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# Design-Build/Heavy Civil At-A-Glance Claim Scenarios

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## Why do design-build projects need professional liability and pollution coverage?

Protect your firm from potential costly claims like these.

### Failure to Meet Environmental Regulations

A design-builder in the South faced a liability claim for failing to meet environmental regulations during the construction of a highway expansion project. The claim alleged that the design-builder failed to correctly install a retaining wall which led to stormwater runoff issues, causing pollution of nearby waterways. This resulted in fines from regulatory agencies and legal action from environmental groups. The total amount paid to remediate the situation and resolve the claim was $5.5 million.

### Delay in Project Completion

On a highway project in the Northeast, a design-builder was sued for delays in project completion, resulting in increased costs and inconvenience to the public. The claim alleged that the design-builder failed to properly schedule subcontractors and coordinate construction activities, leading to inefficiencies and missed deadlines. As a result, the project faced legal action from project stakeholders. The total amount paid to resolve this claim was $1.6 million.

### Design Flaws Causing Drainage Issues

In a highway project in the South, a design-builder faced legal action for design flaws that caused drainage issues along the roadway. The claim alleged that the design-builder failed to properly assess drainage requirements and design effective stormwater management systems, leading to flooding and erosion problems during heavy rain events. This resulted in claims for property damage and disruptions to traffic flow, as well as disputes over responsibility for remediation costs. The total cost to remediate the situation and resolve the claim was $8.6 million.

### Survey Error Leads to Overpass Rebuild

A design-builder was constructing a highway overpass from both approaches toward the median. The respective sections of the overpass did not successfully align with one another, with the roadway beds several inches offset from one another, because the respective surveying on either approach was done inappropriately. The contractor was held responsible for the site surveying error, and half of the overpass had to be redone at great expense. The total amount paid globally to resolve this matter was $68.4 million.


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## Defective Design Leading to Traffic Congestion

In a highway project in the Midwest, a design-builder faced a liability claim for defective design that led to traffic congestion and safety hazards. The claim alleged that the design-builder failed to properly design merge lanes and intersections, resulting in traffic bottlenecks and increased accident rates. This led to claims for negligence and damages from affected motorists and local authorities. The total amount paid to resolve the claim was $7.3 million.

## Improper Survey Leads to Exit Ramp Replacement

A design-build highway project involved building an exit ramp. The exit ramp was built with a curve that was too sharp, and semi-trucks couldn't navigate the curve. The exit ramp had to be ripped up and replaced, all because the surveying was done inappropriately, which led to the wrong curvature. The design-builder was responsible for $18.5 million in costs to remedy the error.

## High Stakes for Highway Survey Error

A design-build contractor involved in the construction of a new roadway runs into problems in the process of site surveying. The contractor improperly laid out stakes, improperly placed excavation marks, and failed to determine the correct amount of land that should be excavated. A professional claim resulted from the contractor's negligence in the amount of $1.7 million.

## Inadequate Safety Measures

A design-builder in the Southeast was sued for inadequate safety measures on a highway construction site, leading to accidents and injuries. The claim alleged that the design-builder failed to design proper traffic control measures, resulting in collisions between vehicles and construction equipment. This led to claims for negligence and violations of occupational safety regulations. The total amount to resolve this claim was $5.5 million.


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## About Berkley Construction Professional

Berkley Construction Professional is a leading provider of professional liability, pollution liability, and protective professional indemnity insurance for contractors and construction project owners. Our experienced underwriters focus exclusively on the construction industry, enabling them to understand the complexities of today's projects and develop tailored insurance solutions for challenging risks. Deep industry expertise and broad underwriting authority allow us to respond quickly and to customize coverage to meet each client's unique needs.

Brokers value our collaborative approach, specialized construction knowledge, and commitment to exceptional service. Policyholders benefit from industry-specific risk management resources, experienced in-house claims professionals who advocate on their behalf, and the peace of mind that comes from working with a financially sound insurance provider dedicated to protecting their business, reputation, and long-term success.

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The claim scenarios described here are offered solely to illustrate the types of situations that may result in claims. These scenarios should not be compared to an actual claim. The precise coverage afforded by any insurer is subject to the terms and conditions of the policies as issued. Products and services are provided by one or more insurance company subsidiaries of W. R. Berkley Corporation.

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