



STREU

LEGAL SPECS



HIRST

At some point in your life you may find yourself in the position of manager of construction. You may want to renovate your office or other place of business. At home, you may want to renovate your kitchen or you may want to build yourself a new house. No matter what the scale of the project, it is a position for which most people are completely unprepared.

The following are meant to be some straightforward tips that apply to any size construction project:

(1) Build a relationship.

Start with a strong relationship with a contractor you think you can work with and believe you can trust. That may require spending some time in the selection of a contractor but it is worth every minute spent. If you sense something is off early or that you are not on the same page with your contractor, trust your instincts and don't proceed with that contractor.

the experience the contractor has had with similar construction, the references provided and how long the contractor has been in business.

(2) Don't be penny wise and pound foolish. A contractor's price is important, but price should be only one of several factors you evaluate. The others will include

As the owner, it is your job to ensure that all relevant expectations (both yours and the contractor's) are in writing as clearly as possible and before

the work commences. Review the resulting document carefully and consider whether everything you expect to receive from the contractor is set out in writing.

(4) Be prepared for the inevitable. Set out in advance how you will deal with changes to the scope of work. Changes are inevitable in most construction projects but particularly in smaller-scale residential and commercial construction. You need to anticipate that the scope of work or the budget will change and determine in advance how such changes will be addressed. Typically, the process should call for a timely written request from the contractor for a change to the scope of work or the budget followed by a written approval from you as owner.

(5) Clearly communicate. Continue to confirm communications in writing as the work progresses. The

largest source of disputes on smaller construction jobs is poor communication. The contractor and owner often have a long string of discussions about various aspects of the work over several months. At the end of this time, both

firm discussions in writing. A short e-mail confirming a conversation is very easy and effective.

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Remember that even small projects come within the application of the Builders' Lien Act. You are required by the act to retain a 10% holdback from payments to your contractor for 55 days following the completion of the work. While it is in your interest to maintain a lien holdback as it protects you, it also protects those engaged by your contractor to supply services or materials connected with the work. ♦

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