How to Hire a Contractor

If you've got home projects on the agenda that will require hiring a contractor or two, here are a few suggestions from Township building and housing staffers on how to make sure you get the right contractor for the job—and get the job done right!

DO's

- ALWAYS get a minimum of three estimates from recommended contractors.
- Ask family, friends and neighbors to recommend contractors, or use a contractor referral service. Expect estimates to come in close to each other if the contractors are bidding on the same project and scope of work and offering a similar quality of work and material.
- ALWAYS check references.
- Ask about the quality of the work performed and the contractor's work ethics and practices. Whenever possible, see the finished work in person. You can also contact the Better Business Bureau (BBB) for a report on any company you're considering hiring; call 216-241-7678 or visit www.cleveland.bbb.org.
- ALWAYS hire only contractors who agree to register with the Township.
- Call the Building Department to check whether a contractor is registered. (See the current list of contractors who have registered with the Township.) Don't hire a contractor that is not registered or one not willing to register by paying $30 and showing proof of bonding and insurance. Keep in mind, however, that being registered is not a measure of a contractor's competency or quality of work, but primarily a tax requirement. Contractor registration offers no consumer protection to the homeowner.
- ALWAYS find out exactly who will be performing the work.
- Some contractors employ a crew while others, called general contractors, hire subcontractors for each project. If you're considering a general contractor, find out which subcontractors will be used on your job and if they are registered; then check their references.
- ALWAYS make sure the contractor is insured.
- A contractor needs to carry three kinds of insurance: Liability, to cover damage to your home or injury to you or anyone at your home; Workers' Compensation, to pay benefits related to injuries suffered by workers on your site; and Vehicle insurance, which protects you from liability if someone is injured while a worker is coming to your house with materials for your job.
- ALWAYS insist on a written contract, no matter what size the job.
- A detailed contract signed by both you and the contractor is essential before any work begins. Click for tips on what to cover in the contract.
- ALWAYS request copies of all permits and inspections related to your project.
- Doing so will ensure permit procedures are followed, and you will have important information for your house records.
DON'Ts

- NEVER pay in full upfront.
- If a down payment is required for materials, pay only when the materials arrive on the job site. Putting money in escrow is another protective option. Pay the final installment only at the completion of the job and after the final City inspection, when applicable.
- NEVER deal with a company that will provide only a P.O. Box as an address.
- NEVER hire a contractor who insists that you obtain the permit on work that he/she will be performing.
- Only the person who will be performing the work should get the permit, as he or she will be ultimately responsible for meeting the code requirements. Note: Township resolution requires that subcontractors performing permit work must be registered regardless of whether the homeowner obtains the permit.

MISTAKES TO AVOID

- Shopping price instead of quality and contractor reliability.
- Failing to insist on a written contract that details the scope of the project, materials to be used, etc.
- Paying upfront.

WHENEVER POSSIBLE

- Choose a contractor who belongs to a trade association, like the National Association of the Remodeling Industry (NARI) or National Association of Home Builders (NAHB). Associations typically set standards for members and can intervene in disputes.
- Go with well-known businesses with at least 10 years’ experience.

HOW THE TOWNSHIP CAN HELP

The Township cannot recommend contractors, but can be of service in the following ways:

- The Building Department maintains a list of the approximately 2,000 City-registered contractors. You can call during business hours to check whether or not a contractor is registered. Remember, to perform work in Olmsted Township, all contractors must be registered with the Township.
- Information on which projects require which permits and at what cost is also available from the Building Department.
- Construction Guidelines and Building Standards on common home repair and improvement projects are available at no charge in the Building Department.
- Before hiring any contractor, check to be sure the company has registered with the Township.