KEEL

OWNER PLANNING GUIDE

INSURANCE AS A PROJECT PLANNING ISSUE

What Owners Should Consider Before Construction Begins

A practical guide to aligning insurance decisions with project responsibilities, procurement, budget, schedule, and operations.

ALIGN DECISIONS BEFORE CONSTRUCTION

1

DEFINE

Responsibilities and exposures

2

ALIGN

Contracts and coverage

3

INTEGRATE

Cost, schedule and operations

Clear responsibilities. Aligned coverage. Informed owners.

EXECUTIVE OWNERSHIP

BRING INSURANCE INTO THE PLANNING CONVERSATION

Capital projects bring together multiple organizations, contracts, funding sources, and operational priorities. Insurance decisions touch each of these areas. Addressing them early helps owners understand their responsibilities, identify unresolved exposures, and make informed decisions before commitments become difficult to change.

When insurance review occurs late, project teams may discover that contract requirements, available coverage, and budget assumptions do not align. Questions about existing facilities, owner-purchased equipment, phased occupancy, or responsibility for deductibles can remain unresolved as construction approaches.

The owner's role is to ensure that these questions receive timely attention from the right people. Insurance advisers evaluate coverage, legal counsel addresses contractual obligations, and the project team provides the scope, cost, schedule, and operational information needed to support those decisions.

THREE ACTIONS FOR OWNERS

1 | Establish responsibility early

Assign responsibility for coordination, coverage, documentation, and approval of retained risks.

2 | Align coverage with the project

Give advisers a complete picture of scope, operations, procurement, equipment, and occupancy.

3 | Carry decisions into delivery

Build review milestones into the plan and revisit coverage as project conditions change.

THE INTENDED OUTCOME

Before construction begins, owners should have a documented understanding of responsibilities, coverage arrangements, unresolved issues, and retained risks. Each outstanding item should have an assigned lead and a resolution date.

RESPONSIBILITES & COVERAGE

Insurance planning starts with a shared understanding of the project. New construction, an occupied renovation, and a phased expansion can present different exposures. Review how the work will be procured, constructed, and brought into use.

ASSIGN THE DECISIONS

Designate an owner representative to coordinate the review. Confirm who will arrange each required policy, review supporting documents, track renewal dates, and resolve discrepancies. Record each issue, responsible party, action, and due date. Document owner approval of retained risks.

PARTICIPANT	PLANNING RESPONSIBILITY
Owner	Establish objectives, disclose operational needs, and approve retained risks.
Insurance adviser	Evaluate exposures, policy terms, limits, exclusions, and coverage options.
Legal counsel	Review contractual risk allocation and insurance obligations.
Project adviser / Keel	Coordinate inputs, track decisions, and integrate actions into the plan.
Design / construction teams	Identify relevant scope, methods, procurement, sequencing, and site conditions.

DEFINE THE FULL EXPOSURE

Provide more than the construction contract value. Describe existing property, adjacent operations, owner-furnished equipment, separate contractors, off-site storage, transit, and the occupancy sequence. Ask the adviser to identify policy interactions, gaps, and limitations requiring an owner decision.

ALIGN CONTRACTS AND PROCUREMENT

Review insurance requirements while procurement documents and agreements are being developed. Confirm that obligations can be met and costs are understood before execution. Have legal counsel and the insurance adviser reconcile requirements with proposed coverage, including insured parties and deductibles. Resolve discrepancies before affected work proceeds.

PLANNING OUTPUT

A responsibility register and coverage map recording exposures, risk treatments, responsible parties, and outstanding actions.

INSURANCE COST, SCHEDULE & OPERATIONS

Review insurance arrangements against the evolving delivery plan. Changes in value, duration, procurement, or occupancy should trigger a conversation with the insurance adviser.

RESOLVE BUILDER'S RISK DETAILS

Builder's risk generally addresses covered physical loss or damage to construction work. Its application depends on policy terms. Confirm who arranges coverage and how insured values account for changes and owner-furnished items. Review existing structures, transit, storage, testing, and phased occupancy. Establish coverage dates and the transition to operational property insurance.

PLAN FOR FINANCIAL AND SCHEDULE EXPOSURE

Include premiums, applicable deductibles, and potential extension costs in financial planning. Identify who bears these costs and how retained exposure will be addressed. Ask about soft-cost or delay coverage, including triggers, limits, and waiting periods. Do not assume insurance responds to every construction delay.

ESTABLISH THE RESPONSE BEFORE AN INCIDENT

Agree on contacts, insurer notification responsibilities, and response coordination. Align the protocol with policy notice requirements. Maintain current photographs, schedules, cost records, procurement logs, and change documentation. Assign responsibility for preserving evidence and tracking incident costs while supporting immediate safety and loss-mitigation actions.

BUILD REVIEW POINTS INTO THE SCHEDULE

1	**PLANNING / PROCUREMENT**	Review exposures, responsibilities, requirements, and cost assumptions.
2	**BEFORE EXPOSURE BEGINS**	Confirm coverage for relevant work, early purchases, and off-site storage.
3	**DURING CONSTRUCTION**	Review material changes in scope, value, duration, methods, or occupancy.
4	**BEFORE USE / TURNOVER**	Confirm insurer permissions and the transition to operational coverage.

PLANNING OUTPUT
An insurance review schedule, documented cost assumptions, and an incident-response protocol with named contacts.

INSURANCE PLANNING OWNER CHECKLIST TOOL

PROJECT _____ **REVIEW DATE** _____

OWNER / ORGANIZATION _____ **REVIEW LEAD** _____

Review with the insurance adviser, legal counsel, and project team before construction and when conditions change. Mark C (Confirmed), O (Open), or N/A. Assign a lead and due date to open items; record the reason for N/A.

	CONFIRM THE FOLLOWING	STATUS	LEAD / ACTION / DUE
01	An owner representative coordinates insurance review and tracks unresolved decisions.		
02	The adviser has current scope, value, schedule, site, and operational information.		
03	Responsibility for each required policy and its documentation is recorded.		
04	Counsel and adviser have reviewed contract requirements against coverage; discrepancies are assigned.		
05	Existing structures, occupied areas, and ongoing operations have been reviewed.		
06	Owner-furnished items, separate contractors, storage, and transit have been reviewed.		
07	Builder's risk values, relevant limits, exclusions, and deductible responsibilities are documented.		
08	Insurance costs and retained exposures have an approved budget or funding approach.		
09	Delay-related costs and available coverage have been reviewed, including triggers and limitations.		
10	Coverage dates, extensions, phased use, testing, and operational transition are addressed.		
11	A lead is assigned to report project changes and obtain required coverage adjustments.		
12	Incident contacts, insurer notification duties, and recordkeeping procedures are established.		

REVIEW OUTCOME

Items to resolve before affected work or purchases proceed:

Retained risks requiring owner approval: _____

Next review date: _____

This tool supports coordination. Completion does not establish adequate coverage or confirm that a loss will be insured.

LET'S CONTINUE THE CONVERSATION

CONNECT RISK DECISIONS TO PROJECT DELIVERY.

Insurance planning depends on timely input from ownership, operations, finance, legal counsel, insurance advisers, and the design and construction team.

Keel helps owners organize those conversations and connect resulting decisions to procurement, budget, schedule, and project execution. Our role is to bring forward project information, clarify responsibilities, track unresolved items, and maintain visibility as conditions change.

Coverage recommendations and policy interpretation remain with the owner's insurance adviser. Contractual and legal advice remain with legal counsel.

START WITH A COORDINATED REVIEW

Before construction, establish who owns the insurance decisions, what remains unresolved, and when those decisions must be made.

Connect with us at keelpm.com

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General project-planning information. Coverage and obligations depend on applicable policies, endorsements, agreements, and project circumstances. Consult insurance advisers and legal counsel regarding project-specific requirements.