

**INSURANCE REQUIREMENTS FOR SAFCA CONSTRUCTION CONTRACTS**

**1. INSURANCE**

Without limiting CONTRACTOR's indemnification, CONTRACTOR shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by CONTRACTOR, its subcontractors, agents, representatives or employees. SAFCA shall retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If in the opinion of SAFCA's Risk Manager, insurance provisions in these requirements do not provide adequate protection for SAFCA and for members of the public, SAFCA may require CONTRACTOR to obtain insurance sufficient in coverage, form and amount to provide adequate protection. SAFCA's requirements shall be reasonable but shall be imposed to assure protection from and against the kind and extent of risks that exist at the time a change in insurance is required.

**2. VERIFICATION OF COVERAGE**

CONTRACTOR shall furnish SAFCA with certificates evidencing the coverage required below. Copies of required endorsements must be attached to the provided certificates. SAFCA's Risk Manager may approve self-insurance programs in lieu of required policies of insurance if, in the opinion of the Risk Manager, the interests of SAFCA and the general public are adequately protected. All certificates, evidences of self-insurance, and additional insured endorsements are to be received and approved by SAFCA before performance commences. SAFCA reserves the right to require that CONTRACTOR provide complete, certified copies of any policy of insurance including endorsements offered in compliance with these specifications.

**3. MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- A. **GENERAL LIABILITY:** Insurance Services Office's Commercial General Liability occurrence coverage form CG 0001. Including, but not limited to Premises/Operations, Products/Completed Operations, Contractual, and Personal & Advertising Injury, without additional exclusions or limitations, unless approved by SAFCA's Risk Manager.
  
- B. **AUTOMOBILE LIABILITY:** Insurance Services Office's Commercial Automobile Liability coverage form CA 0001.

1. Commercial Automobile Liability: auto coverage symbol “1” (any auto) for corporate/business owned vehicles. If there are no owned or leased vehicles, symbols 8 and 9 for non-owned and hired autos shall apply.
  2. Personal Lines automobile insurance shall apply if vehicles are individually owned.
- C. **WORKERS’ COMPENSATION:** Statutory requirements of the State of California and Employer's Liability Insurance.
- D. **UMBRELLA:** Umbrella or Excess Liability policies are acceptable where the need for higher liability limits is noted in the Minimum Limits of Insurance and shall provide liability coverages that at least follow form over the underlying insurance requirements where necessary for Commercial General Liability, Commercial Automobile Liability, Employers’ Liability, and any other liability coverage designated under the Minimum Scope of Insurance.

**4. MINIMUM LIMITS OF INSURANCE**

CONTRACTOR shall maintain limits no less than:

**A. GENERAL LIABILITY:**

General Liability shall be on an Occurrence basis (as opposed to Claims Made basis). Minimum limits and structure shall be:

General Aggregate:	\$2,000,000
Products Comp/Op Aggregate:	\$2,000,000
Personal & Adv. Injury:	\$1,000,000
Each Occurrence:	\$2,000,000

Building Trades Contractors and Contractors engaged in other projects of construction shall have their general liability Aggregate Limit of Insurance endorsed to apply separately to each job site or project, as provided for by Insurance Services Office form CG-2503 Amendment-Aggregate Limits of Insurance (Per Project).

**B. AUTOMOBILE LIABILITY:**

1. Commercial Automobile Liability for Corporate/business owned vehicles including non-owned and hired, \$1,000,000 Combined Single Limit.
  2. Personal Lines Automobile Liability for Individually owned vehicles, \$250,000 per person, \$500,000 each accident, \$100,000 property damage.
- C. WORKERS' COMPENSATION: Statutory.
- D. EMPLOYER'S LIABILITY: \$1,000,000 per accident for bodily injury or disease.

**5. DEDUCTIBLES AND SELF-INSURED RETENTION**

Any deductibles or self-insured retention that apply to any insurance required by this Agreement must be declared and approved by SAFCA.

**6. OTHER INSURANCE PROVISIONS**

The insurance policies required in this Agreement are to contain, or be endorsed to contain, as applicable, the following provisions:

- A. ALL POLICIES:
1. ACCEPTABILITY OF INSURERS: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-: VII. SAFCA Risk Manager may waive or alter this requirement, or accept self-insurance in lieu of any required policy of insurance if, in the opinion of the Risk Manager, the interests of SAFCA and the general public are adequately protected.
  2. MAINTENANCE OF INSURANCE COVERAGE: CONTRACTOR shall maintain all insurance coverages in place at all times and provide SAFCA with evidence of each policy's renewal ten (10) days in advance of its anniversary date. Each CONTRACTOR is required by this Agreement to immediately notify County if they receive a communication from their insurance carrier or agent that any required insurance is to be canceled, non-renewed, reduced in scope or limits or otherwise materially changed. CONTRACTOR shall provide evidence that such cancelled or non-renewed or otherwise materially changed insurance has been replaced or its cancellation notice withdrawn without any interruption in coverage, scope or limits. Failure to maintain required insurance in force shall be considered a material breach of the Agreement.
- B. COMMERCIAL GENERAL LIABILITY AND/OR COMMERCIAL AUTOMOBILE LIABILITY:

1. **ADDITIONAL INSURED STATUS:** SAFCA, its governing Boards, officers, officials, employees, agents and volunteers are to be endorsed as additional insureds as respects: liability arising out of activities performed by or on behalf of CONTRACTOR; products and completed operations of CONTRACTOR; premises owned, occupied or used by CONTRACTOR; or automobiles owned, leased, hired or borrowed by CONTRACTOR. The coverage shall contain no endorsed limitations on the scope of protection afforded to SAFCA, its officers, directors, officials, employees, or volunteers.
2. **CIVIL CODE PROVISION:** Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.
3. **PRIMARY INSURANCE:** For any claims related to this agreement, CONTRACTOR'S insurance coverage shall be endorsed to be primary insurance as respects SAFCA, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by SAFCA, its officers, directors, officials, employees, or volunteers shall be excess of CONTRACTOR'S insurance and shall not contribute with it.
4. **SEVERABILITY OF INTEREST:** CONTRACTOR'S insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. **SUBCONTRACTORS:** CONTRACTOR shall be responsible for the acts and omissions of all its subcontractors and additional insured endorsements as provided by CONTRACTOR'S subcontractor.

C. **WORKERS' COMPENSATION:**

**WORKERS' COMPENSATION WAIVER OF SUBROGATION:** The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against SAFCA, its officers, directors, officials, employees, agents or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR.

D. **INLAND MARINE WAIVER OF SUBROGATION**

Any Inland Marine insurance policies maintained by CONTRACTOR in performance of the Agreement shall be endorsed to state that the insurer

shall waive all rights of subrogation against SAFCA.

E. NOTIFICATION OF CLAIM

If any claim for damages is filed with CONTRACTOR or if any lawsuit is instituted against CONTRACTOR, that arise out of or are in any way connected with CONTRACTOR's performance under this Agreement and that in any way, directly or indirectly, contingently or otherwise, affect or might reasonably affect SAFCA, CONTRACTOR shall give prompt and timely notice thereof to SAFCA. Notice shall be prompt and timely if given within thirty (30) days following the date of receipt of a claim or ten (10) days following the date of service of process of a lawsuit.