

Blue Water Bridge Plaza Expansion Project Oversight Reporting Act **Annual Report as of September 1, 2023**

Michigan Department of Transportation (MDOT) respectfully submits this document to meet the reporting requirements of Public Act (PA) 11 of 2010, known as the "Blue Water Bridge (BWB) Plaza Expansion Oversight Reporting Act."

PA 11 of 2010 requires that the state transportation department provide, "as directed in this section and at reasonable intervals, a written accounting of all expenditures related to the Plaza expansion project and written updates as to whether the Plaza expansion project is staying within the budget for project expenditures with full explanations for any expenditures beyond those budgeted."

This disclosure provides a written accounting of all expenditures related to the Plaza expansion project. A budget category is shown for each major segment of the project with the actual expenditures incurred by job number for each of these segments. All segments of this project are within budget.

It is the intention of MDOT to provide an update to this report on an annual basis until the project is complete. This report includes budget and expenditure information through September 1, 2023.

Project Description

The BWB Plaza Project is a comprehensive plan to expand and improve the BWB Plaza, relocate city streets, expand the Black River Bridge, and improve the I-94/I-69 freeway intersections. The improvements will provide safe, efficient, and secure movement of people and goods across the United States/Canadian border in the Port Huron area, to support the economies of Michigan, United States and Ontario, Canada. The Plaza expansion project will also support the mobility and security needs associated with national and civil defense.

The plan consists of the following segments: Early Preliminary Engineering (EPE), Right of Way (ROW) Acquisition, I-94/I-69 Freeway and Black River Bridge, the Plaza, and Enhancements. The major construction items completed are briefly described below:

The I-94/I-69 Freeway and Black River Bridge

- Reconstruction and widening of mainline I-94/I-69
- Replacement of Water Street interchange (new structure)
- New Lapeer Connector interchange (new structure)
- New Stocks Creek culvert
- Site work and utility connection for new International Welcome Center
- Black River Bridge replacement
- Reconstruction of Riverside Drive
- Construction of non-motorized path across the Black River
- Construction of new International Welcome Center

The major construction items remaining are briefly described below:

The Plaza

- Construction of expanded Plaza facilities for MDOT, Customs and Border Protection (CBP), U.S. Department of Agriculture, and other federal agencies
- Utility relocation and feeds for the Plaza

MDOT submitted several grant applications for the BWB Plaza expansion, with a smaller footprint than the original plan, and was awarded a \$25 million Infrastructure for Rebuilding America (INFRA) grant in June 2020. This new Plaza alternative does not realign Pine Grove Avenue. The alternative is proceeding to be finalized and re-evaluated through the National Environmental Policy Act (NEPA), along with numerous federal agencies involved with border crossings. The project will be delivered through four construction phases with construction starting in 2024 and completion of major construction activities in approximately 2030.

Project Budget and Costs to Date

Table 1 below shows the amounts of the current budget for each of the project segments, costs to date, and costs remaining as of September 1, 2023. The remaining work will be completed under three job numbers (JN), and two yet to be programmed when long term funding becomes more defined. JN 57779 is Blue Water Bridge funded work to complete the NEPA re-evaluation, JN 211792 is Blue Water Bridge funded work to complete the second phase of construction plaza, JN 211793 is INFRA grant funded construction work to complete the first construction phase, and projects will be programmed for the third and fourth phases as they approach.

The City Streets and original plaza initiatives have been superseded and all previous costs incurred for these initiatives are being transferred to the new plaza along with the new JNs for the plaza expansion. JNs 106607, 106614, 106617, 106622, 106624, 106631, 106632, and 106634 will be abandoned and replaced with JNs 211792, 211793, and the two yet to be programmed job numbers.

Table 1: Budget and Costs to Date

Segment	Initial Budget	Current Budget	Costs to Date	Costs Remaining
EPE	\$ 13,665,000	\$ 17,614,549	\$ 16,565,472	1,049,077
Right of Way (ROW) Acquisition	25,000,000	25,501,355	25,501,355	-
Plaza:				
• I-94/I-69 Interchange & Black River Bridge	162,401,574	126,632,421	125,752,421	\$ 880,000
• New Plaza				
Plaza, including PE and ROW	-	303,089,253	6,607,744	296,481,509
City Streets (superseded)	105,098,000	15,464,705	15,464,705	-
Plaza (superseded)	294,201,925	10,085,988	10,085,988	-
Total Plaza	\$ 561,701,499	\$ 455,272,368	\$ 157,910,859	\$ 297,361,509
Enhancements	9,300,000	2,227,863	1,675,222	552,640
Project Total	\$ 609,666,499	\$ 500,616,135	\$ 201,652,909	\$ 298,963,226

Detail of each segment by JN, description, and expenses to date are shown in Table 2 below:

Table 2: Project Costs by Segment and Job Number

Segment	MDOT JN	Description	Total Expenditures to Date by JN	Total Expenditures to Date by Segment
EPE				
Early Preliminary Engineering	57779	Studies	\$ 16,565,472	\$ 16,565,472
ROW				
Right of Way Acquisition	50199	Advance Acquisition	5,172,676	
Right of Way Acquisition	81020	Advance Acquisition	6,325,685	
Right of Way Acquisition	84613	Advance Acquisition	4,726,353	
Right of Way Acquisition	88449	Protective Purchase	3,019,072	
Right of Way Acquisition	100136	Protective Purchase	6,257,569	25,501,355
PLAZA				
• I-94/I-69 Freeway Interchange and Black River Bridge				
I-94/I-69 Fwy. Interchange & Black River Bridge	87024	I-94/I-69 Freeway	54,091,529	
I-94/I-69 Fwy. Interchange & Black River Bridge	106466	Bridge Replacement I-94 at Water Street	3,820,285	
I-94/I-69 Fwy. Interchange & Black River Bridge	106551	Wetland Mitigation	617,096	
I-94/I-69 Fwy. Interchange & Black River Bridge	106549	Welcome Center	7,034,222	
I-94/I-69 Fwy. Interchange & Black River Bridge	120809	Safe Enforcement Site and PITWS	157,338	
I-94/I-69 Fwy. Interchange & Black River Bridge	106605	Landscaping for New Welcome Center	-	
I-94/I-69 Fwy. Interchange & Black River Bridge	86951	Black River Bridge - Replacement Ramps	19,425,446	
I-94/I-69 Fwy. Interchange & Black River Bridge	110808	Black River Bridge Replacement	40,252,087	
I-94/I-69 Fwy. Interchange & Black River Bridge	115069	Reconstruct Mansfield Street	354,418	125,752,421
• New Plaza				
Plaza, including PE and ROW				
Plaza, including PE and ROW	211792	Plaza Expansion - BWB Funded	6,607,744	
Plaza, including PE and ROW	211793	Plaza Expansion - INFRA Grant Funded	-	6,607,744
City Streets (superseded)				
City Streets (superseded)	106607	Relocation of M-25	15,237,953	
City Streets (superseded)	106622	Utility Relocation	123,652	
City Streets (superseded)	106614	DTE Energy Facility Relocation	75,190	
City Streets (superseded)	106617	E.C. Williams Historic House Relocation	27,909	
City Streets (superseded)	pending	MDOT New Transportation Service Center	-	15,464,705
Plaza (superseded)				
Plaza (superseded)	106624	BWB Plaza Expansion	10,085,988	
Plaza (superseded)	106631	MDOT Plaza Building	-	
Plaza (superseded)	106632	CBP Plaza Building	-	
Plaza (superseded)	106634	Duty Free Building	-	10,085,988
ENHANCEMENTS AND ENH/ENVIRONMENTAL MITIGATION				
Enhancements	110956	Economic Redevelopment, County	1,000,000	
Enhancements	106336	Economic Redevelopment, City	223,833	
Enhancements	118201	Mitigation, City	51,366	
Enhancements	118843	Wayfinding Signs	100,030	
Enhancements	118275	Local Visitor Center	49,994	
ENH/Environmental Mitigation	209234	Local Visitor Center	250,000	1,675,222
Total Project Costs to Date			\$ 201,652,909	\$ 201,652,909

Significant Annual Increases or Decreases

Events causing a change of 10 percent or greater from budgets shown in the prior annual PA 11 Oversight Report are deemed significant for purposes of this annual PA 11 Oversight Report. Overall, cost reductions offset by cost increases net a total change to the budget of (\$3.2) million, or 0.6 percent decrease from the prior year.

There were no significant increases to current budgets as compared to the budgets shown in the 2022 version of the annual PA 11 Oversight Report dated September 1, 2022.

Table 3: Increase (Decrease) Since Prior Year's Report

Segment/Contract	Initial Budget	2022 Budget	Current Budget	(Decrease) Since Prior Year Report
EPE	\$ 13,665,000	\$ 17,614,549	\$ 17,614,549	\$ -
ROW Acquisition	25,000,000	25,501,355	25,501,355	-
Plaza:				
• I-94/I-69 Interchange & Black River Bridge	162,401,574	126,632,421	126,632,421	-
• New Plaza				
Plaza, including PE and ROW	-	306,239,253	303,089,253	(3,150,000)
City Streets (Superseded)	105,098,000	15,464,705	15,464,705	-
Plaza (superseded)	294,201,925	10,085,988	10,085,988	-
Total Plaza	561,701,499	447,683,115	455,272,368	(3,150,000)
Enhancements	9,300,000	2,227,863	2,227,863	-
Project Total	\$ 609,666,499	\$ 493,026,882	\$ 500,616,135	\$ (3,150,000)
Percentage Change				-0.64%

Significant Future Increases or Decreases

The layout of the Plaza was finalized with General Service Agency/Customs and Border Protection approvals, which were completed with the Feasibility Study in December 2023. This work revealed an increase in cost to the overall project which led to the decision to build the plaza expansion in phases. Two of four phases are reflected in Table 3, with the subsequent phases to be determined as we proceed. Project construction is estimated to increase to approximately \$600M and components 3 and 4 are estimated to add \$400M to the overall project. These budget increases will be programmed when the future of the project is more certain.

Blue Water Bridge leadership will continue to work with MDOT Executive Leadership to strategically decide how to best move forward. CBP leadership has indicated support to submit for additional funds associated with furnishing, leasing, and operating the plaza improvements, however, these are subject to future year federal budget appropriations.

As we proceed through the initial construction phases, costs will be monitored and future phases planned while keeping the Purpose and Need of the project in mind.