CONSTRUCTION CONTRACTS: MANAGING RISKS & REWARDS

Co-Presenters

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1. Material Terms:
   - Pricing/Budget
   - Schedule/Completion
   - Scope of Work
   - Documents incorporated by Reference
   - Other Material Terms
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2. Dispute Resolution:
   - Mediation/Arbitration/Litigation
   - Venue Provisions
   - Joinder of Design Professionals
   - Attorneys’ Fees to Prevailing Party
3. Damages:
   • Liquidated Damages v. Actual Damages
   • Liquidated Damages as a Management Tool
   • Bonus for Early Completion
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4. Savings and Contingency Funds:

• Savings in Cost of the Work
• No Line Item Guarantee/Allowances
• Use of Contingency Fund
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5. Lien Waivers/Releases
   - New Notice of Commencement Form
   - Progress Payments
   - Final Payment
6. Payment and Performance Bonds

• Unconditional Payment Bond
• Conditional “Pay if Paid” Bond
• Performance Bond
• No 10 yr. statute of repose for Performance Bond
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7. Insurance

• Builder’s Risk Property Insurance
• Owner Controlled Insurance Program (OCIP)
• Case Study on Garage Collapse
Questions?
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