

Lansing, Michigan

October 20, 2020

A regular meeting of the State Administrative Board was held on Tuesday, October 20, 2020, at 11:00 a.m.

Present: Shenique Moss, representing Gretchen Whitmer, Governor, Chairperson, remotely called in from Macomb County
Danielle El-Amin, representing Garlin Gilchrist, Lt. Governor, remotely called in from Wayne County
Cindy Paradine, representing Jocelyn Benson, Secretary of State, remotely called in from Eaton County
Kelly Keenan, representing Dana Nessel, Attorney General, remotely called in from Livingston County
Stacey Bliesener, representing, Rachael Eubanks, State Treasurer, remotely called in from Eaton County
Ross Fort, representing Micheal F. Rice, Superintendent of Public Instruction, remotely called in from Ingham County
Laura Mester, representing Paul Ajegba, Director, Department of Transportation, remotely called in from Clinton County
Shelby Troub, Secretary

Others Present: Dave Pell, Jim Shell, Dan Sonneveldt, Attorney General's Office; Bree Anderson, Tamara Cooper, Chelsea Lugibihl, Sarah Walter, Department of Technology, Management and Budget; Mac Lomax, Cell Staff

1. CALL TO ORDER:

Ms. Moss 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. Mester moved to approve the minutes of the regular meeting of September 24, 2020. Supported by Ms. El-Amin, the motion was unanimously adopted.

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

None

4. COMMUNICATIONS

A letter dated October 8, 2020, from Mac Loman, for Cell Staff, LLC, regarding the temporary medical staffing services contract for approval at the October 20, 2020, State Administrative Board meeting

Ms. Moss stated that she received the letter was satisfied with the response from Department of Technology, Management and Budget

5. UNFINISHED BUSINESS:

None

6. NEW BUSINESS:

None

RETENTION AND DISPOSAL SCHEDULES

Environment, Great Lakes and Energy

Finance Division, 10/20/2020

Drinking Water and Environmental Health Division (DWEHD), 10/20/2020

Ms. Paradine moved to approve the Retention and Disposal Schedules. Supported by Ms. Mester, and the motion was unanimously approved.

7. REPORTS AND RECOMMENDATIONS OF COMMITTEES:

(Please see the following pages)

APPROVED

October 20, 2020

Michigan State
Administrative Board

COMMITTEE REPORT TO THE STATE ADMINISTRATIVE BOARD

The Honorable Gretchen Whitmer, Governor
and
Members of the State Administrative Board

A regular meeting of the **Building** Committee was held at **11:00 a.m.** on **October 20, 2020**.
Those present being:

Chairperson: Stacey Bliesener, representing Approved _____
State Treasurer Eubanks

Member: Shenique Moss, representing Approved _____
Governor Whitmer

Member: Danielle El- Amin, representing Approved _____
Lt. Governor Gilchrist

Others: Kelly Keenan, Dave Pell, Jim Shell, Dan Sonneveldt, Attorney General's Office,
Ross Fort, Department of Education; Cindy Paradine, Department of State; Bree
Anderson, Tamara Cooper, Genevieve, Hayes, Chelsea Lugibihl, Shelby Troub,
Sarah Walter, Department of Technology, Management and Budget; Laura Mester,
Department of Transportation; Mac Lomax, Cell Staff

Ms. Bliesener, remotely called in from Eaton County, Michigan
Ms. Moss, remotely called in from Macomb County, Michigan
Ms. El-Amin, remotely called in from Wayne County, Michigan

Ms. Bliesener called the meeting to order.

The Building Committee regular agenda was presented.

Following discussion, Ms. Moss, moved that the regular agenda be recommended to the State
Administrative Board. The motion was supported by Ms. El-Amin, and unanimously adopted.

Ms. Bliesener adjourned the meeting.

I certify that the foregoing is a true and accurate copy of the Building Committee report adopted
at the October 20, 2020, State Administrative Board meeting held on October 20, 2020, and is
on file in the records of this office.

Shelby Troub, Secretary of the
Michigan State Administrative Board

A G E N D A

BUILDING COMMITTEE / STATE ADMINISTRATIVE BOARD

October 20, 2020 / October 20,, 2020
Virtual Meeting

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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 CONTRACTS

- 1. DEPARTMENT OF CORRECTIONS, MUSKEGON – Brooks Correctional Facility – HVAC and Digital Controls Upgrade
File No. 472/19096.GAG - Contract No. Y21003
Recommended Contract Award: Control Solutions, Inc., Byron Center
\$760,000.00

Description and Justification

The purpose of this contract is to provide all labor, materials and equipment for a new digital HVAC control system throughout the facility encompassing 10 buildings. This work includes the acceptance of bid alternate #1 for replacing all smoke dampers, and the demolition of the existing pneumatic control system after a coordinated startup and checkout of the new system.

Funding Source

100% Agency Operating Funds

- 2. DEPARTMENT OF NATURAL RESOURCES, BARAGA – Baraga to Arnheim Trail – Baraga to Arnheim Trail Repairs Phase III
File No. 751/13243.JBB - Contract No. Y21004
Recommended Contract Award: MJO Contracting, Inc., Hancock; \$637,950.00

Description and Justification

The purpose of this contract is to provide for the deck repairs and approach trail upgrades on the bridge over the Little Carp River on the Baraga to Arnheim Trail. The bridge is currently closed until these repairs can be performed which is negatively impacting public use and safety. The project will return the bridge back into service and allow safe access for the trail users.

Funding Source

100% Agency Operating Funds

AWARD OF PROFESSIONAL SERVICES CONTRACTS

- 3. DEPARTMENT OF ENVIRONMENT, GREAT LAKES AND ENERGY, WAYNE COUNTY – Detroit River Area of Concern Site – Remedial Investigation
File No. 761/20221.SAR - Contract No. Y21005

Recommended Proposal: EA Engineering, Science, and Technology, Brighton
\$476,535.86

Description and Justification

The purpose of this contract is to provide professional design services to complete a remedial investigation of sediments in the McLouth/Grosse Ile Shoreline, a portion of the Detroit River, Trenton Channel. The Detroit River's area of concern was identified in 1985 by the U.S. and Canadian governments due to the highly degraded conditions caused by urban and industrial development, combined sewer overflows, municipal and industrial discharges, and storm water runoff. Due to these sources, the Detroit River contains elevated levels of polychlorinated biphenyls, polycyclic aromatic hydrocarbons, various metals and cyanide as well as oil and grease. The investigation will assess current conditions and fill data gaps to determine the nature and extent, evaluate source controls and delineate estimate volumes of contaminated sediment to be remediated during future remedial action within the associated areas of concern. This work will develop and implement sampling plan based on previous studies, historical and current point sources and to further evaluate the physical and chemical characteristics of the sediments within the targeted area. The project outcomes will be used to design/implement remedial actions needed to remove beneficial use impairments within the river's area of concern. These impairments include restrictions on fish/ wildlife consumption and dredging, both a result of contaminated sediments in the river. The work is needed to protect public health, safety, welfare and the environment.

Funding Source

100% Federal Funds

4. DEPARTMENT OF ENVIRONMENT, GREAT LAKES AND ENERGY, WAYNE COUNTY – Rouge River Area of Concern Site – Remedial Investigation
File No. 761/20221.SAR - Contract No. Y21006
Recommended Proposal: EA Engineering, Science, and Technology, Brighton
\$622,109.82

Description and Justification

The purpose of this contract is to provide professional design services to complete a remedial investigation of sediments in the Lower Rouge River Main Channel's area of concern. The Rouge River flows east through Wayne County, discharging into the Detroit River between the community of River Rouge and the City of Detroit. The area of concern includes 48 communities and drains 466 square miles of southeastern Michigan. The river is impacted by combined and sanitary sewer overflows, municipal and industrial discharges and storm water runoff, all contributing to the poor biotic communities, fish consumption advisories and contaminated sediments. These sources have contributed to elevated levels of polychlorinated biphenyls, polycyclic aromatic hydrocarbons, various metals and oil and grease. The investigation will assess current conditions and fill data gaps to determine the nature and extent, evaluate source controls and delineate estimate volumes of contaminated sediment to be remediated during future remedial action within the associated area of concern. This work will develop and implement a sampling plan based on previous studies, historical and current point sources and to further evaluate the physical and chemical characteristics

of the sediments within the targeted area. The project outcomes will be used to design/implement remedial actions needed to remove beneficial use impairments within the river's area of concern. These impairments include restrictions on fish/wildlife consumption and dredging, both a result of contaminated sediments in the river. The work is needed to protect public health, safety, welfare and the environment.

Funding Source

100% Federal Funds

MODIFICATION TO PROFESSIONAL SERVICES CONTRACTS

5. DEPARTMENT OF NATURAL RESOURCES, HANCOCK – Hancock to Calumet Trail – Hancock to Calumet Trail Repairs
File No. 751/14068.JBB - Index No. 5500 - Contract No. Y14141
OHM Advisors, Hancock; Modification No. 13, Increase \$23,472.10

Description and Justification

The purpose of this modification is to provide additional professional design services to complete the alignment and topographic survey field collection, to meet the departments long term objective of restoring a single trail along the two corridors that were severely damaged during the flooding event in 2018. The work is needed to prevent both trails from remaining closed due to the damage incurred.

Funding Source

100% Agency Operating Funds

Base Contract	\$56,289.40	
Modification No. 1	\$2,500.00	Approved on Director's Agenda 04/11/2014
Modification No. 2	\$25,090.99	Approved on Director's Agenda 05/16/2014
Modification No. 3	\$3,072.50	Approved on Director's Agenda 05/08/2015
Modification No. 4	\$15,217.24	Approved on Director's Agenda 07/17/2015
Modification No. 5	\$15,433.80	Approved on Director's Agenda 10/23/2015
Modification No. 6	\$13,778.90	Approved on Director's Agenda 11/06/2015
Modification No. 7	\$2,160.00	Approved on Director's Agenda 02/10/2017
Modification No. 8	\$88,478.54	Approved on Director's Agenda 07/13/2018
Modification No. 9	\$84,057.30	Approved on Director's Agenda 04/19/2019
Modification No. 10	\$168,648.61	Approved on Director's Agenda 08/27/2019
Modification No. 11	\$0.00	No Cost Change Order
Modification No. 12	\$0.00	No Cost Change Order
Modification No. 13	\$23,472.10	See Justification Above

Total Contract	\$498,199.38	
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6. DEPARTMENT OF NATURAL RESOURCES, MANISTEE – Orchard Beach State Park – Erosion Control and Geo-Technical Study
File No. 751/16232.GAG - Index No. 5130 - Contract No. Y17133
GEI Consultants of Michigan, Inc., Lansing; Modification No. 6, Increase \$304,198.20

Description and Justification

The purpose of this modification is to provide additional professional design services to expand the archeological survey scope, and for bid document revisions and construction administration for the Lake Michigan shoreline erosion protection measures at the site. This work includes relocating the historic shelter building away from the eroding high bluff edge; relocating the sanitary system septic tanks and lift station; the protection and armoring of the existing shoreline access stairway; and additional storm water management measures and bluff stabilization measures. This work also includes obtaining an archeological survey, a district health department permit, a campground construction permit, and a joint shoreline construction permit.

Funding Source

100% State Parks Repair and Maintenance Funds

Base Contract	\$55,457.14	
Modification No. 1	\$5,842.32	Approved on Director's Agenda 01/26/2018
Modification No. 2	\$9,912.46	Approved on Director's Agenda 06/29/2018
Modification No. 3	\$213,772.78	Approved on Director's Agenda 03/29/2019
Modification No. 4	\$84,006.48	Approved on Ad Board Agenda 02/25/2020
Modification No. 5	\$315,536.17	Approved on Ad Board Agenda 05/18/2020
Modification No. 6	\$304,198.20	See Justification Above
Total Contract	\$988,513.63	

7. DEPARTMENT OF NATURAL RESOURCES, DETROIT – Belle Isle – Flatwoods Restoration
File No. 751/17120.MNB - Index No. 5603 - Contract No. Y17563
EA Engineering, Science & Technology, (MI) PLC, Brighton, Modification No. 7
Increase \$187,053.46

Description and Justification

The purpose of this modification is to provide additional professional design services to manage the implementation of the completed design for this 200-acre project. The project includes improvements to the drainage system, recontouring some of the grounds, added planting, building recreational paths, removal of dilapidated buildings

and asphalt roadways, construction of over 8,000 linear feet of boardwalk on helical and rustic piles, and miscellaneous improvement to transform the currently abandoned space into a natural safe space open to the public.

Funding Source

100% Great Lakes Restoration Initiative Funds

Base Contract	\$377,990.00	
Modification No. 1	\$29,374.00	Approved on Director's Agenda 10/20/2017
Modification No. 2	\$0.0	No Cost Change Order
Modification No. 3	\$26,502.00	Approved on Director's Agenda 03/23/2018
Modification No. 4	\$43,948.45	Approved on Director's Agenda 04/20/2018
Modification No. 5	\$16,231.41	Approved on Director's Agenda 12/20/2019
Modification No. 6	\$26,192.84	Approved on Director's Agenda 02/28/2020
Modification No. 7	\$187,053.46	See Justification Above
Total Contract	\$707,292.56	

REVISIONS TO CONSTRUCTION CONTRACTS

8. DEPARTMENT OF CORRECTIONS, ST. LOUIS – Central Michigan Correctional Facility – HVAC Upgrades
 File No. 472/16319.JAG - Contract No. Y17449
 Tamarack Builders, Inc., Lakeview; CCO No. 4, Increase \$43,830.00

Description and Justification

The purpose of this change order is to provide for the performance of work relative to the East Food Service Building HVAC improvements during the 2nd and 3rd shifts. This is an owner requested change to allow the dining hall to be used for serving inmates during the day. This work hour change was not included in the original contract.

Funding Source

100% Agency Operating Funds

Base Contract	\$296,800.00	
Change Order No. 1	\$0.00	No Cost Change Order
Change Order No. 2	\$277,909.00	Approved on Director's Agenda 04/19/2019
Change Order No. 3	\$568,218.00	Approved on Ad Board Agenda 02/11/2020
Change Order No. 4	\$43,830.00	See Justification Above
Total Contract	\$1,186,757.00	

9. DEPARTMENT OF CORRECTIONS, ST. LOUIS – St. Louis Correctional Facility
 – Housing Unit Shower Renovations
 File No. 472/17471.JAG - Contract No. Y19291
 RAS Contracting, Inc., Mason; CCO No. 2, Increase \$266,667.25

Description and Justification

The purpose of this change order is to cancel the field assembled shower enclosures and provide and install prefabricated shower enclosures. This owner requested change provides for a seamless hamper proof shower enclosure with a longer expected service life. The work is needed to promote safety, reduce maintenance and provide a safer enclosure.

Funding Source

100% Agency Operating Funds

Base Contract	\$810,500.00	
Change Order No. 1	\$665.30	Approved on Director's Agenda 01/24/2020
Change Order No. 2	\$266,667.25	See Justification Above
Total Contract	\$1,077,832.55	

10. DEPARTMENT OF NATURAL RESOURCES, THOMPSON – Thompson State
 Fish Hatchery – Construct a New Cool Water Fish Rearing Facility
 File No. 751/16262.JAG - Index No. 11856 - Contract No. Y19240
 Clark Construction Company, Lansing; CCO No. 3, Increase \$164,347.00

Description and Justification

The purpose of this change order is to remove and replace the existing emergency generator. The existing generator is more than 20 years old, inefficient, high maintenance and nearing the end of its expected service life. This project component of the project was bid as a deductive alternate and not accepted to provide flexibility during the construction process. It has become apparent that this major maintenance item must be replaced to ensure the facility operates as intended.

Funding Source

100% Lump Sum Special Maintenance

Base Contract	\$8,057,898.00	
Change Order No. 1	\$0.00	No Cost Change Order
Change Order No. 2	\$151,566.00	Approved on Director's Agenda 10/25/2019
Change Order No. 3	\$164,347.00	See Justification Above
Total Contract	\$8,373,811.00	

LEASE FOR PRIVATE PROPERTY

11. DEPARTMENT OF STATE, CLINTON TOWNSHIP – Renewal Lease No. 11106 with Northpointe Plaza, LP, 31000 Northwestern Hwy, Suite 200, Farmington Hills, MI, 48334, as Lessor, and the State of Michigan by the Department of Technology, Management & Budget for the Department of State, as Lessee, for 6,506 square feet of office space located at 37015 Gratiot Ave., Clinton Township, MI 48036. The Lease is effective upon obtaining State Administrative Board approval and required signatures. The annual per square foot rental rate for this space beginning December 1, 2020, is \$17.95 (\$9,731.89 per month). This rate does not include public utilities, janitorial services and supplies or pest control. This Lease contains one 5-year renewal option with an annual per square foot rental rate of \$19.30 (\$10,463.82 per month) and one 5-year renewal option with a rental rate of \$20.74 (\$11,244.54 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:

Renew the Lease at the current location at a reduced rental rate from the current lease rate for the initial 5-year term allowing the Department to continue to serve its customers in a familiar location that meets the operational needs of the Department.

Benefit:

Allows the Department to remain in a space that works for them from an operational standpoint at a reduced rental rate for the initial 5-year lease term. The rental rate is within the current market rates.

Funding Source:

100% Restricted Funds (TACF- 83.96%, Auto Repair Facilities Fees- 1.26%, Driver Fees- 6.84%, Parking Ticket Court Fines- 4.21%, Enhanced Driver License & Personal ID- 3.73%)

Commitment Level:

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

Risk Assessment:

Non-approval of this Lease will hinder the Department from remaining in the current location resulting in move costs and potentially a higher rental rate.

Zip Code:

48036

12. DEPARTMENT OF STATE, CLARE – Renewal Lease No. 7769 with Jon Squires Enterprises, LLC, 9 Lexington Ct., Midland, MI, 48642, as Lessor, and the State of Michigan by the Department of Technology, Management & Budget for the Department of State, as Lessee, for 1,400 square feet of office space located at 121 Schoolcraft Ave, Clare, MI 48617. The Lease is effective upon obtaining State Administrative Board approval and required signatures. The annual per square foot rental rate for this space beginning September 1, 2020, is \$14.76 (\$1,722.00 per month). Effective September 1, 2021, the annual per square foot rental rate for this space increases to \$16.02 (\$1,869.00 per month). This rate

does not include public utilities, janitorial services and supplies or dumpster service. This Lease contains one 5-year renewal option with an annual per square foot rental rate of \$17.04 (\$1,988.00 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 purpose is to renew the lease at the current location with a rate reduction for the initial lease term.

Benefit:

Allows the Department to remain in the current location, at a reduced rental rate for the initial 5-year lease term and continue to serve its customers in Clare County. The rental rate is within current market rates.

Funding Source:

100% Restricted Funds (TACF- 83.96%, Auto Repair Facilities Fees- 1.26%, Driver Fees- 6.84%, Parking Ticket Court Fines- 4.21%, Enhanced Driver License & Personal ID- 3.73%)

Commitment Level:

Five years; however, this Lease contains one 5-year renewal option and a Standard cancellation clause with 90-days' notice.

Risk Assessment:

Non-approval of this Lease will hinder the Department from realizing a cost savings in the annual rental rate for the initial 5-year lease term and potentially incur expense to relocate.

Zip Code:

48617

ADDENDUM TO LEASE FOR PRIVATE PROPERTY

13. DEPARTMENT OF STATE, TRENTON - Addendum No. 1 to Lease No. 10818 approved by the State Administrative Board on May 18, 2010, by and between Trafford Square Limited Partnership, 5695 Silver Pond, West Bloomfield, MI 48322, as Lessor, and the State of Michigan by the Department of Technology, Management & Budget for the Department of State, as Lessee, for 4,761 square feet of office space located at 3040 Van Horn Road, Trenton, MI 48183. This Addendum provides for extending the current Lease term by adding a new 5-year renewal option. This Addendum is effective upon obtaining State Administrative Board approval and required signatures and continues to the termination date of December 31, 2025, or any extension. The annual per square foot rental rate for this space is \$9.00 (\$3,570.75 per month). Effective January 1, 2024, the annual per square foot rental rate for this space increase to \$9.50 (\$3,769.13 per month). This rate does not include public utilities, janitorial services and supplies, pest control and dumpster service. The rental rate is within current market rate for comparable space. This Lease contains a standard cancellation clause with 90-days' notice. The Attorney General has approved this Addendum as to legal form.

Purpose/Business Case:

The purpose of adding a renewal option to this Lease is to provide the Department of State with a location that continues to meet the service needs for the citizens of Wayne County.

Benefit:

The extension of this Lease allows the Department to remain at its current location and benefit from an additional three years without a rate increase. The rental rate is within current market rate for comparable space.

Source of Funds:

100% Restricted Funds (TACF- 83.96%, Auto Repair Facilities Fees- 1.26%, Driver Fees- 6.84%, Parking Ticket Court Fines- 4.21%, Enhanced Driver License & Personal ID- 3.73%)

Commitment Level:

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

Risk Assessment:

Non-approval of this Addendum will hinder the Department from continuing to provide uninterrupted service in Trenton. It may require the Department to relocate to a new location and incur increased costs.

Zip Code:

48183

14. DEPARTMENT OF STATE, NILES - Addendum No. 3 to Lease No. 10309 approved by the State Administrative Board on June 6, 2006, by and between Hamstra Builders, Inc., and subsequently assigned to Riverfront SC, Inc., 1410 S. Clinton Street, Chicago, IL 60607, as Lessor, and the State of Michigan by the Department of Technology, Management & Budget for the Department of State, as Lessee, for 2,842 square feet of office space located at 110 E. Main Street, Niles, MI 49120. This Addendum provides for extending the current Lease term by adding a new 5-year renewal option. This Addendum is effective upon obtaining State Administrative Board approval and required signatures and continues to the termination date of August 31, 2024, or any extension. The annual per square foot rental rate for this space is \$9.93 (\$2,351.76 per month). Effective September 1, 2022, the annual per square foot rental rate for this space increase to \$10.25 (\$2,427.54 per month). This rate does not include public utilities, janitorial services and supplies, replacement tubes & bulbs, pest control and dumpster service. The rental rate is within current market rate for comparable space. This Lease contains a standard cancellation clause with 90-days' notice. The Attorney General has approved this Addendum as to legal form.

Purpose/Business Case:

The purpose of adding a renewal option to this Lease is to provide the Department of State with a location that continues to meet the service needs for the citizens of Berrien County.

Benefit:

The extension of this Lease allows the Department to remain at its current location and benefit from an additional three years without a rate increase. The rental rate is within current market rates for comparable space.

Source of Funds:

100% Restricted Funds (TACF- 83.96%, Auto Repair Facilities Fees- 1.26%, Driver Fees- 6.84%, Parking Ticket Court Fines- 4.21%, Enhanced Driver License & Personal ID- 3.73%)

Commitment Level:

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

Risk Assessment:

Non-approval of this Addendum will hinder the Department from continuing to provide uninterrupted service in Niles. It may require the Department to relocate to a new location and incur increased costs.

Zip Code:

49120

LEASE FOR STATE OWNED PROPERTY

15. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET (DTMB) – New Lease No. 12082 effective August 1, 2020, through July 31, 2040, with Eaton County, a Michigan unit of government with offices at 1045 Independence Boulevard, Charlotte, Michigan 48813 as Lessee, and the State of Michigan by the Department of Technology, Management and Budget as Lessor. The lease is for two separate parcels, each approximately 5 square feet in size and located on the grounds of State of Michigan's Secondary Office Complex in Windsor Township, Eaton County, State of Michigan. Parcel No. 1 is more or less centered at Latitude 42.6745 and Longitude -84.6761. Parcel No. 2 is more or less centered at Latitude 42.6700 and Longitude -84.6673. The parcels are to be used by Lessee to site two tornado early warning sirens mounted on poles. In lieu of rent, Lessee shall utilize the leased space to provide professional early tornado warning services to the State of Michigan's Secondary Complex. This Lease contains an Either Party cancellation clause with 180-days' notice. The Attorney General has approved this Lease as to legal form.

Purpose/Business Case:

This Lease provides Eaton County with two 5 square feet parcels at the State's Secondary Complex on which to site tornado early warning sirens and related equipment mounted on poles extending up to thirty-five feet above grade.

Benefit:

This Lease allows the State to receive professional early tornado warning services directly at the State of Michigan's Secondary Complex.

Funding Source:

Electrical power for siren operation to be provided at no cost by the State. All other operating and construction costs to be borne by Eaton County.

Commitment Level:

Twenty years with up to two (2) possible consecutive 10-year renewal periods if Lessee gives Lessor (90) days written notice before this Lease or any extension expires and agrees to any additional terms then proposed by Lessor. Lessor's written consent is necessary for any Lease term extension. This Lease contains an Either Party cancellation clause with 180-days' notice.

Risk Assessment:

Non-approval of this Lease will hinder the Department from having early tornado warning services directly at the State of Michigan's Secondary Complex.

ZIP Code:

48821

LICENSE AGREEMENT

16. The Department of Technology, Management and Budget, Office of the Michigan's Public Safety Communications System (DTMB-MPSCS), recommends that the State Administrative Board, under authority of the Management and Budget Act, 1984 PA 431, MCL 18.1221, grant a license (License) to SBA Site Management, LLC (Licensee), for the installation, operation, and maintenance of the Licensee's telecommunications equipment, in accordance with the terms of the Contract between the parties. Each individual Tower Site will have a separate License Agreement in the same form as the attached template. This TCL template replaces the existing template attached as Exhibit B to Contract No. 071B0000740.

Purpose:

The License permits the Licensee to install telecommunications equipment on State-owned Sites as specified in Contract No. 071B0000740.

Benefit:

The income from this license agreement will benefit the State agency's (Licensor) overall operations and maintenance of the MPSCS System and/or provide better cellular coverage for the Site.

Funding Source: n/a

Commitment Level: n/a

Risk Assessment:

Non-approval of this License will result in loss of revenue to State as Licensor.

Zip Codes:

ALL

Ms. Bliesener presented the Building Committee Report for the regular meeting of October 20, 2020. After review of the foregoing Building Committee Report, Ms. Bliesener moved that the Report covering the regular meeting of October 20, 2020, be approved and adopted. The motion was supported by Mr. Keenan, and unanimously approved.

APPROVED

October 20, 2020

Michigan State
Administrative Board

COMMITTEE REPORT TO THE STATE ADMINISTRATIVE BOARD

The Honorable Gretchen Whitmer, 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 **October 20, 2020**. Those present being:

- | | | |
|--------------|--|----------------|
| Chairperson: | <u>Stacey Bliesener, representing</u>
State Treasurer Eubanks | Approved _____ |
| Member: | <u>Shenique Moss, representing</u>
Governor Whitmer | Approved _____ |
| Member: | <u>Dan Sonneveldt, representing</u>
Attorney General Nessel | Approved _____ |

Others: Kelly Keenan, Dave Pell, Jim Shell, Attorney General's Office; Ross Fort, Department of Education; Danielle El-Amin, Lt. Governor's Office; Cindy Paradine, Department of State; Bree Anderson, Tamara Cooper, Genevieve Hayes, Chelsea Lugibihl, Shelby Troub, Sarah Walter, Department of Technology, Management and Budget; Laura Mester, Department of Transportation; Mac Lomax, Cell Staff

Ms. Bliesener, remotely called in from Eaton County, Michigan
Ms. Moss, remotely called in from Macomb County, Michigan
Mr. Sonneveldt, remotely called in from Ingham County, Michigan

Ms. Bliesener called the meeting to order.

The Finance and Claims Committee regular agenda and supplemental agenda were presented.

Mr. Lomax, representing Cell Staff, opposed item 7(1) on the Finance and Claims regular agenda.

Ms. Lugibihl, Central Procurement Services, responded to Mr. Lomax and stated Central Procurement Services followed the policies and procedures and they stand by their decision,.

Following discussion, Ms. Moss moved the regular agenda and supplemental agenda be recommended to the State Administrative Board. The motion was supported by Mr. Sonneveldt and unanimously adopted.

Ms. Bliesener adjourned the meeting.

I certify that the foregoing is a true and accurate copy of the Finance & Claims Committee report adopted at the October 20, 2020, State Administrative Board meeting held on October 20, 2020, and is on file in the records of this office.

Shelby Troub, Secretary of the
Michigan State Administrative Board

10/13/2020 8:20 a.m. Final

A G E N D A

FINANCE AND CLAIMS COMMITTEE

October 20, 2020, 11:00 a.m.
Lake Superior Room
1st Floor, Michigan Library
and Historical Center

STATE ADMINISTRATIVE BOARD

October 20, 2020, 11:00 a.m.
Lake Superior Room
1st Floor, Michigan Library
and Historical Center

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 1 - AGENCY SUBMITTED – NEW CONTRACTS

1. DEPARTMENT OF HEALTH AND HUMAN SERVICES

- 1.) Judson Center, Royal Oak, MI
 - NOT TO EXCEED
 - \$11,200,000.00 Total
 - FY21-23 100% General Funds
 - To provide Michigan adoption resource exchange services that will assist MDHHS in making adoptive placements for children in the state's care

2. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET/ FINANCE SERVICES

- 1.) Comcast Armada Twp., Philadelphia, PA
 - NOT TO EXCEED
 - \$3,034,206.00 Total
 - FY21-23 100% General Funds
 - Connecting Michigan Communities to extend broadband service into unserved areas within the State
- 2.) Barger Creek Wilderness, Atlanta, MI
 - NOT TO EXCEED
 - \$3,233,618.00 Total
 - FY21-23 100% General Funds
 - Connecting Michigan Communities to extend broadband service into unserved areas within the State

2. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET/
FINANCE SERVICES continued

- 3.) LakeNet Brant Fiber Project, Hemlock, MI
- NOT TO EXCEED
 - \$959,873.42 Total
 - FY21-23 100% General Funds
 - Connecting Michigan Communities to extend broadband service into unserved areas within the State

SECTION 2 - AGENCY SUBMITTED – CONTRACT CHANGES

3. DEPARTMENT OF CORRECTIONS

- 1.) Kalamazoo Probation Enhancement Program, Kalamazoo, MI
- \$657,000.00 Amendment
 - \$2,377,750.00 New Total
 - FY21 100% General Funds
 - Exercise an option year and add funds to Westside Residential Alternative to Prison Program

4. DEPARTMENT OF HEALTH AND HUMAN SERVICES

- 1.) AB Sciex, LLC, Redwood City, CA
- \$164,000.00 Amendment
 - \$802,198.80 Attached New Total
 - FY20-31 50% Federal Funds, 50% General Funds
 - Extends the contract for 10 years per Michigan Procurement Policy Manual Section 5.7.6 Useful Life and increases the total contract value to continue preventative maintenance for laboratory equipment.

2.) Various, (*See Attached*)

- \$3,074,808.00 Amendment
- \$8,924,164.00 New Total
- FY20-21 100% General Funds
- Add funds to continue providing the Adoption Resource Consultant program to review cases of children in the foster care system, under supervision of MDHHS, who have a permanency goal of adoption and have been legally free for adoption for one year or longer without an identified adoptive resource.

SECTION 3 - AGENCY SUBMITTED – NEW GRANTS

5. DEPARTMENT OF HEALTH AND HUMAN SERVICES

- 1.) Wayne County Department of Health, Human & Veterans Services – Juvenile & Youth Detroit, MI
 - \$500,000.00 Total
 - FY21 100 % Federal Funds
 - To provide funding to support services for foster youth in Wayne County

6. DEPARTMENT OF STATE

- 1.) Various (*See bid tab*)
 - \$1,920,000.00 Total
 - FY21 6.25% Federal Funds; 93.75% General Funds
 - To provide training to motorcycle riders that are required by law to complete a motorcycle safety course

SECTION 4 - AGENCY SUBMITTED – GRANT CHANGES

SECTION 5 - DTMB SUBMITTED – NEW CONTRACTS

7. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

- 1.) Various (*See bid tab*)
 - NOT TO EXCEED
 - \$10,000,000.00 (3 Years)
 - FY21-23 100% Various Fund (*Varies by agency*)
 - 200000000647 Medical Staffing Services

SECTION 6 - DTMB SUBMITTED – CONTRACT CHANGES

8. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

- 1.) Bellefeuil Sur & Associates Inc., Bath, MI
 - \$535,600.00 Amendment
 - \$2,051,850.00 New Total
 - FY21-25 100% Restricted Fund (*Treasury Fund*)
 - 200000000799 Add funds to add a scope of work to the exiting contract with supportive service funding to support eh State Assessed Property assessment tax system

9. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

- 2.) Du Hadway Kendall & Associates, Inc., Grand Rapids, MI
- \$10,000,000.00 Amendment
 - \$47,211,793.00 New Total
 - FY21 100% Restricted Fund (*Treasury Fund*)
 - 180000000023 Add funds and exercise an option year for armed and unarmed security guards
- 3.) EMC Corporation, Farmington Hills, MI
- \$1,000,000.00 Amendment
 - \$113,627,284.00 New Total
 - FY21-24 100% General Fund
 - 071B7700099 Add funds to provide storage and backup services
- 4.) Michigan Tractor & Machinery, Novi, Mi
- \$200,00.00 Amendment
 - \$1,323,000.00 New Total
 - FY21-2- 100% Various Fund (*Varies by agency*)
 - 071B5500092 Add funds and extend the contract one-year for generator maintenance and service

SECTION 7 - CLAIMS – PERSONAL PROPERTY LOSS

10. DEPARTMENT OF CORRECTIONS

Employee Claims

1. Sara DeWyse \$734.65
 The claimant (20-SAB-057) requests \$734.65 reimbursement for repair of her vehicle that was damaged while conducting State business. The Committee recommends approval of \$734.65 for this claim.

Prisoner Claims

2. Joshua Alger #376096 \$0.00
 The claimant (20-SAB/DOC-9336) requests \$0.00 reimbursement for funds removed from his TRUST account for a fan he did not receive. MDOC refunded the cost of the fan after this claim was filed. The Committee recommends DENIAL for this claim.
3. Cedrick Beck #747619 \$135.00
 The claimant (20-SAB/DOC-9352) requests \$135.00 reimbursement for his television that was damaged during transport. The Committee recommends approval of \$64.22 for this claim.

10. DEPARTMENT OF CORRECTIONS continued

4. Travis Bottrall #745943 \$22.25
The claimant (20-SAB/DOC-9592) requests \$22.25 reimbursement for his missing travel shaver. This item was not present at the time of pack up. The Committee recommends DENIAL for this claim.
5. Brian Chastain #419697 \$114.37
The claimant (20-SAB/DOC-9392) requests \$114.37 reimbursement for his eyeglasses, shaver, fan, and personal hygiene items that became missing while in possession of MDOC. The Committee recommends approval of \$80.90 for this claim.
6. Tywuante Crump #467142 \$45.97
The claimant (20-SAB/DOC-9381) requests \$45.97 reimbursement for his missing headphones, shirt, and earbuds. The prisoner signed the unpack receipt. These items were present. No items were noted as missing or damaged. The Committee recommends DENIAL for this claim.
7. Darrell Davis #161223 \$42.39
The claimant (20-SAB/DOC-9291) requests \$42.39 reimbursement for his JP5 player, adapter, USB cable, and earbuds that became missing while in possession of MDOC. The Committee recommends approval of \$4.23 for this claim.
8. Anthony Doze #424054 \$20.16
The claimant (20-SAB/DOC-9496) requests \$20.16 reimbursement for his food items that became missing while in possession of MDOC. The Committee recommends approval of \$20.16 for this claim.
9. Damien Draper #259501 \$195.21
The claimant (20-SAB/DOC-9446) requests \$195.21 reimbursement for his missing Family & Friends package and commissary. Documentation does not support the allegations. The Committee recommends DENIAL for this claim.
10. Shane Gingery #416051 \$315.85
The claimant (20-SAB/DOC-9487) requests \$315.85 reimbursement for his missing shoes, fan, adapters, watch, trimmers, television, and shaver. These items were not present at the time of pack up. The Committee recommends DENIAL for this claim.
11. Robert Harrison #610966 \$148.00
The claimant (20-SAB/DOC-9331) requests \$148.00 reimbursement for his missing legal paperwork, JP5 player, USB cord, and earbuds. These items were not present at the time of pack up. The Committee recommends DENIAL for this claim.

10. DEPARTMENT OF CORRECTIONS continued

12. Zachariaha Herman #571639 \$23.18
The claimant (20-SAB/DOC-9578) requests \$23.18 reimbursement for his missing headphones, JP5 cord and charger box, and padlock. These items were not present at the time of pack up. The Committee recommends DENIAL for this claim.
13. Thomas Hodder #802804 \$134.95
The claimant (20-SAB/DOC-9309) requests \$134.95 reimbursement for his television that became missing while in possession of MDOC. The Committee recommends approval of \$15.65 for this claim.
14. Toriano Johnson #368700 \$615.10
The claimant (20-SAB/DOC-9393) requests \$615.10 reimbursement for his missing watch, glasses, shaver, fan, trimmers, and legal and personal paperwork. The prisoner's items were located and returned to the prisoner after the date this claim was filed. The Committee recommends DENIAL for this claim.
15. Pierrez Lasseti IV #275111 \$243.00
The claimant (20-SAB/DOC-9485) requests \$243.00 reimbursement for his television and store bags that were stolen from his cell. The Committee recommends DENIAL for this claim.
16. Julian Loviska #748216 \$155.77
The claimant (20-SAB/DOC-9572) requests \$155.77 reimbursement for his television that became missing while in possession of MDOC. The Committee recommends approval of \$25.20 for this claim.
17. Bradley Merrills #959276 \$139.92
The claimant (20-SAB/DOC-9497) requests \$139.92 reimbursement for his television that was damaged by another prisoner. The Committee recommends DENIAL for this claim.
18. Florence Metz #179219 \$139.92
The claimant (20-SAB/DOC-9279) requests \$139.92 reimbursement for her damaged television. Documentation does not support the allegation. The Committee recommends DENIAL for this claim.
19. Kelvin Nolen #675878 \$162.81
The claimant (20-SAB/DOC-9597) requests \$162.81 reimbursement for his damaged television and fan. Documentation supports reimbursement for the fan only. The Committee recommends approval of \$14.67 for this claim.

10. DEPARTMENT OF CORRECTIONS continued

20. Terry Oliver #303599 \$103.71
The claimant (20-SAB/DOC-9382) requests \$103.71 reimbursement for his SecurePak that became missing during transport. The Committee recommends approval of \$103.71 for this claim.
21. Ryan Osborne #649938 \$70.65
The claimant (20-SAB/DOC-9456) requests \$70.65 reimbursement for his missing shoes and watch. The Committee recommends approval of \$70.65 for this claim.
22. Edison Peoples #479867 \$999.99
The claimant (20-SAB/DOC-8611) requests \$999.99 reimbursement for his missing legal paperwork, stamped envelopes, soap, earbuds, headphone extension, eyeglasses, and misc. copies. The prisoner signed the unpack receipt. No items were noted as missing or damaged. The Committee recommends DENIAL for this claim.
23. Devon Shivers #718470 \$28.50
The claimant (20-SAB/DOC-9343) requests \$28.50 reimbursement for his missing headphones. The prisoner's headphones were located and returned to the prisoner since the date this claim was filed. The Committee recommends DENIAL for this claim.
24. Janivs Sturkin #303435 \$32.50
The claimant (20-SAB/DOC-9319) requests \$32.50 reimbursement for his headphones that were stolen from his cell. The Committee recommends DENIAL for this claim.
25. Samuel Thomas #220047 \$178.68
The claimant (20-SAB/DOC-9335) requests \$178.68 reimbursement for his alleged damaged padlock and JP5, and stolen earbuds and store food items. A padlock and earbuds were not present at time of pack up. Nine food items were present at the time of pack-up, but which 9 food items were present and the value of the 9 food items is unknown. The prisoner's JP5 is noted as in good condition and only needing a charge. The Committee recommends DENIAL for this claim.
26. Teri Twilley #180257 \$5.95
The claimant (20-SAB/DOC-9515) requests \$5.95 reimbursement for his missing padlock. The Committee recommends approval of \$.70 for this claim.
27. Trevor Walsh #824433 \$43.95
The claimant (20-SAB/DOC-9340) requests \$43.95 reimbursement for his missing JP5 mini. Documentation does not support the allegation. The Committee recommends DENIAL for this claim.

10. DEPARTMENT OF CORRECTIONS continued

28. Quincy Woodard #399910 \$139.92

The claimant (20-SAB/DOC-9577) requests \$139.92 reimbursement for his missing television. The Committee recommends approval of \$11.25 for this claim.

11. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Employee Claims

1) Carly Crusius \$590.99

The claimant (20-SAB-063) requests \$590.99 reimbursement for replacement eyeglasses. The Committee recommends approval of \$484.82 for this claim.

SECTION 8 - CLAIMS – PERSONAL INJURY LOSS

12. DEPARTMENT OF NATURAL RESOURCES

Civilian Claims

1) Elizabeth Bergman \$374.07

The claimant (20-SAB-056) requests \$374.07 reimbursement for medical expenses incurred due to injury from a faulty shower door. The Committee recommends approval of \$374.07 for this claim.

SECTION 9 - 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 1, 2, 3, 4, 5 and 6 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.

10/19//2020 8:15 a.m. Final

SUPPLEMENTAL AGENDA

FINANCE AND CLAIMS COMMITTEE

October 20, 2020, 11:00 a.m.
Virtual Meeting

STATE ADMINISTRATIVE BOARD

October 20, 2020, 11:00 a.m.
Virtual Meeting

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 1 - AGENCY SUBMITTED – NEW CONTRACTS

1. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

- 1.) Delta Scientific, Inc., Palmdale, CA
 - NOT TO EXCEED
 - \$725,000.00 Total
 - FY21 100% Federal Funds
 - Safety barriers energy absorption systems

SECTION 2 - AGENCY SUBMITTED – CONTRACT CHANGES

SECTION 3 - AGENCY SUBMITTED – NEW GRANTS

SECTION 4 - AGENCY SUBMITTED – GRANT CHANGES

SECTION 5 - DTMB SUBMITTED – NEW CONTRACTS

SECTION 6 - DTMB SUBMITTED – CONTRACT CHANGES

2. DEPARTMENT OF HEALTH AND HUMAN SERVICES

- 1.) Aetna Better Health of Michigan, Detroit, MI
 - \$466,766,096.76 Amendment
 - \$1,516,736,531.76 New Total
 - FY20-21 24% General Funds; 76% Federal Funds
 - 071B6600026 Add funds and exercise an option year for Comprehensive Health Care

2. DEPARTMENT OF HEALTH AND HUMAN SERVICES continued

- 2.) Blue Cross and Blue Shield of Michigan
 - \$375,759,453.48 Amendment
 - \$612,759,453.48 New Total
 - FY20-21 100% 35.94% General Funds; 64.06% Federal Funds
 - 180000000450 Add funds for the Dental Plan Benefits Administrator for the Health Kid Dental Program

- 3.) Blue Cross Complete of Michigan, Southfield, MI
 - \$2,349,153,447.62 Amendment
 - \$7,021,915,880.62 New Total
 - FY20-21 24% General Funds; 76% Federal Funds
 - 190000000411 Add funds and exercise an option year for Comprehensive Health Care

- 4.) McLaren Health Plan, Inc., Flint, MI
 - \$2,123,328,834.77 Amendment
 - \$6,824,991,860.77 New Total
 - FY20-21 24% General Funds; 76% Federal Funds
 - 071B6600029 Add funds and exercise an option year for Comprehensive Health Care

- 5.) Meridian Health Plan of Michigan, Detroit, MI
 - \$4,834,495,194.93 Amendment
 - \$15,814,977,177.93 New Total
 - FY20-21 24% General Funds; 76% Federal Funds
 - 071B6600028 Add funds and exercise an option year for Comprehensive Health Care

- 6.) Molina Healthcare of Michigan, Inc., Troy, MI
 - \$3,313,118,407.75 Amendment
 - \$11,389,858,857.75 New Total
 - FY20-21 24% General Funds; 76% Federal Funds
 - 071B6600029 Add funds and exercise an option year for Comprehensive Health Care

- 7.) Priority Health Choice, Inc., Grand Rapids, MI
 - \$1,342,485,494.00 Amendment
 - \$4,115,805,621.03 New Total
 - FY20-21 24% General Funds; 76% Federal Funds
 - 071B6600025 Add funds and exercise an option year for Comprehensive Health Care

2. DEPARTMENT OF HEALTH AND HUMAN SERVICES continued

8.) Total Health Care Inc., Detroit, MI

- \$533,857,510.68 Amendment
- \$1,970,920,901.68 New Total
- FY20-21 24% General Funds; 76% Federal Funds
- 071B6600025 Add funds and exercise an option year for Comprehensive Health Care

9.) UnitedHealthcare Community Plan, Inc., Southfield, MI

- \$2,329,215,556.09 Amendment
- \$8,276,136,060.09 New Total
- FY20-21 24% General Funds; 76% Federal Funds
- 071B6600023 Add funds and exercise an option year for Comprehensive Health Care

3. DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

1.) Upper Peninsula Health Plan, LLC, Marquette, MI

- \$437,836,387.00 Amendment
- \$1,473,094,951.00 New Total
- FY20-21 24% General Funds; 76% Federal Funds
- 071B6600030 Add funds and exercise an option year for Comprehensive Health Care

2.) Left Blank Intentionally

3.) McKinsey & Company, Inc., Washington, DC

- \$2,136,000.00 Amendment
- \$3,560,000.00 New Total
- FY20-21 100% Federal Funds
- 200000001040 Add funds and extend the contract to continue to work on Unemployment Insurance Claims Fraud Detection and Analytics for the Unemployment Insurance Agency

SECTION 7 - CLAIMS – PERSONAL PROPERTY LOSS

SECTION 8 - CLAIMS – PERSONAL INJURY LOSS

SECTION 9 - 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 1, 2, 3, 4, 5 and 6 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. Bliesener presented the Finance and Claims Committee Report for the regular meeting of October 20, 2020. After review of the foregoing Finance and Claims Committee Report, Ms. Bliesener moved that the Report covering the regular meeting of October 20, 2020, be approved and adopted. The motion was supported by Mr. Kennan and unanimously approved.

Michigan State
Administrative Board

**COMMITTEE REPORT TO THE
STATE ADMINISTRATIVE BOARD**

The Honorable Gretchen Whitmer, 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 **October 20, 2020**. Those present being:

Chairperson: Cindy Paradine, representing Approved _____
Secretary of State Benson

Member: Danielle El-Amin, representing Approved _____
Lt. Governor Gilchrist

Member: Jim Shell, representing Approved _____
Attorney General Nessel

Others: Kelly Keenan, Dan Pell, Dan Sonneveldt, Attorney General’s Office; Ross Fort, Department of Education; Shenique Moss, Governor’s Office, Bree Anderson, Tamara Cooper, Genevieve, Hayes, Shelby Troub, Sarah Walter, Department of Technology, Management and Budget; Laura Mester, Department of Transportation; Stacey Bliesener, Department of Treasury; Mac Lomax, Cell Staff

Ms. Paradine, remotely called in from Eaton County, Michigan
Ms. El-Amin, remotely called in from Wayne County, Michigan
Mr. Shell, remotely called in from Eaton County, Michigan

Ms. Paradine called the meeting to order.

The Department of Transportation Agenda was presented.

Following discussion, Mr. Shell moved that the Transportation Agenda be recommended to the State Administrative Board with item 3 withdrawn from the agenda. The motion was supported by Ms. El-Amin and unanimously adopted.

Ms. Paradine adjourned the meeting.

I certify that the foregoing is a true and accurate copy of the Building Committee report adopted at the October 20, 2020, State Administrative Board meeting held on October 20, 2020, and is on file in the records of this office.

Shelby Troub, Secretary of the
Michigan State Administrative Board

10.20.20 FINAL

AGENDA

DEPARTMENT OF TRANSPORTATION
TRANSPORTATION and NATURAL RESOURCES COMMITTEE
STATE ADMINISTRATIVE BOARD

T&NR Meeting: October 20, 2020
Virtual Meeting - 11:00 AM
State Administrative Board Meeting: October 20, 2020
Virtual Meeting - 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.

PRE-APPROVALS

1. **HIGHWAYS – Construction Engineering Services**
Contract (2020-0900): MDOT will enter into a contract with a consultant that will provide for full construction engineering services to be performed for the installation and integration of three large dynamic message signs, six small dynamic message signs, and two travel time signs at various locations along I-94 from Schaefer Road to Moross Road in the cities of Detroit and Dearborn, Wayne County (CS 82023 - JN 200223PE). The work items will include project administration; inspection; staking; quality assurance testing and reporting; measurement, computation, and documentation of quantities; reporting and record-keeping; and finalizing all project documentation. The contract will be in effect from the date of award through March 31, 2022. The contract amount will not exceed 110 percent of the engineer’s estimate of \$1,100,000. Source of Funds: 81.85 Federal Highway Administration Funds and 18.15% State Restricted Trunkline Funds.

2. **HIGHWAYS – Construction Engineering Services**
Contract (2020-0904): MDOT will enter into a contract with a consultant that will provide for full construction engineering services to be performed for 0.42 miles of enhancements to the Uniroyal portion of the Detroit East Riverwalk, including an East Riverwalk connection from Mt. Elliot Park to Gabriel Richard Park, seawall riprap support and aesthetic repairs, drainage, landscaping, lighting, and a security system, in the City of Detroit, Wayne County (CS 82400 - JN 111644CON). The work items will include project administration; inspection; staking; quality assurance testing and reporting; measurement, computation, and documentation of quantities; reporting and record-keeping; and finalizing all project documentation. The contract will be in effect from the date of award through December 31, 2024. The contract amount will not exceed 110 percent of the engineer’s estimate of \$1,306,646.40. Source of Funds: 80% Federal Highway Administration Funds and 20% Detroit Riverfront Conservancy Funds.

* Denotes a non-standard contract/amendment
10/19/2020

CONTRACT

3. HIGHWAYS – Intelligent Transportation System Services

Contract (2020-0038/A2) between MDOT and Atkins Michigan, Inc., will increase the contract amount by \$1,308,729.51 and will extend the contract term by one year to provide for the second year (2021) of the Intelligent Transportation System (ITS) services. The original contract provides for operations support services to be performed for the West Michigan Transportation Operations Center in the Grand Region Office, Grand Rapids, Michigan. The work items include traffic monitoring, planned and unplanned incident management, traffic information collection and dissemination, operations improvement activities, data collection, and coordination with local agencies and organizations. The revised contract term will be November 19, 2019, through December 1, 2021. The revised contract amount will be \$2,215,933.35. Source of Funds: 81.85% Federal Highway Administration Funds and 18.15% State Restricted Trunkline Funds.

POST-APPROVAL

4. HIGHWAYS - Design Services

Contract (2020-0817) between MDOT and HNTB Michigan, Inc., will provide for general engineering consultant services to be performed for the development of a biddable request for qualifications (RFQ) and/or request for proposals (RFP) for a design-build project located on I-94 from 3,200 feet west of Helmer Road to US Highway 27 north in the City of Battle Creek and in Emmett and Marshall Townships, Calhoun County. Other work items will include coordination of public involvement related to bridge removal(s), preparation of interchange analyses and alternative evaluation, identification of right-of-way, and preparation of operational and safety analyses for the addition of an auxiliary lane. This contract was pre-approved by the State Administrative Board on its September 1, 2020, agenda with an engineer's estimate of \$3,000,000; however, the final negotiated price was greater than 110% of the engineer's estimate. The contract will be in effect from the date of award through July 30, 2022. The contract amount will be \$3,447,507.67. Source of Funds: 100% State Restricted Trunkline Funds.

**POST-BID LETTING
TRUNKLINE CONTRACTS**

5. Letting of September 4, 2020
 Letting Call: 2009 018 Low Bid: \$3,941,665.50
 Project: M 31012-208842 Engineer Estimate: \$2,957,140.49
 Local Agreement: Pct Over/Under Estimate: 33.29 %
 Start Date: October 5, 2020
 Completion Date: August 6, 2021

Bridge rehabilitation including finger joint replacement, motor replacement and painting at the Houghton Lift Bridge on US-41 over Portage Lake in the cities of Houghton and Hancock, Houghton County. This project includes a 2 year bridge coating warranty.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Zenith Tech, Inc.	\$3,941,665.50	Same	1 **
Kraemer North America, LLC	\$4,511,574.90	Same	2
Anlaan Corporation	\$4,713,791.30	Same	3

Total Number of Bidders: 3

LOCAL AGENCY CONTRACTS

6. Letting of September 4, 2020
 Letting Call: 2009 026 Low Bid: \$998,097.04
 Project: HSIP 37000-200454 Engineer Estimate: \$863,791.60
 Local Agreement: 20-5337 Pct Over/Under Estimate: 15.55 %
 Start Date: September 14, 2020
 Completion Date: July 1, 2021

0.27 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter, sidewalk and ramps, drainage, watermain, signing and pavement markings and traffic signal installation including controller and cabinet, steel strain poles, aluminum pedestals, and wireless vehicle detection on Isabella Road at Bluegrass Road, Broomfield Road, and Remus Road, Isabella County. This is a Local Agency project.

2.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
J. Ranck Electric, Inc.	\$998,097.04	Same	1 **

Total Number of Bidders: 1

* Denotes a non-standard contract/amendment
 10/19/2020

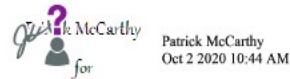
PURCHASING

- | | | |
|----|---|---|
| 7. | RMD Holdings Ltd
d/b/a Nationwide Construction Group
Richmond, Michigan 48062 | \$1,500,000.00 Increase (approved SAB 9/1)
\$1,200,000.00 Taylor
\$ 300,000.00 Macomb
\$3,462,222.00 <u>Revised</u> Contract Value
FY 20-21
100% State Trunkline Maintenance |
|----|---|---|

This is an amendment from the approved 9.1.20 SAB. The contract value has been revised from \$3,162,222.00 to the correct amount of \$3,462,222.00. Contract is for repairing and maintaining guardrail, and cable guardrail on state trunk lines within Wayne and Macomb counties. Contract is managed by both MDOT Taylor TSC office, and MDOT Macomb TSC. MA 18*1213

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 February 11, 2019.

Respectfully submitted,



Paul C. Ajegba P.E.
Director



October 20, 2020 No. 35

GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

PAUL C. AJEGBA
DIRECTOR

October 20, 2020

Ms. Shelby Troub
Secretary to the State Administrative Board
Department of Technology, Management & Budget
P.O. Box 30026
Lansing, Michigan 48909

Dear Ms. Troub:

The following item, submitted on the Agenda to the October 20, 2020, Transportation and Natural Resources (T&NR) Committee meeting and the October 20, 2020 State Administrative Board (SAB), has been withdrawn.

Contract:
Item No. 3 (2020-0038/A2)

Please add this to your meeting minutes. Thank you.

Sincerely,

Carol Rademacher, Administrator
Contract Services Division

Ms. Paradine presented the Transportation and Natural Resources Committee Report for the regular meeting of October 20, 2020. After review of the Transportation and Natural Resources Committee Reports, Mr. Keenan moved that the report covering the regular meeting of October 20, 2020, be approved and adopted. The motion was supported and unanimously approved.

8. MOTIONS AND RESOLUTIONS:

None

9. ADJOURNMENT:

Ms. Moss adjourned the meeting.

SECRETARY

CHAIRPERSON

I certify that the foregoing is a true and accurate copy of the Building Committee report adopted at the October 20, 2020, State Administrative Board meeting held on October 20, 2020, and is on file in the records of this office.

Shelby Troub, Secretary of the
Michigan State Administrative Board



October 8, 2020

Via Email and U.S. Mail

State Administrative Board
c/o Shelby Troub, Secretary
1st Floor Constitution Hall, N.E.
P.O. Box 30026
Lansing, Michigan 48909
troub1@michigan.gov

Re: Request for Proposal No. 20000000647 for Temporary Medical Staffing Services

Dear Members of State Administrative Board:

Cell Staff, LLC (“Cell Staff”) currently provides temporary medical staffing services to the Michigan Department of Corrections (“MDOC”) on a statewide basis. This letter concerns Cell Staff’s bid protest regarding Request for Proposal (“RFP”) No. 20000000647 for Temporary Medical Staffing Services issued by the Department of Management and Budget–Procurement (“DTMB”) on January 8, 2020.

As background, Cell Staff has been providing services to MDOC for the last five years and has developed a very successful and productive working relationship with MDOC. So far this year, Cell Staff has assisted the State of Michigan with hiring 96 new clinicians, with a projected total for 2020 of upwards of 150 new hires. Cell Staff deeply values its working relationship with MDOC and the State of Michigan, but believes that DTMB has erroneously applied the RFP guidelines and award criteria.

Specifically, Cell Staff has reason to believe that DTMB has not adequately considered the economic impact of the award on the State or whether the selected vendors can provide the best value to the State, in accordance with the guidelines set forth in the RFP. Instead, the available details of DTMB’s decision-making process indicate that DTMB placed undue weight on the pricing component of the RFP, despite failing to make clear which methodology, if any, it used to evaluate price. Cell Staff, therefore, respectfully requests that the RFP award be returned to DTMB for further review and reevaluation.

Full Evaluation of Michigan Economic Impact

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In the RFP, DTMB stated that it would conduct a technical evaluation of each proposal, consisting of three components, and would thereafter evaluate pricing and consider the qualifying proposals for the award. (RFP Section 6.) DTMB further indicated that it would “[c]onsider overall economic impact to the State when evaluating proposal pricing and in the final award recommendation. This includes but is not limited to: considering principal place of performance, number of Michigan citizens employed or potentially employed, dollars paid to Michigan residents, Michigan capital investments, job creation, tax revenue implications, and economically disadvantaged businesses.” (RFP Section 9(g).) As DTMB acknowledged in its response to Cell Staff’s bid protest, by Executive Directive 2019-15, the economic impact of the proposal on the State *must* be evaluated. (See Exhibit 1: Bid Protest Response.)

The award recommendation does not contain any explanation of how DTMB’s Joint Evaluation Committee (“JEC”) actually conducted that analysis or reached its conclusion in awarding the bids. As DTMB acknowledged in its bid protest response letter, “[i]n this case, the Award admittedly failed to state whether MEI was evaluated, and what impact, if any, was noted.” (Exhibit 1 at p. 1.) DTMB’s response then relied on undisclosed information obtained from the JEC to opine that the economic impact had been sufficiently considered. (See *id.*) Since DTMB’s award recommendation failed to explain whether and how it evaluated the economic impact of each bid, the award should, at a minimum, be reevaluated to rectify this shortcoming.

Undue Emphasis on Cost and Insufficient Consideration of Best Value

In addition, DTMB appears to have made cost an unduly determinative factor in its award recommendation. Cell Staff received 97 out of a possible 100 points from DTMB on the technical evaluation score, with perfect scores in two categories and a near-perfect score in the third category (indeed, the only identified issue is an easily amended invoice template). (See Award Recommendation at 21.) That is a full six points higher than the highest-scoring awardee (InGenesis, Inc.) and *seventeen* points higher than the lowest-scoring awardee (B2B Staffing Services, Inc.). Further, Cell Staff, unlike any of the five selected awardees, has a years-long established working relationship with MDOC, which has repeatedly praised Cell Staff’s service and commitment to the State of Michigan. Yet, the award recommendation does not appear to make any attempt to reconcile the pricing differentials or account for Cell Staff’s successful working relationship.

Specifically, while the award recommendation states that it “is made to the responsive Bidders who offer the best value to the State of Michigan,” defined as “meeting the minimum point threshold and offering the best combination of the factors stated in the Proposal Instructions, Evaluation Process, Section 6, agreement to Standard Contract Terms, Company Background and Pricing, Mark-up%,” (Section VIII), it does not explain how DTMB evaluated pricing vis-à-vis the other required best value factors. Rather, it is apparent that DTMB relied almost exclusively on price in making its final award decision.

As even DTMB acknowledged, “the JEC valued pricing as an important factor and gave it substantial weight.” (Exhibit 1: Bid Protest Response at p. 2.) Specifically, of the bidders selected, *all five* scored substantially lower than Cell Staff on the technical portion. And, almost without exception, all five awardees offered the lowest pricing of the qualifying bidders who met the required minimum technical score. (See Exhibit 1 at p. 2: acknowledging “correlation between low pricing and the Award.”) Based on

Cell Staff's experience in the Michigan market, Cell Staff does not believe that the awardees' pricing proposal accurately reflect the economics of the Michigan healthcare market.

Moreover, unlike with other RFP award recommendations, DTMB did not score the pricing factor on a disclosed point-based system. In Cell Staff's experience with similar RFPs, the issuing agency typically outlines a standard formula by which all pricing proposals are evaluated—for example, by using the lowest pricing proposal as the baseline and dividing all other pricing proposals by that baseline to determine a score on a 10- or 100-point scale. The RFP did not specify any particular formula on which DTMB would evaluate pricing proposals, nor does the award recommendation include such an explanation.

Had DMTB properly disclosed that it intended to consider pricing as a determinative factor, Cell Staff would have adapted its proposal accordingly. This is particularly true given the extremely modest differences between Cell Staff's pricing and the awardees' pricing, specifically in the labor category (Registered Nurses) that, in Cell Staff's experience, makes up a substantial majority of MDOC's usage requests. Further, one of the selected awardees has indicated that it intends to pay its Registered Nurses at a rate of \$14 to \$16 an hour, with a billed rate of \$21.08. In Cell Staff's experience, these projected rates of pay and billing rates are simply unrealistic and severely understate the going and expected rate for such labor in the Michigan market.

By failing to include a pricing formula in the RFP and not disclosing the emphasis that would be placed on pricing, DTMB deprived Cell Staff of a full and fair opportunity to engage in the competitive bidding process. This nondisclosure was thus inconsistent with the statutory mandate that the DTMB award contracts through competitive bidding. See MCL 18.1261(1) and (3). It also warrants further review by the Office of the Attorney General. See *Groves v Dept of Corrections*, 295 Mich App 1, 7; 811 NW2d 563 (2011).

Based on the foregoing, Cell Staff respectfully requests that, at the very least, the award recommendation be remanded to DTMB for further review, analysis, and evaluation, including review by the Attorney General. In the alternative, Cell Staff requests that it be awarded a portion of the contract.

Cell Staff appreciates your review of these matters. The citizens and families of the State of Michigan could suffer if the best value bidders are not properly selected. The scope of this contract warrants a full and fair opportunity for bidding, and reconsideration by DTMB of the important items outlined in this protest.

Sincerely,

Mac Lomax

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