

A G E N D A

BUILDING COMMITTEE

September 13, 2000
11:00 A.M. ORTA Conference Room

STATE ADMINISTRATIVE BOARD

September 19, 2000
11:00 A.M. Senate Appropriations Room
3rd Floor Capital

AWARD OF CONSTRUCTION CONTRACTS

1. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, AUGUSTA – Fort Custer Training Center – Barracks Renovations, Buildings 2606, 2607, 2719 & 2720
File No. 511/00632.AGY – Index Nos. 22000, 11275 & 11276
Low Bidder: Carrier Construction Co., Inc., Hickory Corners - \$808,800.00
2. DEPARTMENT OF NATURAL RESOURCES, LIVINGSTON COUNTY – Island Lake Recreation Area – CMI Paving Projects
File No. 751/99222.JDM – Index No. 50770
Low Bidder: Detroit Concrete Products Corporation, Milford - \$1,136,861.42

REVISIONS TO CONSTRUCTION CONTRACTS

3. DEPARTMENT OF EDUCATION, ROSCOMMON – Kirtland Community College – Administration & Art Maintenance Buildings Additions & Remodeling
File No. 332/96147.RCH – Index No. 50706
RCL Construction, Sanford; CCO No. 4, Incr. \$101,159.27
4. DEPARTMENT OF CORRECTIONS, NEW HAVEN – Macomb Correctional Facility – 240 Bed Level IV Housing Unit
File No. 472/98360.EEW – Index No. 53043
The Bell Company, Fraser; CCO No. 6, Incr. \$170,482.00
5. DEPARTMENT OF COMMUNITY COLLEGES, ALPENA – Alpena Community College – Construct World Center for Concrete – Technology Building
File No. 332/97041.JDM – Index No. 52016
Three Rivers Construction Company, Inc., Midland; CCO No. 3, Incr. \$48,325.00

ADDENDUMS TO LEASES FOR PRIVATE PROPERTY

6. DEPARTMENT OF COMMUNITY HEALTH, LANSING – Addendum #2 to lease (#7328) approved by the State Administrative Board on September 5, 1989, Item #53, between MAXCO Inc., and subsequently assigned to Apollo Drive Partnership, A Michigan Partnership, as Lessor, and the State of Michigan, Department of Community Health, as Lessee, for space located 2150 Apollo Drive, Lansing. This addendum provides for changing the cancellation clause from a Legislative Restrictive to a standard cancellation during the renewal option period, exercising the renewal option upon approval as provided in the lease with continuation of the adjustment schedule. The Civil Rights provision has been updated, and the Year 2000 language added. This lease has been approved by the Attorney General as to legal form. Source of Funds: 100% Federal Funds.

7. FAMILY INDEPENDENCE AGENCY, COLDWATER – Addendum #1 to lease (#10485) approved by the State Administrative Board on June 3, 1997, Item #19, by and between the County of Branch, A Michigan Municipal Corporation, as Lessor, and the State of Michigan, Family Independence Agency, as Lessee, for space located at 388 Keith Wilhelm Drive, Coldwater. This addendum provides for correcting the address of this newly constructed facility, to change the beginning and ending dates to reflect the actual move-in dates, to update the Civil Rights language, to change the operating adjustments base year dates, and to add additional mechanical requirements to the lease. This addendum becomes effective upon the last State Governmental approval and continues to the termination date of the lease March 31, 2019, or any extension. This addendum has been approved by the Attorney General as to legal form. Source of Funds: 7% General Fund; 93% Restricted General Funds.

8. DEPARTMENT OF STATE, GLADWIN – Addendum #1 to lease (#7563) approved by the State Administrative Board on October 2, 1990, Item #30, between Charles R. and Dorothy L. Ashcraft, and subsequently assigned to Ashcraft-Gladwin, L.L.C., A Limited Liability Company, as Lessor, and the State of Michigan, Department of State, as Lessee, for space located at 1208 North State Street, Ashcraft Plaza, Gladwin. This addendum provides for adding one five-year renewal option with an increase in the annual rental of \$3,300 per year (\$1.84 per square foot). The new total annual rental will be \$13,050.00 (\$7.25 per square foot) with continuation of the adjustment schedule. This addendum also provides for renovations with a get-ready cost in an amount not-to-exceed \$11,826.73. (Total square feet 1,800). This lease has been approved by the Attorney General as to legal form. Source of Funds: 93% Restricted General Funds; 7% General Fund.

SUPPLEMENTAL A G E N D A

BUILDING COMMITTEE

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September 19, 2000
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RESOLUTION OF THE STATE ADMINISTRATIVE BOARD

RESOLUTION OF THE STATE ADMINISTRATIVE BOARD DETERMINING THE RENTAL AND CONFORMING OTHER MATTERS REGARDING THE LEASE AND CONVEYANCE OF LAND FOR STATE POLICE COMMUNICATIONS SYSTEM, PHASE II.

A RESOLUTION of the State Administrative Board, (i) approving the conveyance of the Facilities listed in Exhibit A to this Resolution and the sites thereof (the "Facilities") to the State Building Authority (the "Authority"), (ii) confirming the authorization of the lease (the "Lease"), by and between the Authority and the State of Michigan (the "State"), for the purpose of leasing the Facilities to the State, (iii) determining the annual true rental for the Lease, (iv) providing for other matters related thereto, and (v) authorizing the execution and delivery of a Continuing Disclosure Agreement.

WHEREAS, the Authority has been incorporated under and in pursuance of the provisions of Act 183, Public Acts of Michigan, 1964, as amended ("Act 183"), for the purpose of acquiring, constructing, furnishing, equipping, owning, improving, enlarging, operating, mortgaging and maintaining buildings, necessary parking structures or lots and facilities and sites therefor, for the use of the State, including institutions of higher education created pursuant to Const 1963, art 8, §§ 5, 6 and 7, or any of its agencies; and

WHEREAS, the State desires that the Authority acquire the Facilities, and lease the Facilities to the State, and the Authority is willing to acquire the Facilities and to lease the Facilities to the State; and

WHEREAS, the Authority has taken or is expected to take all action necessary to acquire the Facilities and to lease the Facilities to the State; and

WHEREAS, the sites of the Facilities (the "Sites") are presently owned or are being acquired by the State and it is intended that the Sites be conveyed to the Authority by the State and that the Facilities be conveyed by the State to the Authority as acquired; and

WHEREAS, Section 5 of Act 183 provides that the State may convey property to the Authority with the prior approval of the Attorney General and with the prior approval of the State Administrative Board and the Legislature of the State by concurrent resolution of the Legislature concurred in by a majority of the members elected to and serving in each House; and

WHEREAS, the acquisition of the Facilities by the Authority for use by and lease to the State is necessary in order for the State to carry out necessary governmental functions and to provide necessary services to the people of the State as mandated or permitted by Constitution and law, and the use of Act 183 to accomplish such acquisition represents the most practical means to that end at the lowest cost to the State; and

WHEREAS, the Lease has been prepared in the form attached hereto and approved by the Prior Resolution (as defined below) with such changes and corrections as were authorized by the Prior Resolution; and

WHEREAS, Section 7 of Act 183 provides that the Lease shall be approved by the State Administrative Board and by concurrent resolution of the Legislature concurred in by a majority of the members elected to and serving in each House; and

WHEREAS, the State Administrative Board has, by its resolution adopted on the date listed in Exhibit A to this Resolution (the "Prior Resolution"), among other things, approved the form of the Lease, established a range of true rentals for the Facilities under the Lease and, subject to the satisfaction of certain conditions, authorized the execution and delivery by the Governor and the Secretary of State, on behalf of the State, of (i) deeds and bills of sale necessary to convey the Facilities and Sites to the Authority and (ii) the Lease; and

WHEREAS, the Legislature by Concurrent Resolution has approved (i) the conveyance of the Facilities to the Authority and (ii) the Lease; and

NOW THEREFORE, BE IT RESOLVED BY THE STATE ADMINISTRATIVE BOARD OF THE STATE OF MICHIGAN THAT:

1. Except as supplemented by the determination of true rental and the final identification of sites comprising the Facilities pursuant to paragraph 2 below, all findings, determinations, approvals, authorizations and resolutions contained in the Prior Resolution are ratified and confirmed as of the date of this Resolution.

2. It is hereby determined that the economic or market value to the State of the Facilities shall be the amount set forth on Exhibit A to this Resolution each year of the Lease for a term as set forth on Exhibit A, which is shorter than the period of useful life of the Facilities, such amount being, the annual true rental determined by the Authority as certified in an appraisal made for the Authority and the State by Dean Appraisal Company, using such commonly employed procedures as fairly determine the economic or market value of the Facilities, without taking into account the right of the State to acquire title to the Facilities without further payment upon termination of the Lease. The annual true rental so determined is within the corresponding range of values established in the Prior Resolution. The State further confirms its obligations to pay rent and perform the other duties and obligations specified in the Lease and that such obligations do not depend upon the passage of title to the Facilities to the State without consideration, and the State Administrative Board hereby represents that it would approve the execution and delivery of the Lease even if title to the Facilities would not pass upon termination of the Lease.

3. The State Treasurer and any deputy State Treasurer are severally authorized to execute an agreement of the State in substantially the form on file with the Secretary of the Board with changes made by the State Treasurer or deputy State Treasurer as are necessary or appropriate and to execute amendments to such agreement from time to time in accordance with the terms of such agreement (the agreement and any amendments thereto are collectively, the "Continuing Disclosure Agreement") to assist in compliance with the continuing disclosure undertaking requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended. The State covenants that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement which are applicable to the State. Any failure of the State to comply with and carry out the provisions of this section or of the Continuing Disclosure Agreement shall not be an event of default with respect to the bonds to be issued by the Authority to finance or refinance the acquisition, construction, equipping or renovation of the Facilities.

4. This Resolution shall be immediately effective upon its adoption.