



## White Paper

### Hire The Right Commercial Builder For A New Or Renovated Facility

#### Complex Projects Require Diligence When Selecting A General Contractor

While running your business it's reassuring for you to know that your general contractor is totally accountable for quality, timeliness, meeting budget, and acting fairly and responsibly when resolving issues. The relationship you have with your GC will impact your ability to work together during and after project completion.

#### The Building Owner's Role

First, determine your needs for image, productivity and the financial benefits to be gained from investing in your construction project. Be very clear about wants Vs. needs so that you can compromise objectively. Then, identify GCs that have successfully completed projects similar to yours. Do research and ask colleagues for recommendations. Visit GC websites to develop an impression based on how they present themselves, their services and success stories. Are they mentioned on social media?

Interview the GC to determine their greatest strength and their experience with complex projects, modernization and your special interests such as sustainable and energy-efficient buildings. For renovations, what effort does the GC take to keep the site clean and safe during business hours? Who will supervise the work on site and with whom will you be working during the project? What technology is used to enhance estimating and project management? What work are GC employees able to skillfully perform? What work will be assigned to subcontractors? Can the GC prove their ability to effectively manage your project simultaneously with other active projects. Has the GC worked with your preferred equipment supplier who will fit your space? After the project is completed, what can you expect from your builder in terms of warranties and support? In summary, does the GC follow a Proven Process for achieving desired results? [Download this infographic](#) for the Munger Construction Proven Process.

Interview GC customer and subcontractor references so that you can learn about their experience with the GC and if they would recommend the GC for projects similar to yours. Understand workmanship, timeliness, site management and safety, level of professionalism and the degree to which goals and expectations were met. Did the GC communicate clearly throughout the project?

Understand the GC's pricing strategy. Is the lowest bidder inexperienced relative to your project or are they known for cutting corners in workmanship or materials along with contract wording that implies frequent change orders. Study the highest bid to understand the incremental value it offers Vs. others.

#### Making The Decision

A GC that offers closely integrated design-build services will save on project cost and delivery time. The right GC will help you to refine your vision by working with the design team on ways to value engineer and optimize the building's function while minimizing cost. A pre-bid walk thru enables a budgetary estimate for each phase of work.

A detailed, professional and easy to understand proposal that accurately reflects the business benefit you want from this investment provides a strong proof that the GC is qualified for your project. Pricing is based on a full set of architectural drawings including a finish schedule with add/deduct alternatives, ADA, electrical and mechanical requirements that must meet building codes.

The proposal must describe how your GC makes life easier for you due to their experience and skills with essentials prior to and during construction including:



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- Obtaining permits, scheduling inspections and adhering to building and zoning codes.
- Providing a clear safety plan and process to minimize risk on your job site.
- Negotiating material prices and scheduling a smooth flow of material deliveries to arrive when needed and located so as to not hinder construction work.
- Using the correct tools and equipment for site work and construction, and adjusting to situations involving obstacles and utilities.
- Highly qualified project manager and superintendent oversee day-to-day site management by supervising and coordinating the work of employees and subcontractors and troubleshooting problems.
- Regularly scheduled project status meetings and other communications that meet your needs for weekly, monthly or daily updates by phone, in-person or electronically.

Your GC must have solid relationships with competent and reliable subcontractors who show up when expected and do great work with minimal supervision. They understand GC expectations, know that the site will be ready for them when they arrive and are confident in on-time payment for services rendered. The GC and their subcontractors must prove their amount of general liability and workman's compensation insurance. The GC should also have construction surety bonding.

The contract includes a completion deadline, a payment schedule based on work progress, and a lien waiver stating that you have paid in full along with lien releases from subcontractors. A partial payment lien waiver is provided each time the GC receives payment and funds have cleared.

The best GCs will exceed your expectations and prevent project failure through excellence in project management and supervision of employees and subcontractors. Understanding how much of the contract's budget is allocated to these two general conditions will provide a strong indication of how the project will be run in terms of quality, timeliness, budget, security, cleanliness and oversight. Consider the value obtained from a GC who provides excellence in these two general conditions that can account for a significant factor in a project's budget. Make sure that these costs are visible in your contract.

The GC's team of professionals remains current by attending conferences and continuing education classes, subscribing to trade magazines and newsletters, and networking with industry professionals.

Balance the uniqueness of your project and its price with the benefits of having a strong relationship with a high integrity GC.



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