

Release from: Subcontractors Association of Alabama (SAA)

Tips and Warnings for Hiring Contractors after a Natural Disaster

- During a natural disaster many contractors come from out of state to offer their services. Be extremely cautious when hiring someone who is not from the local area.
 - Be wary of any contractor that can't provide references in your area and that does not have a fixed business address in the area.
 - Various types of work call for a specialized kind of work. Make sure that your contractor is knowledgeable about the specific nature of your recovery issue.
 - Make sure that your contractor is properly insured including having workers' compensation insurance. Require certificates of insurance naming you as the holder, make sure the certificate is coming directly to you from the insurance carrier (not handed to you by the contractor), and review each line of coverage included on the certificate. Contact your insurance specialist if you have questions regarding coverage.
 - Ask contractors if they are members of local/state trade associations and contact the association(s) to verify membership. Reputable contractors are usually involved with industry trade associations. The Better Business Bureau is a good source to check during the selection process.
 - Never pay a contractor in cash and be wary of a contractor that asks you to write a check directly to him. It is advisable to have a payment schedule based on the percentage of the project satisfactorily completed.
 - Get everything in writing and signed by both parties. Your contract should detail the procedure for adding a *change order* to the construction contract. A change order is a written agreement between the contractor and the client that adds to, deletes from, or alters the work outlined by the contract. These are standard in the construction industry, and are commonly used when the timeline, materials, pay schedule, or scope of work change.
 - Be reluctant of scare tactics that rush you into a decision before having time to research the contractor. Don't be in such a hurry with your recovery efforts that you don't follow through with the details of making sure you are using an ethical and professional contractor. If a situation does not feel right it is best to trust your instincts and proceed with caution.
 - If satisfied with the contractor, refer his business to others who have suffered from the natural disaster.
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