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A Member Asked: Do I Have
to Increase my Pollution
Liability Limits?



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Associated General
Contractors (AGC) Inflation
Alert Q1 2021



CMU CheckOff Proceeds to
a Vote



A Member Asked: Do I Have to Increase my Pollution Liability Limits?

"We bid a small job for a large contractor we have worked with in the past with no insurance issues. Now they want an *additional* \$1M/occurrence due to mold concerns. And, we just got *another* contract requesting the same higher pollution limits. This shouldn't be an issue because mold does not

adhere to block. What evidence can support my request to waive the additional requirement, or do I have to increase my limits?"

A [Canadian study](#) whose research **results show concrete, concrete block and clay brick do not support fungal mold growth** is a great start to making your case for a waiver.

In the event you must increase your coverage limits, we Asked the Expert [Chris Moore, President of Saint Moore Insurance Agency](#) for some insight.

"Site Pollution coverage, while remaining stable for pricing and coverages for most exposures, is hardening for hospitality, educational facilities, residential (condo, single family, townhome) and certain multi-family exposures in large part due to mold losses. Retentions are increasing for mold coverage, but it's still readily available. Contractor Pollution Liability (CPL) and combined form PL/Professional products continue to be fast-growing with competitive options and pricing available. Combined form GL/Pollution remains competitive with some carriers offering Workers Compensation and Auto as companion coverages."

Happy negotiating!

AGC Construction Inflation Alert Q1 2021 Cites Unprecedented Conditions



The Associated General Contractors (AGC) is a long-respected source of construction industry economic information. Their [first quarter 2021 inflation report](#) highlights the sharp material price increases, interrupted supply chains, and labor shortages construction companies are feeling right now in spades.

It also offers the opportunity for better understanding of the current situation, the impact on current and future projects, and possible steps for construction companies to mitigate the damage.

What can you do?

- Provide timely and credible information to your customers about material costs and supply chain issues that could impact the cost and completion time for current and already bid projects.
- Consider price-adjustment clauses for future projects.
- Carefully monitor material costs and delivery schedules to evaluate timing for material orders.
 - Early ordering can mean price protection.
 - Ordering too early can result in increased storage and security costs, more money out of pocket, and the possibility of design changes that impact all of the above.



Concrete Masonry CheckOff Proceeds to a Vote

"On May 3, 2021, [The Office of the Federal Register published the final rule, FR-2021-05-03](#), on the procedures the Department of Commerce will follow in conducting a referendum for the Concrete Masonry Checkoff. **The referendum allows the industry to vote on whether to establish a national Concrete Masonry Products Board** under the Concrete Masonry Products Research, Education, and Promotion Act of 2018. The publication of this notice allows the Department of Commerce to begin to register eligible voters to participate in the referendum."

The outcome of the referendum will determine if the Department of Commerce implements an order to establish a program of research, education, and promotion for concrete masonry products.

The CheckOff Program is the masonry industry's effort to generate funds for research, education and promotion to support industry initiatives and drive more demand and sales. MCAC pledged support of the CheckOff Program with the [MCAC CheckOff Support Resolution](#) in 2019 and by submitting [comments to the Federal Register](#) in 2020.

Now, the decision rests with the producers. Voting remains open until, at least, June 3, 2021.

