SELECTING YOUR GENERAL CONTRACTOR

At Aaron Anthony, Inc. Fine Homebuilding, we understand that building your dream home is a deeply thoughtful and personal journey, transforming your vision from paper into a tangible reality. With decades of experience in high-end homebuilding, I've developed this document with the intention of helping you find the general contractor that is right for you and your project, whether that is my company or another.

Since founding Aaron Anthony, Inc. Construction Management in 2000, I've dedicated my career to offering specialized, comprehensive custom home building services that go far beyond those of a typical general contractor. My philosophy is taking on fewer projects, so I can devote all the time necessary to each. From property acquisition and land entitlements, through pre-construction planning and permits, to construction and final occupancy, I provide expert management through personal attention to you, the entire build team, and every detail of your home, every step of the way.

Whether you're looking to build a new home, take-on an extensive remodel or ambitious rebuild, you want to find a contractor that sees, understands and can properly execute your vision. Beyond that, your relationship with them may be a year, or years, depending on the complexity of your project. It is important that you and your contractor are the right fit. You stand to have a lot of interaction for a long time.



QUESTION 1: At what point in the process should you select your contractor?

ANSWER: As soon as possible. Ideally prior-to or at site selection, and before you get too far along on plans. Constructive input on your project design from the perspective of the qualified General Contractor that's building your home, will likely deliver a better product at a friendlier cost.

QUESTION 2: How do you select a contractor, when you don't have plans yet and cannot competitively bid?

ANSWER: In the custom home building niche of residential construction, I strongly advise against competitively bidding unless you're looking for the lowest bidder and/or someone to tell you what you want to hear, to land the job. In this case you'll find it. This will likely come with the service, reliability and quality a low bidder provides, as well as the added cost and time of the errors and omissions in the bid, that will materialize as change orders during your project.

A. SIX KEY QUALITIES YOU SHOULD BE LOOKING FOR IN A GC: There is no priority here; your contractor should have them all:

- 1. <u>Competency</u>: Possess the necessary experience, knowledge and ability to successfully complete the project. Be good-at, and stay on-top-of the project paperwork.
- 2. <u>Commitment:</u> Commit the man hours necessary to successfully manage and supervise your project both in the field and behind the scenes for the duration of the project. There is no substitution or shortcut here. An undermanaged or poorly managed project will quickly manifest into field mistakes resulting in unnecessary change orders and extended project schedules. See paragraph 'D'.
- 3. <u>Communication</u>: Share often and abundant with the owner, keep them informed of the good, the bad, and the ugly. Have the necessary information, instruction and answers for the trades in the field when they need it, so they can be successful.
- 4. <u>Transparency:</u> In all aspects, this demonstrates honesty
- 5. <u>Reliability</u>: Do what you say you're going to do, when you say you're going to do it. In turn, the GC needs the owner's understanding, that they rely on the trades and suppliers selected for your project to demonstrate this quality. A reliability breakdown can be from the GC or the trades and suppliers, as well as other factors like weather. It's up to the GC to openly communicate and explain these instances to the Owner.
- 6. <u>Accountability</u>: Mistakes will happen, some small and some not-sosmall. These may cost money, time, or both. When this happens, communicate it, and if the GC is at fault they need to own it and fix it.

B. BASIC DUE DILLIGENCE ON YOUR PROSPECTIVE CONTRACTORS:

Start with the Contractors State License Board (CSLB): <u>https://www.cslb.ca.gov</u> Under the "Consumers" tab select "License Check" and enter the contractor's license number to learn what information the CSLB has regarding license and bonding status, as well as if there have been any civil judgements against them.

C. TWENTY-ONE CONTRACTOR INTERVIEW QUESTIONS:

These are things you want to know, along with providing some insight into the key qualities you are looking for.

- 1. What is the Company Structure? Do they perform work in house, or do they subcontract their work? Do they manage and supervise all their work personally, or do they have employees that handle the project management? (i.e. Project managers and or superintendents)
- 2. How do they base their fee? (i.e. percentage of construction cost, flat fee etc.)
- 3. Have they previously worked with anyone else on your design team? (Architect/Engineer/Designer etc.)
- 4. How far is their office from your project? (How are after-hours emergencies addressed on site?)
- 5. Who will be the person or people directly responsible for the day-today management and supervision of your project? Who is the primary point-of-contact for you (often the same person) for the duration of the project? Is it the company owner, or VP, or will it be an employee like a Project Manager (PM) and/or Superintendent (Super)?
- 6. If it is a PM or a Super, how long have they been with the company and what is their background? Will you be able to meet them before you make a decision?
- 7. Are you able to speak directly with past/present clients that have/had this person on their job? Do they have experience working with the City, County and other agency officials that your project will be involved with? (are they familiar-with, and local-to to the area). How far do they live from your project?
- 8. How many other jobs will your PM/Super be on, at any one time?
- 9. How many hours a day/week will they be physically on-site at your job?
- 10. How often will you (owner) be updated on project progress/schedule/ changes?
- 11. Who runs the job when they are out sick or on vacation?
- 12. Who does the estimating?
- 13. Who does the billing? What is the frequency? (weekly/twice monthly/ monthly)
- 14. Who does the budget-tracking/accounting?
- 15. Who does the subcontracts and insurance certificate management for same?
- 16. Who does the scheduling?

- 17. What is the bid process? If they use subcontractors, how do they vet them? Do they obtain multiple bids? How many? Do you (as the owner) get to review the actual bids?
- 18. Can they provide you with a sample estimate to review? (So you can see how they break-down/itemize their estimate)
- 19. References: Can you physically see any recently completed projects and/ or projects currently under construction and talk to the owners?
- 20. What are the jobsite hours?
- 21. What are the Company holidays where there will be no work? (Do you close for a week at Christmas?)

D. THE MANAGEMENT AND SUPERVISION OF YOUR PROJECT:

This is the most critical component of your project. Both the experience along-the-way, and the finished-result, is a direct result of the amount of focused management and supervision your project receives both on-site and off-site throughout the build.

Your plans, engineering, materials, subcontractors, and vendors are all vital; you may have one or ten subcontractor crews on your project at a given time. They all require dedicated management and site supervision to successfully organize, interpret, delegate, and coordinate to successfully execute their individual scopes of work.

Examples of a typical day on a construction site that is undermanaged or poorly managed:

- The trade shows and has no plans or instructions, no one is on site to direct them, so they leave. The schedule is delayed.
- The trade shows and has no plans or instruction, no one on site to direct them, so they do what they think is right, and it's wrong, and it needs to be torn out and re-done. This cost money and time.
- The trade shows-up and has the wrong plans or specifications, so they install incorrectly, and it needs to be torn out and re-done. This cost money and time.
- The trade shows and decides to use the finished marble countertop as a workbench or lunch table, damages it, says nothing, leaves. This is discovered later; nobody accepts responsibility, and it must be replaced. This cost money and time.
- The supplier shows-up to deliver product, nobody's there to receive it, so the delivery driver leaves it in the street or middle of the driveway to get damaged, block others from performing their scope or go missing. This cost money and time.
- The trade scheduled to work is no-show, no-call. The GC is not there and unaware, and has an inspection scheduled for the following day predicated on the trade finishing today. The inspection is postponed.

These are just a handful of examples. Project momentum and jobsite

morale also deteriorate in the absence of on-site leadership. Leaving the subcontractors to run the job, which in any instance is a terrible idea.

It is important that you know and understand the management structure of the company you are hiring and the personnel that will be directly managing your project in advance of hiring them. Management personnel that are typically directly involved with your project daily may be:

The Project Manager: General responsibilities include the "behind-thescenes" side of your build. They may be managing the budget, developing and processing change orders, executing material orders, making schedule adjustments, supporting the jobsite superintendent, coordinating with the architect and design team as necessary, and possibly billing. Additionally, they are regularly reporting on your project to senior management. The project manager is typically your direct contact throughout the project and should be communicating with you weekly (or more) to keep you updated. They may not be physically on your job every day, but they are working on it "behind-the-scenes" daily and have a firm grasp on it.

The Superintendent: General responsibilities include the "on-site" side of your build. They are typically responsible for plan and specification interpretation and implementation with trades and suppliers in the field. They are scheduling and supervising the subcontractors, receiving material and equipment deliveries, in charge of quality control, site safety, inspections, and communicating directly with the Project Manager on any schedulerelated issues, deficiencies or discrepancies with plans, specifications, subcontractors, scopes-of-work, or suppliers. They should know your plans, specifications, selections, and your jobsite better than anyone, and be on site as required to guide and supervise the completion of it all successfully.

While your project requires on-site supervision it may not warrant a full-time project manager and/or superintendent. Project size and complexity are the driving factors here. In some large and complex projects, multiple individuals are necessary for each of the PM/Super rolls. In others, a single individual can successfully fulfill both roles.

The bottom line is: undermanagement or underqualified management will increase your project's exposure to avoidable mistakes, resulting in both added cost and schedule delays. I hope this information is helpful to you. Thank you for trusting Aaron Anthony, Inc. to assist you in your homebuilding journey. I am here with all the services needed to completely manage your project, or council you through it. Please do not hesitate to reach out, I'd love to hear from you. I want your custom home building experience to be as rewarding as your new home will be!



Warm regards, Aaron Brown Founder & President Aaron Anthony, Inc. Fine Homebuilding

