

RICO's Top 10 Tips for Consumers

1. **Hire a licensed contractor.** Check licensure and prior complaints history by calling 587-3222 or on the Internet at www.hawaii.gov/dcca/areas/rico/business_online/. Confirm the contractor is licensed, bonded and has the necessary insurance coverage to operate.
2. **Know how much you can spend.** Fix your budget in advance and keep some in reserve to pay for changes or unanticipated costs.
3. **Shop around.** Get at least 3 bids or estimates. Make sure the bids are all based on the same work and the same materials. If bid amounts vary significantly, ask why.
4. **Ask for references.** Call trade organizations or ask friends or relatives for referrals. Ask to see other projects the contractor has completed and to meet other clients.
5. **Insist on a written contract.** Among other things, a written contract should include the contractor's license number, price, start and stop date, the work to be performed and the materials to be used. Get any promises, guarantees or warranties in writing!
6. **Make sure your project is in compliance with city and county codes.** If a building permit is required, ask the contractor who will be responsible for the permitting process. Know the risks and responsibilities of an "owner-builder" project.
7. **Monitor the job and keep good records.** Keep a file with the contract, cancelled checks, correspondence. Make sure any change orders are in writing.
8. **Pay as you go.** Set a payment schedule that follows the amount of work completed and avoid paying all of the money up front.
9. **Know who your subcontractors are and avoid liens.** Request partial lien releases for partial payments and a final lien release for final payments. Make sure a notice of completion is published in a newspaper.
10. **Do a thorough "walk-through" and take care of any "punch list" items immediately.**