December 1, 2016

Mr. John S. Roberts, Director
State Budget Office
111 South Capitol Avenue
Romney Building, 6th Floor
Lansing, Michigan 48933

Dear Director Roberts:

Pursuant to Section 385 of Public Act 268 of 2016, this letter contains the Michigan Department of Transportation’s (MDOT) report of activities related to the Gordie Howe International Bridge (GHIB) project (previously known as the New International Trade Crossing project) for the Fiscal Year (FY) 2016, or October 1, 2015, through September 30, 2016.

During this time, MDOT responded to GHIB-related requests for information from Governor Snyder’s office, legislative offices, Transport Canada, the Windsor-Detroit Bridge Authority (WDBA), the United States Department of Transportation, and other federal agencies. We have continued to participate in meetings, where needed, in order to facilitate these requests, and work with WDBA to implement the June 2012 Crossing Agreement.

Additionally, MDOT engaged in the following activities during the year:

- Real estate activities, including environmental due diligence, title and appraisal work, surveying work, execution of an Environmental Owner’s Representative Consultant contract, scope development and advertisement for a Demolition Owner’s Representative Consultant contract, demolition work, and property acquisitions.
- Coordination with the WDBA and Federal Highway Administration to evaluate responses to the Request for Qualifications to design, build, finance, operate and maintain the GHIB; and to draft and finalize the Request for Proposals and draft Project Agreement for the same, including receiving approval by the International Authority.
- Coordination with the WDBA, City of Detroit, and community advocates regarding the project.
- Pre-relocation planning activities with utilities and railroads located within the project footprint.
Canada provided payment to MDOT during the last year for invoices billing work completed through July 2016. Enclosed is a summary of GHIB-related expenditures by MDOT during FY 2016, with Canadian funds as the source. There were no GHIB-related payments or expenses incurred by MDOT pursuant to contracts with any vendors, experts, or consultants that were not reimbursable.

If you have any questions, please contact either me or Phil Browne, State Transportation Commission Advisor and Legislative Liaison, at (517) 373-3946.

Sincerely,

Kirk T. Steudle
Director

Enclosure

cc: Governor Snyder
Lt. Governor Brian Calley
Senate Majority Leader
Senate Minority Leader
Speaker of the House
House Minority Leader
Senate and House Fiscal Agencies
Senate and House Appropriations Subcommittees on Transportation
Phil Browne
### Gordie Howe International Bridge Project
### Fiscal Year 2016 Expenditures by MDOT

<table>
<thead>
<tr>
<th>Description</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Costs</td>
<td>$3,954,371.23</td>
</tr>
<tr>
<td>Travel/Meal Expenses</td>
<td>$32,967.15</td>
</tr>
<tr>
<td>Vehicle/Equipment Usage</td>
<td>$15,151.69</td>
</tr>
<tr>
<td>Acquisition Costs</td>
<td>$9,829,358.64</td>
</tr>
<tr>
<td>Fees and Compensation (Consultants)</td>
<td>$13,090,396.11</td>
</tr>
<tr>
<td>Telephone/Other</td>
<td>$81,377.08</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$27,003,621.90</strong></td>
</tr>
<tr>
<td><strong>Amount Reimbursable</strong></td>
<td><strong>$27,003,621.90</strong></td>
</tr>
<tr>
<td><strong>Amount Funded by State Transportation Revenues</strong></td>
<td><strong>$-</strong></td>
</tr>
</tbody>
</table>