September 1, 2018

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

Dear Director Walsh:

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 the third quarter of Fiscal Year (FY) 2018, April 1, 2018 through June 30, 2018.

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 third quarter:

- Real estate activities, including environmental due diligence, title and appraisal work, property acquisition, demolition and other site preparation work, and use of the condemnation process when required.

- Completion and approval of Re-evaluation No. 4 for the Final Environmental Impact Statement (FEIS), a full re-evaluation as required by the Federal Highway Administration (FHWA) prior to undertaking construction activities. The full report, including updates of the traffic, air and noise analyses completed for the FEIS, is available online at [https://www.michigan.gov/mdot/0,4616,7-151-9621_11008_87891----,00.html](https://www.michigan.gov/mdot/0,4616,7-151-9621_11008_87891----,00.html).

- GHIB-related utility relocation as part of the I-75 pavement inlay project, including the relocation and replacement of several siphons and combined sewer crossings; continued with other relocation planning activities with utilities and railroads located within the project footprint.

- After consideration of all associated factors, including review of airspace analysis and studies, evaluation of the impacts and potential mitigations, the significance of the new bridge structure to Michigan and discussions with various federal, state and local officials, the Michigan Tall Structure Permit was issued to WDBA on April 9, 2018.
Mr. John Walsh  
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- Participation with FHWA and WDBA in the further development of the draft Project Agreement, along with confidential meetings with the private-sector proponents, review and evaluation of the final technical and financial proposals from the proponent teams, and concurrence in selection of the Preferred Proponent.

- Submitted required certifications and fulfilled all necessary FHWA requirements to allow construction to begin on the project. On June 26, 2018, MDOT requested and received concurrence from FHWA for WDBA to proceed to award of the early works contract with the Preferred Proponent team.

Canada provided payment to MDOT during the last quarter for invoices billing work completed through March 2018. Enclosed is a summary of GHIB-related expenditures by MDOT during the third quarter of FY 2018, 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
# Gordie Howe International Bridge Project
Fiscal Year 2018 Third Quarter Expenditures by MDOT

<table>
<thead>
<tr>
<th>Description</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Costs</td>
<td>$1,061,922.24</td>
</tr>
<tr>
<td>Travel/Meal Expenses</td>
<td>$15,175.24</td>
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<tr>
<td>Acquisition Costs</td>
<td>$13,648,075.26</td>
</tr>
<tr>
<td>Utility Relocation</td>
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<tr>
<td>Fees and Compensation (Consultants)</td>
<td>$9,507,515.32</td>
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<tr>
<td>Telephone/Other</td>
<td>$21,915.98</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$27,306,747.20</td>
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<tr>
<td>Amount Reimbursable</td>
<td>$27,306,747.20</td>
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<tr>
<td>Amount Funded by State Transportation Revenues</td>
<td>$-</td>
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</tbody>
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