



Storm Repair

➤ **Do your homework**

- » When a person's home has been completely destroyed or substantially damaged, the owner(s) want the situation rectified as quickly as possible. However, **RUSHING INTO CONTRACTS** or caving into high pressured sales, often accompanied by threats that supplies are limited or waiting to sign will only delay the start of work, **IS NOT A PRUDENT RESPONSE.**
- » Before signing any contract, making any verbal commitment or paying anyone money, take the time to investigate and educate yourself as to what processes may be involved in new construction or making substantial repairs. Being informed will allow you to make the best decision regarding your home, which is likely your most important asset. While this process requires that you invest time and effort in the beginning, it may save you time, headaches and substantial money in the long run.

➤ **YOU should contact your insurance agent**

- » Do not allow a roofing company to become "your agent" with your insurance company. Reject any efforts by a company to prepare and file a claim for you with your insurance company. These types of situations most commonly occur with persons/companies that solicit door to door. These contracts often contain fine print provisions on the back side stating that if the contractor files a claim but you decide not to use that company, you automatically owe the contractor a percentage of the insurance check simply because it "filed a claim on your behalf."
- » Do not sign any contract when the price of the contract simply reads: "whatever amount is paid by insurance company."
- » If you have a mortgage on your property, the insurance company will usually make any insurance proceeds check to you and the mortgage company. However, not all insurance companies handle this situation the same. Be sure to check with your agent or adjuster to determine exactly to whom the insurance check will be made payable and where it will be sent. This is especially important if you are operating without a mailbox or a secure mailing address.
- » If the insurance check is made jointly payable to you and the mortgage company, send the check to the mortgage company for endorsement and ask that the check be returned to you. Do not endorse the check before you send it to the mortgage company.

- » Do not sign a contract containing any language making the contractor “your agent.” This type of contract can also contain provisions that authorize your contractor to negotiate insurance checks without your signature.
- » As discussed in more detail below, do not just “turn the insurance check over to the contractor.” Do not pay a contractor the full amount of the contract or even a substantial amount of the contract before any work has commenced.

➤ **Educate yourself**

- » Educate yourself about any company you are considering hiring to make repairs. What is the history of the company with whom you are dealing?
- » It is better to contract with a business already established in this area. If something goes wrong, you will be in a better position to work with a company that has a local presence as opposed to a company that is located in another state.
- » Out of state companies often follow damaging storms and take advantage of the devastation left behind. These companies rarely have an actual physical presence in the area. In other words, these companies have no brick and mortar location here and have not been in this locale for any substantial period of time. It is common for an out of state company to make it appear as though it is a local company, when in fact it is not. For example, contract form used by an out of state company may bear a local **address** but when investigated, the address is simply a UPS box number or a rented meeting room from which the contractor sends out door to door canvassers. Don't be fooled by what looks like a **“local” telephone number** since out of state contractors may give local numbers that simply “roll over” to a location in a completely different state. You may think you are calling someone in area code 316 but you could actually be talking with someone located in Minnesota, Oklahoma or Texas, etc. A company's website can also be misleading. It may represent that the company has done business “in this locale” for the past 20 years. “Locale” can mean the company is located in Oklahoma or elsewhere.
- » Does the company that you are considering have a proven track record? What is the reputation of the company?
 - Have you asked for and **CHECKED** references?
 - Is the company a member of the Better Business Bureau (BBB)?
 - How long has it been a member or did it just become a member?
 - Does the BBB have a record of complaints about this company?
 - What is the BBB's rating of this company?
 - Check with the Consumer Fraud Division of the District Attorney's Office (CFD).

- Have complaints been filed with CFD about this company?
 - Does the company have multiple past or present lawsuits filed against it either in Small Claims Court or in Limited Actions or Chapter 60 Actions in District Court of the Eighteenth Judicial District?
 - Is the company a member of the Wichita Area Builders Association (WABA)? The Wichita Area Builders Association is an excellent resource for information and is available to help with questions. It is located at 730 North Main Street, Wichita, Kansas, and can be reached by dialing 316-265-4226.
 - Is the company registered with the Secretary of State to do business in the State of Kansas?
- » Who will actually do the work? Sometimes a company, particularly an out of state company, will go to a storm damaged area and secure contracts with consumers by sending salespeople door to door. This is not against the law. However, if the out of state company has no brick and mortar building here, it probably has no employees/workers, supplies or equipment here either. **The company will simply subcontract YOUR CONTRACT to another business or someone else.** Often, this other business or “someone else” is either a small company that has no license or a recently formed and temporary group of non-licensed workers. Such “subcontracting” by an out of state company who initially secured the contract is not necessarily illegal as long as the out of state company was properly licensed in the first instance. **However, do you really want to contract with an out of state company that will subcontract your project to an unlicensed company or to a temporarily formed group of workers?** If you contract under these circumstances, it will be extremely difficult for you to get problems addressed should the same arise either during or after the work is completed or if no work is completed at all. And, if no work is performed at all, you are left in a position of trying to litigate against an out of state company.

➤ **Is the contractor properly licensed?**

- » Roof replacement and substantial home repair require that the contractor be licensed in the jurisdiction where the work is being performed. The City of Wichita and the County recently consolidated their building and construction codes. That office is now the “Metropolitan Area Building and Construction Department” (MABCD). The jurisdiction of the MABCD is the entire City of Wichita, plus all unincorporated areas of the County, plus those smaller jurisdictions that wish to come under the jurisdiction of the MABCD. If storm damage occurred with MABCD’s jurisdiction, the contractor must be licensed by the MABCD and must follow the building and construction codes adopted by the MABCD. If storm damage occurred in one of the smaller cities that maintain their own jurisdiction, then the contractor must be licensed by that particular jurisdiction (for example, Derby, Haysville,

Mulvane, etc), not MABCD, and must follow the building and construction codes for that particular certain city/jurisdiction.

- » Different types of work may require different types of licenses. For example, replacing a roof requires that the contractor have a roofing license. If other substantial building work is to be completed, a contractor may be required to have a “Class B License.”
- » Electrical and plumbing work involves different trades. Different trades require different licenses.
- » Contact numbers for the MABCD and other cities within Sedgwick County are set forth below. These jurisdictions will be able to advise you what type of license is required for your project and whether the company with whom you are dealing has the appropriate license for the proposed work.

- » **CAUTION** – If your home was a MOBILE HOME that was damaged, licensing requirements for contractors working on a mobile home will differ from licensing requirements for a contractor working on a stick built home. The licensing requirements will be LESS or nonexistent. Under many circumstances, a mobile home is not considered “real property.” Thus, as a mobile home owner, it is even more imperative that you know the reputation of the person or company with whom you are discussing possible repairs to your mobile home.

➤ **Obtain several proposals before you sign a contract**

- » Get several bids. Do not accept the first contact proposal that is submitted. Do not sign with a contractor simply because the company “has a lot of signs in the neighborhood.” Do not sign with a company just because your neighbor has already signed a contract with a certain company.
- » Refuse to deal with a contractor who wants you to sign a contract instead of giving you a bid.
- » Do not allow a contractor to give you a “proposal” or “written estimate” on a form that requires that you sign an “Acceptance of Proposal” appearing at the bottom of the form. The “Acceptance of Proposal” states “you are authorized to do the work as specified. Payment will be made as outlined above...” **We have seen this issue arise when a person requested that the contractor provide only a BID.**

➤ **Obtain a written and understandable contract proposal**

- » The law presumes that one has read what one has signed. Therefore, before signing a contract, make sure you take the time to read EVERY provision, front and back. If you do not understand a provision, don’t sign the contract.

➤ **Make absolutely sure that any contract proposal is comprehensive and complete**

- » What does that mean? It means that **ALL** details of the work are covered in the proposal. Those details would include, at a minimum, the following:
- (1) The complete name, address, and telephone number of the company with whom you are dealing.
 - (2) The name and contact information of the company person to call if something goes wrong or if further follow up is needed.
 - (3) A detailed description of the scope of the work to be done. "Scope of work" means a description of what exactly is to be fixed or replaced. Is part of the structure or roof to be completely removed before work begins? For example, are the old shingles to be removed or will new shingles be placed over the old shingles? Is the structure of a room to be repaired or is the old structure to be completely removed and a new structure built? Can building materials be stored on your property? Who is responsible for hauling off debris and final clean up of the work site?
 - (4) A description of what materials will be used in the construction or reroofing process. Insist that there is a complete description of the materials to be used; for example, the manufacturer, color and grade of shingles to be used, or the manufacturer and specific type of windows to be used, etc. If the specific type of building product is not described, a company may use leftover supplies from a previous project.
 - (5) The date or timeframe when the work is expected to begin and end. When a company has not committed to a firm timeframe, it may deliver materials/shingles to your address to make you believe that commencement of work is imminent, but work is never timely started on your project.
 - (6) A description of contingencies, if any, that could cause the amount of your contract to increase and how these will be addressed. For example, if after old shingles are removed, it is discovered that part of the decking is rotted and needs to be replaced, will you be notified in advance before further work progresses? Will you be given any estimate of the increased costs to you? Changes to a contract after the contract is signed are generally referred to as "change orders." Change orders should be in writing and approved by you before further work progresses. When this process is in place, the consumer will not be surprised by cost additions to the contract price.
 - (7) When and how payments are to be made? Be wary when a contractor requires all or a substantial part of the contract amount up front before work begins. Do not turn over the insurance proceeds to the contractor before work begins. In fact, only pay the contractor once the work is completed or is substantially completed. If your insurance proceeds are paid to the contractor upfront and later the company goes out of

business, you will have no roof and no insurance proceeds left to apply to a new roof. In all probability, you will recover NONE of your money. YOU will have to pay to have your roof replaced, not your insurance company, as your insurance company has already paid.

If possible, do not make payments in cash. All payments should be made in a manner that creates a record of the payment. If you have a checking account, make payments by check so there is a written instrument recording the payment. If you do not have a checking account and must pay in cash, INSIST that you are given a written receipt showing to whom, the date and the amount you paid a particular vendor or contractor.

(8) Are there any warranties? If so, the same should be in writing.

➤ **Permit , final inspections, and payment to any subcontractor:**

- » Permit and final inspections are required by law and are an integral part of your contract. These requirements are often overlooked by a contractor, sometimes intentionally. Out of state companies may make excuses claiming it is not familiar with the laws of this state or jurisdiction or that is not how it is done, for example, in Texas.
- » **BEFORE** any work commences, your contractor, not you, is responsible for obtaining the required work permit from the appropriate agency. Do not let the contractor persuade you to “pull the permit.” If you obtain the permit and the work does not meet code inspection, YOU, not the contractor, will be responsible for ensuring that the work is redone to meet code standards. Also remember that different types of work may require that different types of permits be obtained. If substantial reconstruction also includes plumbing and electrical issues, these permits may also be required. Likewise, know whether periodic inspections are to be conducted as work progresses as opposed to just a final inspection once the work is complete.
- » **AFTER** the work is completed, it is the responsibility of the contractor to call the appropriate agency and request a final inspection(s) of the contractor’s work. A final inspection is completed to ensure that the contractor’s work meets all appropriate code requirements. Make sure that your contractor’s work has passed final inspection before making final payments to the contractor.
- » Before making final payment, make sure you have proof that any and all subcontractors and suppliers have been paid by the contractor. If not paid, these entities can file a lien on your home, even if the consumer has made ALL payments to the contractor.

➤ **Licensing, Permits and Inspections contact Information:**

- Andale ** 316-444-2351
- Bel Aire 316-744-2451 x120
- Bentley ** 316-796-1799
- Cheney ** 316-542-3622
- Clearwater ** 620-584-2311
- Colwich ** 316-796-1025
- Derby 316-788-6632 opt 2
- Garden Plain ** 316-531-2321
- Goddard ** 316-794-2441
- Haysville ** 316-529-5940
- Kechi 316-744-9287
- Maize ** 316-722-7561
- Mount Hope 316-661-2211
- Mulvane 316-777-1143
- Oaklawn ** 316-660-1840
- Park City 316-744-2026 x208
- Sedgwick 316-772-5151
- Valley Center ** 316-755-7310

**inspected by Metro Area Building and Construction Department.
MABCD can be reached at 316. 268.4413.

Other important phone numbers and websites

Better Business Bureau 316-263-3146

<http://kansasplains.bbb.org/Business-Search/>

18 Judicial District Court – Small Claims 316-660-5790

<http://www.dc18.org/info/forms/smallclaims.pdf>

Kansas Secretary of State 785-296-4564

<http://www.kssos.org/business/business.html>

Federal Trade Commission 877-382-4357

<http://www.consumer.ftc.gov/scam-alerts>

Kansas Attorney General – Consumer Fraud (outside SG county) 800-432-2310

<http://ag.ks.gov/consumer-protection>

District Attorney Marc Bennett
18th Judicial District of Kansas