

## Best Practices for Securing and Working with a Professional Contractor

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- I. Deciding that you need to hire a Contractor
- II. Finding a Contractor
  - A. Where to Look
    1. Advertisements
    2. Friends, Relatives, Co-Workers
    3. Websites
      - a. Angie's List
      - b. Better Business Bureau
  - B. What to look for in a Contractor
    1. How long have they been in business
    2. How many projects like yours have they done
    3. What type of insurance do they carry
    4. How many workers do they have
    5. Do they warranty your work
    6. Licenses & Bonds
    7. References
- III. Selecting one Contractor
  - A. Go with your Gut- does the relationship feel right
  - B. Getting a written contract- which must be good for both parties
  - C. Putting a Work & Completion Schedule together
  - D. Knowing your Responsibilities
    1. Moving Furniture
    2. Locking up Pets
  - E. Deciding on a Final Price- lowest price not always the best price
    1. Down Payment %
    2. Payments due dates
    3. Additional Costs
      - a. Contractor Purchases- Watch for Mark-ups
      - b. You Purchase
  - F. Who is the contact person for the project

IV. The Contract- what it should include

- A. The Parties to the contract- Names, addresses, phone.
- B. Time Period in which the work is to be performed-Start Date to End Date
- C. Penalties
- D. Payment Schedule-final payment after inspection
- E. Permit Responsibility(if needed)
- F. How many change orders are to be handles
- G. List of all Materials and Supplies
- H. Warranty/Guarantee Information; Problem Resolution
- I. What the Contractor will or will not do (moving furniture, covering items, clean-up, etc.)
- J. Right to Cancel in Three Days
- K. And to make the Contract Legal, Signatures and the signing date.

V. If Things Don't Work Out

- A. Contact State Attorney General's Office
- B. Contact Local Consumer Protection Office
- C. Contact the Home Builders Association
- D. Local Media "Hot Lines"
- E. Better Business Bureau

# Contractor Checklist

## ✓ USE CHECKLIST

### Type of contractor

- Home building *You will probably need a full time general contractor to build a house, as they will have the appropriate contacts and relationships with subcontractors – electricians, plumbers, etc.*
- Renovations *A small time contractor who will pitch in himself is a good choice – smaller jobs can be more cost effective if the foreman is also working.*
- Landscaping *A contractor who specializes in landscaping is your best bet as they will have the right contacts – nurseries, greenhouses, etc.*
- Light remodeling *Look for a specialist in the area you are remodeling – some contractors specialize in kitchens and baths, for example.*

### References

- Recommendations *Ask for the names and numbers of past clients you can check with who will vouch for quality of work done, budget adherence, and professionalism.*
- Personal references *Ask for names and numbers of people who will vouch for personal integrity.*
- Legal *Check to see if the contractor has any lawsuits pending.*
- Online *Google the contractor in search of any information – good or bad.*
- BBB *Check with the Better Business Bureau to see if any complaints have been filed.*

Interviewing

- Company history *How long has the contractor been in business? It's best to select a contractor who has been in business at least 5 years.*
- Goals *Ask the contractor to explain clearly the solution he suggests to reach your goals.*
- Quality standards *Ask what guidelines the contractor uses to determine his quality standards.*
- Professional designation *Ask if the contractor has a specialty designation in any category of home improvement/remodeling.*
- Trade membership *A contractor who is the member of a trade association is more likely to be up to date on current materials, codes and methods.*
- Price *Ask the contractor for a final bid in writing that includes a detailed account of how budgeted funds will be allocated.*

Requirements

- Insurance *Your contractor should carry workman's compensation for anyone injured on your property. They should also carry general liability insurance in case they damage your property.*
- Licensing *If you live in a region where licensing is required, make sure your contractor is properly certified and up to date.*
- Permits *The contractor should demonstrate capability to acquire all the required permits as applicable by local law.*

Contract

- Start/end dates *There should be a clear timeline for job completion.*
- Payment *You can expect to pay a deposit upfront and to supply payments at milestones, but the final payment should not be released until the job is completed to your satisfaction.*
- Warranty *This should be spelled out in the contract with all parties under obligation clearly identified.*
- Dispute resolution *Especially if the job is large, a mediation process should be agreed upon in case of conflict.*

- Clean up *Unless you want to be left with a mess, make clean-up by the contractor one of the stipulations for release of final payment.*
- Penalties *Write a per day penalty into the contract that will deduct from the price of the job if the contractor does not finish in the time frame agreed upon.*
- Bonus *Likewise, a bonus can be offered for completion of the job earlier than planned – but make sure your contractor doesn't cut corners to finish early.*