



## **Category E**

### **INSURANCE REQUIREMENTS** **CONSTRUCTION SERVICES**

Construction services including general contractors. Category assignment is the sole discretion of the Director of Risk Management.

Vendor 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 by the vendor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the Vendor's bid.

#### **A. MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

1. ISO Form Number GL 00 01 (Ed 10 01) covering Comprehensive General Liability. "Occurrence" forms only, "claim made" forms are unacceptable except for professional liability.
2. Workers' Compensation insurance as required by the Labor Code of the State of Texas, including Employers' Liability Insurance.
3. Automobile Liability – as required by the State of Texas, covering all owned, hired, or non-owned vehicles.
4. Professional Liability- as applicable for licensed or otherwise certified professions.

#### **B. MINIMUM LIMITS OF INSURANCE**

Vendor shall maintain throughout contract limits not less than:

1. Commercial General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. \$2,000,000 Aggregate Policy will include coverage for:
  - a. Premises – Operations
  - b. Broad Form Contractual Liability
  - c. Products and Completed Operations
  - d. Use of Contractors and Subcontractors
  - e. Personal Injury

- f. Broad Form Property Damage
- g. Explosion Collapse and Underground (XCU) Coverage (when applicable).

***NOTE: The aggregate loss limit applies to each project.***

- 2. Workers' Compensation and Employer's Liability: Workers' Compensation limits as required by the Labor Code of the State of Texas and Statutory Employer's Liability minimum limits of \$500,000 per injury, \$500,000 per occurrence, and \$500,000 per occupational disease.
- 3. Automobile Liability - \$500,000 Combined Single Limit. Limits can only be reduced if approved by the Risk Manager or designee.
- 4. Professional Liability - \$1,000,000 per occurrence. \$1,000,000 Aggregate to \$5,000,000 per occurrence \$5,000,000 Aggregate depending on contract requirements.
- 5. Builders' Risk Insurance (as applicable) – Completed value form, insurance carried must equal the completed value of the structure. Must include coverage for materials stored off-site.

**C. DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductible or self-insured retention must be declared to and approved by the District.

**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 District, its officers, officials, employees, Boards and Commissions and volunteers are to be added as "Additional Insured" as respects liability arising out of activities performed by or on behalf of the vendor, products and completed operations of the vendor, premises owned, occupied or used by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the District, its officers, officials, employees or volunteers. It is understood that the business auto policy under "Who is an Insured" automatically provides liability coverage in favor of the District.
- b. The vendor's insurance coverage shall be primary insurance as respects the District, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the District, its officers, officials, employees or volunteers shall be excess of the vendor's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the District, its officers, officials, and employees, Boards and Commissions or volunteers.
- d. The vendor's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except to the limits of the insured's liability.
- e. The insurer shall agree to waive all rights of subrogation against the District, its officers, officials, employees and volunteers for losses arising from work performed by the vendor for the District.

**2. Workers' Compensation and Employer's Liability Coverage**

The insurer shall agree to waive all rights of subrogation against the District, its officers, officials, employees and volunteers for losses arising from work performed by the vendor for the District.

**3. All Coverages**

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given the District.

**4. Professional Liability**

“Claims made” policy is acceptable coverage which must be maintained during the course of the project and up to two (2) years after completion and acceptance of the project by the District.

**E. ACCEPTABILITY OF INSURERS**

The District prefers that Insurance be placed with insurers with an A.M. Best’s rating of no less than **A-VI, or, A or better** by Standard and Poor’s.

**F. VERIFICATION OF COVERAGE**

Contractor shall furnish the District with certificates of insurance affecting coverage required. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Certificates of Insurance similar to the ACORD Form are acceptable. District will not accept Memorandums of Insurance or Binders as proof of insurance. The District reserves the right to require complete, certified copies of all required insurance policies at any time.

**G. HOLD HARMLESS AND INDEMNIFICATION**

Contractor agrees to defend, keep harmless and indemnify the District, its officers, officials, employees or volunteers from and against any and all claims, loss, damage, injury, cost (including court costs and attorney fees), charges, liability or exposure, however caused, resulting from or arising out of or in any way connected to Contractor’s actions, performance, or operations relating to contract, including any and all sub-contractors involved in the contract.

**H. PROOF OF INSURANCE**

Contractor is required to submit proof of insurance on a form acceptable to the District. Certificates of Insurance similar to the ACORD form are acceptable. District will not accept Memorandums of Insurance or Binders as proof of insurance. District, at its own discretion, may require a copy of any policy presented to the District.

**I. USE OF SUB-CONTRACTORS**

If contractor hires any sub- contractor to perform any portion of the contract, said sub-contractor shall agree to abide by the same insurance requirements shown in A-H above. If said sub-contractor fails to meet these requirements, their liability for this contract will be assumed by the contractor.