

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. 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 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 smaller contractors use cell phones exclusively and are not listed in the yellow pages; some firms have web sites, and some independent contractors rely almost exclusively on referrals. Most of the results from building improvement websites listing "contractors in your area" list regional contractors who paid for the advertising. 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 local architect or building designer will know some of the local builders.

A project owner should ask potential general contractors 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.

Verify the license status 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 on license status, if the contractor has any unresolved complaints, 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 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 between owner and 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 written contract is required that spells out the scope of the work, quality and cost limits, time constraints, billing and payment, how changes are handled, 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.

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.

Suggestions for script for a first conversation with a potential General Contractor:

1. Describe the proposed project scope:
 - a. new, remodel, or addition;
 - b. number of stories and if there's a basement;
 - c. approximate square footage of heated and unheated areas; deck or porch;
 - d. more than one building involved;
 - e. number of bedrooms and bathrooms;
 - f. scale of the kitchen and finishes;
 - g. any special construction type (fire rated, timber framed, steel framed);
 - h. extent of site and utility work; level or sloped site;
 - i. special considerations or expectations such as:
 - i. higher quality finishes
 - ii. loan requirements affecting payments
 - iii. tight time frame
 - iv. tight budget
 - v. owner expects to live in structure during construction
 - vi. difficult site access for equipment
2. General location of project.
3. Ask if the contractor would be interested in working on the project.
4. Ask if the contractor can work within the general project time frame. Define the project time frame if a firm timeframe is required: when to begin construction, enclose exterior of building by ____, finish for occupancy.
5. What is the contractor's experience working on this specific type of project? Ask for references you can contact of at least three 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. Ask if you are speaking to the owner or the person who was the main contact for the contractor.
2. What is the owner's impression of quality of the general contractor's work, quality of finish, and coordination and quality of subcontractor work?
 - a. What was the scale of the project (new building, addition, partial or full remodel, special project considerations)?
 - b. Who designed the project (owner, architect, designer, engineer, or contractor)?
 - c. Did the contractor build the details the way the owner wanted?
3. Did the general contractor complete the project within the agreed upon time frame? What affected the time frame?
4. Did the general contractor complete the project within the budget or bid price? What affected the price?
 - a. Were there any change orders, and if so, who instigated them?
 - b. What type of contract was used between owner and general contractor, cost-plus or bid (firm maximum price)?
5. Would the owner recommend this general contractor to a relative or a friend?
6. How involved was owner with the construction of the project, and did the owner do any of the work?
7. Did the owner live or work in the building during construction?
8. Communication: 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?
9. How well did the general contractor follow through at the end of the project? Were problems fixed to the owner's satisfaction?