

March 2008

# Home Builders Bulletin

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David Campbell

### Vice President

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## President's Message ~ David Campbell

As the builders are gearing up for what we all hope will be a busy spring and summer, things at the Southwestern Michigan Home Builders Association are rolling right along. We had a successful poker tournament and I'd like to thank the players and volunteers that helped out. At the last general membership meeting, we tried a "make a date" with a builder night. The associates and builders gave a lot of positive feedback. We will be doing it again in the future, as it was a great tool to spur networking.

Looking ahead, the Home and Garden show is coming up quick. Please remember to volunteer some time and help make this a great event. Also, contract time for the Parade of Homes will be on us before we know it.

Up at state, the governor recently signed the bill regarding professionalism in our industry. It greatly increased the pre-licensure education requirements, added some continuing competency requirements for all license holders, and added LLCs to the list of business types that are required to hold licenses in the name of the company AND in the name of a qualifying officer. Also, each license holder will receive a codebook when the license is renewed.

We are working on having the continuing competency classes presented locally through our association. There is currently no way to obtain a second license online, but a builder can request the proper documents via a phone call to Lansing. They will then be mailed out. The fee is approximately \$75 for the extra license. I cannot stress enough the importance of ensuring a builder has both these licenses. The courts will look at a builder as un-licensed if he or she does not carry two licenses when required. There already have been cases where a builder has not been able to recover monies due from clients because of this requirement. Please contact our office for more information.

Finally, the code update cycle has begun again. We expect another strong push to get a fire suppression sprinkler requirement for single-family homes included in the new code. Once more, we will assert our objections. The next battle will take in Minneapolis in September.

I wish all of our members a prosperous month, and remember: ***It's good business, to do business with a member!!***

## Home Energy Rating Rebates

Rebates are available up to \$350 to reimburse licensed residential homebuilders or home owners for the cost of conducting a home energy rating on a home. Applicants are only eligible once for this rebate. The home does not necessarily need to qualify for ENERGY STAR certification for the applicant to be eligible for the rebate. Criteria for the rebate are based on completion of the rating.

### WHAT IS A HOME ENERGY RATING?

A Home Energy Rating indicates the energy efficiency of a new or existing house. A computer software program is used to model a home's energy usage and compare the home's energy performance against the best performance possible for that structure. Ratings are 500 – 0 points, with "0" representing the most energy efficient home.

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## Home Energy Rating Rebates, Continued from page 1

### WHAT IS AN ENERGY STAR HOME?

A rating of 85 or 80 points (see map at:

[http://www.energystar.gov/ia/partners/bldrs\\_lenders\\_raters/downloads/PerfPathTRK\\_060206.pdf](http://www.energystar.gov/ia/partners/bldrs_lenders_raters/downloads/PerfPathTRK_060206.pdf)) qualifies a house for the ENERGY STAR designation.

### HOW DO I GET MY REBATE?

You should submit the following three pieces of paper:

1. A copy of the invoice from your home energy rater.
2. If the home qualifies for ENERGY STAR certification, a copy of your ENERGY STAR home certificate. If the home does not qualify for ENERGY STAR certification, a copy of the HERS improvement analysis summary page.
3. A completed W-9 form showing your name, address, and employer identification number. <http://www.irs.gov/pub/irs-pdf/fw9.pdf>. Don't forget to sign the W-9.

#### Mail to:

**Patrick Hudson, Energy Office, P.O. Box 30221, Lansing, MI 49090**

**Or fax to: (517) 241-6229**

### Mission Statement

The Southwestern Michigan Home Builders Association Inc., chartered in 1979, exists for the betterment of the building and remodeling industry in our service area. We achieve this through providing educational programs, acting as government liaison, encouraging licensing as required and promoting high ethical standards.

## Welcome New Members!

Bryant Knepp  
**Habitat for Humanity**  
 785 E. Main St.  
 Benton Harbor, MI 49022  
 Ph: 269-926-1210  
 Fax: 269-926-1257  
 Email: [bknepp@harborhabitat.org](mailto:bknepp@harborhabitat.org)  
**Builder Member**

Stephen W. Smith  
**Troff, Petzke & Ammeson**  
 811 Ship St., Ste 202  
 St. Joseph, MI 49085  
 Ph: 269-983-0161 x 120  
 Fax: 269-983-0166  
 Email: [ssmith@tpalaw.com](mailto:ssmith@tpalaw.com)  
**Associate Member**

David L. Ott Sr.  
**Fred M. Ott & Sons Inc.**  
 11887 California Road  
 Bridgman, MI 49107  
 Ph: 269-426-3022  
 Fax: 269-426-3830  
 Email: [ott87@aol.com](mailto:ott87@aol.com)  
**Associate Member**

Ryan Bailey  
**SecureAlarm Systems, Inc.**  
 155 W. Main St.  
 Benton Harbor, MI 49022  
 Ph: 269-487-4200  
 Fax: 269-487-4201  
 Email: [rbailey@securalarm.com](mailto:rbailey@securalarm.com)  
**Associate Member**

Rick Van Til Jr.  
**Van Til Builders**  
 44 E. Lakewood Blvd.  
 Holland, MI 49424  
 Ph: 616-394-0800  
 Fax: 616-355-6145  
 Email: [rickjr@macatawabay.com](mailto:rickjr@macatawabay.com)  
**Builder Member**

Thomas Drake  
**The Drake Group**  
 30 W. Buffalo St.  
 New Buffalo, MI 49117  
 Ph: 773-935-9500  
 Fax: 773-281-6551  
 Email: [tdrake@drakegrp.com](mailto:tdrake@drakegrp.com)  
**Builder Member**

Brian Shier  
**All Seasons Construction**  
 516 First Ct.  
 Niles, MI 49120  
 Ph: 269-929-2875  
 Fax: 269-934-2949  
 Email: [ceo@BrianShier.com](mailto:ceo@BrianShier.com)  
**Builder Member**

Ron Colvin  
**Pride the Portable Toilet**  
 PO Box 255  
 Buchanan, MI 49107  
 Ph: 269-208-1484  
 Fax: 269-695-9330  
 Email: [Dreamer@qtm.net](mailto:Dreamer@qtm.net)  
**Associate Member**



## Benefits of Membership

- State and National Affiliation
- Educational Programs
- Monthly General Membership Meetings
- Legislative Support
- Annual Home & Garden Show
- Annual Parade of Homes
- Annual Membership Directory
- Newsletter
- Christmas Party
- Golf Outing
- Members Reference Library
- Web site
- Dedicated Staff
- Builder Political Action Program (B-Pac)
- Product and Service Endorsed Affinity Programs:
  - Dell
  - Hertz
  - GM
  - Pitney Bowes
  - UPS
  - Paychex
  - Bank of America
  - DHL Express
  - Williams Scotsman
  - NAHB Career Center & more
- Michigan Construction Industry Mutual Insurance (Members Only)
- Michigan Builder Magazine
- Legal Action Fund
- Committees & Councils

## Executive Officer's Message

Spring is almost here! I love winter, but enough is enough, I am ready to see some green and put away the winter coat! We have a lot going on this year and our next scheduled event is the Home, Garden & Leisure show followed closely by the membership drive that scheduled for April 9 & 10 this year. The membership committee has been working hard on participation incentives and new member benefits! In May we have our surplus sale, June is the Harley-Davidson raffle, July & August is the Parade of Homes! It is going to be a very busy summer!

One of my BIG goals for 2008 is to get an educational program started here at the SWMHBA. As most of you know, the new professionalism package (*State Bill 450 – 453*) goes into effect on June 1<sup>st</sup>, and there will be new licensing and continuing competency requirements. The new educational requirements are listed below.

A person getting a new license will be required to complete 60 hours of approved pre-licensure courses of at least 6 hours in each of the following categories:

- Business management, estimating, and job costing.
- Design and building science.
- Contracts, liability, and risk management.
- Marketing and sales.
- Project management and scheduling.
- The current Michigan Residential Code.
- Construction safety standards promulgated under the Michigan Occupational Safety and Health Act.

For continuing competency, if you have had your license for more than 6 years, beginning the calendar year after the bill's effective date, and you have not had any violations, you will be required to complete at least 3 hours of continuing competency courses per license cycle, including 1 hour each of codes, safety and legal issues.

New licensees or licensees who have had their license for less than 6 years, beginning the calendar year after the bill's effective date, will have to complete at least 3 hours of continuing competency courses per calendar year, and 21 hours per three year time period since the issuance of his or her license. At least three hours would have to be devoted to activities designed to develop a licensee's understanding of and ability to apply State building codes and laws relating to the licensed occupation, safety, and changes in construction and business management laws.

Getting involved in education is going to be a little more inclusive than I first thought. For your continuing competency to count towards your requirements, the courses must be given by a proprietary school. The MAHB is currently working to get established as a proprietary school, and we will be able to work under their license when it has been established. The SWMHBA would like your opinions on what kind of educational programs we should offer. Please let me know what you'd like to see included.

*Valerie Krause*

*Make the most of your membership, become involved!*

# ASSOCIATES

CONSTRUCTION



## Building Better Relationships with Builders

The principal reason most associate members join the home builders association is to get business from the builder members. However, it is not always easy and it is never automatic. Membership does not give an associate member the *right* to a builder's business. What it does, rather, is give him the *opportunity* to seek business from builders. Many builders in turn will try to do business with an associate member, provided there is a favorable balance to him in price, service, and quality. Consider some of these basic principles in building your relationships with builder members:

### DO:

- Visit the builder regularly with good reason – do not waste his time. Do not underestimate his interest in new products.
- Keep his literature current. The builder needs current information if he is going to use your product, not only to show his customers, but for other suppliers or subcontractors that may be involved in installing your products.
- Keep the builder informed if there are pricing or product changes. There has never been a builder who liked prices increase, but the dislike surprises even more. Timely notice will allow him to adjust his budget.
- Let him know immediately if a product is discontinued or going to be discontinued, and what his replacement options are.
- Tell him immediately if a product or service is going to be delivered late. Stay in touch with him so you know when you and/or your product are needed.
- Sell quality products and do not compromise your reputation with inferior products or services.
- Be honest with the builder about what features or benefits he may gain by paying a little more. If your offering has deficiencies, tell him in advance so he can make adjustments.
- Be knowledgeable. Try to understand his business. Is he building luxury homes or affordable housing? Find answers to his questions. Reliable information will keep him coming back to you.
- Get actively involved in the home builders association. Just as the builder makes his living from the building industry, so too, do you. Getting involved not only benefits the industry as a whole, but also get you the recognition you need from builder members. Regular meeting attendance will give you additional visibility. Devote some of your advertising budget to placing ads in the association's newsletter.

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*"Opportunity is missed by most people because it is dressed in overalls and looks like work."*

Thomas A. Edison

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### MEMBERSHIP MAILING LABELS

Would you like to advertise to fellow members? A full list of mailing labels is just \$25.00. A list of just Associate or Builder Members labels is only \$15.00.

Contact Valerie or Becky or stop in to the Home Builders office for your set of mailing labels.

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## Building Better Relationships with Builders

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However, DO NOT:

- Do not speak negatively about your competitor or his product or services. He may be a personal friend of the builder or even a fellow member of the home builders association. Also, the builder may have been using your competitor's product or service. By speaking negatively, you are saying that the builder was not very smart for using it. Focus on making positive statements about your products or service. Give him references of other builders who have been satisfied with your product, service, quality, and price.
- Do not misrepresent the facts or, to put it bluntly, don't lie. Whether it's about a delivery, what you or your product can do, or about price, never become an untrustworthy businessperson. Do not tell the builder you are giving him the best price in town when you may have given someone else a better price.



Bottom line, selling to builders takes a lot of common sense and courtesy. Your membership in the home builders association is a tremendous asset to your business. By applying these basic rules to your sales strategies and actively participating in the association, you can greatly enrich your builder relationship, increase your sales opportunities, and grow as a consummate professional.

### ATTENTION MEMBERS ~ New Regulations Could Affect You!

The Michigan State Police will be requiring that all trucks used for commercial purposes and intrastate travel will need to display a USDOT number. The number is required for anything (combined) over 10,000 lbs. GVWR and is issued by the US department of Transportation (USDOT). That normally would include a pick-up pulling a trailer, which many members probably have.

An on-line application for the USDOT number can be filled out at [www.safersys.org](http://www.safersys.org). After entering the website, click on "FMCSA Registration & Updates." I encourage users to go through the "Step-by-Step Registration Guide" to determine if they need a DOT number or not. Remember that "intrastate" means that trucks travel in the state only, and "interstate" means travel outside of Michigan. There is no cost associated with getting the number, but a credit card will be required for signature verification when completing the application on-line.

The following is the timeline:

- Starting 1/1/07 carriers will have 12 months to obtain a USDOT number
- Starting 1/1/08 carriers will have 12 months to display a USDOT number.

There is a FAQ document created by the Michigan State Police, available from the following link:

[http://www.michigan.gov/documents/msp/Intrastate\\_USDOT\\_FAQs\\_189910\\_7.pdf](http://www.michigan.gov/documents/msp/Intrastate_USDOT_FAQs_189910_7.pdf)

Additional questions can be directed to the USDOT Federal Motor Carrier Safety Administration Michigan Division by calling 517-853-5990.

Thank you to Carol Heinowski, Safety Investigator for USDOT/FMCSA/Mi Division for contributing the information for this important update.



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49103

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(269) 473-5035

FAX:  
(269) 473-3643

We're on the Web!  
See us at:  
[www.swmhba.com](http://www.swmhba.com)



Home, Garden &  
Leisure Show

March 14, 15, & 16  
The Mendel Center  
Lake Michigan  
College

Friday, 5 pm - 8 pm  
Saturday, 9 am - 7 pm  
Sunday, 10 am - 5 pm

## LIST YOUR WEB SITE WITH US!

We now have the capability to add a web link to your member information on our website located at [www.swmhba.com](http://www.swmhba.com)!

This link is available to members for only \$25 per year.

In addition, we are also making an effort to save

paper and printing costs. The SWMHBA would like to start sending notices and invitations via email to participating members.

If you are interested in taking advantage of either of these offers, call the HBA office at 473-5035 or email us at [swmhba.com](mailto:swmhba.com).

## REMINDER

Remember, a dinner each month at the meeting is a benefit to you as a member. All we ask is that you RSVP by the deadline, so we can have enough seating and food for all. If you as a member cannot attend, but would like to send a partner or employee in your place, that would be fine – just call in his/her name and they can take your place at the table!

## 2008 PARADE OF HOMES

July 24 – 27 & July 31 – August 3

**BUILDERS:** The deadline to enter a home or remodeled project in the Parades of Homes is April 30, 2008.

Contracts are now available. Call the HBA office (269-473-5035) for more information.

**ASSOCIATES:** If your company would like to offer Parade of Home discounts to the builders contact the HBA office. We will be happy to provide each parade builder with a copy of your incentives and discounts.



## Affiliate Membership

If you are an employee or partner of an NAHB member, and your local home builders association has the Affiliate Membership category – **which we do!** We invite you to join us as an Affiliate Member.

Affiliate membership is available to qualifying persons for only \$50.00 per year. For more information contact the Home Builders office!

### NEW AFFILIATE MEMBERS

#### Christopher Flock

- Powell Construction Services

#### Heather Jasper

- Powell Construction Services

#### Dick Wales

- Heritage Homes Inc. of Michigan

#### Mark Weir

- Powell Construction Services