

Tips for hiring contractors



Included in the PEMCO Promise is the peace-of-mind assurance that if your home is damaged, you — not PEMCO — have the final say in how your repairs are handled.

With PEMCO, you're always free to choose your own contractor. Whether you select someone recommended by a friend, your PEMCO adjuster, or even your homeowner's association, we suggest you follow these tips to ensure your project goes smoothly and meets your expectations.

Identify the scope of work

Clearly identify the scope of work that needs to be completed. If you're making structural changes, be sure they're reviewed by a qualified individual such as an engineer. If the work involves rebuilding a chimney or a masonry facade, have a clear idea of what you want as a finished project. The better and clearer the scope of work is identified, the more likely you are to avoid misunderstandings, change orders, and cost overruns.

Interview potential contractors

Try to interview several qualified contractors and ask for references from subcontractors, suppliers, and owners of previous projects completed by the contractor. Ask for references from recent jobs as well as jobs completed more than one year ago. Visit the referenced projects and interview the owners about the contractor's performance, quality of the work, timeliness, problems encountered, change orders, and responsiveness to warranty work requests.

Perform a final interview at one of the contractor's active jobs. Look for things that might concern you.

Ask to be introduced to the foreman who will run your job.



Inquire into the contractor's current workload and determine if the contractor has the capacity to perform your work. You may also want to contact consumer

groups or trade groups to further investigate a contractor's reputation. Do your homework and be leery of any contractor that tries to pressure you into signing a contract before you've had a chance to check references. Have each contractor prepare written bids that detail the work he or she will complete. If you have a written scope of work from an engineer or architect, have the contractors incorporate the scope of work, by reference, into written bids. All bids should be carefully reviewed for mistakes or omissions. If you don't understand something, ask about it. If you don't get a clear answer, hire somebody to review the contract and bid. Pay particular attention to any bid that's significantly lower than others.

Check contractors' registration, bonding, and insurance

Make sure the contractors you interview are properly registered, bonded, and insured.

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In Washington

Ask the contractors to show you their Labor and Industries contractor registration card, bonding information, and insurance.

You can check on the registration status of any contractor by calling the Department of Labor and Industries at 1-800-647-0982 or by accessing its website at lni.wa.gov and clicking “**LookUp: Contractors or Tradespeople.**”

Labor and Industries also can tell you how long a contractor has been registered in Washington; if any civil action is pending against the contractor; and the name of the contractor’s insurance company, if you want to verify coverage.

You’ll also want to check out its online tip sheet at protectmyhome.net.

In Oregon

You can find information on a contractor’s license, bond, and insurance by contacting Oregon’s Construction Contractors Board at 503-378-4621 or by accessing its website at oregon.gov/CCB. Click the link under “**Check a Contractor’s License**” to look up information about a contractor you’re considering.

While you’re there, you’ll also want to check out the website’s For Consumers section, which includes **best practices for hiring contractors** and more.

Insist on a written contract

Once you’ve chosen a contractor, insist on a written contract that identifies the scope of work. Get a written contract that includes price, sales tax, and if applicable, permit fees. Specify the work to be performed, materials used, start and completion dates, and payment schedules. Try to anticipate problems and inconveniences, such as cost overruns and cleanup. If you incorporate the contractor’s bid into the contract, make sure the bid does not include terms that are not acceptable to you or conflict with the terms of the contract.

Make sure you understand the terms of the contract before you sign anything. Consider hiring an attorney to review the contract. That extra step can help you avoid costly mistakes.

Be very cautious about advancing down payments or paying for work not yet completed. Be sure that all permits are in place before the work begins. During the work, make sure any inspections required by your building department are completed. When advancing money for materials, make checks payable to both the contractor and the supply house. If there are changes to the work, have the contractor clearly identify the scope of the change and what it will cost. Put all change orders in writing. Ask questions as work progresses and stay involved in the project.

Remodeling work not included in PEMCO’s estimate

Many people combine a remodeling project with their claim repair, often saving time and money in the process.

When using a contractor for work not included in your PEMCO estimate, remember the more your project varies from PEMCO’s estimate, the more likely you’ll need professional contracting, architectural, or legal advice before proceeding or signing a contract.

You’re not in this alone

If you have questions or concerns at any point in your project, talk to your PEMCO adjuster or call **1-800-GO-PEMCO**. The sooner you get your questions answered, the better you’ll feel.

PEMCO MUTUAL INSURANCE CO.
325 EASTLAKE AVENUE EAST
SEATTLE, WASHINGTON 98109

1-800-GO-PEMCO
(1-800-467-3626)
pemco.com