

Sent via email: [TMcGhee@cityofbuchanan.com](mailto:TMcGhee@cityofbuchanan.com)

March 18, 2025

Mr. Tony McGhee, City Manager  
City of Buchanan  
302 N. Redbud Trail  
Buchanan, MI 49107-1351

RE: 2025 Road Rehabilitation

Dear Mr. McGhee:

Prein&Newhof is pleased to present our Professional Services Agreement to perform engineering services on the above referenced project.

We understand that the City anticipates spending \$500,000 on the upcoming 2025 road rehabilitation projects. The City has identified five (5) potential streets, as follows:

1. Liberty Street (Front to Rynearson) – currently gravel
2. Red Bud (5<sup>th</sup> Street to the apartment drive south of Fulton)
3. River Street (Bridge to 440 feet west of the Bridge)
4. Terra Coupe (Front Street to the cemetery)
5. Rynearson (Liberty to E. City limits)

We understand the funding may not be enough to complete every project. Therefore, the City would like to bid all 5 streets as a single package, allowing the City to determine which streets to award based on the contractor's bids. We understand the City wishes to have these projects completed as soon as possible to coincide with when asphalt plants open for the season.

Our services include preparing a scope of the recommended improvements for the 5 streets and a bid package in letter format. The bid package will include exhibits showing the construction limits, proposed cross-sections, description of the detailed scope for each street, and estimated quantities. Once bids are received, we will make a recommendation for award to the City and upon award notify the Contractor to proceed. Once construction begins, we will mark the project limits and provide part-time inspection of the removal/milling process. We will also perform density checks on each layer of construction (such as subgrade, subbase and base). During asphalt paving, we will check yield (thickness) and density of the asphalt to confirm it is within specification. We estimate 5 days of paving for these projects (3 days for base course and 2 days for top course). Following construction, we will verify quantities with the Contractor and recommend payment to the City.

We propose to perform these services on a time and material basis, estimated at \$11,000. See attached fee spreadsheet for a detailed breakdown. At this time, we estimate that we can be ready to solicit bids from contractors within 2 weeks from authorization to proceed.

Mr. Tony McGhee

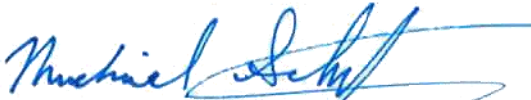
March 18, 2025

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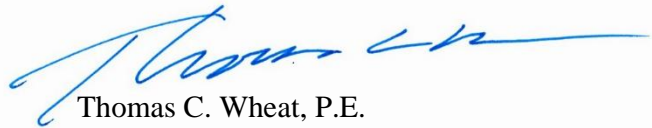
If this proposal meets with your approval, please sign and return the Professional Services Agreement as authorization to proceed. If you have any questions, please contact our office.

Sincerely,

**Prein&Newhof**



Michael A. Schwartz, P.E.



Thomas C. Wheat, P.E.

MAS:TCW:jmw:dj

Enclosures: Professional Services Agreement (2 pg.), Terms & Conditions (3 pg.)  
Fee Breakdown (1 pg.)

## Professional Services Agreement

This Professional Services Agreement is made this \_\_\_\_ day of \_\_\_\_\_, 2025 (“Agreement”) by and between Prein & Newhof, Inc. (“P&N”), of 1707 South Park Street, Suite 200, Kalamazoo, MI 49001, and City of Buchanan (“Client”), of 302 N. Redbud Trail, Buchanan, MI 49107-1351.

WHEREAS Client intends to:

Complete 2025 Road Rehabilitation

NOW THEREFORE, for and in consideration of the terms and conditions contained herein, the parties agree as follows:

### ARTICLE 1 – DESIGNATED REPRESENTATIVES

Client and P&N each designate the following individuals as their representatives with respect to the Project.

For P&N  
Name: Michael A. Schwartz, P.E.  
Title: Project Manager  
Phone Number: (269) 372-1158  
Facsimile Number: (616) 364-6955  
Email: mschwartz@preinnewhof.com

For Client  
Name: Tony McGhee  
Title: City Manager  
Phone Number: (269) 695-3844 x15  
Facsimile Number: \_\_\_\_\_  
Email: tmcghee@cityofbuchanan.com

### ARTICLE 2 – GENERAL CONDITIONS

This Agreement consists of this Professional Services Agreement and the following documents which by this reference are incorporated into and made a part of this Agreement.

- P&N Standard Terms and Conditions for Professional Services
- P&N Proposal dated
- P&N Standard Rate Schedule
- P&N Supplemental Terms and Conditions
- Other:

### ARTICLE 3 – ENGINEERING SERVICES PROVIDED UNDER THIS AGREEMENT:

Client hereby requests, and P&N hereby agrees to provide, the following services:

- P&N Scope of Services per Proposal dated March 18, 2025

Scope of Services defined as follows:

**ARTICLE 4 – COMPENSATION:**

Lump Sum for Services Described in Article 3 above - \$\_\_\_\_\_.

Additional services to be billed per P&N’s Standard Rate Schedule in effect on the date the additional service are performed.

Hourly Billing Rates plus Reimbursable Expenses per P&N’s Standard Rate Schedule in effect on the date services are performed. Estimated at \$11,000.

Other:

**ARTICLE 5 – ADDITIONAL TERMS (If any)**

None

This Agreement constitutes the entire Agreement between P&N and Client and supersedes all prior written or oral understandings. This Agreement may not be altered, modified or amended, except in writing properly executed by authorized representatives of P&N and Client.

**Accepted for:**

**Accepted for:**

**Prein&Newhof, Inc.**

**Client:** \_\_\_\_\_

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Printed Name:** Thomas C. Wheat, P.E.

**Printed Name:** \_\_\_\_\_

**Title:** Team Leader

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## Standard Terms & Conditions

**A. General** - As used in this Prein&Newhof Standard Terms and Conditions for Professional Services (hereinafter “Terms and Conditions”), unless the context otherwise indicates: the term “Agreement” means the Professional Services Agreement inclusive of all documents incorporated by reference including but not limited to this P&N Standard Terms and Conditions for Professional Services; the term “Engineer” refers to Prein & Newhof, Inc.; and the term “Client” refers to the other party to the Professional Services Agreement.

These Terms and Conditions shall be governed in all respects by the laws of the United States of America and by the laws of the State of Michigan.

**B. Standard of Care** - The standard of care for all professional and related services performed or furnished by Engineer under the Agreement will be the care and skill ordinarily used by members of Engineer’s profession of ordinary learning, judgment or skill practicing under the same or similar circumstances in the same or similar community, at the time the services are provided.

**C. Disclaimer of Warranties** - Engineer makes no warranties, expressed or implied, under the Agreement or otherwise.

**D. Construction/Field Observation** - If Client elects to have Engineer provide construction/field observation, client understands that construction/field observation is conducted to reduce, not eliminate the risk of problems arising during construction, and that provision of the service does not create a warranty or guarantee of any type. In all cases, the contractors, subcontractors, and/or any other persons performing any of the construction work, shall retain responsibility for the quality and completeness of the construction work and for adhering to the plans, specifications and other contract documents.

**E. Construction Means and Methods** - Engineer shall not have control or charge of and shall not be responsible for construction means, methods, techniques, sequences, or procedures, or for any safety precautions and programs in connection with the construction work, for the acts or omissions of the Contractor, Subcontractors, or any other persons performing any of the construction work, or for the failure of any of them to carry out the construction work in accordance with the plans, specifications or other contract documents.

**F. Opinions of Probable Costs** – Client acknowledges that Engineer has no control over market or contracting conditions and that Engineer’s opinions of costs are based on experience, judgment, and information available at a specific period of time. Client agrees that Engineer makes no guarantees or warranties, express or implied, that costs will not vary from such opinions.

### **G. Client Responsibilities**

1. Client shall provide all criteria, Client Standards, and full information as to the requirements necessary for Engineer to provide the professional services. Client shall designate in writing a person with authority to act on Client’s behalf on all matters related to the Engineer’s services. Client shall assume all responsibility for interpretation of contract documents and construction observation/field observation during times when Engineer has not been contracted to provide such services and shall waive any and all claims against Engineer that may be connected thereto.
2. In the event the project site is not owned by the Client, the Client must obtain all necessary permission for Engineer 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 services. Access negotiations may be performed at additional costs. Engineer will take reasonable precaution to minimize damage to land and structures with field equipment. Client assumes responsibility for all costs associated with protection and restoration of project site to conditions existing prior to Engineer’s performance of services.
3. The Client, on behalf of all owners of the subject project site, hereby grants permission to the Engineer to utilize a small unmanned aerial system (sUAS) for purposes of aerial mapping data acquisition. The Client is responsible to provide required notifications to the property owners of the subject project site and affected properties where the sUAS services will be performed. The Engineer will operate the sUAS in accordance with applicable State and Federal Laws.

### **H. Hazardous or Contaminated Materials/Conditions**

1. Client will advise Engineer, in writing and prior to the commencement of its services, of all known or suspected Hazardous or Contaminated Materials/Conditions present at the site.
2. Engineer and Client agree that the discovery of unknown or unconfirmed Hazardous or Contaminated Materials/Conditions constitutes a changed condition that may require Engineer to renegotiate the scope of or terminate its services. Engineer and Client also agree that the discovery of said Materials/Conditions may make it necessary for Engineer to take immediate measures to protect health, safety, and welfare of those performing Engineer’s services. Client agrees to compensate Engineer for any costs incident to the discovery of said Materials/Conditions.
3. Client acknowledges that Engineer cannot guarantee that contaminants do not exist at a project site. Similarly, a site which is in fact unaffected by contaminants at the time of Engineer’s surface or subsurface exploration may later, due to natural phenomena or human intervention, become contaminated. The Client waives any claim against Engineer, and agrees to defend, indemnify and hold Engineer harmless from any claims or liability for injury or loss in the event that Engineer does

not detect the presence of contaminants through techniques commonly employed.

4. The Client recognizes that although Engineer is required by the nature of the services to have an understanding of the laws pertaining to environmental issues, Engineer cannot offer legal advice to the Client. Engineer urges that the Client seek legal assistance from a qualified attorney when such assistance is required. Furthermore, the Client is cautioned to not construe or assume that any representations made by Engineer in written or conversational settings constitute a legal representation of environmental law or practice.
5. Unless otherwise agreed to in writing, the scope of services does not include the analysis, characterization or disposal of wastes generated during investigation procedures. Should such wastes be generated during this investigation, the Client will contract directly with a qualified waste hauler and disposal facility.

**I. Underground Utilities** – To the extent that the Engineer, in performing its services, may impact underground utilities, Engineer shall make a reasonable effort to contact the owners of identified underground utilities that may be affected by the services for which Engineer has been contracted, including contacting the appropriate underground utility locating entities and reviewing utility drawings provided by others. Engineer will take reasonable precautions to avoid damage or injury to underground utilities and other underground structures. Client agrees to hold Engineer harmless for any damages to below ground utilities and structures not brought to Engineers attention and/or accurately shown or described on documents provided to Engineer.

**J. Insurance**

1. Engineer will maintain insurance for professional liability, general liability, worker's compensation, auto liability, and property damage in the amounts deemed appropriate by Engineer. Client will maintain insurance for general liability, worker's compensation, auto liability, and property damage in the amounts deemed appropriate by Client. Upon request, Client and Engineer shall each deliver certificates of insurance to the other evidencing their coverages.
2. Client shall require Contractors to purchase and maintain commercial general liability insurance and other insurance as specified in project contract documents. Client shall cause Engineer, Engineer's consultants, employees, and agents to be listed as additional insureds with respect to any Client or Contractor insurances related to projects for which Engineer provides services. Client agrees and must have Contractors agree to have their insurers endorse these policies to reflect that, in the event of payment of any loss or damages, subrogation rights under these Terms and Conditions are hereby waived by the insurer with respect to claims against Engineer.

**K. Limitation of Liability** - The total liability, in the aggregate, of Engineer and Engineer's officers, directors, partners, employees, agents, and consultants, whether jointly, severally or individually, to Client and anyone claiming by, through, or under Client, for any and all injuries, losses, damages and expenses, whatsoever, arising out of, resulting from, or in any way related to the Project or the Agreement, including but not limited to the performance of services under the Agreement, from any cause or causes whatsoever, including but not limited to the negligence, professional errors or omissions, strict liability or breach of contract or warranty, expressed or implied, of Engineer or Engineer's officers, directors, partners, employees, agents, consultants, or any of them, shall not exceed the amount of the compensation paid to Engineer under this Agreement, or the sum of fifty thousand dollars and no cents (\$50,000.00), whichever is less. Recoverable damages shall be limited to those that are direct damages. Engineer shall not be responsible for or held liable for special, indirect or consequential losses or damages, including but not limited to loss of use of equipment or facility, and loss of profits or revenue. Client acknowledges that Engineer is a corporation and agrees that any claim made by Client arising out of any act or omission of any director, officer, or employee of Engineer, in the execution or performance of the Agreement, shall be made against Engineer and not against such director, officer, or employee

**L. Indemnification** – Client shall indemnify Engineer from and against any and all claims, liabilities, losses, and damages, arising from bodily injury or death of any person and/or damage or loss of any property, but only to the extent they result or arise out of the willful or negligent acts, omissions, or errors of Client or its contractors, subcontractors, consultants or anyone for whom the Client is legally liable. Nothing in this Agreement shall require Client to defend Engineer from claims, or to indemnify Engineer for any amount greater than the degree of fault of Client, its contractors, subcontractors, consultants or anyone for whom the Client is legally liable. This indemnity shall survive the expiration and termination of the Agreement. However, this survival shall be no longer than the expiration of the applicable statute of limitations.

**M. Documents and Data**

1. All documents prepared or furnished by Engineer under the Agreement are Engineer's instruments of service, and are and shall remain the property of Engineer.
2. Hard copies of any documents provided by Engineer shall control over documents furnished in electronic format. Client recognizes that data provided in electronic format can be corrupted or modified by the Client or others, unintentionally or otherwise. Consequently, the use of any data, conclusions or information obtained or derived from electronic media provided by Engineer will be at the Client's sole risk and without any liability, risk or legal exposure to Engineer, its employees, officers or consultants.
3. Any extrapolations, conclusions or assumptions derived by the Client or others from the data provided to the Client, either in hard copy or electronic format, will be at the Client's sole risk and full legal responsibility.

- N. Differing Site Conditions** - Client recognizes that actual site conditions may vary from the assumed site conditions or test locations used by Engineer as the basis of its design. Consequently, Engineer does not guarantee or warrant that actual site conditions will not vary from those used as the basis of Engineer's design, interpretations and recommendations. Engineer is not responsible for any costs or delays attributable to differing site conditions. .
- O. Terms of Payment** - Unless alternate terms are included in the Agreement, Client 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 any 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 Client has any objections to any invoice submitted by Engineer, Client must so advise Engineer in writing within fourteen (14) days of receipt of the invoice. Unless otherwise agreed, Engineer shall invoice Client based on hourly billing rates and direct costs current at the time of service performance. Outside costs such as, but not limited to, equipment, meals, lodging, fees, and subconsultants shall be actual costs plus 10 percent. In addition to any other remedies Engineer may have, Engineer shall have the absolute right to cease performing any services in the event payment has not been made on a current basis.
- P. Termination** - Either party may terminate services, either in part or in whole, by providing 10 calendar days written notice thereof to the other party. In such an event, Client shall pay Engineer for all services performed prior to receipt of such notice of termination, including reimbursable expenses, and for any shut-down costs incurred. Shut-down costs may, at Engineer's discretion, include expenses incurred for completion of analysis and records necessary to document Engineer's files and to protect its professional reputation.
- Q. Severability and Waiver of Provisions** - Any provision or part of the Agreement held to be void or unenforceable under any laws or regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Client and P&N, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision. Non-enforcement of any provision by either party shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of the Agreement.
- R. Dispute Resolution** - If a dispute arises between the parties relating to the Agreement, the parties agree to use the following procedure prior to either party pursuing other available remedies:
1. Prior to commencing a lawsuit, the parties must attempt mediation to resolve any dispute. The parties will jointly appoint a mutually acceptable person not affiliated with either of the parties to act as mediator. If the parties are unable to agree on the mediator within twenty (20) calendar days, they shall seek assistance in such regard from the Circuit Court of the State and County wherein the Project is located, who shall appoint a mediator. Each party shall be responsible for paying all costs and expenses incurred by it, but shall split equally the fees and expenses of the mediator. The mediation shall proceed in accordance with the procedures established by the mediator.
  2. The parties shall pursue mediation in good faith and in a timely manner. In the event the mediation does not result in resolution of the dispute within thirty (30) calendar days, then, upon seven (7) calendar days' written notice to the other party, either party may pursue any other available remedy.
  3. In the event of any litigation arising from the Agreement, including without limitation any action to enforce or interpret any terms or conditions or performance of services under the Agreement, Engineer and Client agree that such action will be brought in the District or Circuit Court for the County of Kent, State of Michigan (or, if the federal courts have exclusive jurisdiction over the subject matter of the dispute, in the U.S. District Court for the Western District of Michigan), and the parties hereby submit to the exclusive jurisdiction of said court.
- S. Force Majeure** - Engineer shall not be liable for any loss or damage due to failure or delay in rendering any services called for under the Agreement resulting from any cause beyond Engineer's reasonable control.
- T. Assignment** - Neither party shall assign its rights, interests or obligations under this Agreement without the express written consent of the other party.
- U. Modification** - The Agreement may not be modified except in writing signed by the party against whom a modification is sought to be enforced.
- V. Survival** - All express representations, indemnifications, or limitations of liability included in the Agreement shall survive its completion or termination for any reason.
- W. Third-Party Beneficiary** - Client and Engineer agree that it is not intended that any provision of this Agreement establishes a third-party beneficiary giving or allowing any claim or right of action whatsoever by a third party.
- X. Fee Escalation** - Engineer's fees are based on its billing rates, which are adjusted annually. For multi-year projects, Engineer's fees incorporate an estimate of future billing rates. If inflation causes actual billing rates to exceed these estimates, Engineer reserves the right to adjust its fees accordingly.

# Professional Hours Worksheet

City of Buchanan - 2025 Street Rehabilitation

2025 Hourly Billing Rate	\$186	\$139	\$139	\$108	\$0.70	Total Cost
Staff Member	Sen. PM	Eng. II	Eng. II	Office Tech	Mileage	
<b>Engineering</b>						
Kickoff Meeting & Site Visit		2				\$0
Exhibits of Limits of Construction	1		2			\$0
Determine cross-section / detail for each road	1	1				\$0
Estimate Quantities for proposal	2					\$0
Prepare solicitation Letter to Contractors	2					\$0
Issue Solicitation Package (RFP)				1		\$0
Answer Bidders' Questions	1					\$0
Accept, Tabulate & Review Bids, Recommend Award	1			1		\$0
Inspection services - milling & removal		10			150	\$1,500
Inspection services - gravel & subbase density		10			150	\$1,500
Inspection service - paving (assume 5 days)		50			600	\$7,370
Confirmation of quantities with contractor	1	1				\$330
Recommend payment letter	1			1		\$300
<b>Project Grand Total</b>	<b>10</b>	<b>74</b>	<b>2</b>	<b>3</b>	<b>900</b>	<b>11,000</b>

Notes:  
 performed under USDA downtown project  
 performed under USDA downtown project  
 performed under USDA downtown project  
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