting existing structures were not set up in original contract for this work. Reasons 1-2 account for \$18,171.30, or 83% of the total project cost increases.

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**EXHIBIT B
Local Projects
Items to the Commission - September 18, 2014**

			Number of Projects Over 10% (9 Total)		Total Original Contract Amount	Total Final Contract Amount	Total Increase or Decrease	Total Percent						
					\$5,125,733.63	\$6,228,462.67	\$1,102,729.04	21.51%						
Region	Control Section	Job Number	Project Description	Prime Contractor	Original Contract Amount	Final Contract Amount	Increase	Percent	Date Work Started	Expect Compl.	Actual Compl.	Final Date	Designed by Local (L) or Consultant (C)	Reason for Additional Project Costs
Metro	63459	118452	1.42 mi of hot mix asphalt crushing, shaping and resurfacing, storm sewer, drainage improvements, and concrete curb, gutter, sidewalk and ramps on Decker Road from West Maple Road east to South Commerce Road in the city of Walled Lake, Oakland County.	Cadillac Asphalt, L.L.C.	\$1,172,380.25	\$1,298,237.02	\$125,856.77	10.74%	6/17/2013	10/1/2013	4/30/2014	6/30/2014	C	Reason #1: CM #4 included increases of \$31,267.21 for drainage improvements, ADA compliance and removal of unsuitable material from pulverized asphalt regarding work in phase 1 of the project. Drainage issues arose during construction that needed to be addressed, ADA sidewalks were not originally included in the design and material to be hauled off of the site was underestimated. Reason #2: CM #5, included increases of \$56,135.46 for increased soil removal from ditches, HMA application rate underestimated, and drainage improvements including culvert and underdrain regarding work in phase 2 of the project. Significant drainage issues arose during construction and needed to be resolved including steep slopes in ditches as a result of adding curbs resulted in additional culverts and material disposal. The HMA application rate estimated was off from the actual amount needed. Reasons 1 and 2 account for \$87,402.67 or 69.4% of the total increase to the project costs.
University	38609	108818	0.15 mi of aggregate base, machine grading, cold milling hot mix asphalt surface, hot mix asphalt paving, pavement markings, traffic control, and restoration on Springport Road at Rives Junction Road, Jackson County.	Rieth-Riley Construction Co., Inc.	\$220,207.07	\$282,023.53	\$61,816.46	28.07%	9/19/2011	40 Calendar Days	10/18/2011	4/16/2014	L	Reason #1: CM #2 included an increase of \$21,952.70 for additional Slope Restoration, Type B. During the design of the project, the Point of Ending was extended; this extension added the partial removal of an island, which increased the slope restoration by approximately 3000 syd. This additional quantity was inadvertently omitted from the plan quantity. Reason #2: CM #3 included an increase in the hot mix of \$26,555.75. The project was designed with curb and gutter through an extremely flat area. In order to provide positive drainage, it was necessary to adjust the curb and gutter grades and pave thicker in some areas to meet the curb grades. Reason 1 and 2 account for \$48,508.45 or 78% of the total project increase.
Bay	56415	117004	5.76 mi of hot mix asphalt cold milling and resurfacing, aggregate shoulders, and pavement marking on Saginaw Road from Pinesboro Road east to Dublin Road and on Gordonville Road from Homer Road east to Badour Road, Midland County.	Central Asphalt, Inc.	\$426,919.48	\$475,120.78	\$48,201.30	11.29%	6/17/2013	8/23/2013	6/27/2013	12/2/2013	L	Reason #1: CM #1 increased the HMA, 13A by \$45,008.00. This increase was necessary to correct the crown of the roadway and to meet existing grades at intersections and driveways, providing a smoother profile for the through traffic on Gordonville Road. Reason 1 accounts for \$45,008.00 or 93% of the total project increase.
Grand	41400	116577	0.20 mi of hot mix asphalt cold milling, removal and resurfacing, widening, storm sewer, concrete curb, gutter, sidewalk and ramps, pavement markings, and traffic signal modifications on White Creek Avenue from 17 Mile Road to north of 17 Mile Road, Kent County.	Dean's Landscaping & Excavating, Inc.	\$244,880.76	\$274,920.22	\$30,039.46	12.27%	4/22/2013	6/30/2013	6/30/2013	1/8/2014	L	Reason #1: CM #1 and #3 included \$13,572.00 for sub base, aggregate base, and earth excavation for full depth removal and replacement of a 425 foot pavement section originally intended to remain in place with a new hot mix surface. During construction, it was determined that the existing material was unstable and would result in premature deterioration of the new pavement surface. Reason #2: CM #1 included \$5,110.00 for the replacement of an existing 18 inch culvert under the roadway. The original plans called for extending the culvert on both sides of the road, but during construction, it was discovered that the existing condition warranted full replacement. Reasons 1 and 2 account for \$18,682.00 or 62% of the total project increase.

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