

INSURANCE REQUIREMENTS FOR CONSTRUCTION AND SERVICES CONTRACTS

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by the Contractor.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office (ISO) Commercial General Liability coverage (occurrence Form CG 0001).
2. Insurance Services Office (ISO) Form CA 00 01 covering Automobile Liability, Code 1 (any auto)
3. Workers' Compensation insurance as required by the State of California and Employers Liability Insurance.

B. Minimum Limits of Insurance

Contractor shall maintain limits no less than:

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| 1. General Liability:
(Including operations, products and completed operations.) | \$1,000,000 | Per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit. |
| 2. Automobile Liability: | \$1,000,000 | Per accident for bodily injury and property damage |
| 3. Workers' Compensation: | As required by the State of California | |
| 4. Employers Liability: | \$1,000,000 | Per accident for bodily injury or disease. |

In the contractor maintains higher limits than the minimums shown above, the City shall be entitled to coverage at the higher limits maintained by the contractors.

C. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either (a) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (b) the contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages

- a. The City, its officers, officials, employees and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the contractor; and with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided with two endorsements forms: 1) in the form of an additional insured endorsement to the Contractor's insurance, or as a separate owner's policy (CG 20 10 11 85 or its equivalent language) and 2) a CG 20 37 10 01 endorsement form or its equivalent language. A later edition of the CG 20 10 form along with the CG 20 37 coverage form will give some protection to the City for specific locations.
- b. For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
- c. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be cancelled by either party except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City
- d. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

2. Waiver of Subrogation

Contractor hereby agrees to waive subrogation which any insurer of contractor may acquire from contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

The workers' compensation policy shall be endorsed to contain a waiver of subrogation in favor of the City for all work performed by the contractor, its agents,

employees, independent contractors and subcontractors.

E. Acceptability of Insurers

Insurance is to be placed with insurers with a Bests' rating of no less than A: VII, unless otherwise acceptable to the entity.

F. Verification of Coverage

Service Provider shall furnish the City with copies of original certificates and endorsements, including amendatory endorsements, effecting coverage required by this clause. The endorsements should be on forms provided by the City or on other than the City's forms, provided those endorsements or policies conform to the requirements. All certificates and endorsements are to be received and approved by the entity before work commences; however, failure to do so shall not operate as a waiver of those insurance requirements. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

G. Subcontractors

Service Provider shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.