



Navigating COVID-19 for the Construction Industry

The world is learning how to adapt to COVID-19, and the construction industry is no different. Deemed essential services in most jurisdictions, many businesses in the construction industry are still operating and have no choice but to learn how to grapple with COVID-19 on the job. In the sections below, we provide tips to help the construction industry protect employees, maintain progress, and save time and resources.

Jobsite safety is the first defense to impacts and claims related to COVID-19.

- Appoint one employee as a COVID-19 compliance coordinator who is responsible for being knowledgeable about local, state, and federal guidelines and the communication and enforcement of those guidelines on the jobsite.
- Take proactive measures such as temperature checks and attestations of no known exposure to protect employees and the company.

Take a collaborative approach.

- Work with other parties to expand work hours and stagger crews to accommodate occupancy reductions.
- Inquire whether lenders are willing to defer interest for a limited time.
- Monitor subcontractor performance and identify subcontractors facing cash flow issues. Consider whether early retainage releases for completed work could alleviate those issues.

Document early and often.

- Provide notice early and often to all parties and insurance carriers to prevent waiver of future claims.
- Document every expense incurred and actions taken due to COVID-19, even if they do not appear significant at the time.
- Ensure the project schedule is accurate at the beginning of impacts and update the schedule thoroughly at regular intervals.

Documentation starts with issue recognition. Train employees to recognize and track COVID-19 impacts. Examples of costs and impacts include occupancy limitations, delayed inspections, altered workdays or hours, reduced workforce due to exposure and quarantines, PPE and supply shortages, and decreased productivity due to COVID-19 compliance efforts.

This is a uniquely challenging time, so it is important to know the contract for each project and understand how it can protect your business. Ensure systems are in place to provide timely notices and to track impacts associated with those notices. Additionally, insurance coverage for losses may be available in some circumstances, so it is worth reviewing policies to see whether coverage may be available.

What This Means For You

Taking care of employees, clients, and projects means being proactive about the potential impacts of COVID-19. Documentation and communication today can save time and money tomorrow.

Disclaimer: This article is for educational purposes only and is not legal advice. Seek the services of competent legal counsel to address your specific situation or issue.