

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # B-8

Urgent

Routine

AGENDA DATE July 13, 2010

CEO Concurs with Recommendation YES  NO

4/5 Vote Required YES  NO

(Information Attached)

SUBJECT:

Approval to Declare an Emergency as a Result of a Fire in Barracks 1 and 2 at the Men's Honor Farm and  
Approval to Implement an Immediate Action Plan to House Inmates and to Secure the Facility

STAFF RECOMMENDATIONS:

1. Declare an emergency as a result of a fire on June 26, 2010 which destroyed Barracks 1 and 2 at the Men's Honor Farm at 8224 West Grayson Road.
2. Authorize the Sheriff and the Chief Executive Officer to implement an immediate action plan to house inmates displaced as a result of a fire in Barracks 1 and 2 at the Men's Honor Farm.
3. Authorize the Chief Executive Officer, or his designee, to contract for professional services to assist with the negotiation of a settlement with the County's insurance carrier. The cost will be reimbursed by the insurance company.

Continued on Page 2

FISCAL IMPACT:

On June 26, 2010, a fire erupted at the Stanislaus County Sheriff's Honor Farm Facility at 8224 West Grayson Road. The fire completely destroyed Barracks 1 and 2, and all contents. The destroyed barracks had a capacity of 172 total beds, although only 86 inmates were being housed in these barracks at the time of the fire. Staff, working with the County's insurer, has determined Barracks 1 and 2 are a total loss.

Continued on Page 2

BOARD ACTION AS FOLLOWS:

No. 2010-458

On motion of Supervisor Chiesa, Seconded by Supervisor O'Brien

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

4) \_\_\_\_\_ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

**STAFF RECOMMENDATIONS (Continued):**

4. Authorize the Chief Executive Office Risk Management Division to negotiate an advance payment with the County's insurance carrier to fund initial project costs to ensure the safety and security of the site and to aid in the demolition, planning, and design services for a replacement facility.
5. Authorize the Chief Executive Office to negotiate with the insurer for abatement, demolition and removal of debris from the site.
6. Authorize the Sheriff to designate a Transition Sergeant to coordinate transition activities, contingent upon funding approval from the County's insurance carrier.

**FISCAL IMPACT (Continued):**

At this time, staff is requesting the Board authorize the Sheriff, the Chief Executive Office (CEO), Risk Management, and General Services Agency (GSA), coordinated through the CEO's Capital Project Division, to implement an immediate action plan to secure the site and safely house the inmates displaced as a result of a fire in Barracks 1 and 2 at the Men's Honor Farm. The total cost is estimated to be less than \$25,000, including security fencing to segregate the site and maintenance to restore services to the site. These costs are reimbursable through the County's insurer. The County's Insurance Carrier has verbally committed to demolish the remaining debris and to pay the cost of the demolition directly, therefore the cost of demolition is not included in the \$25,000.

Staff is also starting negotiations with the County's Insurer. To establish the value of the insured loss, staff recommends the Chief Executive Officer, or his designee, contract for professional services for assistance. The costs of these professionals are estimated to be less than \$25,000 and are reimbursable through the County's insurer.

To recap estimated immediate expenses, staff believes the cost of immediate work to ensure site safety and security will be less than \$25,000. Additionally, the cost of professional services to prepare for a negotiated settlement with the County's Insurer will be less than \$25,000. Thus the total exposure to the County for the immediate actions necessary will be less than \$50,000, reimbursable from the County's Insurer.

To help alleviate the burden on the General Fund, staff is requesting authority to negotiate an advance payment from the County's insurer to fund initial project costs required to ensure the safety and security of the site and to aid in the demolition, planning, and design services for a replacement facility. The total estimated replacement value in today's real dollars to replace the 172 beds lost in the fire, built to Corrections Standards Authority standards and up to code, is still to be determined. The total estimated costs to assist with the development of a settlement should be less than \$25,000 in addition to the cost of the site safety and security actions.

Approval to Declare an Emergency as a Result of a Fire in Barracks 1 and 2 at the Men's Honor Farm and Approval to Implement an Immediate Action Plan to House Inmates and to Secure the Facility

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Until the County receives an advanced payment from the County's insurer or is reimbursed by the County's insurer, these costs will be funded out of existing appropriations in the Chief Executive Office Plant Acquisition budget previously approved by the Board. The funds expended from Plant Acquisition will be replaced less the \$10,000 deductible.

## **DISCUSSION:**

### Background

On June 26, 2010 a fire destroyed Barracks 1 and 2 at the Men's Honor Farm. Preliminary investigations suggest the fire was started by an exhaust fan in the restroom area. The Barracks have a total rated capacity of 172 Class 2 inmates, although only 86 inmates were being housed in the barracks at the time of the fire. With the assistance of GSA, the Sheriff has temporarily housed those 86 inmates in Barracks 3 and 4 at the Men's Honor Farm.

The total capacity of the Men's Honor Farm is currently 370 beds; although in the past the rated capacity has been as high as 420 beds. The loss of these 172 beds will reduce the current rated capacity from 370 beds to 198 beds. The loss of 172 beds limits the Sheriff's ability to house, segregate, and classify inmates and increases security concerns.

There is an immediate need to make the site safe and to house the 86 inmates displaced by the fire. The immediate need includes an additional, temporary staff member because the inmates are temporarily housed in Barracks 3 and 4, temporary fencing to segregate the site, clean up of the debris from the fire, and professional services to determine the value of the loss. These costs are reimbursable from the County's insurer.

The Sheriff, Risk Management, CEO, and Capital Projects staff are studying short term alternatives for replacing the 172 beds lost. Paramount to this study is a determination of the value of the loss and replacement cost for subsequent reimbursement from the insurer.

### Facility Background

The Stanislaus County Men's Honor Farm, located at 8224 West Grayson Road, Modesto, California, is one of three (3) lockdown facilities and is the administrative work sites for inmates on Alternative Work Plans. As a result of the loss only 198 beds remain to house inmates. There is one remaining 86 bed barracks constructed of masonry and wood and one remaining multi-level dorm style structure currently rated at 112 beds.

The Honor Farm is a Type 2 Facility, a local detention facility used for the detention of persons pending arraignment, during trial, and upon sentence of commitment.

### The Fire

On the day of the fire, Deputy Kanuck called in that he had smoke in Barracks 1. Sergeant Spaulding responded and had Deputy Sights call for fire department assistance. Deputy

## Approval to Declare an Emergency as a Result of a Fire in Barracks 1 and 2 at the Men's Honor Farm and Approval to Implement an Immediate Action Plan to House Inmates and to Secure the Facility

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Sights began announcing for all the inmates to exit Barracks 1. Deputy Kanuck and Sergeant Spaulding safely evacuated all inmates from Barracks 1 and 2. All the inmates were evacuated to the east side of the yard. There were no injuries as a result of the fire.

Deputy Kanuck and Sergeant Spaulding opened the gates to allow access for responding vehicles. Many fire departments arrived to assist. Westport Fire Assistant Chief Barindelli was the incident commander. Numerous Sheriff Department Patrol and Ceres Police Department personnel responded and set up an outer perimeter. The fire was too aggressive and both Barracks 1 and 2 were destroyed.

Sergeant Spaulding notified Lieutenants Hudson and Suarez of the incident. Deputy Sights contacted the Men's Jail and Public Safety Center for assistance. Both facilities were able to send two deputies for inmate security assistance. Custodial Deputies Saldivar, Kjellberg, Rosales, and Kirk arrived at the facility and conducted a count of the inmates. During the evacuation, it was discovered that one inmate was missing, who has since returned. Patrol completed a crime report and Deputy Kanuck completed the escape report. Staff from the following areas also responded to assist: Maintenance, Kitchen, Commissary, Laundry, and Administration.

### Housing the Displaced Inmates

When the fire department deemed it safe, the inmates were housed temporarily in Barracks 4. Power, hot water, and phone service had to be restored to Barracks 3 and 4, and clothing, shoes, linen, and mattresses had to be distributed. Barracks 4 was cleaned and disinfected.

Claim forms for property and commissary losses, hygiene items, water, and commissary care packages were distributed. Immediate repairs to the air conditioning units were made, inmate visits cancelled, and delivery schedules for meal service were adjusted. The Sheriff's department handled inmate family calls, and concerns; handled claims and complaints from inmates; and contacted Friends Outside to assist with prescription glasses, etc. Power was also restored to the front gate. The public address system was damaged by the fire, and staff is currently working with the vendor to have it repaired.

Challenges to staff security remain. Staff continues to work to return the Honor Farm to a functional lockdown unit that is safe and secure, including implementing an immediate action plan. Other remaining issues include responding to the needs of outside vendors, insurance investigators, and coordination with County support.

### Risk Management Activities with Insurance Carrier

The Risk Management Division notified the County's Third Party Administrator of the loss by telephone to provide the type of loss, date of loss, location and severity of the incident, and to start the claim process by opening a file and assigning a claim adjuster.

Approval to Declare an Emergency as a Result of a Fire in Barracks 1 and 2 at the Men's Honor Farm and Approval to Implement an Immediate Action Plan to House Inmates and to Secure the Facility

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To date Risk Management has had two meetings on-site with insurance representatives and numerous phone calls related to the loss. Staff has been to the site to investigate the damage, gather preliminary data for the insurance adjuster and to discuss the immediate operational needs. Additional meetings have been held with the adjuster, and representatives from the Sheriff's department, insurance broker, construction consultant and engineer (hired by the insurance company) and representatives from Capital Projects.

The claim process will generally proceed as follows:

1. Report the loss,
2. Meet with the adjuster on-site,
3. Make arrangements for immediate safety and health consideration,
4. Gather preliminary estimates on the loss – structure and contents - and submit for pre-approval and partial payment, less \$10K deductible,
5. Submit progress reports / invoices as needed for progress payments, and
6. At the conclusion of the rebuilding process, submit invoices to finalize the claim.

Risk Management will coordinate with the insurance adjuster to start the process of site demolition and site clean-up as soon as possible as the remaining damaged property poses a danger to staff and inmates. Since demolition and clearing of the site will be initiated by the adjuster, billing will be handled directly by the insurance company.

Staff recommends that the Board of Supervisors authorize the Chief Executive Office Risk Management Division to negotiate an advance payment with the County's insurance carrier to fund initial project costs during the initial demolition, planning, and design phase of the project.

Once Risk Management receives the preliminary estimates on content loss from the Sheriff's department, conceptual structure loss from Madsen, Kneppers and Associates (insurance company's construction consultant and engineer,) extra labor costs associated with the loss, cost of temporary fencing etc., the preliminary estimate will be submitted to the Third Party Administrator and insurance company in a partial claim. Upon approval, the insurance company will issue payment based on the initial claim submitted (less a depreciation value and deductible) to start the reconstruction process.

Additional expenses to be claimed in the loss may include, but not be limited to:

- Firefighting and emergency response;
- Building replacement costs at today's values to today's codes;
- Contents replacement cost at today's values;
- Secure operations of the Honor farm;
- Costs to temporarily house inmates in Barracks 3 and 4;
- Debris removal and site fencing;
- Professional Services to assist staff;

Approval to Declare an Emergency as a Result of a Fire in Barracks 1 and 2 at the Men's Honor Farm and Approval to Implement an Immediate Action Plan to House Inmates and to Secure the Facility

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- Adjustment expenses at a reasonable extra cost of temporary repair and of expediting the repair, including overtime and extra costs of express or other rapid means of transportation;
- Application of building and other codes regulating the construction of the replacement facility, repairs and demolition, including the increased cost of construction and increased minimum requirements due to current regulations;
- Cost of demolition of any remaining portion of the building including cost of clearing the site; and
- Additional staffing requirements from the Sheriff.

Preliminary safety concerns fell into two categories – “Immediate” and “As-Soon-As-Possible” after all inspections have been completed. “Immediate” needs included a temporary fence around the destroyed barracks due to a serious concern for staff and inmate safety. All inmates were temporarily housed in Barracks 4, and once the temporary fence was in-place, inmates were also housed in Barracks 3. There was no physical barrier between Barracks 3 and the burned out Barracks 1 and 2. The temporary fencing and security staffing supervision prohibited inmates from getting into the burned out areas to look for any possessions or to obtain items that could be used as weapons.

“As-soon-as-possible” concerns also include staff and inmate safety. This involves demolition of the buildings and slab and all debris removal following the determination by the construction consultant and engineer that the remaining structure has no value for rebuilding purposes. All preliminary data is gathered and investigations are completed. Additional staff may be required on the site during demolition to keep the facility secure. This expense has been pre-approved by the insurance company, which will be required to ensure coverage for the additional staff.

#### Replacement of the lost 172 Beds

The County's insurance policy covers the replacement cost of 172 beds built to current Building Codes and Correctional Standards Authority codes. Barracks 3 and 4 were 'Grandfathered in' under older Building Codes. They were built circa 1967 for Class 3 and 4 inmates. However, because of the increase in inmate population with limited available space, Class 2 (higher security level) inmates were being housed at the Men's Honor Farm, and the State Correctional Standards Authority re-classified the facility for Class 2 inmates.

The cost of the replacement facility will be based upon replacing 172 beds of a Type 2 facility (to accommodate the current security-level inmates housed at the Honor Farm). Changes to Code-required space allocations per inmate and limitations of dormitories to a maximum of 64 inmates, will necessitate the replacement facility to be larger than the old facility. To help determine the value of the replacement facility, staff is requesting approval to contract with Lionakis, a well-recognized architectural firm in planning and design of jails in California. Lionakis is acceptable to the County insurer for professional assistance to determine the scope of the replacement facility. Staff is also requesting approval to contract with Leland Saylor & Associates, a nationally known estimating firm, to estimate the cost of the

Approval to Declare an Emergency as a Result of a Fire in Barracks 1 and 2 at the Men's Honor Farm and Approval to Implement an Immediate Action Plan to House Inmates and to Secure the Facility  
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replacement facility. The cost of both Lionakis and Leland Saylor & Associated will be reimbursed from the insurance proceeds.

**POLICY ISSUES:**

Approval of this action will address this unexpected situation and promote efficiency in the administration of the County's operations. Additionally, this action supports the Board's priorities of A Safe Community, A Healthy Community, Effective Partnerships, and Efficient Delivery of Public Services.

**STAFFING IMPACT:**

Barracks 4 is a separate and secure location within the Honor Farm, thus requiring a deputy's oversight for security purposes. Initial discussions with the Sheriff's department indicate that there may be a need for staff assistance to act as the representative for the Honor Farm commander until a short-term housing solution is identified. The position would represent the Sheriff's department to develop a short term plan, conduct site visits, gather information, and act as a liaison for all of the required groups and vendors involved. This position should report directly to the Honor Farm Commander and should be at the rank of Sergeant to allow for a higher level of decision-making capabilities and is subject to agreement from the Insurer to reimburse associated County costs. If the determination is made that additional positions are required and funding is available, staff will return to the Board in a separate action.

Existing Chief Executive Office - Capital Projects staff will manage this effort and coordinate with the Sheriff's Department in the procurement of services and to permit the conduct of essential County operations and services.

**CONTACT:**

Tim Fedorchak, Senior Management Consultant. Telephone: (209) 525-6333.

Stanislaus Capital Projects  
 1010 10<sup>th</sup> Street, Suite 2300, Modesto, CA 95354  
 Phone: (209) 525-4380 FAX: (209) 525-4384

**TRANSMITTAL**

**TO: Don Phemister  
 Phemister Construction Management**

**SUBJECT: STANISLAUS COUNTY CAPITAL PROJECTS**

**DATE: 7/21/2010**

We are sending you   X   attached    under separate cover the following material:

- |   |                                       |  |
|---|---------------------------------------|--|
| <input type="checkbox"/> Shop Drawings  | <input type="checkbox"/> Change Order | <input type="checkbox"/> Specifications    |
| <input type="checkbox"/> Copy of Letter | <input type="checkbox"/> Plans        | <input type="checkbox"/> Computer Printout |
| <input type="checkbox"/> Prints         | <input type="checkbox"/> Samples      | <input type="checkbox"/> Updates           |

COPIES	DATE	DESCRIPTION
1	7/21/10	Fully-executed Work Authorization No. 22 for the Honor Farm Barracks 1 & 2.

BOARD OF SUPERVISORS  
 2010 JUL 23 A 11:59

**REMARKS:**

For your records.

**Note to Board:** WA No. 22 Approved by the Board on July <sup>13</sup>~~21~~, 2010, Item B-8.

COPIES: Patricia Hill Thomas (Copy)  
 Mark Loeser (Copy)  
 Liz King, Board (Original + Copy)  
 Norma Baker (Original + Copy)  
 File X 2.1.1 (1737)  
 File X 5.6.2.1  
 File X 15.83.3.3

SIGNED: *Teresa Vander Veen*  
 Teresa Vander Veen



**PHEMISTER CONSTRUCTION MANAGEMENT, INC.**

**WORK AUTHORIZATION NO. 22  
FOR SPECIAL SERVICES  
HONOR FARM BARRACKS 1 & 2**

1. This Work Authorization No. 22 is entered into effect June 28, 2010, in accordance with the terms and conditions of the agreement between Phemister Construction Management, Inc., (PCM), and Stanislaus County dated December 20, 2003 (Agreement).
2. This Work Authorization is for those construction management services, for continued professional services through project completion. PCM's work shall include:
  - a. Professional Construction Management Services for immediate actions to make the site safe and secure, and
  - b. Professional Construction Management Services for project planning.

3. Period of Performance: June 28, 2010 to December 31, 2010.

4. Method of Compensation and Rates:

<u>Name</u>	<u>Title</u>	
Gino Colacchia	On-Site Construction Manager	\$90.00 per Hour

5. Payment Terms: Per the Agreement.

6. Verification of Insurance: Per the Agreement.

7. Funding Source: 0100 / 0016031 GL 4544

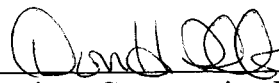
8. NOT TO EXCEED: \$3,000.00

TOTAL:                    \$ 3,000.00 (Work Authorization 22)  
\$ 3,000.00

Dated: June 28, 2010



Stanislaus County



Phemister Construction Management, Inc.

Stanislaus County Board of Supervisors  
July 13, 2010 Item B-8

## PowerPoint Presentation

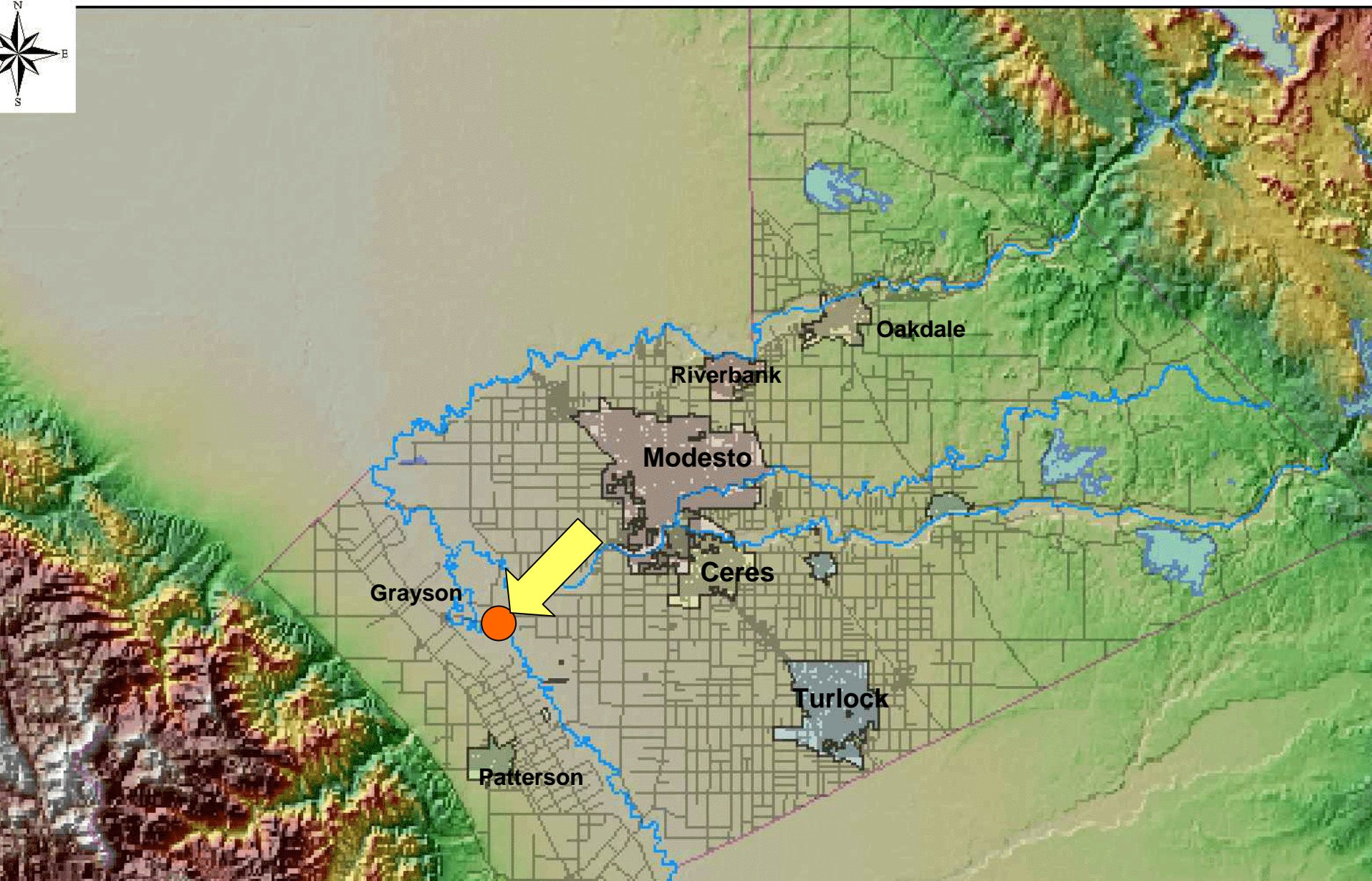
Approval to Declare an Emergency as a  
Result of a Fire in Barracks 1 and 2 at the  
Men's Honor Farm and Approval to  
Implement an Immediate Action Plan to  
House Inmates and to Secure the Facility



## *Honor Farm Barracks 1 and 2 Fire on June 26, 2010*

- June 26, 2010 a fire destroyed Barracks 1 and 2 at the Men's Honor Farm





*Honor Farm Barracks 1 and 2 Fire on  
June 26, 2010*





*Honor Farm Barracks 1 and 2 Fire on  
June 26, 2010*





*Honor Farm Barracks 1 and 2 Fire on  
June 26, 2010*



*Honor Farm Barracks 1 and 2 Fire on  
June 26, 2010*





*Honor Farm Barracks 1 and 2 Fire on  
June 26, 2010*





*Honor Farm Barracks 1 and 2 Fire on  
June 26, 2010*





*Honor Farm Barracks 1 and 2 Fire on  
June 26, 2010*



*Honor Farm Barracks 1 and 2 Fire on  
June 26, 2010*



## *Honor Farm Barracks 1 and 2 Fire on June 26, 2010*

- There were no injuries in the fire, although the buildings and the contents are considered to be a total loss.
- The building is insured by the County with an insurance deductible of \$10,000.





- Immediate steps were taken by the Sheriff to secure the facility and relocate inmates to other beds at the Honor Farm.
- 172 beds were lost of a total rated capacity of 370, but the facility's population was 86 at the time of the fire.





*Honor Farm Barracks 1 and 2 Fire  
on June 26, 2010*

- Chief Executive Office Risk Management Division will work on behalf of the County to settle claim with carrier.



*Honor Farm Barracks 1 and 2 Fire on June 26, 2010*

**STAFF RECOMMENDATIONS**

1. Declare an emergency as a result of a fire on June 26, 2010 which destroyed Barracks 1 and 2 at the Men's Honor Farm At 8224 West Grayson Road.



*Honor Farm Barracks 1 and 2 Fire on June 26, 2010*  
**STAFF RECOMMENDATIONS**

2. Authorize the Sheriff and the Chief Executive Officer to implement an immediate action plan to house inmates displaced as a result of a fire in Barracks 1 and 2 at the Men's Honor Farm.





*Honor Farm Barracks 1 and 2 Fire on June 26, 2010*  
**STAFF RECOMMENDATIONS**

3. Authorize the Chief Executive Officer, or his designee, to contract for professional services to assist with the negotiation of a Settlement with the County's insurance Carrier. The cost will be reimbursed by the insurance company.



*Honor Farm Barracks 1 and 2 Fire on June 26, 2010*  
**STAFF RECOMMENDATIONS**

4. Authorize the Chief Executive Office Risk Management Division to negotiate an advance payment with the County's insurance carrier to fund initial project costs to ensure the safety and security of the site and to aid in the demolition, planning, and design services for a replacement facility.



*Honor Farm Barracks 1 and 2 Fire on June 26, 2010*  
**STAFF RECOMMENDATIONS**

5. Authorize the Chief Executive Office to negotiate with the insurer for abatement, demolition and removal of debris from the site.



*Honor Farm Barracks 1 and 2 Fire on June 26, 2010*

**STAFF RECOMMENDATIONS**

6. Authorize the Sheriff to designate a Transition Sergeant to coordinate transition activities, contingent upon funding approval from the County's insurance carrier.



## *Construction of Honor Farm Barracks 3*

Stanislaus Capital Projects  
1010 10<sup>th</sup> Street, Suite 2300, Modesto, CA 95354  
Phone: (209) 525-4380 Fax: (209) 525-4384

BOARD OF SUPERVISORS  
**TRANSMITTAL**  
2010 AUG 13 A 8:02

**TO: LELAND SAYLOR & ASSOCIATES, INC.**  
**595 MARKET STREET, STE. 400**  
**SAN FRANCISCO, CA 94105**

**SUBJECT: STANISLAUS COUNTY PROJECTS**  
**REFERENCE: HONOR FARM BARRACKS 1 & 2**

**DATE: 8/12/2010**

We are sending you   X   *attached*    *under separate cover* the following material:

<input type="checkbox"/> Shop Drawings	<input type="checkbox"/> Change Order	<input type="checkbox"/> Specifications
<input type="checkbox"/> Copy of Letter	<input type="checkbox"/> Plans	<input type="checkbox"/> Computer Printout
<input type="checkbox"/> Prints	<input type="checkbox"/> Samples	<input type="checkbox"/> Updates

COPIES	DATE	DESCRIPTION
1		<b>Fully-Executed Work Authorization No. 5.</b>

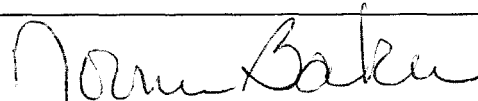
**REMARKS:**

The attached is for your records.

**Note: This agreement was approved by the Board in Board Resolution No. 2010-458 on July 13, 2010.**

**COPIES:** Patricia Hill Thomas  
Tom Flores, Auditor (Purchasing)  
Liz King, BOS  
File AA 2.1.1 (011)  
File AA 5.6.1

**SIGNED:**

  
Norma Baker

**WORK AUTHORIZATION NO. 5**

**FOR ESTIMATING SERVICES**

- 1 This Work Authorization is entered into as of July 22, 2010, in accordance with the terms and conditions of that agreement between Stanislaus County and Leland Saylor & Associates, Inc. dated April 22, 2008.
- 2 Description of Services: Provide On Call Estimating Services for the Honor Farm Barracks 1 & 2 Replacement Study per the attached proposal.
- 3 Period of Performance: July 22, 2010 through September 30, 2010 as directed by the County's Construction Manager.
- 4 NOT TO EXCEED: \$9,500.00
- 5 Funding Source(s): Honor Farm Barracks 1 & 2 Project  
0100 / 0016031 / 63256 GL 4544
- 6 Board of Supervisors Approval Date: July 13, 2010; Board Agenda Item: B-8.

Dated: July 22, 2010



Stanislaus County



Leland Saylor & Associates, Inc.



595 Market Street, Suite 400  
San Francisco, CA 94105  
TEL: 415-291-3200  
FAX: 415-291-3201  
www.lelandsaylor.com

July 22, 2010

Mr. Don Phemister  
825 12th Street  
Modesto, Ca 95354

**RE: Stanislaus Honor Camp  
Modesto, CA  
LSA Quote #Q10-114**

Dear Mr. Phemister:

We are pleased to submit our proposal for consulting services for the above-referenced project as follows:

- 1. **Project Description:** Site walk and associated work for the Stanislaus Honor Camp claims project.
- 2. **Task Description:**
  - 2.1 Site visit to view damage and measure property
  - 2.2 Create a sketch of the fire damaged property
  - 2.3 Create a scope of loss to rebuild the project as it was before the fire
  - 2.4 Price the pre loss scope
  - 2.5 Create a scope of repair for a code compliant solution as determined by Lionakis
  - 2.6 Price the code compliant scope

**TOTAL: ..... NTE, \$9,500.00**

- 3. Supplemental Consulting: All work not specifically covered by the fixed fees above shall be billed on a time and materials basis in accordance with LSA's current schedule of fees and the terms of this agreement. **Additional work includes any work not included in this agreement which may be requested by agencies and/or owners, such as preparation for meetings or attendance of meetings, additional estimates not in scope, reconciliation of LSA's estimate(s) with other estimate(s), value engineering services and services related to litigation. Requests for such meetings, studies and additional estimates not in scope must be authorized in writing.**

**BUDGET .....Time and Materials**





*Page 2 of 3*  
*July 22, 2010*  
*Quote #Q10-114*  
*Stanislaus Honor Camp*  
*Modesto, CA*

**Should the scope or budget vary significantly from that stated, LSA reserves the right to adjust its proposal accordingly.**

This quotation is subject to review of all documents prior to start of work. All documents must be in house prior to start of work. If additional documentation is received after substantial completion of our estimate, incorporation of revised drawings will be billed on a Time & Material basis. All estimates require a minimum of two weeks from notice to proceed to completion of estimate.

Estimates are complete and submitted in three (3) copies, including civil, architectural, structural, mechanical and electrical disciplines, as applicable. Extra copies requested by client, owner or contractor will be billed per the expenses and costs sections on the reverse of this page.

Leland Saylor Associates shall perform all of its work in accordance with accepted estimating practice and standards.

Please sign and date this agreement to indicate your acceptance of this proposal and return to this office. Terms and conditions appearing on the opposite side of this letter are a part of this agreement. This quotation is valid for a period of 60 days.

If you have any questions or wish further information, please call me.

Cordially yours,

**LELAND SAYLOR ASSOCIATES**

Accepted for: **Stanislaus County**

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

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

SS/am

## CONTRACT CONDITIONS

The following Contract Conditions are hereby made a part of the preceding proposal.

### SCOPE OF THE AGREEMENT

Please refer to the attached proposal letter for Scope Definition.

### CONTRACT CONDITIONS

The terms and conditions of this proposal constitute the entire agreement between the parties. Any terms, provisions or conditions in the client's purchase orders, correspondence, or other forms which are inconsistent with the terms, provisions or conditions of LSA's documents are void, unenforceable, and not a part of the agreement. Retainer funds not exhausted are returned upon completion of services.

### LIMITATIONS ON LIABILITY

LSA makes no warranties, express or implied, that opinions, services, estimates, and schedules rendered by its employees or officers will serve the function required, as it does not have control of the end product.

Services performed by LSA under this agreement shall not constitute it an architect, engineer, construction contractor or building inspector, nor impose upon it any obligation to assume, render or perform on behalf of the owner, architect, or engineer any responsibilities/duties performed by any of the above professionals.

The estimate(s) performed by LSA represent LSA's best judgment as an *estimating professional* familiar with the construction industry. It is recognized, however, that neither LSA nor the Architect has control over the cost of labor, materials or equipment, over the Contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions. Accordingly, LSA cannot and does not warrant or represent that bids or negotiated prices for the Project will not vary from the Owner's budget for the Project or from any estimate of the Cost of the Work or evaluation prepared or agreed to by LSA.

### INDEMNIFICATION

Client agrees to save and hold harmless LSA in a lawsuit or other proceeding relating to LSA services and obligations under this contract.

### TIME OF PERFORMANCE

LSA shall not be held liable for any delay or failure to perform the work described in the agreement if such delay or failure is caused directly or indirectly by fire, flood, explosion, other casualty, strike, labor disturbance, state of war, insurrection, riot, government regulations, either existent or future restrictions, appropriations or any other cause beyond the control of LSA. In the event the Client requests termination of the work prior to the completion of a report, the office of LSA reserves the right to complete such analysis and records as are necessary to the project file in order and, where considered by the office of LSA necessary to protect professional reputation to complete a report on the work performed to date. A termination charge to cover thereof in an amount not to exceed 30 percent of all charges incurred up to the date of work stoppage may be made at the discretion of the office of LSA.

### INVOICE AND PAYMENT POLICY

All projects are billed semi-monthly and payment is due on the tenth (10th) prox of the month following the month for which the services were invoiced. If payment is not received within thirty (30) days of the date of the invoice, the unpaid balance will be subject to a late payment fee, computed at the periodic rate of one and one-half percent (1 1/2%) per month.

Interest of 1.5% per month (but not exceeding the maximum rate allowable by law) will be payable on any amounts not paid within 30 days, payment thereafter to be applied first to the accrued interest and then to the principal unpaid amount PLUS a minimum of 1/2 hour each of Administrative time per month to cover the costs of monitoring the account. All attorneys' fees or other costs incurred in collection, any delinquent amount shall be paid by the Client. Overdue accounts, 5 days from date of statement will become delinquent ALL WORK SHALL BE STOPPED until all accrued charges, to date of delinquency, have been paid in full. Client agrees to pay all fees stipulated in the contract for the performance of the work, regardless of payment by owner. In the event owner does pay on account, all fees shall be paid within 2 weeks of payment by owner.

### ATTORNEY FEES

In the event any process of law is resorted to by LSA to collect any monies due hereunder, the Client agrees to pay all costs, interest and attorney fees incurred.

### COMPENSATION BILLING

#### (a) TIME AND CHARGES AND FIXED CONTRACTS

Labor and computer time will be charged in accordance with the Billing Rate Sheets that prevail at the time the work proceeds. LSA will adjust these rates each January 1 per CPI. Work performed in subsequent years to that in which the contract was signed will be billed at the adjusted rates. Overtime will be billed at regular hourly rates. Charges up to two (2) hours per weekday for travel outside of normal work hours or up to four (4) hours per day for weekends will be made.

#### (b) EXPENSES AND COSTS

Client agrees to pay all costs incurred by LSA in the performance of this contract. These costs shall include but not be limited to the following: materials, mileage, travel, graphics, document reproduction, consultants, long distance telephone calls, telex, fax, special handling and delivering, lodging per diem, etc. Such costs will be charged at the invoiced cost plus ten percent (10%). Per diem will be charged in accordance with the Rate Sheet and does not include the cost of the hotel, taxes, and transportation.

We reserve the right to suspend or terminate our services on any account not paid in accordance with the terms of this agreement.