10 THINGS TO CONSIDER WHEN HIRING A GENERAL CONTRACTOR

All successful construction projects are dependent upon finding an ethical, reliable, competent and experienced General Contractor. In your search in finding a General Contractor (GC) the following points should be kept in mind.

1) Hire only a licensed GC and make sure the subcontractors that are being used are also licensed.

Ask your GC ensure that they and their subcontractors are properly licensed to perform the work on your project. Hiring an unlicensed GC and subcontractors carries numerous risks that can be mitigated if you simply hire someone who is licensed. Ask the GC for the names of the subs they plan to use on your project and check out their license status. Although the final list may not be available until after you have hired the GC, you're entitled to know who they plan to use on your project.

2) Check references and follow up with the home & business owners.

Ask for at least 3 references and ensure that one of them is from over the most recent 6 months. This way you can get a better picture of the contractor's current work and long-term standing with his clients. Talk to the clients to verify the quality of workmanship, how changes were handled and if the GC finished the project according to the schedule. You should also ask to visit on-going jobs and take note of job-site conditions.

3) Some questions to ask previous clients:

Were they happy with the GC and were they easy to work with?

Was the jobsite kept clean during construction?

How would you grade the quality of work?

Was the contractor readily accessible and did he respond to problems as they arose in a timely manner?

Did the contractor willingly make any necessary corrections?

Did the workers show up regularly and was there adequate supervision?

Did the project stay on schedule?

Did the project come in at the cost stated on the contract?

Would you recommend this GC and would you use them again?

Was the GC prompt in completing the final punch list items?

4) Ask the GC how long they have been in business and have they done projects similar to yours.

Five years in good standing in your community is considered acceptable. Check out those projects that are similar to yours. Depending on the job, you should also check references from material suppliers and financial institutions to determine whether the contractor is financially responsible.

5) Verify the GC's and Subcontractor's insurance coverage

Check for workman's compensation and general liability coverage and the limits for each. Ask for a copy of these certificates and verify them by calling the insurance companies. Also ask that you be listed as "Additional Insured" and make sure you keep a copy readily available and request an updated certificate if coverage expires during your project.

As a home or business owner, if a worker is injured on your property and the GC does not have the proper insurance coverage you run the risk for picking up the medical bills. Therefore, don't let YOUR insurance policy become the contractor's liability coverage.

6) Make sure that you carefully review all the bids you receive and so you are certain that you are comparing apples to apples.

What may appear to be the lowest and most competitive bid may actually be the highest. Make sure that the items included and the allowances given are carefully reviewed and quantified prior to signing your contract. Be ***very*** specific regarding the quality of materials, name brands, colors, sizes etc. that will be used or installed on your project. This is where the specifications must contain every detail that you're expecting to have included or installed. Do not leave these selections up to the chance. Make certain that you are clear on what you expect and list these specification in your contract.

7) Verify that the contractor maintains a permanent mailing address, e-mail address, published personal phone number, fax number, and a cell phone, or voice-messaging system.

You want to be sure that you can reach your GC quickly in an emergency and that your GC is not just working out from the back of a truck.

8) Contact the suppliers to verify their credit standing.

Does your GC have an account or pays on delivery? Most suppliers are willing to extend credit to financially sound GC's. Contact the sub contractors and ask if the GC pays them timely and if they have had any problems with nonpayment. These are some simple checks that home and business owners can conduct and it bears repeating. It can reveal much about the contractor and save you from a horrible nightmare.

9) When interviewing contractors, pay attention to how you feel about them.

Are you comfortable dealing with them, do you have a good feeling about having them around for a few months or more. It's just as important to have a good working relationship with the contractor as it is to have a contractor with great credentials.

10) Always ask for a written contract but sign nothing until you completely understand the terms and conditions.

It is well worth your money and peace of mind to know that you have signed a well-written contract. Make certain it includes the following items… a complete set of the plans and specifications, a description of progress payments will be made, identify how the payments will be disbursed and the requirement that partial or final lien waivers be submitted at the time of payment, a schedule, how changes orders will be made and how defaults will be handled. One of the most recognized contract forms used in the industry today come from the American Institute of Architects, AIA. Depending on the size and scope of your project an AIA contract may be the best choice for you.

Construction projects are a risky and often times a very stressful undertaking. Thousands of dollars are at stake and there are always many moving parts that need to come together for a project to be a success. Properly preparing for and asking the right questions BEFORE a project starts is crucial step in the right direction. While there are no 100% guarantees, keeping these points in mind will help create the proper accountability needed to make your project a success.