

## More about contractors...

They aren't really supposed to be offering choices, but Jay suggests that if you take them aside and ask them, the building officials usually will be upfront with you. If the contractor has nothing to hide, he or she will be completely upfront about everything. The contractor who does all of this is the one with whom you'll feel safe and comfortable.

Jay gave customers Alex and Beth Cerrato of Haddonfield, N.J., a list of 100 references and urged the couple to call everyone on the list. He even drove them to see a couple of houses that he had recently completed so that they could talk with the owners about the work, and provided the Cerratos with a 12-page manual outlining procedures and even the basics of remodeling.

Homeowners should be looking for contractors who will take care of all the permitting. The contractors are used to working with the local building officials and know all the hoops they have to jump through, as Jay puts it. The homeowner can pay for the permit by going directly to the building department and writing the checks, but the contractor is typically more qualified to fill out all the forms and provide the sealed drawings that most municipalities require for remodeling work.

Whether or not the contractor applies for the work permit, he or she is still required to make

sure that it was done and done correctly. If the building official shows up for an inspection, the contractor cannot plead ignorance. Otherwise, the work will be stopped until the permitting process has been completed to the official's satisfaction. The contract should spell out who is responsible for what, and what should be included in the permit should be detailed in the document.



One of the biggest choices a homeowner has to make concerns materials that are needed for the remodeling job. There are too many choices these days – manufacturer, model number, size, color – and all of that has to be specified in the contract. The contractor generally provides all the materials for the job, and that's a good idea, because he or she will be responsible for making sure that the materials get to the job site on time



and that it is exactly what the homeowner wanted.

If the item shows up and it

is broken, or if it is the wrong one, then it should be the contractor's job to return the item quickly and obtain a replacement to keep the project on schedule. Sometimes the contractor might mark up the price of the item, sometimes not, but the added cost is usually justified by the work the contractor has to do to get the material on site on time.

The contractor should provide warranty papers to the homeowner on all the materials used in the remodeling project before the agreement is signed and the work begins. The homeowner should know before the product is purchased and installed under what conditions it will be repaired or replaced if something happens to the item over a specified time. That way, if there is a product has a better warranty than one the homeowner is requesting, he or she cannot complain after the fact that such information had not been made available to them to make an informed decision.

Homeowners should be looking for detailed contracts, right down to the size, make and model of everything material to be used or installed. Are you getting metal switch-plate covers or plastic switch-plate covers, hollow-core or solid-core interior doors, double-pane, low-e windows or historic wood windows with grilles? Sometimes you may have to do that work for the contractor, since they usually have

better "hand skills," as Jay puts it, rather than management or typing abilities.

Included should be starting and completion dates. Some homeowners will include a bonus for a job finished early or on time, or a penalty if it isn't. To obtain the bonus or avoid the penalty, even a reliable contractor might be tempted to cut corners to make the additional money or not lose any, so don't do it. There should be a detailed payment schedule included in the contract. Never give a contractor a huge deposit up front; try to work out an agreement that he or she will be paid when each phase of the work is completed to your satisfaction.

Always leave a balance at the end of the job to cover punch-list items (things that the contractor must come back to fix, such as popped nails in drywall or a door that doesn't close properly). Don't give away all of your money before the job is completed to your satisfaction. Make sure that the contractor and his subs have the proper amount of insurance to protect you from any injuries or damages that occur on the job, including general liability in case someone backs into your car, and that all laborers are covered by a workers' compensation program, in case one of them is injured on the job.

All of this should be in the contract. If you need help writing a



contract, or you want to make sure that the one you are about to sign is the one that offers you the most protection, hire a lawyer. Make sure that the lawyer is willing to assume responsibility for you if a problem requiring litigation arises during or after the job.

One of the major reasons why contractors and homeowners butt heads is over change orders, or unexpected additional costs for which a homeowner has to pay. Typically, a change order is written up as a work order that specifies additional costs. Jay recommends that homeowners ask the contractor before signing

the final contract is “what unforeseen costs could we run into and let me know about it now so we can put money to cover it into our budget?”

Most contractors don’t make much money on change work orders, because most homeowners



already are upset that there is an extra cost.

When a contractor discovers that there is a change work order, he or she typically has to halt work, make changes, and then wait for the delivery of the new materials. Change orders should be written up on a separate piece of paper in detail – including price -- and then appended to the original contract. The signatures of both the contractor and the homeowner should be on that change order.

When a dispute arises, it usually is the result of one side or the other failing to communicate. The homeowner has some remedies, including first trying to negotiate with the contractor. If that doesn’t work, the next step could be the Better Business Bureau’s arbitration board or some third-party; then hiring a lawyer to deal directly with the contractor to get the dispute resolved or filing a complaint or a lawsuit if it is

not. If the project ends and a problem remains, hang on to your money and don't make any further payments until the matter is resolved "until there is a win-win situation for both parties," Jay says. Try to work it out at the start. Don't let a bad situation get worse by not trying to communicate with one another

Beth acknowledges that the work took longer than promised – 11 weeks instead of six to eight – but there were substantial weather delays that found workers on the job on Saturdays, only because municipal law prohibits Sunday work. Still, the additional three weeks was more than compensated for by the quality of the work and the expertise of Jay's crew and the subs who work for him regularly.

In *What No One Ever Tells You About Renovating Your Home*, I suggested that finding a contractor by word of mouth from friends, neighbors and family worked most of the time, and I stand by that. I also recommended that you get at least three estimates before you choose a contractor, and I stand by that, too, even though I know that despite 25 years of stressing the importance of returning phone calls promptly, most contractors don't.



Unless the basement is filling up with water, however, take your time finding and hiring a contractor, plumber, electrician or whomever you need for your job. Only the careful homeowner will find the perfect match.