



Are You in the LEED?

A majority of construction projects concerned with meeting the U.S. Green Building Council's LEED (Leadership in Energy & Environmental Design) certification involve existing structures, not new ones. According to the council, green retrofitting of commercial buildings has outpaced new construction since late 2011.

To comply with LEED standards, contractors must focus not only on the materials used in new systems, but the careful removal of the old systems—such as HVAC, water supply, and electrical—that may have

been a part of the structure for decades.

Contractors on LEED projects must take into account the increased liability they take on by agreeing to meet the upgraded standards. They must ensure that their liability insurance is adequate for the task. On the property side, contractors should review insurance policies to make sure they properly reflect the increased cost of LEED project materials and equipment in case there is a loss and a claim needs to be filed. They also must make sure their subs are qualified and have appropriate insurance.



Insuring Leased Equipment

On the typical job site, equipment is supplied from any number of sources, often temporarily. From supplies such as scaffolding to equipment such as trash receptacles, fencing, and portable toilets, contractors often lease rather than own. For contractors (the lessees), leasing such equipment means taking on increased liability and property insurance exposures.

Equipment lessors often require contractors to insure the equipment they are

renting. In fact, the rental contract most likely has a provision regarding both property damage and liability for harm emanating from the use of the equipment. Yet frequently, contractors enter into such agreements having no idea how their insurance will or will not apply to leased equipment.

Our professionals can help you decipher leasing requirements and can help determine if the insurance coverage you already have covers these exposures.

Young Seasonal Workers



An abundance of helpful advice & tips for those hiring young workers is offered by OSHA. Some of those tips include:

- Make sure young employees are properly equipped and trained, especially where exposure to hazardous materials may be involved.
- Take a second (and third) look at your worksite to find and eliminate hazards.
- Remember that young workers have unique ways of communicating, so make sure proper procedures are clearly understood.
- Implement a mentoring or buddy system, where an experienced worker helps answer questions and teaches the new employee the ropes.

Despite your best efforts, injuries may occur. Be sure your insurance program provides adequate protection for all of your employees, and make sure they are classified properly for wage/hour and workers compensation coverage.

Springing Back from a Shutdown

Many contractors find to their chagrin that, while they are properly covered for direct damage to property, they have overlooked or under-protected their income. Businesses that are closed due to events affecting their suppliers may suffer the same kind of shutdown as businesses that receive a direct hit from a storm or flood, yet—without the right business interruption insurance—they won't be able to recapture their losses.

Business interruption policies cover loss of income and continuing expenses resulting from a suspension of operations due to damage to

property occurring from a covered cause of loss. But you can enhance this kind of policy to insure against loss of income due to supplier shut-downs, road closures, utility failures and other off-premises occurrences. Some of these adaptations can be made under a business owners policy, but some require getting a separate, or stand-alone, policy.

There are many options, so you will choose based on the greatest risks you face. Our professionals can help you determine what kinds of losses occur most frequently to contractors in your area. Come visit us for a review.

Safe Lifting Is a Learned Habit

Lifting safely is something most workers are aware of, but few actually do. According to Business & Legal Reports, teaching the proper procedures for safe lifting is a necessity for any business whose workers are ever required to do heavy lifting on the job. According to BLR, workers lose an average of seven work-days a year as a result of back injuries. A major source of back injuries, both on and off the job, is improper lifting.



To help prevent injury, employers should make a point to supervise the lifting techniques practiced by both employees and subcontractors. Here's what to watch for:

1. Workers are assuming the safe lifting position. They stand close to the object with a wide stance, heels down and feet turned outward.
2. Before lifting the object, they should pull it close to their body. Get a firm grip and get ready!
3. The last step is summarized in one word: legs. Rise straight up from the squatting position using the legs. It's a natural motion that will reduce strain on the neck and back.

March Mudness

As contractors in colder climates prepare to resume projects in the great outdoors, they will also find a dirty little problem they need to contend with—namely, mud. The soft earth can cause ditches to collapse, and dampness can lead to slips and falls or unstable equipment.

If you can't wait for the ground to dry out and become more stable before beginning your next project, take extra precautions. Lay plywood over any mud before raising ladders, and make sure ladder rungs are wiped off by a helper before any descent is attempted.

If you are performing inside work, minimize your liability risks for destroyed carpeting by cleaning shoes and covering them with sanitary slippers before entering a client's house. Use caution on all your wheeled equipment so it



doesn't catch in the mud and topple over. And keep in mind that carrying bulky, heavy or awkward items can be much more difficult if you have to go through a muddy plot. You can more easily drop and break new items and are more prone to falls

and injuries, which can be worse if something heavy you're carrying then comes down on top of you.

Plan ahead to take extra time to work around mud and to clean up. It will help prevent accidents and injuries.

Fulfilling Your Bid Obligations

One of the primary functions of the bidding process is for certain standards to be set before the project breaks ground. Such variables as time to completion, adequacy of labor and use of the proper materials are specified, and the responsible party is expected to have factored in adequate costs at bidding.

Yet once the bid has been accepted and a project begins, there are any number of elements which may interfere with the process that are completely out of your control.

One key price variable is the cost and availability of needed materials. What if you run out during the job and have no way of increasing your supply? What if pricing skyrockets?

According to the Associated Contractors of America, a 2012 study reveals that material availability and pricing continue to affect contractors' ability to successfully price and win

There are multiple elements which may interfere with contract completion.

jobs. When you have to guarantee prices to owners far in advance of actually purchasing the materials, ongoing volatility in costs can significantly affect budgets for contractors

and clients. And if a lack of any type of supply were to lead to long delays, what would happen to your business in the event you just couldn't perform the job?

Many contract bidding specifications include the requirement for various insurance credentials deemed essential to the completion of the project. Although no one goes into a bid or accepts one expecting trouble, good protection and risk management are all about dealing with the unexpected.

Let us help. Our service team works hand in hand with competitive insurance companies and bond providers to make sure your business's risk management package addresses your bid and bonding needs.

**Thank you for
your referral.**

If you're pleased with
us, spread the word!
We'll be happy to give
the same great service to
all of your friends and
business associates

True Independence

Contractors using the services of subcontractors need a system in place to verify that each subcontractor has its own insurance, particularly general liability and workers compensation. Failure to verify this information may result in added expenses for you and your company, such as paying for their insurance coverage at time of audit or possibly having them treated as employees.

Your system should help you track and verify the certificates of insurance provided by each subcontractor, including names of individuals, state of domicile, payroll and classifications, and 1099 information.

Another essential step in limiting audit risks brought on by subcontractors is to visit www.irs.gov and your applicable state government website and review the guidelines for classifying independent contractors. Failure to adhere to these guidelines will likely cause the sub's payroll to wind up in your audit.