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Construction ADVISORY •

MARCH 19, 2020

Five Best Practices for Construction Industry Stakeholders During the Coronavirus Pandemic

As news about the coronavirus (COVID-19) pandemic changes daily and regulations and guidance are updated almost hourly, Alston & Bird's Construction Group is working around the clock to address questions, identify contingencies, and manage risk for our clients in the construction industry. While project circumstances are all unique, here are five best practices we see emerging for companies throughout the industry:

- 1. **Identify critical contractual provisions:** construction industry contracts contain unique force majeure/uncontrollable circumstances clauses, notice requirements, change-order provisions, and limitations of liability, interpreted in many different ways that could vary based on the unusual circumstances affecting projects.
- 2. Ensure effective use of project controls: establishing and documenting current project status and ongoing impacts, including scheduling, cost accounting, and measuring work-in-place, will be necessary for project success going forward.
- **3. Know the effect of government orders on your project:** government-imposed project suspension, and the effect of shelter-in-place orders on construction projects, will continue to be dynamic and project-specific.
- **4. Give due consideration to the path ahead:** the project playbook may be more different now than ever before, and tools such as project suspension/termination, completion of work by others, deductive changes, and deceleration/ acceleration may present different outcomes in the coming months than in prior project environments.
- **5. Protect your security interests:** project stakeholders often have various security rights unique to the construction industry, including payment and performance bonds, lien rights, and insurance products, all of which take on increased importance in this extraordinary time.

These are only a few of the issues critical to the successful completion of construction projects in the current environment. Alston & Bird's Construction Group is made up of seasoned construction lawyers dedicated to ensuring your project's success no matter the challenge.

Alston & Bird has formed a multidisciplinary <u>task force</u> to advise clients on the business and legal implications of the coronavirus (COVID-19). You can <u>view all our work</u> on the coronavirus across industries and <u>subscribe</u> to our future webinars and advisories.

This advisory is published by Alston & Bird LLP to provide a summary of significant developments to our clients and friends. It is intended to be informational and does not constitute legal advice regarding any specific situation. This material may also be considered attorney advertising under court rules of certain jurisdictions.

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If you have any questions or would like additional information, please contact your Alston & Bird attorney or any member of our Construction Group.

Jeffrey A. Belkin

404.881.7388 jeff.belkin@alston.com

Deborah Cazan

404.881.7667 debbie.cazan@alston.com

John D. Hanover

213.576.1138 john.hanover@alston.com

J. Andrew Howard

213.576.1057 andy.howard@alston.com

William H. Hughes Jr.

404.881.7273 bill.hughes@alston.com

G. Christian Roux

213.576.1103 chris.roux@alston.com

Mike H. Shanlever

404.881.7619 mike.shanlever@alston.com

Jessica L. Sharron

213.576.1164 jessica.sharron@alston.com

Nathan D. Sinning

213.576.1134

nathan.sinning@alston.com

John I. Spangler III

404.881.7146

john.spangler@alston.com

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