



GENERAL CONDITIONS WORKSHEET

Homeowners should be aware that items listed below are a significant part of the Scope of Loss. Most general contractors who do residential construction concentrate more on building and less on the detailed requirements of insurance claim Scopes of Loss. As a result, many contractors may overlook the GENERAL CONDITIONS necessary to calculate and fully document your dwelling costs. The policyholder may need to convince the general contractor to prepare an accurate and detailed scope of loss that includes GENERAL CONDITIONS or job site overhead costs.

Claim representatives tend to completely ignore, or, if questioned, try to lump job site expenses into the 10%+/- overhead figure which is office, not job site, overhead. Therefore, the homeowner and general contractor must thoroughly understand the difference between job site costs and company office costs. Construction is one of the few professions where administration occurs at one location and production (building your house) occurs at another. It is not like car repair where your car is identical to thousands of others, and is repaired at a location where the management, worker, tools and supplies are at one location. The homeowner may need to educate a reluctant insurance claims representative accordingly.

The homeowner should carefully scrutinize the GENERAL CONDITIONS or lack thereof, of the contractor retained by the insurance company. *It is very easy for an insurance company contractor or claim representative who knows he or she will not actually repair or rebuild your dwelling to ignore or underestimate these essential costs. Including detailed GENERAL CONDITIONS costs in the Scope of Loss can assure that your insurance claim representative has addressed all costs necessary to replicate your destroyed dwelling.*

Most, if not all, of the items listed below should be included in any major residential disaster repair or reconstruction project, plus specific LOCAL conditions:

- Lower productivity of workers at due to site specific conditions – upslope or downslope
- Work congestion (300+/- structures built in two years instead of several decades)
- Main highway delays
- Local roadway detours and delays
- Narrow roads
- Weather delays
- Steep uphill or downhill sloped work sites
- Limited work and material storage areas
- Potential labor shortages
- Limited laborer facilities
- Increased delivery fees for materials and appliances

TEMPORARY FACILITIES

| | | | |
|------------------------------|--------------|-----------|--------|
| PORTA-POTTY | | | |
| Rented and serviced monthly | \$____/month | x__months | =_____ |
| TEMPORARY POWER POLE | | | |
| One-time installation charge | \$____ | | _____ |
| TEMPORARY POWER HOOKUP | | | |
| One-time power hookup charge | \$____ | | _____ |
| ELECTRICITY | | | |
| Monthly power charge | \$____/month | x__months | =_____ |
| TELEPHONE SETUP | | | |
| One-time installation charge | \$____ | | _____ |
| TEMPORARY PHONE SERVICE | | | |
| Monthly service charge | \$____/month | x__months | =_____ |
| TEMPORARY WATER SERVICE | | | |
| Monthly water charge | \$____/month | x__months | =_____ |

| | | | |
|--------------------------------|--------------|-----------|--------|
| SITE FENCING | | | |
| Rented, depends on lot size | \$____/month | x__months | =_____ |
| SECURITY | | | |
| Drive-by patrols | \$____/month | x__months | =_____ |
| TEMPORARY SITE LIGHTING | | | |
| Rented, for security | \$____/month | x__months | =_____ |
| TEMPORARY STORAGE | | | |
| To secure power tools, etc. | \$____/month | x__months | =_____ |
| DUMPSTERS | | | |
| For construction waste | \$____/month | x__months | =_____ |
| CONTINUAL CLEANUP | | | |
| Daily and weekly broom clean | \$____/month | x__months | =_____ |

JOB EQUIPMENT

The following expenses may need to be considered in the general contractor’s scope of loss:

| | | | |
|--|--------------|-----------|--------|
| FAX MACHINE AND FAXES | | | |
| Located on site | \$____/month | x__months | =_____ |
| PLAN REPRODUCTION | | | |
| Blueprint and specs copy costs | | | _____ |
| SCAFFOLDING | | | |
| If building is higher than 10 feet | \$____/month | x__months | =_____ |
| SITE OFFICE/TRAILER | | | |
| | \$____/month | x__months | =_____ |
| CONSTRUCTION CRANE | | | |
| | \$____/usage | x__usages | =_____ |
| CONSUMABLE TOOLS, PROTECTIVE COVERINGS AND SAFETY EQUIPMENT, Miscellaneous costs for saw blades, coverings, goggles, raingear, first aid supplies | | | |
| | \$____/month | x__months | =_____ |

MANAGEMENT AND SUPERVISION

OSHA regulations and standard AIA contracts require a full-time on-site supervisor. The supervisor is an employee of the general contractor. Some of the time, the supervisor has “bags on” and is helping to repair or build the house, but most of the time, he or she is supervising construction, coordinating subcontractors, ensuring that the job site is safe and other essential functions. In addition, the general contractor may need to budget a Project Manager to work part time on the project assisting the supervisor and making occasional visits to the job site. An architect’s oversight is separate from these employees, but there may be some duplication of duties with the Architect.

| | | | | |
|--------------------|-----------|--------------|-----------|---------|
| PROJECT SUPERVISOR | Full-time | \$____/month | x__months | = _____ |
| PROJECT MANAGER | Part-time | \$____/month | x__months | = _____ |

CONTRACT CLOSE-OUT

At the end of the job, the house is cleaned prior to the owner’s re-occupation. At this time, the architect, inspector and/or the homeowner go through the house and prepare a “punch list” of tasks the general contractor must finish and/or redo before the project is signed off and the general contractor can receive final payment.

| | | |
|---------------|--|-------|
| FINAL CLEANUP | Often subcontracted out | _____ |
| PUNCH LIST | Fixing dings, mistakes, paint touch-up | _____ |

PERFORMANCE BOND

At 3%+/- of the total price of the project, a PERFORMANCE bond is expensive but is the best means to guarantee the insurance company’s promise to the insured. _____