

REPORT TO REDEVELOPMENT AGENCY

DATE: JUNE 10, 2009

TO: HONORABLE CHAIR AND MEMBERS OF THE REDEVELOPMENT AGENCY

FROM: GREG RAMIREZ, EXECUTIVE DIRECTOR

BY: MIKE KAMINO, DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT

SUBJECT: APPROVAL OF CONSULTING AGREEMENT WITH MDG-LDM ASSOCIATES, INC., FOR FIRST TIME HOMEBUYER PROGRAM IMPLEMENTATION SERVICES AND SINGLE-FAMILY HOUSING REHABILITATION PROGRAM CONSULTING SERVICES FOR FY 2009-2010

The purpose of this item is to seek Redevelopment Agency approval to enter into a consulting agreement with MDG-LDM Associates, Inc., (MDG) for services to administer and implement the City's First Time Homebuyer Program and the City's Single-Family Housing Rehabilitation Program. Planning staff is requesting the approval of a one-year agreement with MDG for a not-to-exceed fee of \$40,000. This amount will be allocated as follows: \$20,000 for the First Time Homebuyer Program and \$20,000 for the Single-Family Housing Rehabilitation Program. These amounts have been budgeted by the Planning and Community Development Department for the 2009-2010 fiscal year, and are to be allocated from the Redevelopment Agency (RDA) housing set-aside fund.

The City Council approved the First Time Homebuyer Program in 2004. During the past four years, MDG has implemented this program, including responding to inquiries regarding the program and processing applications from candidates. The work to occur this coming year, under the proposed contract, would include continuing the program implementation (processing program applications, monitoring the program loan portfolio, and attending City Loan Committee meetings and City Council meetings, as needed), and making any changes to the program that are recommended to enhance program participation. Staff estimated a budget of \$20,000 for MDG to administer this program, which is consistent with the budgeted amount for FY 2008-2009. City staff and the City Council Affordable Housing Subcommittee will continue to re-examine the City's affordable housing programs, including the First Time Homebuyer Program, per the direction in the Affordable Housing Strategy Report approved by the City Council in 2007. Any recommended changes to the program would be brought before the RDA for approval. Nonetheless, staff anticipates the Agency to budget \$130,000 for fiscal year 2009-2010, and so, the program is still in effect. The budget amount represents a reduction from the

\$500,000 budgeted for the 2008-2009 fiscal year. Should an application be submitted for a loan, and the candidate qualifies, then the City would move forward with the loan.

MDG has administered the City's Single-Family Housing Rehabilitation Program continuously since 1999. Staff anticipates the Redevelopment Agency to budget \$125,000 for Single-Family Housing Rehabilitation loans, which is a reduction from the \$250,000 budgeted for the 2008-2009 fiscal year. Although the budgeted amount has been reduced, based on the number of past qualified loans approved, staff finds the budgeted funds to be adequate to serve the number of anticipated qualified loan applicants for the 2009-2010 fiscal year. Staff also finds that \$20,000 will continue to be sufficient for MDG to administer the program. MDG's services will remain the same as in previous years and include application review, loan processing, property inspection, contract monitoring, document recordation, and report preparation. Their hourly rates to be charged to administer the City's programs will be the same as charged for the 2008-2009 fiscal year.

The proposed agreement has been reviewed by Agency Counsel and approved as to form.

RECOMMENDATION

Staff recommends the Redevelopment Agency approve the agreement with MDG-LDM Associates, Inc., to administer the First Time Homebuyer Program and the Single-Family Housing Residential Program on a time-and-materials basis for the not-to-exceed amount of \$40,000.

Attachment: Agreement

AGREEMENT FOR CONSULTANT SERVICES
WITH THE CITY OF AGOURA HILLS

NAME OF CONSULTANT: MDG-LDM Associates, Inc.

RESPONSIBLE PRINCIPAL OF CONSULTANT: Rudy Munoz, President

CONSULTANT'S ADDRESS: 10722 Arrow Route, Suite 822
Rancho Cucamonga, CA 91730

CITY'S ADDRESS: Agoura Hills Redevelopment Agency
30001 Ladyface Court
Agoura Hills, CA 91301
Attn: Executive Director

COMMENCEMENT DATE: July 1, 2009

TERMINATION DATE: June 30, 2010

CONSIDERATION: Contract Price
Not to Exceed: \$40,000/yr

ADDITIONAL SERVICES <i>(Describe Services, Amount, and Approval):</i> _____ _____ _____ _____

Date: _____ Amount: \$ _____ Authorized By: _____
(Not to Exceed 10% of Contract Price) Executive Director

**AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE AGOURA HILLS REDEVELOPMENT AGENCY
AND MDG-LDM ASSOCIATES, INC.**

THIS AGREEMENT is made and effective as of July 1, 2009, between the Agoura Hills Redevelopment Agency, a municipal corporation ("Agency") and MDG-LDM Associates, Inc. ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. **TERM.** This Agreement shall commence on July 1, 2009, and shall remain and continue in effect until tasks described herein are completed, but in no event later than June 30, 2010, unless sooner terminated pursuant to the provisions of this Agreement.

2. **SERVICES.** Consultant shall perform the services and tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. Consultant shall complete the tasks according to the schedule of performance which is also set forth in Exhibit A.

3. **PERFORMANCE.** Consultant shall at all time faithfully, competently and to the best of his or her ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. **PREVAILING WAGES.** Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in this locality for each craft, classification, or type of workman needed to execute this Contract from the Director of the Department of Industrial Relations. These rates are on file with the City Clerk. Copies may be obtained at cost at the City Clerk's office of the City of Agoura Hills. Consultant shall provide a copy of prevailing wage rates to any staff or sub-contractor hired, and shall pay the adopted prevailing wage rates as a minimum. Consultant shall comply with the provisions of Sections 1773.8, 1775, 1776, 1777.5, 1777.6, and 1813 of the Labor Code. Pursuant to the provisions of 1775 of the Labor Code, Consultant shall forfeit to the City, as a penalty, the sum of \$25.00 for each calendar day, or portion thereof, for each laborer, worker, or mechanic employed, paid less than the stipulated prevailing rates for any work done under this contract, by him or by any subcontractor under him, in violation of the provisions of the Contract.

5. **PAYMENT.**

A. The Agency agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B, Payment Rates and Schedule, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. Any terms in Exhibit B other than the payment rates and schedule of payment are null and void. This amount shall not exceed \$40,000.00 ("Contract Price") for the initial Term of the Agreement unless additional payment is approved as provided in this Agreement.

The Executive Director may approve additional work up to ten percent (10%) of the amount of the Contract Price. Any additional work in excess of this amount shall be approved by the Agency.

B. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by the City Council and Consultant at the time City's written authorization is given to Consultant for the performance of said services.

C. Consultant will submit invoices monthly for actual services performed. Invoices shall be submitted between the first and fifteenth business day of each month, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

A. The Agency may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the Agency suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

B. In the event this Agreement is terminated pursuant to this Section, the Agency shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the Agency. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the Agency pursuant to Section 4.

7. DEFAULT OF CONSULTANT

A. The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, Agency shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

B. If the Executive Director or his or her delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, it shall serve the Consultant with written notice of the default. The Consultant shall have (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory

performance. In the event that the Consultant fails to cure its default within such period of time, the Agency shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. OWNERSHIP OF DOCUMENTS

A. Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts and other such information required by Agency that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of Agency or its designees at reasonable times to such books and records, shall give Agency the right to examine and audit said books and records, shall permit Agency to make transcripts there from as necessary, and shall allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

B. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files containing data generated for the work, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the Agency and may be used, reused or otherwise disposed of by the Agency without the permission of the Consultant. With respect to computer files containing data generated for the work, Consultant shall make available to the Agency, upon reasonable written request by the Agency, the necessary computer software and hardware for purposes of accessing, compiling, transferring and printing computer files.

9. INDEMNIFICATION. The Consultant agrees to defend, indemnify, protect and hold harmless the Agency, its officers, officials, employees and volunteers from and against any and all claims, demands, losses, defense costs or expenses, including attorney fees and expert witness fees, or liability of any kind or nature which the Agency, its officers, agents and employees may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property arising out of Consultant's negligent or wrongful acts or omissions arising out of or in any way related to the performance or non-performance of this Agreement, excepting only liability arising out of the negligence of the Agency.

10. INSURANCE REQUIREMENTS. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

A. Minimum Scope of Insurance. Coverage shall be at least as broad as:

1) Insurance Services Office Commercial General Liability form No. CG 00 01 11 85 or 88.

2) Insurance Services Office Business Auto Coverage form CA 00 01 06 92 covering Automobile Liability, code 1 (any auto). If the Consultant owns no automobiles, a non-owned auto endorsement to the General Liability policy described above is acceptable.

3) Worker's Compensation insurance as required by the State of California and Employer's Liability Insurance. If the Consultant has no employees while performing under this Agreement, worker's compensation insurance is not required, but Consultant shall execute a declaration that it has no employees.

4) Professional Liability Insurance shall be written on a policy form providing professional liability for the Consultant's profession.

B. Minimum Limits of Insurance. Consultant shall maintain limits no less than:

1) General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2) Automobile Liability: \$2,000,000 per accident for bodily injury and property damage.

3) Worker's Compensation as required by the State of California; Employer's Liability: One million dollars (\$1,000,000) per accident for bodily injury or disease.

C. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the Executive Director. At the option of the Executive Director, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Agency, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1) The Agency, its officers, officials, employees and volunteers are to be covered as additional insureds in respect to: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees or volunteers.

2) For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the Agency, its officers, officials, employees and volunteers. Any insurance or self-insured maintained by the Agency, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

3) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the Agency, its officers, officials, employees or volunteers.

4) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Agency.

E. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Agency. Self insurance shall not be considered to comply with these insurance requirements.

F. Verification of Coverage. Consultant shall furnish the Agency with original endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The endorsements are to be on forms provided by the Agency. All endorsements are to be received and approved by the Agency before work commences. As an alternative to the Agency's forms, the Consultant's insurer may provide complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications.

11. INDEPENDENT CONTRACTOR

A. Consultant is and shall at all times remain as to the Agency a wholly independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither Agency nor any of its officers, employees, agents, or volunteers shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of the Agency. Consultant shall not incur or have the power to incur any debt, obligation or liability whatever against Agency, or bind Agency in any manner.

B. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, Agency shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for Agency. Agency shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

12. LEGAL RESPONSIBILITIES. The Agency shall keep itself informed of all local, State and Federal ordinances, laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such ordinances, laws and

regulations. The Agency, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this section.

13. RELEASE OF INFORMATION

A. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without Agency's prior written authorization. Consultant, its officers, employees, agents or subcontractors, shall not without written authorization from the Executive Director or unless requested by the Agency Counsel, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives Agency notice of such court order or subpoena.

B. Consultant shall promptly notify Agency should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under or with respect to any project or property located within the City. Agency retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with Agency and to provide Agency with the opportunity to review any response to discovery requests provided by Consultant. However, Agency's right to review any such response does not imply or mean the right by Agency to control, direct, or rewrite said response.

14. NOTICES. Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (I) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, that provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by Notice. Notice shall be effective upon delivery to the addresses specified below or on the third business day following deposit with the document delivery service or United States Mail as provided above.

To City: Agoura Hills Redevelopment Agency
30001 Ladyface Court
Agoura Hills, California 91301
Attention: Executive Director

To Consultant: MDG-LDM Associates, Inc.
10722 Arrow Route, Suite 822
Rancho Cucamonga, CA 91730
Attention: Rudy Munoz, President

15. ASSIGNMENT. The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the Agency. Upon termination of this Agreement, Consultant's sole compensation shall be payment for actual services performed up to, and including, the date of termination or as may be otherwise agreed to in writing between the Agency and the Consultant.

16. LICENSES. At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

17. GOVERNING LAW. The Agency and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with geographic jurisdiction over the Agoura Hills Redevelopment Agency. In the event such litigation is filed by one party against the other to enforce its rights under this Agreement, the prevailing party, as determined by the Court's judgment, shall be entitled to reasonable attorney fees and litigation expenses for the relief granted.

18. PROHIBITED INTEREST. No officer, or employee of the Agency shall have any financial interest, direct or indirect, in this Agreement, the proceeds thereof, the Consultant, or Consultant's sub-contractors for this project, during his/her tenure or for one year thereafter. The Consultant hereby warrants and represents to the Agency that no officer or employee of the Agoura Hills Redevelopment Agency has any interest, whether contractual, non-contractual, financial or otherwise, in this transaction, or in the business of the Consultant or Consultant's sub-contractors on this project. Consultant further agrees to notify the Agency in the event any such interest is discovered whether or not such interest is prohibited by law or this Agreement.

19. ENTIRE AGREEMENT. This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

20. AUTHORITY TO EXECUTE THIS AGREEMENT. The person or persons executing this Agreement on behalf of Consultant warrants and represents that he or she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF AGOURA HILLS

William Koehler,
Agency Chair

ATTEST:

Kimberly M. Rodrigues, MMC
City Clerk

APPROVED AS TO FORM:

Craig A. Steele,
Agency Counsel

CONSULTANT

MDG-LDM Associates, Inc.

10722 Arrow route, Suite 822

Rancho Cucamonga, CA 91730

Telephone: (909) 476-9696

Facsimile: (909) 476-6086

By: _____
Name:
Title:

By: _____
Name:
Title:

[Signatures of Two Corporate Officers Required]

EXHIBIT A

TASKS TO BE PERFORMED

Scope of Services for Single-Family Housing Rehabilitation Program

In the performance of the administration of the Single-Family Housing Rehabilitation Program, Consultant shall provide staffing and other resources required to perform the following services:

1. Process deferred loans to eligible Redevelopment Agency applicants.
2. Review applications and conduct reviews to determine homeowner eligibility, credit worthiness, value of property, and condition of title.
3. Inspect property and prepare work write-up and estimates.
4. Complete documentation for historic preservation review through the State Historic Preservation Officer (SHPO), if required.
5. Coordinate preparation of loan documents and submittal of loan application packages.
6. Prepare specifications, obtain competitive bids, and approve selection of contractors.
7. Monitor and inspect progress of rehabilitation projects. Conduct inspection of completed work items.
8. Review and process contractor payment requests.
9. Acquire lien releases from contractors and process Notices of Completion.
10. Maintain documentation required for compliance with all applicable State Housing and Community Development (HCD) regulations.
11. Provide services as required by the City.
12. Such duties as may be necessary to ensure the programs are administered correctly.

Scope of Services for the First Time Homebuyer Program

Consultant will administer and implement the City's First Time Homebuyer Program. The implementation will include providing lender training, preparation of brochures, marketing of the program, and processing applications until the purchase of a dwelling unit by the applicant, as well as developing recommendations for improvements to the Program. Consultant will record Deeds of Trust and CC&Rs, as necessary, and monitor the Program's loan portfolio.

The scope of work will be managed and provided by Robert Kishita, Vice President, and Fran Meyer, Project Assistant. Art Casanas will assist Mr. Kishita in responding to questions while during the hours that he is in attendance at the City. The scope of work will be billed on an hourly, time-and-materials basis for work performed, with a not-to-exceed fee as noted in Exhibit B of this Agreement.

EXHIBIT B

PAYMENT RATES AND SCHEDULE

Schedule of Payment

CONSULTANT shall submit a monthly invoice to AGENCY with detailed accounting by task and amount expended per task and amount remaining of each task. All reimbursable expenses shall be itemized and submitted to AGENCY for approval. Upon approval, AGENCY shall make payment to CONSULTANT within 30 days. The AGENCY shall pay CONSULTANT said consideration in accordance with the schedule of payment incorporated herein:

Fees for Service

The CONSULTANT shall bill on a time-and-materials basis for each hour, or portion thereof, expended on behalf of the AGENCY at the rates listed below. Portions less than a full hour shall be billed and compensated in ¼ hour increments, rounded to the nearest increment. Unless otherwise approved by the AGENCY, CONSULTANT shall invoice a maximum of \$20,000 per fiscal year for the Single Family Housing Rehabilitation Program, and a maximum of \$20,000 per fiscal year for the First Time Homebuyer Program.

<u>STAFF PERSON:</u>	<u>HOURLY RATE:</u>
President	\$90.00/Hr
Vice President	\$85.00/Hr
Senior Associate	\$75.00/Hr
Associate	\$65.00/Hr
Project Assistant	\$50.00/Hr
Secretary	\$40.00/Hr

Note: If MDG-LDM, Inc., staff is requested by the AGENCY to attend a meeting not considered a part of this proposal or on a day in which a consultant is not scheduled to be on site, the AGENCY shall be billed for the time it takes to drive to and from the City and its corporate office.

REIMBURSABLE ITEMS:

Project Supplies	At Cost plus 10% surcharge
Prints/Reproductions	At Cost plus 10% surcharge