June 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 second quarter of Fiscal Year (FY) 2018, January 1, 2018 through March 31, 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 second 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.
- Re-evaluation: No. 4 of the Final Environmental Impact Statement (FEIS), a full re-evaluation as required by the Federal Highway Administration (FHWA) prior to undertaking construction activities. Updates of the traffic, air and noise analyses completed for the FEIS will be included in this re-evaluation report.
- GHIB-related utility relocation as part of the I-75 pavement inlay project. Completion of the work this year is important to minimize future closures/detours in the I-75 corridor and minimize costs.
- Other relocation planning activities with utilities and railroads located within the project footprint.
- Coordination with the Federal Aviation Administration regarding our request for a hazard determination on the height of the bridge; we continue to address any inquiries by the agency as needed.
Participation with FHWA and WDBA in the ongoing development of the draft Project Agreement, along with confidential meetings with the private-sector proponents.

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

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 Second Quarter Expenditures by MDOT**

<table>
<thead>
<tr>
<th>Description</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Costs</td>
<td>$1,344,414.07</td>
</tr>
<tr>
<td>Travel/Meal Expenses</td>
<td>$14,951.66</td>
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<tr>
<td>Acquisition Costs</td>
<td>$8,748,572.45</td>
</tr>
<tr>
<td>Utility Relocation</td>
<td>$2,533,575.88</td>
</tr>
<tr>
<td>Fees and Compensation (Consultants)</td>
<td>$6,041,538.87</td>
</tr>
<tr>
<td>Telephone/Other</td>
<td>$35,963.99</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$18,719,016.92</strong></td>
</tr>
<tr>
<td><strong>Amount Reimbursable</strong></td>
<td><strong>$18,719,016.92</strong></td>
</tr>
<tr>
<td><strong>Amount Funded by State Transportation Revenues</strong></td>
<td>$-</td>
</tr>
</tbody>
</table>

Michigan Department of Transportation

June 1, 2018