Insurance Requirements – Construction (Horizontal Projects)

Contractor shall procure and maintain for the duration of the contract, and for five (5) years thereafter, 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 Contractor, its agents, representatives, employees, or subcontractors. The cost of such insurance shall be borne by Contractor.

MINIMUM SCOPE AND LIMIT OF INSURANCE
Coverage shall be at least as broad as:

1. **Commercial General Liability** (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than $5,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be no less than $5,000,000. The policy shall include broad form contractual liability coverage and shall not contain an Explosion, Collapse, or Underground Hazard (X,C,U) exclusion.
2. **Automobile Liability:** ISO Form CA 0001 covering Code 1 (any auto), with limits no less than $5,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with a limit of no less than $1,000,000 per accident for bodily injury or disease.
4. **Property Installation Floater** insurance utilizing an "All Risk" (Special Perils) coverage form and no coinsurance penalty provisions. If the project does not involve new or major reconstruction, at the option of City, an Installation Floater may be acceptable. For such projects, a Property Installation Floater shall be obtained that provides for the improvement, remodel, modification, alteration, conversion or adjustment to existing buildings, structures, processes, machinery and equipment. The Property Installation Floater shall provide property damage coverage for any building, structure, machinery or equipment damaged, impaired, broken, or destroyed during the performance of the Work, including during transit, installation, and testing at City's site. Such coverage shall name City as a loss payee as their interest may appear.

Contractor should check with Contractor's insurance advisors to verify compliance and determine if additional coverage or limits may be needed to adequately insure Contractor's obligations under this agreement. These are the minimum required and do not in any way represent or imply that such coverage is sufficient to adequately cover Contractor's liability under this agreement. These insurance requirements shall not in any way relieve Contractor of

liability in excess of such coverage, nor shall it preclude City from taking such other actions as are available to it under any other provisions of this agreement or law. These insurance requirements shall not in any way act to reduce coverage that is broader or includes higher limits than those required. If Contractor maintains broader coverage and/or higher limits than the minimums shown above, City requires and shall be entitled to the broader coverage and/or the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage required, which are applicable to any given loss, shall be available to City.

The insurance to be provided by Contractor under this agreement shall not include any endorsement limiting coverage available to City that is otherwise required herein; and any policy or endorsement language that (i) negates coverage to City for City's own negligence; (ii) limits the duty to defend City under the policy; (iii) provides coverage to City only if Contractor is negligent, or (iv) permits the recovery of defense costs from any additional insured. The insurance provided under this agreement shall not contain any restrictions or limitations which are inconsistent with City's rights under this agreement.

Self-Insured Retentions
Self-insured retentions must be declared to and approved by City. City may require Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

Other Insurance Provisions
The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status
The City of Pasadena, its City Council, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds on Contractor's liability policies with respect to liability arising out of work or operations performed by or on behalf of Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of Contractor.. General liability additional insured coverage shall be provided in the form of an endorsement to Contractor's insurance at least as broad as ISO Form CG 20 10 (ongoing operations) and CG 20 37 (completed operations).

Severability of Interests (Cross-Liability).
A severability of interest provision must apply for all the additional insureds, ensuring that Contractor's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the insurer's limits of liability.

Primary Coverage
For any claims related to this project, Contractor's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects City, its City Council, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by City, its City Council, its officers, officials, employees, agents, or volunteers shall be excess of Contractor's insurance and shall not contribute with it.

Notice of Cancellation/Change in Coverage
Each insurance policy required above shall state that coverage shall not be suspended, voided,

canceled, reduced in coverage or in limits, non-renewed, or materially changed except after thirty (30) days' prior written notice has been given to City, except that ten (10) days' prior written notice shall apply in the event of cancellation for non-payment of premium. Prior written notice shall be sent to City pursuant to the Notices/Ship To provisions of this agreement.

Claims Made Policies

If any coverage required is written on a claims-made coverage form:

1. The retroactive date must be shown and must be before the execution date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
3. If the policy is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, or start of work date, Contractor must purchase extended reporting period coverage for a minimum of five (5) years after completion of contract work.
4. A copy of the claims reporting requirements must be submitted to City for review.
5. If the services involve lead-based paint or asbestos identification/remediation, the Contractors Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state of California with a current A.M. Best's rating of no less than A:VII. The current A.M. Best rating for each insurer shall be noted on the Certificate(s) of Insurance.

Waiver of Subrogation

Contractor hereby grants to City a waiver of any right to subrogation which any insurer of Contractor may acquire against City, its City Council, its officers, officials, employees, agents, and volunteers from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation but this provision applies regardless of whether or not City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of City for all work performed by Contractor, its employees, agents, and subcontractors.

Certificate Holder

Certificate Holder on each insurance certificate shall be addressed pursuant to the Notices/Ship To provisions of this agreement.

Verification of Coverage

Contractor shall furnish City with original certificates and all required amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause before work begins. A statement on an insurance certificate will not be accepted in lieu of the actual endorsements required herein. Each insurance certificate shall include project

description, Request for Proposal number, and contract/purchase order number when issued. All certificates and endorsements are to be received and approved by City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive Contractor's obligation to provide them. City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage, subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

Failure to Maintain Insurance Coverage

If Contractor, for any reason, fails to maintain insurance coverage which is required pursuant to this contract, the same shall be deemed a material breach of contract. City, at its sole option, may terminate this contract and obtain damages from Contractor resulting from said breach. Alternatively, City may purchase such coverage (but has no special obligation to do so), and without further notice to Contractor, the City may deduct from sums due to Contractor any premium costs advanced by City for such insurance.

Special Risks or Circumstances

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.