

Covering Your Costs in Renovation Work

by Sal Alfano



Renovation work presents a number of special problems for the estimator. Not only are materials and labor harder to price than on new construction, but renovation involves a number of intangibles that can throw an estimate way out of line. These come into play in all types and scales of renovation, but I will limit this discussion to substantial structural and cosmetic changes to the interior of a single-family residence. Whatever the work, the goal is to anticipate expenditures and to price the job accurately to avoid cost overruns.

Demolition

Whenever you are installing new materials, the existing materials first must be demolished and removed from the site, or they must be salvaged and saved for reuse. A few simple but important considerations can prevent catastrophe.

Protection: Everything that is not going to be demolished must be protected, especially if the house is occupied. If floors will be refinished, a layer of polyethylene or resin paper taped at the edges and seams should provide enough protection. You can lay inexpensive sheet goods—paneling, waferboard, even 1/4-inch drywall—over the paper to prevent mechanical damage and scuffing.

Consider temporarily boarding over doors and windows close to heavy demolition work. If the owners cannot put their furniture into storage, keep it out of the way and covered well enough to keep dust out.

In estimating, remember that protective measures may have to be reapplied several times over the course of the job. Nothing lasts forever, and the heavy demolition early on may wear out the coverings. Every job should be swept—vacuumed, if possible—every day to prevent the accumulation of debris and extend the life of the protection you have provided. It makes things a lot more pleasant for the occupants, too.

Speaking of occupants, make sure your clients realize that, in spite of your most

conscientious efforts, into their lives a little dust will fall. Most surfaces will not be damaged by a light dusting, but if they are particularly worried about specific pieces of furniture or areas of the house, take whatever steps you deem necessary. Or, better yet, ask them to handle it. In

to speed the drying of joint compound or paint.

Whatever you do, have a plan at the time you do the estimate; don't wait until you're on the job facing an emergency. If the heating system is going to be replaced or temporarily shut down, for example,

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the case of upholstery, drapery and carpet, even a little dust or a stray dollop of joint compound can be hard to clean. Try to determine what expectations your clients have for the cleanup, and then adjust your prices accordingly.

Finally, when an exterior wall is demolished, there may be a period when the old wall or roof is down but the new one is not yet up. Depending on the location and season, the building and its occupants will have to be protected from rain, snow, mud, cold, heat, insects, animals, vandals and thieves. Determine which of these applies and provide in your estimate for securing the site. Protection from intruders may be as simple as affixing a piece of plywood every night and removing it every morning, but it can be as complicated and expensive as hanging a temporary door complete with lock set and multiple sets of keys.

Cold weather is especially difficult. Even if you use a temporary tent, you may need portable heaters or increased use of the existing heating system. You also may need to supply auxiliary heating

make sure water supply lines and traps can be conveniently drained. If you end up fooling with the pump or the city water connection, it can get expensive.

Salvage: Carefully identify and mark salvaged materials to prevent accidentally discarding them. And take special measures to protect materials to be reused. Reinstalling existing woodwork will save money on materials, especially for intricate moldings, but labor costs will rise—sometimes dramatically.

In addition to being tedious, it's very difficult to remove wood trim without causing an occasional scratch or split. These later will require touching up or special millings to match damaged pieces. If much woodwork is to be reused, mark individual pieces according to location so as to simplify reinstallation. Allow time for these steps in your estimate.

Plumbing and light fixtures are commonly salvaged for reuse. Unfortunately, they are especially susceptible to damage. Mark them, as with woodwork, so everyone—including subcontractors—will not destroy them. Inspect the fixtures three times: once before removal to

determine existing damage; again after removal in case there's hidden damage or damage from removal; and once again during reinstallation to ensure that no change in condition has taken place.

In any case, it pays to price the job as if some damage or difficult reassembly will occur. We commonly price salvaged fixtures at 80 to 90 percent of their cost new. This way, the material savings covers the higher labor costs for installing salvaged material.

Rubbish: Spend some time planning how debris will be handled. If you're working on the second story or higher, plan how you will remove debris from the building. A rubbish chute often works well and can be built quickly and cheaply, but it usually requires renting a large trash container.

If carrying trash by hand is the best alternative, consider using empty feed bags instead of plastic trash bags. They're a bit smaller but hold just as much because they don't tear as easily.

Finally, make sure the appropriate vehicle can reach the site; otherwise, allow for the added expense of moving the rubbish pile closer to the pick-up point.

Working Conditions

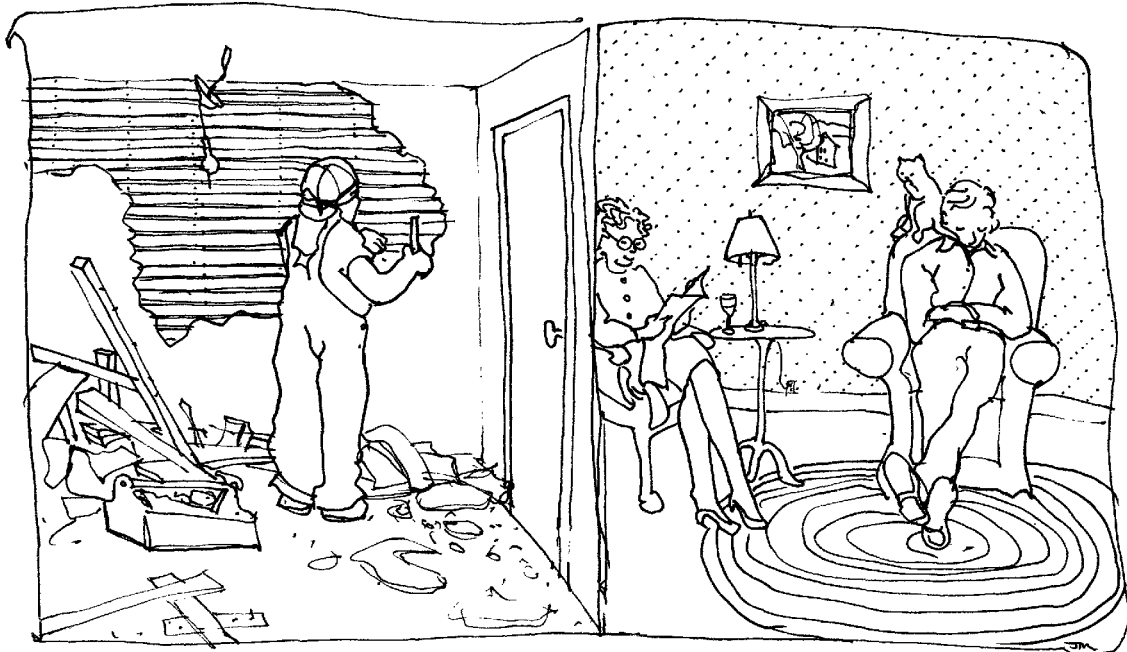
Many New England contractors schedule renovation to fill the slack winter months—when bad weather affects job costs the most. In many cases, particularly when the building is unoccupied, you will have to provide for snow removal.

The local pickup-with-plow competes well with hand shoveling, but reliability is important: if you start your workday at 7 a.m. and the plow doesn't come until 9:30, you're in trouble. Remember also that exterior work will be more difficult in deep snow, especially when staging is used, and that concrete work will become increasingly risky and expensive.

Extremes in temperature also will take their toll on tools, materials and personnel, reducing productivity and eroding morale. Add time for these inevitable delays if you're working in bad weather.

Storage: Storage presents special problems, too. In bad weather, exterior storage involves more time and expense. Even in good weather, the location of your storage point will affect your rate of work.

If materials are stored outside but your work is inside, workers will spend a lot of time squeezing through doorways carrying cumbersome sticks of lumber. If there is time to store materials inside, keep it close to work areas, but in a place where you're not tripping over things all the time.



Remember that not all materials will conveniently fit through available openings. Drywall comes to mind. Watch for U-shaped staircases and undersized, second-floor windows.

If window or door jambs need to be disassembled to accommodate drywall, include the labor costs in your estimate. You may even have to reduce the lengths of the sheets, with a possible increase in hanging and taping time.

Similarly, one-piece tub or shower units are difficult, if not impossible, to get

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in or out of a house. If you can't find a model that fits and you have to take down a wall to get it into the room, make sure you include this additional cost.

Work Area: A good work space, or "site shop," is important to any renovation. Ideally, this should be indoors and close to the storage area and the areas you are working on.

Most of the time, however, the space available for the shop is cluttered, cramped and poorly lighted. Productivity will suffer in proportion to the distance from the shop to areas where work is being done. If this means traveling up and down stairs, in and out of doors, or around the owners and their possessions, labor costs will be higher.

A shop set up outside is the worst possible situation. Not only will you have to drag your table saw in and out every day, but bad weather can shut you down.

Scheduling: Scheduling can affect costs in several ways. Sometimes, especially in commercial work, the job has to be done during off-hours, which leads to overtime charges for employees and subcontractors. But even a late starting time can disrupt a crew's work routine, and half an hour can be lost each morning while the workers tiptoe around late-rising clients. Remember that special circumstances command a special price.

Even delays that seem to carry no immediate cost will cost you in the long run. First, the client may become disenchanted as the job drags on and make you wait for your money. Second, future job starts will have to be pushed back, often jeopardizing profits—for example, by forcing you to postpone a job until late in the season, when bad weather will increase your costs.

And then there's the "handyman syndrome." Every home owner has a list of little things they've been meaning to get to and will ask you to "take care of it" while your crew is at the house anyway. All of this work should be charged at a premium because it delays starting other jobs that may have a greater profit potential.

Do Your Homework

These are just a few of the multitude of circumstances arising out of renovation that can result in hidden costs to you. The point is, it's too late to do much about them once the work is under way and a price has been agreed upon.

Do your homework during the estimating stage, and you'll be better prepared to negotiate a price, write a contract and make a profit. ■

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