



**PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
ACCESSORY DWELLING UNIT (ADU) PROGRAM**

809 Center Street • Room 107 • Santa Cruz, CA 95060 • www.cityofsantacruz.com/adu
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Tips and Guidelines for Hiring a General Contractor

One of the best ways to select a contractor is to seek personal recommendations from friends or relatives who have recently obtained work similar to that which you seek.

Talk to the contractor's customers. Ask such questions as:

- Did the contractor keep to the schedule?
- Was the job site kept clean?
- Were you pleased with the work, and the way it was done?
- Did the contractor listen to you when you had a problem, and seem concerned about resolving it?
- Did the contractor make any necessary corrections willingly?

Additionally, you should also: Verify with the California Contractors' State License Board that the contractor is properly licensed and the license is in good standing. Check the license number online at www.cslb.ca.gov or by calling (800) 321-2752.

Contractors are required by law to be licensed and bonded by the State of California and to have a business license from the city. They are also required by law to include their license number on all permits for which they apply. He must also display his license number on his business card, in his ads, on any signs promoting his business, on his website and on his bids and contracts.

If a contractor hires one or more employees to work on your job, workers compensation insurance is required. As such, you may wish to require the contractor to furnish a certificate of workers compensation insurance coverage. State workers compensation law provides that an owner must pay for worksite-related injuries if a contractor isn't insured. Some general contractors don't have employees. They hire sub-contractors (plumbers, drywall, insulation, masonry, etc.) to do the work. In this case, make sure that the sub-contractors are carrying workers' comp for their people.

Get at least three written bids. Compare the bids. Do the bids include everything you are expecting to have done on the job? Do they include exact and detailed specifications for the materials and fixtures that you want? If something is not included in the written bid, then you could be charged extra for it later or you might get an inferior product substituted for the one you verbally specified.

Don't be afraid to ask each bidder for the names, addresses and phone numbers of at least three jobs recently completed in the area. A skilled contractor is proud of his/her work and shouldn't mind providing you with this information. See the work yourself whenever possible. Obtain references from material suppliers, subcontractors, and financial institutions, if possible, to determine whether the contractor is financially responsible. Once you accept a bid, make sure that everything is in writing and included in the contract. Read the contract and make sure that you understand all the terms. The contractor will ask you for a deposit. By law, he is not permitted to receive more than 10% of the total cost of the job or \$1,000, whichever is less. Never pay a contractor in cash. Ask the

contractor for a payment schedule. This will show the progressive phases of the work and how much you are being charged for each phase. Only pay what the contractor is owed based on what had been completed.

As your job progresses, the Building department will make inspections to ensure that completed work meets building codes. However, these inspections are not made to determine good work quality. You should, if at all possible, be present when inspections are made, ask questions, and make frequent inspections yourself. When a project is completed, the building department will conduct a final inspection. Make sure that you also conduct a final inspection, or "walk-through," with your contractor to be certain there is nothing you or the contractor have overlooked. Do not make the final payment to the contractor until he has handled any and all issues found during this inspection. If he is an ethical person, he will be more than happy to oblige.

In spite of all the precautions you have taken, problems may occur with the work that has been done on your home. If problems do occur, either during construction or after completion, contact your contractor first. Usually, they will make corrections willingly. Should the contractor refuse to make corrections, you can file a complaint in writing with the California Contractors' State License Board office, or if necessary, consult an attorney. The Contractors' State License Board staff stands ready to answer any questions you may have regarding a conflict with your contractor. They will also assist with, and investigate all valid complaints a consumer may have against a contractor if necessary.