# HOME IMPROVEMENT CONTRACT FOR MOLD REMEDIATION

		Proposal #130AK-CC-Mol
Proposal Submitted to ("Owner/Agent"): The Kathleen Thompson Trust; Ryan Stearns TTEE. 13 Oaktree Lane Rolling Hills Estates, CA 90274 310-793-9570 rstearns@stearnsandryan.com	Bill To: SAME	
Job Site Address: 13 Oaktree Lane Rolling Hills Estates. CA 90274		

MOLD REMEDIATION SCOPE OF WORK ("WORK")

DESCRIPTION OF THE PROJECT AND DESCRIPTION OF THE SIGNIFICANT MATERIALS TO BE USED AND EQUIPMENT TO BE INSTALLED:

NOTE: ESI is not responsible for locating or repairing the cause of water intrusion nor is the cost included in this contract price. It is the responsibility of the client to remove all personal items and furniture out of the work area prior to ESI commencement of remediation work. This scope of work or price does not include restoration of remediated areas.

#### **MASTER BEDROOM:**

- Set up plastic & tape containment with zipper door for access and establish HEPA negative air filtration exhausting to the outside via air ducting.
- ESI personnel will be wearing OSHA approved protective equipment during remediation activities.
- Remove the drywall on the west wall from the floor to a height of 2' from the NW corner to 2' left.
- Remove the drywall on the north wall from the floor to a height of 2' from the NW corner to 2' right.
- Remove the drywall on the east wall from the floor to a height of 2' from the right side of the sliding glass doorway to 4' right.
- Abrade by sanding or wire brushing and HEPA vacuuming visible and accessible mold growth from the exposed wood structural members and cavities.
- Apply an antimicrobial to the exposed wood frame and cavities.
- Bag, seal, remove, and dispose of the waste as construction debris.
- HEPA vacuum and damp wipe with an antimicrobial solution all areas of the containment and install a HEPA air scrubber and run for 24-48 hours to leave ready for post remediation testing by independent mold consultant (cost of testing by third party is not included in this contract)
- If the mold extends further than the area(s) outlined, ESI will issue a change order for any additional work to be performed.
- Once clearance is given by mold consultant, ESI will remove containment and equipment.

Cost for mold remediation as described above \$2600.00 (Two thousand six hundred & 00/100)

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**ENVIRONMENTAL SOLUTIONS INC.** IS NOT RESPONSIBLE FOR ANY OTHER WORK OR ANY OTHER HAZARDOUS MATERIALS REMOVAL FROM WORK AREAS, HOME OR PROPERTY.

#### **Terms and Conditions:**

- 1. Customer acknowledges and agrees as follows:
  - i. Surface and /or airborne mold contamination, or suspected contamination, exists on Customer's property.
  - ii. The customer has contracted with an Industrial Hygienist or Independent Consultant who has identified the locations on the property where mold exists. Environmental Solutions, Inc. ("ESI") shall provide its best efforts to remediate the contamination identified by the Industrial Hygienist or Independent Consultant. However, ESI shall not be responsible or liable for identifying or locating mold beyond the locations identified by the Customer or by the Industrial Hygienist or Independent Consultant. Should ESI discover that mold extends to areas other than those identified by Customer, the Industrial Hygienist, or the Independent Consultant, and should such persons direct ESI to remediate such mold, then Customer shall pay to ESI additional sums for ESI's labor, materials, and equipment on an agreed change order.
  - iii. Customer acknowledges that ESI is not responsible for the conditions on Customer's property causing the contamination. These conditions may include, but are not limited to, water damage or moisture intrusion due to rain, leaking pipes, or other sources. Since property conditions are beyond ESI control, ESI does not warrant that surface or airborne mold conditions will not reappear after ESI remediation work. ESI SPECIFICALLY DISCLAIMS ANY IMPLIED OR EXPRESS WARRANTY THERETO. The customer shall be responsible for correcting all conditions on the property causing the contamination. ESI shall not assume any responsibility for protecting the property, or its contents, from water due to rain, leaking pipes, or other moisture sources.
  - iv. Customer acknowledges that ESI is not responsible for damage to wall coverings, substrate surfaces, such as paint or wallpaper, drywall, or plaster, due to necessary safety precautions, such as taping plastic barriers to walls, employed by ESI.
  - v. As to walls and ceiling areas where work is to be performed, Customer is responsible to remove furniture and fixtures that may possibly impede work and to provide adequate floor space. Should ESI incur additional costs or expenses as a result of customer's failure or neglect to remove such furniture or fixtures, then ESI shall be entitled to extra compensation for ESI's labor price of \$67.00 per man hour plus material & equipment cost.
  - vi. If by good faith efforts to remediate the mold is unsuccessful, ESI upon mutual agreement with the Consultant, Industrial Hygienist, or Customer may remediate the contamination by encapsulating, isolating, or removing wall or other surfaces where the contamination exists. The customer shall be responsible for the purchase and installation of any replacement wall or structure.
  - vii. When ESI believes that the remediation work is complete, Consultant or Industrial Hygienist will perform an air quality clearance test and/or visual inspection to ascertain whether abatement has been completed in accordance with their standards.
  - viii. ESI is not responsible for any additional clearance sampling that may be deemed necessary by the independent consultant. If additional sampling is deemed necessary, it will be the responsibility of the Customer or Customer's agent to coordinate with the consultant to do so and cost is not ESI responsibility.
- 2. **Down Payment:** Payment terms shall be a down payment deposit of <u>10%</u> or \$1000.00 whichever is less, before commencement of the Work required by this Contract (no work can be performed without deposit and signed Contract).

# THE DOWN PAYMENT MAY NOT EXCEED \$1,000.00 OR 10% OF THE CONTRACT PRICE, WHICHEVER IS LESS.

- 4. Balance of payment shall be due on the day of completion of the Work or as specified on the Schedule of Progress Payments noted below. Payment shall be made to ESI's abatement foreman on jobsite. A late charge of 1½% per month will be assessed to the Contract Price on all accounts not paid upon presentation of ESI's invoice or payment request. In the event that customer shall pay any sums due and owing ESI pursuant to this Contract with a credit card, Customer shall also pay and reimburse ESI for any costs, expenses and charges incurred by ESI arising out of, connected with or related to Customer's credit card payment.
- 5. Schedule of Progress Payments

	PHASE OF THE WORK	AMOUNT	
a	Single Phase	Due upon Complet	ion
b		<u> </u>	

- 6. 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. IT IS AGAINST THE LAW FOR A CONTRACTOR TO COLLECT PAYMENT FOR WORK NOT YET COMPLETED, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER, A CONTRACTOR MAY REQUIRE A DOWNPAYMENT.
- 7. If payments are to be made in accordance with the foregoing Schedule of Progress Payments, then Customer shall pay to ESI, upon completion of the Work, all sums due pursuant to this Contract that are not included in the Schedule of Progress Payments ("Final Payment").
- 8. After every progress payment, ESI shall provide unconditional mechanic's lien releases and, if requested, shall also provide unconditional mechanic's lien releases from any potential lien claimant for whose work Customer has paid.
- 9. The undersigned understands that ESI can only provide a limited estimate of time required to complete said job. At the time that this Contract is signed, the parties contemplate that the Approximate Start Date for the Work shall be \_\_\_\_\_\_\_. Substantial commencement of the Work shall occur on the first day that ESI furnishes the first item of Work following receipt of Customer's written notification to commence the Work. The Work shall be completed by the following approximate completion date: \_\_\_\_\_\_. Additional time may be required due to circumstances beyond ESI's control. Please plan accordingly.
- 10. Customer shall pay for extra work caused by any variations, discrepancies, change orders, or changes in plan of action specifications or amounts of material or mold to be abated ("Extra Work") based on ESI's time and materials rate.
- 11. Note about 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 the commencement of any work covered by the new change order. The order must describe 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 the approximate completion date. The owner may not require the contractor to perform change order work without providing written authorization. Failure to comply with this requirement does not preclude recovery of compensation by the contractor based on legal and equitable principles designed to prevent unjust enrichment.
- 12. **Form of Change Order**: Attached to the Contract is a form of change order that must be signed by the parties prior to the commencement of any Extra Work.
- 13. Customer, on behalf of himself/herself and his/her heirs, executors, successors, administrators, representatives, assigns, residents, tenants, invitees, guests, or any party (including minor children) for which Customer may be legally responsible (hereinafter collectively "Releasers"), agrees to fully release and forever discharge ESI and its officers, directors, employees, agents, insurers and representatives (hereinafter collectively "Releases") from all past, present or future liability, damage, losses, claims or expenses, of whatever nature, including but not limited to claims for death, bodily injury, ill health or property damage, whether foreseen or unforeseen, attributable to the presence or continuing presence of surface and airborne mold, mildew, fungus, microbial matter or microbiological contamination ("Mold Conditions") on, in, about or within Customer's property. Releasers shall indemnify, defend, and hold Releases free and harmless from such liability, damages, losses, claims or expenses (including reasonable attorneys' fees and costs in the event of litigation), whether asserted by Releasers or a third party. This indemnity shall be provided by the Customer even if ESI is partly responsible for the claim, damage, injury, or loss, but Customer shall not provide indemnity for claims or losses caused by the sole negligence or willful misconduct of ESI or its employees.
- 14. Customer will provide, free of charge, reasonable use of light, water, power, and storage.
- 15. Customer will be responsible for replacement or reconnection of all materials, fixtures, or equipment removed during remediation.
- 16.In the event that the work area is not ready at the scheduled work time the customer will be charged \$65 /hr./ man, min. \$200, to prepare the work area.
- 17. The maximum amount of any damages for which the ESI may be held responsible shall be limited to the amount of the Contract Price. ESI shall not be responsible for any damage in excess of the Contract Price, and ESI shall not be liable for any indirect, incidental, consequential or special damages incurred by Customer or third parties arising out of the Work.

- 18. In the event that legal action is instituted in order to interpret or enforce any provision contained in this Contract, the prevailing party to such action shall be entitled, in addition to any other remedy available by applicable law or this Contract, to an award as and for any attorney fees, expert witness fees, or any other costs normally associated with such an action, in an amount so as to compensate said prevailing party for any actual attorney fees, expert fees or other such costs incurred in good faith. Said award shall be entered separately or as a portion of the award of a judge in any such action.
- 19. If any term, covenant, or condition of this Contract is found to be invalid, void, or unenforceable, the remainder of the provisions of this Contract shall remain in full force and effect, and shall not be affected, impaired or invalidated thereby.
- 20. No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the parties. Notwithstanding the foregoing, requests for Extra Work should be made in writing by appropriate change order but shall be enforceable by ESI whether or not reduced to a writing.
- 21. This agreement shall be interpreted and construed in accordance with the laws of the State of California. Should litigation arising from this Contract be filed, the venue for such litigation shall be in a court of competent jurisdiction in the County of Los Angeles, State of California.
- 22. No action of any character arising from or related to this Contract, or the performance thereof, shall be commenced by either party against the other more than two years after completion or cessation of the Work to be performed under this Contract.
- 23. If the completion of the work is delayed for any cause beyond the control of ESI, and which is not reasonably foreseeable or anticipated and which is not due to any neglect or fault of ESI, including but not limited to acts of God, delays of Customer or Customer's agent or agents, stormy weather, labor trouble, acts of public utilities, public bodies or inspectors, Extra Work, the unavailability of materials, a material change in the scope of the work, failure of Customer to sign a Change Order timely or failure of Customer to make payment promptly, then the time of completion of the Work will be extended for a period equivalent to the time lost by reason of any or all such causes and ESI shall be entitled to additional compensation as a result of delay or delays which are caused by the action or inaction of Customer. The amount of additional compensation to which ESI is entitled as a result of the aforesaid delay or delays shall be determined in accordance with ESI's time and materials rates then prevailing.
- 24.ESI shall have the right to stop work if any payment shall not be made in accordance with the provisions of this Contract; ESI may keep the job idle until all payments due are received. The foregoing procedure shall be in lieu of and shall be deemed to satisfy any and all requirements set forth in California Civil Code section 3260.2 in order for ESI to stop the work.
- 25. Customer acknowledges that ESI did not hire, contract with, or authorize the Industrial Hygienist ("Hygienist") or the Independent Consultant ("Consultant") to prepare the reports, plans, specifications and/or other documents produced by Hygienist and/or Consultant ("Specifications"). Customer further acknowledges that ESI is therefore not responsible or liable for any damages or injuries that may be sustained by Releasers (as that term is defined in paragraph 12 herein), or by a trespasser, as a result of any deficiency, defect or omission in the Specifications. In recognition of the foregoing and in the event that Releases (as that term is defined in paragraph 12 herein) shall have a claim made against them, or become involved in litigation, arbitration or mediation proceedings because of claims, damages, injury or loss arising out of or related to any actual or alleged deficiency, defect or omission in the Specifications, Releasers shall indemnify and defend Releases against and hold them harmless from all such claims, loss, liability, and expense, including attorney's fees, incurred as a result. This indemnity shall be provided by Releasers even if Releases are partly responsible for the claim, damage, injury or loss, but Releasers shall not provide indemnity for claims or losses caused by the sole negligence or willful misconduct of Releases. This indemnity agreement shall be covered by the Customer's comprehensive general liability insurance policies.
- 26. This Contract is solely for the benefit of the signatories hereto and represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral.
- 27. Any notice required or permitted under this Contract may be given by ordinary mail at the address contained in this Contract; but such address may be changed by written notice given by one party to the other from time to time. After a notice is deposited in the mail, postage prepaid, it shall be deemed received in the ordinary course of the mails.
- 28. Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning a

contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

29. STATE LAW REQUIRES ANYONE WHO CONTRACTS TO DO CONSTRUCTION WORK TO BE LICENSED BY THE CONTRACTORS' STATE LICENSE BOARD IN THE LICENSE CATEGORY IN WHICH THE CONTRACTOR IS GOING TO BE WORKING-IF THE TOTAL PRICE OF THE JOB IS \$500 OR MORE (INCLUDING LABOR AND MATERIALS).

LICENSED CONTRACTORS ARE REGULATED BY LAWS DESIGNED TO PROTECT THE PUBLIC. IF YOU CONTRACT WITH SOMEONE WHO DOES NOT HAVE A LICENSE, THE CONTRACTORS' STATE LICENSE BOARD MAY BE UNABLE TO ASSIST YOU WITH A COMPLAINT. YOUR ONLY REMEDY AGAINST AN UNLICENSED CONTRACTOR MAY BE IN CIVIL COURT, AND YOU MAY BE LIABLE FOR DAMAGES ARISING OUT OF ANY INJURIES TO THE CONTRACTOR OR HIS OR HER EMPLOYEES.

YOU MAY CONTACT THE CONTRACTORS' STATE LICENSE BOARD TO FIND OUT IF THIS CONTRACTOR HAS A VALID LICENSE. THE BOARD HAS COMPLETE INFORMATION ON THE HISTORY OF LICENSED CONTRACTORS, INCLUDING ANY POSSIBLE SUSPENSIONS, REVOCATIONS, JUDGMENTS, AND CITATIONS. THE BOARD HAS OFFICES THROUGHOUT CALIFORNIA. PLEASE CHECK THE GOVERNMENT PAGES OF THE WHITE PAGES FOR THE OFFICE NEAREST YOU OR CALL 1-800-321-CSLB FOR MORE INFORMATION.

Information about Commercial General Liability Insurance Home Improvement

Pursuant to California Business & Professions Code §7159.3 (SB 2029), home improvement contractors must provide this notice and disclose whether, or not they carry commercial general liability insurance.

# Did your contractor tell you whether he or she carries Commercial General Liability Insurance?

Home improvement contractors are required by law to tell you whether or not they carry Commercial General Liability Insurance. This written statement must accompany the bid, if there is one, and the contract.

#### What does this insurance cover?

Commercial General Liability Insurance can protect against third-party bodily injury and accidental property damage. It is not intended to cover the work the contractor performs.

# Is this insurance required?

No. But the Contractors State License Board strongly recommends that all contractors carry it. The Board cautions you to evaluate the risk to your family and property when you hire a contractor who is not insured. Ask yourself, if something went wrong, would this contractor be able to cover losses ordinarily covered by insurance?

# How can you make sure the contractor is insured?

If he or she is insured, your contractor is required to provide you with the name and telephone number of the insurance company. Check with the insurance company to verify that the contractor's insurance coverage will cover your project.

# What about a contractor who is self-insured?

A self-insured contractor has made a business decision to be personally responsible for losses that would ordinarily be covered by insurance. Before contracting with a self-insured contractor, ask yourself, if something went wrong, would this contractor be able to cover losses ordinarily covered by insurance?

Environmental Solutions, Inc. carries commercial general liability insurance written by Guide One National Insurance Co. Phone #877-448-4331.

Proof of insurance will be provided upon request.

For more information about Commercial General Liability Insurance, you may contact the Contractors State License Board at www.cslb.ca.gov or call 800-321-CSLB (2752).

30. Customer has the right to require ESI to have a performance and payment bond covering the Work hereunder; however, the cost thereof shall be paid and borne by Customer

31.Customer is entitled to a completely filled-in copy of the Contract signed by both parties before work may be started.

Respectfully Submitted,

Environmental Solutions Inc.

By: Carles Cabrera	Date: October 15, 2024	
	project is accepted. I/We agree to be bound by all the terms and conditions stact which shall form a part of the contract. <b>PLEASE SIGN BELOW.</b>	ated or
X	Date:	

# **Notice of the Three-Day Right to Cancel**

You, the buyer, have the right to cancel this contract within three business days. You may cancel by e-mailing, mailing, faxing, or delivering a written notice to the contractor at the contractor's place of business by midnight on the third business day after you receive a signed and dated copy of the contract that includes this notice. Include your name, your address, and the date you received the signed copy of the Contract and this Notice.

If you cancel, the contractor must return to you anything you paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the contractor at your residence, in substantially as good condition as you received it, any goods delivered to you under this Contract or sale. Or you may, if you wish, comply with the contractor's instructions on how to return the goods at the contractor's expense and risk. If you do make the goods available to the contractor and the contractor does not pick them up within 20 days of the date of your notice of cancellation, you may keep them without any further obligation. If you fail to make the goods available to the contractor, or if you agree to return the goods to the contractor and fail to do so, then you remain liable for performance of all obligations under the contract.

Date:	By:		
		CUSTOMER	

# "Notice of Cancellation"

Enter Date of Transaction
You may cancel this transaction, without penalty or obligation, within three business days from the above date.
If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.
If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.
If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.
To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to Environmental Solutions, Inc. at P.O. BOX 93607 City of Industry, CA 91715 not later than midnight of (Date)
I hereby cancel this transaction (Date)

(Client's Signature)

# **MECHANIC'S LIEN WARNING**

Anyone who helps improve your property, but who is not paid, may record what is called a mechanic's lien on your property. A mechanic's 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. (Note: ESI is not using any sub-contractors on this project)

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a "20-day 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 Notice.

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 <a href="www.cslb.ca.gov">www.cslb.ca.gov</a> or call CSLB at 800-321-CSLB (2752).

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

# **Form of Change Order**

PROJECT:	CHANGE ORDER NUMBER:
(NAME, ADDRESS)	DATE:
TO: (OWNER)	PROJECT NUMBER:
(OWNER)	CONTRACT FOR:
In accordance with the terms of this Co	ontract, the following changes are approved:
The original Contract Sum was  Net change by previously Orders  The Contract Sum prior to was  The Contract Sum will be (inc (unchanged) by this Change Order. The new Contract Sum including the be  The Approximate Completion Dat (decreased) (unchanged) by  The said Contract as hereby amend force and effect.  IN WITNESS THEREOF the said particular properties of the said particular pr	authorized Change  this Change Order  creased) (decreased)  his Change Order will  te will be (increased days.  ed shall remain in full  rties have caused this
Agreement to be executed as of the below.	e day and year signed
OWNER	CONTRACTOR
Address	DATE
BY	-
DATE	_