



City of Stockton Contractor Insurance Requirements

1. **INSURANCE:** Throughout the life of this Contract, the Contractor shall pay for and maintain in full force and effect with an insurance company(s) (Company) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than “A: VII” in Best Insurance Key Rating Guide, the following policies of insurance:
 - 1.) **COMMERCIAL OR COMPREHENSIVE GENERAL LIABILITY** insurance which shall include Contractual Liability, Products and Completed Operations coverages, Bodily Injury and Property Damage (including Fire Legal Liability) Liability insurance with combined single limits of not less than \$1,000,000 per occurrence, and if written on an Aggregate basis, \$2,000,000 Aggregate limit (CG 0001). Contractors with excavation and underground risks shall have coverage for and exclusions removed for “x, c, and u”.
 - 2.) **COMMERCIAL (BUSINESS) AUTOMOBILE LIABILITY** insurance, endorsed for “any auto” with combined single limits of liability of not less than \$1,000,000 each occurrence. (CA 0001)
 - 3.) **BUILDERS RISK/COURSE OF CONSTRUCTION:** If this contract is for Construction services, Contractor shall provide “all risk” Builders Risk property insurance in an amount not less than the full value of the contracted improvements. The City shall be named as additional insured.
 - 4.) **WORKERS’ COMPENSATION** Insurance as required under the California Labor Code, and Employers Liability Insurance with limits not less than \$1,000,000 per accident/injury/disease.

Deductibles and Self-Insured Retentions must be declared and are subject to approval by the Risk Manager, City of Stockton.

The Policy (s) shall also provide the following:

- a.) The Commercial General Liability and Automobile Liability insurance shall be written on ISO approved occurrence form (see items 1 and 2 above) and endorsed to name: City of Stockton, its Mayor, Council, officials, representatives, agents, employees and volunteers are additional insureds. The City requires ISO Endorsement CG 20 10 11 85 (or equal) Additional Insured Endorsement.
- b.) For any claims related to this project, the Contractor’s insurance coverage shall be primary insurance as respects the City of Stockton, its Mayor, Council, officials, representative, agents, employees and volunteers. Any coverage maintained by the City of Stockton (City) shall be excess of the Contractor’s insurance and shall not contribute with it. Policy shall waive right of recovery (waiver of subrogation) against the City.
- c.) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days’ prior to written notice by certified mail, return receipt requested, has been given to the City of Stockton. Further, the thirty (30) day notice shall be unrestricted, except for workers’

compensation, which shall permit ten (10) days advance notice. The Insurer shall provide the City with notification of any cancellation, major change, modification or reduction in coverage.

- d.) Regardless of these contract minimum insurance requirements, the contractor and its insurer shall agree to commit the contractor's full policy limits and these minimum requirements shall not restrict the contractor's liability or coverage limit obligations.
- e.) 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 California Civil Code.
- f.) The Company shall furnish the City with the Certificates and Endorsements for all required insurance, prior to the City's, execution of the Agreement and start of work.
- g.) Proper Address for Mailing Certificates, Endorsements and Notices shall be:
City of Stockton,
Attn: Risk Management,
425 N. El Dorado Street,
Stockton, CA 95202-1997
- h.) Upon notification of receipt by the City of a Notice of Cancellation, major change, modification, or reduction in coverage, the Contractor shall immediately file with the City a certified copy of the required new or renewal policy and certificates for such policy.

Any variation from the above contract requirements shall only be considered by and be subject to approval by the City's Risk Manager (209) 937-5037. Our Fax is (209) 937-8833.

If at any time during the life of the Contract or any extension, the Contractor fails to maintain the required insurance in full force and effect, all work under the Contract shall be discontinued immediately, and all payments due or that may become due to the Contractor shall be withheld until acceptable replacement coverage notice is received by the City. Any failure to maintain the required insurance shall be sufficient cause for the City to terminate this Contract. In the event of insurance cancellation, the City reserves the right (but not obligation) to purchase insurance or insure (or self-insure) for the above required coverages, at the contractor's full expense.

If the Contractor should subcontract all or any portion of the work to be performed in this contract, the Contractor shall cover the subcontractor, and/or require each subcontractor to adhere to all subparagraphs of these Insurance Requirements section. Similarly, any Cancellation, Lapse, Reduction in Coverage, or Change of Subcontractors insurance shall have the same impact as described above.