



**Design Build Contract
Insurance Requirements
City of Stockton**

INSURANCE

Throughout the life of this Contract, the Consultant/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: VIII" in Best Insurance Key Rating Guide, the following policies of insurance:

- A.) 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). If any underground work is to be undertaken, this shall be endorsed to specifically replace coverage for the exclusions of; Explosion, Collapse, and Underground ("x, c and u").
- B.) PROFESSIONAL ERRORS AND OMISSIONS, Not less than \$1,000,000 per Occurrence./\$2,000,000 Aggregate. (2 yr discovery and reporting tail period coverage). Certificate of Insurance only required.
- C.) 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)
- D.) 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.
- E.) BUILDERS RISK/COURSE OF CONSTRUCTION: All risk Coverage in an amount not less than the full value of all phases of this contract to protect all property improvements and construction until final completion and acceptance by the City. This coverage shall also be required to protect the CITY's interests. The insurer shall waive all rights of subrogation against the City. The City shall be an Additional Insured.

Deductibles and Self-Insured Retentions must be declared and are subject to approval by the CITY. In no event may a Deductible or Self Insured Retention exceed \$10,000. This is subject to review, consideration and approval of the City Risk Manager.

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 A and C above) and endorsed to name: "*City of Stockton (CITY), its Mayor, Council, officials, representatives, agents, employees and volunteers are additional insureds*". For General Liability, Additional Insured form(s) at least as broad as ISO Form CG 20 10 11 85 shall be used as the Additional Insured Endorsement.
- b.) For any claims related to this project, the Consultant's/Contractor's insurance coverage shall be primary insurance as respects the *CITY of Stockton, its*

Mayor, Council, officials, representatives, agents, employees and volunteers. Any insurance or self-insurance maintained by the CITY shall be excess of the Consultant's/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. 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 Consultant and its insurer shall agree to commit the Consultant's full policy limits and these minimum requirements shall not restrict the Consultant's and/or insurer'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 of Stockton 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, Stockton, CA 95202

If at any time during the life of the Contract or any extension, the Consultant/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 at no penalty to the CITY, 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 immediately terminate this Contract. In the event of insurance cancellation, the CITY reserves the right to purchase insurance or insure (or self-insure) for the above required coverages, at the Consultant's/Contractor's full expense and any amounts expended by the CITY will serve to reduce any payments due to the Consultant/Contractor.

If the Consultant/Contractor should subcontract all or any portion of the work to be performed in this contract, the Consultant/Contractor shall cover the subconsultant/subcontractor under the Consultant's/Contractors insurance, and/or require each subconsultant/subcontractor to adhere to all subparagraphs of these Insurance Requirements section (A-E and a-g). Similarly, any Cancellation, Lapse, Reduction in Coverage, or Change of Subcontractors insurance shall have the same impact as described above.