

Insurance requirements

A. CERTIFICATE REQUIREMENTS

The City will be issued a Certificate of Insurance (a Memorandum of Understanding will not be accepted) with the following minimum requirements:

- Certificate(s) will show current policy number(s) and effective dates,
- Coverage and policy limits will meet, or exceed, requirements below,
- The Certificate Holder will be City of Santa Cruz, Risk Management, 1200 Front Street., Suite 290, Santa Cruz, CA 95060,
- Certificate will be signed by an authorized representative,
- An endorsement, if required below, will be provided to show the City, its officers, officials, employees, and volunteers as additional insureds, and
- Coverages must be maintained during the term of the Agreement with the City, unless a longer duration is required.

B. MINIMUM SCOPE AND LIMITS OF INSURANCE

Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. If Consultant maintains broader insurance coverage and/or higher limits than the minimums shown below, the City of Santa Cruz requires and shall be entitled to the broader insurance coverage and/or higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Santa Cruz.

Coverage will be at least as broad as:

- **COMMERCIAL GENERAL LIABILITY (CGL): \$1,000,000 PER OCCURRENCE; \$2,000,000 AGGREGATE**
Proof of coverage for \$1 Million per occurrence including products and completed operations, property damage, bodily injury, personal and advertising injury will be provided on Insurance Services Office (ISO) Form CG 00 01 covering CGL. If a general aggregate limit applies, either the general aggregate limit will apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit will be at least twice the required occurrence limit.
- **PROFESSIONAL LIABILITY (ERRORS AND OMISSIONS): \$2,000,000 PER OCCURRENCE OR CLAIM, \$2,000,000 AGGREGATE.**

Consultant will maintain insurance appropriate to Consultant's profession; with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after date of completion of the services under this Agreement. If coverage 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, Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

- **AUTOMOBILE LIABILITY:**
Proof of coverage for \$1,000,000 provided on ISO Form Number CA 00 01 covering any auto (Code 1), or if Consultant has no owned autos, hired, (Code 8) and non-owned autos (Code 9), per accident for bodily injury and property damage.
- **WORKERS' COMPENSATION AS REQUIRED BY THE STATE OF CALIFORNIA, WITH STATUTORY LIMITS, AND EMPLOYER'S LIABILITY INSURANCE: \$1,000,000 per accident for bodily injury or disease.**
The Worker's Compensation policy must be **endorsed** with a waiver of subrogation in favor of the City for all work performed by the Consultant and its employees.

(Not required if Consultant provides written verification it has no employees) - If Contractor has no employees, Contractor shall complete and sign a [Workers' Compensation Exemption Declaration and Release of Liability](#).

C. OTHER INSURANCE PROVISIONS

The insurance policies are to comply with the following provisions:

- **ADDITIONAL INSURED STATUS**
The City, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL, CPL, and automobile insurance (if transporting hazardous materials policies with respect to liability arising out of work or operations performed by or on behalf of Consultant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage will be provided in the form of an **endorsement** to Consultant's insurance at least as broad as ISO Form CG 20 10 11 85, or if not available, through the addition of **both** CG 20 10 CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 (if a later edition is used).
- **PRIMARY COVERAGE**
For any claims related to this Agreement, Consultant's insurance coverage will be **primary** insurance as respects the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents, or volunteers will be excess of Consultant's insurance and will not contribute with it.
- **NOTICE OF CANCELLATION**
Each insurance policy required above shall state that the coverage shall not be canceled, except with notice to the City.
- **WAIVER OF SUBROGATION**
Consultant hereby grants to the City a waiver of any right to subrogation, except as otherwise not applicable, which any insurer of said Consultant may acquire against the City by virtue of the payment of any loss, including attorney's fees under such insurance. Consultant agrees to obtain any endorsement that may be necessary to effectuate this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.
- **EXCESS LIABILITY/UMBRELLA INSURANCE POLICIES**
The excess/liability policies will provide similar coverage as the primary CGL policy with no new exclusions - Excess liability insurance must **follow form** the terms, conditions, definitions, and exclusions of the underlying CGL insurance. The excess/umbrella policy must also be written on a primary and noncontributory basis for an additional insured, and that it will apply before any other insurance that is available to such additional insured which covers that person or organization as a named insured, and we will not share with that other insurance.

The policy regarding Limits of Insurance regarding Aggregates must provide that the aggregate limits if applicable shall apply in the same manner as the aggregate limits shown in the Schedule of the Underlying Insurance.
- **SELF-INSURED RETENTIONS**
Self-insured retentions must be declared to and approved by the City. City may require Consultant to purchase coverage with a lower retention or provide proof of ability to pay losses and related expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

- **ACCEPTABILITY OF INSURERS**
Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the City.
- **CLAIMS MADE POLICIES**
If any of the required policies provide coverage on a claims-made basis:
 1. The Retroactive Date must be shown and must be before the 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 coverage is canceled or non-renewed, and not *replaced with another claims-made policy form with a Retroactive Date* prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of *five (5) years* after completion of contract work.
- **VERIFICATION OF COVERAGE**
Consultant will furnish the City with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL, CPL, and automobile Policies listing all policy endorsements to be approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning will not waive the Consultant's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

D. SUBCONTRACTORS

Consultant 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.

E. SPECIAL RISKS/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 and provide notice to Consultant.