

Floods: Hiring Contractors

Hiring a contractor can be a daunting task, especially after a disaster when you need one the most. As you attempt to restore your life and home, the availability of local companies and individuals to perform the necessary services will be limited. Ideally, you should try to select contractors you may need on an urgent basis before you need them. The stress after a disaster can make you very anxious to get your life back to normal as quickly as possible. Don't take actions too quickly. You may regret them later.

After a disaster or some other emergency, you will want to find a good and fair contractor quickly without going through a lengthy selection process. It is not necessary to get a bid for work you don't need, but try to at least get the names of some well-recommended emergency contractors, like a plumbing or electrical contractor, before a disaster occurs.

Outside contractors and companies will enter the area to offer their services. Many are honest and will do an adequate job, but often it is advisable to do temporary repairs and wait for local contractors who will be there to guarantee their work long after the disaster.

Finding a Reliable Contractor

Try to get recommendations from friends, family, neighbors or a Realtor you trust.

- Check with the local consumer protection office or Better Business Bureau to see if there are any complaints against the contractor. But remember, even if there have been no complaints filed, that is not a guarantee of reliability.
- Have the contractor prove that he is licensed and bonded and has insurance. Check the information with the state department that regulates businesses and professionals.
- Get two or three written estimates that give details about the work to be done, materials, labor charges, and start and finish dates.
- A clear and detailed contract can protect you if something goes wrong. In general, a contract should spell out who does what, where, when and for how much.
- Whether it is the purchase of services, materials or goods, read all contracts carefully! Wait until the job is completed before you make the final payment. Keep track of all estimates, contracts, repairs and dates of work completed.
- Do not pay cash up front. Do not make the final payment until the work is done to your satisfaction.

The following worksheet will help make selecting a contractor a straightforward process. Remember when comparing bids, be sure they are for similar work -- the same kind of job and using the same quality materials. If the work isn't similar, you can't accurately compare. The lowest bid may not be your best choice!

Worksheet for Hiring and Selecting a Contractor

Name of Contractor 1: _____

Name of Contractor 2: _____

Name of Contractor 3: _____

Criteria for Selecting a Contractor	Contractor 1	Contractor 2	Contractor 3
1. I saw proof of the contractor's license. <i>(Note: Not all states license contractors. Check with your local consumer protection agency or state Attorney General.)</i>			
2. I saw proof of insurance and bond. <ul style="list-style-type: none"> • Workman's Comp and General Liability = Best • General Liability Only = Good • No insurance = Reject 			

<p>3. I checked for complaints about the contractor.</p> <ul style="list-style-type: none"> • No complaints or disciplinary action taken = Best • No complaints filed for at least 3+ years = Fair • Current complaints within the past 3 years = Reject 			
<p>4. The contractor gave me references, and I checked them out.</p> <ul style="list-style-type: none"> • Positive references from at least 5 customers = Best • 1 to 4 positive references = Fair • No or negative references = Reject 			
<p>5. The contractor offers warranties on materials and workmanship.</p> <ul style="list-style-type: none"> • All work guaranteed = Best • Nothing guaranteed = Reject 			
<p>6. I have seen another job the contractor is doing that is similar to mine.</p> <ul style="list-style-type: none"> • Professional, clean, and safe work site = Best • Other = Reject 			
<p>7. The contractor gave me a detailed and itemized written bid that describes materials, labor charges, and start and finish dates.</p> <ul style="list-style-type: none"> • Yes = Best • No = Reject 			
<p>8. The contractor is known and established in the area.</p> <ul style="list-style-type: none"> • In business more than 10 years with the same name = Best • In business 5 or more years with the same name = Good • In business 1 to 5 years with the same name = OK • New business under 1 year = Fair 			

Contracts for home improvement projects should include the following information:

- Approximate date for beginning the work and the completion date unless a specific disclosure states that no completion date is provided. (Always require a completion date be given.)
- A description of the work to be done. (Always require this to be detailed, describing the materials and grades to be used as well as the repairs to be made.)
- All financing information required by state and federal laws.
- Any warranty agreements.
- Name and address of contractor and person for whom work is to be done.

Never sign a completion certificate until all work is satisfactorily done. Also, never pay a home repair contractor or a worker for work before it is done. No more than 25% to 33% should be asked for up front. Do not use contractors that have high-pressure "sign up now" discounts. Also, make sure that any assumptions are clear and accurate.