

## **Insurance Requirements**

### **Public Liability and Property Damage Insurance**

#### **General Requirements**

- 1.1. The Contractor shall obtain and keep in force during the term of the contract, Commercial General Liability and Automobile liability insurance policies with insurance companies, which have an A.M. Best's rating of A-: VII or better and who are approved by the Insurance Commissioner of the State of Washington pursuant to Title 48 RCW. All insurance coverage required by these specifications shall be written and provided by "occurrence-based" policy forms rather than "claims made" forms.
- 1.2. Prior to the execution of the contract, the Contractor shall purchase and maintain during the term of this project a Commercial General Liability insurance and Automobile insurance policies meeting the requirements set forth herein. The Contractor shall file with the District **either** a certified copy of all policies **with endorsements attached**, or a certificate of insurance **with endorsements attached** as are necessary to comply with these specifications. Failure of the Contractor to fully comply with the requirements regarding insurance will be considered a material breach of contract and shall be cause for immediate termination of the contract and of any and all District obligations, regarding same.
- 1.3. The Contractor shall not begin work under the contract or under any special condition until all required insurances have been obtained and until such insurances have been approved by the District. The insurance shall provide coverage for the Contractor, the Contractor's agents and employees, subcontractors, and the District. The coverage so provided shall protect against claims form bodily injuries, including accidental death, as well as claims for property damage which may arise from any act or omission of the Contractor, the Contractor's agents and employees, subcontractors, or by anyone directly or indirectly employed by either of them.
- 1.4. The insurance policies shall specifically name the District, its elected and appointed officials, officers, employees, agents and volunteers as additional insureds with regards to damages and defense of claims arising from: (a) activities performed by or on behalf of the Contractor; (b) products and completed operations of the Contractor, and (c) premises owned, leased or used by the Contractor. The insurance shall be maintained in full force and effect at the Contractor's expense throughout the term of the contract. Products and completed operations coverage shall be maintained for a minimum of three years after completion of the project.
- 1.5. The District shall be given at least 45 days written notice of any cancellation, nonrenewal, material reduction, or modification of coverage. Such notice shall be by *certified mail* to the District.
- 1.6. The coverages provided by the Contractor's insurance policies shall be primary to any insurance maintained by the District, except as respects losses attributable to the sole negligence of the District or otherwise limited in accord with the provisions of RCW 4.24.115. Any insurance that might cover this contract that is maintained by the District

shall be in excess of the Contractor's insurance and shall not contribute with the Contractor's insurance.

- 1.7. The Contractor's insurance policies shall protect each insured in the same manner as though a separate policy had been issued to each. The inclusion of more than one insured shall not affect the rights on any insured as respects any claim, suit or judgment made or brought by or for any other insured or by or for any employee of any other insured. However this provision shall not increase the limits of the insurer's liability.
- 1.8. The General Aggregate provision of the Contractor's insurance policies shall be amended by endorsement to show that the General Aggregate Limit of the policies applies separately to this project.
- 1.9. The Contractor's insurance policies shall not contain deductibles or self-insured retentions in excess of \$10,000 unless approved by the District.
- 1.10. The Contractor's insurance policies shall contain a provision that the District has no obligation to report events, which might give rise to a claim until a claim has been filed with the District's Board of Commissioners.
- 1.11. Types and Limits of Insurance Required:

#### **Commercial General Liability**

- \$2,000,000 each occurrence Bodily Injury and Property Damage liability
- \$2,000,000 annual aggregate
- Employees and volunteers as Additional Insureds
- Premises and operations
- Broad form property damage including underground, explosion and collapse hazards (XCU)
- Products completed operations (shall be maintained for at least three years after completion.)
- Blanket contractual
- Subcontractors
- Personal injury with employee exclusion deleted
- Employers liability (Stop gap)

#### **Automobile Liability**

- \$2,000,000 per accident bodily injury and property damage liability, including
- Any owned automobile
- Hired automobiles
- Non-owned automobile

**Umbrella liability** (applicable to both the Commercial General and Auto Liability coverage and employers liability, provided this requirement may be satisfied through the Contractor's primary commercial general and auto liability coverage, or any combination thereof.

- \$2,000,000 per occurrence
- \$2,000,000 aggregate

- 1.12. Providing coverages in the stated amounts shall not be construed to relieve the Contractor from liability in excess of such limits.
- 1.13. The Contractor shall have its insurance agent/representative complete the Insurance Coverage Questionnaire contained in the proposal and attach it to the certificate of insurance for District's approval.
- 1.14. The Contractor shall maintain Workers Compensation insurance and/or Longshore and Harbor Workers insurance (or Jones Act coverage for all employees eligible for same) as required by state or federal statute for all of the Contractor's employees to be engaged in work on the project under this contract and, in case any such work is sublet, the Contractor shall require the subcontractor similarly to provide workers compensation insurance and/or longshore and harbor workers insurance (or Jones Act coverage) for all of the subcontractor's employees to be engaged in such work. The Contractor's Department of Labor & Industries account number shall be noted on the certificate of insurance. In the event any class of employees engaged in the work under this contract is not covered under Workers Compensation insurance or Longshore and Harbor Workers insurance (or Jones Act coverage) as required by state and federal statute the Contractor shall maintain and cause each subcontractor to maintain, Employers Liability insurance for limits of at least \$1,000,000 for each employee for disease or accident, and shall furnish the District with satisfactory evidence of such.
- 1.15. The Contractor shall be solely and completely responsible for safety and safety conditions on the job site, including the safety of all persons and property during performance of the work. The services of District employees or the engineer's personnel in conducting construction review of the Contractor's performance is not intended to include review of the adequacy of the Contractor's work methods, equipment, bracing, scaffolding, or trenching, or safety measures in, on, or near the construction site. The Contractor shall provide safe access for the District and its inspectors to adequately inspect the quality of work and the conformance with project specifications.
- 1.16. The Contractor shall be solely and completely responsible to perform all work and furnish all materials in strict compliance with all applicable state, city, county and federal laws, regulations, ordinances, orders and codes. The Contractor's attention is directed to the requirements of the Washington Industrial Safety and Health Act (WISHA), Chapter 49.17 RCW.
- 1.17. The District will make no progress payments until the Contractor has fully complied with this section. This remedy is not exclusive and the District may take such other action as is available under other provisions of this contract, or otherwise in law.
- 1.18. The contractual coverage of the Contractor's policy shall be sufficiently broad enough to insure the provisions of the **HOLD HARMLESS AND INDEMNIFICATION AGREEMENT** of this contract.
- 1.19. Nothing contained in these insurance requirements shall be construed as limiting the extent of the Contractor's responsibility for payment of damages resulting from the Contractor's operations under this contract.

## **SUBCONTRACTORS**

The Contractor shall ensure that each subcontractor of every tier obtains and maintains at a minimum the insurance coverages listed above. Upon request of the District, the Contractor shall provide evidence of such insurance.

## **EVIDENCE OF INSURANCE**

The Contractor shall provide to the District a certificate(s) of insurance and endorsements for each policy of insurance meeting the requirements set forth herein when the Contractor delivers the signed contract to the District for the work. The certificate and endorsements shall conform to the following requirements:

1. An Acord certificate or a form determined by the District to be equivalent. The certificate or an endorsement form shall indicate the Contractor's insurance is primary and non-contributory.
2. The Contractor shall obtain endorsement form CG 20 10 10 01 and CG 20 37 10 01, or the equivalent of each, naming the District and all other parties listed herein as Additional Insured(s) and providing the policy number. If the Contractor is unsuccessful in securing these endorsements after exerting commercially reasonable efforts, the Contractor shall obtain other endorsements providing equivalent coverage to the Additional Insured, subject to the review and approval of such other endorsement forms by the District. A statement of additional insured status on an Acord certificate of insurance shall not satisfy this requirement. Commercially reasonable efforts shall be evidenced by a signed statement by the Contractor's insurance broker certifying the endorsement forms required by the District are not available and the endorsements submitted provide equivalent coverage to the Additional Insured.
3. Any other amendatory endorsements to show the coverage required herein.