

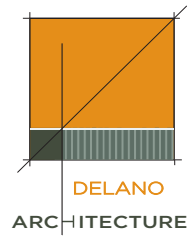
CHOOSING A CONTRACTOR- Things to consider when selecting a general contractor

Not all contractors are the same. Just like there are different trades of plumbers, electricians, rough carpenters and finish carpenters, general contractors also have specific skill sets that we should understand. Shown below are a few of the major categories of builders to help us select the best one for your project.

NEW HOME CONTRACTORS:

1. Standard (Spec.) homes: repeated homes where the house is built many times for different clients. Contractors in this grade manage multiple projects at a time using the same subs with the same details and finishes each time. Time is very important here for profitability, and trades are able to move quickly because they do the same details and finishes each time. The drawings for construction are carried during the framing stage, but often not used after the framer leaves the project.
2. Semi-custom homes- manages several projects at one time. Major trades are doing the same work each project with a moderate variety of finishes and small details added to each project to distinguish the design. These design variations are often not carried out by Architects or designers, but conceived of and spoken--or loosely drawn-- by the owner or carpenter. Spec and Semi-custom homes often have clear divisions for the sequence in which subs do their work on site.
3. Architect designed homes- these projects are only built once. In order to build the project according to the design, the contractor must consistently refer to these drawings for the entire duration of the project. This of course, changes the cadence of the project because all trades must refer to the drawings repeatedly during their portion of the installation in order to interface their work with the other trades. Because of invention in the design, with higher goals for energy performance, more natural light, inside/outside living, the construction process is more integrated than separated as with the non-architect designed buildings. Because of this, the process requires more management to facilitate its efficiency.

Because of the additional management that it will take to integrate all the pieces of the design, the general contractor will need a dedicated project manager to organize the project team from start to finish. Attention to the drawings, regular meetings with the architect, contacts with a variety of skilled trades and material suppliers, and consistent oversight of the work that is being done is required to build unique buildings. All unique buildings will require this level of oversight to complete. The more distinct the structure is with its framing, finishes, casework, lighting, and details, the more important it is to hire a general contractor who has experience managing projects of a similar level of detail.



REMODELING CONTRACTORS:

Remodeling contractors have a unique skill set of being able to interface new construction with old. These skills can only come from experience since the challenges of matching new work with old work is different each time. A skilled remodeling contractor will be able to work through these challenges more quickly, be able to foresee potential problems before they happen, and be able to interface old work with new with greater precision. Similar to new home contractors, there are different remodeling contractors who will be a better fit for your project. I highlight (2) of them here.

1. On-the-fly remodels: These contractors move quickly and make decisions on the fly well. The skill of these contractors is valued with design-build projects and projects where time is valued and the design goals are more loosely fit.
2. Architect designed remodels: Similar to the general contractors building new homes, contractors here are valued for their high level of care and attention to detail. They are trade surgeons just like on-the-fly remodelers, but slow down enough to follow the design drawings and ask questions of the architect prior to moving forward if something in the field doesn't match up with the proposed design.

QUESTIONS TO ASK WHEN SELECTING A CONTRACTOR:

When should I select a contractor?

The more complex projects require contractor selection earlier in the process

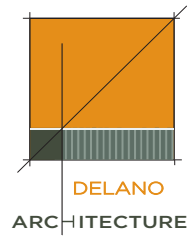
Should I bid my project?

The only reason to bid a project out to multiple contractors is to attempt to get the best price. Keep in mind that in order for this reason to actually be true, the following needs to happen: The supply of contractors > the supply of work. In a building boom, this is often not the case. In a building boom, contractors are not motivated to spend the time to find the best prices because they and their subcontractors are already busy working. For this reason, we do not advise bidding projects during building booms. Instead, we would recommend selecting a contractor after the *schematic design phase* where we can include their wisdom and cost estimating to help us hit your budget.

How to select a contractor?

We prefer engaging contractors with which we have a relationship. Sometimes this is not possible, however, due to location or availability. If this is the case, we select contractors that have been used to build similar projects by architects with which we share common goals. If this is the case, we will still vet these firms for their process, personality, and work flow to assess final compatibility.

Personal references of contractors from friends can be useful, although may not give us an accurate assessment of their skill building more unique and potentially complex projects.



ASSESSING CONSTRUCTION COSTS

Once you have selected a contractor to work with, it is now time to figure a price for your project. Here are the common options:

Cost Plus: Cost of all materials plus labor to install it. This is concerning for many homeowners, but, with an honest contractor who will show you all his invoices and numbers, this is the simplest of all methods and most streamlined of all the contractor delivery methods.

Fixed Price: The contractor gives you a complete price for the project before construction begins. While it is comforting to know what price you can expect, in order for a contractor to do this, he/she had to tally up all the items for the project, and then will likely add some additional money into the price to cover any oversights. Additionally, in order for the contractor to put together an accurate price before construction, the Architect must have a completed set of Contract documents finished before this price can be figured. This is common and prudent for most projects and is recommended for unique projects. It does, however have the downside of time in more fast-track projects.

Cost Plus with a not-to-exceed: This is the same as a Cost Plus, except the contractor has created a 'thorough-enough' estimate to feel comfortable giving a maximum price for the project. This listed maximum price helps to give a level of comfort to the owner of the maximum cost of the project.

Allowances: Because there are many selections to be made in the design process, it is common that not every material or building component has been determined when the Contractor prices the job. In order to move forward with the most accurate cost assessment at the time, we will include a predicted cost for these items that will be adjusted when that material or component is finalized.

CONTRACTOR FEES:

15%+ of total construction cost of the building and anything they manage.