

AGENDA

Regular Meeting of the Parchment City Commission

Monday - March 15, 2010 - 7:00 P.M.

Robert B. Heasley, Mayor

Robert Britigan III, Vice-Mayor
Wendy Fleckenstein, Commissioner
Terry Hageman, Commissioner
Dennis G. Durham, City Manager
Curtis Flowers, Clerk

Thomas Balmer, Commissioner
Donald Banner, Commissioner
Brian Sell, Commissioner
John Frakes, Treasurer
Robert Soltis, Attorney

During citizen comment periods, each person wishing to address the Commission will be allowed five minutes. Please state your name and address for the record.

1. Call to Order
2. Roll Call
3. Approval of Minutes: 03-01-2010 regular meeting
4. Additions or Changes to the Agenda
5. Citizens Comments not related to the Agenda
(comments on agenda items will be received at the time of discussion)
6. Consent Agenda - Motion to Receive and/or Approve as Indicated:
 - A. Warrant No. 1149 - receive
 - B. Police Report for February - receive
 - C.
 - D.

7. Unfinished Business

A.

B.

C.

D.

8. New Business

A. Kalamazoo County Transportation Authority 2009 Annual Report
Jack Mekemson, Board Secretary and Presenter

B. River Reach Project - payment authorization

C. Prein & Newhof - traffic study services

D.

9. Mayor and Commissioner Comments

10. City Manager's Comments

11. Adjournment

MINUTES OF THE REGULAR MEETING OF THE PARCHMENT CITY COMMISSION HELD
ON MONDAY MARCH 1, 2010 AT 7:00 P.M.

1. **Call to Order**

The meeting was called to order by Mayor Heasley at 7:00 p.m. He led those present in the "Pledge of Allegiance".

2. **Roll Call**

Present: Commissioners Balmer, Banner, Britigan, Fleckenstein, Hageman, Heasley, and Sell. Dennis Durham, City Manager; Curt Flowers, City Clerk; Stan Bowers, 501 Sturgis; Dave Person, Kalamazoo Gazette.

3. **Minutes**

Moved by Hageman and supported by Balmer to approve as presented the minutes of the February 15, 2010 regular meeting. Carried

4. **Additions or Changes to the Agenda**

None

5. **Citizen Comments**

None

6. **Consent Agenda**

Moved by Hageman and supported by Sell to receive and/or approve as indicated the following consent agenda items:

- A. Warrant No. 1148 - receive
- B. Treasurer's Investment Report - receive
- C. COG Agenda & Minutes - receive
- D. MMRMA Claims Report - receive
- E. Southwest Michigan First - receive

Motion Carried

7. **Unfinished Business**

None

8. **New Business**

A. Moved by Sell and supported by Balmer to approve purchase order number 10620 in the amount of \$6,414.79 for the second shipment of road salt from North American Salt Company. Carried

B. Moved by Balmer and supported by Fleckenstein to approve the following Funds Transfer Resolution:

Whereas, the City of Parchment did expect to receive \$97,781.00 of Act 51 revenue for the Major Streets Fund 2008/2009 fiscal year budget; and

Whereas, the City of Parchment did transfer \$48,000.00 of this anticipated revenue from the Major Streets Fund to the Local Streets Fund; and

~~Whereas, the actual funds received in fiscal year 2008/2009 for the Major Street Fund was \$86,891.00; and~~

Whereas, the City of Parchment is only authorized to transfer up to 50% of the Major Streets revenue to the Local Street Fund, that amount being \$43,446.00.

NOW THEREFORE BE IT RESOLVED that the City Commission of the City of Parchment does hereby approve the transfer of \$5,355.00 from the Local Streets Fund back to the Major Streets Fund to comply with the above stated Act 51 requirement.

The roll call vote was as follows:

Ayes: Balmer, Banner, Britigan, Fleckenstein, Hageman, Heasley, Sell
Nays: None
Absent: None
Abstain: None

Resolution declared adopted.

9. **Mayor and Commissioner Comments**

Commissioner Balmer stated he would be willing to serve as the City's representative to the Council of Governments (COG) if needed.

Commissioner Banner and Commissioner Balmer inquired about the one-side parking requirements along Parchmont Avenue and how this rule related to Act 51.

Mayor Heasley stated in response to a resident's inquiry, the City Commission does approve the Downtown Development Authority's Budget each year.

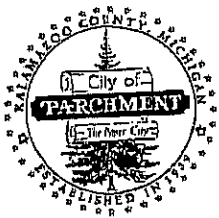
10. **City Manager Comments**

None

11. **Adjournment**

There being no more business to come before the Commission, it was moved by Commissioner Balmer and supported by all to adjourn the meeting at 7:12 p.m.

Curtis E. Flowers, CMC
City Clerk



Warrant # 1149
March 11, 2010

City of Parchment

- Attachment 1 - Check Register Report
- Attachment 2 - Fifth Third Purchase Card Usage
- Attachment 3 - Insurance Reimbursement & Direct Debits

Bond Payment is next to last Principal Payment for DDA Bonds. Final Payment will be April 1, 2011.

Police Chief's conference is paid with Act 302 funds (Training Funds) that must be returned if not spent.

Check Register Report

March 11, 2010

Warrant 1149

City of Parchment

Check Number	Check Date	Vendor Name	Check Description	Amount
28529	03/11/201	A & L JANITORIAL INC.	Janitorial Service - February	320.00
28530	03/11/201	AFLAC	Monthly Payment	119.38
28531	03/11/201	ALEXANDER CHEMICAL CORPORATION	7-Chlorine & 5-Hydrofluosilic	1,452.50
28532	03/11/201	ASSOCIATED GOVERNMENT SERVICES	Retainer & Reports-February	140.00
28533	03/11/201	CARRIAGE CLEANERS	Police Dry-Cleaning-February	44.40
28534	03/11/201	CINTAS CORPORATION #725	Uniform Rental	127.57
28535	03/11/201	COMMUNITY ACCESS CENTER	2% Gross Revenue & grant pass thru	2,622.77
28536	03/11/201	COMPANION LIFE	Life & AD&D ins.	114.00
28537	03/11/201		Void Check	0.00
28538	03/11/201	CONSUMERS ENERGY	City Hall & Fire Barn	808.05
			Public Works	421.02
			Municipal Pumping - Water	5538.89
			Municipal Pumping - Sewer	117.3
			Street & Traffic Lights	3735.03
			Decorative Street Lights	161
			Shipping of Toner	6.00
28539	03/11/201	CORNERSTONE OFFICE SYSTEMS	General Matters - February	410
28540	03/11/201	FORD, KRIEKARD, SOLTIS & WISE	Police Matters -February	200.00
28541	03/11/201	HONEYSETT DESIGN	Parchment Stars Dance Poster	39.00
28542	03/11/201	KALAMAZOO CNTY FIRE CHIEFS ASC	2010 Dues-Joe & Tim	20.00
28543	03/11/201	KALAMAZOO GAZETTE	Board of Review Notice	972.12
28544	03/11/201	KALAMAZOO OIL CO.	Fuel Charges 2/16 thru 2/28/10 - Police	155.21
			Fuel Charges 2/16 thru 2/28/10 - Public Wks	642.32
28545	03/11/201	R.W. LAPINE INC.	Repair furnace in Commission Room	326.11
			Semi Annual Maintenance Contract	185
28546	03/11/201	MUNICIPAL CODE CORPORATION	Annual Code on Internet Fee	400.00
28547	03/11/201	NORTH AMERICAN SALT CO.	104.6 Tons Road Salt	6,414.79
28548	03/11/201	REPUBLIC SERVICES #249	City Wide Pick-Up-March	5,949.93
			Public Works Dumpster	185.81
28549	03/11/201	ROSE PEST SOLUTIONS	Pest Control - Contract	57.00
28550	03/11/201	SEVERANCE ELECTRIC CO INC	Traffic Signal Maint-Feb.	120.00
28551	03/11/201	THE CANOPEUM, INC.	Dance Floor Rental - P. Stars Dance	325.00
28552	03/11/201	U.S. BANK	Bond Payment (Principal & Interest)	191,452.50
28553	03/11/201	SUE WHITFIELD	Wedding Cancelation Refund	75.00
			Grand Total:	223,951.87

Check Register Report
 March 11, 2010

City of Parchment

Check Number	Check Date	Vendor Name	Check Description	Amount
<u>Insurance Deductible Reimbursements</u>				
1019	01/25/2010	BRADLEY K. FALL	Insurance Deductible	81.06
1020	02/15/2010	RICHARD SMIT	Insurance Deductible	146.28
1021	02/22/2010	RICHARD SMIT	Insurance Deductible	1,353.72
Grand Total:				<u>1,581.06</u>
<u>Pension Payment</u>				
4	02/18/2010	MERS	February Pension Payment	4,891.65
Grand Total:				<u>4,891.65</u>
<u>Direct Debits</u>				
13	3/3/2010	U.S. POSTAL SERVICE (CMRS-FP)	Refill Postage Meter	500.00
Grand Total:				<u>500.00</u>

City of Parchment
Warrant 1149
Purchasing Card Usage
Fifth Third Bank
Direct Debit - Paid 03/23/10

Date of Charge	Vendor	Description	Amount
			20.83
1/26/1910	Advance Auto Parts	Starting Fluid, WD-40, Washer Fluid	5.19
2/3/1910	Advance Auto Parts	Spray Paint	15.01
2/3/1910	Alro Steele	Parts for Salt Spreader	155.00
2/22/2010	AT&T	Water Alarm Line	31.00
2/4/1910	Best Way Disposal	Dump truck load of Scrap	56.04
2/8/1910	Carier Lumber	Parts for Picnic Tables	5.74
2/4/2010	Charter	Fire Dept.-Cable	5.74
2/4/2010	Charter	Public Works - Cable	35.12
2/17/1910	D & S Auto	Crown Vic-Oil Change	2,177.00
2/23/2010	Dell	Laptop Computer - Manager	60.64
2/18/1910	Edwards Industrial	Hose for Loader	36.78
2/18/2010	Etna	LL Sprinkler Parts	28.96
2/3/2010	Etna	Misc. Parts-Water	85.14
1/26/2010	Etna	Sensus Measuring Chamber	18.00
2/3/1910	Extreme Power	Inner tube for 4115 John Deere	50.85
2/16/1910	Extreme Power	Chain Saw Blades	9.40
2/17/1910	Extreme Power	Part for Back Pack Leaf Blower	61.97
2/11/1910	Galls	Belt & Cuff Case (Anson)	78.26
2/19/2010	Grainger	Pipe Threader Handle	29.99
1/27/1910	Harbor Freight Tools	Sander for Picnic Tables	-29.95
2/16/2010	IOLO	Refund - disputed charge	38.00
2/3/1910	Jim Martin Truck & Farm	Flat Repair-855 John Deere	302.22
2/17/2010	Lake Michigan Mailers	Assessment Notices Mailed + Envelopes	245.00
1/29/1910	MACP	Chiefs Conference 2/10 to 2/12/10 - Registration	317.12
2/12/1910	Amway Grand	Hotel for Chiefs Conference	12.67
2/11/1910	Amway Grand Plaza	Chiefs Conference -Breakfast	17.37
2/12/1910	Bentham's Amway Grand	Chiefs Conference - Dinner	12.44
2/10/1910	Flanagan's Irish Pub	Chiefs Conference - Lunch	12.44
2/11/1910	Flanagan's Irish Pub	Chiefs Conference - Lunch	25.92
2/10/1910	TGI Friday's	Chiefs Conference - Dinner	1,100.00
2/5/1910	Martin Spring & Drive	Install New Tank, Remount Brackets to Frame	-2,221.82
2/19/1910	Martin Spring & Drive	PTO Pump on older Dump Truck	80.00
1/28/2010	MEDA	Capitol Day--Registration City Manager	6.00
2/24/2010	Parking Admin	Parking @ Capital Day	20.00
2/24/2010	BP Food Mart	Gas - Manager in Lansing	728.42
2/15/1910	Metro Toyota	Prius-Replace Instrument Cluster, Computer	51.16
2/15/2010	Nextel	Cell Phone Charges - Manager	58.16
		Cell Phone Charges - Fire	149.25
		Cell Phone Charges - Public Works	60.64
		Cell Phone Charges - Police	30.32
		Cell Phone Charges - Administration	293.04
1/26/2010	Quill	Paper, Chair Mat, P. Towels, T. Paper	28.80
1/26/1910	Ridge Napa Auto	10 Grease Cartridges	59.00
1/27/1910	Ridge Napa Auto	Sandpaper for Picnic Tables	20.78
2/5/1910	Roe-Comm	2 Phone Holders - Public Works	56.72
1/27/2010	Sherwin-Williams	Paint for Picnic Tables	51.05
2/1/2010	Sprint	On Board Computer Phone Card	769.21
2/9/2010	TDS	Phone Charges - January	3.87
1/27/2010	Tractor Supply	Misc. Bolts	36.99
2/2/2010	Tractor Supply	Rope	60.07
2/7/2010	Verizon	Internet - Water Plant - Initial charge includes air card	9,805.19
		Grand Total	9,805.19



CITY OF PARCHMENT POLICE DEPARTMENT

Monthly Report: February 2010

	TOTAL 2010	FEBRUARY 2010	TOTAL 2009
Serious Crimes	3	2	16
Assaultive Crimes	3	1	46
Property Crimes	5	2	90
Juvenile Crimes	3	0	42
Traffic Violations	134	52	566
Traffic Crashes	4	3	32
Arrests	22	10	89
Violation of Controlled Substances Act	2	0	6
Alcohol Related Offenses	5	1	23
Assist to other Depts.	11	10	43
Assist by other Depts.	7	3	45
Ordinance Violations	19	5	177
Miscellaneous Crimes	6	2	83

Targeted Traffic Enforcement	TOTAL 2010	FEBRUARY 2010	TOTAL 2009
Radar Hours	217 hrs 42 mins	93 hrs 22 mins	1064 hrs 22 mins
OWI Hours		0 hrs 0 mins	12 hrs 38 mins
Code Enforcement Hours	6 hrs 19 mins	1 hrs 55 mins	37 hrs 11 mins

Offense Category Key:

Serious Crimes: Murder, Rape, Arson, Carry Concealed Weapon
 Assaultive Crimes: Felonious Assault, A&B, Threats, Harassment, Animal Cruelty
 Property Crimes: Larceny, Embezzlement, Property: stolen, damaged
 Juveniles Crimes: Runaway, Possession, Curfew Violation

Curt Flowers

From: Lori Pyatt [LSPYAT@kalcounty.com]
Sent: Thursday, January 21, 2010 11:58 AM
To: Kurt Flowers
Cc: Jack Mekemson
Subject: Fwd: KCTA Annual Report Presentation: March 15th

Hello,

Attached is the 2009 Annual Report of the Kalamazoo County Transportation Authority which will be presented by KCTA Secretary, Jack Mekemson on March 15th, at 7pm. **Thank you** for allowing the KCTA to be on your agenda.

Also, how much time will the speaker have to make the presentation?

Thanks again,

Lori Pyatt
KCTA Administrative Assistant
383-8810

Lori Pyatt
KCTA Administrative Assistant
383-8810

Confidentiality: The information contained in this electronic mail message and any attachments is intended only for the use of the individual or entity to which it is addressed and may contain legally privileged, confidential information or work product. If the reader of this message is not the intended recipient, you are hereby notified that any use, dissemination, distribution, or forwarding of the Email message is strictly prohibited. If you have received this message in error, please notify me by Email reply, and delete the original message from your system.

Kalamazoo County Transportation Authority

Annual Report FY 2009

FY 2009 was a year of re-focus for the KCTA. With the defeat of the November 2008 county-wide transportation millage, the KCTA Board needed to re-prioritize its activities for the coming year. It was agreed that the transition of the system from the City of Kalamazoo to the KCTA be delayed until adequate local funding was secured. It was also recognized that a single millage rate across the County for transportation was unacceptable to the voters of the County. The KCTA, the City of Kalamazoo and the Transportation Authority Board (TAB) concluded that a two-tiered millage was necessary if an adequate, sustainable local share was to be secured.

Therefore the KCTA sought a four year County wide millage in May of 2009 and the TAB sought a three year City millage in November of 2009. The May millage (0.4 mils) covered Care-A-Van and Metro Van services for the entire County and all line haul routes outside the City of Kalamazoo including those three routes exclusively in the City of Portage. The November City millage (0.6 mil) paid for line haul service in the City of Kalamazoo. Both of these millages will expire in 2012. Only after these two components of local funding were achieved would the transition of the system be considered.

Planning Community Outreach Activities

- The KCTA Board held two stakeholder meetings in November of 2008 and February 2009 to hear from county leaders on strategies going forward.
- The KCTA Board supported the document co-authored by the County Administrator and the City Manager of Kalamazoo, "Sustaining Public Transit". This document laid out a blueprint for next steps for public transit in the County including, delaying the transition, fare increases, a two-tiered millage approach, an analysis of P.A. 196 and the ability to seek two millages under one authority, as well as comprehensive public awareness campaign.
- The KCTA Board held numerous public awareness sessions with various stakeholder groups throughout the County to inform residents of the benefits of public transit in the community.
- The Board put a 0.4 mil tax proposal on the May ballot. County voters approved the millage request by a margin of 63% to 37%.
- The Public Transit Human Service (PTHS) Coordinated Plan was formally endorsed and submitted to MDOT. The KCTA Board oversaw the creation and endorsement of the plan.
- The Board contracted with Lam and Associates to develop and implement a visioning process for the authority. This visioning process resulted in "Transit Talk", forums for feedback and input from the community.

Transit Talk

The following input was collected from a series of "Transit Talk" discussion sessions that were held during 2009. This input came from County citizens, both riders and non-riders. Groups involved in "Transit Talks"

included Friends of Transit, The United Way, Vicksburg Lions, Kalamazoo Public Library, the Health and Community Services Department, Area Agency on Aging, Council for the Blind and Visually Impaired, Westside Kiwanis, Citizens Promoting Comstock, and the AARP.

- A false assumption exists that tax dollars dedicated to public transit are a charitable donation benefitting only people with disabilities and seniors.
- Increased awareness efforts will help to break down negative stereotypes associated with public transit and help to increase ridership.
- Visitors to Kalamazoo County should be aware of the public transit system and see it as an economical way to travel in the county.
- Schools should partner with the Transit system to provide tokens to students focused on "The Promise".
- By adopting and improving bus shelters along a bus route, local businesses could promote their businesses and enhance ridership.
- Sunday service could be provided for church goers.
- Make taking the bus "cool"

These are a few of the comments received during "transit talks". For a complete list of comments please visit kalcounitytransittalk.com.

KCTA Board Administrative Accomplishments

- Approved a FY2009 KCTA Operating Budget
- Entered into an agreement with EPIC/MRA to perform research work for the May vote.
- Extended the agreement with Pride Ambulance for Care-A-Van service through October 2009
- Experienced a successful FY 2008 audit with BDO Seidman.
- Passed a resolution supporting a fare increase for the system
- Approved 2009 budget adjustments
- Approved the FY 2010 KCTA operating budget
- Approved numerous administrative policy changes
- Refined the organization's governance structure.

System/Operational Accomplishments

- The May 5, 2009 countywide ballot proposal (0.4 mils) was approved by the voters providing local revenue for Care-A-Van and Metro Van plus all line haul routes extending outside the City of Kalamazoo. Local support for Metro Van is included for the first time in a countywide levy.
- The system received federal stimulus funding (ARRA) to purchase "intelligent" transportation technology, new rider friendly bus shelters, support vehicles, shop equipment, facility renovation, and miscellaneous vehicle repair parts.

21.9% of respondents indicated they have a household income between \$6,000 and \$12,000/year.

48.97% respondents indicated they ride the bus 6 or more times a week.

21.90% respondents indicated they ride the bus 5 or more times a week.

Similar Surveys were conducted in 1995 and 2003

Key comparative data are:

Heavier use by WMU students changed the majority of trip purposes from work related in 1995 to school related in 2003 and 2009.

In 1995, the majority of respondents were full-time workers followed by students and part-time workers. In 2003 and 2009 the majority of respondents indicated they were students and then part-time workers.

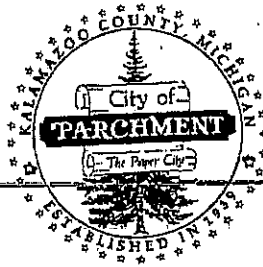
In 2003, 25.27% of respondents indicating they were part-time workers were in the service industry. In 2009, that figure increased to 30.90%

Annual household income remained the same in all three survey years.

Survey results indicate that public transportation is providing needed service to those in the community without other means of transportation. The use by WMU students is a significant portion of the ridership. There is a correlation between low income and the use of public transportation.

Summary

The key goal of securing local funding for public transportation was accomplished in 2009. Much work was done to make the public aware of the benefits of public transit in the past year. Looking forward the KCTA will again focus on transitioning the system from the City of Kalamazoo to the KCTA. The details of that transition will be thoroughly addressed and the capacity of the organization will be fully assessed and fine tuned to accomplish this critical task.



MEMORANDUM

To: Mayor Heasley, Vice-Mayor Britigan and City Commissioners

From: Dennis Durham, City Manager

Date: March 12, 2010

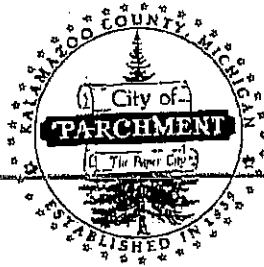
Subject: River Reach Payment

IT IS RECOMMENDED

That the City Commission authorize payment to River Reach Partners LLC in the amount of \$50,000 as required by the River Reach Development Agreement

BACKGROUND

The River Reach Development Agreement requires the City to make a \$50,000 payment to River Reach Partners LLC upon completion of abandoned container removal. The City has received confirmation from MDNRE that this task is completed and a summary report received and accepted.



MEMORANDUM

To: Mayor Heasley, Vice-Mayor Britigan and City Commissioners

From: Dennis Durham, City Manager

Date: March 12, 2010

Subject: Traffic Study Services – River Reach Project

IT IS RECOMMENDED

That the City Commission authorize payment of up to \$8,500 to Prein & Newhof for the performance of traffic study services in preparation for roadway construction in the River Reach Development Project, and authorize the City Manager to execute all documents related to this activity.

BACKGROUND

The River Reach Development Plan includes construction of new roadway infrastructure once demolition has progressed to a point allowing for such activity. The major collector roadway, River Reach Boulevard (named for planning purposes only) is to be funded by federal funds beginning in 2011. As such, the City is required to follow state bidding guidelines which include preparation of detailed engineering and traffic count projections. Prein & Newhof, the City's engineering firm, has submitted a cost estimate to perform the traffic study work (attached). As the City has met all of its financial obligations relative to the River Reach Development Agreement, River Reach Partners LLC will reimburse the City for this activity.

Prein&Newhof

Engineers • Surveyors • Environmental • Laboratory

February 24, 2010
915

Mr. Dennis Durham, Manager
City of Parchment
650 S. Riverview Dr.
Parchment, MI 49004-1298

RE: Traffic Study for River Reach Project
City of Parchment, Kalamazoo County, Michigan

Dear Mr. Durham:

Thank you for contacting Prein&Newhof for traffic study services. We understand that you wish to move forward with a traffic study for the River Reach project in the City of Parchment. This will allow us to prepare a preliminary design for the intersection of River Reach Boulevard and Riverview Drive.

We propose to complete the following:

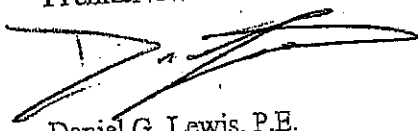
- A. Traffic Study (see attached quote from Progressive AE for \$6,720)
- B. Attend coordination meetings with KCRC.
- C. Preliminary design of intersection for planning purposes.

We will provide the above services on a time and material basis, not to exceed \$8,500. At this time we estimate 5-6 weeks from authorization to proceed and final completion of the work.

If this proposal meets with your approval, please sign and date below returning one copy as acknowledgement of Terms & Conditions as contained on the reverse side and as authorization to proceed. A faxed or emailed signed version of the proposal is sufficient for scheduling; however, please return an original signed version for our records. Once you sign our quotation we will sign Progressive AE's contract as our subcontractor. If you have any questions, please contact our office.

Sincerely,

Prein&Newhof



Daniel G. Lewis, P.E.

DGL:TCW:dlj

APPROVED BY:

Date _____



Thomas C. Wheat, P.E.

Prein&Newhof Standard Terms & Conditions – Engineering

A. Execution

If the attached proposal / agreement is not executed within thirty (30) days from the date of the proposal / agreement letter, Prein&Newhof reserves the right to revise fees and schedule commitments.

B. Standard of Care

Prein&Newhof, Inc. ("Prein&Newhof") will provide professional engineering services for Client in connection with the Project. Prein&Newhof will perform ~~such services as expeditiously as is consistent with the professional skill and care in~~ the orderly progress of the work.

Nothing contained in this Agreement shall require Prein&Newhof to exercise professional skill and judgment greater than that which can be reasonably expected from other engineers performing similar services and practicing in the same or similar locality. The standard of care shall exclusively be judged as of the time the services are rendered and not according to later standards. Prein&Newhof makes no warranties, expressed or implied.

Client recognizes that actual conditions may vary from those encountered at test locations made by us or provided to us by others, and that our data, interpretations and recommendations are based solely on the information available to us. We will be responsible for our data, interpretations and recommendations, but shall not be responsible for the interpretation by others of the information developed. Unless specifically stated herein, plans prepared under this agreement are not intended for machine guidance use or purposes. No guarantee is made that the electronic data systems or file structure used by the firm will be compatible with the electronic systems used by the contractor. Client also recognizes that monitoring of construction by a qualified engineering firm is essential to verifying that designs are appropriate for actual site conditions.

C. Site Access Permission

In the event the project site is not owned by the client, the client must obtain all necessary permission for Prein&Newhof to enter and conduct investigations on the project site. It is assumed that the client possesses all necessary permits and licenses required for conducting the scope of work. Access negotiations may be performed at additional costs.

D. Unanticipated Hazardous Materials

Sites may contain hazardous materials where there is no reason to believe they could or should be present. Prein&Newhof and the Client agree that the discovery of unanticipated hazardous materials constitutes a changed condition that may require us to renegotiate the scope of our services or terminate our work. We and the Client also agree that the discovery of unanticipated hazardous materials may make it necessary for us to take immediate measures to protect health and safety. Client agrees to compensate us for any equipment decontamination or other costs incident to the discovery of unanticipated hazardous materials.

E. Underground Utilities

In the execution of our work, we will take reasonable precautions to avoid damage or injury to underground utilities and other underground structures, including contacting the MISS-DIG system and reviewing utility drawings that are provided to us. The Client agrees to hold Prein&Newhof harmless for any damages to below ground structures that are not brought to our attention and correctly shown or described on documents that we are furnished.

F. Public Liability Insurance

Prein&Newhof and our agents, staff and consultants employed by us are protected by worker's compensation insurance and we have coverage under public liability and property damage insurance policies which we deem to be adequate. Certificates verifying our coverage can be provided to the client upon request. Within the limits and conditions of such insurance, we agree to indemnify and save client harmless from and against any loss, damage or liability to the extent caused by any negligent acts by us, our agents, staff or consultants employed by us. We shall not be responsible for any loss, damage, or liability beyond the amounts, limits and conditions of such insurance. We shall not be responsible for any loss, damage or liability arising from any negligent acts by client, its agents, staff and other consultants employed by the client.

G. Limitation of Professional Liability

Client and persons claiming through Client agree to limit the liability of Prein&Newhof its agents and employees, for all claims arising out of, in connection with, or resulting from, the performance of the services under this agreement to an amount of \$25,000 or the fee paid to us for professional services on this project, whichever is less.

Client acknowledges that Prein&Newhof is a corporation and agrees that any claim made by Client arising out of any act or omission of any director, officer, or of the employee of Prein&Newhof, in execution or performance of this Agreement, shall be made against Prein&Newhof, Inc. and not against such director, officer, or employee.

Client further acknowledges that Prein&Newhof has not agreed to provide and is not responsible for safety precautions and programs in connection with the project or work, including but not limited to signs, markings, barricades, temporary or permanent traffic control marking or devices, or temporary or permanent warning signs, devices, or markings. Prein&Newhof's role in working with contractors hired directly by the client is that of observer and not as supervisor. Prein&Newhof shall not be responsible for limiting access to the project site or for the safety of anyone but Prein&Newhof employees, or our subcontractors.

H. Ownership of Records

All field notes, original laboratory reports, original maps, drawings, mylars, studies, tests or other work products or supporting documentation shall remain the property of and under the control of Prein&Newhof. The client or the client's representative is entitled to inspect all such documents and to receive copies of the same at the client's request and expense. The client shall pay for document review, copy charges; and associated expenses should the records be subpoenaed.

Any electronic media (e-mail or computer files) transmitted are only for the convenience of the recipient. Any conclusions or information obtained or derived from the data on the electronic media will be at the users' sole risk. Prein&Newhof's responsibility is limited to only the printed copies (also known as hard copies) that are delivered pursuant to the service under the agreement with the client.

I. Terms of Payment

Unless alternate terms are included within the proposal / agreement, the project will be invoiced on a monthly basis until the completion of the project. All monthly invoices are payable within 30 days of the date of the invoice. Should full payment of the invoice not be received within 30 days, the amount due shall bear a service charge of 1.5 percent per month or 18 percent per year plus the cost of collection, including reasonable attorney's fees. If the client has any objections to any invoice submitted by Prein&Newhof, the client must so advise Prein&Newhof in writing within 14 days of receipt of the invoice.

J. Premature Project Termination

If the project is terminated in whole or in part, Prein&Newhof shall be entitled to be paid for all services performed prior to our receiving or issuing written notice of such termination, including reimbursable expenses, and for any shut-down costs incurred. Shut-down costs may, at our discretion, include expenses incurred for completion of analysis and records necessary to document our files and to protect our professional reputation.

In addition to any other remedies Prein&Newhof may have, Prein&Newhof shall have the absolute right to cease performing any basic or additional services in the event payment has not been made on a current basis.

K. Extended Project Cost Increases

Any projected cost estimates provided by Prein&Newhof for work to be performed over an extended period of time may be subject to periodic cost increases imposed by our suppliers and increases in billing rates. The time and amount of any increases are unknown and Prein&Newhof must pass these periodic price increases on to the client following consultation with the client.

L. Consultation Beyond Scope of Work

Consultation, including but not limited to expert witness testimony, initiated by the client or client's representatives with Prein&Newhof after completion of the work specified herein will be considered beyond the scope of work presented herein and will be billed separately.

M. Non-scope Items

Our scope of work does not include evaluations regarding environmental conditions or contamination, wetlands or the presence of endangered species at the property or the potential impact of these on the future use of the property.