

Interviewing a General Contractor

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Choosing a General Contractor for a project is one of the most important decisions a project owner will make. The General Contractor will screen, hire, coordinate, schedule, and follow up on all material suppliers, permits and inspections, subcontractors, most utility companies, and works with the architect and engineers on projects to build the best product for the property owner's investment and interests. For this work general contractors generally charge 15-25% on top of the cost of the project, depending on whether the general contractor charges separately for some overhead items, the size of the project, and the profit margin. Many suppliers and subcontractors give the general contractor a 10-15% price reduction due to the contractor handling most of the communications and billing with the homeowner and the opportunity for repeat work. With smaller home addition and remodeling jobs the general contractor role may be filled by the carpenter or sometimes shared with the owner.

One good way to find general contractors is to ask friends, relatives, coworkers and acquaintances for names and referrals. Most contractors use cell phones exclusively and are not listed in the yellow pages; some firms have web sites. Your local building department may have a list of all the contractors that have applied for permits in the past year or so. The building departments typically can't recommend a particular contractor but may be able to suggest which contractors may be appropriate for the project's scope. A local architect or building designer will know some or most of the local builders. A local building material supplier may give names of contractors that work on similar projects although there can be a financial interest with referrals from such sources.

A project owner should ask for and follow up on at least three client references for projects similar in scope from each contractor seriously being considered. This is probably the single most important thing one can do in selecting a contractor.

Check with the Construction Contractor's Board (in Oregon: via web site at www.ccb.state.or.us, or 24 hour automated line at 888-366-5635, or 503-378-4610). Use the contractor's registration number or telephone number to access specific contractor information. The Construction Contractor's Board can provide information for the past three years on claim inquiries received on the contractor, if the contractor has any unresolved complaints, bond and liability insurance amounts, and if the contractor's bond is in good standing. The bond is an insurance policy that will help pay someone else to complete the project in the unlikely event something happens to the contractor, from serious injury to bankruptcy. The Construction Contractor's Board can also educate a project owner about lien notices and releases.

Contractors generally won't give a contract price or bid on a project until the final drawings and specifications are completed by your design professional. These drawings and specifications are the basis of the project contract with the contractor. A General Contractor can be very helpful during the design process to estimate preliminary costs and discuss preferred construction methods.

It's important to establish a level of trust with the selected General Contractor with clear and concise communication. A good way to accomplish this is through a written contract that spells out the scope of the work, quality and cost limits, time constraints, billing and payment, changes, and how the agreement may be terminated due to an unforeseen event. It is relatively inexpensive to have an attorney review a potential contract. Some contracts favor the interests of the person providing the contract.

Suggestions for a first conversation with a potential General Contractor:

1. Describe the proposed project scope. new, remodel, or addition; number of stories, daylight basement or crawl space; approximate square footage of heated area and size of garage or other outbuilding; number of bedrooms and bathrooms; scale of the kitchen and finishes; any special construction type (fire rated, timber framed, steel or concrete); extent of site and utility work; deck or porch; special considerations or expectations (highest quality, loan requirements or payment delays, tight time frame, tight budget, live in structure during construction, difficult access for equipment).
2. Location of project.
3. Ask if the contractor would be interested in working on the project.
4. Define the project time frame if firm timeframe required: when to begin construction, enclose exterior of house by ____ (firm or flexible time expectation), finish for occupancy. Ask if the contractor can work within the project time frame.
5. What is the contractor's experience working on this specific type of project? Ask for references of similar projects, names of past clients and phone numbers, addresses if visible from the road, photos if available.
6. Ask if the contractor is willing to bid or estimate the project. Ask about the type of agreement or contract typically used (bid, fixed price, cost plus, cost plus with maximum figure). Ask about the recommended project contingency, and if the contingency is part of the contract price.

Contact at least three past clients, and visit at least three completed projects of each general contractor being seriously considered.

Suggested questions for general contractor references:

1. What is the owner's impression of quality of the general contractor's work, quality of finish, and coordination and quality of subcontractor work? Who designed the project (owner, architect, designer, engineer, or contractor)? Did the contractor build the details the way the owner wanted?
2. Did the general contractor complete the project within the agreed upon time frame? What affected the time frame?
3. Did the general contractor complete the project within the budget or bid price? What affected the price? Were there any change orders, and if so, who instigated them? What type of contract was used between owner and general contractor, cost-plus or bid (firm maximum price)?
4. Would the owner recommend this general contractor to a relative or a friend?
5. How involved was owner with the construction of the project, and did the owner do any of the work?
6. Did the owner live or work in the building during construction?
7. Did the general contractor respond to owner concerns in a reasonable amount of time and promptly return phone calls? Does the owner feel the general contractor is a good communicator? How did the general contractor respond in stressful situations?
8. How well did the general contractor follow through at the end of the project? Were problems fixed to the owner's satisfaction?

The goal is to match the project quality, time and budget goals with the best workmanship. Consistent good references go a long way towards protecting an owner's interests.