



Wednesday, June 17 | Texas' Oldest Newspaper: [Since 1842](#)

Homeowners, restoration company fight in court

By Laura Elder

The Daily News

Published May 14, 2009

GALVESTON — About 12 days after Hurricane Ike pushed 10 inches of storm surge into her Dominique Street home, Ann Murphy Harris was standing in her garage when she was approached by men who offered to gut and dry out her home.

"They were young, looked kind of preppy; they seemed trustworthy," said Harris, a nurse at the University of Texas Medical Branch.

Such scenarios were playing out all across the island after Hurricane Ike flooded 75 percent of the city's buildings. Local contractors were hard to find. Supply and demand was on the side of out-of-state contractors who flocked to the island not long after the floodwaters receded.

Harris and several other women in the same storm-wrecked West End neighborhood needed help gutting their homes, they said.

They hired the firm Service Pro National, but the business relationships quickly soured.

Harris, Debbie Cano and Deborah Murphy, who had similar complaints, filed lawsuits against the company — Snow and Ice Removal LLC, doing business as Service Pro National — in Judge Mary Nell Crapitto's County Court at Law No. 1.

Among the complaints spelled out in the lawsuits were that Service Pro did more damage than good to their houses, hired day laborers from a drug rehabilitation center and in at least one case responded with threats of lawsuits when one of the women refused to pay for work for which they were billed by Service Pro National.

On April 6, Crapitto issued default judgments against Service Pro totaling \$385,359 in the three separate lawsuits. The judgments also forgave debt the company said it was owed by the women.

Service Pro officials have denied all the claims, made counter claims and this week filed motions for new trials.

'Out Of The Blue'

Attorneys for the women, Greg Crinion and Isaac Villarreal, of Clear Lake-area law firm Ashby Crinion LLP, called the judgment a victory and Service Pro a "storm chaser."

Absent from the courtroom were representatives from Service Pro, including owner Keith Schwartz. Schwartz said he had no inkling of the lawsuit or the judgment against him until contacted by The Daily News.

Schwartz vowed to appeal the judgment and get paid for the work his company did on the island.

"This came out of the blue," said Schwartz, who owns Colorado-based Snow and Ice Removal LLC. How much damage could crews do to homes submerged in storm surge, Schwartz asked.

Service Pro wasn't avoiding a court date, said Schwartz, who argues he wasn't properly notified of the litigation.

Crinion made several unsuccessful attempts to serve papers to Service Pro's Rosharon place of business registered with the Texas Secretary of State, he said. After failed attempts, Crinion followed Texas law and served the citations unit of the Secretary of State office, he said.

Getting Over

This isn't a story about so-called storm chasers, Schwartz said. It's a story about how some of his clients are trying to get out of paying for services his company rendered, he said.

"This is a story about how these people really got over on this contractor," Schwartz said.

Schwartz acknowledged that laborers gutted an extra room in Harris' house and damaged a water pipe.

"We got a plumber over there and mitigated it," Schwartz said. "I'm not embarrassed. In the business of demolition and construction, things like this happen. If you're doing a demo on a house under salt water for a period of time and someone damages a pipe, it's not the end of the world."

Skilled Labor?

Schwartz was attending to work elsewhere and had never met the women, he said. Often, the women spoke with Matthew Marbry, the registered agent of the company who Schwartz described as hardworking.

When asked whether the laborers came from a drug rehabilitation center, Schwartz said Service Pro paid Tacoma-Wash.-based Labor Ready to supply workers in Galveston. Labor Ready did not respond to request for interviews.

But the laborers never arrived with tools to do their jobs, Harris said. One woman who had asbestos in her house worried for the men's health and bought them

masks, Harris said. Service Pro had promised professional and skilled labor, Harris said.

The laborers had proper tools, Schwartz said. But even if they didn't, and even if it were true workers left jagged edges in homes and did gut a room that didn't need it, it isn't justification for not paying the company for work that was performed, Schwartz said.

"That's how they justify keeping the money from the insurance company?" Schwartz asked.

Mental Anguish

Part of the judgment against Service Pro was for mental anguish, Villarreal said.

After three days of work, Harris attempted to terminate her contract with Service Pro, she said.

The company billed her for \$18,097. When she refused to pay, she received a collection letter, she said. She also had unpleasant conversations with the company, she said.

Harris began fearing she would lose her home should Service Pro impose a lien on the property, she said.

When Cano, unhappy with Service Pro's work and accusing the company of damaging her house, refused to pay \$11,885, Service Pro told her it already had filed a lawsuit against her that would play out in a courtroom in Summit County, Colo.

'Low Ball Offer'

Cano was willing to pay Service Pro \$2,321 for the dry out and the minor tear out and other miscellaneous items. But, according to e-mail exchanges between Cano and Schwartz obtained by The Daily News, that wasn't enough.

"It seems like if we are both reasonable, we can get this resolved," Schwartz told Cano in a Nov. 24 e-mail. "At this point, I have already paid to do the work at your house and paid my attorney to write and file the suit (boy was that expensive). Let me know at any time if you would like to bump up your low ball offer to get this resolved."

Fear Of Litigation

Cano feared an expensive round of litigation, Villarreal said. But Service Pro had not filed a lawsuit against Cano, Villarreal said.

Harris moved back in to the house a few weeks ago. But whether she'll ever receive any money from the judgment against Service Pro is uncertain.

"They have peace of mind," Villarreal said. "They don't have to pay the company; they can actually sleep at night."

Service Pro, which was hired to work on dozens of island homes after the storm, plans to fight for payment for the work it performed, Schwartz said.

“We would not just walk away from the amount of work we had done without attempting to collect the money,” Schwartz said.