



CITY COUNCIL STAFF REPORT

DATE: NOVEMBER 7, 2012 CONSENT CALENDAR
SUBJECT: RATIFICATION AND AUTHORIZATION OF EMERGENCY CONTACTS
FOR CITY HALL ANNEX 2012 FIRE.
FROM: David H. Ready, City Manager
BY: Chief of Staff/City Clerk

SUMMARY

The City Council will consider ratification and authorization of urgent actions taken by the City Manager for emergency response to the 2012 City Hall Annex Fire.

RECOMMENDATION:

1. Ratify the actions taken by the City Manager, for the public health and safety, and Agreements for Emergency Response and Emergency Restoration with Daniel's DKI Clean Up and Restoration Services in response to the 2012 City Hall Annex Fire.
2. Authorize the City Manager to take other such actions as deemed appropriate and necessary for the emergency response and emergency restoration in response to the incident.

STAFF ANALYSIS:

On Sunday, October 21, 2012 unknown individual(s) broke into the City Hall Annex (Development Services Departments). Once inside, the perpetrator(s) set fire to files and other paper items in the Public Works/Engineering Department. Fire sprinklers activated and controlled the fire until the Palm Springs Fire Department arrived and completed extinguishment.

City staff executed an emergency response contract with Daniels DKI Clean Up and Restoration Services for water extraction, removal of water damaged carpet, and other associated emergency response services to ensure the public health and safety.

On Sunday, City staff contacted the City's insurance brokers, and the following business day, the City's insurance carrier was contacted and noticed of the incident. The insurance adjuster arrived on scene the same-day to inspect the damage, met with City staff and DKI, and to preliminarily ascertain the full scope of the emergency response.

The insurance adjuster recommended to the insurance company and the City, that the City retain Daniels DKI Clean Up and Restoration Services for the emergency restoration rather than bring in a separate contractor assigned by the insurance company.

The City Manager executed an emergency restoration contract with Daniels DKI Clean Up and Restoration Services for the public health and safety. The contract is limited to the adjusted loss paid to the City by the City's insurance carrier, plus the amount of the applicable deductible.

The Development Services Departments closed for one-day while a temporary permit center was established and set-up in the Large Conference Room at City Hall; and other City staff were relocated to temporary work space and in other conference rooms throughout City Hall. Computers and communications equipment were temporarily relocated by the City's Information Technology Staff. During the day of closure, immediate response calls to the Development Services Departments were transmitted through the City Hall Reception and all scheduled inspections and community immediate response calls were handled. The temporary permit center was fully operational the next business day.

It should be noted that the City recently changed the insurance carrier for this policy and loss to Affiliated FM Insurance Company, and the insurance company, their assigned adjuster GMA Insurance Adjusters, and the City's Insurance Brokers Keenan and Associates, have all been extremely responsive.

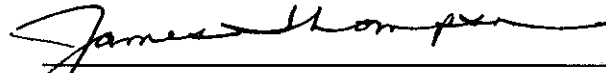
City staff has been resilient and again have proven their dedication and cooperation during this unfortunate incident. Community leader and businessman Harold Matzner has graciously offered a \$25,000 reward on behalf of the City of Palm Springs to anyone with information relating to the arrest and conviction of the person or persons responsible for the fire. The City's Police and Fire Departments are thoroughly investigating the incident.

FISCAL IMPACT:


The estimated cost for emergency response and emergency restoration is approximately \$420,000. The City is insured for such a loss, and City Staff estimates the entire loss will be the responsibility of the insurance company, less \$10,000 the City's self-insured retention.

Accounts have been set-up in the Risk Fund to properly document and account for all costs associated with the loss including: outside contract and other costs (540-5904-43094), City staff costs directly responding (540-5904-43092), and City staff costs for loss of work (540-5904-43094).

Sufficient funds are in Risk Fund for the City's \$10,000 self-insured retention.



JAMES THOMPSON
Chief of Staff/City Clerk



DAVID H. READY
City Manager

Attachments:
Emergency Services and Restoration Agreements



TERMS AND CONDITIONS - COMMERCIAL

Customer(s): City of Palm Springs Property Address: 3200 E. Tahquitz Canyon Way Palm Springs CA 92263

1. Release for Third Party Professionals; Indemnity: If the property has sustained significant water damage, Customer is advised to retain the services of independent environmental consultant to inspect, and if appropriate, prepare remedial protocols. Customer shall indemnify and hold Contractor harmless for injury or damage arising from or related to: (a) Customer's failure to hire environmental consultants or design professionals; or (b) the errors or omissions of any such third party professional.

2. Personal Liability: Payment to Contractor is not contingent upon Contractor's invoice being fully or partially approved by Customer's insurance company. All charges shall be invoiced directly to Customer. Contractor will submit a copy of the invoice to Customer's insurance carrier(s) as a courtesy only. Customer has been informed of, and agrees: a) Customer is personally responsible for any and all deductible(s), depreciation, and charges not paid by insurance; and b) Invoices not paid by insurance are due within fifteen (15) days of the invoice date.

3. Down Payment and Schedule of Progress Payments: The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment.

Description of Phase	Amount Payable	Description of Phase	Amount Payable
DEPOSIT/ADVANCE TOWARD	\$ -		\$ -
EMERGENCY RESPONSE AND	\$ 25,000		\$ -
RECONSTRUCTION	\$ 25,000		\$ -
	\$ -		\$ -

TOTAL \$50,000

4. Payment: Contractor will invoice Customer, describing the work performed and the charges. Payment is due fifteen (15) days of the invoice date, unless the table of Progress Payments above is completed, in which case payment will be due as set forth in the table. Contractor has the right, in Contractor's sole discretion, to suspend Work until past due invoices are paid. In addition to the Finance Charges set forth below, Customer agrees to pay Administration Fees of one and one-half percent (1.5%) per month on any unpaid balance after thirty (30) days of the invoice date, plus all actual collection costs, collection agency commissions, actual attorneys' fees, expert fees, and court costs.

5. Finance Charges: Customer will pay interest at the rate of ten percent (10%) per year on any unpaid balance after thirty (30) days of the date of invoice (interest is separate from, and in addition to the Administration Fees set forth above).

6. Partial Lien Releases: Upon satisfactory payment being made for any portion of the work performed, Contractor shall, prior to any further payment being made, furnish to Customer a full and unconditional release from any claim or mechanic's lien for that portion of the work for which payment has been made.

7. Extra Work and Change Orders: Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to commencement of work covered by the new Change Order. A Change Order is not enforceable against the Customer unless it describes the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments and completion date. However, by California law, the contractor's failure to comply with these requirements does not prevent the contractor from the recovery of compensation for the reasonable value of change order work in the absence of a written change order. Customer agrees to execute Change Orders to increase the price to address conditions not reasonably anticipated by Contractor.

8. Limit of Liability and Indemnity: Contractor is not liable for claims arising from acts of Customer or Customer's agents. Contractor's liability is limited to an amount equal to two times the Contract Price. All claims in excess of this amount are waived. Customer shall pay for the defense and indemnify Contractor for all third party claims against Contractor that are not the result of the sole negligence of Contractor. Contractor will select counsel of its choice and control the litigation. **Commercial General Liability Insurance (CGL):** Contractor carries commercial general liability insurance written by Westchester Surplus Lines Insurance Company. Tel. 760-360-4700. You may call to check the contractor's insurance coverage.

9. Workers Compensation Insurance: Contractor carries workers' compensation insurance for all employees.

APPROVED BY CITY MANAGER

10-21-12 fire damage repairs
 [Signature]

CONTRACTOR INITIALS: DNL; CUSTOMER INITIALS: [Signature]

Daniel's DKI
 73950 Dinah Shore Drive, Suite 302
 Palm Desert, CA 92211
 Tel: 760-320-2128
 License # 581149



Job #: 12-6901-STR

Date: 10/29/12

TERMS AND CONDITIONS - COMMERCIAL

Customer(s): City of Palm Springs Property Address: 3200 E. Tahquitz Canyon Way
Palm Springs CA 92263

1. **Release for Third Party Professionals; Indemnity:** If the property has sustained significant water damage, Customer is advised to retain the services of independent environmental consultant to inspect, and if appropriate, prepare remedial protocols. Customer shall indemnify and hold Contractor harmless for injury or damage arising from or related to: (a) Customer's failure to hire environmental consultants or design professionals; or (b) the errors or omissions of any such third party professional.

2. **Personal Liability:** Payment to Contractor is not contingent upon Contractor's invoice being fully or partially approved by Customer's insurance company. All charges shall be invoiced directly to Customer. Contractor will submit a copy of the invoice to Customer's insurance carrier(s) as a **courtesy only**. Customer has been informed of, and agrees: a) Customer is personally responsible for any and all deductible(s), depreciation, and charges not paid by insurance; and b) Invoices not paid by insurance are due within fifteen (15) days of the invoice date.

3. **Down Payment and Schedule of Progress Payments:** The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment.

Description of Phase	Amount Payable	Description of Phase	Amount Payable
DEPOSIT/ ADVANCE TOWARD	\$ -		\$ -
EMERGENCY RESPONSE AND	\$ 25,000		\$ -
RECONSTRUCTION	\$ 25,000		\$ -
	\$ -		\$ -

TOTAL \$ 50,000

4. **Payment:** Contractor will invoice Customer, describing the work performed and the charges. Payment is due fifteen (15) days of the invoice date, unless the table of Progress Payments above is completed, in which case payment will be due as set forth in the table. Contractor has the right, in Contractor's sole discretion, to suspend Work until past due invoices are paid. In addition to the Finance Charges set forth below, Customer agrees to pay Administration Fees of one and one-half percent (1.5%) per month on any unpaid balance after thirty (30) days of the invoice date, plus all actual collection costs, collection agency commissions, actual attorneys' fees, expert fees, and court costs.

5. **Finance Charges:** Customer will pay interest at the rate of ten percent (10%) per year on any unpaid balance after thirty (30) days of the date of invoice (interest is separate from, and in addition to the Administration Fees set forth above).

6. **Partial Lien Releases:** Upon satisfactory payment being made for any portion of the work performed, Contractor shall, prior to any further payment being made, furnish to Customer a full and unconditional release from any claim or mechanic's lien for that portion of the work for which payment has been made.

7. **Extra Work and Change Orders:** Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to commencement of work covered by the new Change Order. A Change Order is not enforceable against the Customer unless it describes the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments and completion date. However, by California law, the contractor's failure to comply with these requirements does not prevent the contractor from the recovery of compensation for the reasonable value of change order work in the absence of a written change order. Customer agrees to execute Change Orders to increase the price to address conditions not reasonably anticipated by Contractor.

8. **Limit of Liability and Indemnity:** Contractor is not liable for claims arising from acts of Customer or Customer's agents. Contractor's liability is limited to an amount equal to two times the Contract Price. All claims in excess of this amount are waived. Customer shall pay for the defense and indemnify Contractor for all third party claims against Contractor that are not the result of the sole negligence of Contractor. Contractor will select counsel of its choice and control the litigation. **Commercial General Liability Insurance (CGL):** Contractor carries commercial general liability insurance written by Westchester Surplus Lines Insurance Company. Tel. 760-360-4700. You may call to check the contractor's insurance coverage.

9. **Workers Compensation Insurance:** Contractor carries workers' compensation insurance for all employees.

APPROVED BY CITY MANAGER

10-21-12 Fire damage repairs
 DL 2012

CONTRACTOR INITIALS: DWE; CUSTOMER INITIALS: [Signature]

Daniel's Dki
73950 Dinah Shore Drive, Suite 302
Palm Desert, Ca 92211
Tel: 760-320-2128 Lic. # 581149



Job #: 12-6901-STR

Date: 10/29/12

CA MECHANIC'S LIEN LAW AND CSLB INFORMATION SHEET

The State of California requires us to provide you with this information in the interest of your protection.

Customer(s): City of Palm Springs Property Address: 3200 E. Tahquitz Canyon way
Palm Springs CA 92263

MECHANIC'S LIEN WARNING

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics lien on your property. A mechanics lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder. Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit. To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a "Preliminary Notice." This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices. You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

PAY WITH JOINT CHECKS. One way to protect yourself is to pay with a joint check. When your contractor tells you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier. For other ways to prevent liens, visit CSLB's Web site at www.cslb.ca.gov or call CSLB at 800-321-CSLB (2752).

REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME. This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe.

INFORMATION ABOUT THE CONTRACTOR'S STATE LICENSE BOARD (CSLB)

CSLB is the state consumer protection agency that licenses and regulates construction contractors. Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB. Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees.

For more information: Visit CSLB's Internet Web site at <http://www.cslb.ca.gov>, call CSLB at 800-321-CSLB (2752) or write CSLB at P.O. Box 26000, Sacramento, CA 95826.

I acknowledge receipt of a copy of this form on the date set forth above. Customer initials: _____

INITIALED BY CITY MANAGER

10-21-12 Fire damage Repair AB245



Daniel's DKI
 73950 Dinah Shore Drive, Suite 302
 Palm Desert, CA 92211
 Tel: 760-320-2128 License#581149



Job #: _____
 Date: 10/21/12

WORK AUTHORIZATION - COMMERCIAL

Cancellation: The Notice of Cancellation referred to below may be sent to the address above.

Customer(s):

City of Palm Springs

Property

3200 Tahquitz

City/State/Zip: Palm Springs CA 92262

Date of Loss: 10/21/12

Customer hereby engages Daniel's DKI ("Contractor") to perform the work set forth below for purposes of To address damage caused by: Wind; Fire/Smoke; Water; Mold; Accident; Other: _____ which occurred on the date of damage stated above ("the Event").

1. Contract Documents: The list of documents attached and hereby incorporated into the contract is: Terms and Conditions, Estimate, Rate and Materials Schedule, Notice of the Right to Cancel (Residential Projects Only), and Other: _____
 Customer acknowledges receipt of the following disclaimer: Notice of Owner of Mechanics Lien Rights; Mold Notice; EPA Renovation Right Lead Notice; and Other: _____

2. Scope of Work: A description of the project and description of the significant materials to be used and equipment to be installed is as follows: Customer hereby authorizes and directs Contractor to furnish all labor, equipment and material to perform work as the Property as generally described below (the "Work"), or in the attached Estimate dated: _____
 Emergency Services Reconstruction Restoration and Cleaning of Contents Packing and Storage of Contents and Other: _____

Affected areas: ENGINEERING BLDG

Contract Price: Customer hereby agrees to pay Contractor the cost of the Work (the "Contract Price"); On a time and materials basis, according to the attached Rate and Materials Schedule; Insurance Replacement Cost Value; or At the price presently estimated at: _____ Dollars
 (5) The price stated is an approximation made in good faith based on currently available information and an initial visual observation, and is subject to change.
 3. Approximate Start Date: 10/21/12; Approximate Completion Date: 11/21/12

4. Substantial Commencement of Work shall consist of: Move in of personnel, equipment or material
 5. Personal Liability: Customer understands that Contractor is hired by Customer and NOT Customer's insurance company. Customer Initials: [Signature]

RESIDENTIAL CUSTOMERS: (1) YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THIS AGREEMENT SIGNED BY YOU AND THE CONTRACTOR, BEFORE ANY WORK MAY BE STARTED; (2) YOU MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION, OR THE SEVENTH DAY IF A STATE OF EMERGENCY HAS BEEN DECLARED; (3) THE LAW REQUIRES THE CONTRACTOR TO GIVE YOU A NOTICE EXPLAINING YOUR RIGHT TO CANCEL. YOU HAVE THE RIGHT TO REQUIRE THE CONTRACTOR TO HAVE A PERFORMANCE AND PAYMENT BOND.

6. NOTICE TO INSURANCE COMPANY - ASSIGNMENT OF CLAIM - DIRECTION TO PAY: Customer hereby transfers and assigns to Contractor all legal right and title to the proceeds of all insurance policies which cover the damage to the property that Contractor is to repair pursuant to this contract. Customer hereby authorizes and instructs all insurance carriers who may be liable to Customer for this loss in whole or in part to pay directly to Contractor the amounts due or to become due in connection with the Work hereby authorized or, in the alternative, to include the name of Contractor as an additional payee on all drafts issued in payment of this loss.
 X Customer Signature: [Signature]

*Customer(s) (I have read this contract and understand it)

Signature: [Signature]
 Customer: Customer's Agent

Print Name and Title: PATRICK SUGREY FORTITUS

Signature: [Signature]
 Contract: [Signature]

Print Name, Title and Registration #: Daniel W. Fuchs

Daniel's DKI
 73950 Dinah Shore Drive, Suite 302
 Palm Desert, CA 92211
 Tel: 760-320-2128
 License # 581149



Job #: _____

Date: 10/21/12

TERMS AND CONDITIONS - COMMERCIAL

Customer(s): City of Palm Springs Property Address: 3000 TRINITY
Palm Springs CA 92262

1. **Release for Third Party Professionals; Indemnity:** If the property has sustained significant water damage, Customer is advised to retain the services of independent environmental consultant to inspect, and if appropriate, prepare remedial protocols. Customer shall indemnify and hold Contractor harmless for injury or damage arising from or related to: (a) Customer's failure to hire environmental consultants or design professionals; or (b) the errors or omissions of any such third party professional.

2. **Personal Liability:** Payment to Contractor is not contingent upon Contractor's invoice being fully or partially approved by Customer's insurance company. All charges shall be invoiced directly to Customer. Contractor will submit a copy of the invoice to Customer's insurance carrier(s) as a courtesy only. Customer has been informed of, and agrees: a) Customer is personally responsible for any and all deductible(s), depreciation, and charges not paid by insurance; and b) invoices not paid by insurance are due within fifteen (15) days of the invoice date.

3. **Down Payment and Schedule of Progress Payments:** The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment.

Description of Phase	Amount Payable	Description of Phase	Amount Payable
	\$		\$
	\$		\$
	\$		\$
	\$		\$

4. **Payment:** Contractor will invoice Customer, describing the work performed and the charges. Payment is due fifteen (15) days of the invoice date, unless the table of Progress Payments above is completed, in which case payment will be due as set forth in the table. Contractor has the right, in Contractor's sole discretion, to suspend Work until past due invoices are paid. In addition to the Finance Charges set forth below, Customer agrees to pay Administration Fees of one and one-half percent (1.5%) per month on any unpaid balance after thirty (30) days of the invoice date, plus all actual collection costs, collection agency commissions, actual attorneys' fees, expert fees, and court costs.

5. **Finance Charges:** Customer will pay interest at the rate of ten percent (10%) per year on any unpaid balance after thirty (30) days of the date of invoice (interest is separate from, and in addition to the Administration Fees set forth above).

6. **Partial Lien Releases:** Upon satisfactory payment being made for any portion of the work performed, Contractor shall, prior to any further payment being made, furnish to Customer a full and unconditional release from any claim or mechanic's lien for that portion of the work for which payment has been made.

7. **Extra Work and Change Orders:** Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to commencement of work covered by the new Change Order. A Change Order is not enforceable against the Customer unless it describes the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments and completion date. However, by California law, the contractor's failure to comply with these requirements does not prevent the contractor from the recovery of compensation for the reasonable value of change order work in the absence of a written change order. Customer agrees to execute Change Orders to increase the price to address conditions not reasonably anticipated by Contractor.

8. **Limit of Liability and Indemnity:** Contractor is not liable for claims arising from acts of Customer or Customer's agents. Contractor's liability is limited to an amount equal to two times the Contract Price. All claims in excess of this amount are waived. Customer shall pay for the defense and indemnify Contractor for all third party claims against Contractor that are not the result of the sole negligence of Contractor. Contractor will select counsel of its choice and control the litigation. **Commercial General Liability Insurance (CGL):** Contractor carries commercial general liability insurance written by Westchester Surplus Lines Insurance Company. Tel. 760-360-4700. You may call to check the contractor's insurance coverage.

9. **Workers Compensation Insurance:** Contractor carries workers' compensation insurance for all employees.

CONTRACTOR INITIALS: DK CUSTOMER INITIALS: PS

Daniel's Dki
73950 Dinah Shore Drive, Suite 302
Palm Desert, Ca 92211
Tel: 760-320-2128 Lic. # 581149



Job # _____
Date: 10/21/12

CA MECHANIC'S LIEN LAW AND CSLB INFORMATION SHEET

The State of California requires us to provide you with this information in the interest of your protection.

Customer(s): City of Palm Springs Property Address: 3200 TAHAVITZ
PALM SPRINGS CA 92262

MECHANIC'S LIEN WARNING

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics lien on your property. A mechanics lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder. Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit. To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a "Preliminary Notice." This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices. You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

PAY WITH JOINT CHECKS. One way to protect yourself is to pay with a joint check. When your contractor tells you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier. For other ways to prevent liens, visit CSLB's Web site at www.cslb.ca.gov or call CSLB at 800-321-CSLB (2752).

REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME. This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe.

INFORMATION ABOUT THE CONTRACTOR'S STATE LICENSE BOARD (CSLB)

CSLB is the state consumer protection agency that licenses and regulates construction contractors. Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB. Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees.

For more information: Visit CSLB's Internet Web site at <http://www.cslb.ca.gov>, call CSLB at 800-321-CSLB (2752) or write CSLB at P.O. Box 26000, Sacramento, CA 95826.

I acknowledge receipt of a copy of this form on the date set forth above. Customer initials: RJX

National Rate Schedule



These rates apply to personnel engaged to fulfill the terms of the contract, whether regular full time employees of Contractor or temporary hires directly by Contractor or secured through a labor service. Rates stated below are per person per hour. These are the classifications that may apply during the course of a project. However, it should be noted that not every position will be required on every job. Appropriate staff levels will be determined for each individual job.

I. LABOR CLASSIFICATION - STANDARD HOURLY RATE	RATE	UNIT
Executive/ Senior Project Manager	150.00	HOURLY
Project Coordinator	110.00	HOURLY
Project Manager	85.00	HOURLY
Clerk of the Works/Project Auditor	60.00	HOURLY
Superintendent	75.00	HOURLY
Assistant Superintendent	60.00	HOURLY
Clerical Support	40.00	HOURLY
Mitigation Restoration Supervisor	55.00	HOURLY
Mitigation Restoration Technician	46.00	HOURLY
Cleaning Technician	38.50	HOURLY
General Labor	28.50	HOURLY
Field Administration Documentation, Moisture Documentation Tech	46.00	HOURLY
Skilled Labor	45.00	HOURLY
CDL/Equipment Operator/Fuel Technician	65.00	HOURLY
Carpenter	48.00	HOURLY
Health & Safety Officer	68.00	HOURLY
Estimator	70.00	HOURLY
Document Recovery Specialist	55.00	HOURLY
Environmental Remediation Supervisor (Excluding Asbestos, Lead & Hazmat)	88.00	HOURLY
Environmental Remediation Technician (Excluding Asbestos, Lead & Hazmat)	60.00	HOURLY
Technical Consultants	75-250	HOURLY

OTHER LABOR PROVISIONS:

- Standard Hours** - All labor rates above are for "Standard Hours" for the purposes of this Rate Schedule. "Standard Hours" shall be defined as all hours worked between the hours of 8:00am and 5:00pm, Monday through Friday, exclusive of the following Contractors holidays: New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving, Christmas Eve, and Christmas Day.
- Non-Standard Hours** - For purposes of this Rate Schedule "Non-Standard Hours" are defined as all hours worked before 8:00am and after 5:00pm, Monday through Friday, and all hours worked on Saturday and Sunday. Labor performed during Non Standard Hours will be billed at one and one-half (1.5) times the rate schedule amounts in above. In the event Contractor is required to pay double time for any work performed by all classifications, pursuant to state or federal law or the terms of any collective bargaining agreement, the rates for such labor hours shall be 2.0 times the rates schedule above. Holidays are charged at two times (2.0) the rate schedule amounts.
- Travel time** for personnel shall be billed at 50% of the normal billable rate. Billed travel time shall be reasonable portal-to-portal times from DKI Home Base.
- Sewer Damage** - Restoration from sewer damage will be charged at two (2.0) times the rate schedule for all work, up to and including decontamination, and two and one-half (2.5) times for holidays. Post-mitigation work, including reconstruction, will be at standard rates. Time will include mobilization, demobilization and sanitization of equipment.
- Legal Rates** - These rates and provisions are predicated upon Contractor standard wage rates and overtime compensation practices. To the extent the work under a particular contract is subject to Federal and State minimum wage and hour laws or collective bargaining agreements which modify Contractor standard rates and practices, adjustments shall be made to the hourly rates and other labor provisions stated above.

Initials

National Rate Schedule



OTHER APPLICABLE SCHEDULED RATES:

A. Subcontracted Services, including Freight & Transportation: Subcontracted Services, with the exception of labor services, are those outside services provided within the scope of the project, and incurred by the company in its execution of the project. Such expenses shall be billed to the customer at the amount billed by the Subcontractor, plus 10% overhead plus 10% profit.

B. Taxes, Permits and Fees: The rates contained in this Schedule are exclusive of all federal, state and local taxes, and associated permits or fees. Those Taxes, Permit costs and Fees shall be billed by the company to the customer, and shall be compensated for all such costs on the basis of actual costs incurred for such items plus 10% overhead plus 10% profit mark-up. If the customer is Tax Exempt, it must make the company aware of this exemption, and provide the company with copies of all such supporting Tax Exempt status. Any Tax, Permit or Fee incurred by the company prior to such notification of a Tax Exempt status, shall be reimbursed to the company by the customer.

C. Travel and Lodging: The company shall be compensated for its costs incurred for travel and lodging. Such costs shall be documented by and shall be billed to the customer at the invoiced amount, plus 21% contractor markup.

D. Per Diem: The company shall be compensated for Per Diem for any and all personnel brought in from out of town at the rate of forty dollars (\$40) per person, per day for each day personnel work on the project, plus 10%.

E. Logistic Charges: In the event of a regional weather event like a hurricane, major flood or earthquake (a CAT event), a 5% fee will apply for the first 90 days and will be based on the total billing up to that point in the project.

F. Consumables and Materials: Any product consumed and/or purchased that is not expressly listed on the consumable portion of the price list will be charged to the client at cost plus 10% overhead plus 10% profit.

G. Small Tools: For appropriate labor classes, small tools will be charged at \$5 per person per day.

H. Temporary Labor Management: A management fee of \$3.50 per worker per day will be charged when employing temporary workers.

I. Surcharge: A surcharge of 10% may be added in California and New York.

PRICE CHANGES: We reserve the right to change prices and add items to this schedule upon written notice.

Note: All above items are subject and pursuant to state labor laws. These rates exclude prevailing wage laws.

National Rate Schedule



II. DRYING & DEHUMIDIFICATION	RATE	UNIT
2" Discharge Hose - 50'	15.00	DAY
Air Scrubber - (* 1000 CFM)	85.00	DAY
Air Scrubber - (1001-1400 CFM)	125.00	DAY
Air Scrubber - (1401-2200 CFM)	135.00	DAY
Boreoscope (access to concealed areas)	75.00	DAY
Desiccant / Generator Trailer - 10000 CFM / 350kVA - No monitoring	4,420.00	DAY
Desiccant / Generator Trailer - 3000 CFM / 160kVA - No monitoring	2,130.00	DAY
Desiccant / Generator Trailer - 5200 - 6000 CFM / up to 125kVA - No monitoring	2,785.00	DAY
Desiccant Dehumidifiers - 120 CFM - No monitoring	125.00	DAY
Desiccant Dehumidifiers - 2000-2500 CFM - No monitoring	1,295.00	DAY
Desiccant Dehumidifiers - 2800-3500 CFM - No monitoring	1,395.00	DAY
Desiccant Dehumidifiers - 325 CFM - No monitoring	225.00	DAY
Desiccant Dehumidifiers - 4000-5000 CFM - No monitoring	1,495.00	DAY
Desiccant Dehumidifiers - 5200-6000 CFM - No monitoring	1,695.00	DAY
Desiccant Dehumidifiers - 9000-10000 CFM - No monitoring	2,395.00	DAY
Desiccant Dehumidifiers - 700-1000 CFM - No monitoring	325.00	DAY
Fan - Air mover	26.00	DAY
Fan - Axial	35.00	DAY
Flex Accessories (per piece, per day)	20.00	DAY
Hard Flex Duct 14" - 18" diameter - per 25' section	26.00	DAY
Hard Flex Duct 20" - 24" diameter - per 25' section	30.00	DAY
Hard Flex Duct up to 12" diameter - per 25' section	25.00	DAY
HOBO recording units	3.00	DAY
Hurricane Fans 24"	65.00	DAY
Hurricane Fans 36"	85.00	DAY
HVAC video camera	125.00	DAY
HVAC video camera tape	75.00	DAY
Injectidry floor unit (up to 5 panels)	275.00	DAY
Injectidry power add-on kit	50.00	DAY
Injectidry wall unit	150.00	DAY
Lay flat ducting - 24" - 36" (disposable)	1.75	FOOT
Lay flat ducting up to 24" (disposable)	1.00	FOOT
Moisture Mapping Kit - meters, case, documents (Excludes thermal imaging)	60.00	DAY
Moisture meter	20.00	DAY
Portable Flood Extractor	125.00	DAY
Power Washer - 2500 - 3000 PSI - Hot water (portable)	155.00	DAY
Power washer - 2500 - 3000 PSI (portable)	75.00	DAY
Power washer - 4500 PSI trailer mounted	450.00	DAY
Refrigerant Dehumidifiers - Large (150 CFM) - No monitoring	85.00	DAY
Refrigerant Dehumidifiers P200 - XLarge (250 CFM) - No monitoring	130.00	DAY
Refrigerant Dehumidifiers P300 - XXLarge (500 CFM) - No monitoring	175.00	DAY
Remote monitoring sensors	55.00	DAY
Rotary Floor Scrubber	75.00	DAY
Sump pump 1" / 50' hose - electric	75.00	DAY
Sump pump 2" / 50' hose - electric	125.00	DAY
Thermal imaging camera	150.00	DAY
Truck-mounted Extraction Unit	50.00	HOUR
Wall drying unit - ducted	100.00	DAY

Initial 

MH-R6.7 REV 011212

National Rate Schedule



III. VEHICLES (Owned)	RATE	UNIT
Car	50.00	DAY
SUV - Small	75.00	DAY
SUV - Medium	85.00	DAY
SUV - Large	95.00	DAY
Pickup - 1/2 ton	55.00	DAY
Pickup - 3/4 ton	75.00	DAY
Pickup - 3/4 ton to 1 ton dually	105.00	DAY
Semi tractor (single rear axle)	185.00	DAY
Semi tractor (double rear axle)	295.00	DAY
Box truck - 16' - 20'	185.00	DAY
Box truck - 22' - 26' with lift gate	245.00	DAY
Mobile Lodging Unit	450.00	DAY
Bus - 16 passenger	175.00	DAY
Van - 3/4 ton	85.00	DAY
Van - 1 ton	105.00	DAY

IV. MILEAGE CHARGES	RATE	UNIT
Car - per mile charge	0.55	MI
SUV - Small - per mile charge	0.55	MI
SUV - Medium - per mile charge	0.60	MI
SUV - Large - per mile charge	0.65	MI
Pickup - 1/2 ton - per mile charge	0.55	MI
Pickup - 3/4 ton - per mile charge	0.65	MI
Pickup - 3/4 ton to 1 ton dually - per mile charge	0.85	MI
Semi tractor (single rear axle) - per mile charge	1.05	MI
Semi tractor (double rear axle) - per mile charge	1.25	MI
Box truck - 16' - 20' - per mile charge	1.05	MI
Box truck - 22' - 26' with lift gate - per mile charge	1.25	MI
Bus - 16 passenger - per mile charge	1.25	MI
Van - 3/4 ton - per mile charge	0.85	MI
Van - 1 ton - per mile charge	0.85	MI

V. TRAILERS	RATE	UNIT
10' - 18' - Utility - Enclosed	50.00	DAY
20' - 30' - Utility - Enclosed	65.00	DAY
32' - 40' - Utility - Enclosed	75.00	DAY
45' - 53' - Semi trailer - Enclosed	135.00	DAY
45' - 48' - Semi trailer - Curtain side	125.00	DAY
45' - 48' - Semi trailer - Flat bed	105.00	DAY
45' - 48' - Semi trailer - Drop deck	125.00	DAY
45' - 48' - Vehicle transport trailer	275.00	DAY
Mobile Job Site Unit	400.00	DAY
Mobile Command Center	650.00	DAY
48' - 53' - Water tanker (empty)	295.00	DAY
32' - Fuel tanker (empty)	300.00	DAY
16' - Fuel pump - Tank/Pump (empty)	185.00	DAY
28' - 32' - Flatbed / Hydraulic tail	85.00	DAY
22' - Hydraulic auto lowering equipment trailer	125.00	DAY

Initial 

MH-R6.7 REV 011211

MS 867 82V 811212

Initial


DAY	15.00	Upright vacuum - each, per day
DAY	5.00	Trash containers - 30 - 45 gallon - each, per day
DAY	40.00	Tool set - Demolition (Standard electrical tools for crew leader)
DAY	300.00	Sprayer - Industrial airless - each, per day + A53
DAY	25.00	Shop vacuum - each, per day
DAY	12.00	Pump-up sprayer - each, per day
DAY	175.00	Ozone generator/ Odorox Hydrol Unit - each, per day
DAY	50.00	Outdoor canopy tent
DAY	15.00	Ladder - step / extension - each, per day (up to 30')
DAY	75.00	KETT Saw
DAY	125.00	HEPA vacuum - back pack - each, per day
DAY	225.00	HEPA vacuum - 55 gallon - each, per day
DAY	40.00	HEPA vacuum - 5 - 10 gallon - each, per day
DAY	265.00	Fuel Cell 400 - 700 Gallon - Empty
DAY	115.00	Fuel Cell 00 - 300 Gallon - Empty
DAY	125.00	Fogger - Thermal (gas powered) - each, per day
DAY	25.00	Fogger - electric - each, per day
DAY	15.00	Fire Extinguisher
DAY	6.50	Dolly - wheelbarrow - each, per day
DAY	20.00	Cart - demolition - each, per day

UNIT	RATE	IX. MISCELLANEOUS SCHEDULED EQUIPMENT
EACH	20.00	PAPER filter
EACH	15.00	HEPA / Small Particulate Collection Bags
EACH	290.00	Filter - HEPA (scrubber / vacuum)
EACH	97.00	Filter - HEPA charcoal (scrubber)
EACH	10.25	Filter - HEPA scrubber NAM secondary
EACH	10.25	Filter - HEPA scrubber NAM primary
EACH	14.75	Filter - Refrigerant OH secondary
EACH	8.00	Filter - Refrigerant OH primary

UNIT	RATE	VIII. FILTERS
EACH	50.00	Portable Satellite Phone - each, per day. (Airtime will be charged separately)

UNIT	RATE	VII. COMMUNICATIONS
CASE	30.00	Water - case
EACH	13.00	Tyvek suits
EACH	1.25	Respirator - N95 - each
EACH	35.00	RRP - Personal Respiratory Equipment (no filters) - each, per day
EACH	25.00	PPE - Personal Protection Equip (hard hat, goggles, gloves, uniform) - each, per day
EACH	35.00	RRP - Personal Fall Protection (Harness, 5' life line) - each, per day
EACH	6.25	Hard hat - each
EACH	7.00	Hand sanitizer - spray bottle
PAIR	4.25	Gloves - Rubber - Each
PAIR	6.25	Gloves - Leather - pair
BOX	38.00	Gloves - Latex - Box
PAIR	2.00	Gloves - Cotton - Pair
EACH	135.00	First aid kit / Safety Station

UNIT	RATE	VI. SAFETY EQUIPMENT
------	------	----------------------



National Rate Schedule



X. CONSUMABLES	RATE	UNIT
5 gallon buckets	6.50	EACH
"Green" Botanical Disinfectant - Benefect or equivalent RTU	45.00	GALLON
Adhesive remover	7.00	CAN
Alcohol Wipes	2.50	EACH
Antimicrobial - Microban or equivalent	38.50	GALLON
Bad air sponge	15.00	EACH
Bag - Contractor - 3 mil Trash Bags Heavy Duty 30x60 (50/roll)	25.00	ROLL
Bag - Contractor - Large 6 mil trash Trash Bags Heavy Duty 36x60 (50/roll)	95.00	ROLL
Bag - HEPA vacuum	21.00	CS
Blades, utility knife, per 100 each	18.27	BOX
Carpet cleaning solution	21.06	GALLON
Ceiling poly clips	6.00	EACH
CHEM Safe (5 gallon bucket)	290.00	EACH
Citrus Cleaner	12.25	GALLON
Corrosion control oil	48.00	GALLON
Cotton cleaning towels (per pound)	14.00	POUND
Degreaser / Cleaner	45.50	GALLON
Door Stops	4.00	EACH
Drum Liners	20.00	EACH
Drum, Plastic DOT 34, 55 gallon	48.00	EACH
Furniture blocks	86.00	BOX
Furring strips	0.77	EACH
Mop and Handle	16.25	EACH
Mop Heads	6.00	EACH
Mop Heads - Rayon	8.50	EACH
Odor neutralizer block	6.00	EACH
Packing - Boxes - Book	1.50	BOX
Packing - Boxes - Dish Pack	5.45	BOX
Packing - Boxes - Large	3.00	BOX
Packing - Boxes - Medium	2.35	BOX
Packing - Boxes - Small	1.70	BOX
Packing - Boxes - Wardrobe	11.95	BOX
Packing - Bubble Wrap	51.80	ROLL
Packing - Packing Peanuts	4.95	BAG
Packing - Paper	9.95	PACK
Packing - Boxes - File	4.35	BOX
Packing - Boxes - Mirror	4.25	BOX
Paper Towels	48.30	CS
Peel & stick zipper	16.00	EACH
Plastic or visqueen, 3 mil, 20 X 100	42.50	ROLL
Plywood - 4 x 8 x 1/2 sheet	25.00	EACH
Polyethylene bags heavy duty	85.00	CS
Polyethylene Bags, Clear or Black 4 - 6 mil	80.00	CS
Polyethylene sheathing - 10 mil Fireproof-20'x100'	240.00	ROLL
Polyethylene sheathing-6 mil Fireproof 12'x100'	105.00	ROLL
Polyethylene sheathing-6 mil Non FR Reinforced-20'x100'	125.00	ROLL
Restoration Sponge	5.85	EACH
Sawz-all blade, combo	18.00	DOZ

Initials *RS*

MH-86.7 REV 011212

National Rate Schedule



Sawz-all blade, metal	19.00	DOZ
Sawz-all blade, wood	17.00	DOZ
Soot Sponges	90.00	CS
Spray Bottles with triggers	3.50	EACH
Spray foam	10.75	CAN
Spray on adhesive	5.49	CAN
Tape - Caution	32.00	ROLL
Tape - Duct	11.50	ROLL
Tape - Packing	7.75	ROLL
Tape - Painters	8.50	ROLL
Tapping Tees / Reversers (setup to 5)	21.00	DAY
Towels, disposable heavy duty	35.00	CASE
Towels, terry	5.20	EACH
Vacuum filters (HEPA)	188.00	EACH
Walk off mats per pad of 30 sheets	55.00	PAD

XI. ELECTRICAL DISTRIBUTION	RATE	UNIT
100 Amp Panel/Service Box	100.00	DAY
200 Amp Panel/Service Box	200.00	DAY
400 Amp Panel/Service Box	400.00	DAY
600 Amp Panel/Service Box	600.00	DAY
Cable, Cam Loc - 100'	58.00	DAY
Cable, Cam Loc - 50'	30.00	DAY
Cable, Spider Box 50amp Twist Lock< Cable- 50'	30.00	DAY
Cord Ramp	11.00	DAY
Downline Extension Cable 100'	50.00	DAY
Downline Extension Cable 50'	30.00	DAY
Downlines - includes 3 20amp Boxes	85.00	DAY
Extension cord - 50' 10w30 - each, per day (Heavy duty)	6.00	DAY
Feeder Set 2/0 - Includes 5 cables	45.00	DAY
Feeder Set 4/0 - Includes 5 cables	60.00	DAY
Light Stringer	18.00	DAY
Lights - Demolition - standard string - each, per day - each additional 50'	20.00	DAY
Lights - Demolition - standard string - each, per day - up to 50'	20.00	DAY
Pig tail, Cam Lock (Setup to 5)	34.00	DAY
Pig tail/Stove Adapter 50amp	9.50	DAY
Power Set 2/0 - Includes 5 cables	60.00	DAY
Power Set 4/0 - Includes 5 cables	85.00	DAY
Quad Box - 20'	55.00	DAY
Quad Box - 30'	85.00	DAY
Quad Box String 10'	49.00	DAY
Quad Box String Extension Cable - 50'	30.00	DAY
Spider Box 50 amp	50.00	DAY
Tool set - Electrical / electronics / mechanic - each, per day	40.00	DAY
Transformer - 75 kVA - 100 kVA	190.00	DAY
Transformer -150 kVA	230.00	DAY

Initial 

Initial

Tarp 4x4; total 16 SF	0.28	SF
Tarp 4x5; total 20 SF	0.28	SF
Tarp 5x9; total 45 SF	0.28	SF
Tarp 10x10; total 100 SF	0.28	SF
Tarp 10x12; total 120 SF	0.28	SF
Tarp 10x15; total 150 SF	0.28	SF
Tarp 10x20; total 200 SF	0.28	SF
Tarp 10x30; total 300 SF	0.28	SF
Tarp 20x15; total 300 SF	0.28	SF
Tarp 20x20; total 400 SF	0.28	SF
Tarp 20x50; total 1,000 SF	0.28	SF
Tarp 20x25; total 500 SF	0.28	SF
Tarp 30x50; total 1,500 SF	0.28	SF
Tarp 40x50; total 2,000 SF	0.28	SF
Tarp 50x50; total 2,500 SF	0.28	SF
Tarp 100x100; total 10,000 SF	0.28	SF

XIII. GENERATORS - In-house (Based on Availability)		RATE	UNIT
Generator - Less than 10kw	110.00	DAY	
Generator - 25kw	340.00	DAY	
Generator - 30kw-48kw	510.00	DAY	
Generator - 50kw-75kw	660.00	DAY	
Generator - 80kw-100kw	810.00	DAY	
Generator - 125kw-175kw	1,020.00	DAY	
Generator - 200kw-225kw	1,080.00	DAY	
Generator - 250kw	1,150.00	DAY	
Generator - 300kw-375kw	1,200.00	DAY	
Generator - 400kw-475kw	1,640.00	DAY	
Generator - 500kw	2,080.00	DAY	
Generator - 750kw	3,200.00	DAY	
Generator - 1000kw	3,760.00	DAY	

XIII. TARPS

