

## Avoiding potential contractor problems

There's nothing like a disaster to bring out scam artists. If a contractor comes to your disaster site looking for business, ask for their state license number. Then call the Minnesota Department of Labor and Industry (DLI) Construction Codes and Licensing Division at (651) 284-5069 or 1-800-657-3944, or visit [www.dli.mn.gov/CCLD/LicVerify.asp](http://www.dli.mn.gov/CCLD/LicVerify.asp) to see if the license is active and if there have been any enforcement actions against the licensee.

### **Before signing a contract, make sure the contract includes the following:**

- a detailed, written description of the work to be performed;
- the kinds of material to be used – when possible, specify brand names, colors, grades, styles and model numbers;
- building permits – whoever obtains the permits is responsible for meeting all building codes, so make sure it is the contractor, not you, who gets *and pays for* the permits;
- starting and completion dates – even though delays can and do occur, a general statement including dates but allowing for reasonable delays is a good idea;
- a “change order clause” – this is an agreement that a contract cannot be modified *without* the written consent of both parties;
- clear identification of what clean-up the contractor is responsible for; and
- a schedule of payments – a down payment is customary, but it should not be more than a modest percentage of the total job, because reputable and financially stable contractors will have credit with their suppliers. The payment amounts and the stages of completion at which they are due should be in writing as a part of the contract.

### **Be wary of contractors who:**

- arrive in an unmarked van or truck;
- appear to be willing to do the job at an unusually low price;
- require full or substantial payment before work begins;
- refuse to provide you with a written estimate or contract;
- refuse to provide you with a state license number;
- refuse to provide you with references;
- show up at your door unsolicited;
- use high-pressure sales tactics; or
- ask you to obtain necessary permits.

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