

Contractual Insurance Results Guide

This guide is intended to help departments, vendors, and contract managers understand the types of insurance that may be required based on the results of the Contractual Insurance Determination Form. It explains the purpose of each insurance type, when it may apply, and what documentation must be provided.

Human Resources Risk Management Division is responsible for approving insurance requirements and reviewing coverage questions to ensure alignment with Owner(s) standards. If you have questions about insurance obligations or supporting documentation, please contact the appropriate Risk Management for clarification before finalizing the contract.

Who is the Owner?

The term "**Owner(s)**" refers to any, all, or a combination of:

- City of Lincoln, Nebraska
- Lancaster County, Nebraska
- Lincoln-Lancaster County Public Building Commission (PBC)
- West Haymarket Joint Public Agency (WHJPA)

This also includes their elected and appointed officials, officers, employees, agents, contractors, and consultants.

What is City/County Property and/or City/County Worksite?

"**City/County Property**" is defined as any premises under the care and control of the City and/or County to include, but is not limited to, owned or leased property or property contracted to be managed by the City and/or County, and common areas including, but not limited to public sidewalks, approach sidewalks, steps, verandas, parking lots, vestibules, interior hallways and atriums under the City's and/or County's ownership or control.

"**City/County Worksite**" is any location to which a contractor has been dispatched or posted to perform responsibilities on behalf of the City and/or County. This location shall be considered a premises under the care and control of the City and/or County.

Certificate of Insurance (COI) and Insurance Determination Form Requirements

If your results include General Liability (GL), Auto Liability (AL), or Workers' Compensation (WC), you **must**:

- ✓ List the appropriate **Owner(s)** as an **Additional Insured**
- ✓ Use this address on the COI:

555 S. 10th St., Lincoln, NE 68508

Certificates of Insurance (COIs) are required for all applicable agreements and must be submitted as part of the agreement review process. Likewise, completion of the Contractual Insurance Determination Form is required for all agreements. Agreements will not proceed without both items attached to the agreement. Agreements related to software must be vetted and approved by Information Services.

Endorsements or waivers may also be requested based on the insurance determination results. To avoid unnecessary delays, if endorsements are not received within five (5) business days of the date it is received by the Law Department, the agreement will proceed as scheduled, provided the required COI has the endorsement(s) listed within the Accord form as outlined by the Contractual Determination Form.

Limitation of Liability Guidance

Limitation of liability clauses do not have a standard dollar amount cap. The general guideline is three (3) times the agreements total fees and expenses when negotiating terms. Risk Management must be consulted for any agreements with less than three (3) times the total fees and expenses to ensure the limitation adequately protects the Owner(s) and aligns with the risk exposure involved.

Insurance Code Guide

Here's a quick breakdown of the types of insurance that may appear in your results:

Code	Insurance Type	When It's Needed
GL	Commercial General Liability	Nearly all projects and services.
AL	Auto Liability	If driving licensed vehicle(s) for work product (excluding commuting)
WC	Workers' Compensation	If the vendor is doing work on Owner's property and has employees
PL	Professional Liability or Errors and Omissions	For professionals (architects, engineers, accountants, etc.) or other specialized services (they will have Professional Liability or Errors and Omissions depending on their industry)
TECH	Technology Errors & Omissions	A tech company is developing or providing tech services or software
CYB	Cyber Liability	If accessing Owner's systems or data
POL	Pollution/Environmental Liability or Pesticide/Herbicide Endorsement	If hazardous materials, mold, asbestos, fuel, spraying involved
BR	Builder's Risk or Builders Risk and Installation Floater Form	New construction to a building or other structure over \$250,000
GAR	Garage Liability	If servicing or handling vehicle(s) for the Owner
UAS	Unmanned Aircraft System Liability	If using a drone(s) as part of services
RI	Renters Insurance	If renting a space from the Owner(s)

Insurance Requirements and Contractor Compliance

Insurance; Coverage Information:

- A. The Contractor shall, prior to beginning work, satisfy all provisions of these insurance requirements and must provide proof of insurance coverage in a form satisfactory to the Owner, which shall not unreasonably withhold approval. Contractor shall comply with these insurance requirements, including maintaining all coverages required by these insurance requirements, at all times the work is being done pursuant to the agreement.
- B. Contractor's insurance shall be primary and non-contributory with any insurance coverage maintained by the Owner. Owner's insurance policies, if any, operate secondary, in excess, separately and independently from policies required to be provided by Contractor. The policies shall be written for not less than the limits of liability required herein. If Contractor maintains higher limits than the minimums shown, the Owner requires and shall be entitled to the higher limits. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Owner.

Deductibles/Retentions: Deductibles/retentions above \$100,000.00 shall not be permitted unless written consent is given by the Owner prior to close of an RFP or bid, or upon execution of the agreement if a formal bid or RFP is not issued. Owner has sole and exclusive discretion to reject deductibles/retentions that do not meet Owner's satisfaction.

Self-Insurance: In the event Contractor is self-insured for any insurance coverages required in this agreement, Contractor is required to complete a self-insured certification. If Contractor is self-insured for workers compensation, Contractor shall provide Owner a copy of Nebraska certificate of self-insurance for workers' compensation.

Certificates: The Contractor shall provide to Owner, in a form acceptable to Owner, a COI demonstrating the coverage required herein before being permitted to begin the work pursuant to this agreement.

CL - Commercial General Liability: The Contractor shall have, maintain, and provide proof of commercial general liability insurance.

- A. **Basis:** Occurrence basis.
- B. **Limits:** Not less than \$1,000,000 combined single limit (CSL) each occurrence; \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate.
- C. **Coverage:** Coverage shall include premises-operations, products/completed operations, contractual, broad form property damage, and personal and advertising injury. The required insurance must include coverages for all projects and operations by or on behalf of Contractor or similar language that meets the approval of the Owner, which approval shall not be unreasonably withheld. Blanket contractual liability coverage, to the extent permitted by law, must include but not be limited to coverage of Contractor's contractual indemnity obligations in this agreement. Policy shall have a cross-liability/separation of insureds clause specifying the insureds' protection under the policy as if each insured had a separate policy, with the exception of the limits of liability and any rights or duties that are designated to be for the first named insured only.
- D. **Additional Insured Endorsement Form:** The Contractor shall name the Owner as additional insured on Contractor's commercial general liability policy.
- E. **Waiver of Subrogation/Waiver of Right of Recovery Endorsement Form:** The Contractor shall have policy endorsed with a waiver of subrogation/waiver of right of recovery in favor of Owner.

AL - Automobile Liability: The Contractor shall have, maintain, and provide proof of automobile liability insurance.

- A. **Basis:** Occurrence basis.
- B. **Limits:** Not less than \$1,000,000 CSL per accident. Auto liability shall not be subject to an aggregate.
- C. **Coverage:** Coverage shall include liability arising out of the ownership, maintenance, or use of any motor vehicle, including owned, leased, hired and non-owned.
- D. **Additional Insured Endorsement Form:** The Contractor shall name the Owners as additional insured on Contractor's automobile liability policy.

- E. **Waiver of Subrogation/Waiver of Right of Recovery Endorsement Form:**
The Contractor shall have policy endorsed with a waiver of subrogation/waiver of right of recovery in favor of Owner.

WC - Workers' Compensation; Employers' Liability: Workers' compensation coverage is required under state statute for Contractors with W2 employees and agreements must contain a clause clearly stipulating with state statute. If the Contractor will have employees working at an Owner(s) worksite or on Owner(s) property, proof of workers' compensation coverage is required. Risk Management will review unique situations, such as sole proprietors or off-site work to determine the required proof of insurance.

- A. **Limits:** Workers' compensation coverage not less than statutory requirements under the laws of the State of Nebraska and any other applicable State where work may be performed. Employer's liability coverage with limits of not less than \$500,000 each accident or injury shall be included.
- B. **Waiver of Subrogation/Waiver of Right of Recovery Endorsement Form:**
The Contractor shall have policy endorsed with a waiver of subrogation/waiver of right of recovery in favor of Owner. The Contractor shall have its workers' compensation insurance carrier, or, if the Contractor is self-insured, then the Contractor itself shall, waive its subrogation rights/rights of recovery against the Owner and shall provide to Owner, in a form acceptable to Owner, a written document, signed by an authorized officer of the Contractor confirming Contractor has waived their right of subrogation/waived their right of recovery.
- C. Sole proprietors and certain entities may be exempt from these requirements by state law, and it is the obligation of the Contractor to submit documentation to the Owner of the basis for any such exemption.
- D. The Contractor will not hire/engage any employees or independent contractors without procuring a workers compensation policy and providing proof to the Owner.

PL - Professional Liability or Errors and Omissions: The Contractor shall have, maintain, and provide proof of errors and omissions or professional liability insurance.

- A. **Basis:** Claims-made unless available as occurrence basis coverage. Claims-made must have a retrospective date be the earlier of the date of this agreement or prior to work commencing.
- B. **Limits:** Not less than \$1,000,000 each claim and \$1,000,000 in the aggregate.

- C. **Coverage**: Coverage shall include Owner and third-party bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death, and property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed because of pollution conditions, including asbestos, lead, and mold, arising from Contractor's operations and completed operations. Coverage shall include defense expenses including loss adjustment costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages.
- D. **Tail Coverage**: Coverage shall be maintained for a minimum of two (2) years after the latest of the: a) final payment; b) agreement expiration; c) agreement termination or d) completion of the work. In the event the policy is not renewed, Contractor shall arrange for a two (2) year extended reporting period provision.

TECH - Technology Errors & Omissions: The Contractor shall have, maintain, and provide proof of technology errors and omissions liability insurance.

- A. **Basis**: Claims-made basis with a date retroactive to the earlier of the date of this agreement or work commencing.
- B. **Limits**: Not less than \$2,000,000 each claim and \$2,000,000 in the aggregate.
- C. **Coverage**: Coverage shall include network security/data protection/cyber liability insurance, covering liabilities for financial loss resulting or arising from acts, errors, or omissions in rendering technology/professional services to the Owner or in connection with the specific services described in violation or infringement of any right of privacy, including: breach of security and breach of security/privacy laws, rules or regulations globally, now or hereinafter constituted or amended; data theft, damage, unauthorized disclosure, destruction, or corruption, including without limitation, unauthorized access, unauthorized use, identity theft, theft of personally identifiable information or confidential information in whatever form, transmission of a computer virus or other type of malicious code, and participation in a denial of service attack on third party computer systems; loss or denial of service; no cyber terrorism exclusion
- D. **Tail Coverage**: Coverage shall be maintained for a minimum of two (2) years after the latest of the: a) final payment; b) agreement expiration; c) agreement

termination or d) completion of the Work. In the event the policy is not renewed, Contractor shall arrange for a two (2) year extended reporting period provision.

- E. **Waiver of Subrogation/Waiver of Right of Recovery Endorsement Form:**
The Contractor shall have policy endorsed with a waiver of subrogation/waiver of right of recovery in favor of Owner.

CYB - Cyber Insurance: The Contractor shall have, maintain, and provide proof of cyber liability insurance.

- A. **Basis:** Claims-made basis with a retrospective date the earlier of the date of this Agreement or prior to work commencing.
- B. **Limits:** Not less than \$2,000,000 per claim and \$2,000,000 in the aggregate.
- C. **Coverage:** Coverage shall include coverage for unauthorized access, data security and privacy breach, notification costs and regulatory defense, including costs of investigating a potential or actual breach or potential extortion or ransomware claims.
- D. **Tail Coverage:** Coverage shall be maintained for a minimum of two (2) years after the latest of the: a) final payment; b) agreement expiration; c) agreement termination or d) completion of the work. In the event the policy is not renewed, Contractor shall arrange for a two (2) year extended reporting period provision.
- E. **Waiver of Subrogation/Waiver of Right of Recovery Endorsement Form:**
The Contractor shall have policy endorsed with a waiver of subrogation/waiver of right of recovery in favor of Owner.

POL - Pollution/Environmental Liability: The Contractor shall have, maintain, and provide proof of pollution/environmental liability insurance.

When is this required?

This coverage is typically required when the work involves the handling, removal, or potential release of hazardous substances or pollutants.

Examples of applicable work:

- Environmental remediation, waste hauling, or site decontamination
- Abatement of asbestos, lead, or mold
- Excavation, boring, or demolition in contaminated areas
- Underground storage tank removal or service
- Application of pesticides, herbicides, or other chemicals

Pollution Liability Policy Requirements

Required when pollution risks are substantial or ongoing.

- A. **Basis**: Occurrence or Claims-made. The Owner prefers the coverage to be on an Occurrence basis. If coverage is claims-made, the retrospective date must be the earlier of the date of this agreement or prior to work commencing.
- B. **Limits**: Not less than \$2,000,000 per claim and \$2,000,000 in the aggregate.
- C. **Coverage**: Coverage shall include Owner and third-party bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death, and property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed because of pollution conditions, including asbestos, lead, and mold, arising from Contractor's operations and completed operations. Coverage shall include defense expenses including loss adjustment costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages.
- D. **Tail Coverage**: Coverage shall be maintained for at least four (4) years after the latest of the: a) final payment; b) agreement expiration; c) agreement termination or d) substantial completion. Contractor shall furnish Owner evidence of continuation of such insurance for the four (4) years. In the event the policy is not renewed, Contractor shall arrange for a four (4) year extended reporting period provision.
- E. **Additional Insured Endorsement Form**: The Contractor shall name Owner as additional insured on the pollution/environmental policy.
- F. **Waiver of Subrogation/Waiver of Right of Recovery Endorsement Form**: The Contractor shall have policy endorsed with a waiver of subrogation/waiver of right of recovery in favor of Owner.

Or if spraying only:

Pollution for Pesticide or Herbicide Applicators by Endorsement: For Contractors whose only pollution exposure involves spraying of pesticides or herbicides, limited pollution coverage may be satisfied through ISO endorsements to their commercial general liability policy. Contractor shall have, maintain, and provide proof of pollution coverage by ISO endorsements to their commercial general liability coverage.

- A. **Limits**: Not less than \$50,000 per occurrence and \$100,000 in the aggregate.

- B. **Endorsement(s)**: Such endorsements include pesticide or herbicide applicator (CG2264) and/or lawn care services (CG2293) or equivalent and as deemed acceptable to Owner.

BR - Builder's Risk Insurance or Builders Risk and Installation Floater Form: The Contractor shall have, maintain, and provide proof of builder's risk insurance.

- A. **Limits**: Not less than full insurable replacement cost value of the entire work. Further, off-site storage and transit limits shall be in amounts not less than amounts required to fully replace the property for any such potential loss in a timely manner. Soft costs, extra expense and building and ordinance limits shall be sufficient to bear all reasonable costs properly attributable thereto.
- B. **Coverage**: Coverage shall be written on an "all risk" peril basis, insuring against physical loss or damage, including, but not limited to fire, theft, vandalism, malicious mischief, flood and earth movement/earthquake. Contractor's or Subcontractor's tools, materials, equipment, that are not intended to become a part of the work, will not be insured by this policy. Contractor shall be financially responsible for any deductible applied to loss.
- C. **Additional Insured Endorsement Form**: This insurance shall include the Owner, the Contractor, Subcontractors (all tiers), in the work as their interests may appear.
- D. **Waiver of Subrogation/Waiver of Right of Recovery Endorsement Form**: The Contractor shall have policy endorsed with a waiver of subrogation/waiver of right of recovery in favor of Owner, Contractor and Subcontractors (all tiers).

GAR - Garage Liability: The Contractor shall have, maintain, and provide proof of garage liability coverage.

- A. **Basis**: Occurrence basis.
- B. **Limits**: Not less than \$1,000,000 combined single limit (CSL) each accident – auto only; \$1,000,000 CSL each accident for garage operations – other than auto and \$2,000,000 aggregate for garage operations – other than auto. The liability limit for auto only shall not be subject to an aggregate.
- C. **Coverage**: Coverage shall include the ownership, maintenance or use of any auto, whether owned, non-owned, hired or otherwise used in the garage operations. Coverage shall also include coverage for garage operations – other than auto and provide coverages generally provided in the commercial general liability insurance.

- D. **Additional Insured Endorsement Form**: The Contractor shall name the Owner as additional insured on Contractor's garage liability policy.
- E. **Waiver of Subrogation/Waiver of Right of Recovery Endorsement Form**: The Contractor shall have policy endorsed with a waiver of subrogation/waiver of right of recovery in favor of Owner.

UAS - Unmanned Aircraft System Liability: The Contractor shall have, maintain, and provide proof of aircraft liability insurance.

- A. **Basis**: Occurrence basis.
- B. **Limits**: Not less than \$1,000,000 each occurrence.
- C. **Coverage**: Coverage shall include any unmanned aircraft(s).

RI - Renters Insurance: The tenant shall have, maintain, and provide proof of renters insurance or the equivalent liability, property and business interruption coverages.

- A. **Basis**: Occurrence basis.
- B. **Limits**:
 - Liability not less than \$1,000,000 combined single limit each occurrence; \$2,000,000 general aggregate.
 - Property not less than the replacement cost of the tenant's business and/or personal property located on or in Owner(s) property.
 - Business Interruption as appropriate to the tenant.
- C. **Coverage**: Coverage shall include liability for the premises and operations of the tenant, personal or business property of the tenant, and business income or interruption or the equivalent coverage.
- D. **Additional Insured Endorsement Form**: The tenant shall name the Owner as additional insured on policy.
- E. **Waiver of Subrogation/Waiver of Right of Recovery Endorsement Form**: The tenant shall have policy endorsed with a waiver of subrogation/waiver of right of recovery in favor of Owner.

Subcontractors: The Contractor shall ensure that all tiers of Contractor's Subcontractors comply with insurance requirements identical to the insurance requirements between the Contractor and Owner. Contractor shall provide, upon Owner's request, all documentation evidencing such compliance, to Owner on behalf of Contractor and Contractor's Subcontractors.

Cancellation/Renewal Notice: Contractor's policies must contain a provision or endorsement that the coverage afforded will not be canceled, materially changed, non-renewed or aggregate limits exhausted until at least 30 days prior written notice has been given to Contractor. Within three days of receipt of any such written notice from insurer, Contractor shall provide a copy of the notice to Owner. If coverage required under this agreement is cancelled or non-renewed, Contractor shall provide evidence of replacement coverage, with no lapse in coverage between the policies. Contractor shall provide, prior to expiration of any policy(ies), certificates of insurance and endorsement forms evidencing renewal insurance coverages as required in this agreement.

Owner's Option: Owner may purchase and maintain at Owner's expense, liability insurance. Contractor cannot rely upon Owner's liability policy(ies) for any of Contractor's insurance obligations required herein.

Umbrella or Excess Liability: The Contractor may use an umbrella, excess liability, or similar coverage to supplement the primary insurance stated above in order to meet or exceed the minimum coverage levels required by this agreement provided such umbrella/excess coverage is not more restrictive than the primary coverage. Such coverage shall be excess of the commercial general liability, auto liability and employer's liability. If the Contractor is required to have, maintain and provide proof of garage liability, the umbrella/excess liability shall also be excess of garage liability.

Minimum Rating - Insurer: All insurance coverages are to be placed with insurers authorized to do business in the State of Nebraska and must be placed with an insurer that has an A.M. Best's Rating of no less than "A- VIII", unless Owner has expressly approved in writing.

Reservation of Rights: The Owner reserves the right to require a higher limit of insurance or additional coverages when the Owner determines that a higher limit or additional coverage is required to protect the Owner or the interests of the public.

Sovereign Immunity: Nothing contained in this clause or other clauses of this agreement shall be construed to waive the sovereign immunity of the Owner.

No Waiver by Owner: Failure of the Owner to object to the form or content of the certificate or endorsement or to demand such proof as is required herein shall not constitute a waiver of any insurance requirement set forth herein. Failure of Owner to demand such certificates of insurance, endorsements or other evidence of the Contractor's full compliance with these insurance requirements, or failure of Owner to identify any deficiency in compliance from the evidence provided, shall not be construed as a waiver of the Contractor's obligation to obtain and maintain such insurance at all tiers.

Claims-made Tail Coverage: Any liability insurance arranged on a claims-made basis, will require an extended reporting coverage for the duration specified or the maximum time period the Contractor's insurer will provide, if less than the duration specified. Contractor will be responsible for furnishing certification of extended reporting coverage as described or continuous "claims made" liability coverage for the additional period. Continuous "claims made" coverage is acceptable in lieu of extended reporting coverage, provided the retroactive date is on or before the effective date of this agreement and there is no prior or pending date added to the policy after the inception of this agreement.

Have Questions?

Still unsure? Contact:

- **City of Lincoln Risk Management:** 402-441-7082
 - **Lancaster County Risk Management:** 402-441-6510
 - **Purchasing Division:** 402-441-8103
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