

**CHARTER TOWNSHIP OF VAN BUREN BOARD OF TRUSTEES
FEBRUARY 18, 2020 WORK STUDY MEETING 4:00 P.M.
TENTATIVE AGENDA**

ROLL CALL:

Supervisor McNamara	_____	Trustee Miller	_____
Clerk Wright	_____	Trustee White	_____
Treasurer Budd	_____	Engineer Potter	_____
Trustee Frazier	_____	Attorney McCauley	_____
Trustee Martin	_____	Secretary Montgomery	_____

UNFINISHED BUSINESS:

NEW BUSINESS:

1. Discussion on the re-appointments of Joe Baskin and Victor DeLebera to the Downtown Development Authority with terms to expire March 9, 2024.
2. Discussion on the appointment of John Herman to the Board of Zoning Appeals with a term to expire December 1, 2022.
3. Discussion on Resolution 2020-05: Corrective Action Plan.
4. Discussion on the professional services agreement with PEA Inc., for the segment of the Iron Belle Trail through Van Buren Township and authorize the Supervisor and Clerk to execute the agreement.
5. Discussion on the professional services agreement with PEA Inc., for the segment of the Iron Belle Trail through the east end of Van Buren Township and authorize the Supervisor and Clerk to execute the agreement.

PUBLIC COMMENT:

ADJOURNMENT:

Charter Township of Van Buren

Consent Agenda yes, if possible

WORK STUDY: February 18, 2020

BOARD MEETING: February 18, 2020

REQUEST FOR BOARD ACTION

New Business

Unfinished Business

Consent Agenda

Public Hearing

ITEM (SUBJECT)	Consider the reappointments of Joe Baskin and Victor DeLebera to the Downtown Development Authority, terms to expire March 9, 2024
DEPARTMENT	DDA
PRESENTER	Supervisor Kevin McNamara and/or Susan Ireland
PHONE NUMBER	734-699-8910/699-8900x9201
INDIVIDUALS IN ATTENDANCE (OTHER THAN PRESENTER)	

Agenda topic

ACTION REQUESTED

Approve the reappointments of Joe Baskin and Victor DeLibera to the Downtown Development Authority, terms to expire March 9, 2024

BACKGROUND – (SUPPORTING AND REFERENCE DATA, INCLUDE ATTACHMENTS)

The terms of office for Mr. Joe Baskin and Mr. Mr. Victor DeLibera will expire on the Downtown Development Authority (DDA) Board on March 9, 2020. Directors Baskin and DeLibera have made their interest known in continuing to serve on the DDA Board. Director Baskin serves in the capacity as a small business owner within the DDA District along Belleville Road and Victor is a resident in the DDA District as required by the Act. The DDA Board is pro-active with a strong emphasis on the vitality and health of the businesses of the District and Van Buren as a whole. The service of both Directors have been instrumental in the many accomplishments of the DDA. They are always ready to volunteer to help out, whether it's serving on a sub-committee or handing out food at the splash pad grand opening.

Over the years, the Downtown Development Authority (DDA) has been able to undertake many projects that would not have been accomplished without the vision of the Township Board and the passion of the DDA Board. This past year we have seen the completion for the Belleville Road pathway project that goes over I-94, Harris Park and the Quirk Park Splash Pad. While projects are district specific, they reflect on the entire township and set the tone of our community

By the time you receive this agenda it is expected the DDA CIP Plan will have been approved and will become part of the Redevelopment Ready Communities Certification and be placed on the DDA Website.

The reappointment of Mr. Baskin and Mr. DeLibera remain consistent and compliant with the requirements of the DDA Act. It is respectfully requests that the Township Board approve their reappointments. Thank you for your consideration in this request.

BUDGET IMPLICATION	None. Non Compensated Board of Directors
IMPLEMENTATION NEXT STEP	Notify applicants of reappointment.
DEPARTMENT RECOMMENDATION	approval
COMMITTEE/COMMISSION RECOMMENDATION	n-a

ATTORNEY RECOMMENDATION

n-a

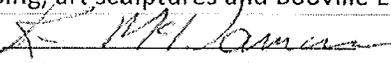
(May be subject to Attorney/Client Privilege and not available under FOIA)

ADDITIONAL REMARKS

Some past projects:

Emergency Warning Sirens, Traffic Signalization Project, Decorative Fence along Belleville Road at the Belle Harbour Subdivision, LED Street Light Conversion and Public Safety upgrades. Additionally we have collaboration with Van Buren Township and the renovation of the Public Services Department and we expect continuation of a partnership with the City of Belleville in advertising, art sculptures and Booville Events.

APPROVAL OF SUPERVISOR



CHARTER TOWNSHIP OF VAN BUREN

BACKGROUND AND PERSONAL DATA OUTLINE ON CANDIDATES FOR APPOINTMENT TO COMMITTEES, COMMISSIONS AND BOARDS

Committee, Commission or Board in which interested: _____

_____ Van Buren - Downtown Development Authority _____

Name: _____ Victor DeLibera _____

Address: _____ 44723 Greenbriar, Van Buren Township _____

Home Telephone: _____ 734-697-8883 _____ Cellular Telephone _____ 313-350-2062 _____

Work Telephone: _____ Email Address _____ vdelibera@aim.com _____

High School: _____

College: _____ University of MD _____ Degree/Course(s): _____ Mathematics, BS _____

Current Employment: _____ Toyota _____

Job Title: _____ Product costing and manufacturing optimization professional _____

Duties performed: Managing Cost Estimation and Methodology. Focused with team collaboration in achieving organizational cost reduction and process improvement objectives. I help businesses understand cause and effect relationships through the economic lens of cost modeling to aid in decision making

Current membership in organizations and offices held: Belleville Band Booster Trustee, Vice President of the Van Buren Robotics Boosters.

Past membership in organizations and offices held: _____

Additional information and comments: I want to continue to be a part of the DDA's many successes

Victor DeLibera _____ January 29, 2020 _____
Signature _____ Date

46425 Tyler Road, Belleville, MI 48111 (734) 699-8910

 RETURN COMPLETED FORM TO THE TOWNSHIP SUPERVISOR'S OFFICE,

CHARTER TOWNSHIP OF VAN BUREN

BACKGROUND AND PERSONAL DATA OUTLINE ON CANDIDATES FOR APPOINTMENT TO COMMITTEES, COMMISSIONS AND BOARDS

Committee, Commission or Board in which interested: _____

_____ Van Buren - Downtown Development Authority _____

Name: _____ Joe E Baskin Jr. _____

Address: _____ 7067 Anna Drive, Van Buren Township _____

Home Telephone: _____ 734-699-7610 _____ Cellul Telephone _____ 313-320-4338

Work Telephone: _____ Email Address _____ jayJTexturz@sbcglobal.net _____

High School: _____ Belleville High School _____

College: _____ Degree/Course(s): _____ Cosmetology License _____

Current Employment: _____ Joe Edward Salon 11792 Belleville Rd _____

Job Title: _____ Owner/Operator _____

Duties performed: _____ Internationally trained educator, platform hairstylist, makeup artist and salon owner for over 20 years. _____

Current membership in organizations and offices held: _____ Van Buren Township DDA _____

Past membership in organizations and offices held: _____

Additional information and comments: _____ I want to continue to be a part of the DDA. I see many good things in the Township's future. Along with running my salon and styling full-time, I mentor junior stylists, train educators for major hair companies and share my knowledge with clients. I have also released a collection of instruction hair and beauty DVD's. _____

Joe E Baskin, Jr

January 29, 2020

Signature

Date

46425 Tyler Road, Belleville, MI 48111 (734) 699-8910

RETURN COMPLETED FORM TO THE TOWNSHIP SUPERVISOR'S OFFICE,

Charter Township of Van Buren

Agenda Item: 2

WORK STUDY

FEBRUARY 18, 2020

BOARD MEETING

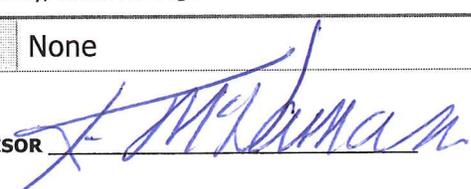
FEBRUARY 18, 2020

REQUEST FOR BOARD ACTION

Consent Agenda X New Business Unfinished Business Public Hearing

ITEM (SUBJECT)	Appointment of John Herman to the Board of Zoning Appeals
DEPARTMENT	Supervisor's Department
PRESENTER	Supervisor McNamara
PHONE NUMBER	734-699-8900
INDIVIDUALS IN ATTENDANCE (OTHER THAN PRESENTER)	

Agenda topic

ACTION REQUESTED	
To consider approval of the appointment of John Herman to the Board of Zoning Appeals with a term to expire: 12-01-2022.	
BACKGROUND – (SUPPORTING AND REFERENCE DATA, INCLUDE ATTACHMENTS)	
Please see attached application and resume.	
BUDGET IMPLICATION	
IMPLEMENTATION NEXT STEP	
DEPARTMENT RECOMMENDATION	Approval
COMMITTEE/COMMISSION RECOMMENDATION	
ATTORNEY RECOMMENDATION	
(May be subject to Attorney/Client Privilege and not available under FOIA)	
ADDITIONAL REMARKS	None
APPROVAL OF SUPERVISOR	

CHARTER TOWNSHIP OF VAN BUREN

BACKGROUND AND PERSONAL DATA OUTLINE ON CANDIDATES FOR APPOINTMENT TO COMMITTEES, COMMISSIONS AND BOARDS

Committee, Commission or Board in which interested: BZA

Name: JOHN HERMAN

Address: 6329 GREENWOOD COURT

Home Telephone: 734-697-3713 Cellular Telephone 313 378-8328

Work Telephone: N/A Email Address JOHNHERMAN@PEOPLEPC.COM

High School: Wayne Memorial

College: Ohio State Degree/Course: MASTERS H.R.
Schoolcraft associate/Business

Current Employment: RETIRED

Job Title: N/A

Duties performed: MANAGEMENT (HR ET AL)

Current membership in organizations and offices held: _____

Past membership in organizations and offices held: TWP TRUSTEE
PLANNING COMMISSION

Additional information and comments: _____

**RETURN COMPLETED FORM TO THE TOWNSHIP SUPERVISOR'S OFFICE,
46425 Tyler Road, Belleville, MI 48111 (734) 699-8910.**

John A. Herman
Signature

02-11-2020
Date

John A. Herman

6329 Greenwood Court
Van Buren Township, MI 48111
Home Phone: (734) 697-3713
Cell Phone: (313) 378-8328
E-Mail: johnherman@peoplepc.com

Objective: To be a leader that will guide Van Buren Township into the future. I am a goal oriented person that believes in motivation and developing a team atmosphere in the workplace. I believe the most important attribute to have as the Human Resource person, for our Township, is strong leadership skills. I have a solid background in communication and leadership in both the public and the private sector.

Qualifications: I am currently retired from Ford Motor Company after 35 years of dedicated service, where I served in an administrative position in industrial relations health and safety, environmental management and fire and security. This is and will be an extremely valuable tool. My position at Ford involved the development of policies, scheduling, internal investigations and day to day operations, the health and safety of 500 hourly UAW employees as well as 40 Ford salaried employees. I am well versed in contracts, the grievance procedures and the day to day union relations. These positions exposed me to the training and development of numerous new employees during my years of employment with Ford Motor Company. I have held other leadership positions such as the former Inter-National Secretary/Treasurer of the Plant Protection Association, National, located in Ypsilanti, MI.

In the public sector I have served as Van Buren Township Trustee for ten years. And for 20 years I have been involved in township matters such as the planning commission chairperson, and I have served on the economic development corporation, for the township until to date, as its treasurer. As a planner, this writer and the township staff met with developers prior to their staff approval to go forward to the planning commission for their action. Constantly striving for quality developments, updating the master plan, zoning ordinances, and staying focused on positive change for Van Buren Township, and will do no less going forward. I was part of the negotiations team for Van Buren Township as well.

I also served on the Garden City school board, as well as a deputy clerk, and I was appointed as a probation officer of Garden City. I joined the Garden City Jaycees in many capacities including as its president. I also served as council president and administration chair of St. Raphael Catholic Church in Garden City, Michigan.

My strongest points are in leadership and the development of other employees, I have a strong training and educational background in communication and leadership. My very enthusiastic attitude allows me to learn new ideas quickly, adopt to technology and perform job functions with a professional approach. This approach has been beneficial to

Charter Township of Van Buren

Agenda Item: 3

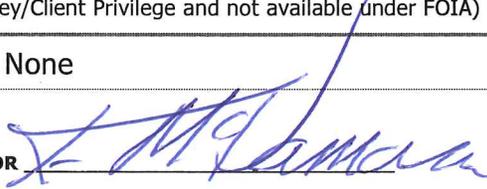
REQUEST FOR BOARD ACTION

WORK STUDY
FEBRUARY 18, 2020
BOARD MEETING
FEBRUARY 18, 2020

Consent Agenda X New Business Unfinished Business Public Hearing

ITEM (SUBJECT)	Approval of Resolution 2020-05: Corrective Action Plan
DEPARTMENT	Treasurer's Department
PRESENTER	Treasurer Budd
PHONE NUMBER	734-699-8903
INDIVIDUALS IN ATTENDANCE (OTHER THAN PRESENTER)	

Agenda topic

ACTION REQUESTED	
To consider approval of Resolution 2020-05: Corrective Action Plan.	
BACKGROUND – (SUPPORTING AND REFERENCE DATA, INCLUDE ATTACHMENTS)	
Please see attached Resolution 2020-05: Corrective Action Plan and supporting documents.	
This Resolution is in accordance with PA 202 of 2017 – Protecting Local Government Retirement and Benefit Act, which mandates local units of government to have a corrective action plan to fund OPEB liability by 40%.	
BUDGET IMPLICATION	
IMPLEMENTATION NEXT STEP	
DEPARTMENT RECOMMENDATION	Approval
COMMITTEE/COMMISSION RECOMMENDATION	
ATTORNEY RECOMMENDATION	
(May be subject to Attorney/Client Privilege and not available under FOIA)	
ADDITIONAL REMARKS	None
APPROVAL OF SUPERVISOR	

CHARTER TOWNSHIP OF VAN BUREN

RESOLUTION #2020 – 05

WHEREAS the State of Michigan enacted Public Act 202 of 2017 – Protecting Local Government Retirement and Benefits Act;

WHEREAS Public Act 202 of 2017 determines that a local unit's retiree health care plan is "underfunded" if the funded status is less than 40%;

WHEREAS the Charter Township of Van Buren's retiree health care plan was 13.8% funded as of December 31, 2018, thus requiring a Corrective Action Plan;

WHEREAS the Corrective Action Plan requires a local government with an underfunded status to reach a funded ratio of 40% within 30 years;

WHEREAS the Charter Township of Van Buren requested an actuarial analysis by Watkins Ross to project the future funded status of the Township's retiree health care plan;

WHEREAS, based on a number of assumptions of future contribution amounts and plan revisions, the Charter Township of Van Buren will reach the required 40% funded threshold in 2042;

NOW THEREFORE, IT IS RESOLVED that the Charter Township of Van Buren Board of Trustees adopts the following as the Charter Township of Van Buren's Corrective Action Plan;

BE IT FURTHER RESOLVED that the Charter Township of Van Buren submits the Corrective Action Plan to the Michigan Department of Treasury for certification.

APPROVED ON:

Certified a true copy:

Leon Wright, Clerk

Charter Township of Van Buren

Protecting Local Government Retirement and Benefits Act

Corrective Action Plan: Retirement Health Benefit Systems

Issued under authority of Public Act 202 of 2017.

I. MUNICIPALITY INFORMATION

Local Unit Name: Charter Township of Van Buren Six-Digit Muni Code: 821100
Retirement Health Benefit System Name: Charter Township of Van Buren Retiree Health Care Plan
Contact Name (Administrative Officer): Kevin McNamara
Title if not Administrative Officer: Supervisor
Email: kmcnamara@vanburen-mi.org Telephone: (734) 699-8910

2. GENERAL INFORMATION

Corrective Action Plan: An underfunded local unit of government shall develop and submit for approval a corrective action plan for the local unit of government. The local unit of government shall determine the components of the corrective action plan. This Corrective Action Plan shall be submitted by any local unit of government with at least one retirement health benefit system that has been determined to have an underfunded status. Underfunded status for a retirement health system is defined as being less than 40% funded according to the most recent audited financial statements, and, if the local unit of government is a city, village, township, or county, the annual required contribution (ARC) for all of the retirement health systems of the local unit of government is greater than 12% of the local unit of government's annual governmental fund revenues, based on the most recent fiscal year.

Due Date: The local unit of government has **180 days from the date of notification** to submit a corrective action plan to the Municipal Stability Board. The Board may extend the 180-day deadline by up to an additional 45 days if the local unit of government submits a reasonable draft of a corrective action plan and requests an extension.

Filing: Per Sec. 10(1) of the Act, this Corrective Action Plan must be approved by the local government's administrative officer and its governing body. **You must provide proof of your governing body approving this Corrective Action Plan and attach the documentation as a separate PDF document.** Per Sec. 10(4) of the Act, failure to provide documentation that demonstrates approval from your governing body will result in a determination of noncompliance by the Board.

The submitted plan must demonstrate through distinct supporting documentation how and when the local unit will reach the 40% funded ratio. Or, if the local unit is a city, village, township, or county, the submitted plan may demonstrate how and when the ARC for all of the retirement healthcare systems will be less than 12% of annual governmental fund revenues, as defined by the Act. Supporting documentation for the funding ratio and/or ARC must include an actuarial projection, an actuarial valuation, or an internally developed analysis. The local unit must project governmental fund revenues using a reasonable forecast based on historical trends and projected rates of inflation.

The completed plan must be submitted via email to Treasury at LocalRetirementReporting@michigan.gov for review by the Board. **If you have multiple underfunded retirement systems, you are required to complete separate plans and send a separate email for each underfunded system.** Please attach each plan as a separate PDF document in addition to all applicable supporting documentation.

The subject line of the email(s) should be in the following format: **Corrective Action Plan-2017, Local Unit Name, Retirement System Name** (e.g. Corrective Action Plan-2017, City of Lansing, Employees' Retirement System OPEB)

Plan). Treasury will send an automatic reply acknowledging receipt of the email. Your individual email settings must allow for receipt of Treasury's automatic reply. This will be the only notification confirming receipt of the application(s).

Municipal Stability Board: The Municipal Stability Board (the Board) shall review and vote on the approval of a corrective action plan submitted by a local unit of government. If a corrective action plan is approved, the Board will monitor the corrective action plan for the following two years, and the Board will report on the local unit of government's compliance with the Act not less than every two years.

Review Process: Following receipt of the email by Treasury, the Board will accept the corrective action plan submission at the next scheduled meeting of the Board. The Board shall then approve or reject the corrective action plan within 45 days from the date of the meeting.

Considerations for Approval: A successful corrective action plan will demonstrate the actions for correcting underfunded status as set forth in Sec. 10(7) of the Act (listed below), as well as any additional solutions to address the underfunded status. Please also include steps already taken to address your underfunded status, as well as the date prospective actions will be taken. A local unit of government may also include in its corrective action plan a review of the local unit of government's budget and finances to determine any alternative methods available to address its underfunded status. A corrective action plan under this section may include the development and implementation of corrective options for the local unit of government to address its underfunded status. The corrective options as described in Sec. 10(7) may include, but are not limited to, any of the following:

- (i) Requiring cost sharing of premiums and sufficient copays.
- (ii) Capping employer costs.

Implementation: The local unit of government has up to 180 days after the approval of a corrective action plan to begin to implement the corrective action plan to address its underfunded status. The Board shall monitor each underfunded local unit of government's compliance with this act and any corrective action plan. The Board shall adopt a schedule, not less than every 2 years, to certify that the underfunded local unit of government is in substantial compliance with the Act. If the Board determines that an underfunded local unit of government is not in substantial compliance under this subsection, the Board shall within 15 days provide notification and report to the local unit of government detailing the reasons for the determination of noncompliance with the corrective action plan. The local unit of government has 60 days from the date of the notification to address the determination of noncompliance.

3. DESCRIPTION OF PRIOR ACTIONS

Prior actions are separated into three categories below: System Design Changes, Additional Funding, and Other Considerations. Please provide a brief description of the prior actions implemented by the local government to address the retirement system's underfunded status within the appropriate category section. Within each category are sample statements that you may choose to use to indicate the changes to your system that will positively affect your funded status. For retirement systems that have multiple divisions, departments, or plans within the same retirement system, please indicate how these changes impact the retirement **system** as a whole.

- **Please Note:** If applicable, prior actions listed within your waiver application(s) may also be included in your corrective action plan.

Please indicate where in the attached supporting documentation these changes are described and the impact of those changes (i.e. what has the local unit of government done to improve its underfunded status, and where can we find the proof of these changes in the supporting documentation?).

Note: Please provide the name of the system impacted, the date you made the change, the relevant page number(s) within the supporting documentation, and the resulting change to the system's funded ratio.

Category of Prior Actions:

- System Design Changes** - System design changes may include the following: Changes to coverage levels (including retiree co-payments, deductibles, and Medicare eligibility), changes to premium cost-sharing, eligibility changes, switch to defined contribution retiree health care plan, changes to retiree health care coverage for new hires, etc.

Sample Statement: *Benefit levels of the retired membership mirrors the current collective bargaining agreement for each class of employee. On **January 1, 2017**, the local unit entered into new collective bargaining agreements with the **Command Officers Association and Internal Association of Firefighters** that increased employee co-payments and deductibles for healthcare. These coverage changes resulted in an improvement to the retirement system's funded ratio. Please see page **12** of the attached actuarial analysis that indicates the system is **40%** funded as of **June 30, 2017**.*

• The Township recently passed a new policy where all new hires are now on a defined contribution retiree health care plan versus the existing defined benefit retiree health care plan. New hires as of October 1, 2019 now get an annual contribution to a "retiree health care savings account".

- Additional Funding** – Additional funding may include the following: paying the annual required contribution in addition to retiree premiums, voluntary contributions above the annual required contribution, bonding, millage increases, restricted funds, etc.

Sample Statement: *The local unit created a qualified trust to receive, invest, and accumulate assets for retirement healthcare on **June 23, 2016**. The local unit of government has adopted a policy to change its funding methodology from Pay-Go to full funding of the Annual Required Contribution (ARC). Additionally, the local unit has committed to contributing **\$500,000** annually, in addition to the ARC for the next five fiscal years. The additional contributions will increase the retirement system's funded ratio to **40%** by **2022**. Please see page **10** of the attached resolution from our governing body demonstrating the commitment to contribute the ARC and additional **\$500,000** for the next five years.*

The Township Board recently approved the 2020 budget which increased the General Fund's annual contribution to the Township's Retiree Health Care qualified trust account from \$100,000 to \$125,000. Additionally, the Township Water Fund will continue to contribute \$333,848 annually, which results in a 100% funded status for the Water Fund, by year 2024 (see attached actuarial valuation as supporting documentation).

- Other Considerations** – Other considerations may include the following: outdated Form 5572 information, actuarial assumption changes, amortization policy changes, etc.

Sample Statement: *The information provided on the Form 5572 from the audit used actuarial data from **2015**. Attached is an updated actuarial valuation for **2017** that shows our funded ratio has improved to **42%** as indicated on page **13**.*

The Township will continue to pay for annual retiree health care premiums from operating budgets, without accessing the Retiree Health Care Trust. Per the attachment (2a), the Township will reach the required 40% funded threshold by 2042, which is within the 30 year requirement.

4. DESCRIPTION OF PROSPECTIVE ACTIONS

The corrective action plan allows you to submit a plan of prospective actions which are separated into three categories below: System Design Changes, Additional Funding, and Other Considerations. Please provide a brief description of the prospective actions implemented by the local government to address the retirement system's underfunded status within the appropriate category section. Within each category are sample statements that you may choose to use to indicate the changes to your system that will positively affect your funded status. For retirement systems that have multiple divisions, departments, or plans within the same retirement system, please indicate how these changes impact the retirement **system** as a whole.

Please indicate where in the attached supporting documentation these changes are described and the impact of those changes (i.e. what will the local unit of government do to improve its underfunded status, and where can we find the proof of these changes in the supporting documentation?).

Category of Prospective Actions:

- System Design Changes** - System design changes may include the following: Changes to coverage levels (including retiree co-payments, deductibles, and Medicare eligibility), changes to premium cost-sharing, eligibility changes, switch to defined contribution retiree health care plan, changes to retiree health care coverage for new hires, etc.

Sample Statement: *The local unit will seek to align benefit levels for the retired membership with each class of active employees. Beginning with **summer 2018** contract negotiations, the local unit will seek revised collective bargaining agreements with the **Command Officers Association** and **Internal Association of Firefighters** to increase employee co-payments and deductibles for healthcare. These coverage changes would result in an improvement to the retirement system's funded ratio. Please see page **12** of the attached actuarial analysis that indicates the system would be **40% funded by fiscal year 2020** if these changes were adopted and implemented by **fiscal year 2019**.*

The Township is in the process of evaluating the possibility of offering employee buyouts for those employees covered by the Retiree Health Care Plan. Any employees taking advantage of this buyout would relinquish any future claims to retiree health care in exchange for a monetary deposit into a retiree health care savings plan. The result of any employees "opting out" of the retiree health care benefit, would result in an overall lower OPEB liability for the Twp.

- Additional Funding** – Additional funding may include the following: meeting the annual required contribution in addition to retiree premiums, voluntary contributions above the annual required contribution, bonding, millage increases, restricted funds, etc.

Sample Statement: *The local unit will create a qualified trust to receive, invest, and accumulate assets for retirement healthcare by **December 31, 2018**. The local unit of government will adopt a policy to change its funding methodology from Pay-Go to full funding of the Annual Required Contribution (ARC) by **December 31, 2018**. Additionally, beginning in fiscal year 2019, the local unit will contribute **\$500,000** annually in addition to the ARC for the next five fiscal years. The additional contributions will increase the retirement system's funded ratio to **40% by 2022**. Please see page **10** of the attached resolution from our governing body demonstrating the commitment to contribute the ARC and additional **\$500,000** for the next five years.*

The Township has a projected 12/31/19 fund balance in its Long Term Debt Fund of \$14,473,060. This money has been allocated for the specific purpose of having savings for the OPEB obligation. This money has not been placed in the qualified trust account, to allow some flexibility with these funds, but this was specifically what these funds were set aside for. This should undoubtedly be taken into account when evaluating the Township's affordability criteria.

- Other Considerations** – Other considerations may include the following: outdated Form 5572 information, actuarial assumption changes, amortization policy changes, etc.

Sample Statement: *Beginning in **fiscal year 2019**, the local unit will begin amortizing the unfunded portion of the healthcare liability using a **level-dollar amortization method over a closed period of 10 years**. This will allow the health system to reach a funded status of **42% by 2022** as shown in the attached actuarial analysis on page **13**.*

5. CONFIRMATION OF FUNDING

Please check the applicable answer:

Do the corrective actions listed in this plan allow for (insert local unit name) Charter Township of Van Buren to make, at a minimum, the retiree premium payment, as well as the normal cost payments for all new hires (if applicable), for the retirement health benefit system according to your long-term budget forecast?

- Yes
 No
If No, Explain

6. DOCUMENTATION ATTACHED TO THIS CORRECTIVE ACTION PLAN

Documentation should be attached as a .pdf to this corrective action plan. The documentation should detail the corrective action plan that would be implemented to adequately address the local unit of government's underfunded status. Please check all documents that are included as part of this plan and attach in successive order as provided below:

Naming convention: when attaching documents please use the naming convention shown below. If there is more than one document in a specific category that needs to be submitted, include a, b, or c for each document. For example, if you are submitting two supplemental valuations, you would name the first document "Attachment 2a" and the second document "Attachment 2b".

Naming Convention

Type of Document

Attachment – 1

This Corrective Action Plan (Required)

Attachment – 1a

Documentation from the governing body approving this Corrective Action Plan (Required)

Attachment – 2a

An actuarial projection, an actuarial valuation, or an internally developed analysis, which illustrates how and when the local unit will reach the 40% funded ratio. Or, if the local unit is a city, village, township, or county, ARC will be less than 12% of governmental fund revenues, as defined by the Act. (Required)

Attachment – 3a

Documentation of additional payments in past years that is not reflected in your audited financial statements (e.g. enacted budget, system provided information).

Attachment – 4a

Documentation of commitment to additional payments in future years (e.g. resolution, ordinance)

Attachment – 5a

A separate corrective action plan that the local unit has approved to address its underfunded status, which includes documentation of prior actions, prospective actions, and the positive impact on the system's funded ratio

Attachment – 6a

Other documentation, not categorized above

7. CORRECTIVE ACTION PLAN CRITERIA

Please confirm that each of the four corrective action plan criteria listed below have been satisfied when submitting this document. Specific detail on corrective action plan criteria can be found in the Corrective Action Plan Development: Best Practices and Strategies document.

Corrective Action Plan Criteria	Description
<input checked="" type="checkbox"/> Underfunded Status	Is there a description and adequate supporting documentation of how and when the retirement system will reach the 40% funded ratio? Or, if your local unit is a city, village, township, or county, how and when the ARC of all retirement healthcare systems will be less than 12 percent of governmental fund revenues?
<input checked="" type="checkbox"/> Reasonable Timeframe	Do the corrective actions address the underfunded status in a reasonable timeframe (<u>see CAP criteria issued by the Board</u>)?
<input checked="" type="checkbox"/> Legal and Feasible	Does the corrective action plan follow all applicable laws? Are all required administrative certifications and governing body approvals included? Are the actions listed feasible?
<input checked="" type="checkbox"/> Affordability	Do the corrective action(s) listed allow the local unit to make the retiree healthcare premium payment, as well as normal cost payment for new hires now and into the future without additional changes to this corrective action plan?

8. LOCAL UNIT OF GOVERNMENT'S ADMINISTRATIVE OFFICER APPROVAL OF CORRECTIVE ACTION PLAN

I, Kevin McNamara, as the government's administrative officer (insert title) Township Supervisor (Ex: City/Township Manager, Executive director, and Chief Executive Officer, etc.) approve this Corrective Action Plan and will implement the prospective actions contained in this Corrective Action Plan.

I confirm to the best of my knowledge that because of the changes listed above, one of the following statements will occur:

- The Van Buren Township Retiree Health Plan (**Insert Retirement Healthcare System Name**) will achieve a funded status of at least 40% by Fiscal Year 2042 as demonstrated by required supporting documentation listed in section 6.

OR, if the local unit is a city, village, township, or county:

- The ARC for all of the retirement healthcare systems of _____ (**Insert local unit name**) will be less than 12% of the local unit of government's annual governmental fund revenues by Fiscal Year _____ as demonstrated by required supporting documentation listed in section 6.

Signature _____

Date _____

To: Sean Bellingham, Deputy Treasurer – Van Buren Township
 Fr: Watkins Ross; Christian Veenstra, FCA, ASA, MAAA, EA
 Re: Revised projected funded status under current funding policy

Executive summary:

An analysis of the projected funded status given the proposed funding policy indicates attainment of 40% funded status by the year 2042. Of the three funds that make up the Total, General employees make up over 80% of the liability and funding obligation. Accordingly, the contribution policy for this group drives the year at which it is expected that the fund will be 40% funded.

Collectively and individually, under the proposed policy, 40% funding would be attained by the following years:

Fund	40% funding attained in X years or in year Y	Number of X years or until year Y to attain 40% or 100% funded lvl
Total	24 years (2042)	
General	28 years (2046)	37 years (2056) – 40%
Water	Immediate	6 years (2024) – 100%
DDA	Immediate	8 years (2027) – 100%

Funding policy

In addition to continuing to pay retiree healthcare benefits from general operating funds, the following contribution policy was provided by Van Buren Township and evaluated for reasonableness for attaining and maintaining a funded status of at least 40% within a reasonable number of years

- General fund - \$100,000 contributed in 2019; \$125,000 is budgeted to be contributed in 2020 and assumed to continue
- Water fund - \$333,848 contributed annually
- DDA fund – while the latest contribution was sufficient to fund close to 100%, additional benefit accruals by current active employees are such that benefit payments from general operating funds will be required for 8 years until the plan can maintain 100% funded status without additional support

Illustrations

The Total and General Fund liabilities and projected assets are shown until year 2042 when 40% funded status is anticipated. The Water and DDA Fund liabilities projections are shown through the period when contributions (either directly or via benefit payments made from general operating funds) are needed to maintain 100% funded status – 2024 and 2027 for Water and DDA respectively.

Three columns illustrate potential plan contributions – employer contributions to the OPEB Trust, projected benefit payments and a total contribution that includes the contribution to the trust plus retiree benefit payments made from general operating funds.

For protection of use and interpretation of work product, only beginning years and years in which the targeted funded status occurs are shown in the illustrations.

Method and Assumptions

This study is considered a companion to the December 31, 2018 Actuarial report issued March 28, 2019 in compliance with Governmental Accounting Standards Board (GASB) Statement Nos. 74 and 75. Plan

provisions valued, actuarial assumptions and methods are those used for and summarized in that report unless otherwise indicated. An updated fund balance projection as of December 31, 2019 was provided by the Township on October 31, 2019.

No new hire profiles were developed for this projection because new hires will be moved to a Defined Contribution plan in lieu of this retiree health care plan.

Data exceptions and other considerations

All data was provided as of December 31, 2018 via spreadsheet from the Charter Township of Van Buren on February 11, 2019. No audit of the data beyond a reasonability review was performed by Watkins Ross and it was generally accepted as complete and accurate.

Return on plan investments, actual claim and other actuarial experience is key in whether or not the projections of funded status are attained in the anticipated periods.

Certification

The actuary certifying this report represents himself as meeting the Qualification Standards of the American Academy of Actuaries to render actuarial opinions contained in the report.



Christian R. Veenstra, FCA, ASA, MAAA
Enrolled Actuary #17-05668

Charter Township of Van Buren
2019 funding projection (based on December 31, 2018 actuarial valuation)

Discount Return
6.54% 6.54%

	31-Dec liability	Assets	Contribution	+Benefit payments	=total contribution	funded percent
2019	25,594,837	4,294,123	433,848	547,920	981,768	16.8%
2020			458,848	651,417	1,110,265	18.3%
2021			458,848	758,887	1,217,735	19.9%
2022			458,848	886,547	1,345,395	21.5%
2023			458,848	1,017,576	1,476,424	23.1%
2024			458,848	1,127,949	1,586,797	24.8%
2025			125,000	1,277,550	1,402,550	25.1%
2026			125,000	1,417,818	1,542,818	25.4%
2027			125,000	1,556,594	1,681,594	25.8%
2028			125,000	1,708,750	1,833,750	26.1%
2029			125,000	1,856,864	1,981,864	26.6%
2030			125,000	2,002,930	2,127,930	27.0%
2031			125,000	2,166,283	2,291,283	27.5%
2032			125,000	2,289,689	2,414,689	28.1%
2033			125,000	2,437,184	2,562,184	28.8%
2034			125,000	2,546,698	2,671,698	29.6%
2035			125,000	2,650,468	2,775,468	30.4%
2036			125,000	2,773,146	2,898,146	32.3%
2037			125,000	2,850,009	2,975,009	33.4%
2038			125,000	2,909,135	3,034,135	34.7%
2039			125,000	3,000,170	3,125,170	36.0%
2040			125,000	3,104,384	3,229,384	37.5%
2041			125,000	3,152,675	3,277,675	39.1%
2042	45,366,088	18,573,371	125,000	3,233,234	3,358,234	40.9%

Charter Township of Van Buren - General
2019 funding projection (based on December 31, 2018 actuarial valuation)

Discount Return
6.54% 6.54%

	31-Dec liability	Assets	Contribution	+Benefit payments	=total contribution	funded percent
2019	21,139,388	1,167,404	100,000	456,112	556,112	5.5%
2020			125,000	545,929	670,929	6.0%
2021			125,000	634,829	759,829	6.5%
2022			125,000	733,867	858,867	7.1%
2023			125,000	838,739	963,739	7.6%
2024			125,000	924,221	1,049,221	8.1%
2025			125,000	1,044,007	1,169,007	8.7%
2026			125,000	1,149,219	1,274,219	9.3%
2027			125,000	1,257,394	1,382,394	10.0%
2028			125,000	1,375,817	1,500,817	10.6%
2029			125,000	1,500,288	1,625,288	11.3%
2030			125,000	1,617,372	1,742,372	12.1%
2031			125,000	1,756,613	1,881,613	13.0%
2032			125,000	1,872,663	1,997,663	13.9%
2033			125,000	1,997,518	2,122,518	14.9%
2034			125,000	2,084,038	2,209,038	16.0%
2035			125,000	2,186,295	2,311,295	17.2%
2036			125,000	2,290,141	2,415,141	18.5%
2037			125,000	2,348,032	2,473,032	20.0%
2038			125,000	2,397,079	2,522,079	21.5%
2039			125,000	2,470,326	2,595,326	23.2%
2040			125,000	2,556,736	2,681,736	25.0%
2041			125,000	2,593,850	2,718,850	27.1%
2042			125,000	2,661,911	2,786,911	29.3%
2043			125,000	2,729,032	2,854,032	31.8%
2044			125,000	2,755,711	2,880,711	34.5%
2045			125,000	2,806,818	2,931,818	37.5%
2046	37,008,584	15,118,610	125,000	2,841,462	2,966,462	40.9%

Charter Township of Van Buren - Water
2019 funding projection (based on December 31, 2018 actuarial valuation)

Discount Return
6.54% 6.54%

	31-Dec liability	Assets	Contribution	+Benefit payments	=total contribution	funded percent
2019	3,919,232	2,593,031	333,848	84,297	418,145	66.2%
2020	4,173,357	3,096,463	333,848	94,739	428,587	74.2%
2021	4,426,820	3,632,820	333,848	110,071	443,919	82.1%
2022	4,677,168	4,204,254	333,848	134,523	468,371	89.9%
2023	4,912,405	4,813,061	333,848	157,892	491,740	98.0%
2024	5,133,136	5,461,683	333,848	180,338	514,186	106.4%

Charter Township of Van Buren - DDA

2019 funding projection (based on December 31, 2018 actuarial valuation)

Discount	Return
6.54%	6.54%

	31-Dec liability	Assets	Contribution	+Benefit payments	=total contribution	funded percent
2019	536,217	533,688	0	7,511	7,511	99.5%
2020	582,233	568,591	0	10,749	10,749	97.7%
2021	627,341	605,777	0	13,987	13,987	96.6%
2022	671,557	645,395	0	18,157	18,157	96.1%
2023	713,853	687,604	0	20,945	20,945	96.3%
2024	755,788	732,573	0	23,390	23,390	96.9%
2025	797,759	780,483	0	25,560	25,560	97.8%
2026	840,099	831,527	0	32,104	32,104	99.0%
2027	878,200	885,909	0	39,842	39,842	100.9%



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

October 22, 2019

**Waiver Application Results:
Determination of Underfunded Status and
Need for a Corrective Action Plan**

Fiscal Year: 2018

Municipality Code: 821100

Sent Via Email

Charter Township of Van Buren
sbellingham@vanburen-mi.org

Dear Administrative Officer or Designee:

Thank you for submitting your retirement waiver application(s) pursuant to Public Act 202 of 2017 (the Act). **Based upon review, the following waiver application(s) has been disapproved for the following reason(s):**

Plan name and reason for disapproval:

OPEB

- Your municipality's unfunded liability represents a significant portion of annual revenues and/or the outstanding unfunded liability remains significant.
- Your municipality's waiver application includes prospective information which will need to be monitored through a corrective action plan.
- The local government's governing body failed to approved the waiver application.
- The local government's plan included the use of OPEB assets that are not compliant with GASB standards.

As a result, your local government is determined to be in underfunded status as defined by Section 3 of the Act.

How to Apply for a Corrective Action Plan

In accordance with the Act, you must create a corrective action plan **for each underfunded system**. The attached corrective action plan form has detailed instructions on how to complete the corrective action plan. The completed corrective action plan is due back to the Department of Treasury (Treasury) **within 180 days of this notification** via email to LocalRetirementReporting@Michigan.gov.

- ❖ If applicable, prior actions listed within your waiver application(s) may also be included in your corrective action plan.

The Board has approved their Best Practices and Corrective Action Plan Criteria, which includes detailed corrective action plan approval criteria regarding funding ratios, underfunded status, affordability, and legality. Please review the Board's criteria and complete a corrective action plan(s).

If you have multiple underfunded retirement systems, you are required to complete a separate corrective action plan application for each system and send a separate email for each system. Please attach each application as a separate PDF document in addition to all applicable supporting documentation. The subject line of the email should be in the following format: **Corrective Action Plan-20XX, Local Government Name** (e.g. Corrective Action Plan-2018, City of Lansing). Treasury will send an automatic reply acknowledging receipt of the email. Treasury will also provide the corrective action plan to the Municipal Stability Board (the Board) for their review.

Next Steps:

- Once your corrective action plan(s) is submitted, the Board will officially receive your plan at their next scheduled meeting;
- The Board shall then approve or disapprove a corrective action plan(s) within 45 days after it is received.

Thank you for your commitment to fiscal stability and compliance with the requirements of the Act. If you have any questions, please visit Michigan.gov/LocalRetirementReporting for step-by-step reporting instructions and helpful FAQs, or email our office at LocalRetirementReporting@michigan.gov. If you would prefer to speak with a member of our team, please schedule a phone call appointment using the Local Retirement Calendar. A team member will contact you via the phone number you provide at your scheduled time.

Sincerely,

Michigan Department of Treasury
Local Retirement Reporting Team

Public Act 202 of 2017 Health Care (OPEB) Report

Instructions/Questions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting. For questions, please email LocalRetirementReporting@michigan.gov. Return this original Excel file. Do not submit a scanned image or PDF.

Enter Local Unit Name	Charter Township of Van Buren
Enter Six-Digit Municipal ID	821100
Unit Type	Township
Fiscal Year (four-digit year only, e.g., 2018)	2018
Contact Name (Chief Administrative Officer)	Sean Bellingham
Title (if not CAO)	Deputy Treasurer
CAO (or designee) Email Address	sbellingham@vanburen-mi.org
Contact Telephone Number	734-899-8900 x9214

If your OPEB system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.

OPEB System Name (not division) 1	Township Plan
OPEB System Name (not division) 2	
OPEB System Name (not division) 3	
OPEB System Name (not division) 4	
OPEB System Name (not division) 5	

Line	Description	Statute Reference	System 1	System 2	System 3	System 4	System 5
1	Provide the name of your retirement health care system	Sec. 5(6)	Township Plan				
2	Enter retirement health care system's assets (system fiduciary net position)	Sec. 5(4)(a)	3,271,657				
3	Enter retirement health care system's liabilities (total OPEB liability)	Sec. 5(4)(a)	23,713,054				
4	Date (system year ending) of valuation of system's assets and liabilities (e.g., 12/31/2017)	Sec. 5(6)	12/31/2018				
5	Actuarially Determined Contribution (ADC)	Sec. 5(4)(e)	3,819,375				
5a	Do the financial statements include an ADC calculated in compliance with Numberted Letter 2018-3?	Sec. 5(4)(e)	YES				
6	Governmental Fund Revenues	Sec. 5(4)(a)	20,622,618				
7	Health Care Trigger Summary						
8	Is this unit a primary unit (County, Township, City, Village)?	Sec. 5(4)(e)	YES	YES	YES	YES	YES
9	Funded ratio	Sec. 5(4)(e)	13.8%	0.0%	0.0%	0.0%	0.0%
10	All systems combined ADC/Governmental fund revenues	Sec. 4(1)(i)	YES	YES	YES	YES	YES
11	Did the local government pay the retiree insurance premiums for the year?	Sec. 4(1)(j)	YES	YES	YES	YES	YES
12	Did the local government pay the normal cost for employees hired after June 30, 2018?	Sec. 4(1)(j)	YES	YES	YES	YES	YES
13	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	Sec. 5(4)(e)		NO	NO	NO	NO

By emailing this report to the Michigan Department of Treasury, the local unit of government acknowledges that this report is complete and accurate in all known respects. Public Act 202 of 2017 also requires the local unit of government to electronically submit the form to its governing body.

Charter Township of Van Buren

Agenda Item 41

REQUEST FOR BOARD ACTION

WORK STUDY: FEBRUARY 18, 2020
BOARD DATE: FEBRUARY 18, 2020

New Business

Unfinished Business

Public Hearing

Consent Agenda

ITEM (SUBJECT)

Consider approval of PEA Inc., professional services for the segment of the Iron Belle Trail through Van Buren Township and have the Supervisor and Clerk execute the agreement.

DEPARTMENT

Parks and Recreation

PRESENTER

Director Jennifer Wright Parks and Recreation

PHONE NUMBER

734-699-8921

INDIVIDUALS IN ATTENDANCE (OTHER THAN PRESENTER)

Agenda topic

ACTION REQUESTED

Consider approval of PEA Inc., professional services for the segment of the Iron Belle Trail through Van Buren Township and have the Supervisor and Clerk execute the agreement.

BACKGROUND – (SUPPORTING AND REFERENCE DATA, INCLUDE ATTACHMENTS)

This contract is to continue work through PEA Inc. for the Iron Belle Trail that extends from Edgemont Street in the City of Belleville to Martinsville Road on the south side of Huron River Dr.

This work has been budgeted and will be paid for with the Michigan Department of Natural Resources Trust Fund grant we received last year for \$300,000.00 The cost of PEA to assist with a topographic survey, geotechnical investigation, final easement documents (if needed), permits, bidding documents and meetings is \$59,200.00

BUDGET IMPLICATION

IMPLEMENTATION NEXT STEP

PEA proposes to begin work on this project upon notice

DEPARTMENT RECOMMENDATION Approved

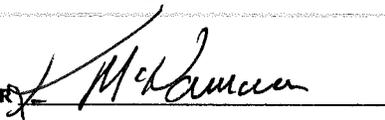
COMMITTEE/COMMISSION RECOMMENDATION Recommended at the Feb 11 Recreation Committee

ATTORNEY RECOMMENDATION

(May be subject to Attorney/Client Privilege and not available under FOIA)

ADDITIONAL REMARKS

APPROVAL OF SUPERVISOR





Civil Engineers | Land Surveyors | Landscape Architects

experienced. responsive. passion for quality.

Branch Office: 7927 Nemco Way, Suite 115 • Brighton, MI 48116
t: 517.546.8583 • f: 517.546.8973 • www.peainc.com

January 24, 2020

PEA Proposal No: PR19-058

via email: JAWright@vanburen-mi.org

Ms. Jennifer Wright
Director of Parks and Recreation
Van Buren Township
46425 Tyler Road
Van Buren Township, MI 48111

**RE: Iron-Belle Trail
Proposal for Professional Services
Van Buren Township, Wayne County, Michigan**

Dear Ms. Wright:

PEA, Inc. is pleased to provide this proposal for professional services for a segment of the Iron Belle Trail through Van Buren Township.

Project Description

It is our understanding that Van Buren Township has received funding from the Michigan Department of Natural Resources (MDNR) for design and engineering services for a portion of the Iron Belle Trail that extends from Edgemont Street in Belleville to Martinsville Road on the south side of Huron River Drive. PEA will assist the Township in developing final plans as outlined below.

Scope of Services

A. Topographic Survey

In order to prepare an accurate set of plans for this project, it will be necessary to prepare an accurate survey of the existing conditions of the project area. This will include the following:

- Prepare a topographical survey of the pathway route on the south side of Huron River Drive including 50 foot beyond the edge of the road.
- Locate the R.O.W. and the approximate property lines of parcels along the south side of Huron River Drive Road.
- Locate any and all existing utilities visible from the surface and as indicated on records provided by the various applicable utility companies and agencies.
- Depict easements indicated in the Client provided title work.

B. Limited Geotechnical Investigation

PEA will complete five hand auger soil borings to a depth of 5' to determine the drainage capacity of the soil. PEA will provide a summary report of the findings.

C. Final Easement Documents (if required)

PEA will finalize the legal descriptions and exhibits for easements if required. There could be up to four easements. The Township will be responsible for contacting the property owners and negotiating the easements. PEA will provide the supporting plans and exhibits. The Township Attorney will be responsible for any legal agreements. The Township will be responsible for any filing and recording fees for the easements. Additional services and fees may apply to this task if additional easements are required or if additional meetings or plan revisions are required beyond what is noted above.

D. Construction Drawings

PEA will prepare detailed engineering Construction Drawings for permits and bidding. The Construction Drawings will include the following plans:

- Cover Sheet
- Topographic Survey
- Site Layout Plan
- Grading Plan and Drainage Plan
- Crosswalk | Ramp Details
- Landscape Restoration Plans
- Soil Erosion and Sedimentation Control Plan
- Construction Notes and Details
- Technical Specifications

This proposal assumes one (1) set of plan revisions will be required based on Client review comments.

E. Permits

A permit will be required to complete the project from Wayne County for construction within the R.O.W. PEA will prepare the permit application and exhibits, and will respond to review comments during the permitting process. If significant revisions to the project design are required during the permitting process, then additional services and fees may be required.

F. Bidding

PEA will assist the Township in preparing bid documents. The Township will provide their standard procurement documents and will be responsible for soliciting bids. PEA will prepare any necessary addenda and review bids. *(Two meetings are included in this phase for a pre-bid meeting and a meeting to review bids)*

G. Meetings

PEA will attend meetings as required throughout the project including meetings with representatives from the County and the Township. Since the exact number of meetings cannot be determined at this time, a budgetary estimate has been provided.

Fee Schedule

PEA will complete the above outlined professional services per the fees listed below. Work shall not proceed on any phase of work until authorized by the Township. If the scope of services changes and it appears that additional work will be needed to complete a new task, PEA will advise the Client as to the anticipated fees necessary to complete the new task.

Task A: Topographic Survey	\$ 11,000.00 lump sum
Task B: Geotechnical Investigation	\$ 1,500.00 lump sum
Task C: Final Easement Documents	\$ 4,000.00 Allowance
Task D: Construction Drawings	\$ 32,500.00 hourly not to exceed
Task E: Permits	\$ 4,200.00 lump sum
Task F: Bidding	\$ 3,500.00 lump sum
Task G: Meetings	\$ 2,500.00 hourly estimate
Total Fee	\$ 59,200.00

Reimbursable expenses such as the cost of printing, postage, permit application fees, reproduction and overnight mail service are not included in the above fee estimate and will be added separately on each invoice.

Assumptions and Understandings

Unless otherwise indicated in the proposal above, the following assumptions and understandings apply to this project:

- The work in this proposal is limited to the specific route noted in this proposal.
- Appraisal services are not included as part of this project.
- Boundary surveys are not included as part of this project.
- This proposal does not include services related to work related to cross walk signals, site lighting or any electrical work.
- The Township is responsible for all permit application fees.
- All work shall be performed in accordance with the standard terms and conditions indicated on the attached *Exhibit "A" (Hourly Rate Schedule and Standard Agreement for Professional Services)*.

Additional Services

PEA can provide a scope and fees for the following services upon request:

- Construction Administration
- Record Drawings
- Any other services and/or revisions not specifically described in the Scope of Services herein

We thank you for the opportunity to submit this proposal. When signing this proposal, Van Buren Township understands and accepts the fact that payment for services rendered is due within 30 days of the date of our invoice. Van Buren Township agrees that payments to PEA are not subject to local or state agency approvals, permit acquisitions, third party agreements, project financing, or closings. If this proposal is acceptable to you, please sign below and return one copy.

Sincerely,

PEA, Inc.



Jeffrey T. Smith, PLA, ASLA
Director of Landscape Architecture

Enclosure: Exhibit "A"

Van Buren Township

Signatory is responsible for payment

By:

Printed _____

Name: _____

Title: _____

Dated: _____

Email: _____

Phone: _____



EXHIBIT "A"

HOURLY RATE SCHEDULE FOR PROFESSIONAL SERVICES

(Hourly Rate Schedule is subject to annual increases)

3 PERSON SURVEY CREW.....	\$210.00	SENIOR PROJECT MANAGER.....	\$165.00
2 PERSON SURVEY CREW.....	170.00	PROJECT MANAGER.....	150.00
1 PERSON SURVEY CREW.....	135.00	PROJECT COORDINATOR.....	122.00-145.00
SENIOR LANDSCAPE ARCHITECT.....	122.00	SENIOR PROJECT SURVEYOR/ENGINEER.....	140.00
LANDSCAPE ARCHITECT.....	115.00	PROJECT SURVEYOR/ENGINEER.....	130.00
LANDSCAPE DESIGNER IV.....	107.00	SENIOR STAFF SURVEYOR/ENGINEER.....	115.00
LANDSCAPE DESIGNER III.....	102.00	PROJECT DESIGNER II.....	135.00
LANDSCAPE DESIGNER II.....	87.00	PROJECT DESIGNER I.....	110.00
LANDSCAPE DESIGNER I.....	77.00	STAFF ENGINEER III.....	110.00
PROFESSIONAL WETLAND SCIENTIST.....	145.00	STAFF ENGINEER II.....	105.00
SURVEY/ENGINEERING TECHNICIAN.IV.....	110.00	STAFF ENGINEER I.....	100.00
SURVEY/ENGINEERING TECHNICIAN III.....	100.00	STAFF SURVEYOR III.....	110.00
SURVEY/ENGINEERING TECHNICIAN II.....	95.00	STAFF SURVEYOR II.....	103.00
SURVEY/ENGINEERING TECHNICIAN I.....	85.00	STAFF SURVEYOR I.....	100.00
CAD TECHNICIAN III.....	95.00	CONSTRUCTION OBSERVER.....	70.00-110.00
CAD TECHNICIAN II.....	90.00	ADMINISTRATIVE SERVICES.....	65.00
CAD TECHNICIAN I.....	85.00	FIELD TECHNICIAN.....	60.00-110.00

Troxler Nuclear Density Meter \$55/day + Operator's Time

Expert Testimony and/or Depositions 50% added to Hourly Rate Schedule

This Hourly Rate Schedule represents standard rates for the hours between 7:00 am and 6:00 pm daily, Monday through Friday.

Premium rates (one and one-half times the standard rate) may be charged for over eight (8) hours in a day, time on weekends and/or Holidays.

REIMBURSABLE EXPENSES

The following expenses, when incurred in direct connection with the Project, will be charged at the rate shown:

Transportation, lodging and subsistence for out-of-town travel.....	Cost + 10% Administration Fees
Photographs, shipping and express delivery charges, and Project related purchases.....	Cost + 10% Administration Fees
Vehicle Mileage from PEA offices, exceeding a 30-mile radius will be charged at.....	\$0.70 per Mile
Obtain Subcontractors/Subconsultants to perform specialty work.....	Consultant Fee + 15% Administration
Fees Printing and reproduction.....	PEA Cost
Application Fees.....	Cost + 10% Administration Fees

STANDARD AGREEMENT FOR PROFESSIONAL SERVICES

ARTICLE I – AGREEMENT. This Agreement between the parties identified herein consists of the terms in the "Standard Agreement for Professional Services", the Hourly Rate Schedule and the Proposal. PEA refers to Professional Engineering Associates, Inc., which includes all Departments of PEA. CLIENT refers to person or entity with which PEA has contracted to perform professional services. Project refers to the scope of services outlined in the Proposal. PEA agrees not to begin work until the Proposal is executed by both parties.

ARTICLE II – SCOPE OF SERVICES. PEA's professional services under this Agreement extend only to those services specifically described in the Proposal. Other services will be considered as Additional Services. Should changes be made in the plan or phasing or implementation of the plan following initiation of the effort included within the scope of work, the CLIENT accepts that the extra effort and expenses necessary due to these changes will be treated as Additional Services. If upon the request of the CLIENT, PEA agrees to perform Additional Services, then CLIENT agrees to pay PEA for the performance of such Additional Services in accordance with the Hourly Rate Schedule. PEA will not accrue fees for Additional Services with without further authorization from the Client. All meetings and/or site visits requested beyond the maximum number indicated in the Scope-of-Work shall be billed on a Time and Material basis as Additional Services based on the Hourly Rate Schedule for Professional Services.

PEA may incorporate "Performance Specifications" as a component of Construction Documents. Performance Specifications rely upon a statement of systems, equipment and/or materials to be incorporated into the project in terms of required results, without mandating specific means for achieving the required results. Performance Specifications establish minimum standards which must be met by defining the functional requirements, the operating conditions and/or environment in which it must operate and/or related matters such as general standards which must be satisfied, warranty requirements, etc. Where performance specifications are used, they will be identified as such.

Where Performance Specifications are used, the Contractor, Subcontractors, Manufacturer and/or Supplier of the materials or equipment to be furnished assume design responsibility and liability for the applicable systems, equipment or materials. The Contractor, their Subcontractors, and others who actually manufacture and supply the items will be the sole parties liable to the CLIENT for loss or damage caused by defective or deficient design, manufacture or performance. PEA's shop drawing review is strictly to determine that manufacturers and suppliers have referenced the appropriate operating conditions and environment.

If PEA's services are delayed or suspended in whole or in part by CLIENT, act of God or other reason beyond PEA's control, or if PEA's services are extended by Contractor's actions or inactions for more than 90 days through no fault of PEA, PEA shall be entitled to equitable adjustment of rates and amounts of compensation and extension of deadline provided for elsewhere in this Agreement to reflect reasonable costs incurred by PEA in connection with, among other things, such delay or suspension and reactivation.

ARTICLE III – CONFIDENTIALITY. PEA shall maintain as confidential such information obtained from CLIENT or developed as part of the Services as CLIENT expressly designates in writing as confidential. This obligation shall not apply to information which is or comes into the public domain or which PEA is required to disclose by law or order of a court, administrative agency or other legal authority. Unless otherwise agreed, PEA may use and publish CLIENT'S name and a general description of the Services in describing PEA's experience to other CLIENTS or potential CLIENTS.

ARTICLE IV – STANDARD OF CARE. PEA shall perform or furnish professional engineering and related services as outlined in the Proposal for all phases of the Project to which this Agreement applies. PEA may employ Consultants, as PEA deems necessary to assist in the performance or furnishing of the services. PEA will assist the CLIENT in preparing applications and supporting documents for the CLIENT to secure permits and approvals from agencies having jurisdiction over the Project. The CLIENT agrees to pay all application and review fees. PEA shall perform the Services with the care and skill ordinarily exercised by members of PEA's profession practicing in the same locality under similar conditions. PEA makes no other warranty or guarantee, express or implied, in connection with this Agreement, the performance of the services or in any report, opinion or other document developed as part of the Services.

PEA and CLIENT shall comply with applicable Laws or Regulations. This Agreement is based on these requirements as of the Proposal date. Changes to these requirements after the Proposal date of this Agreement may be the basis for modifications to CLIENT'S responsibilities or to PEA's scope of services, times of performance, or compensation.

Information Provided by Others: Where PEA indicates to the CLIENT the information needed for rendering of services hereunder, the CLIENT shall provide PEA such information as is available to the CLIENT and the CLIENT'S Consultants and Contractors, and PEA shall be entitled to rely upon the accuracy and completeness thereof. The CLIENT recognizes that it is impossible for PEA to assure the accuracy, completeness and sufficiency of such information including aerial surveys, either because it is impossible to verify, or because of errors or omissions which may have occurred in assembling the information the CLIENT is providing. Accordingly, the CLIENT agrees, to the fullest extent permitted by law, to indemnify and hold PEA harmless from any claim, liability or cost (including reasonable attorneys' fees and costs of defense) for injury or loss arising or allegedly arising from errors, omissions or inaccuracies in documents or other information provided by the CLIENT or its agents or contractors to the PEA.

In consideration of the benefits to the CLIENT of employing the "fast track process" (in which some of PEA's design services overlap the construction work and are out of sequence with the traditional project delivery method), and in recognition of the inherent risks of fast tracking to PEA, the CLIENT agrees to waive all claims against PEA for design changes and modifications of portions of the work already constructed due to the CLIENT'S decision to employ the "fast track process".

CLIENT shall be responsible for, and PEA may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, and other information furnished by CLIENT to PEA pursuant to this Agreement.

ARTICLE V – SITE ACCESS, SUBSURFACE HAZARDS AND SITE DATA. CLIENT shall provide PEA with lawful access to the site(s) where the services are to be performed. CLIENT shall defend PEA from any challenge to such right-of-entry and shall indemnify and hold PEA harmless from any claims of trespass which may occur and all costs and attorneys' fees incurred by PEA as a result of any such claim. PEA will take reasonable measures to minimize damage to the site and disruption resulting from operations thereon; however, CLIENT acknowledges that certain procedures may cause some damage to land or disruption (i.e., soil borings, test pits, surveying, etc.), the correction of which shall not be PEA's responsibility unless otherwise agreed to by the parties. CLIENT shall supply PEA with information available in CLIENT'S file on the existence and location of underground utilities, structures and other hazards, including hazardous wastes or hazardous substances, at any site where the services are to be performed. PEA shall be entitled to rely on the accuracy and completeness of information furnished by others (including location of underground utilities and data on subsurface conditions) and will not conduct independent evaluation thereof unless specified in the scope of services. PEA shall not be liable for damage to underground utilities or structures not disclosed in writing to PEA.

In accepting this Agreement for consulting services, it is acknowledged by both parties that PEA's scope of services does not include any services related to a Hazardous Environmental Condition. In the event PEA or any other party encounters a Hazardous Environmental Condition, PEA may, at its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until CLIENT: (i) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the Hazardous Environmental Condition; and (ii) warrants that the site is in full compliance with applicable Laws and Regulations.

ARTICLE VI – BILLING, PAYMENTS AND COLLECTION. Unless otherwise agreed, CLIENT shall pay for the Services in accordance with PEA's Proposal and this Agreement.

Retainage – Should the client be required to make an initial payment (Retainer) as indicated in the Proposal this retainer shall be held by PEA and applied against the final invoice. PEA reserves the right to apply the retainer to invoices that are past due upon which occurrence the CLIENT agrees to reinstate the retainer prior to PEA resuming work.

Invoicing – Progress invoices will be submitted to the CLIENT approximately once a month and a final bill will be submitted upon completion of the services. Invoices shall be considered PAST DUE if not paid within 30 calendar days of the invoice date. CLIENT agrees that the periodic billing from PEA to CLIENT are correct, conclusive, binding on CLIENT and due and payable in full unless CLIENT, within 10 calendar days from the date of receipt of such billing, notifies PEA in writing of alleged inaccuracies, discrepancies, or errors in billing. Any portion of the invoice not included in the notification shall be paid within 30 days of receipt of the invoice. It is agreed that all invoices 30 days past due cannot be contested. Payments shall also be received directly from the CLIENT with no delay due to any third party agreements.

Late Fees – If payment is not received by PEA within 30 calendar days of the invoice date, the CLIENT shall pay interest on the PAST DUE amount at the rate of 18% per annum (for business entities) or 7% per annum (for individuals), as the case may be. Payment thereafter shall first be applied to costs of collection, then to interest and then to the unpaid contract amount.

Collection Costs – CLIENT shall pay to PEA all costs of collection (including the costs and fees of both in-house and outside counsel), whether or not an action or other proceeding is commenced. In the event legal action is necessary to enforce the payment provisions of this Agreement, PEA shall be entitled to collect from the CLIENT any judgment or settlement sums due, reasonable attorney's fees, court costs and expenses incurred by PEA in connection therewith and, in addition, the reasonable value of PEA's time, consultant's fees, and expenses spent in connection with such collection action, computed at PEA's prevailing Hourly Rate Schedule and expense policies.

Suspension of Services – If the CLIENT fails to make payment when due or otherwise is in breach of this Agreement, then PEA may, in addition to its other rights and remedies hereunder and under applicable law, terminate or suspend performance of services upon 7 calendar days' notice to the CLIENT. PEA shall have no liability whatsoever to the CLIENT for any costs or damages as a result of such suspension caused by any breach of this Agreement by the CLIENT. Failure to make payment within 60 days of invoice date shall constitute a release of PEA from any and all claims which CLIENT may have, whether in tort, contract or otherwise, and whether known or unknown at the time.

Lien Rights – PEA hereby notifies CLIENT that it intends to utilize all available lien rights it may have in connection with its provision of services under this Agreement. In order to perfect any construction lien in favor of PEA, CLIENT agrees to provide, if applicable, any Notice of Commencement, or any other notice required by the Michigan Construction Lien Act, MCL 570.00 et seq. The CLIENT agrees that the services by PEA are considered property improvements and the CLIENT waives the right to any legal defense to the contrary.

ARTICLE VII – LIMITATION OF LIABILITY. It is expressly agreed that the CLIENT's maximum recovery against PEA relating to the professional services performed hereunder, whether in contract, tort, or otherwise, is the amount of PEA's fee and that an award of damages not to exceed such fee is CLIENT's sole and exclusive remedy against PEA. Under no circumstance shall PEA be liable for client's loss of profit, delay damages, or for any special, incidental, or consequential loss or damage of any nature arising at any time or from any cause whatsoever. Where PEA's fee exceeds \$250,000 CLIENT's maximum recovery against PEA will not exceed \$250,000.

ARTICLE VIII – INDEMNIFICATION. Subject to Article VII above, PEA shall indemnify and hold harmless CLIENT, CLIENT'S officers, directors, partners, employees, consultants and its agents from and against any and all costs, losses, and damages (including but not limited to all actual and reasonable fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of PEA or PEA'S officers, directors, partners, employees, consultants, contractors or agents, in the performance and furnishing of PEA'S services under this Agreement.

To the fullest extent permitted by law, CLIENT shall indemnify and hold harmless PEA, PEA'S officers, directors, partners, employees, consultants and its agents, from and against any and all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of CLIENT or CLIENT'S officers, directors, partners, employees, consultants, contractors or agents, with respect to this Agreement or the Project.

To the fullest extent permitted by law, PEA's total liability to CLIENT and anyone claiming by, through, or under CLIENT for any cost, loss, or damages caused in part by the negligence of PEA and in part by the negligence of CLIENT or any other negligent entity or individual, shall not exceed the percentage share that PEA's negligence bears to the total negligence of CLIENT, PEA, and all other negligent entities and individuals.

In addition to the indemnity provided in this Agreement, and to the fullest extent permitted by law, CLIENT shall indemnify and hold harmless PEA and its officers, directors, partners, employees, consultants and its agents, from and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused by, arising out of or resulting from a Hazardous Environmental Condition, provided any such cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than completed Work), including the loss of use resulting therefrom.

ARTICLE IX – WORKSITE SAFETY / PEA SITE VISITS. PEA will comply with CLIENT'S reasonable rules and regulations governing PEA'S activities on CLIENT'S premises to the extent that the same are provided to PEA prior to the start of the Services. PEA will be responsible only for the on-site activities of its employees.

If the Services include site visits, for example, to monitor construction activities for compliance with plans and specifications, the parties agree that PEA shall assume no responsibility or authority for supervision or control over any Contractor's work or worksite safety, shall have no right to stop the work and shall have no responsibility or authority for the means, methods, techniques, sequencing or procedures of construction. The CLIENT agrees that the General Contractor is solely responsible for jobsite safety, and warrants that this intent shall be made evident in the CLIENT'S agreement with the General Contractor. The CLIENT also agrees that the CLIENT, PEA and consultants shall be indemnified and shall be listed as additional insureds under the General Contractor's General Liability Insurance Policy.

PEA shall not be responsible for the acts or omissions of any Contractor(s), Subcontractor or Supplier, or of any of the Contractor's agents or employees or any other persons (except PEA's own employees) at the Site or otherwise furnishing or performing any of the Contractor's work; or for any decision made on interpretations or clarifications of the Contract Documents given by CLIENT without consultation and advice of PEA. PEA neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform the work in accordance with the Contract Documents.

ARTICLE X – CONSTRUCTION PHASE SERVICES.

Should CLIENT provide Construction Phase services with either CLIENT'S representatives or a third party, PEA's basic services under this Agreement will be considered to be completed upon completion of the Final Design Phase or Bidding or Negotiating Phase as outlined in the attached Proposal.

Under these conditions it is understood and agreed that PEA's basic services under this Agreement do not include project observation, or review of the Contractor's performance, or any other Construction Phase services, and that such services will be provided by CLIENT. CLIENT assumes all responsibility for interpretation of the Contract Documents and for construction observation or review and waives any claims against PEA that may be in any way connected thereto.

Should the CLIENT or CLIENT'S representative encounter a conflict during construction between plans and specifications or field inspection, either among themselves or with the requirements of any and all reviewing and permit-issuing agencies, CLIENT shall seek clarification in writing from PEA before commencement of construction. Failure to do so shall relieve PEA from any and all liability resulting in this matter.

ARTICLE XI – REUSE OR ALTERATION OF DOCUMENTS. Documents prepared by PEA are instruments of its services and PEA retains all common law, statutory and other reserved rights, including copyright. Subject to the timely payment and performance by CLIENT of its obligations hereunder, PEA grants to CLIENT a limited license to use such document in connection with the Project.

Reuse of Documents: All documents, including but not limited to the calculations, drawings, and specifications prepared by PEA pursuant to this Agreement, whether in hard copy or machine readable form, are related exclusively to the Projects described herein. No documents prepared by PEA pursuant to this Agreement are intended or represented to be suitable for use by the CLIENT or others on extensions of this current Project, or for reuse in any other location.

Further, in the event that PEA's services under this Agreement are terminated for any reason prior to completion of the services described herein, then PEA shall not be responsible for any incomplete documents. Any continued use of PEA's documents on this Project, whether in hard copy or machine readable form, or any use on any other location, with or without any changes or adaptations, made after termination of PEA prior to completion of PEA's services according to this Agreement will be at the CLIENT'S sole risk and without liability or legal recourse to PEA; and the CLIENT shall indemnify and hold PEA harmless from all claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of or resulting therefrom.

The CLIENT recognizes that changes or modifications to PEA's instruments of professional service introduced by anyone other than PEA may result in adverse consequences that PEA can neither predict nor control. Therefore, in consideration of PEA's Agreement to deliver its instruments of professional service in machine-readable form, the CLIENT agrees, to the fullest extent permitted by law, to hold harmless and indemnify PEA from and against all claims, liabilities, losses, damages, and costs, including but not limited to attorney's fees, arising out of or in any way connected in the modification, misinterpretation, misuse, or reuse by other of the machine readable information and data provided by PEA under this Agreement. The foregoing indemnification applies to any use of the Project documentation on other projects, for additions to this Project, or for completion of this Project by others, excepting only such use as may be authorized, in writing, by PEA.

Ownership and the right to exclusive possession of all documents, including but not limited to reports, letters, applications, drawings, and specifications, prepared by PEA pursuant to this Agreement whether in hard copy or machine readable form, belong to PEA until payment has been made in full by CLIENT pursuant to either the Fixed Fee Agreement or the Hourly Rate Agreement, as invoiced by PEA to CLIENT.

Photographs of any completed Project embodying the services of PEA provided hereunder may be considered as its property, and may be used in publications, marketing materials, and other literature prepared by or on behalf of PEA.

ARTICLE XII – PROGRESSION OF WORK. Neither CLIENT nor PEA shall be liable for any fault or delay caused by any contingency beyond its control including, but not limited to, acts of God, wars, strikes, walkouts, fires, natural calamities, work performed out of sequence or demands or requirements of governmental agencies.

ARTICLE XIII – DISPUTE RESOLUTION – for Professional Liability

Mediation – Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to arbitration or the institution of legal or equitable proceedings by either party. If such matter relates to or is the subject of a lien arising out of PEA's services, PEA may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by arbitration.

PEA and CLIENT shall endeavor to resolve claims, disputes and other matters in question between them by mediation which, unless the parties mutually agree otherwise, shall be in accordance with the Construction Industry Mediation Rules of the American Arbitration Association currently in effect. Request for mediation shall be made by a written notice to the other party to this Agreement and to the American Arbitration Association. The request may be made concurrently with the filing of a demand for arbitration but, in such event, mediation shall proceed in advance of arbitrations or legal or equitable proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order.

The parties agree to split the mediator's fee and any filing fees equally. The mediation shall be held in a place where the Project is located, unless other location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

Arbitration – Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to arbitration. Prior to arbitration, the parties shall endeavor to resolve disputes by mediation.

Any claim, dispute and other matters in question between the parties that are not resolved by mediation shall be decided by binding arbitration which, unless the parties mutually agree otherwise, shall be conducted at the Southfield, Michigan, offices of the American Arbitration Association before a panel of three (3) arbitrators in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect. Demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. A demand for arbitration shall be made within a reasonable time after the claim, dispute, or other matter in question has arisen. In no event shall the demand for arbitration be made more than one (1) year after the matter on which such demand is based first arose, or after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter is question would be barred by the applicable statute of limitations whichever is less. No claim or defense by CLIENT against PEA predicated on an allegation of professional negligence by PEA may be asserted unless accompanied by a written opinion by a duly licensed expert in PEA's field of expertise setting forth such expert's opinion that, considering all of the facts and circumstances evaluated by such expert, the acts or omissions of PEA materially deviated from the applicable industry standard of care. Such a written opinion shall be a condition precedent to filing or otherwise asserting any claim or defense predicated on professional negligence, and CLIENT's failure to include such an opinion with any such claim or defense shall entitle PEA to an immediate summary dismissal with prejudice of such claim or defense for failure to state a claim or defense upon which relief may be granted.

No arbitration arising out of or relating to the Project shall include, by consolidation or joinder or in any other manner, PEA, PEA's employees or consultants, except by written consent containing specific reference to the Agreement and signed by PEA, the CLIENT, the contractor and any other person or entity sought to be joined. No arbitration shall include, by consolidation or joinder or in any other manner, parties other than the CLIENT, contractor and other persons substantially involved in a common question of fact or law whose presence is required if complete relief is to be accorded in arbitration. No person or entity other than the CLIENT or the contractor shall be included as an original third party or additional third party to an arbitration whose interest or responsibility is insubstantial. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of a claim not described therein or with a person or entity not named or described therein. The foregoing Agreement to arbitrate and other agreement to arbitrate with an additional person or entity duly consented to by parties to the Agreement shall be specifically enforceable under applicable law in any court having jurisdiction thereof.

The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

Expense of Litigation – If litigation or arbitration related to the services performed is initiated against PEA by the CLIENT, its contractors, or subcontractors, and such proceeding concludes with the entry of a judgment or award favorable to PEA, the CLIENT shall reimburse PEA its reasonable attorney's fees, reasonable experts' fees, and other expenses related to the proceeding. Such expenses shall include the cost, determined by PEA's normal hourly billing rates, of the time devoted to the proceedings by PEA's employees.

ARTICLE XIV – SUSPENSION OF WORK. The CLIENT may suspend services performed by PEA with cause upon 7 days written notice. PEA shall submit an invoice for services up to the effective date of the work suspension and the CLIENT shall pay PEA all outstanding invoices within 14 days. If the work suspension exceeds 30 days from the effective work suspension date, PEA shall be entitled to renegotiate the Project schedule and the compensation terms for the Project.

ARTICLE XV – TERMINATION. The obligation to provide further services under this Agreement may be terminated by either party upon 7-calendar day's written notice. Upon receipt of notice of termination from CLIENT, PEA shall immediately cease work and take all reasonable steps to minimize costs relating to termination. In the event of any termination, PEA will be paid for all services rendered to the date of termination, all expenses subject to reimbursement hereunder and other reasonable expenses incurred by PEA as a result of such termination. In the event PEA's compensation under this Agreement is a Fixed Fee/Lump Sum, upon such termination the amount payable to PEA for services rendered will be determined using a proportional amount of the total fee based on a ratio of the amount of the work done, as reasonably determined by PEA, the total amount of work which was to have been performed, less prior partial payments, if any, which have been made.

ARTICLE XVI – SUCCESSOR, ASSIGNS. This Agreement shall be binding upon the parties and their respective successors and assigns. Neither party shall assign its interest in this Agreement without the prior written consent of the other.

PEA shall not be required to sign any documents, no matter by whom requested, that would result in PEA's having to certify, guarantee or warrant the existence of conditions whose existence that PEA cannot ascertain. CLIENT agrees not to make resolution of any dispute with PEA or payment of any amount due to the PEA in any way contingent upon PEA's signing any such certification.

ARTICLE XVII – SEVERABILITY. Any provision of these terms later held to violate any law shall be deemed void and all remaining provisions shall continue in force. In such event, the CLIENT and PEA will work in good faith to replace an invalid provision with one that is valid and as close to the original meaning as possible.

ARTICLE XVIII – APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan and the parties consent to exclusive jurisdiction of all disputes hereunder in the State of Michigan.

ARTICLE XIX – ENTIRE AGREEMENT. CLIENT, by signing the attached Proposal, acknowledges that this Agreement has been read, understands it and agrees to be bound by its terms. The terms and conditions of this Agreement, together with the PEA Proposal (including attachments thereto) and any applicable Addendum, constitute the entire Agreement between the parties and supersede all prior oral or written representations, understandings and agreements. The CLIENT is expressly prohibited during the term of, and for one year following the expiration or termination of this Agreement, and it will be considered a material breach of this Agreement, to solicit for the purposes of employment an employee of PEA without the prior written consent of PEA. The parties agree that any purchase orders, work orders, acknowledgments, form agreements or other similar documents delivered to PEA shall be null, void and without legal effect to the extent that they conflict with the terms of this Agreement. This Agreement may be amended or modified only by a written instrument signed by both parties. Each person signing the Proposal represents that he or she has full legal authority to bind the parties to the terms and conditions contained in this Agreement.

Charter Township of Van Buren

Agenda Item 5

REQUEST FOR BOARD ACTION

WORK STUDY: FEBRUARY 18, 2020
BOARD DATE: FEBRUARY 18, 2020

New Business

Unfinished Business

Public Hearing

Consent Agenda

ITEM (SUBJECT)

Consider approval of PEA Inc., professional services for the segment of the Iron Belle Trail through the east end of Van Buren Township and have the Supervisor and Clerk execute the agreement.

DEPARTMENT

Parks and Recreation

PRESENTER

Director Jennifer Wright Parks and Recreation

PHONE NUMBER

734-699-8921

INDIVIDUALS IN ATTENDANCE (OTHER THAN PRESENTER)

Agenda topic

ACTION REQUESTED

Consider approval of PEA Inc., professional services for the segment of the Iron Belle Trail through the east end of Van Buren Township and have the Supervisor and Clerk execute the agreement.

BACKGROUND – (SUPPORTING AND REFERENCE DATA, INCLUDE ATTACHMENTS)

With the continued funding Van Buren Township is receiving from the State of Michigan Department of Natural Resources second mini-grant program of \$50,000, we would like to continue to work with PEA Inc.

This particular contract is for the east end of Van Buren Township. PEA Inc, has identified a segment of pathway noted as section "J" in the Van Buren Township Iron Belle Trail phasing map. This segment includes a rail crossing and is critical to the success of the overall route at the east end of the Township and should be prioritized for further advancement of the overall route. The project area is the south side of Huron River Dr. between Edison Lake Road and Haggerty Road.

PEA Inc, will assist the Township in developing preliminary plans, topographic survey, obtain rail crossing permit, construction drawings and meetings.

BUDGET IMPLICATION In-kind staff services as a grant match

IMPLEMENTATION NEXT STEP

PEA proposes to begin work on this project upon notice

DEPARTMENT RECOMMENDATION Approved

COMMITTEE/COMMISSION RECOMMENDATION Recommended at the Feb 11 Recreation Committee

ATTORNEY RECOMMENDATION

(May be subject to Attorney/Client Privilege and not available under FOIA)

ADDITIONAL REMARKS

APPROVAL OF SUPERVISOR





Civil Engineers | Land Surveyors | Landscape Architects

experienced · responsive · passion for quality

Branch Office: 7927 Nemco Way, Suite 115 • Brighton, MI 48116
t 517.546.8583 • f 517.546.8973 • www.peainc.com

November 15, 2019
PEA Proposal No: PR19-799

via email: JAWright@vanburen-mi.org

Ms. Jennifer Wright
Director of Parks and Recreation
Van Buren Township
46425 Tyler Road
Van Buren Township, MI 48111

**RE: Iron-Belle Trail- Section J
Proposal for Professional Services
Van Buren Township, Wayne County, Michigan**

Dear Ms. Wright:

PEA, Inc. is pleased to provide this proposal for professional services for a segment of the Iron Belle Trail through Van Buren Township.

Project Description

It is our understanding that Van Buren Township has received funding from the Michigan Department of Natural Resources (MDNR) through a mini-grant application that PEA assisted the Township with in 2019. The grant request was to advance the Iron Belle Trail design effort in the Township by further developing engineering and permitting plans for an area of the pathway at the east end of the Township. PEA has identified a segment of pathway noted as section J in the Van Buren Iron Belle Trail phasing map. This segment includes a rail crossing and is critical to the success of the overall route at the east end of the Township and should be prioritized for further advancement of the overall route. The project area is the south side of Huron River Drive between Edison Lake Road and Haggerty Road. PEA will assist the Township in developing plans for this segment as outlined below.

Scope of Services

A. Topographic Survey

In order to prepare an accurate set of plans for this project, it will be necessary to prepare an accurate survey of the existing conditions of the project area. This will include the following:

- Prepare a topographical survey of a 50' wide corridor along the project area extending from Edison Lake Road to the Haggerty Road on the south side of Huron River Drive.
- Locate the R.O.W. of Huron River Drive.
- Locate any and all existing utilities visible from the surface and as indicated on records provided by the various applicable utility companies and agencies.
- Depict easements indicated in the Client provided title work.

B. Design Development Documents

PEA will develop a detailed design of the proposed pathway alignment. This will include a detailed grading plan beyond what was proposed on the preliminary engineering plans previously prepared by PEA. The intent of this phase is to develop plans sufficient for permitting.

C. Rail Crossing Permit

PEA will assist the Township preparing a permit application for the proposed rail crossing. PEA will complete the required plans/exhibits and application and submit the railroad for approval. PEA will make revisions to the plans as requested during the review process.

Permit Fees Paid By Township:

\$500 Railroad – Non-refundable Crossing Application Fee

\$10,000-\$15,000 Railroad Preliminary Engineering Review Fee (Concept thru final Review)

D. Construction Drawings

PEA will prepare detailed engineering Construction Drawings of the project area. PEA will provide the following plan sheets:

- Site Layout Plan
- Grading Plan and Drainage Plan
- Soil Erosion and Sedimentation Control Plan
- Rail Crossing Details

The construction documents for this area will be developed to 90%. Final bid documents and specifications are not included in the scope of work.

E. Meetings

PEA will attend meetings as required throughout the project. Since the exact number of meetings cannot be determined at this time, a budgetary estimate has been provided.

Fee Schedule

PEA will complete the above outlined professional services per the fees listed below. If the scope of services changes and it appears that additional work will be needed to complete a new task, PEA will advise the Client as to the anticipated fees necessary to complete the new task.

Phase II

Task A: Topographic Survey	\$ 9,000.00	lump sum
Task B: Design Development Documents	\$ 4,500.00	lump sum
Task C: Rail Crossing Permit	\$ 3,500.00	lump sum
Task D: Construction Drawings	\$14,500.00	lump sum
Task E: Meetings	\$ 2,500.00	hourly estimate
Total Fee	\$34,000.00	

Reimbursable expenses such as the cost of printing, postage, permit application fees, reproduction and overnight mail service are not included in the above fee estimate and will be added separately on each invoice.

Assumptions and Understandings

Unless otherwise indicated in the proposal above, the following assumptions and understandings apply to this project:

- The work in this proposal is limited to the specific area noted in this proposal.
- Public Meetings are not included in this proposal.
- Services related to pedestrian traffic lights are not included in this proposal.
- The Township is responsible for all permit application fees.
- Services related to bidding and permitting other than the rail crossing permit noted above, are not included.
- All work shall be performed in accordance with the standard terms and conditions indicated on the attached *Exhibit "A" (Hourly Rate Schedule and Standard Agreement for Professional Services)*.

We thank you for the opportunity to submit this proposal. When signing this proposal, Van Buren Township understands and accepts the fact that payment for services rendered is due within 30 days of the date of our invoice. Van Buren Township agrees that payments to PEA are not subject to local or state agency approvals, permit acquisitions, third party agreements, project financing, or closings.

If this proposal is acceptable to you, please sign below and return one copy.

Sincerely,

PEA, Inc.



Jeffrey T. Smith, PLA, ASLA
Director of Landscape Architecture

Attachment: Exhibit "A"

Van Buren Township

Signatory is responsible for payment

By:

Printed _____

Name: _____

Title: _____

Dated: _____

Email: _____

Phone: _____



EXHIBIT "A"

HOURLY RATE SCHEDULE FOR PROFESSIONAL SERVICES
(Hourly Rate Schedule is subject to annual increases)

Table with two columns listing professional services and their hourly rates. Services include Survey Crews, Landscape Architects, Designers, Technicians, Engineers, and Project Managers.

Troxler Nuclear Density Meter \$50/day + Operator's Time
Expert Testimony and/or Depositions 50% added to Hourly Rate Schedule
This Hourly Rate Schedule represents standard rates for the hours between 7:00 am and 6:00 pm daily, Monday through Friday.
Premium rates (one and one-half times the standard rate) may be charged for over eight (8) hours in a day, time on weekends and/or Holidays.

REIMBURSABLE EXPENSES

The following expenses, when incurred in direct connection with the Project, will be charged at the rate shown:

Table listing reimbursable expenses such as Transportation, lodging, subsistence, Photographs, shipping, express delivery charges, Vehicle Mileage, Obtain Subcontractors, Fees Printing and reproduction, and Application Fees, along with their respective cost structures.

STANDARD AGREEMENT FOR PROFESSIONAL SERVICES

ARTICLE I – AGREEMENT. This Agreement between the parties identified herein consists of the terms in the "Standard Agreement for Professional Services", the Hourly Rate Schedule and the Proposal. PEA refers to Professional Engineering Associates, Inc., which includes all Departments of PEA. CLIENT refers to person or entity with which PEA has contracted to perform professional services. Project refers to the scope of services outlined in the Proposal. PEA agrees not to begin work until the Proposal is executed by both parties.

ARTICLE II – SCOPE OF SERVICES. PEA's professional services under this Agreement extend only to those services specifically described in the Proposal. Other services will be considered as Additional Services. Should changes be made in the plan or phasing or implementation of the plan following initiation of the effort included within the scope of work, the CLIENT accepts that the extra effort and expenses necessary due to these changes will be treated as Additional Services. If upon the request of the CLIENT, PEA agrees to perform Additional Services, then CLIENT agrees to pay PEA for the performance of such Additional Services in accordance with the Hourly Rate Schedule. PEA will not accrue fees for Additional Services with without further authorization from the Client. All meetings and/or site visits requested beyond the maximum number indicated in the Scope-of-Work shall be billed on a Time and Material basis as Additional Services based on the Hourly Rate Schedule for Professional Services.

PEA may incorporate "Performance Specifications" as a component of Construction Documents. Performance Specifications rely upon a statement of systems, equipment and/or materials to be incorporated into the project in terms of required results, without mandating specific means for achieving the required results. Performance Specifications establish minimum standards which must be met by defining the functional requirements, the operating conditions and/or environment in which it must operate and/or related matters such as general standards which must be satisfied, warranty requirements, etc. Where performance specifications are used, they will be identified as such.

Where Performance Specifications are used, the Contractor, Subcontractors, Manufacturer and/or Supplier of the materials or equipment to be furnished assume design responsibility and liability for the applicable systems, equipment or materials. The Contractor, their Subcontractors, and others who actually manufacture and supply the items will be the sole parties liable to the CLIENT for loss or damage caused by defective or deficient design, manufacture or performance. PEA's shop drawing review is strictly to determine that manufacturers and suppliers have referenced the appropriate operating conditions and environment.

If PEA's services are delayed or suspended in whole or in part by CLIENT, act of God or other reason beyond PEA's control, or if PEA's services are extended by Contractor's actions or inactions for more than 90 days through no fault of PEA, PEA shall be entitled to equitable adjustment of rates and amounts of compensation and extension of deadline provided for elsewhere in this Agreement to reflect reasonable costs incurred by PEA in connection with, among other things, such delay or suspension and reactivation.

ARTICLE III – CONFIDENTIALITY. PEA shall maintain as confidential such information obtained from CLIENT or developed as part of the Services as CLIENT expressly designates in writing as confidential. This obligation shall not apply to information which is or comes into the public domain or which PEA is required to disclose by law or order of a court, administrative agency or other legal authority. Unless otherwise agreed, PEA may use and publish CLIENT'S name and a general description of the Services in describing PEA's experience to other CLIENTS or potential CLIENTS.

ARTICLE IV – STANDARD OF CARE. PEA shall perform or furnish professional engineering and related services as outlined in the Proposal for all phases of the Project to which this Agreement applies. PEA may employ Consultants, as PEA deems necessary to assist in the performance or furnishing of the services. PEA will assist the CLIENT in preparing applications and supporting documents for the CLIENT to secure permits and approvals from agencies having jurisdiction over the Project. The CLIENT agrees to pay all application and review fees. PEA shall perform the Services with the care and skill ordinarily exercised by members of PEA's profession practicing in the same locality under similar conditions. PEA makes no other warranty or guarantee, express or implied, in connection with this Agreement, the performance of the services or in any report, opinion or other document developed as part of the Services.

PEA and CLIENT shall comply with applicable Laws or Regulations. This Agreement is based on these requirements as of the Proposal date. Changes to these requirements after the Proposal date of this Agreement may be the basis for modifications to CLIENT'S responsibilities or to PEA's scope of services, times of performance, or compensation.

Information Provided by Others: Where PEA indicates to the CLIENT the information needed for rendering of services hereunder, the CLIENT shall provide PEA such information as is available to the CLIENT and the CLIENT'S Consultants and Contractors, and PEA shall be entitled to rely upon the accuracy and completeness thereof. The CLIENT recognizes that it is impossible for PEA to assure the accuracy, completeness and sufficiency of such information including aerial surveys, either because it is impossible to verify, or because of errors or omissions which may have occurred in assembling the information the CLIENT is providing. Accordingly, the CLIENT agrees, to the fullest extent permitted by law, to indemnify and hold PEA harmless from any claim, liability or cost (including reasonable attorneys' fees and costs of defense) for injury or loss arising or allegedly arising from errors, omissions or inaccuracies in documents or other information provided by the CLIENT or its agents or contractors to the PEA.

In consideration of the benefits to the CLIENT of employing the "fast track process" (in which some of PEA's design services overlap the construction work and are out of sequence with the traditional project delivery method), and in recognition of the inherent risks of fast tracking to PEA, the CLIENT agrees to waive all claims against PEA for design changes and modifications of portions of the work already constructed due to the CLIENT'S decision to employ the "fast track process".

CLIENT shall be responsible for, and PEA may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, and other information furnished by CLIENT to PEA pursuant to this Agreement.

ARTICLE V – SITE ACCESS, SUBSURFACE HAZARDS AND SITE DATA. CLIENT shall provide PEA with lawful access to the site(s) where the services are to be performed. CLIENT shall defend PEA from any challenge to such right-of-entry and shall indemnify and hold PEA harmless from any claims of trespass which may occur and all costs and attorneys' fees incurred by PEA as a result of any such claim. PEA will take reasonable measures to minimize damage to the site and disruption resulting from operations thereon; however, CLIENT acknowledges that certain procedures may cause some damage to land or disruption (i.e., soil borings, test pits, surveying, etc.), the correction of which shall not be PEA's responsibility unless otherwise agreed to by the parties. CLIENT shall supply PEA with information available in CLIENT'S file on the existence and location of underground utilities, structures and other hazards, including hazardous wastes or hazardous substances, at any site where the services are to be performed. PEA shall be entitled to rely on the accuracy and completeness of information furnished by others (including location of underground utilities and data on subsurface conditions) and will not conduct independent evaluation thereof unless specified in the scope of services. PEA shall not be liable for damage to underground utilities or structures not disclosed in writing to PEA.

In accepting this Agreement for consulting services, it is acknowledged by both parties that PEA's scope of services does not include any services related to a Hazardous Environmental Condition. In the event PEA or any other party encounters a Hazardous Environmental Condition, PEA may, at its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until CLIENT: (i) retains appropriate specialist consultant(s) or contractor(s) to identify and, as appropriate, abate, remediate, or remove the Hazardous Environmental Condition; and (ii) warrants that the site is in full compliance with applicable Laws and Regulations.

ARTICLE VI – BILLING, PAYMENTS AND COLLECTION. Unless otherwise agreed, CLIENT shall pay for the Services in accordance with PEA's Proposal and this Agreement.

Retainage – Should the client be required to make an initial payment (Retainer) as indicated in the Proposal this retainer shall be held by PEA and applied against the final invoice. PEA reserves the right to apply the retainer to invoices that are past due upon which occurrence the CLIENT agrees to reinstate the retainer prior to PEA resuming work.

Invoicing – Progress invoices will be submitted to the CLIENT approximately once a month and a final bill will be submitted upon completion of the services. Invoices shall be considered PAST DUE if not paid within 30 calendar days of the invoice date. CLIENT agrees that the periodic billing from PEA to CLIENT are correct, conclusive, binding on CLIENT and due and payable in full unless CLIENT, within 10 calendar days from the date of receipt of such billing, notifies PEA in writing of alleged inaccuracies, discrepancies, or errors in billing. Any portion of the invoice not included in the notification shall be paid within 30 days of receipt of the invoice. It is agreed that all invoices 30 days past due cannot be contested. Payments shall also be received directly from the CLIENT with no delay due to any third party agreements.

Late Fees – If payment is not received by PEA within 30 calendar days of the invoice date, the CLIENT shall pay interest on the PAST DUE amount at the rate of 18% per annum (for business entities) or 7% per annum (for individuals), as the case may be. Payment thereafter shall first be applied to costs of collection, then to interest and then to the unpaid contract amount.

Collection Costs – CLIENT shall pay to PEA all costs of collection (including the costs and fees of both in-house and outside counsel), whether or not an action or other proceeding is commenced. In the event legal action is necessary to enforce the payment provisions of this Agreement, PEA shall be entitled to collect from the CLIENT any judgment or settlement sums due, reasonable attorney's fees, court costs and expenses incurred by PEA in connection therewith and, in addition, the reasonable value of PEA's time, consultant's fees, and expenses spent in connection with such collection action, computed at PEA's prevailing Hourly Rate Schedule and expense policies.

Suspension of Services – If the CLIENT fails to make payment when due or otherwise is in breach of this Agreement, then PEA may, in addition to its other rights and remedies hereunder and under applicable law, terminate or suspend performance of services upon 7 calendar days' notice to the CLIENT. PEA shall have no liability whatsoever to the CLIENT for any costs or damages as a result of such suspension caused by any breach of this Agreement by the CLIENT. Failure to make payment within 60 days of invoice date shall constitute a release of PEA from any and all claims which CLIENT may have, whether in tort, contract or otherwise, and whether known or unknown at the time.

Lien Rights – PEA hereby notifies CLIENT that it intends to utilize all available lien rights it may have in connection with its provision of services under this Agreement. In order to perfect any construction lien in favor of PEA, CLIENT agrees to provide, if applicable, any Notice of Commencement, or any other notice required by the Michigan Construction Lien Act, MCL 570.00 et seq. The CLIENT agrees that the services by PEA are considered property improvements and the CLIENT waives the right to any legal defense to the contrary.

ARTICLE VII – LIMITATION OF LIABILITY. It is expressly agreed that the CLIENT's maximum recovery against PEA relating to the professional services performed hereunder, whether in contract, tort, or otherwise, is the amount of PEA's fee and that an award of damages not to exceed such fee is CLIENT's sole and exclusive remedy against PEA. Under no circumstance shall PEA be liable for client's loss of profit, delay damages, or for any special, incidental, or consequential loss or damage of any nature arising at any time or from any cause whatsoever. Where PEA's fee exceeds \$250,000 CLIENT's maximum recovery against PEA will not exceed \$250,000.

ARTICLE VIII – INDEMNIFICATION. Subject to Article VII above, PEA shall indemnify and hold harmless CLIENT, CLIENT'S officers, directors, partners, employees, consultants and its agents from and against any and all costs, losses, and damages (including but not limited to all actual and reasonable fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of PEA or PEA'S officers, directors, partners, employees, consultants, contractors or agents, in the performance and furnishing of PEA'S services under this Agreement.

To the fullest extent permitted by law, CLIENT shall indemnify and hold harmless PEA, PEA'S officers, directors, partners, employees, consultants and its agents, from and against any and all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused solely by the negligent acts or omissions of CLIENT or CLIENT'S officers, directors, partners, employees, consultants, contractors or agents, with respect to this Agreement or the Project.

To the fullest extent permitted by law, PEA's total liability to CLIENT and anyone claiming by, through, or under CLIENT for any cost, loss, or damages caused in part by the negligence of PEA and in part by the negligence of CLIENT or any other negligent entity or individual, shall not exceed the percentage share that PEA's negligence bears to the total negligence of CLIENT, PEA, and all other negligent entities and individuals.

In addition to the indemnity provided in this Agreement, and to the fullest extent permitted by law, CLIENT shall indemnify and hold harmless PEA and its officers, directors, partners, employees, consultants and its agents, from and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused by, arising out of or resulting from a Hazardous Environmental Condition, provided any such cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than completed Work), including the loss of use resulting therefrom.

ARTICLE IX – WORKSITE SAFETY / PEA SITE VISITS. PEA will comply with CLIENT'S reasonable rules and regulations governing PEA's activities on CLIENT'S premises to the extent that the same are provided to PEA prior to the start of the Services. PEA will be responsible only for the on-site activities of its employees.

If the Services include site visits, for example, to monitor construction activities for compliance with plans and specifications, the parties agree that PEA shall assume no responsibility or authority for supervision or control over any Contractor's work or worksite safety, shall have no right to stop the work and shall have no responsibility or authority for the means, methods, techniques, sequencing or procedures of construction. The CLIENT agrees that the General Contractor is solely responsible for jobsite safety, and warrants that this intent shall be made evident in the CLIENT'S agreement with the General Contractor. The CLIENT also agrees that the CLIENT, PEA and consultants shall be indemnified and shall be listed as additional insureds under the General Contractor's General Liability Insurance Policy.

PEA shall not be responsible for the acts or omissions of any Contractor(s), Subcontractor or Supplier, or of any of the Contractor's agents or employees or any other persons (except PEA's own employees) at the Site or otherwise furnishing or performing any of the Contractor's work; or for any decision made on interpretations or clarifications of the Contract Documents given by CLIENT without consultation and advice of PEA. PEA neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform the work in accordance with the Contract Documents.

ARTICLE X – CONSTRUCTION PHASE SERVICES.

Should CLIENT provide Construction Phase services with either CLIENT'S representatives or a third party, PEA's basic services under this Agreement will be considered to be completed upon completion of the Final Design Phase or Bidding or Negotiating Phase as outlined in the attached Proposal.

Under these conditions it is understood and agreed that PEA's basic services under this Agreement do not include project observation, or review of the Contractor's performance, or any other Construction Phase services, and that such services will be provided by CLIENT. CLIENT assumes all responsibility for interpretation of the Contract Documents and for construction observation or review and waives any claims against PEA that may be in any way connected thereto.

Should the CLIENT or CLIENT'S representative encounter a conflict during construction between plans and specifications or field inspection, either among themselves or with the requirements of any and all reviewing and permit-issuing agencies, CLIENT shall seek clarification in writing from PEA before commencement of construction. Failure to do so shall relieve PEA from any and all liability resulting in this matter.

ARTICLE XI – REUSE OR ALTERATION OF DOCUMENTS. Documents prepared by PEA are instruments of its services and PEA retains all common law, statutory and other reserved rights, including copyright. Subject to the timely payment and performance by CLIENT of its obligations hereunder, PEA grants to CLIENT a limited license to use such document in connection with the Project.

Reuse of Documents: All documents, including but not limited to the calculations, drawings, and specifications prepared by PEA pursuant to this Agreement, whether in hard copy or machine readable form, are related exclusively to the Projects described herein. No documents prepared by PEA pursuant to this Agreement are intended or represented to be suitable for use by the CLIENT or others on extensions of this current Project, or for reuse in any other location.

Further, in the event that PEA's services under this Agreement are terminated for any reason prior to completion of the services described herein, then PEA shall not be responsible for any incomplete documents. Any continued use of PEA's documents on this Project, whether in hard copy or machine readable form, or any use on any other location, with or without any changes or adaptations, made after termination of PEA prior to completion of PEA's services according to this Agreement will be at the CLIENT'S sole risk and without liability or legal recourse to PEA; and the CLIENT shall indemnify and hold PEA harmless from all claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of or resulting therefrom.

The CLIENT recognizes that changes or modifications to PEA's instruments of professional service introduced by anyone other than PEA may result in adverse consequences that PEA can neither predict nor control. Therefore, in consideration of PEA's Agreement to deliver its instruments of professional service in machine-readable form, the CLIENT agrees, to the fullest extent permitted by law, to hold harmless and indemnify PEA from and against all claims, liabilities, losses, damages, and costs, including but not limited to attorney's fees, arising out of or in any way connected in the modification, misinterpretation, misuse, or reuse by other of the machine readable information and data provided by PEA under this Agreement. The foregoing indemnification applies to any use of the Project documentation on other projects, for additions to this Project, or for completion of this Project by others, excepting only such use as may be authorized, in writing, by PEA.

Ownership and the right to exclusive possession of all documents, including but not limited to reports, letters, applications, drawings, and specifications, prepared by PEA pursuant to this Agreement whether in hard copy or machine readable form, belong to PEA until payment has been made in full by CLIENT pursuant to either the Fixed Fee Agreement or the Hourly Rate Agreement, as invoiced by PEA to CLIENT.

Photographs of any completed Project embodying the services of PEA provided hereunder may be considered as its property, and may be used in publications, marketing materials, and other literature prepared by or on behalf of PEA.

ARTICLE XII – PROGRESSION OF WORK. Neither CLIENT nor PEA shall be liable for any fault or delay caused by any contingency beyond its control including, but not limited to, acts of God, wars, strikes, walkouts, fires, natural calamities, work performed out of sequence or demands or requirements of governmental agencies.

ARTICLE XIII – DISPUTE RESOLUTION – for Professional Liability

Mediation – Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to arbitration or the institution of legal or equitable proceedings by either party. If such matter relates to or is the subject of a lien arising out of PEA's services, PEA may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by arbitration.

PEA and CLIENT shall endeavor to resolve claims, disputes and other matters in question between them by mediation which, unless the parties mutually agree otherwise, shall be in accordance with the Construction Industry Mediation Rules of the American Arbitration Association currently in effect. Request for mediation shall be made by a written notice to the other party to this Agreement and to the American Arbitration Association. The request may be made concurrently with the filing of a demand for arbitration but, in such event, mediation shall proceed in advance of arbitrations or legal or equitable proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order.

The parties agree to split the mediator's fee and any filing fees equally. The mediation shall be held in a place where the Project is located, unless other location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

Arbitration – Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to arbitration. Prior to arbitration, the parties shall endeavor to resolve disputes by mediation.

Any claim, dispute and other matters in question between the parties that are not resolved by mediation shall be decided by binding arbitration which, unless the parties mutually agree otherwise, shall be conducted at the Southfield, Michigan, offices of the American Arbitration Association before a panel of three (3) arbitrators in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect. Demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. A demand for arbitration shall be made within a reasonable time after the claim, dispute, or other matter in question has arisen. In no event shall the demand for arbitration be made more than one (1) year after the matter on which such demand is based first arose, or after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter is question would be barred by the applicable statute of limitations whichever is less. No claim or defense by CLIENT against PEA predicated on an allegation of professional negligence by PEA may be asserted unless accompanied by a written opinion by a duly licensed expert in PEA's field of expertise setting forth such expert's opinion that, considering all of the facts and circumstances evaluated by such expert, the acts or omissions of PEA materially deviated from the applicable industry standard of care. Such a written opinion shall be a condition precedent to filing or otherwise asserting any claim or defense predicated on professional negligence, and CLIENT's failure to include such an opinion with any such claim or defense shall entitle PEA to an immediate summary dismissal with prejudice of such claim or defense for failure to state a claim or defense upon which relief may be granted.

No arbitration arising out of or relating to the Project shall include, by consolidation or joinder or in any other manner, PEA, PEA's employees or consultants, except by written consent containing specific reference to the Agreement and signed by PEA, the CLIENT, the contractor and any other person or entity sought to be joined. No arbitration shall include, by consolidation or joinder or in any other manner, parties other than the CLIENT, contractor and other persons substantially involved in a common question of fact or law whose presence is required if complete relief is to be accorded in arbitration. No person or entity other than the CLIENT or the contractor shall be included as an original third party or additional third party to an arbitration whose interest or responsibility is insubstantial. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of a claim not described therein or with a person or entity not named or described therein. The foregoing Agreement to arbitrate and other agreement to arbitrate with an additional person or entity duly consented to by parties to the Agreement shall be specifically enforceable under applicable law in any court having jurisdiction thereof.

The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

Expense of Litigation – If litigation or arbitration related to the services performed is initiated against PEA by the CLIENT, its contractors, or subcontractors, and such proceeding concludes with the entry of a judgment or award favorable to PEA, the CLIENT shall reimburse PEA its reasonable attorney's fees, reasonable experts' fees, and other expenses related to the proceeding. Such expenses shall include the cost, determined by PEA's normal hourly billing rates, of the time devoted to the proceedings by PEA's employees.

ARTICLE XIV – SUSPENSION OF WORK. The CLIENT may suspend services performed by PEA with cause upon 7 days written notice. PEA shall submit an invoice for services up to the effective date of the work suspension and the CLIENT shall pay PEA all outstanding invoices within 14 days. If the work suspension exceeds 30 days from the effective work suspension date, PEA shall be entitled to renegotiate the Project schedule and the compensation terms for the Project.

ARTICLE XV – TERMINATION. The obligation to provide further services under this Agreement may be terminated by either party upon 7-calendar day's written notice. Upon receipt of notice of termination from CLIENT, PEA shall immediately cease work and take all reasonable steps to minimize costs relating to termination. In the event of any termination, PEA will be paid for all services rendered to the date of termination, all expenses subject to reimbursement hereunder and other reasonable expenses incurred by PEA as a result of such termination. In the event PEA's compensation under this Agreement is a Fixed Fee/Lump Sum, upon such termination the amount payable to PEA for services rendered will be determined using a proportional amount of the total fee based on a ratio of the amount of the work done, as reasonably determined by PEA, the total amount of work which was to have been performed, less prior partial payments, if any, which have been made.

ARTICLE XVI – SUCCESSOR, ASSIGNS. This Agreement shall be binding upon the parties and their respective successors and assigns. Neither party shall assign its interest in this Agreement without the prior written consent of the other.

PEA shall not be required to sign any documents, no matter by whom requested, that would result in PEA's having to certify, guarantee or warrant the existence of conditions whose existence that PEA cannot ascertain. CLIENT agrees not to make resolution of any dispute with PEA or payment of any amount due to the PEA in any way contingent upon PEA's signing any such certification.

ARTICLE XVII – SEVERABILITY. Any provision of these terms later held to violate any law shall be deemed void and all remaining provisions shall continue in force. In such event, the CLIENT and PEA will work in good faith to replace an invalid provision with one that is valid and as close to the original meaning as possible.

ARTICLE XVIII – APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan and the parties consent to exclusive jurisdiction of all disputes hereunder in the State of Michigan.

ARTICLE XIX – ENTIRE AGREEMENT. CLIENT, by signing the attached Proposal, acknowledges that this Agreement has been read, understands it and agrees to be bound by its terms. The terms and conditions of this Agreement, together with the PEA Proposal (including attachments thereto) and any applicable Addendum, constitute the entire Agreement between the parties and supersede all prior oral or written representations, understandings and agreements. The CLIENT is expressly prohibited during the term of, and for one year following the expiration or termination of this Agreement, and it will be considered a material breach of this Agreement, to solicit for the purposes of employment an employee of PEA without the prior written consent of PEA. The parties agree that any purchase orders, work orders, acknowledgments, form agreements or other similar documents delivered to PEA shall be null, void and without legal effect to the extent that they conflict with the terms of this Agreement. This Agreement may be amended or modified only by a written instrument signed by both parties. Each person signing the Proposal represents that he or she has full legal authority to bind the parties to the terms and conditions contained in this Agreement.