The Honorable Geoff Hansen, Chair  
Senate Appropriations Subcommittee on 
Transportation  
Michigan State Senate  
P. O. Box 30036  
Lansing, Michigan  48909

The Honorable Edward Canfield, Chair  
House Appropriations Subcommittee on 
Transportation  
Michigan House of Representatives  
P.O. Box 30014  
Lansing, Michigan  48909

Mr. Michael Siracuse, Fiscal Analyst  
Michigan Senate Fiscal Agency  
The Victor Center  
P.O. Box 30036  
Lansing, Michigan  48909

Mr. William Hamilton, Fiscal Analyst  
Michigan House Fiscal Agency  
Anderson House Office Building  
P.O. Box 30014  
Lansing, Michigan  48909

Dear Senator Hansen, Representative Canfield, Mr. Siracuse, and Mr. Hamilton:

Subject: Notification of Status of Reciprocal Michigan Department of Transportation and Michigan Department of State Police Agreement on Aircraft Operations

The Michigan Department of Transportation (MDOT) is pleased to report the progress made to reach an agreement with the Michigan State Police (MSP) for use of MDOT’s fixed-wing aircraft. This action is intended to address the requirements from Section 383 (5) of Public Act No. 268 of 2016 that directs MDOT to “work with the Michigan state police to establish a reciprocal agreement on employing fixed-wing aircraft with specifically designed equipment for use by the Michigan state police when conducting operations. The department shall submit a report regarding the status of a reciprocal agreement to the senate and house appropriations subcommittees on transportation and the house and senate fiscal agencies no later than February 1, 2017.”

Over the past year, MDOT and MSP have worked diligently to accomplish this task and can report to you that a finalized reciprocal Memorandum of Understanding has been signed by both parties with an effective date of September 6, 2016. The signed agreement is enclosed for your review.

If you have any questions, please contact either me or Phil Browne, State Transportation Commission Advisor, Office of Governmental Affairs, at 517-373-4827.

Sincerely,

Michael G. Trout  
Executive Administrator  
Office of Aeronautics

Enclosure
cc: Phil Browne
MEMORANDUM OF UNDERSTANDING
between
THE MICHIGAN DEPARTMENT OF STATE POLICE
and
THE MICHIGAN DEPARTMENT OF TRANSPORTATION

I. PURPOSE

This Memorandum of Understanding (MOU) between the Michigan Department of State Police (MSP) and the Michigan Department of Transportation (MDOT) sets forth the terms and conditions for the agencies' cooperative agreement regarding the use of the State of Michigan's air fleet. The "MDOT" and the "MSP" are collectively referred to hereinafter as "the Parties."

The Parties acknowledge that it is in the best interests of the citizens of the state of Michigan that the air transportation of state employees is conducted by the safest and most cost effective means possible.

The Parties acknowledge that the MSP is required to respond quickly to critical law enforcement and public safety emergencies and to provide transportation to personnel for public safety activities.

This MOU recognizes the statutory and constitutional duties and responsibilities of the Parties and is not intended to limit or modify those duties and responsibilities.

II. BACKGROUND

The 2005 Aviation Services Consolidation Task Force prepared and submitted a report to the Office of the Governor entitled, "State Aircraft Inventory"; the report includes a comprehensive inventory of state aircraft, a mission statement, and policy on the utilization of the aircraft with regard to the conduct of passenger air transportation. The report also provides recommendations for the identification of opportunities to consolidate equipment and human resources in order to achieve maximum efficiency regarding the various missions of state departments that maintain and operate aircraft.

The Parties have agreed to the recommendations of the 2005 "State Aircraft Inventory" in order to consolidate state's air fleet and provide for the efficient use of the aircraft while allowing the Parties to meet the unique demands of their respective missions.

III. AGREEMENT

The Parties agree to the following:

A. The Parties will conduct an annual evaluation to ensure that the missions of the agencies are being completed with the current resources.

B. Periodic reports and report schedule will be determined to meet the flight, maintenance, financial and legislative reporting requirements of the Parties.

C. For the purpose of safety, the Parties will examine requirements, costs, and methods to ensure the highest value is received for activities related to pilots and maintenance.
D. For the purpose of efficiency, MDOT will make hangar space available for use by MSP for aviation assets or equipment as practicable. MSP personnel will be granted 24 hours access to the Aeronautics hangar when deemed necessary. All MDOT aircraft will be kept in the MDOT hangar.

E. For the purpose of increasing travel efficiencies, the Parties will engage in ongoing discussions regarding the sharing of aircraft scheduling and dispatch information.

F. MSP will have priority use of an appropriate MDOT aircraft for emergency response. MSP pilots that maintain proper certification and currency in MDOT aircraft may utilize the aircraft for unscheduled emergencies and for unscheduled executive transport. MSP’s hourly rate will be determined annually, not to exceed an hourly rate of $400.00 for Fiscal Year 2017, with an appropriate reduction in rate for supplying MSP pilots and fuel. The hourly rate will be mutually determined annually after analysis of current aircraft operating cost.

G. For the purposes of this MOU, scheduling of MDOT aircraft will be coordinated by MDOT. Scheduling of MSP aircraft will be coordinated by MSP. For all non-emergency flights (e.g., MSP administrative flights or MDOT passenger transportation), scheduling priority will be on a first come, first serve basis.

H. To reduce cost by both Parties, MDOT and MSP have entered a Hosting Agreement with Aircraft Logs. Aircraft Logs will be used by both Parties as the primary aircraft scheduling program.

I. MDOT will be responsible for all maintenance to be accomplished on all MDOT aircraft and will ensure that the maintenance is performed in accordance with all FAA regulations. MSP will be responsible for all maintenance to be accomplished on all MSP aircraft and will also ensure that the maintenance is performed in accordance with all FAA regulations. The Parties agree to provide aircraft maintenance support to each other, as needed and practical. The Parties are responsible to coordinate and approve maintenance on their owned aircraft regardless of which Party performs the maintenance.

J. In the event of any damage to an MDOT aircraft being utilized by the MSP pursuant to the terms of this MOU, the MSP will be responsible for reporting the damage and taking financial responsibility, including the insurance deductible should the damage warrant a claim.

IV. MANAGEMENT POINTS OF CONTACT

The points of contact for the management of this MOU are indicated below. Either party may change its point of contact information during the term of this MOU by providing written notice to the other party. It is not necessary to amend this MOU for the sole purpose of changing point of contact information.

Contact for MDOT: Terra Fricke
Transport & Safety Section Manager
Michigan Department of Transportation
2700 Port Lansing Road
Lansing, MI 48906
V. DISPUTE RESOLUTION

A. The Parties' Management Points of Contact shall attempt to resolve any disputes arising out of or relating to this MOU.

B. If the Parties' Management Points of Contact cannot resolve any dispute, the supervisors of the Parties' Management Points of Contact shall attempt to resolve the dispute.

C. If the supervisors of the Parties' Management Points of Contact cannot resolve any dispute, the Director of the Michigan Department of State Police and the Director of the Michigan Department of Transportation shall attempt to resolve the dispute.

D. If the dispute cannot be resolved by the Parties, the sole remedy available is termination of this MOU as hereinafter set forth.

VI. TERM AND TERMINATION

A. This MOU is effective when signed by the Parties, by and through, their duly authorized representatives, and shall remain in effect until terminated as hereinafter set forth.

B. This MOU and any amendments made in accordance with Section VII shall remain in effect until terminated by either party.

C. Either party may terminate this MOU for any reason provided at least 60 days advance written notice of termination is given to the non-terminating party by the terminating party.

VII. ENTIRE AGREEMENT AND AMENDMENT

A. This MOU is the complete and exclusive statement of the agreement between the Parties with respect to the subject matter thereof, and supersedes all prior negotiations, representations, proposals, agreements, and other communication between the Parties either oral or written with respect to the subject matter thereof.

B. This MOU may only be amended by a written document signed by the Parties, by and through their duly authorized representatives.

VIII. TERMINATION OF PRIOR MEMORANDUM OF UNDERSTANDING
A. The prior memorandum of understanding between the MSP and the MDOT, effective [date], which set forth the terms and conditions for the agencies cooperative agreement regarding the use of the State of Michigan's air fleet, is terminated upon approval and execution of this MOU.

IX. SIGNATURES

APPROVED and AGREED by:

[Signature]
Col. Kristie Etue
Director
Michigan Department of State Police

8/18/16
Date

[Signature]
Kirk T. Steudle
Director
Michigan Department of Transportation

9/6/16
Date