March 1, 2017

Mr. Al Pscholka, Director  
State Budget Office  
111 South Capitol Avenue  
Romney Building, 6th Floor  
Lansing, Michigan 48933

Dear Director Pscholka:

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 first quarter of Fiscal Year (FY) 2017, or October 1, 2016, through December 31, 2016.

During this time, MDOT responded to GHIB-related requests for information from Governor Snyder’s office, legislative offices, Infrastructure 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 first quarter:

- Real estate activities, including environmental due diligence, title and appraisal work, property acquisitions, advertisement for a Demolition Owner’s Representative Consultant contract, demolition work, and the filing of condemnation cases.
- Coordination with the WDBA and Federal Highway Administration to authorize release of the Request for Proposals to design, build, finance, operate, and maintain the GHIB on November 10, 2016.
- Pre-relocation planning activities with utilities and railroads located within the project footprint, including initiation of design services for utility relocation/construction in the vicinity of I-75.
- Continued coordination with the WDBA, City of Detroit, and community advocates regarding the project.
Canada provided payment to MDOT during the last quarter for invoices billing work completed through September 2016. Enclosed is a summary of GHIB-related expenditures by MDOT during the first quarter of FY 2017, 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
<table>
<thead>
<tr>
<th>Description</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Costs</td>
<td>$713,062.19</td>
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<tr>
<td>Travel/Meal Expenses</td>
<td>$4,828.16</td>
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<tr>
<td>Vehicle/Equipment Usage</td>
<td>$2,707.89</td>
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<tr>
<td>Acquisition Costs</td>
<td>$1,624,284.42</td>
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<tr>
<td>Fees and Compensation (Consultants)</td>
<td>$1,553,927.17</td>
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<tr>
<td>Telephone/Other</td>
<td>$20,088.59</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$3,918,898.42</strong></td>
</tr>
<tr>
<td><strong>Amount Reimbursable</strong></td>
<td><strong>$3,918,898.42</strong></td>
</tr>
<tr>
<td><strong>Amount Funded by State Transportation Revenues</strong></td>
<td><strong>$</strong></td>
</tr>
</tbody>
</table>