

Surety / Insurance Support

CEC provides planning and implementation support for trouble avoidance, risk mitigation, dispute resolution, and project continuity/ completion services related to new construction and reconstruction projects.



Historically, the surety industry has provided performance bonds which, with the exception of improper termination by the owner or its agents, assure the financial completion of a bonded contract. In the event of a takeover, the surety is often faced with a decision to support the bonded contractor or, in lieu of this option, elect to retain a new contractor/consultant for completion of the remaining work.

SURETY

CEC assists surety companies by helping to mitigate complex adversarial issues to achieve a favorable outcome of the default and related surety bond risks. CEC can:

- Evaluate the project status, identify the risks going forward, and quantify budget considerations for the completion of work.
- Prepare project schedules and costs to complete an analysis.
- Provide project management, construction management, project oversight, scheduling, and damages analysis to assist the surety in performing its obligations under the bond while protecting the surety's position in case of contract disputes.
- Review and make recommendations regarding payment of contractor and sub-contractor payment applications.
- Develop a database of information, which can later be used for negotiation of the final costs and damages relating to the completion of the contract work.
- Provide work products for negotiated settlements and mitigation or, in the event of litigation proceedings, provide expert assistance.

CONSTRUCTION CONTRACTS, DISPUTES, AND LITIGATION

CEC assists in all phases of construction projects by analyzing construction delays, defects, damages, and other impacts resulting from breach of contract, changes, and delays.

EVALUATION OF BUILDING, GEOTECHNICAL FAILURES AND RELATED ISSUES

CEC provides the surety with expertise to evaluate the nature and cause of building failures, and the remedial action required to handle losses during and/or after the reconstruction of the facility.

CEC assists by:

- Establishing the extent of the damage with documented and photographic surveys performed during all phases of the reconstruction process.
- Providing documentation about the cause and nature of failures and the extent of reconstruction damages. CEC can quickly and economically make evaluations to support the surety's needs.
- Documenting the condition and the characteristics of the facility. This is vital to the proposed reconstruction and calculation of costs in the event of a loss.
- Developing realistic project schedules and cost estimates to minimize reconstruction timelines and budgets.
- Supporting the surety in defining owner-desired betterment to incorporate within the repair costs.
- Documenting the entire process to aid the surety in negotiations and to help forestall subsequent disputes and potential litigation.

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ARCHITECT/ENGINEER MALPRACTICE EVALUATIONS

Negligence or malpractice claims, particularly errors and omissions claims, occur because the contractor or owner suffered delays and/or incurred excess costs in building a facility, or because the completed facility failed to perform its intended function. In many cases, these issues are alleged to be the fault of the architect/engineer. CEC supports the surety in the analysis of such situations through detailed identification of facts and circumstances related to design and field performance.

ENVIRONMENTAL MANAGEMENT AND DISPUTES

CEC provides assistance for projects with environmental litigation, remediation claims, and complex environmental program needs. CEC has worked on assessments of liability, responsibility, cleanup cost, and cleanup criteria, and also on CERCLA litigation issues.

