December 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 107 of 2017, this letter contains the Michigan Department of Transportation’s (MDOT’s) report of activities related to the Gordie Howe International Bridge (GHIB) project for Fiscal Year (FY) 2017, October 1, 2016 through September 30, 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 year:

- Coordination with WDBA and the Federal Highway Administration (FHWA) to authorize release of the Request for Proposals to design, build, finance, operate, and maintain the GHIB on November 10, 2016. Since the release, MDOT has participated in ongoing development of the draft Project Agreement and confidential meetings with WDBA and the private-sector proponents.
- Real estate activities, including environmental due diligence, title and appraisal work, property acquisition, demolition and other site preparation work, and the filing and litigation of condemnation cases when required.
- Re-evaluation No. 2 of the Final Environmental Impact Statement (FEIS), 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. FHWA concurred with MDOT’s conclusion that there is no need to supplement the FEIS at the present time due to this work.
- Re-evaluation No. 3 of the FEIS, regarding the relocation of public and private utilities. FHWA concurred with MDOT’s conclusion that no additional National Environmental Protection Agency documentation outside of the re-evaluation is necessary for this work.
- Initiated an update of the air and noise analysis completed for the FEIS, which will be included as part of the full re-evaluation of the FEIS required by FHWA. As part of the air and noise analysis, the 2008 traffic analysis completed for the FEIS is also being updated.
• Relocation planning activities with utilities and railroads located within the project footprint, including GHIB-related design and utility relocation work, as part of the I-75 pavement inlay project. Completion of the work this year is important to minimize future costs and closures/detours in the I-75 corridor. MDOT also completed an agreement with DTE Electric and DTE Gas Companies for infrastructure removal and relocation work.

• Received approval from the United States Coast Guard for a time extension on the existing bridge permit via Bridge Permit Amendment 1a-14-9 dated August 18, 2017.

• Continued coordination with WDBA, the City of Detroit, and community advocates regarding the project, including negotiation of agreements between MDOT and City of Detroit parties effectuating the transfer of properties, assets, and/or interests that were owned, and jurisdiction that was exercised by, any Detroit party and located within the boundaries of the project to facilitate construction of the GHIB (approved by the Detroit City Council on July 25, 2017).

• Prepared and filed forms with the Federal Aviation Administration requesting a hazard determination on the height of the bridge; we continue to address any inquiries by the agency as needed.

Canada provided payment to MDOT during the year for invoices billing work completed through June 2017. Enclosed is a summary of GHIB-related expenditures by MDOT during 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,

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>$ 3,964,548.18</td>
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<tr>
<td>Travel/Meal Expenses</td>
<td>$ 39,599.87</td>
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<tr>
<td>Vehicle/Equipment Usage</td>
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<tr>
<td>Acquisition Costs</td>
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<tr>
<td>Utility Relocation</td>
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<tr>
<td>Fees and Compensation (Consultants)</td>
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<tr>
<td>Telephone/Other</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$ 87,789,718.88</strong></td>
</tr>
<tr>
<td><strong>Amount Reimbursable</strong></td>
<td><strong>$ 87,789,718.88</strong></td>
</tr>
<tr>
<td><strong>Amount Funded by State Transportation Revenues</strong></td>
<td><strong>$ -</strong></td>
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</tbody>
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