

## **Before You Hire a Contractor** by Theresa Billingsley

You can never be told too many times, or have too much information on hiring the right candidates to do work for you. Put this in the right perspective, this is a job interview. You are determining who you can entrust with your financial investment and investors (tenants). You are in charge and you do not want to employ someone who will become a liability to you. Remember not to antagonize or talk down to the contenders. Your primary goal is to acquire the best qualified people for the job in hopes of establishing a good and long business relationship. In order to accomplish this you must make an informed decision.

### **Good Reading Material To Have On Hand And Familiarize Yourself With:**

Free CSLB (Contractors State License Board) pamphlets [www.cslb.ca.gov](http://www.cslb.ca.gov), 1-800-321-2752

- “A Homeowner’s Guide To Preventing Mechanic’s Liens”
- “What You Should Know Before Hiring A Contractor”
- “What Seniors Should Know Before Hiring A Contractor”
- “A Consumer Guide To Home Improvement Contracts”

Albeit the ultimate goal is that you get work done timely and appropriately and he gets paid, I would also like his goals to be a cohesive match to mine. He should also want to maintain a good reputation he may have; get repeat business and referrals; strive for customer satisfaction; and provide good work at reasonable prices.

If his only goal is to finish as fast as possible, get paid and move on to the next job, you have a problem. Offer him a hook and see if he takes the bait. Say, “I just want to get the work done fast and cheap do you have a problem with that? Hopefully he does.

### **Things I Pay Attention To - Did He...**

1. Show up on time? If not chances are he won't finish when he says he will either. Time is money, and I do not like it when my time is not respected.
2. Take notes and provide you with a written estimate? Or do you find yourself repeating things over and over again.
3. Stick to business and not get personal? I have found chatty contractors a problem. They tell your business to the neighbors and tenants, and spend more time talking than working.
4. Offer incentives to get the job and refuse to put it in writing? If it is not in writing it is not a part of the contract and more than not he will develop selective amnesia and not honor any verbal agreements.
5. Bring family/friends onto your property who are not there to work?
6. Keep changing the price?
7. Refuse to set a price unless he knew what prices his competitors gave you?
8. Behave receptive and forthcoming to your questions?
9. Appear knowledgeable and patient explaining things to you?
10. Clearly outline where excess materials (tile, paint, etc.) goes and considered you for

it?

11. Give you good suggestions as to how to cut costs but still get what you want?
12. Try to push you into hiring him on the spot?
13. State he will only put contract in writing if you promise him the job?
14. Act offended to know you would be interacting with other contractors to compare him to?
15. Make inconsistent statements? Habitual liars often forget the lies they told.

### **My Pet Peeves - Problem Contractor Behavior:**

- Waste your valuable time with poorly written contracts
- Mislead you on the progress of the job
- Not honor timelines or meet deadlines *he* set to complete the work
- Dishonest telling you he is finished and you lose precious time and gas to drive out to the job site and find out the contrary
- Use, damage, discard, and/or take property from you/tenants rather than coming prepared and using his materials only
- Flirt with, annoy, or disturb you or the tenants
- Not show up at scheduled appointments
- Cause additional work that costs you money
- Leave property insecure, with lights and electricity on, water running, etc...
- Make a mess and not clean it up
- Come up with empty excuses when you point out problems with his work
- Love to promote himself rather than allow his work to speak for him and become his best reference. Remind him of the old saying, "*Show, don't tell!*"
- Need money before completing the project and says he cannot proceed without it
- Snoop around and enter areas of the property he is not invited and will not work in.
- You find things out of place and can tell private papers have been ruffled through.
- Suddenly things of value come up missing and locked rooms have been trespassed in.
- Though he has a working cellular phone, he gives others your home phone number to call him without your permission.
- Use your home phone to make personal and long distance calls when you are not there.
- Work vigorously on the days he knows you are coming and abandon the project all the other times, spending periods in search of new victims, oops I mean, customers
- Use money and materials you paid for on other jobs and get you to foot the bill
- Hire inexpensive labor off the streets and have them working in/on your property
- Go against your instructions (areas off limits, always lock up, do not bother tenants stuff...)
- Delays job on purpose and you discover he is living in your property.
- Leave all doors/windows open and fail to monitor entry of unwelcome people/pest
- I do not haggle it wastes my time, so I tell them, "Give me your best price the first time"

Tailor and use a list of questions applicable to your situation and type of project. The more you know the better prepared and more comfortable you will be with them. Monitor the contractors' responses and reactions to your questions. Ethical contractors are open to answer your inquiries. The only silly question is the one you had yet did not ask.

### **Questions to Ask Contractors**

1. Are you licensed?
2. Do you carry Workman's Compensation and liability insurance?
3. Do you have a surety bond?
4. Would you want to hire yourself for this job? Why?
5. Do you have experience with the type of jobs I want done?
6. Lien releases are required upon each payment phase, is that okay with you?
7. Will you work, supervise, or do both the entire time of the building project?
8. How much time will you be on-site each day?
9. Do you have employees, subcontractors or both?
10. How long have your employees/subcontractors worked for you?
11. Is there a permit needed?
12. If so, is the price of permit included in the price?
13. Is trash disposal included in the estimate?
14. Would you have an issue with providing me a copy of your insurance policy?
15. I want to see your "Pocket License"/"Home Improvement Sales Registration" and a second form of photo identification?
16. How long have you been in business?
17. Is the business a corporation or sole proprietorship? Who are the principals?
18. Have you worked in this neighborhood before?
19. How many jobs do you currently have going and how many workers are used to manage these jobs?
20. Are you equipped with your own crew or do you rely solely on others?
21. Will there be other jobs you will be working on simultaneously?
22. How available will you/subcontractors be during these concurrent jobs?
23. Give me examples of how you would troubleshoot complaints regarding workers, materials, and workmanship.
24. Do you verify your subcontractors are licensed and insured and will you provide proof if you're hired?
25. How often do you communicate with your customers as the job is progressing?
26. Who fills in for you when you are not available?
27. How often would we be able to walk through the job? How much notice would you need?
28. When are you able to start my project, and how long do you estimate it will take?
29. Do you have an actual office address/location I can go to; work out of your home; or use a mailing or post office box?
30. How do you usually clean the job site daily and at the end of major stages of work?
31. What safety issues do you consider when leaving the job at the end of the day?
32. Do you keep track of weather changes in order to protect the structure?

33. What advice can you give me for keeping my children and pets safe?
34. How much time will you spend on my job each week, either on site or in planning?
35. What warranties do you offer on labor and parts?
36. What complaints did your worst customer have about you and your work?
37. Share your most dissatisfied customer and how you resolved the situation.
38. Have you ever had disciplinary action filed against you?
39. Has any legal action been taken against you, your business, or any company you worked for?
40. Have you done business under a different name in California or any other state?
41. Has any lawsuits been filed against you or your company?
42. Have you ever declared bankruptcy?
43. Did you ever walked away from a project without finishing?
44. Were you ever *accused* of leaving a job incomplete?

### **How to Avoid Problems:**

- Make sure you fully read, understand and agree with any contract before you sign it
- Predetermine how much you will tolerate from them; have a cut off date set for when you will hire someone else to finish the job; and what will get them immediately fired.
- Demand a work and payment schedule, and make them adhere to it
- Never let the payments get ahead of the work
- Hire licensed contractors
- Require the contractor have the CSLB policy about what constitutes a valid change order written within the contract. No document will supersede your original agreement unless (a) the order is prepared in writing (b) signed by the parties prior to the commencement of any work covered by the new change order (c) must describe the scope of the extra work or change, the cost to be added or subtracted from the contract (d) and the effect the order will have on the work and payment schedule

### **Your Homework:**

1. Become familiar with the above listed CSLB pamphlets
2. Verify all the answers he gave you
3. Call and speak with all his reference
4. Visit job sites he gave you and evaluate his past work
5. Check with the CSLB on his license status, insurance coverage, disciplinary action, complaints, bond, etc.
6. Contact the court and see if he has a history of litigation
7. Go to your counties website or office building and see if there are records of liens filed involving him/his company
8. Either you or someone you trust should make frequent surprise checks to confirm work is ongoing
9. Speak with your local building department to determine if a permit is required
10. Confirm his credit standing with material suppliers, references, etc.
11. Keep a written record of problems, observations, and verbal conversations with him

The good news is although the screening process takes hard work and diligence, once you have established a list of aspirants you will no longer have to keep repeating the interview procedure. Good loyal clientele and ethical contractors who value customer service are the kind of matches that I like to see because it benefits *everyone!*

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