

## Attachment B – Sample Insurance Requirements

### I. Contractor - Required Insurance

At or before the date specified in Document 00200 (Instructions to Bidders), Contractor shall furnish to County satisfactory proof that Contractor has obtained the following insurance as specified below.

County reserves the right to review any and all of the required insurance policies and/or endorsements, but has no obligation to do so. Failure to demand evidence of full compliance with the insurance requirements set forth in this Contract or failure to identify any insurance deficiency shall not relieve Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Contract.

#### 1. Workers Compensation and Employers Liability Insurance

- a. Workers Compensation insurance with statutory limits as required by the Labor Code of the State of California.
- b. Employers Liability with minimum limits of \$1,000,000 per Accident; \$1,000,000 Disease per employee; \$1,000,000 Disease per policy.
- c. The policy shall be endorsed to include a written waiver of the insurers right to subrogate against County.
- d. Required Evidence of Insurance:
  - i. Subrogation waiver endorsement; and
  - ii. Certificate of Insurance.

If injury occurs to any employee of Contractor, Subcontractor or sub-subcontractor for which the employee, or the employee's dependents in the event of employee's death, is entitled to compensation from County under provisions of the Workers Compensation Insurance and Safety Act, as amended, or for which compensation is claimed from County, County may retain out of sums due Contractor under Contract Documents, amount sufficient to cover such compensation, as fixed by the Act, as amended, until such compensation is paid, or until it is determined that no compensation is due. If County is compelled to pay compensation, County may, in its discretion, either deduct and retain from the Contract Sum the amount so paid, or require Contractor to reimburse County.

#### 2. General Liability Insurance

- a. Commercial General Liability Insurance on a standard occurrence form, no less broad than Insurance Services Office (ISO) form CG 00 01.
- b. Minimum Limits: The required limits may be provided by a combination of General Liability Insurance and Commercial Excess or Commercial Umbrella Liability Insurance. If Contractor maintains higher limits than the specified minimum limits, County requires and shall be entitled to coverage for the higher limits maintained by Contractor.
  - i. Projects under \$1,000,000: \$1,000,000 per Occurrence; \$2,000,000 General Aggregate; \$2,000,000 Products/Completed Operations Aggregate. The General Aggregate shall apply separately to each Project.
  - ii. Projects from \$1,000,000 - \$4,999,999: \$2,000,000 per Occurrence; \$4,000,000

- General Aggregate; \$4,000,000 Products/Completed Operations Aggregate. The General Aggregate shall apply separately to each Project.
- iii. Projects from \$5,000,000 - \$9,999,999: \$5,000,000 per Occurrence; \$5,000,000 General Aggregate; \$5,000,000 Products/Completed Operations Aggregate. The General Aggregate shall apply separately to each Project.
  - iv. Projects \$10,000,000 and Over: \$10,000,000 per Occurrence; \$10,000,000 General Aggregate; \$10,000,000 Products/Completed Operations Aggregate. The General Aggregate shall apply separately to each Project.
- c. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$25,000, it must be approved in advance by County. Contractor is responsible for any deductible or self-insured retention and shall fund it upon County's written request, regardless of whether Contractor has a claim against the insurance or is named as a party in any action involving the County.
  - d. Insurance shall be maintained for the entire period of the Work including any warranty period. Completed operations insurance shall be maintained after the end of the warranty period for the additional periods specified below:
    - i. Projects under \$1,000,000: one (1) year after the end of the warranty period.
    - ii. Projects from \$1,000,000 - \$4,999,999: two (2) years after the end of the warranty period.
    - iii. Projects from \$5,000,000 - \$9,999,999: three (3) years after the end of the warranty period.
    - iv. Projects \$10,000,000 and over: five (5) years after the end of the warranty period.
  - e. **Sonoma County Community Development Commission and the County of Sonoma, their officers, agents and employees, 1440 Guerneville Road, Santa Rosa, CA 95403** shall be endorsed as additional insureds for liability arising out of ongoing and completed operations by or on behalf of the Contractor in the performance of the Contract Documents. Additional insured status shall continue for the periods specified in Section 2.d. above.
  - f. The additional insured endorsement for completed operations shall not be restricted to work performed during the current policy period.
  - g. [Insert name of Funding Source and/or Lender] shall be endorsed as additional insureds for liability arising out of Contractor's ongoing operations (ISO endorsement CG 20 26, Additional Insured – Designated Person or Organization, or equivalent).
  - h. [Insert name of property owner, licensor and/or grantor of easement] shall be endorsed as additional insureds for liability arising out of Contractor's ongoing operations (ISO endorsement CG 20 26, Additional Insured – Designated Person or Organization, or equivalent).
  - i. [Insert name of architect, engineer and/or surveyor] shall be endorsed as additional insureds for liability arising out of Contractor's ongoing operations (ISO endorsement CG 20 32, Additional Insured – Engineers, Architects or Surveyors Not Engaged by the Named Insured, or equivalent).
  - j. The policy definition of "insured contract" shall include assumptions of liability arising out of both ongoing operations and the products-completed operations hazard (broad form contractual liability coverage including the "F" definition of insured contract in ISO form CG 00 01, or equivalent).

- k. The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.
- l. The policy shall not exclude injury or damage caused by, or resulting from, explosion, collapse and/or underground hazards.
- m. The policy shall not contain a Contractors Warranty or other similar language which eliminates or restricts insurance because of a subcontractors failure to carry specific insurance or to supply evidence of such insurance.
- n. The policy shall be endorsed to include a written waiver of the insurers right to subrogate against all persons or entities that are, or are required to be, additional insureds.
- o. The policy shall cover inter-insured suits between Contractor and the additional insureds and shall include a “separation of insureds” or “severability” clause which treats each insured separately.
- p. *Required Evidence of Insurance:*
  - i. Additional insured endorsements or policy language granting additional insured status;
  - ii. Endorsement or policy language indicating that insurance is primary and non-contributory;
  - iii. Subrogation waiver endorsement; and
  - iv. Certificate of Insurance.

### 3. Automobile Liability Insurance

- a. Minimum Limit:
  - i. Projects under \$1,000,000: \$1,000,000 combined single limit per accident.
  - ii. Projects \$1,000,000 and over: \$2,000,000 combined single limit per accident.
- b. The required limits may be provided by a combination of Automobile Liability Insurance and Commercial Excess or Umbrella Liability Insurance.
- c. Insurance shall cover all owned, hired and non-owned vehicles.
- d. **Sonoma County Community Development Commission and the County of Sonoma, their officers, agents and employees, 1440 Guerneville Road, Santa Rosa, CA 95403** shall be defined as insureds under the policy or shall be endorsed as additional insureds.
- e. Insurance shall be maintained for the entire term of this Contract, including any warranty period.
- f. *Required Evidence of Insurance:*
  - i. Endorsement or policy language documenting 3.d.; and
  - ii. Certificate of Insurance.

### 4. Professional Liability/Errors & Omissions Insurance

*(Required if the Contractor or its employees engage in design or professional activities (architecture, engineering or surveying) which are not subcontracted out).*

- a. Minimum Limit: \$1,000,000 per claim or per occurrence.
- b. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$25,000 it must be approved in advance by County.
- c. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work.
- d. Insurance applicable to the work performed under the Contract shall be continued for two (2) years after completion of the work. Such continuation insurance may be provided by

one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the work under this Contract.

- e. Required Evidence of Insurance: Certificate of Insurance.

#### **5. Increase of Minimum Limits**

Required minimum amounts of insurance may be increased should conditions of Work, in opinion of County, warrant such increase. Contractor shall increase required insurance amounts upon direction by County.

#### **6. Standards for Insurance Companies**

Insurers, other than the California State Compensation Insurance Fund, shall have an A.M. Bests rating of at least A:VII.

#### **7. Documentation**

- a. The Certificate of Insurance shall include the following reference: No Place Like Home Permanent Supportive Housing
- b. Contractor agrees to maintain current Evidence of Insurance on file with County for the periods specified above in Sections 1-5. Any requirement to maintain insurance after Final Completion of the Work, including providing Certificates evidencing required Insurance, shall survive the Contract.
- c. Required Evidence of Insurance shall be submitted to  
Sonoma County Community Development Commission  
ATTN: Affordable Housing Director  
1440 Guerneville Road  
Santa Rosa, CA 95403
- d. Required Evidence of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.
- e. Contractor shall provide immediate written notice if: (1) any of the required insurance policies are terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased.
- f. Upon written request, certified copies of required insurance policies must be provided within thirty (30) days.

#### **8. Material Breach**

If Contractor fails to maintain Insurance which is required pursuant to the Contract Documents, it shall be deemed a material breach. County, at its sole option, may terminate the Contract for default and obtain damages from Contractor resulting from said breach. Alternatively, County may purchase the required Insurance, and without further notice to Contractor, County may deduct from sums due to Contractor any premium costs advanced by County for such insurance. These remedies shall be in addition to any other remedies available to County under the Contract Documents or Law.

## **II. Subcontractors - Required Insurance**

With respect to their portion of the work, subcontractors of all tiers shall maintain the same insurance required to be maintained by contractor with limits as follows:

1. Minimum General Liability Limits for Framing, Mechanical, and Electrical Subcontractors:
  - a. Projects under \$1,000,000: 1,000,000 per Occurrence; \$2,000,000 General Aggregate; \$2,000,000 Products/Completed Operations Aggregate. The General Aggregate shall apply separately to each Project.
  - b. Projects \$1,000,000 and Over: \$2,000,000 per Occurrence; \$4,000,000 General Aggregate; \$4,000,000 Products/Completed Operations Aggregate. The General Aggregate shall apply separately to each Project.
2. Minimum General Liability Limits for all Subcontractors other than Framing, Mechanical, and Electrical Subcontractors: \$1,000,000 per Occurrence; \$2,000,000 General Aggregate; \$2,000,000 Products/Completed Operations Aggregate. The General Aggregate shall apply separately to each Project.
3. Minimum Automobile Liability Limits: \$1,000,000 combined single limit per accident.
4. Minimum Employers Liability Limits: \$1,000,000 per Accident; \$1,000,000 Disease per employee; \$1,000,000 Disease per policy.
5. Professional Liability/Errors & Omissions Insurance:  
*(Required for any architect, engineer, surveyor or other licensed professional engaged by Contractor to perform portions of the Work)*
  - a. Minimum Limit: \$1,000,000 per claim or per occurrence.
  - b. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$25,000 it must be approved in advance by County.
  - c. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work.
  - d. Coverage applicable to the work performed under the Contract shall be continued for two (2) years after completion of the work. Such continuation coverage may be provided by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the work under this Contract.
  - e. Required Evidence of Insurance: Certificate of Insurance.

### III. **Builders Risk**

With respect to Work under this Contract, County shall maintain “All-Risk” Course of Construction insurance as follows:

1. Insured Property shall include: (1) real property in course of construction; (2) building materials and supplies intended to be in or on the completed Work located at the Site, in storage or in transit, and whether or not owned or paid for by County; (3) fixtures and machinery intended to be in or on the completed Work; (4) scaffolding, cribbing, fencing, forms and temporary trailers, while located on the Site, in storage or in transit.
2. The limit of insurance shall be the full contract value.
3. Responsibility for paying deductibles is as follows:

<i>Contract Value or Description</i>	<i>Contractor's Responsibility for Deductible: Earthquake and Flood</i>	<i>Contractor's Responsibility for Deductible: Other Insured Perils</i>	<i>Countys Responsibility for Deductible</i>
Full Contract Value under \$1,000,000	First \$10,000	First \$5,000	Balance of Deductible
Full Contract Value: \$1,000,000 - \$9,999,999	First \$20,000	First \$10,000	Balance of Deductible
Full Contract Value: \$10,000,000 - \$19,999,999	First \$50,000	First \$25,000	Balance of Deductible
Full Contract Value: \$20,000,000 and above	First \$60,000	First \$30,000	Balance of Deductible

4. Contractor and Subcontractors of all tiers shall be additional insureds.
5. **Excluded projects: dams; piers; roads; bridges; wastewater treatment facilities.**
6. **Excluded property: equipment, tools and personal effects belonging to Contractor or Subcontractors of all tiers.**
7. Insured perils: All Risks of Direct Physical Damage or Loss, including flood and, for scheduled locations, earthquake, except as excluded.
8. **Exclusions may include, but are not limited to:**
  - a. **Loss due to wear and tear, moths, vermin, termites, insects, latent defects, gradual deterioration, wet or dry rot, rust, corrosion, erosion or normal settling, shrinkage and/or expansion of buildings or foundations.**
  - b. **The cost of making good, faulty or defective workmanship, material, construction or design. Damage resulting from such faulty or defective workmanship, material, construction or design is not excluded.**
  - c. **Loss resulting from delay in completion of contract or non-compliance with contract conditions.**
  - d. **Loss or damage due to contaminants and/or pollutants. However, fire losses arising directly or indirectly from pollutants or contaminants are covered.**
  - e. **Loss of use or occupancy or consequential loss.**
  - f. **Liquidated damages and/or penalties for delay or detention in connection with guarantees of performance or efficiency.**
  - g. **Loss or damage caused by or resulting from infidelity or dishonesty on the part of any insured or the employees or agents of any insured.**
  - h. **Inventory shortage or unexplained disappearance.**
8. County's Course of Construction Insurance, including all policy coverages, conditions and exclusions, shall control in the event of any conflict with the language of these Supplementary Conditions. Upon request, County will provide a Certificate of Property Insurance.