June 1, 2017

Mr. Alton L. 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’s) report of activities related to the Gordie Howe International Bridge (GHIB) project for the second quarter of Fiscal Year (FY) 2017, or January 1, 2017 through March 31, 2017.

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

Additionally, MDOT engaged in the following activities during the second quarter:

- Real estate activities, including environmental due diligence, title and appraisal work, property acquisition, procurement of a Demolition Owner’s Representative Consultant, demolition and other site preparation work, and the filing of condemnation cases when required.
- Re-evaluation No. 2 of the Final Environmental Impact Statement, authorizing the reconstruction and relocation of multiple City of Detroit sewers/siphons that cross I-75 from Springwells Street to Clark Street, along with private utility work that crosses I-75, including the relocation of gas, electric, and communications facilities. The Federal Highway Administration concurred with MDOT’s conclusion that there is no need to supplement the Final Environmental Impact Statement at the present time due to this work.
- Pre-relocation planning activities with utilities and railroads located within the project footprint, including design services for utility relocation/construction in the vicinity of I-75.
- Submission of a Bridge Permit Application to the United States Coast Guard.
• Continued coordination with WDBA, the City of Detroit, and community advocates regarding the project.

Canada provided payment to MDOT during the last quarter for invoices billing work completed through December 2016. Enclosed is a summary of GHIB-related expenditures by MDOT during the second 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, Director of Governmental Affairs, at 517-373-3946.

Sincerely,

[Signature]

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
### Description of Expenditures

<table>
<thead>
<tr>
<th>Description</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Costs</td>
<td>$762,382.15</td>
</tr>
<tr>
<td>Travel/Meal Expenses</td>
<td>$7,509.16</td>
</tr>
<tr>
<td>Vehicle/Equipment Usage</td>
<td>$4,063.38</td>
</tr>
<tr>
<td>Acquisition Costs</td>
<td>$18,689,025.40</td>
</tr>
<tr>
<td>Fees and Compensation (Consultants)</td>
<td>$4,880,758.78</td>
</tr>
<tr>
<td>Telephone/Other</td>
<td>$23,199.38</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$24,366,938.25</td>
</tr>
<tr>
<td><strong>Amount Reimbursable</strong></td>
<td>$24,366,938.25</td>
</tr>
<tr>
<td><strong>Amount Funded by State Transportation Revenues</strong></td>
<td>$ -</td>
</tr>
</tbody>
</table>

Michigan Department of Transportation

June 1, 2017