



Coronavirus
Legal Issues for Construction

Covid-19 Construction Impacts Discussion Forum

CLRM



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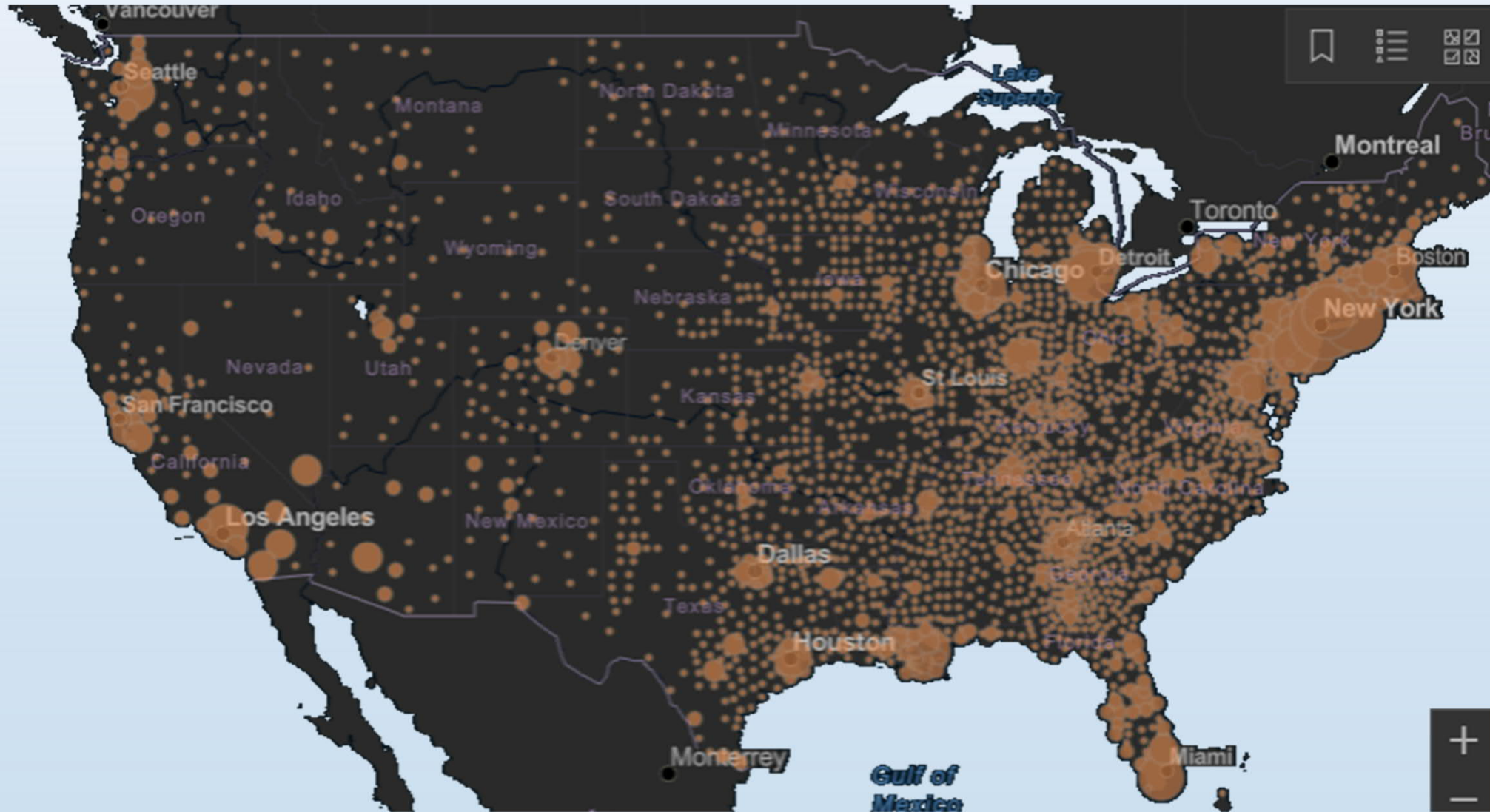
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Active Cases

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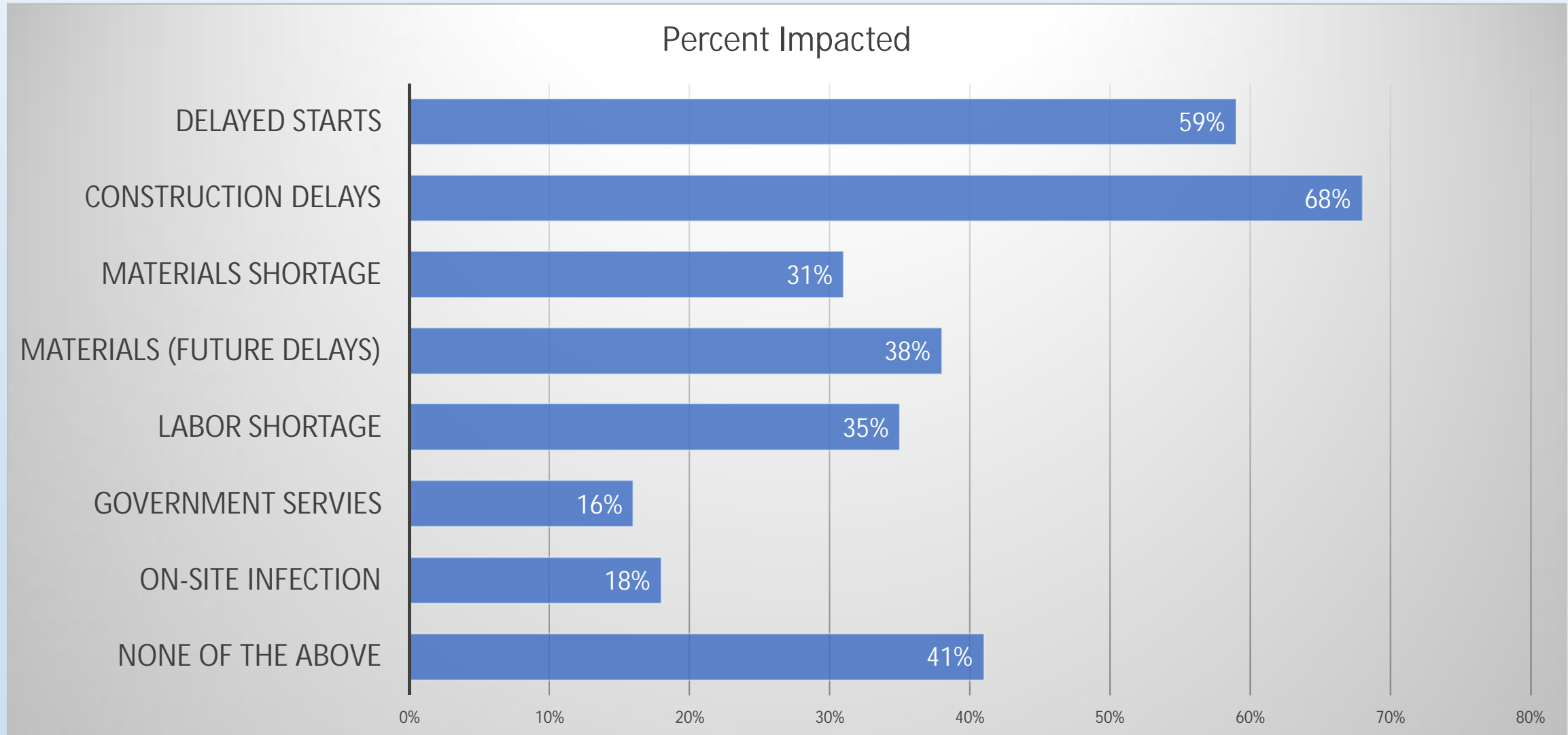


<https://coronavirus.jhu.edu/map.html>

Reported Impacts on Construction

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- AGC – 4/2
 - 27% have been required to stop work by government order
 - 53% have experienced owner delays or cancelations
- NMHC – 4/6
 - ~30% reported impacts from orders
 - 55% reported delays
- Anecdotal reports range from ~5% to 70%



NMHC – Alternative Strategies

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Sourcing materials from alternative locations	43%
Sourcing alternative building materials	16%
Using technology to replace in-person transactions like inspections and approvals	67%
Staggering shifts to reduce on-site exposure	52%
Offering workforce incentives or other benefits	14%
Other	14%

Questions Submitted

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- Extent of impacts
 - Stoppage
 - Delays
 - Materials
 - Labor
 - Costs
- Bldg dept impacts
 - Permits
 - Inspections
 - CO
- Impact on post construction sales and leasing
- If a shutdown occurs
 - What's the protocol?
 - What questions should we ask?
 - What documentation should we be getting?
 - How do we position ourselves to ramp up?
 - Handling of pay applications
 - Risk management during shutdown
 - Handling of retention?
- Availability of PPE

Standstill Agreements

1. Make the site secure and safe
2. Agree on a detailed picture of the state of construction costs and schedule to date
3. Obtain a detailed list of contractors and suppliers
4. Obtain a current pay application and waivers
5. Agree on suspension of any rights the contractor has to terminate the dormant project
6. Agree on demobilization and remobilization fees
7. Evaluate insurance requirements

Construction Status Review

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- Documentation

- Collect and review key documents
 - Contract
 - Subcontracts
 - Schedule
 - Pay application
 - Insurance
 - Inventory of on-site and off-site stored materials
 - Inspection, UCC-1, other assurance
 - Lien releases

- Interviews

- GC, major subs and suppliers,

- Site Observations

- Access
- Security
- Completion status with copious phot documentation
- Stored materials
 - Rough inventory
 - Security
 - Protection from elements
- Project Weatherization
- Excavations
- Manpower
- SWPPP

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