

APPROVED

MAR 19 2013

MICHIGAN STATE
ADMINISTRATIVE BOARD

Lansing, Michigan

March 5, 2013

A regular meeting of the State Administrative Board was held in the Lake Superior Room, 1st Floor, Michigan Library and Historical Center, on Tuesday, March 5, 2013, at 11:00 a.m.

Present: Mike Gadola, Legal Counsel, representing Rick Snyder, Governor,
Chairperson
Nat Forstner, Chief of Staff, representing Brian Calley, Lt. Governor
Rose Jarois, Director, Department Services Administration, representing
Ruth Johnson, Secretary of State
Michael Reilly, Assistant Attorney General, representing Bill Schuette, Attorney
General
Melissa Castro, Assistant Deputy Treasurer, representing Andy Dillon, State
Treasurer
Carol Wolenberg, Deputy Superintendent for Administration, representing
Michael P. Flanagan, Superintendent of Public Instruction
Laura Mester, Chief Administrative Officer, representing Kirk T. Steudle,
Director, Department of Transportation
Sherry Bond, Secretary

Others Present:

Leasa Plaunt, Janet Rouse, Department of Technology, Management and Budget; Bill
Rottiers, Department of Transportation

1. CALL TO ORDER:

Mr. Gadola called the meeting to order and led the Pledge of Allegiance to the Flag.

**2. READING OF MINUTES OF PRECEDING MEETING AND APPROVAL
THEREOF:**

Ms. Wolenberg moved to approve the minutes of the regular meeting of February 19,
2013. Supported by Ms. Mester, the motion was unanimously adopted.

**3. HEARING OF CITIZENS ON MATTERS FALLING UNDER JURISDICTION OF THE
BOARD:**

NONE

4. COMMUNICATIONS:

NONE

5. UNFINISHED BUSINESS:

NONE

6. NEW BUSINESS:

RETENTION AND DISPOSAL SCHEDULES

LANSING COMMUNITY COLLEGE, Public Affairs Department, 3/5/2013

DEPARTMENT OF ENVIRONMENTAL QUALITY, Administration Division, 3/5/2013

DEPARTMENT OF HUMAN SERVICES, Office of Inspector General, 3/5/2013

DEPARTMENT OF NATURAL RESOURCES,
Forest Resources Division, 3/5/2013
Real Estate Division, 3/5/2013

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET, Labor Market
Information and Strategic Initiatives, 3/5/2013

Ms. Jarois moved to approve the Retention and Disposal Schedules. Supported by Mr. Forstner, the motion was unanimously adopted.

7. REPORTS AND RECOMMENDATIONS OF COMMITTEES:
(Please see the following pages)

APPROVED

March 5, 2013

Michigan State
Administrative Board

March 5, 2013, No. 3

COMMITTEE REPORT TO THE STATE ADMINISTRATIVE BOARD

The Honorable Rick Snyder, Governor
and
Members of the State Administrative Board

A regular meeting of the Building Committee was held at 11:00 a.m.
on February 26, 2013. Those present being:

Chairperson: Melissa Castro, representing
State Treasurer Dillon

Approved Melissa Castro

Member: Elizabeth Clement, representing
Governor Snyder

Approved Elizabeth Clement

Member: Jenell Leonard, representing
Lt. Governor Calley

Approved Jenell Leonard

Others: Iris Lopez, Michael Reilly, Department of Attorney General; Tom Graf, Department of Environmental Quality; Cynthia Watson, Department of Natural Resources; Rose Jarois, Department of State; Sherry Bond, Pat Mullen, Janet Rouse, TeAnn Smith, Department of Technology, Management and Budget; Bill Rottiers, Department of Transportation

Ms. Castro called the meeting to order.

The Building Committee Agenda was presented.

Following discussion, Ms. Clement moved that the Regular Agenda be recommended to the State Administrative Board for approval. Supported by Ms. Leonard, the motion was unanimously adopted.

Ms. Castro adjourned the meeting.

A G E N D A

BUILDING COMMITTEE / STATE ADMINISTRATIVE BOARD

February 26, 2013 / March 5, 2013
11:00 A.M. Lake Superior Room 1st Floor
Michigan Library and Historical Center

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This agenda is for general informational purposes only. At its discretion, the Building Committee may revise this agenda and may take up other issues at the meeting.

AWARD OF CONSTRUCTION CONTRACT

1. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, GRAND RAPIDS –
Grand Rapids Home for Veterans – Main Entrance Drive-Up Canopy
Replacement
File No. 511/11211.GAG - Index No. 64000 - Contract No. Y 13047
Low Responsive Bidder: Orion II Construction, Grand Rapids; \$1,154,200.00

Description and Justification

The purpose of this contract is to remove the existing main entrance drive-up canopy and construct a larger canopy to properly provide for the residents' safety and coverage during inclement weather as well as a covered area accessible for buses, transport vans, and ambulances to load and unload passengers. This work also reconfigures the driveway approach for improved vehicle access and stacking and provides for an alternate covered temporary entrance during construction. This work also includes installing a snowmelt system in the reconfigured driveway approach and passenger unloading area.

Funding Source

100% Agency Operating Funds

2. DEPARTMENT OF ENVIRONMENTAL QUALITY, GLADWIN – Winegar's
Trading Post Site – Contaminated Soil Removal
File No. 761/11176.BDH - Index No. 44601 - Contract No. Y 13125
Recommended Responsive Proposal: ASI Environmental Technologies, Inc.,
Ludington; \$327,795.00

Description and Justification

The purpose of this contract is to remove and dispose of approximately 5,900 tons of petroleum contaminated soils, 150,000 gallons of contaminated groundwater and restore the site. The site is a former gasoline station and it was designated as a site with leaking underground storage tank system. Previous investigations confirmed presence of contaminated soils and groundwater on site.

The work is needed to abate environmental contamination to protect public health, safety, welfare and the environment and comply with environmental regulations.

Funding Source

100% Refined Petroleum Funds

MODIFICATION TO PROFESSIONAL SERVICES CONTRACTS

- 3. DEPARTMENT OF ENVIRONMENTAL QUALITY, WYOMING – Spartan Chemical Superfund Site – Remedial Design and Remedial Action Oversight File No. 761/10107.SAR - Index No. 44061 - Contract No. Y10187 AMEC E and I, Inc. (Former MACTEC Engineering & Consulting, Inc.), Novi; Modification No. 6, Increase \$28,000.00

Description and Justification

The purpose of this modification is to provide additional sampling of soil, groundwater, indoor air and soil gas. The sampling activities are needed on the nearby school property and in the residential neighborhood northwest of the site. The contamination is spreading and the sampling is required to evaluate the potential risk at the new locations. The work is needed to protect public health, safety, welfare and the environment and to comply with environmental regulations.

Funding Source

100% Federal Funds

Base Contract	\$150,000.00	Provide professional engineering design and remedial action oversight services. The professional will provide support to the agency in designing and implementing the Environmental Protection Agency's (EPA's) Record of Decision (ROD) for an efficient, phased approach in addressing the site contamination. The project is funded through a cooperative agreement with EPA. The total requested amount (\$929,724.00) has been allocated by the agency to the project. However, the professional will be authorized to use only \$150,000.00 at this time and to use the remaining amounts upon authorization by the agency and receiving payments from EPA. Approved State Ad Bd Agenda 05/18/10
Modification No. 1	\$450,000.00	Authorize professional to use \$450,000.00 in accordance with the

		State Ad Bd approval dated May 18, 2010.
Modification No. 2	\$0.00	Contract Reallocation
Modification No. 3	\$329,724.00	Authorize professional to use \$329,724.00 in accordance with the State Ad Bd approval dated May 18, 2010.
Modification No. 4	\$131,450.00	Provide an ambient air pilot study, additional sampling of soil gas and groundwater, property survey, resistive survey in the residential neighborhood and vapor intrusion survey in the former Ambassador Steel Building. Approved State Ad Bd Agenda 09/15/11
Modification No. 5	\$68,811.00	Perform pilot study for in-situ chemical oxidation, install additional monitoring wells, conduct groundwater sampling and obtain access for vapor intrusion survey. Approved State Ad Bd Agenda 03/20/12
Modification No. 6	\$28,000.00	See justification above
Total Contract	\$1,157,985.00	

4. DEPARTMENT OF ENVIRONMENTAL QUALITY, MILLERSBURG – Alice's Restaurant Site – Environmental Investigation and Remediation Services
File No. 761/10123.SAR - Index No. 44351 - Contract No. Y10104
Fleis and VandenBrink Engineering, Inc., Traverse City; Modification No. 3, Increase \$56,800.00
ISID No. 00212 - Assignment No. 2
New ISID Contract Limit: \$387,272.88

Description and Justification

The purpose of this modification is to provide additional groundwater sampling, free product monitoring, vapor well installation/sampling and reporting. The original assignment and subsequent modifications provided free product monitoring/recovery, quarterly well sampling, remedial investigation, remediation alternative evaluation, contamination source removal and reporting. However, the site is still contaminated and requires continuation of monitoring services. The work is needed to comply with environmental regulations.

Funding Source

100% Refined Petroleum Funds

Base Contract	\$106,964.00	Provide remedial investigation, free product monitoring and recovery, a
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		feasibility study, corrective action plan and monitoring services. Approved Director's Agenda 02/05/10
Modification No. 1	\$0.00	Contract Reallocation
Modification No. 2	\$59,494.00	Provide additional environmental investigation and remediation services. Approved Director's Agenda 04/15/11
Modification No. 3	\$56,800.00	See justification above
Total Contract	\$223,258.00	

5. DEPARTMENT OF ENVIRONMENTAL QUALITY, CARSON CITY – Former Crystal Oil Refinery Site – Remediation System Design and Construction Oversight
 File No. 761/12129.SAR - Index No. 44901 - Contract No. Y12121
 AECOM Technical Services, Grand Rapids; Modification No. 3, Increase \$17,928.00
 ISID No. 00307 - Assignment No. 2
 New ISID Contract Limit: \$339,701.30

Description and Justification

The purpose of this modification is to provide additional construction oversight services. The site is a former oil refinery. Releases of petroleum products during the refinery's several decades of operation caused widespread contamination to the site's soil and groundwater. An interim free product recovery and groundwater interception system was initially installed to prevent contamination migration. This request is to provide additional construction oversight including review of contractor's submittals and manuals for the purpose of closing the construction contract. Remediating the site is needed to protect public health, safety and welfare of the environment.

Funding Source

100% Strategic Water Quality Initiative Funds

Base Contract	\$145,700.00	Provide for remediation design and construction oversight services for the expansion and upgrade of the existing remediation system. Approved Director's Agenda 02/03/12
Modification No. 1	\$86,860.00	Provide additional system design and construction oversight services. An interim free product recovery and groundwater interception system was initially installed to prevent contamination migration. However, upon evaluating the site conditions, it was concluded that a groundwater drawdown system is needed to effectively remediate the site.

		Approved Director's Agenda 06/22/12
Modification No. 2	\$0.00	Contract Extension
Modification No. 3	\$17,928.00	See justification above
Total Contract	\$250,488.00	

REVISIONS TO CONSTRUCTION CONTRACTS

6. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS, GRAYLING – Camp Grayling Annual Training Site – MPRC Retaining Wall Repairs
File No. 511/12348.CAK - Index No. 21000 - Contract No. Y12392
Porath Contractors, Inc., Houghton Lake; CCO No. 4, Increase \$426,593.44

Description and Justification

The purpose of this change order is to install retaining walls which were removed from the original scope of work by accepting deductive alternates when the project was awarded, due to a lack of funding. The Federal government has now approved the funding and the Agency has requested the additional of the previously removed retaining walls back into the project scope based on these newly available funds.

Funding Source

100% Federal Funds

Base Contract	\$867,270.64	Approved State Ad Bd Agenda 09/13/2012
Change Order No. 1	\$-222,107.60	100% Scope Change (Negative CCO rescinded on 01/11/2013)
Change Order No. 2	\$0.00	100% Scope Change
Change Order No. 3	\$222,107.60	100% Scope Change
Change Order No. 4	\$426,593.44	See justification above
Total Contract	\$1,293,864.08	

7. DEPARTMENT OF ENVIRONMENTAL QUALITY, MUSKEGON – Zephyr Naph-Sol Refinery Site – Operation and Maintenance
File No. 777/11109.BDH - Index No. 44901 - Contract No. Y11169
Superior Environmental Corp., Marne; CCO No. 3, Increase \$375,000.00

Description and Justification

The purpose of this change order is for the continued operation and maintenance of the remediation system at this former crude oil refinery for an additional 472 days. The new contract completion date is May 31, 2014. This change order is needed to prevent the spread of contamination and thus protect nearby residents and the environment.

Funding Source

100% Strategic Water Quality Initiative Funds

Base Contract	\$251,230.00	Approved State Ad Bd Agenda 06/07/11
Change Order No. 1	\$20,000.00	80% Field Condition and 20% Scope Change
Change Order No. 2	\$180,000.00	100% Scope Change (Contract Extension)
Change Order No. 3	\$375,000.00	100% Scope Change (Contract Extension).
Total Contract	\$826,230.00	

LEASE FOR PRIVATE PROPERTY

8. DEPARTMENT OF STATE, WARREN – New Lease No. 11617 with Hoo Twelve, LLC, 27600 Northwestern Hwy, Suite 200, Southfield, MI 48034, as Lessor, and the State of Michigan by the Department of Technology, Management and Budget for the Department of State, as Lessee, for 5,000 square feet of office space located at 11533-11537 East Twelve Mile Rd., Warren, MI 48093. The Lease is effective upon obtaining State Administrative Board approval and required signatures. The annual per square foot rental rate for this space beginning April 1, 2013, or upon substantial completion, is \$18.60 (\$7,750.00 per month). This is a full service Lease. This Lease contains two 5-year renewal options with an annual per square foot rental rate of \$18.60 (\$7,750.00 per month) and \$20.93 (\$8,720.93 per month). This Lease contains a Standard cancellation clause with 90 days notice. The Attorney General has approved this Lease as to legal form.

Purpose/Business Case:

The Department of State is looking to consolidate two office locations into one central location within the city of Warren.

Benefit:

This new location would allow the department to serve the city of Warren residents in a new centralized location that is close to highway access and on a main traffic corridor. The rental rate is within current market rates.

Funding Source:

0.94% General Fund; 99.06% Restricted Fund (TACF 43.04%; Auto Repair Facilities 0.12%; Child Support Clearance 0.18%; Driver Fees 20.56%; PID 1.59%; Re-instatement Fees 0.85%; Vehicle Theft Prevention 0.6%; Mobile Home Commission 0.50%; Marine Safety Fund 0.15%; Enhanced Driver & PID 4.53%; Snowmobile Registration Fees 0.38%; IDG - MDOT Transportation 26.69%; Recreational Passport 0.40%)

Commitment Level:

Five year lease with two 5-year options; however, this Lease contains a Standard cancellation clause with 90 days notice.

Risk Assessment:

Non-approval of this Lease will not allow the Department to move to a central location within the City of Warren and improve customer service to the citizens.

Zip Code:
48093

SUB-LEASE FOR PRIVATE PROPERTY

9. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET, WASHINGTON, D.C. - Renewal Sub-Lease No. 2445 with State Services Organization, Inc., a Washington, D.C. Corporation with offices at 400/444 North Capitol Street, N.W., Washington, D.C., as Sub-Lessor, and the State of Michigan by the Department of Technology, Management and Budget for the Office of the Governor, as Sub-Lessee, for 2,336 square feet of office space located at Suite 411, Hall of the States, 400/444 North Capitol Street, N.W., Washington, D.C. 20001. The Sub-Lease term is from February 1, 2012, through January 31, 2020, and is effective upon obtaining State Administrative Board approval and required signatures.

The annual per square foot rental rate for this space beginning February 1, 2012, is \$51.30 (\$9,986.40 per month) plus a variable "additional rent" charge equal to a pro rata share of Lessor's major operating expenses. The square foot rental rate increases by 2.25% annually. This rate does not include parking. This Sub-Lease contains a legislative cancellation clause with 180 days notice. The Attorney General has approved this Sub-Lease as to legal form.

Purpose/Business Case:

To provide office space for the Governor's Washington D.C. staff and visiting State of Michigan officials which is located very close to Capitol Hill and therefore can best support the State of Michigan's federal government lobbying and consultation initiatives.

Benefit:

The Hall of the States is ideally located near the U.S. Capitol and legislative offices for purposes of meeting legislators and other issue advocacy partners to advance legislation and regulatory interests of the State of Michigan. Also, replacing the current Sub-Lease with a new one at this time allows the State to take advantage of significant space remodeling discounts offered by the Sub-Lessor. The rental rate is within current market rates for Washington D.C.

Funding Source:

40% General Fund, 60% Restricted Funds (including 42% IDG-DCH and 18% IDG-LARA).

Commitment Level:

Eight years; however, this Sub-Lease contains a Legislative cancellation clause with 180 days notice.

Risk Assessment:

Non-approval of this Sub-Lease will preclude the Governor's Office from taking advantage of special remodeling discounts now offered by the Sub-Lessor and could eventually preclude the State from being able to support its federal government lobbying and consultation initiatives from such an advantageous location so close to Capitol Hill.

Zip Code
20001

SUB-LEASE FOR STATE-OWNED PROPERTY

10. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET, DETROIT – New Sub-Lease No.11606 effective December 1, 2012, through November 30, 2017, with Public Service Credit Union, a Michigan Corporation, as Lessee, and the State of Michigan by the Department of Technology, Management and Budget as Lessor, for 3,547 square feet of Branch Banking space located at 3044 W. Grand Boulevard, Detroit, Michigan, 48202. The annual rental rate for this Sub-Lease is \$59,022.16 (\$4,918.51 per month), plus all utility expenses. This Lease contains a Standard cancellation clause with 90 days notice. The Attorney General has approved this Lease as to legal form.

Purpose/Business Case:

This Lease provides a continuation of banking services currently provided at Cadillac Place for tenants and the surrounding community.

Benefit:

This Lease allows for the usage of space that has been configured for retail space on the first floor of the Cadillac Place Building. It also generates revenue to the State of Michigan.

Funding Source:

Income to the State

Commitment Level:

Five years; however, this Lease contains a Standard cancellation clause with 90 days notice.

Risk Assessment:

Non-approval of this agreement will hinder the Department from utilizing space that has been configured for retail.

Zip Code:

48202

CONVEYANCE OF SURPLUS STATE REAL PROPERTY

11. THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET recommends the conveyance of surplus state real property described below, located in the Ypsilanti Township, Washtenaw County, Michigan (the "Property") to the Charter Township of Ypsilanti, for public use, for consideration of One Dollar (\$1.00). The office of the Attorney General has approved the quitclaim deed as to legal form.

Legislative Background:

2012 Public Act 489 (the "Act") authorizes the State Administrative Board to convey the following property, located in the Township of Ypsilanti, County of Washtenaw, Michigan, more particularly described as follows:

Description of Property:

That part of the Southwest ¼ of Section 16, Town 3 South, Range 7 East, Ypsilanti Township, Washtenaw County, Michigan, described as beginning at a point distant North 3° 10' 40" West, 960.96 feet and South 72° 21' 20" West, 1396.20 feet from the South ¼ corner of said Section 16, and proceeding thence South 72° 21' 20" West, 600.00 feet; thence North 8° 24' 20" East along the centerline of South Huron Street, 300.00 Feet; thence North 72° 21' 20" East 600.00 feet; thence South 8° 24' 20" West, 300.00 feet to the Point of Beginning.

Subject to easements, rights-of-way and restrictions of record, if any. The property description is approximate and is subject to adjustment as the State Administrative Board or Attorney General considers necessary by survey or other legal description.

Purpose/Business Case:

The conveyance satisfies the criteria set forth in P.A. 489.

That Act authorizes the conveyance of the property commonly known as the Ypsilanti State Police post #26 that has been declared surplus. The Property is not being utilized and the recommended conveyance will return the Property to productive use.

Benefit:

The approval of this recommendation releases vacant surplus property into full utilization and relieves the State of further ownership responsibilities.

Funding Source:

The net revenue received from the sale of the Property must be distributed as follows:
100% General Fund.

Risk Assessment:

Failure to approve this conveyance would result in continued liability to the State, with continued maintenance costs and loss of revenue to the general fund.

Zip Code:

48197

EXCHANGE OF STATE-OWNED AND PRIVATELY-OWNED PROPERTY

12. DEPARTMENT OF CORRECTIONS, BLACKMAN TWP., JACKSON COUNTY -
As provided in 2012 Public Act 373, it is hereby recommended that the State Administrative Board approve an exchange of property by and between The Grand River Environmental Action Team, Inc. (GREAT), a domestic non-profit corporation, and the State of Michigan for the Department of Corrections. The state would convey approximately 5.77 acres of land in exchange for approximately 4.05 acres of land. The parcels to be exchanged are undeveloped and lay on opposite sides of the Grand River in Jackson County's Blackman Township. The State and GREAT parcels each became "stranded" on the opposite bank of the river from their respective owner's main holdings as the result of a river channel straightening project. The exchange will have the effect of restoring the Grand River as the natural and more easily managed property line between GREAT and the State. The conveyances will be by reciprocal quit claim deeds and shall not reserve oil gas or mineral rights to the State.

However, the State shall be entitled to ½ of any royalties GREAT or its successors may earn from same on the parcels conveyed to it. The Attorney General has approved the deeds as to legal form.

Purpose/Benefit:

This exchange will restore the Grand River as the property line between the parties, thereby allowing the Department of Corrections (DOC) to more efficiently and effectively control trespassing and manage security issues on State property. The properties are deemed to be of approximately equal value.

Funding Source:

Each party shall convey its property in this exchange for a nominal amount of \$1.00 and neither party requires further compensation. Each party will pay for its own closing costs.

Commitment:

This conveyance is permanent.

Risk Assessment:

Non-approval of this exchange will preclude the Department of Corrections from restoring the Grand River channel as the logical and more secure property boundary for the Department of Corrections' Southern Michigan Prison property.

Zip Code:

49201

RESOLUTION

**13.A RESOLUTION OF THE STATE ADMINISTRATIVE BOARD APPROVING THE
CONVEYANCE OF PROPERTY FOR DEPARTMENT OF AGRICULTURE
GEAGLEY LABORATORY**

Purpose/Business Case

The Department of Agriculture Geagley Laboratory facility was originally owned by Michigan State University (University) and occupied by the State (the Michigan Department of Agriculture) under a long term land lease. Major renovation and infrastructure upgrades were made to the facility financed by the State Building Authority requiring the University convey the property to the State so that the State was able to convey the Facility to the Authority. An Agreement to Restore Title was entered into by all parties for the period in which the project was bonded. The bonds associated with this Facility have been paid in full. When the bonds were refunded in 2006, and the associated lease canceled, title for the property was reconveyed from the Authority to the State, but never from the State to the University. This resolution will allow the University to regain title.

Benefit

The approval of these resolutions will allow the State of Michigan to convey the Facility to Michigan State University in compliance with the Agreement to Restore Title.

Funding Source/Commitment Level

The annual rental of the project expired September 2006.

Risk Assessment

If the resolution is not approved, the property will be retained by the State of Michigan and will not revert back to Michigan State University in compliance with the Agreement to Restore Title.

Zip Code

48824

Ms. Castro presented the Building Committee Report for the regular meeting of February 26, 2013. After review of the foregoing Building Committee Report, Ms. Castro moved that the Report covering the regular meeting of February 26, 2013, be approved and adopted. The motion was supported by Mr. Forstner and unanimously approved.

APPROVED

March 5, 2013

March 5, 2013, No. 16

Michigan State
Administrative Board

COMMITTEE REPORT TO THE STATE ADMINISTRATIVE BOARD

The Honorable Rick Snyder, Governor
and
Members of the State Administrative Board

A regular meeting of the Finance and Claims Committee was held at
11:00 a.m. on February 26, 2013. Those present being:

Chairperson: Melissa Castro, representing
State Treasurer Dillon

Approved Melissa Castro

Member: Elizabeth Clement, representing
Governor Snyder

Approved Elizabeth Clement

Member: Iris Lopez, representing
Attorney General Schuette

Approved Iris Lopez

Others: Michael Reilly, Department of Attorney General; Tom Graf,
Department of Environmental Quality; Jenell Leonard, Lt. Governor's
Office; Cynthia Watson, Department of Natural Resources; Rose
Jarois, Department of State; Sherry Bond, Patrick Mullen, Janet
Rouse, TeAnn Smith, Department of Technology, Management and
Budget; Bill Rottiers, Department of Transportation

Ms. Castro called the meeting to order.

The Finance and Claims Committee Regular Agenda was presented.

Following discussion, Ms. Lopez moved that the Regular Agenda be
recommended to the State Administrative Board for approval. The motion
was supported by Ms. Clement and unanimously adopted.

Ms. Castro adjourned the meeting.

2/22/2013 1:15 p.m. FINAL

A G E N D A

FINANCE AND CLAIMS COMMITTEE

February 26 2013, 11:00 a.m.
Lake Superior Room
1st Floor, Michigan Library
and Historical Center

STATE ADMINISTRATIVE BOARD

March 5, 2013, 11:00 a.m.
Lake Superior Room
1st Floor, Michigan Library
and Historical Center

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This agenda is for general informational purposes only.
At its discretion the Finance and Claims Committee may revise
this agenda and may take up other issues at the meeting.

SECTION I - AGENCY SUBMITTED - NEW CONTRACTS

1. DEPARTMENT OF HUMAN SERVICES

- 1) Center for Support
of Families
Silver Spring, NJ

NOT TO EXCEED
\$ 2,500,000.00 Total
FY13-15 84.8% Federal Fund
15.2% General Fund
Implementation of a strategic
plan for completing the
requirements of the Dwayne B.
v. Snyder Modified Settlement
Agreement and Court Order
(MSA) by providing specific
consultation and
implementation support

2. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

- 1) Superior Rehabilitation and
Professional Services
Marquette, MI

\$ 283,293.00 Total
FY13-16 42% Federal Fund
30% Restricted Fund
Income & Assessments
28% General Fund
Physical Therapy and
Occupational Therapy Services
at the D. J. Jacobetti Home for
Veterans

SECTION II - AGENCY SUBMITTED - CONTRACT CHANGES

SECTION III - AGENCY SUBMITTED - NEW GRANTS

3. **DEPARTMENT OF HUMAN SERVICES**

- | | |
|---|---|
| 1) Various RASI-13-Series
(Refugee Assistance
School Impact)
(Listing on file) | \$ 696,000.00 Total
FY13-14 100% Federal Fund
To provide parent and youth
orientations to the American
School System and American
culture, English as a Second
Language (ESL) classes, parent
and youth groups, outreach and
referral services and summer
school impact program
consisting of ESL classes and
parent and youth orientations
only |
|---|---|

SECTION IV - AGENCY SUBMITTED - GRANT CHANGES

SECTION V - DTMB SUBMITTED - NEW CONTRACTS

4. **DEPARTMENT OF COMMUNITY HEALTH**

- | | |
|---|--|
| 1) HMS
New York, NY | \$ 12,562,000.00 (3 years)
FY13-16 50% Federal Fund
50% General Fund
071I3200009 Medicaid Cost
Avoidance and Third Party
Liability Recovery Services |
| 2) University of Massachusetts
Medical School
Worcester, MA | \$ 3,008,000.00 (3 years)
FY13-16 50% Federal Fund
50% General Fund
071I3200009 Medicaid Cost
Avoidance and Third Party
Liability Recovery Services |

SECTION VI - DTMB SUBMITTED - CONTRACT CHANGES

5. DEPARTMENT OF COMMUNITY HEALTH

- 1) Classic Optical Laboratories \$ 950,342.00 Amendment
Incorporated \$ 4,109,277.80 New Total
Youngstown, OH **FY13** 66% General Fund
34% Federal Fund
071B9200003 Additional funding
for Fabrication of Eyeglasses
and Related Services

- 2) J&B Medical Supply Company \$ 8,679,958.02 Amendment
Wixom, MI \$ 95,479,538.22 New Total
FY13-14 66% Federal Fund
35% General Fund
071B8200196 Additional funding
for a six-month extension to
the contract for Mail Order
Incontinent Supplies and
Services

6. DEPARTMENT OF HUMAN SERVICES

- 1) Public Consulting Group, Inc. \$ 3,500,000.00 Amendment
Boston, MA \$ 4,872,901.42 New Total
FY13 79% General Fund
21% Federal Fund
071B1300151 Additional funds
for the contract for Revenue
Maximization

7. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

- 1) ARM Consulting, Inc. \$ 425,000.00 Amendment
Byron, MI \$ 4,001,750.00 New Total
FY13 100% General Fund
071B1300033 Additional funding
for HRM Staff Augmentation for
the Civil Service Commission

7. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET continued

- | | | |
|----|---|--|
| 2) | Canon Business Solutions,
Incorporated
Farmington Hills, MI | \$ 60,000.00 Amendment
\$ 684,860.50 New Total
FY13-14 100% Other
<i>Internal Service Fund</i>
071B8200211 Additional funding
for a six-month extension for
full service maintenance on one
full-color digital printer/
copier |
| 3) | Imagetrend, Inc.
Lakeville, MN | \$ 85,840.00 Amendment
\$ 762,520.00 New Total
FY12-13 100% Restricted Fund
<i>Non-IDG Fund</i>
071B8200101 Additional funding
to exercise a one-year option
to the contract for the
Michigan Emergency Medical
Services System, Maintenance
and Support for Department of
Community Health |
| 4) | Various vendors
(Listing on file) | \$ 0.00 Amendment
\$608,574,781.50 New Total
One-year extensions to four
contracts for Telecom/Link
Michigan Master contract |

7. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET continued

Various RE:START Vendors

Amendment(s) to existing contract(s) for Short-term Staff Augmentation for Information Technology for various departments

5) Engage Information
(Umesh Naik)
Reston, VA

NOT TO EXCEED
\$ 168,640.00 Amendment
\$ 337,280.00 New Total
FY13 100% Federal Funds
071B2200117 Additional funding to exercise the first option year for a Senior Programmer Analyst to provide the Department of Education with continued support for the maintenance of the Michigan Item Bank system for the MDE Bureau of Assessment and Accountability

6) HTC Global Services
(Karthikeyan Kathirvelu)
Troy, MI

NOT TO EXCEED
\$ 148,800.00 Amendment
\$ 297,600.00 New Total
FY13 100% Restricted Fund
Criminal Justice Information Center Fees
071B2200203 Additional funding to exercise the first option year for a Senior Programmer Analyst to provide the Department of State Police with continued service to the Michigan Incident Crime Reporting the MICR Web Service/Schematron Project

7. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET continued

- | | | |
|----|---|--|
| 7) | Lazer Technologies
(John Dullock)
Southfield, MI | NOT TO EXCEED
\$ 154,000.00 Amendment
\$ 372,240.00 New Total
FY13 100% General fund
071B2200098 Additional funding
to exercise the first option
year for a Senior Project
Manager to provide the
Department of Corrections with
migration of the Corrections
Management System, legacy
modernization and other
application development
projects |
| 8) | Omniscient Systems
(Rani Karchalla)
Round Rock, TX | NOT TO EXCEED
\$ 163,880.00 Amendment
\$ 332,520.00 New Total
FY13 100% General fund
071B2200097 Additional funding
to exercise the first option
year for a Senior Project
Manager to provide the
Department of Corrections with
migration of the Corrections
Management System, and other
application development |
| 9) | Questa Technology, Inc.
(Srikanth Komanduri)
Pennsauken, NJ | NOT TO EXCEED
\$ 125,800.00 Amendment
\$ 294,440.00 New Total
FY13 100% General fund
071B2200096 Additional funding
to exercise the first option
year for a Senior Project
Manager to provide the
Department of Corrections with
migration of the Corrections
Management System, and other
application development |

7. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET continued

- 10) Systems Technology Group,
Incorporated
(Tirupati Vidap)
Troy, MI
- NOT TO EXCEED
\$ 148,800.00 Amendment
\$ 297,600.00 New Total
FY13 100% Restricted Fund
Criminal Justice Information Center Fees
071B2200202 Additional funding
to exercise the first option
year for a Senior Programmer
Analyst to provide the
Department of State Police with
continued service to Admin Tool
Rewrite Project
- 11) Technology Resource
Services, Inc.
(Niraj Jodh)
Ozone Park, NY
- NOT TO EXCEED
\$ 148,800.00 Amendment
\$ 297,600.00 New Total
FY13 100% Restricted Fund
Criminal Justice Information Center Fees
071B2200204 Additional funding
to exercise the first option
year for a Senior Programmer
Analyst to provide the
Department of State Police with
continued service to Admin Tool
Rewrite Project
- 12) VED Software Services
(Manikandan Chandran)
Farmington Hills, MI
- NOT TO EXCEED
\$ 148,800.00 Amendment
\$ 297,600.00 New Total
FY13 100% Restricted Fund
Criminal Justice Information Center Fees
071B2200201 Additional funding
to exercise the first option
year for a Senior Programmer
Analyst to provide the
Department of State Police with
continued service to Admin Tool
Rewrite Project

SECTION VII - RELEASE OF FUNDS TO WORK ORDER

SECTION VIII - REVISION TO WORK ORDER

SECTION IX - CLAIMS - PERSONAL PROPERTY LOSS

8. DEPARTMENT OF CORRECTIONS

Employee Claims

- 1) Christopher Crance \$637.00

The claimant (13-SAB-007) requests \$637.00 reimbursement for his eyeglasses damaged while performing his duties. The Committee recommends approval of \$336.55 for this claim.

- 2) Danielle Crawford \$510.00

The claimant (13-SAB-002) requests \$510.00 reimbursement for damage to her vehicle while parked in her parking lot at work. The Committee recommends denial of this claim.

- 3) Gregory Mattson \$298.25

The claimant (13-SAB-015) requests \$298.25 reimbursement for damage to his vehicle after running over a handicap sign that was not bolted down. The Committee recommends approval of this claim.

Inmate Claims

- 4) Keshuna Abcumby #462754 \$ 49.99

The claimant (13-SAB/DOC-059) requests \$49.99 reimbursement for his shoes lost while under control of the Department. The Committee recommends approval of this claim.

- 5) Bryant Armour #252868 \$ 19.42

The claimant (12-SAB/DOC-610) requests \$19.42 reimbursement for incorrect wages. The Committee recommends denial of this claim.

- 6) Roberto Ayala #688819 \$144.75

The claimant (12-SAB/DOC-663) requests \$144.75 reimbursement for his TV damaged during transfer from one facility to another. The Committee recommends approval of \$115.80 for this claim.

8. DEPARTMENT OF CORRECTIONS continued

- 7) Andre Barnes #258401 \$129.32

The claimant (12-SAB/DOC-673) requests \$129.32 reimbursement for his address book and MP3 player lost while under control of the Department. The Committee recommends approval of \$105.32 for this claim.

- 8) Melvin Beech #265114 \$129.32

The claimant (12-SAB/DOC-654) requests \$129.32 reimbursement for his MP3 player damaged by staff. The Committee recommends approval of \$103.46 for this claim.

- 9) D'Andre Calloway #183467 \$142.50

The claimant (12-SAB/DOC-646) requests \$142.50 reimbursement for his TV damaged during transfer from one facility to another. The Committee recommends approval of \$91.20 for this claim.

- 10) Jamon Calvin #507407 \$428.00

The claimant (12-SAB/DOC-615) requests \$428.00 reimbursement for miscellaneous items lost while under control of the Department. The Committee recommends approval of \$53.48 for this claim.

- 11) Gerald Campbell #234497 \$180.34

The claimant (13-SAB/DOC-091) requests \$180.34 reimbursement for his TV, radio, and headphones lost during transfer from one facility to another. The Committee recommends approval of \$177.11 for this claim.

- 12) Samuel Cannon #208773 \$ 33.50

The claimant (13-SAB/DOC-090) requests \$33.50 reimbursement for his radio damaged by staff. The Committee recommends approval of \$32.50 this claim.

8. DEPARTMENT OF CORRECTIONS continued

- 13) Kewayne Carter #268959 \$ 24.75

The claimant (12-SAB/DOC-619) requests \$24.75 reimbursement for his headphones lost while under control of the Department. The Committee recommends approval of this claim.

- 14) James Case #174260 \$180.94

The claimant (13-SAB/DOC-060) requests \$180.94 reimbursement for his TV damaged during transfer from one facility to another. The Committee recommends approval of \$144.75 for this claim.

- 15) Randall Davis #664359 \$259.00

The claimant (13-SAB/DOC-062) requests \$259.00 reimbursement for eyeglasses missing while under control of the Department. The Committee recommends approval of this claim.

- 16) Ron Douglas #488059 \$ 81.32

The claimant (13-SAB/DOC-092) requests \$81.32 reimbursement for his SecurePak stolen while under control of the Department. The Committee recommends approval of this claim.

- 17) Calvin Evans #209258 \$ 21.30

The claimant (13-SAB/DOC-061) requests \$21.30 reimbursement for his book destroyed by staff. The Committee recommends approval of \$20.30 for this claim.

- 18) Andrew Guerrero #286811 \$155.65

The claimant (13-SAB/DOC-093) requests \$155.65 reimbursement for his TV damaged during transfer from one facility to another. The Committee recommends approval of this claim.

- 19) Leonard Hansend #570132 \$151.25

The claimant (12-SAB/DOC-613) requests \$151.25 reimbursement for his TV damaged during transfer from one facility to another. The Committee recommends approval of \$96.80 for this claim.

8. DEPARTMENT OF CORRECTIONS continued

20) Willie Harris #292201 \$ 15.90

The claimant (12-SAB/DOC-664) requests \$15.90 reimbursement for his ear buds missing while under control of the Department. The Committee recommends approval of this claim.

21) Jeffrey Harrison #220488 \$999.99

The claimant (12-SAB/DOC-691) requests \$999.99 reimbursement for his typewriter lost while under control of the Department. The Committee recommends approval of \$25.60 for this claim.

22) Robert Henshaw #504350 \$650.00

The claimant (12-SAB/DOC-643) requests \$650.00 reimbursement for his typewriter, printwheels, ribbons, and hair dryer lost while under control of the Department. The Committee recommends approval of \$77.32 for this claim.

23) Michael Hensley #311865 \$116.00

The claimant (12-SAB/DOC-676) requests \$116.00 reimbursement for his leather belt and 11 hobby craft jewelry boxes lost during transfer from one facility to another. The Committee recommends approval of \$117.31 for this claim.

24) Bekeiba Holland #219346 \$ 85.00

The claimant (12-SAB/DOC-720) requests \$85.00 reimbursement for his footlocker damaged by staff. The Committee recommends approval of \$8.70 for this claim.

25) Lisa Dolph Hostetter #529519 \$102.39

The claimant (12-SAB/DOC-684) requests \$102.39 reimbursement for money removed from his account for hobby craft items never received. The Committee recommends approval of this claim.

8. DEPARTMENT OF CORRECTIONS continued

26) Antonio Ildefonso #800281 \$161.12

The claimant (13-SAB/DOC-069) requests \$161.12 reimbursement for his TV lost during transfer from one facility to another. The Committee recommends approval of this claim.

27) Tyler Johnson #477544 \$128.59

The claimant (12-SAB/DOC-732) requests \$128.59 reimbursement for miscellaneous items lost while under control of the Department. The Committee recommends approval of this claim.

28) Terrence Jones #613191 \$142.50

The claimant (12-SAB/DOC-714) requests \$142.50 reimbursement for his TV damaged during transfer from one facility to another. The Committee recommends approval of \$72.96 for this claim.

29) Gregory Kelly #168422 \$ 42.73

The claimant (12-SAB/DOC-703) requests \$42.73 reimbursement for his tennis shoes and watch lost during transfer from one facility to another. The Committee recommends approval of \$40.58 for this claim.

30) Robert Long #270764 \$ 89.23

The claimant (12-SAB/DOC-661) requests \$89.23 reimbursement for his SecurePak lost while under control of the Department. The Committee recommends approval of this claim.

31) Michael Mayes #240622 \$144.75

The claimant (13-SAB/DOC-094) requests \$144.75 reimbursement for his TV damaged during transfer from one facility to another. The Committee recommends approval of this claim.

32) Jordan Maynard #683856 \$ 39.46

The claimant (12-SAB/DOC-728) requests \$39.46 reimbursement for shorts lost while under control of the Department. The Committee recommends approval of \$31.57 for this claim.

8. DEPARTMENT OF CORRECTIONS continued

33) Allen McClure #604038 Unspecified

The claimant (13-SAB/DOC-095) requests an unspecified amount for his store order stolen while under control of the Department. The Committee recommends approval of \$29.95 for this claim.

34) Timothy Meaker #120727 \$ 24.30

The claimant (13-SAB/DOC-072) requests \$24.30 reimbursement for miscellaneous items destroyed by staff. The Committee recommends approval of this claim.

35) Lakesha Mims #601953 \$ 8.26

The claimant (12-SAB/DOC-390) requests \$8.26 reimbursement for two locks lost while under control of the Department. The Committee recommends approval of this claim.

36) Michael Mort #788782 \$137.90

The claimant (13-SAB/DOC-073) requests \$137.90 reimbursement for his MP3 player damaged while under control of the Department. The Committee recommends approval of this claim.

37) Cornelius Mullins #348067 \$ 44.98

The claimant (12-SAB/DOC-724) requests \$44.98 reimbursement for his boots lost while under control of the Department. The Committee recommends approval of this claim.

38) Jacob Nagel #646146 \$161.12

The claimant (12-SAB/DOC-611) requests \$161.12 reimbursement for his TV stolen while under control of the Department. The Committee recommends denial of this claim.

39) Gregory Nolen #299503 \$ 51.49

The claimant (13-SAB/DOC-076) requests \$49519 reimbursement for his tennis shoes and doo-rag lost while under control of the Department. The Committee recommends approval of \$49.49 for this claim.

8. DEPARTMENT OF CORRECTIONS continued

40) Jason Norton #528659 \$ 3.53

The claimant (12-SAB/DOC-716) requests \$3.53 reimbursement for his shower shoes lost during transfer from one facility to another. The Committee recommends approval of \$2.47 for this claim.

41) Marco Reid #222213 \$ 48.98

The claimant (12-SAB/DOC-678) requests \$48.98 reimbursement for money removed from his account for a pair of shoes ordered and never received. The Committee recommends approval of this claim.

42) Robert Rohl #783996 \$ 93.05

The claimant (13-SAB/DOC-097) requests \$93.05 reimbursement for his footlocker and lock missing during transfer from one facility to another. The Committee recommends approval of \$91.84 for this claim.

43) Mitchal Ross #801453 \$ 19.95

The claimant (12-SAB/DOC-485) requests \$19.95 reimbursement for miscellaneous items lost while under control of the Department. The Committee recommends approval of \$13.05 for this claim.

44) Judith Salgat #515196 \$ 27.98

The claimant (12-SAB/DOC-674) requests \$27.98 reimbursement for her shirt lost while under control of the Department. The Committee recommends approval of this claim.

45) Walter Sanders #232963 \$ 60.98

The claimant (12-SAB/DOC-652) requests \$60.98 reimbursement for his gym shoes lost while under control of the Department. The Committee recommends approval of this claim.

8. DEPARTMENT OF CORRECTIONS continued

46) Robert Schwander #821967 \$206.68

The claimant (12-SAB/DOC-620) requests \$206.68 reimbursement for his TV, beard trimmers, headphones and adapter lost while under control of the Department. The Committee recommends approval of \$211.73 for this claim.

47) William Shepard #740355 \$144.00

The claimant (12-SAB/DOC-621) requests \$144.00 reimbursement for his TV damaged during transfer from one facility to another. The Committee recommends approval of \$125.96 for this claim.

48) Leander Slaton #153484 \$144.95

The claimant (13-SAB/DOC-077) requests \$144.95 reimbursement for his TV lost while under control of the Department. The Committee recommends approval of \$155.77 for this claim.

49) Ryan Smith #579871 \$144.75

The claimant (12-SAB/DOC-666) requests \$144.75 reimbursement for his TV damaged while under control of the Department. The Committee recommends approval of this claim.

50) Sean Squires #259039 \$169.75

The claimant (12-SAB/DOC-668) requests \$169.75 reimbursement for his TV lost while under control of the Department. The Committee recommends approval of \$161.12 for this claim.

51) Robert Thompkins #672541 \$142.50

The claimant (12-SAB/DOC-607) requests \$142.50 reimbursement for his TV lost during transfer from one facility to another. The Committee recommends approval of \$91.20 for this claim.

52) Jack Tillman #273361 \$137.75

The claimant (12-SAB/DOC-561) requests \$137.75 reimbursement for his MP3 player destroyed by staff. The Committee recommends denial of this claim.

8. DEPARTMENT OF CORRECTIONS continued

53) Brian Tuer #724339 \$ 73.00

The claimant (13-SAB/DOC-099) requests \$73.00 reimbursement for his radio, adapter, tank top and watch lost during transfer from one facility to another. The Committee recommends approval of \$61.00 for this claim.

54) Darrell Walker #148120 \$569.50 **AMENDED**

The claimant (12-SAB/DOC-278) requests \$569.50 reimbursement for his TV and typewriter damaged in a flood at the facility. The Committee recommends denial of this claim.

55) Jacorian Walker #484452 \$110.98

The claimant (12-SAB/DOC-486) requests \$110.98 reimbursement for his clothing and food lost while under control of the Department. The Committee recommends approval of \$52.98 for this claim.

56) Dexter Wallace #486338 \$ 29.51

The claimant (12-SAB/DOC-688) requests \$29.51 reimbursement for his radio, shower shoes and extension cord lost while under control of the Department. The Committee recommends approval of this claim.

57) Lonnie Williams #173279 \$250.00

The claimant (12-SAB/DOC-559) requests \$250.00 reimbursement for his eyeglasses taken by staff and never returned. The Committee recommends denial of this claim.

58) Michael Williams #816826 \$ 55.47

The claimant (13-SAB/DOC-068) requests \$55.47 reimbursement for his jeans ordered and never received. The Committee recommends approval of this claim.

8. DEPARTMENT OF CORRECTIONS continued

59) Deangelo Wright #516286 \$ 33.20

The claimant (12-SAB/DOC-725) requests \$33.20 reimbursement for his UPS charges and headphones lost while under control of the Department. The Committee recommends approval of \$33.70 for this claim.

60) Raymond Yrlas #220385 \$160.00

The claimant (12-SAB/DOC-644) requests \$160.00 reimbursement for his TV damaged during transfer from one facility to another. The Committee recommends approval of \$81.92 for this claim.

9. DEPARTMENT OF STATE

Citizen Claims

1) Susan Ackerman \$475.00

The claimant (12-SAB-119) requests \$475.00 reimbursement for towing fees, impound fees, and travel costs due to a department error. The Committee recommends denial for this claim.

SECTION X - CLAIMS - PERSONAL INJURY LOSS

SECTION XI - SPECIAL ITEMS

The Director of the Department of Technology, Management and Budget recommends approval by the State Administrative Board of the items contained in Sections I, II, III, IV, V, and VI of this agenda. Approval by the State Administrative Board of these award recommendations does not require or constitute the award of same. Award of contracts shall be made at the discretion of the DTMB Director or designee.

Ms. Castro presented the Finance and Claims Committee Report for the regular meeting of February 26, 2013. After review of the foregoing Finance and Claims Committee Report, Ms. Castro moved that the Report covering the regular meeting of February 26, 2013, be approved and adopted. The motion was supported by Ms. Mester and unanimously approved.

APPROVED

March 5, 2013

Michigan State
Administrative Board

March 5, 2013, No. 35

**COMMITTEE REPORT TO THE
STATE ADMINISTRATIVE BOARD**

The Honorable Rick Snyder, Governor
and
Members of the State Administrative Board

A Regular meeting of the Transportation and Natural Resources
Committee was held at 11:00 a.m. on February 26, 2013. Those present
being:

Chairperson: Rose Jarois, representing
Secretary of State Johnson

Approved Rose Jarois

Member: Jenell Leonard, representing
Lt. Governor Calley

Approved Jenell Leonard

Member: Michael Reilly, representing
Attorney General Schuette

Approved Michael J. Reilly

Others: Iris Lopez, Department of Attorney General; Tom Graf, Department
of Environmental Quality; Elizabeth Clement, Governor's Legal
Staff; Sherry Bond, Pat Mullen, Janet Rouse, TeAnn Smith,
Department of Technology, Management and Budget; Bill Rottiers,
Department of Transportation; Melissa Castro, Department of
Treasury; Cynthia Watson, Department of Natural Resources

Ms. Jarois called the meeting to order.

The Department of Environmental Quality Agenda was presented.

Following discussion, Mr. Reilly moved that the Environmental Quality
Agenda be recommended to the State Administrative Board for approval.
Supported by Ms. Leonard, the motion was unanimously adopted.

The Department of Natural Resources Agenda was presented.

Following discussion, Mr. Reilly moved that the Natural Resources
Agenda be recommended to the State Administrative Board for approval.
Supported by Ms. Leonard, the motion was unanimously adopted.

Continued on page 2

Transportation and Natural Resources Committee Report
February 26, 2013
Page 2

The Department of Transportation Agenda was presented.

Following discussion, Mr. Reilly moved that the Transportation Agenda be recommended to the State Administrative Board for approval. Supported by Ms. Leonard, the motion was unanimously adopted.

Ms. Jarois adjourned the meeting.

AGENDA

March 5, 2013, No. 37

DEPARTMENT OF ENVIRONMENTAL QUALITY
WATER RESOURCES DIVISION

TRANSPORTATION AND NATURAL RESOURCES COMMITTEE
STATE ADMINISTRATIVE BOARD

Transportation and Natural Resources Committee

February 26, 2013

State Administrative Board

March 5, 2013

This agenda is for general informational purposes only. At its discretion, the Transportation and Natural Resources Committee may revise this agenda and may take up other issues at the meeting.

SUBMERGED LANDS

FILLED BOTTOMLANDS DEEDS

1. Proposed Deed (0.19 acre) of Lake St. Clair public trust bottomlands in the St. Clair Flats, Clay Township, St. Clair County.

Applicant: Robert Puckett (File MC 335)

Consideration: \$6,862 fee

- A. Purpose/Business Case (Why should the State do this now?): To authorize use of the State's public trust ownership of the subject Lake St. Clair bottomlands under Part 339, Control of Certain State Lands, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.
- B. Benefit: Compliance with Part 339.
- C. Funding Source/Income to the State: \$6,862 fee.
- D. Commitment Level (is the contract cost fixed for the project; is the contract optional use; is the contract based on estimates, therefore, no quantity is guaranteed?) or not applicable (N/A): N/A.
- E. Risk Assessment (i.e., is there risk to the State associated with the award, etc.?). If no, enter N/A: N/A.

2. Proposed Deed (0.13-acre) of Lake St. Clair public trust bottomlands in the St. Clair Flats, Clay Township, St. Clair County.

Applicant: David Batchelder (File MC 365)

Consideration: \$3,228 fee

- A. Purpose/Business Case (Why should the State do this now?): To authorize use of the State's public trust ownership of the subject Lake St. Clair bottomlands under Part 339, Control of Certain State Lands, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.
- B. Benefit: Compliance with Part 339.
- C. Funding Source/Income to the State: \$3,228 fee.
- D. Commitment Level (is the contract cost fixed for the project; is the contract optional use; is the contract based on estimates, therefore, no quantity is guaranteed?) or not applicable (N/A): N/A.
- E. Risk Assessment (i.e., is there risk to the State associated with the award, etc.?). If no, enter N/A: N/A.

3. Proposed Deed (0.20 acre) of Lake St. Clair public trust bottomlands in the St. Clair Flats, Clay Township, St. Clair County.

Applicant: Gretchen Rose (Files MC 135 and LSC 659)

Consideration: \$5,308 fee

- A. Purpose/Business Case (Why should the State do this now?): To authorize use of the State's public trust ownership of the subject Lake St. Clair bottomlands under Part 339, Control of Certain State Lands, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended and Part 325, Great Lakes Submerged Lands, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended
- B. Benefit: Compliance with Part 339 and Part 325.
- C. Funding Source/Income to the State: \$5,308 fee.
- D. Commitment Level (is the contract cost fixed for the project; is the contract optional use; is the contract based on estimates, therefore, no quantity is guaranteed?) or not applicable (N/A): N/A.
- E. Risk Assessment (i.e., is there risk to the State associated with the award, etc.?). If no, enter N/A: N/A

4. Proposed Deed (0.06 acre) of Lake St. Clair public trust bottomlands in Ira Township, St. Clair County.

Applicant: Justin Trombly (File LSC 660)

Consideration: \$1,000 fee

A. Purpose/Business Case (Why should the State do this now?): To authorize use of the State's public trust ownership of the subject Lake St. Clair bottomlands under Part 325, Great Lakes Submerged Lands, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended

B. Benefit: Compliance with Part 325.

C. Funding Source/Income to the State: \$1,000 fee.

D. Commitment Level (is the contract cost fixed for the project; is the contract optional use; is the contract based on estimates, therefore, no quantity is guaranteed?) or not applicable (N/A): N/A.

E. Risk Assessment (i.e., is there risk to the State associated with the award, etc.?). If no, enter N/A: N/A



50 William Creal, Chief
Water Resources Division
Department of Environmental Quality

2/11/13
Date

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

March 5, 2013, No. 40

INTEROFFICE COMMUNICATION

TO: William Creal, Chief, Water Resources Division

FROM: Thomas P. Graf, Great Lakes Shorelands Unit, Surface Water Assessment Section

DATE: November 9, 2012

SUBJECT: Proposed Deed to a 0.19-acre Parcel of Filled Lake St. Clair Bottomlands, St. Clair Flats, Middle Channel Section, Clay Township, St. Clair County, Robert Puckett, File Number Middle Channel (MC) 335

The purpose of this memorandum is to request your approval to submit the proposed bottomlands deed to the State Administrative Board. The Water Resources Division (WRD) recommends approval of the deed to an existing 0.19-acre parcel of filled Lake St. Clair public trust bottomlands, in the St. Clair Flats, Middle Channel Section, Clay Township, St. Clair County, pursuant to Part 339, Control of Certain State Lands, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA).

Legal Description of Subject Bottomlands

A parcel of land located in and being a part of Lot 335 of the Middle Channel Section of the so-called St. Clair Flats Survey, 1899 PA 175, Clay Township, St. Clair County, and being more particularly described as follows:

Beginning at the northeast corner of said Lot 335 thence S43°41'30"E along the east line of said Lot 335 67.68 feet; thence S73°52'00"W 152.64 feet; thence N17°57'45"W 60.03 feet to a point on the northerly line of said Lot 335; thence N73°52'00"E 123.24 feet along the northerly line of said Lot 335 to the point of beginning, containing 0.19 acres, more or less, subject to any and all easements of record.

Authority

Part 339 and Executive Order 2011-1.

Discussion and Background

The subject lot is currently leased from the State of Michigan pursuant to Part 339 and used as a seasonal cottage.

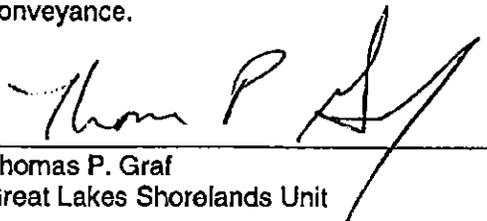
Recent amendments to Part 339 provide the Department of Environmental Quality (DEQ) with the authority to issue a deed for the filled area of the leased lot under certain conditions. This parcel meets those conditions, as the filled area is protected by a seawall on one side and shares boundary lines with adjacent cottages. The area is maintained lawn and has an approved septic system to serve the cottage.

The applicant wishes to convert the existing filled area on the subject lot to a deed to obtain the State of Michigan's ownership interest in the Lake St. Clair public trust bottomlands occupied by this filled area of the leased lot. The DEQ determined, pursuant to Part 339, the full consideration to be paid to the State of Michigan is \$6,862.

The applicant, who is the current leaseholder, has provided a satisfactory survey, and the taxes are paid up to date. This item appeared in the January 16, 2012, DEQ Calendar and was eligible for approval beginning January 23, 2012. The investigation conducted by DEQ staff concluded that the described lands have no substantial value for hunting, fishing, swimming, pleasure boating, or navigation, and that the public trust in the remaining lands and waters will not be impaired by the sale of said described lands.

Recommendations

After the DEQ approves this recommendation, this memorandum will be forwarded for review and approval to the State Administrative Board as required by Part 339. Upon approval by the Administrative Board, the WRD will execute the legal documents authorizing the bottomlands conveyance.



Thomas P. Graf
Great Lakes Shorelands Unit

11/9/12
Date

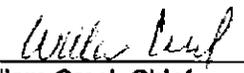
I concur with staff recommendation.



Diana Klemans, Chief
Surface Water Assessment Section

11/13/12
Date

I approve the staff recommendation.



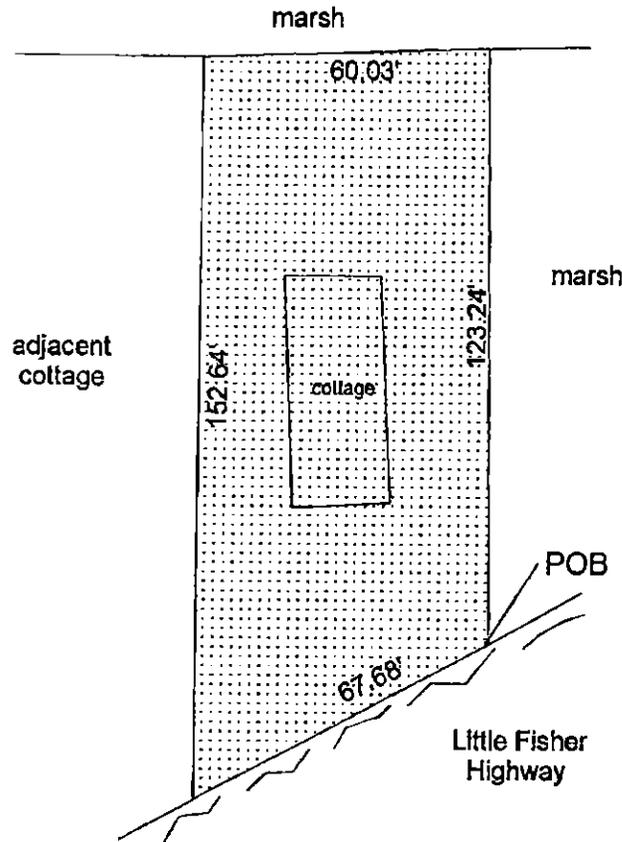
William Creal, Chief
Water Resources Division

11/14/12
Date

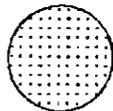
Proposed Deed to a 0.19-acre Parcel of Filled Lake St. Clair Public Trust Bottomlands, Clay Township, St. Clair County

March 3, 2015, Vol. 42

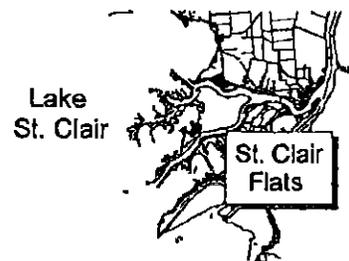
TO: Robert Puckett - MC 335



Proposed Deed



St. Clair County



MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

March 5, 2013, No. 43

INTEROFFICE COMMUNICATION

TO: William Creal, Chief, Water Resources Division

FROM: Thomas P. Graf, Great Lakes Shorelands Unit

DATE: October 30, 2012

SUBJECT: Proposed Deed to a 0.13-acre Parcel of Filled Lake St. Clair Bottomlands,
St. Clair Flats, Sni Bora Channel Section, Clay Township, St. Clair County,
Dave Batchelder, File Number Sni Bora Channel (SBC) 386

The purpose of this memorandum is to request your approval to submit the proposed bottomlands deed to the State Administrative Board. The Water Resources Division (WRD) recommends approval of the deed to an existing 0.13-acre parcel of filled Lake St. Clair public trust bottomlands, in the St. Clair Flats, Sni Bora Channel Section, Clay Township, St. Clair County, pursuant to Part 339, Control of Certain State Lands, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA).

Legal Description of Subject Bottomlands

A parcel of land located in and being a part of Lot 386 of the Sni Bora Channel Section of the so-called St. Clair Flats Survey, 1899 PA 175, Clay Township, St. Clair County, and being more particularly described as follows:

Commencing at the southwest corner of said Lot 386; thence N49°23'00"W along the westerly line of said Lot 386 a distance of 47.49 feet; thence N34°43'17"E 17.99 feet to the edge of a wood seawall and the point of beginning; thence along said steel seawall the following six (6) courses; (1) N49°39'43"W 16.99 feet; (2) thence N46°55'06"W 86.17 feet; (3) thence N24°28'27"E 41.62 feet; (4) thence S61°59'50"E 32.45 feet; (5) thence S58°45'55"E 77.48 feet; (6) thence S34°43'17"W 63.66 feet to the point of beginning, containing 0.13 acres, more or less, all of which is above the elevation of 575.3 feet, International Great Lakes Datum 1985, subject to any and all rights-of-way, encumbrances, restrictions, and/or easements of record or otherwise.

Authority

Part 339 and Executive Order 2011-1.

Discussion and Background

The subject lot is currently leased from the State of Michigan pursuant to Part 339, is a filled island surrounded by steel seawall, maintained as lawn, and has a cottage.

Recent amendments to Part 339 provide the Department of Environmental Quality (DEQ) with the authority to issue a deed for the filled area of the leased lot under certain conditions. This parcel meets those conditions as the parcel is used for residential purposes, filled and protected from erosion.

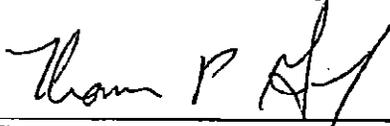
The applicant wishes to convert the existing filled area on the subject lot to a deed to obtain the State of Michigan's ownership interest in the Lake St. Clair public trust bottomlands occupied by this filled area of the leased lot. The DEQ determined, pursuant to Part 339, the full consideration to be paid to the State of Michigan is \$3,228.

The applicant, who is the current leaseholder, has provided a satisfactory survey, and the taxes are paid up to date. This item appeared in the October 22, 2012, DEQ Calendar and was eligible for approval beginning October 29, 2012. The investigation conducted by DEQ staff concluded that the described lands have no substantial value for hunting, fishing, swimming, pleasure boating, or navigation, and that the public trust in the remaining lands and waters will not be impaired by the sale of said described lands.

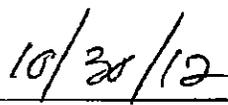
Recommendations

It is recommended that the above described parcel be authorized for a deed pursuant to Part 339 and Executive Order 2011-1. The parcel shall be limited only for the purpose of residential use.

After the Director of the DEQ approves this recommendation with his signature, this memorandum will be forwarded for review and approval to the State Administrative Board as required by Part 339. Upon approval by the Administrative Board, the WRD will execute the legal documents authorizing the bottomlands conveyance.



Thomas P. Graf
Great Lakes Shorelands Unit

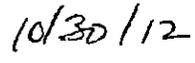


Date

I concur with staff recommendation.

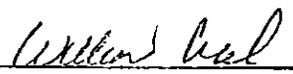


Diana Klemans, Chief
Surface Water Assessment Section

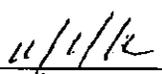


Date

I approve the staff recommendation.



William Creal, Chief
Water Resources Division

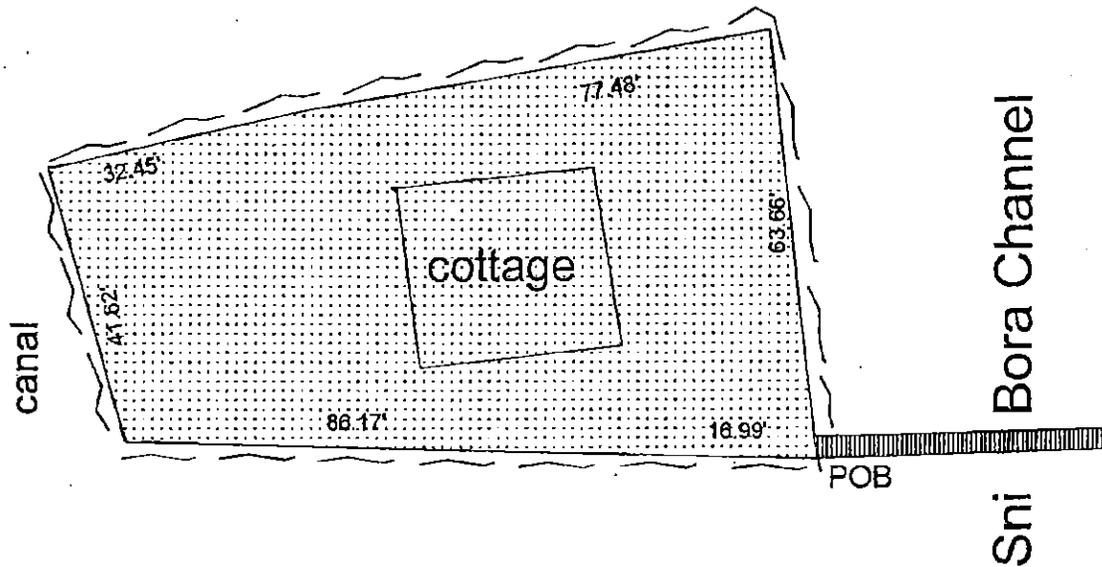


Date

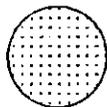
Proposed Deed to a 0.13-acre Parcel of Filled
Lake St. Clair Public Trust Bottomlands in the St. Clair
Clair Flats, Clay Township, St. Clair County

March 9, 2013, No. 45

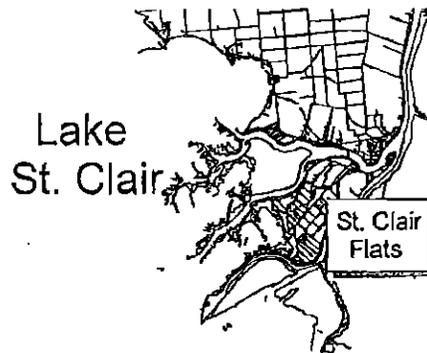
TO: Dave Batchelder - SBC 386



Proposed Deed



St. Clair County



INTEROFFICE COMMUNICATION

TO: William Creal, Chief, Water Resources Division

FROM: Thomas P. Graf, Great Lakes Shorelands Unit
Surface Water Assessment Section

DATE: October 18, 2012

SUBJECT: Proposed Deeds to a 0.12-acre Parcel and a 0.08-acre Parcel of filled Lake St. Clair Bottomlands, St. Clair Flats, Middle Channel, Clay Township, St. Clair County, to Gretchen Rose - File Numbers Lake St. Clair (LSC) 659 and MC 135

The purpose of this memorandum is to request your approval to submit the proposed deed request to the State Administrative Board. The Water Resources Division (WRD) recommends approval of the proposed deed (0.08 acres) of Lake St. Clair public trust bottomlands, Clay Township, St. Clair County, pursuant to Part 325, Great Lakes Submerged Lands, of the NREPA, and a proposed deed (0.12 acres) of Lake St. Clair public trust bottomlands, Clay Township, St. Clair County, pursuant to Part 339, Control of Certain State Lands, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA).

Legal Description of Subject Bottomlands

A parcel of unpatented Lake St. Clair public trust bottomland adjacent to Lot 135 of the Middle Channel Section of the so-called St. Clair Flats Survey, 1899 PA 175, Clay Township, St. Clair County, more particularly described as:

Parcel #1

Commencing at the Easterly corner of Lot 135 of the "St. Clair Flats Survey" act of 1899, Middle Channel Section; thence S43°12'00"W 301.36 feet, along the easterly line of said lot 135; thence N49°17'12"W 21.08 feet, to the southeasterly edge of a steel seawall and the point of beginning; thence the following four (4) courses along said seawall: S35°48'33"W 19.96 feet, S64°18'48"W 2.51 feet, N83°41'59"W 60.42 feet and N76°18'31"W 8.37 feet; thence leaving said steel seawall N43°12'00"E 118.83 feet, to the northerly edge of said steel seawall; thence continuing the following five (5) courses along said seawall: S62°14'44"E 18.62 feet, S12°37'18"E 4.07 feet, S12°37'18"E 30.55 feet, S19°34'46"W 3.51 feet and S35°48'33"W 40.83 feet to the point of beginning, containing 0.12 acres, all of which is above the elevation 575.3 feet, International Great Lakes Datum of 1985, subject to any and all rights-of-way, encumbrances, restrictions, and/or easements of record or otherwise.

Parcel #2

Commencing at the easterly corner of Lot 135 of the "St. Clair Flats Survey" act of 1899, Middle Channel Section; thence S43°12'00"W 301.36 feet, along the easterly line of said lot 135; thence N49°17'12"W 21.08 feet, to the southeasterly edge of a steel seawall; thence the

following four (4) courses along said seawall: S35°48'33"W 19.96 feet, S64°18'48"W 2.51 feet, thence N83°41'59"W 60.42 feet, and N76°18'31"W 8.37 feet to the point of beginning; thence continuing the following five (5) courses along said seawall: continuing N76°18'31"W 2.54 feet, N12°55'23"E 24.07 feet, N16°06'22"E 77.36 feet, N68°03'28"E 21.14 feet, and S62°14'44"E 42.22 feet; thence leaving said steel seawall S43°12'00"W 118.83 feet to the point of beginning, containing 0.08 acres, subject to any and all rights-of-way, encumbrances, restrictions, and/or easements of record or otherwise.

Authority

Part 339 and Part 325, Rules 2 and 7, of the associated Great Lakes Submerged Lands Administrative Rules; and Executive Order 2011-1.

Discussion and Background

The subject is a 0.20-acre island parcel of filled Lake St. Clair public trust bottomlands used for residential property in the St. Clair Flats in Lake St. Clair. The parcel is completely seawalled and has been filled for many years. The parcel is used as a seasonal cottage. The applicant has a lease for a 0.12-acre portion of the subject bottomlands and has applied for a deed to this portion pursuant to Part 339, Control of Certain State Lands, of the NREPA. The remainder of the island (0.08 acres) is located on State of Michigan public trust bottomlands of Lake St. Clair. The applicant has applied for a deed to the remainder pursuant to Part 325, Great Lakes Submerged Lands, of the NREPA.

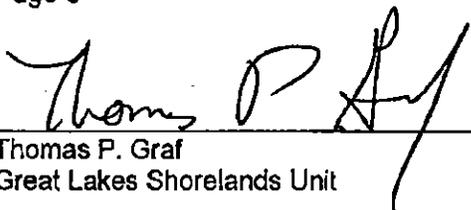
The applicant has provided the necessary proof of upland ownership, a satisfactory survey, local government approvals, and a \$50 filing fee. No adverse comments to this proposed deed have been received from the Department of Natural Resources' (DNR) Parks and Recreation Division, the Department of Community Health, or the U.S. Army Corps of Engineers.

Comments received from the public have been reviewed, and the investigation conducted by DEQ staff concluded that the applicant may occupy and use the water area and the described unpatented bottomlands without impairing or substantially injuring the public trust.

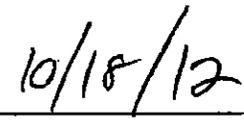
Recommendations

It is recommended that you approve the application to have the described bottomlands conveyed by deed to the applicant under authority of Part 325, Part 339, and Executive Order 2011-1. The proposed conveyance appeared in the April 23, 2012, DEQ Calendar and was eligible for approval beginning April 30, 2012. The fee for the deeds is \$5,308.

After approval of this recommendation, this memorandum will be forwarded for review and approval to the State Administrative Board as required by Part 325. Upon approval by the State Administrative Board, the WRD will execute the legal documents authorizing the bottomlands conveyance.

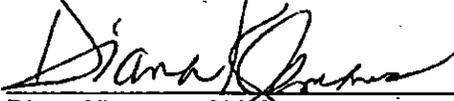


Thomas P. Graf
Great Lakes Shorelands Unit

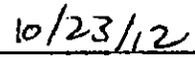


Date

I concur with staff recommendation.

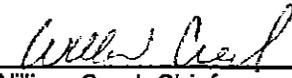


Diana Klemans, Chief
Surface Water Assessment Section

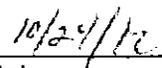


Date

I approve the staff recommendation.



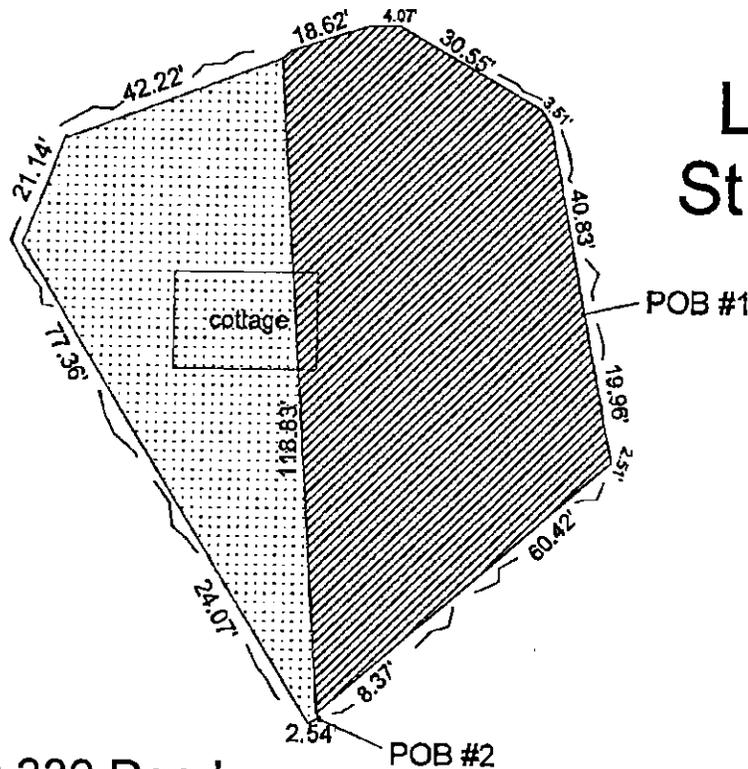
William Creal, Chief
Water Resources Division



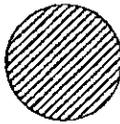
Date

Proposed Deeds to a 0.20-acre Parcel of Filled
 Lake St. Clair Public Trust Bottomlands in the St.
 Clair Flats, Clay Township, St. Clair County

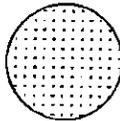
TO: Gretchen Rose - MC 135 and LSC 659



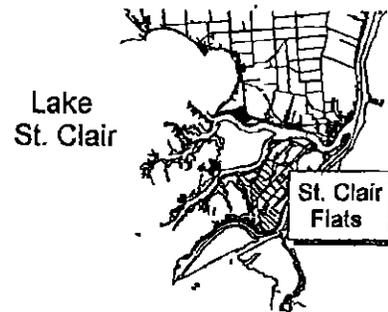
Proposed Part 339 Deed



Proposed Part 325 Deed



St. Clair County



MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

March 5, 2013, No. 50

INTEROFFICE COMMUNICATION

TO: William Creal, Chief, Water Resources Division

FROM: Thomas P. Graf, Great Lakes Shorelands Unit
Surface Water Assessment Section

DATE: October 18, 2012

SUBJECT: Proposed Deed to a 0.06-acre Parcel of filled Lake St. Clair Bottomlands, Ira Township, St. Clair County, to Justin Trombly - File Number Lake St. Clair (LSC) 660

The purpose of this memorandum is to request your approval to submit the proposed deed request to the State Administrative Board. The Water Resources Division (WRD) recommends approval of the proposed deed (0.06 acres) of Lake St. Clair public trust bottomlands, Ira Township, St. Clair County, pursuant to Part 325, Great Lakes Submerged Lands, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA).

Legal Description of Subject Bottomlands

A parcel of unpatented filled Lake St. Clair public trust bottomland adjacent and contiguous to Lot 10, Supervisor Bower Fair Haven Plat, Fractional Section 15, T2N, R15E, Ira Township, St. Clair County, Michigan more particularly described as:

Commencing at the northeast corner of said Lot 10; thence S01°47' 55"W 41.34 feet; thence N50°37'00"W 210.38 feet to the point of beginning; thence N81°08'29"W 89.81 feet; thence N00°12'19"E 58.85 feet; thence S50°37'00"E 114.54 feet to the point of beginning containing 0.06 acres, more or less, subject to easements, rights of way, and restrictions of record.

Authority

Part 325, Rules 2 and 7, of the associated Great Lakes Submerged Lands Administrative Rules; and Executive Order 2011-1.

Discussion and Background

The subject is a 0.06-acre parcel of filled Lake St. Clair public trust bottomlands located at a residential property in Ira Township. The parcel is seawalled along the water's edge and has been filled for many years. The applicant is developing the parcel for residential purposes.

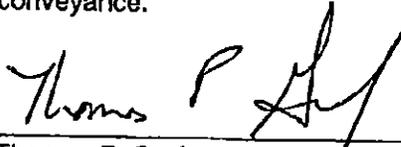
The applicant has provided the necessary proof of upland ownership, a satisfactory survey, local government approvals, and a \$50 filing fee. No adverse comments to this proposed deed have been received from the Department of Natural Resources' (DNR) Parks and Recreation Division, the Department of Community Health, or the U.S. Army Corps of Engineers.

Comments received from the public have been reviewed, and the investigation conducted by DEQ staff concluded that the applicant may occupy and use the water area and the described unpatented bottomlands without impairing or substantially injuring the public trust.

Recommendations

It is recommended that you approve the application to have the described bottomlands conveyed by deed to the applicant under authority of Part 325, being Sections 324.32501 to 324.32515 of the Michigan Compiled Laws Annotated; and Executive Order 2011-1. The proposed conveyance appeared in the August 27, 2012, DEQ Calendar and was eligible for approval beginning September 3, 2012. The fee is \$1,000.

After approval of this recommendation, this memorandum will be forwarded for review and approval to the State Administrative Board as required by Part 325. Upon approval by the State Administrative Board, the WRD will execute the legal documents authorizing the bottomlands conveyance.

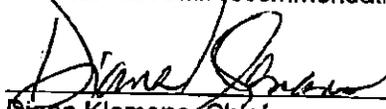


Thomas P. Graf
Great Lakes Shorelands Unit

10/18/12

Date

I concur with staff recommendation.

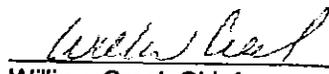


Diana Klemans, Chief
Surface Water Assessment Section

10/23/12

Date

I approve the staff recommendation.



William Creal, Chief
Water Resources Division

10/24/12

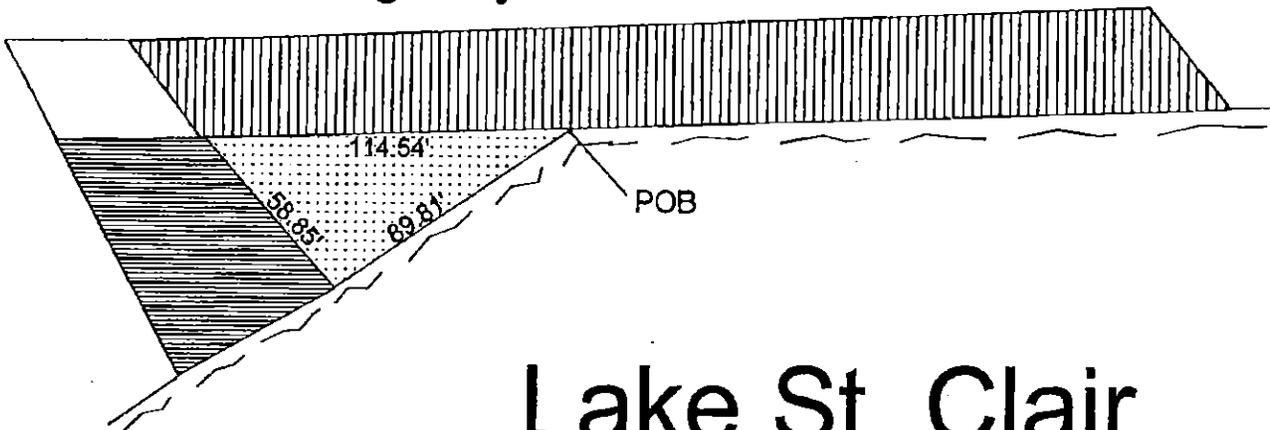
Date

Proposed Deed to a 0.06-acre Parcel of Filled
Lake St. Clair Public Trust Bottomlands in Ira
Township, St. Clair County

TO: Justin Trombly - LSC 660



Highway M-25



Lake St. Clair

Proposed Deed



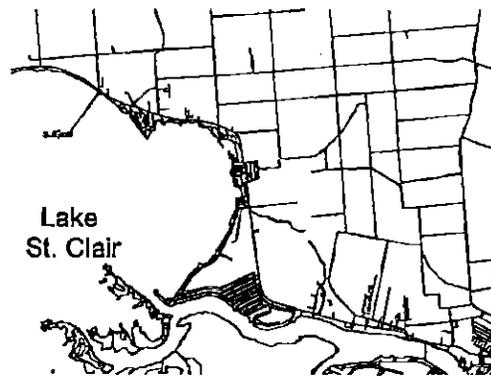
Riparian Upland



Previously Deeded



St. Clair County



A G E N D A

NATURAL RESOURCES ITEMS FOR THE

TRANSPORTATION AND NATURAL RESOURCES COMMITTEE - STATE ADMINISTRATIVE BOARD

Transportation and Natural Resources - February 26, 2013 - 11:00 A.M.
State Administrative Board Meeting - March 5, 2013 - 11:00 A.M.

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This agenda is for general informational purposes only. At its discretion, the Transportation and Natural Resources Committee may revise this agenda and may take up other issues at the meeting.

MINERAL LEASES

1. **DIRECT OIL AND GAS LEASE - NONDEVELOPMENT:** Oil and gas lease rights to 2.54 acres, more or less, of state-owned, Department of Transportation fluid mineral and gas rights located in Section 26, T25N, R04W, Beaver Creek Township, Crawford County, have been requested by Encana Oil & Gas (USA) Inc., of Denver, Colorado.

Terms: Nine-month primary term, two one-year extension options, three-sixteenths (3/16) royalty, \$600.00 bonus consideration (\$200.00 per acre), and \$5.08 rental (\$2.00 per acre).

2. **TWO DIRECT OIL AND GAS LEASES - NONDEVELOPMENT:** Oil and gas lease rights to 1.94 acres, more or less, of state-owned, Department of Transportation fluid mineral and gas rights located in Sections 24 and 25, T06S, R03E, Adrian Township, Lenawee County, have been requested by Savoy Energy, L.P., of Traverse City, Michigan.

Terms: Six-month primary term, one one-year extension option, nineteen and one-half percent (19.50%) royalty, \$900.00 bonus consideration (\$450.00 per acre), and \$5.00 minimum annual rental.

3. **DIRECT OIL AND GAS LEASE - NONDEVELOPMENT:** Oil and gas lease rights to 8.83 acres, more or less, of state-owned, Department of Transportation fluid mineral and gas rights located in Section 26, T15N, R04W, Isabella Township, Isabella County, have been requested by Petro-Vest, Inc., of Mt. Pleasant, Michigan.

Terms: Sixteen-month primary term, no extensions, three-sixteenths (3/16) royalty, \$900.00 bonus consideration (\$100.00 per acre), and \$35.32 rental (\$4.00 per acre for primary term greater than one year).

4. **THREE DIRECT NONMETALLIC SAND AND GRAVEL LEASES - DEVELOPMENT WITH RESTRICTION:** Nonmetallic mineral sand and gravel lease rights to 834.37 acres, more or less, of state-owned mineral rights located in Section 31, T49N, R34W, Baraga Township and Section 5, T47N, R34W, and Section 32, T48N, R34W, Covington Township, all located in Baraga County, have been requested by Baraga County Road Commission, of Baraga, Michigan.

FINAL

February 20, 2013 ~~March 13, 2013~~ AM 54

Terms: Seven year term with a possible three year extension, if in the best interest of the State. Royalty rates are \$0.321 per ton for sand and \$0.6566 per ton for gravel.

The Natural Resources Deputy approved these items on February 13, 2013. The form of legal documents involved in these transactions has previously been approved by the Attorney General.

I recommend approval.

Respectfully submitted:
Department of Natural Resources

By: Mary Uppigrove
Mary Uppigrove Manager
Minerals Management Section



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING

March 5, 2013



KEITH CREAGH
DIRECTOR

February 5, 2013

To: Dr. William E. Moritz, Natural Resources Deputy

Transaction: One Direct Oil and Gas Lease, Nondevelopment, in Crawford County

Authority: Part 5, Department of Natural Resources (DNR), Section 502, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended

Applicant: Encana Oil & Gas (USA) Inc., of Denver, Colorado

Jurisdiction: Department of Transportation (MDOT), State-owned oil and gas rights

Mineral Description: Those parts of Parcel 18 of Control Section 20016, US-27 (now known as US-127) highway right-of-way lying within the NW1/4 NE1/4 of Section 26, T25N, R04W, Beaver Creek Township, Crawford County, containing 2.54 acres, more or less

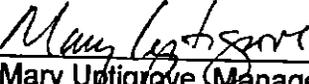
Drilling Type/Unit: Proposed 80-acre Collingwood formation drilling unit comprised of the SW1/4 SE1/4 of Section 23, and the NW1/4 NE1/4 of Section 26, T25N, R04W, Beaver Creek Township, Crawford County

Lease Terms: Nine-month primary term, two one-year extension options, three-sixteenths (3/16) royalty, \$600.00 bonus consideration (\$200.00 per acre), and \$5.08 rental (\$2.00 per acre).

Restrictions: Nondevelopment with standard highway right-of-way restrictions pertaining to non-discrimination and no development work or drilling to be conducted on the leased premises without expressed written consent of MDOT.

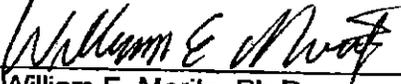
Notice: Notice was published in the *Crawford County Avalanche* newspaper on December 20, 2012. This item appeared on the January 29, 2013, DNR Business Calendar and is eligible for approval on February 5, 2013.

Recommendation: The oil and gas lease be issued to the applicant pursuant to the above terms and conditions.

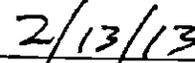


Mary Uptigrove, Manager
Minerals Management Section

I approve the staff recommendations.



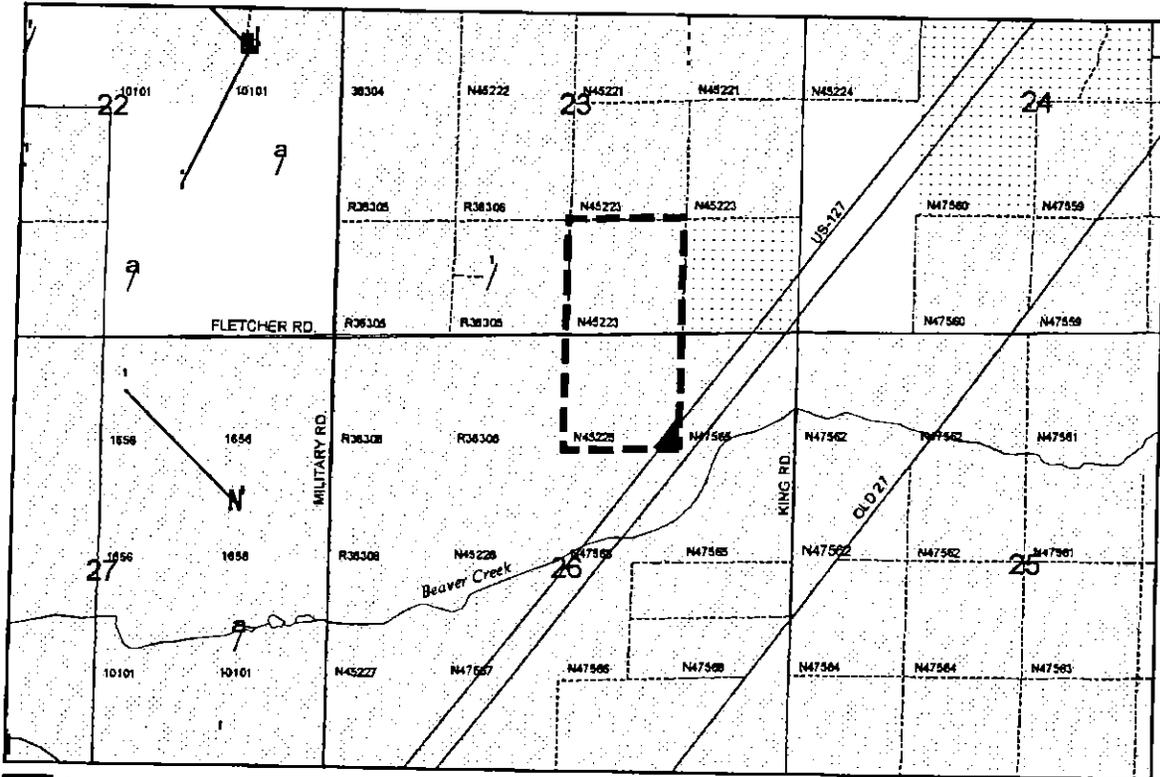
William E. Moritz, Ph.D.
Natural Resources Deputy



Approval Date

DIRECT OIL AND GAS LEASE – NONDEVELOPMENT

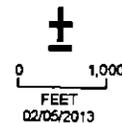
Encana Oil and Gas (USA) Inc.
 Proposed 80-acre Collingwood Formation Drilling Unit
 SW1/4 SE1/4 Section 23 and NW1/4 NE1/4 Section 26
 T25N, R04W, Beaver Creek Township, Crawford County



- State-owned oil and gas rights requested for lease (2.54 acres, more or less)
- Proposed 80-acre Collingwood Formation Drilling Unit (Surface well location to be determined)
- Plugged well
- Oil well
- Dry hole
- Permitted well location
- Surface location
- Directional
- Horizontal (90 deg.)
- Mineral and surface ownership
- Mineral ownership
- Mixed ownership
- Surface ownership



CRAWFORD COUNTY





RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING

March 5, 2013



KEITH CREAGH
DIRECTOR

February 5, 2013

To: Dr. William E. Moritz, Natural Resources Deputy

Transaction: Two Direct Oil and Gas Leases, Nondevelopment, in Lenawee County

Authority: Part 5, Department of Natural Resources (DNR), Section 502, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended

Applicant: Savoy Energy, L.P., of Traverse City, Michigan

Jurisdiction: Department of Transportation (MDOT), State-owned oil and gas rights

Mineral Description: Parcel 110S of Control Section 46072, M-52 highway right-of-way (proposed rest area) lying within the S1/2 SW1/4 SE1/4 of Section 24, and the N1/2 NW1/4 NE1/4 of Section 25, T06S, R03E, Adrian Township, Lenawee County, containing 1.94 acres, more or less

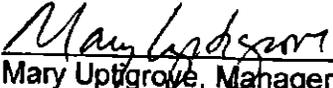
Drilling Type/Unit: Proposed 40-acre Trenton-Black River formation drilling unit comprised of the S1/2 SW1/4 SE1/4 of Section 24, and the N1/2 NW1/4 NE1/4 of Section 25, T06S, R03E, Adrian Township, Lenawee County

Lease Terms: Six-month primary term, one one-year extension option, nineteen and one-half percent (19.50%) royalty, \$900.00 bonus consideration (\$450.00 per acre), and \$5.00 minimum rental.

Restrictions: Nondevelopment with standard highway right-of-way restrictions pertaining to non-discrimination and no development work or drilling to be conducted on the leased premises without expressed written consent of MDOT.

Notice: Notice was published in *The Daily Telegram* newspaper on December 28, 2012. This item appeared on the January 29, 2013, DNR Business Calendar and is eligible for approval on February 5, 2013.

Recommendation: The oil and gas leases be issued to the applicant pursuant to the above terms and conditions.

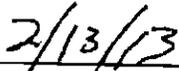


Mary Uptgrove, Manager
Minerals Management Section

I approve the staff recommendations.



William E. Moritz, Ph.D.
Natural Resources Deputy

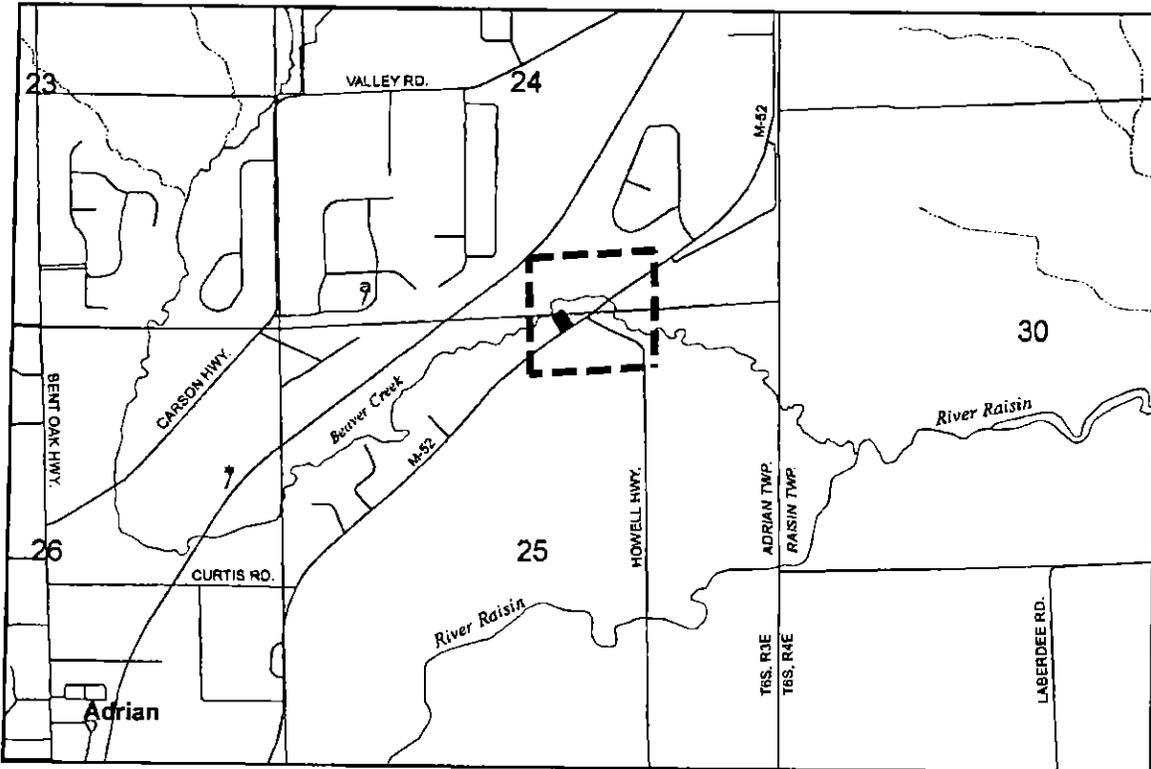


Approval Date

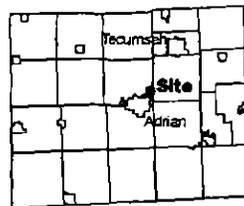
DIRECT OIL AND GAS LEASES (2) – NONDEVELOPMENT

Savoy Energy, L.P.

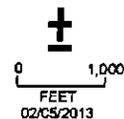
Proposed 40-acre Trenton/Black River Drilling Unit
 S1/2 SW1/4 SE1/4 Section 24 and N1/2 NW1/4 NE1/4 Section 25
 T06S, R03E, Adrian Township, Lenawee County



- State-owned (MDOT) oil and gas rights requested for lease (1.94 acres, more or less)
- Proposed 40-acre Trenton/Black River Drilling Unit (Surface well location to be determined)
- * Natural gas well
- a Dry Hole
- Mineral and surface ownership
- Mineral ownership
- Mixed ownership
- Surface ownership



LENAWEE COUNTY





RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING

March 5, 2013



KEITH CREAUGH
DIRECTOR

February 5, 2013

To: Dr. William E. Moritz, Natural Resources Deputy

Transaction: One Direct Oil and Gas Lease, Nondevelopment, in Isabella County

Authority: Part 5, Department of Natural Resources (DNR), Section 502, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended

Applicant: Petro-Vest, Inc., of Mt. Pleasant, Michigan

Jurisdiction: Department of Transportation (MDOT), State-owned oil and gas rights

Mineral Description: Parcel 65 of Control Section 37014, US-27 (now known as US-127) highway right-of-way lying within the SE1/4 SW1/4 of Section 26, T15N, R04W, Isabella Township, Isabella County, containing 8.83 acres, more or less

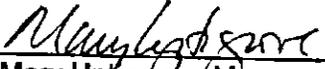
Drilling Type/Unit: Proposed 40-acre Dundee formation drilling unit comprised of the SE1/4 SW1/4 of Section 26, T15N, R04W, Isabella Township, Isabella County

Lease Terms: Sixteen-month primary term, no extensions, three-sixteenths (3/16) royalty, \$900.00 bonus consideration (\$100.00 per acre), and \$35.32 rental (\$4.00 per acre for primary term greater than one year).

Restrictions: Nondevelopment with standard highway right-of-way restrictions pertaining to non-discrimination and no development work or drilling to be conducted on the leased premises without expressed written consent of MDOT.

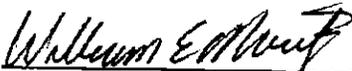
Notice: Notice was published in the *Morning Sun* newspaper on December 22, 2012. This item appeared on the January 29, 2013, DNR Business Calendar and is eligible for approval on February 5, 2013.

Recommendation: The oil and gas lease be issued to the applicant pursuant to the above terms and conditions.



Mary Uptgrove, Manager
Minerals Management Section

I approve the staff recommendations.

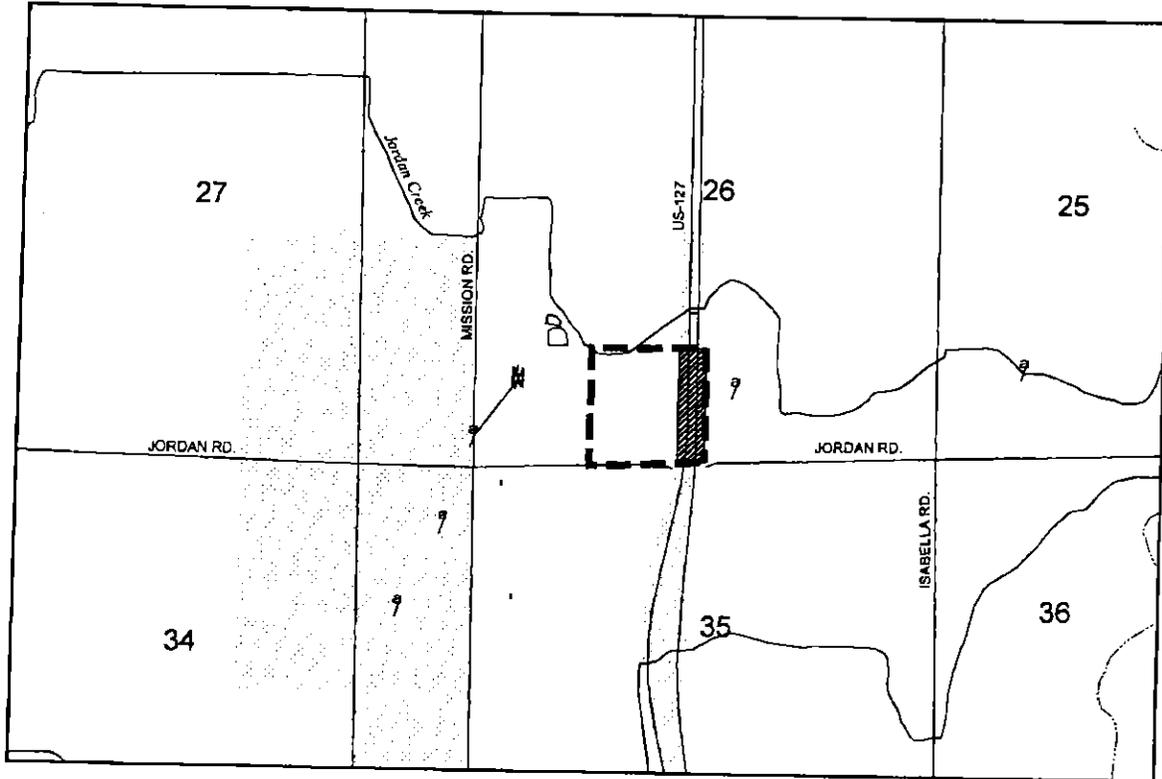


William E. Moritz, Ph.D.
Natural Resources Deputy

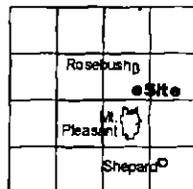
2/13/13
Approval Date

DIRECT OIL AND GAS LEASE – NONDEVELOPMENT

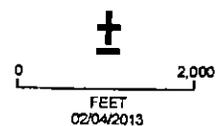
Petro-Vest, Inc.
 Proposed 40-acre Dundee Drilling Unit
 SE1/4 SW1/4 of Section 26, T15N, R04W
 Isabella Township, Isabella County



- State-owned oil and gas rights requested for lease
(US-127 highway right-of-way: 8.83 acres, more or less)
- Proposed 40-acre Dundee formation drilling unit
(Surface well location to be determined)
- Mineral and surface ownership
- Mineral ownership
- Mixed ownership
- Surface ownership
- Plugged Well
- Oil well
- Dry Hole
- Oil & Gas Well Surface Locations
- Directional
- Horizontal (90 deg.)



ISABELLA COUNTY





RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING

March 5, 2013



KEITH CREAUGH
DIRECTOR

February 5, 2013

To: Dr. William E. Moritz, Natural Resources Deputy

Subject: Three Direct Nonmetallic Mineral Sand and Gravel Leases, Development with Restriction

Authority: Part 5, Department of Natural Resources, Section 502, of the Natural Resources and Environmental Protection Act, 1994, PA 451, as amended

Applicant: Baraga County Road Commission, Baraga, Michigan

Jurisdiction: Department of Natural Resources (DNR) Surface and Mineral ownership

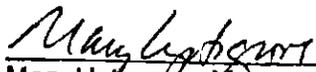
Land Description: E1/2 SE1/4, Section 31, T49N, R34W, Baraga Township; NE1/4, NW1/4, and SE1/4, Section 5, T47N, R34W; and SE1/4 NW1/4, SE1/4, and E1/2 SW1/4, Section 32, T48N, R34W, Covington Township, all located in Baraga County, 834.37 acres, more or less

Lease Terms: Seven year term with a possible three year extension, if in the best interest of the State. Royalty rates are \$0.321 per ton for sand and \$0.6566 per ton for gravel.

Restriction: "Best Management Practices."

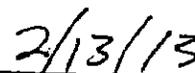
Notice: Notice was published in *The L'Anse Sentinel* on January 2, 2013. This item appeared on the January 29, 2013 DNR Business Calendar and is eligible for approval on February 5, 2013.

Recommendation: That three direct nonmetallic mineral sand and gravel leases be issued to the applicant pursuant to the above terms and conditions.


 Mary Uptgrove, Manager
 Minerals Management Section

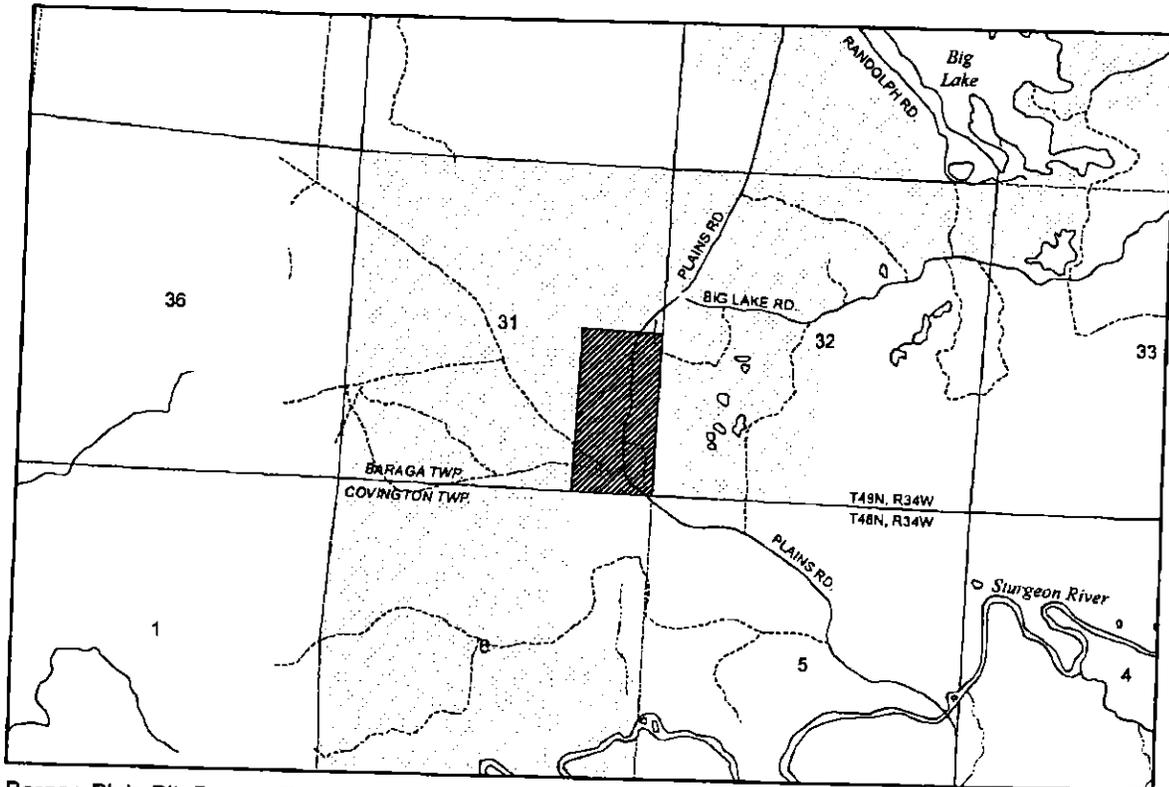
I approve the staff recommendations.


 William E. Moritz, Ph.D.
 Natural Resources Deputy


 Approval Date

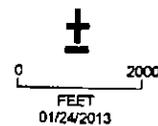
DIRECT NONMETALLIC MINERAL LEASES (3) DEVELOPMENT WITH RESTRICTION

Baraga County Road Commission
Section 31, T49N, R34W, Baraga Township
Section 5, T47N, R34W and Section 32, T48N, R34W, Covington Township
Baraga County
(Map 1 of 2)



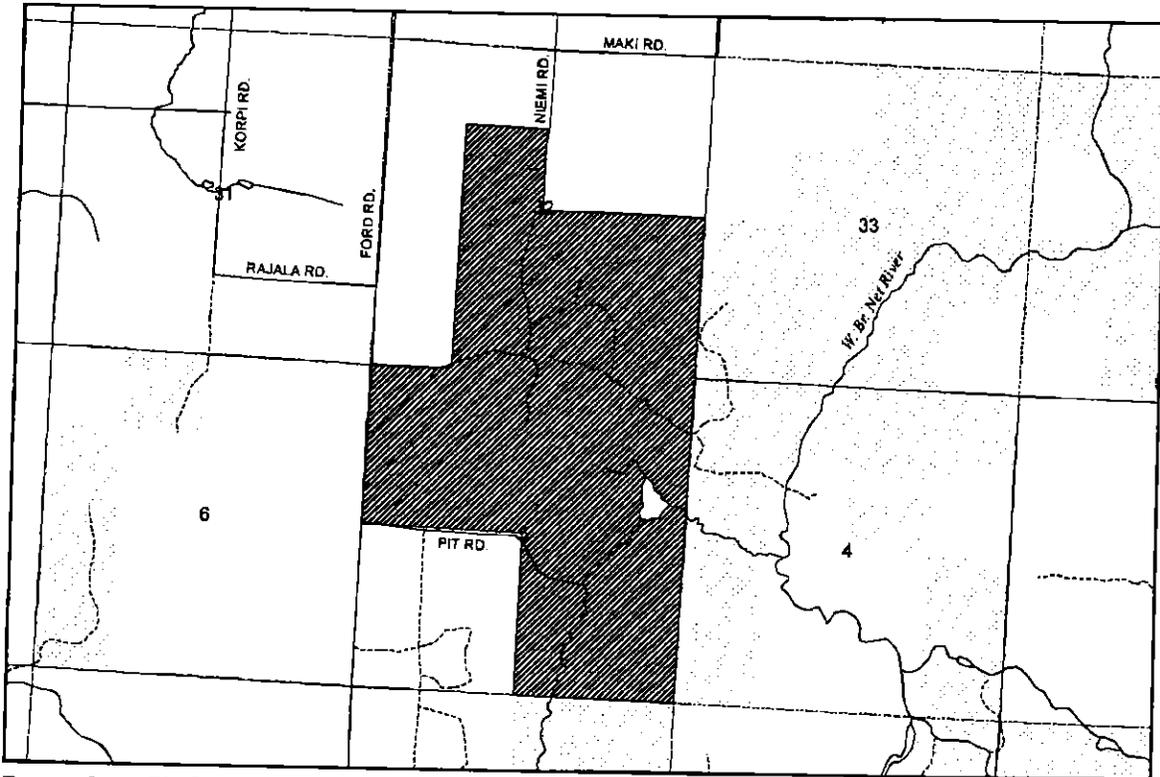
Baraga Plain Pit, Baraga Township

-  State land to be leased (80.00 acres, more or less)
-  Mineral and surface ownership
-  Mineral ownership
-  Mixed ownership
-  Surface ownership



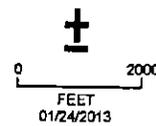
DIRECT NONMETALLIC MINERAL LEASES (3) DEVELOPMENT WITH RESTRICTION

Baraga County Road Commission
Section 31, T49N, R34W, Baraga Township
Section 5, T47N, R34W and Section 32, T48N, R34W, Covington Township
Baraga County
(Map 2 of 2)



Baraga Plain Pit, Baraga Township

-  State land to be leased (754.37 acres, more or less)
-  Mineral and surface ownership
-  Mineral ownership
-  Mixed ownership
-  Surface ownership



DEPARTMENT OF TRANSPORTATION

TRANSPORTATION and NATURAL RESOURCES COMMITTEE
STATE ADMINISTRATIVE BOARD

T&NR Meeting: February 26, 2013– Lake Superior Room,
1st Floor, Michigan Library and Historical Center, 11:00 AM
State Administrative Board Meeting: March 5, 2013 – Lake Superior Room,
1st Floor, Michigan Library and Historical Center, 11:00 AM

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This agenda is for general informational purposes only. At its discretion, the Transportation and Natural Resources Committee may revise this agenda and may take up other issues at the meeting.

CONTRACTS

1. **HIGHWAYS – Design Services**
Contract (2013-0014) between MDOT and DLZ Michigan, Inc., will provide for design services to be performed for the replacement of the existing Sprinkle Road and I-94 interchange, including construction of a new interchange with dual roundabouts and removal and replacement of the Sprinkle Road bridge over I-94 (S04 of 39022) in the City of Kalamazoo and removal of the existing Cork Street bridge over I-94 (S10 of 39022) and realignment of East Cork Street in Comstock Township, Kalamazoo County (CS 39022 – JNs 110524C/D, 110581). The work items will include preparing required plans, including typical cross-sections, maintaining traffic plans, permanent freeway signing plans, and pavement marking plans, and performing geotechnical investigation work. The contract will be in effect from the date of award through January 1, 2015. The contract amount will be \$1,629,917.48. Source of Funds: 90% Federal Highway Administration Funds and 10% State Restricted Trunkline Funds.

2. ***HIGHWAYS -- Design Services**
Contract (2013-0079) between MDOT and Northwest Consultants, Inc., will provide for design services to be performed for the rehabilitation of I-94 westbound from Red Arrow Highway (Exit 16) to 0.45 miles west of the I-94 business loop (Exit 23), Berrien County (CS 11015 – JN 113585C). The work items will include performing surveys, preparing required plans and typical cross-sections, computing and verifying plan quantities, and reporting and record-keeping. The contract will be in effect from the date of award through March 30, 2016. The authorization amount will be \$1,794,390.68. Source of Funds: 90% Federal Highway Administration Funds and 10% State Restricted Trunkline Funds.

* Denotes a non-standard contract/amendment
2/19/2013

3. HIGHWAYS – IDS Engineering Services
Authorization (2) under Contract (2013-0111) between MDOT and URS Corporation Great Lakes will provide for design services to be performed for the reconstruction of the I-94 business loop from Brown Street to Louis Glick Highway in the City of Jackson, Jackson County (CS 38082 - JN 113565C). The work items will include preparing required plans, including maintaining traffic and construction staging plans, permanent non-freeway signing plans, and pavement marking plans, and performing drainage studies. The authorization will be in effect from the date of award through January 16, 2016. The authorization amount will be \$569,080.87. The contract term is January 17, 2013, through January 16, 2016. Source of Funds: Source of Funds: 81.85% Federal Highway Administration Funds and 18.15% State Restricted Trunkline Funds.

4. *HIGHWAYS – Maintenance of Intelligent Transportation System Infrastructure
Contract (2013-0119) between MDOT and Integral Blue, LLC, will provide funding for the first year of a three-year program for the maintenance of Intelligent Transportation System (ITS) infrastructure throughout the state of Michigan. The contract will be amended to add funding for the second and third years of the program as funding becomes available. The work items will include maintenance of ITS devices and communications equipment, development of a preventive maintenance plan, documentation of work using asset management software, and coordination with other contractors. The contract will be in effect from the date of award through three years. The contract amount will be \$2,397,215.70. Source of Funds: 80.29% Federal Highway Administration Funds and 19.71% State Restricted Trunkline Funds.

5. HIGHWAYS - IDS Engineering Services
Contract (2013-0142) between MDOT and Prein & Newhof, Inc., will provide for services for which the consultant is prequalified to be performed on an as needed/when needed basis. The contract will be in effect from the date of award through three years. The maximum contract amount will be \$4,000,000, and the maximum amount of any authorization will be \$1,000,000. Authorizations over \$500,000 will be submitted to the State Administrative Board for approval. Source of Funds: Federal, Restricted State, or local funds, depending on the particular project authorized.

6. HIGHWAYS - IDS Engineering Services
Contract (2013-0145) between MDOT and AMEC Engineering and Consulting of Michigan, Inc., will provide for services for which the consultant is prequalified to be performed on an as needed/when needed basis. The contract will be in effect from the date of award through three years. The maximum contract amount will be \$4,000,000, and the maximum amount of any authorization will be \$1,000,000. Authorizations over \$500,000 will be submitted to the State Administrative Board for approval. Source of Funds: Federal, Restricted State, or local funds, depending on the particular project authorized.

8. LETTING OF FEBRUARY 01, 2013
 PROPOSAL 1302040
 PROJECT IM 41029-112191
 LOCAL AGRMT.
 START DATE - 10 days after award
 COMPLETION DATE - SEPTEMBER 05, 2013

	ENG. EST.	LOW BID
	\$ 448,302.15	\$ 614,832.14
	% OVER/UNDER EST.	
	37.15 %	

0.86 mi of hot mix asphalt cold milling and resurfacing, joint repair, concrete surface patch, diamond grinding, and curb and gutter repair on I-196 eastbound from Lane Avenue easterly to the Grand River and on I-196 westbound from east of Lane Avenue east to west of Broadway Avenue in the city of Grand Rapids, Kent County. This project includes a 3 year materials and workmanship pavement warranty.

A 2013 highway preventive maintenance project.

3.00 % DBE participation required

BIDDER	AS-SUBMITTED	AS-CHECKED
C & D Hughes, Inc.	\$ 614,832.14	Same 1 **
Michigan Paving and Materials Comp	\$ 684,666.33	Same 2
Rieth-Riley Construction Co., Inc.	\$ 685,809.17	Same 3
Superior Asphalt, Inc.		

3 Bidders

9. LETTING OF FEBRUARY 01, 2013
 PROPOSAL 1302043
 PROJECT ST 84912-115544
 LOCAL AGRMT.
 START DATE - MAY 28, 2013
 COMPLETION DATE - JUNE 27, 2013

	ENG. EST.	LOW BID
	\$ 833,452.27	\$ 942,208.79
	% OVER/UNDER EST.	
	13.05 %	

21.70 mi of overband crack sealing and single course chip sealing on M-55 from the west Iosco County line easterly to Chambers Road and on US-23 from the entrance to Hoeft State Park northerly to Ocqueoc Road, Iosco and Presque Isle Counties. This project includes a 2 year pavement performance warranty.

A 2013 highway preventive maintenance project.

0.00 % DBE participation required

BIDDER	AS-SUBMITTED	AS-CHECKED
Fahrner Asphalt Sealers, L.L.C.	\$ 942,208.79	Same 1 **
Highway Maintenance and Construct.	\$ 970,974.46	Same 2
Scott Transportation, Inc.	\$ 1,049,831.35	Same 3
Pavement Maintenance Systems, LLC		

3 Bidders

* Denotes a non-standard contract/amendment
 2/19/2013

10. LETTING OF FEBRUARY 01, 2013
 PROPOSAL 1302045
 PROJECT ST 39082-115609, ETC
 LOCAL AGRMT.
 START DATE - MAY 13, 2013
 COMPLETION DATE - JUNE 28, 2013

ENG. EST. LOW BID
 \$ 1,590,072.40 \$ 1,787,597.75

% OVER/UNDER EST.
 12.42 %

15.52 mi of hot mix asphalt cold milling and microsurfacing, single chip seal, corrugations, and pavement marking on M-43 from M-89 (C Avenue) northerly to the Kalamazoo/Barry County line, on M-89 from Hatton Drive easterly to 42nd Street, on M-60 from M-66 easterly to Depot Street, and on M-86 from the M-66 junction easterly to Saint Joseph Street in the villages of Richland, Leonidas, and Colon, Kalamazoo and St. Joseph Counties.

A 2013 highway preventive maintenance project.

0.00 % DBE participation required

BIDDER	AS-SUBMITTED	AS-CHECKED
Pavement Maintenance Systems, LLC	\$ 1,787,597.75	Same 1 **
Strawser Construction Inc.	\$ 1,933,505.33	Same 2
Fahrner Asphalt Sealers, L.L.C.		
Scott Transportation, Inc.		
AC Pavement Striping Co.		

2 Bidders

In accordance with MDOT's policies and procedures and subject to concurrence by the Federal Highway Administration, the preparation and award of the appropriate documents approved by the Attorney General, and compliance with all legal and fiscal requirements, the Director recommends for approval by the State Administrative Board the items on this agenda.

The approval by the State Administrative Board of these contracts does not constitute the award of same. The award of contracts shall be made at the discretion of the Director-Department of Transportation when the aforementioned requirements have been met. Subject to exercise of that discretion, I approve the contracts described in this agenda and authorize their award by the responsible management staff of MDOT to the extent authorized by, and in accordance with, the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of October 10, 2012.

Respectfully submitted,

Laura J. Mestler
 Kirk T. Steudle
 Director

* Denotes a non-standard contract/amendment
 2/19/2013

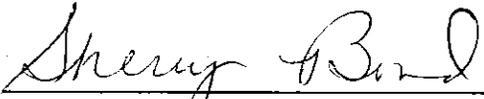
Ms. Jarois presented the Transportation and Natural Resources Committee Report for the regular meeting of February 26, 2013. After review of the foregoing Transportation and Natural Resources Committee Report, Ms. Jarois moved that the Report covering the regular meeting of February 26, 2013, be approved. The motion was supported by Mr. Reilly and unanimously approved.

8. MOTIONS AND RESOLUTIONS:

NONE

9. ADJOURNMENT:

Mr. Gadola adjourned the meeting.


SECRETARY


CHAIRPERSON