Get It in Writing

by Ron Nardozza

ne years ago, I was involved in a Custom home-building project that started out just a little too easy. The client, a cardiologist with plenty of money and little time, had no questions about my contract and specifications, and signed everything without reading any of it, anxious to get on with building his vacation home. Well, what appeared on the surface to be a client made in heaven left me with a knot in my stomach. We were dealing with a large sum of money and a complicated project, with a number of items yet to be decided upon. I had my down payment and I had his signature, but I could also imagine him in a deposition hearing.

Forging Ahead

I didn't want to walk away from a potentially lucrative and prestigious job. In fact, I couldn't

- I had signed the contract, too. So I began work but kept an extensive job-site log of everything that happened (or didn't happen). And we agreed to hold weekly meetings to keep everyone abreast of progress — so far, so good.

At the weekly meetings, we would discuss any number of things that had come up — finalizing placement of doorways and light switches, agreeing on schedules for his material choices, modifying the plans slightly to better suit the site or satisfy the building inspector. We all took notes.

The problem with this process became evident after the first couple of meetings. It turned out that we heard and remembered things differently and emphasized different things in different ways. What I saw as important, my client did not, and vice versa. What I heard him promise was not what he remembered promising at

Trouble brewing. So, after the second meeting, I began to summarize everything we had talked about in a letter, which I sent to him by regular mail with copies to everyone else present at the meetings, such as the framer, the building designer, and the interior decorator.

In the letters, I covered all of the points that had been raised, the decisions reached, the promises made, and the items that needed further exploration. And then I stated that any disagreement with this summary must be raised immediately, before the decision would become final. (I defined "immediately" as before the next week's meeting, or by a specific date.)

This precaution proved to be an invaluable defense later on, when my client's memory began to fail on such points as schedule delays caused by his tardy selection of interior paint colors, or by ordering custom tile that took extra weeks to obtain. In a subsequent arbitration hearing, I lost on only one point of over two hundred that he raised: I had agreed to provide house numbers of a minimum size but was a fraction of an inch off, an easy fix.

Four Walls Homebuilders PO Box 841912 Portland, OR 97225 (503) 261-1192

John Keenes and Elizabeth Brescze 1316 S. Pilot Parkway

weekiy Meeting - July 14, 2000 Elizabeth Brescze (owner), John Parm (supervisor), Debbi Carter (designer), Ron James (builder) Airport, OR

This is a summary of our weekly on site meeting as dated above. The topics we discussed are as The den window rough opening is to be moved 18" toward the entry (to the right) to allow it to center on the wall after the built in bookshelves are added. This will rould in a change order (#14 - attached) and will become final when the change order is signed and returned with payment, as specified in our original contract. The owners noticed a squeak in the subfloor near the top of the staircase, and the builder of the supervisor have noted it and will make sure that the framer corrects this before the drywall stage begins.

- The owners noticed a squeak in the subfloor near the top of the staircase, and the builder and supervisor have noted it and will make sure that the framer corrects this before the rown of the supervisor reminded the owner and the designer that a final refrigerator selection is needed before the plumbing rough in is begun, due to the fact that built in unit have different requirements than slide in units. This decision is needed prior to the beginning of the rough plumbing, scheduled for July 21, 2000.

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 The designer informed everyone attending that the custom tile being considered for the master bath is a special order item, and has a three month lead time. The owner and the designer are to review alternatives and decide prior to the next meeting whether or not rosed with the custom order. The supervisor noted that the tile installation is scheduled for 16 weeks from now, so the custom order needs to be placed within two weeks. For 16 weeks to the completion date, where the supervisor including the delay caused by the extra engineering request from the city inspect, will including the delay caused by the extra engineering request from the city inspect, will add two weeks to the completion date, moving it to January 28, 2001, and the Everyone present agreed to meet again on site at 10-00 AM on July 21, and the supervisor agreed to invite the landscape architect to the next meeting to begin the charge phase.

The notes above are a summary of our discussions, and if there are any clarifications or disagreements with the above, please inform Sandy at the Four Walls office by July 20. Thanks for your time and looking forward to our next meeting. The project is coming along very nicely, and I am sure that we will all be delighted with the end result.

Ron James, President

Best Practice

Since that time, I've made it a regular habit to write letters summarizing conversations and meetthat I've had prospective and signed clients, architects, salespeople, government officials, suppliers, subcontractors, and even employees. I use the same format each time and send the letter within 24 hours of the meeting or conversation. It's addressed to the primary party, as well as any other affected parties. I certified rarely mail, believing that it's unnecessary and could set an adversarial tone.

> I open the letter by stating that it is a summary of a conversation or meeting held on such and such a date and list the parties who were present and the items that were

discussed. I recap the decisions made and which items remain to be decided. And I ask that, if the letter contains any incorrect assumptions, the recipient notify me immediately by mail or phone. Phone calls over differing interpretations automatically generate a clarifying letter.

These letters notify my clients that things are moving forward according to the points of the last discussion and ferret out any disagreements in interpretation or decisions before they become a disruptive force.

Cure for Selective Memory

Without written documentation, misinterpretations can become points

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of endless debate. Memory is fleeting, and you can bet that the other party will remember events only as they favor him or her. Against this twist, my summary letters become de facto addenda to the contracts and change orders that guide the project.

Up-to-date communications. I also use e-mail as a delivery option, but I

track each and every piece of that correspondence and print them all out. One hard-drive crash was enough to convince me that there's nothing like a hard copy. E-mail is tagged with its send time and date; you can also request an automatic e-mail receipt from the addressee.

In an increasingly litigious world, documentation is king. My letter writing habit has proven its worth to me more than once and has gone a long way toward reducing disputes and misunderstandings.

Ron Nardozza is a custom builder in Portland, Ore.