

ATTACHMENT 5 Debris Removal Service Requirements and Cost Schedule

A Mortgagee may expend up to the amount listed in this attachment for debris removal without prior written approval from the M&M contractor. Costs such as labor hours, dump fees, and transportation (e.g., fuel, mileage, truck rental) should not be claimed in addition to the reimbursable amount as these costs are incorporated in the per unit allowable cost for debris removal. Before and after photographs are required.

The Department acknowledges that it is a common business practice of many property preservation contractors to wait until they have collected debris from several properties before taking the debris to an appropriate facility for disposal and that not all disposal facilities provide printed receipts. Therefore, where such receipts are not available, Mortgagees will not automatically be denied reimbursement for debris removal. However, the Department must be able to confirm the type and amount of debris that was removed and that all debris was disposed of properly. Therefore, Mortgagees must maintain a complete audit trail which will include: the name, address, and phone number of each company providing the debris removal service, the FHA case number and address of the property, the date of the disposal, the number of cubic yards of debris disposed and a listing of any items that are not ordinary household debris which would include health and safety items, tires, appliances, cars, trucks, boats, batteries, etc. The documentation must also provide the name, address and telephone number of all disposal facilities used.

If a dumpster was brought to the property, the supporting information must identify the date the dumpster was delivered to the property, the date it was removed, and the name, address and telephone number of the company supplying the dumpster.

I. Exterior

Mortgagees should remove all exterior debris, including abandoned vehicles, in accordance with applicable local laws. Items of personal property that are securely affixed and in good condition, such as a swing set or dog-house/kennel should not be removed if they add value to the property. However, if personal property is in disrepair or determined to be a health and safety hazard, it should be removed.

Mortgagees must maintain, in the claim file, salvage yard and dump fee receipts that substantiate all claimed debris removal. The documentation must include the date, address of the property(s) for which the debris is being dumped, number of yards dumped, and the number and type of appliances (e.g., refrigerators, stoves, dishwashers) being dumped or disposed. The receipt must indicate the name of the dump to verify that the debris has been disposed of legally.

Before and after photographs are required to support all required debris removal. Photographs should be dated and the property address indicated. If photographs are not available as documentation of required debris removal, HUD will not reimburse the Mortgagee for associated costs.

II. Interior (Including Attic, Basement, and Storage Spaces)

Mortgagees are not to remove interior debris except for:

- Debris that constitutes a health or safety hazard;
- Debris that has or is likely to result in issuance of a code violation, a fine and/or lien;
- Debris required to be removed as part of an eviction by local law enforcement or crews under the control and direction of local law enforcement where the Mortgagee has no control over the timing of removal.

If the clean-out of a property's interior is necessary, the clean-out should include removal and proper disposal of debris including:

- Shabby or torn carpet;
- Dilapidated, unsafe flooring;
- Health and safety hazards (See *Hazardous Waste Removal*, below), including dead animals; and personal effects (e.g., furniture, clothing, dishes, utensils), unless otherwise instructed by local law enforcement during an eviction.

Before and after photographs are required to document the existence of personal property items and all required debris removal. Photographs should be dated and the property address indicated. If photographs are not available as documentation of required debris removal, HUD will not reimburse the Mortgagee for associated costs.

III. Hazardous Waste Removal

Mortgagees are required to remove unhealthy or hazardous materials from the exterior and interior of properties prior to conveyance and should adhere to local municipal health and safety requirements with respect to proper disposal of said materials. For additional clarification, the Environmental Protection Agency (EPA) website lists common household items containing potentially hazardous ingredients that might be found in a garage, basement, or other storage space (<http://www.epa.gov/epaoswer/non-hw/muncpl/hhw-list.htm>). Further, as a matter of health and safety, refrigerators should be unplugged and refrigerator doors should be removed and stored if required by applicable state or local law or ordinance.

Materials considered unhealthy or hazardous that should be removed prior to conveyance include but are not limited to:

- Decaying food or other organic matter;
- Dead animals and animal feces;
- Pest infestations (see below);
- Broken glass or other sharp objects;
- Large containers of liquids;
- Large quantities of paint or paint products;
- Paints or solvents in any amount stored in or near papers, fabrics or other flammable materials; and
- Highly flammable chemicals (e.g., solvents, paint thinners, gasoline, motor oil and motor additives, etc.).

The following products, if found in quantities consistent with normal household use, are not considered hazardous waste for purposes of debris removal under this section.

- Non-flammable materials including reasonable quantities of paper and fabrics (unless stored near flammable chemicals);
- Common cleaning products and household chemicals such as insect repellent;
- Up to five gallons of paint and paint products;
- Lawn and garden products and fertilizers; and
- Pool chemicals.

EPA guidelines allow paint cans to be disposed of with regular debris, once treated. Paint is treated by brushing the paint onto cardboard or newspaper, allowing the empty can to dry with the lid off, or by adding absorbent material such as kitty litter, shredded newspaper, sand, or sawdust directly into the latex paint can. Dried paint may then be thrown in the trash and removed from the property as regular debris.

The M&M contractor must approve any costs associated with disposal action(s) required by a municipality.

IV. Bug and/or Pest Infestation

If, on the initial inspection, the Mortgagee finds evidence of pests (e.g., roaches, water bugs, mice, rats) that does not prevent clean-out of debris or is not a health or safety hazard, the Mortgagee may use over-the-counter products to exterminate the bugs. If the property is found to be infested with pests that constitute a health or safety hazard or prevent the clean-out or debris removal, the Mortgagee may utilize a professional Pest Control Service. A flea infestation does not require photographic evidence.

V. Personal Property and Debris Removal during Evictions

Some jurisdictions require a legal eviction to remove personal property from a vacant house. Mortgagees should follow local code and laws and exercise good judgment when distinguishing between personal property and debris. If Mortgagees have questions regarding personal property and debris, they should consult local counsel. If a Mortgagee is required by local law to remove trash and debris from the property as part of an eviction and the Mortgagee has no control over the timing of removal, the costs for removing the items are considered eviction expenses and are not subject to the debris removal cost guidelines, the maximum securing fee or the overall allowable cost limit. These costs are to be claimed as man-hours and should be deemed by the M&M contractor to be reasonable and customary for services performed in the area.

A. Personnel

In most circumstances, no more than four people should be necessary to complete an eviction for a townhouse or condominium and six people for a single family detached dwelling. If local law provides that a specific number of people should be provided, or if the law enforcement official conducting the eviction identifies a need for additional people to be present at the time of the eviction, this information must be documented in the claim review file. Similarly, if local or state law requires that a service be performed within a certain time frame or

subject to specific removal or storage requirements, those requirements must be fully documented in the claim review file and costs are not subject to the allowable cost limit for the jurisdiction.

The removal of curbside debris following an eviction will be reimbursed as man-hours. No more than four man-hours at \$20 per man-hour, per person at the scheduled eviction will be reimbursed for the removal and disposal of eviction debris. Dump fees and storage fees (as appropriate for the jurisdiction) will also be reimbursed.

If crews show up for canceled or re-scheduled evictions, the Mortgagee is only eligible to claim a maximum of one man-hour at \$20 of labor per person.

A. Photographic Evidence

Photographs are required to support all personal property/debris removed from a property as part of an eviction. Eviction costs should be entered in item 305 of Part D of the claim form.

VI. Over-allowable Requests for Debris Removal Services

Mortgagees should obtain prior written approval from the M&M contractor for any debris removal expense that exceeds the cost per cubic yard or the total allowable number of yards indicated in the schedule. When requesting approval to exceed the debris removal cost limit, the Mortgagee should obtain two independent competitive bids. If the Mortgagee utilizes a field service company, that firm may provide one of the bids. The Mortgagee should obtain a second independent and competitive bid and submit the bids to the appropriate M&M contractor with an over-allowable request. Field service companies or contractors may not submit second bids directly to the M&M contractor. This violates the integrity of HUD's requirement for an independent and competitive bid process.

The bids should specify the types and location of the debris, the number of cubic yards, and include photographic documentation. Any additional costs of non-general refuse should be factored into the final bid and clearly indicated for M&M contractor review. All second bids will be on the bidding company's letterhead and will include the bidder's name, address and telephone number. Upon receipt of the bids, the Mortgagee should date stamp them and attach them to a **Request to Exceed Cost Limit for Preservation and Protection**. Additionally, the Mortgagee should identify all other preservation and protection expenses to-date so that the M&M contractor will know if and by how much the Mortgagee will exceed the maximum allowable cost limit. Debris removed per local code is also subject to the established cost limits on debris removal. Mortgagees will not be reimbursed for the cost of obtaining bids.

Upon receipt of the required bids, the M&M contractor will, within five business days, take one of the following actions:

- Notify the Mortgagee to accept one of the bids submitted;

- Reject both bids and provide the Mortgagee with examples of similar work that has been recently performed at a more reasonable cost, or
- Notify the Mortgagee to convey the property without removing the debris.

Debris Removal Service Schedule

State	Per Cubic Yard	Max 1 Unit 12 cu yd.	Max 2 Units 15 cu yd.	Max 3 Units 18 cu yd.	Max 4 Units 21 cu yd.	Large Appliance Removal	Vehicle Removal	Pest Infest.	Tires *
Alabama	\$45	\$540	\$675	\$810	\$945	\$140	\$180	\$150	\$15
Alaska	\$35	\$420	\$525	\$630	\$735	\$95	\$125	\$75	\$15
Arizona	\$35	\$420	\$525	\$630	\$735	\$95	\$215	\$75	\$15
Arkansas	\$35	\$420	\$525	\$630	\$735	\$113	\$215	\$125	\$15
California	\$40	\$480	\$600	\$720	\$840	\$88	\$120	\$75	\$15
Colorado	\$40	\$480	\$600	\$720	\$840	\$100	\$160	\$125	\$15
Connecticut	\$55	\$660	\$825	\$990	\$1155	\$155	\$210	\$110	\$15
Delaware	\$55	\$660	\$825	\$990	\$1155	\$110	\$215	\$110	\$15
District of Columbia	\$55	\$660	\$825	\$990	\$1155	\$100	\$215	\$110	\$15
Florida	\$45	\$540	\$675	\$810	\$945	\$100	\$180	\$170	\$15
Georgia	\$50	\$600	\$750	\$900	\$1,050	\$140	\$205	\$113	\$15
Guam	\$40	\$480	\$600	\$720	\$840	\$88	\$125	\$10	\$15
Hawaii	\$35	\$420	\$525	\$630	\$735	\$88	\$125	\$10	\$15
Idaho	\$40	\$480	\$600	\$720	\$840	\$75	\$165	\$75	\$15
Illinois	\$40	\$480	\$600	\$720	\$840	\$125	\$155	\$140	\$15
Indiana	\$60	\$720	\$900	\$1,080	\$1260	\$55	\$95	\$140	\$15
Iowa	\$35	\$420	\$525	\$630	\$735	\$50	\$115	\$100	\$15
Kansas	\$35	\$420	\$525	\$630	\$735	\$40	\$140	\$100	\$15
Kentucky	\$50	\$600	\$750	\$900	\$1050	\$165	\$215	\$20	\$15
Louisiana	\$50	\$600	\$750	\$900	\$1,050	\$82	\$170	\$100	\$15
Maine	\$50	\$600	\$750	\$900	\$1,050	\$195	\$210	\$110	\$15
Maryland	\$55	\$660	\$825	\$990	\$1,155	\$195	\$215	\$110	\$15
Massachusetts	\$50	\$600	\$750	\$900	\$1,050	\$195	\$210	\$110	\$15
Michigan	\$50	\$600	\$750	\$900	\$1,050	\$135	\$240	\$50	\$15
Minnesota	\$40	\$480	\$600	\$720	\$840	\$75	\$125	\$150	\$15
Mississippi	\$55	\$660	\$825	\$990	\$1,155	\$140	\$215	\$45	\$15
Missouri	\$35	\$420	\$525	\$630	\$735	\$150	\$140	\$75	\$15
Montana	\$50	\$600	\$750	\$900	\$1,050	\$150	\$160	\$75	\$15
Nebraska	\$35	\$420	\$525	\$630	\$735	\$63	\$115	\$125	\$15
Nevada	\$40	\$480	\$600	\$720	\$840	\$75	\$165	\$75	\$15
New Hampshire	\$50	\$600	\$750	\$900	\$1,050	\$155	\$210	\$110	\$15
New Jersey	\$50	\$600	\$750	\$900	\$1,050	\$140	\$210	\$110	\$15
New Mexico	\$40	\$480	\$600	\$720	\$840	\$150	\$160	\$125	\$15
New York	\$45	\$540	\$675	\$810	\$945	\$105	\$140	\$110	\$15
North Carolina	\$55	\$660	\$825	\$990	\$1,155	\$130	\$230	\$35	\$15
North Dakota	\$40	\$480	\$600	\$720	\$840	\$75	\$125	\$125	\$15
Ohio	\$40	\$480	\$600	\$720	\$840	\$105	\$130	\$110	\$15
Oklahoma	\$35	\$420	\$525	\$630	\$735	\$100	\$190	\$40	\$15
Oregon	\$40	\$480	\$600	\$720	\$840	\$25	\$125	\$10	\$15
Pennsylvania	\$50	\$600	\$750	\$900	\$1,050	\$50	\$210	\$110	\$15
Puerto Rico	\$50	\$600	\$750	\$900	\$1,050	\$130	\$190	\$35	\$15
Rhode Island	\$50	\$600	\$750	\$900	\$1,050	\$195	\$210	\$110	\$15
South Carolina	\$55	\$660	\$825	\$990	\$1,155	\$30	\$235	\$75	\$15
South Dakota	\$45	\$540	\$675	\$810	\$945	\$32	\$190	\$125	\$15
Tennessee	\$50	\$600	\$750	\$900	\$1,050	\$135	\$195	\$20	\$15
Texas	\$45	\$540	\$675	\$810	\$945	\$75	\$190	\$125	\$15
Utah	\$40	\$480	\$600	\$720	\$840	\$90	\$195	\$100	\$15
Vermont	\$50	\$600	\$750	\$900	\$1,050	\$195	\$215	\$110	\$15
Virginia	\$55	\$660	\$825	\$990	\$1,155	\$70	\$230	\$110	\$15
Virgin Islands	\$50	\$600	\$750	\$900	\$1,050	\$130	\$190	\$35	\$15
Washington	\$35	\$420	\$525	\$630	\$735	\$40	\$115	\$51	\$15
West Virginia	\$50	\$600	\$750	\$900	\$1,050	\$125	\$240	\$60	\$15
Wisconsin	\$40	\$480	\$600	\$720	\$840	\$150	\$115	\$100	\$15
Wyoming	\$45	\$540	\$675	\$810	\$945	\$77	\$190	\$75	\$15

***Reimbursement is per tire. If there are more than 6 tires, contact the M&M contractor.**