

CITY OF KENNER

SMALL CONTRACTS CONSTRUCTION CONTRACTOR CONTRACT INSURANCE REQUIREMENTS

PLEASE READ INSURANCE REQUIREMENTS CAREFULLY TO ENSURE ALL INSURANCE COSTS ARE INCLUDED IN BID.

I. INSURANCE REQUIREMENTS:

THE CONTRACTOR IS CAUTIONED TO ASSURE THAT THE TOTAL INSURANCE REQUIREMENTS FOR THE CONTRACT ARE THOROUGHLY REVIEWED, UNDERSTOOD AND MET. THE CITY OF KENNER (HEREIN AFTER REFERRED TO AS OWNER) THROUGH ITS RISK MANAGEMENT CONSULANT, WILL THOROUGHLY REVIEW THE COMPLETE INSURANCE DOCUMENTATION SUBMITTED. FAILURE TO COMPLY WITH THE TERMS AND CONDITIONS MAY BE GROUNDS FOR REJECTION OF AND/OR REFUSAL TO AWARD A CONTRACT. IF APPLICABLE, SUBCONTRACTORS MUST MEET THESE REQUIREMENTS AS WELL. COVERAGES CANNOT EXCLUDE SERVICES PROVIDED TO CITY OF KENNER.

A. GENERAL:

The following insurance requirements shall be provided and shall apply on a primary basis, any insurance carried by Owner shall be excess and not contributing insurance. The total limit of insurance must be equal to or greater than the minimum acceptable limits indicated below. Additionally, each line of insurance may have its own set of requirements that must be met. **"CLAIMS MADE" POLICIES OF INSURANCE ARE NOT ACCEPTABLE** for auto liability, general liability, employers' liability, and umbrella liability, but are acceptable for professional liability, pollution liability and errors and omissions policies.

B. INSURANCE:

Insurance obtained and maintained in the name of the Contractor shall contain the following coverages and limits:

1. WORKERS' COMPENSATION:

- a. State Act - Louisiana Statutory Requirements;
- b. Employer's Liability coverage with minimum acceptable limits of \$100,000/\$300,000/\$100,000; and
- c. A Waiver of Subrogation in favor of The City of Kenner, its elected and appointed officials, agents, directors, servants, employees, volunteers, and any other entities who may require waivers by specific contract.

2. GENERAL LIABILITY:

- a. Commercial General Liability Form CG 00 01, or pre-approved equivalent; minimal acceptable limits: \$500,000 per occurrence; \$500,000 general aggregate; \$500,000 products/completed operations aggregate;
- b. An Additional Insured endorsement in favor of The City of Kenner, its elected and appointed officials, agents, directors, servants, employees and volunteers CG 20 10 Form B (edition 07 04) or approved equivalent; and
- c. A Waiver of Transfer of Rights of Recovery Against Others to Us in favor of The City of Kenner, its elected and appointed officials, agents, directors, servants, employees, and volunteers.

***Note:** The General Liability policy shall not exclude any standardized coverage included in the required basic form or limit Contractual Coverages for the Work in any way that would prohibit or limit the reporting of any claim or suit and the subsequent defense and indemnity there for which would normally be provided by the policy. The General Liability policy shall include coverage under damage to rented premises.*

3. AUTO LIABILITY:

- a. Minimal acceptable limit: Statutory Limits of \$15,000/\$30,000/\$25,000;
- b. Liability coverage to be provided for Any Auto **or** All Owned Autos and Hired and Non-owned Autos. If Contractor owns no vehicles, then a Hired and Non-owned Auto Liability policy is required;
- c. An Additional Insured endorsement in favor of The City of Kenner, its elected and appointed officials, agents, directors, servants, employees, and volunteers;
- d. A Waiver of Transfer of Rights of Recovery Against Others to Us in favor of The City of Kenner, its elected and appointed officials, agents, directors, servants, employees, and volunteers; and

II GENERAL SPECIFICATIONS:

A. Contractor's Liability Insurance:

The Contractor shall purchase in its name, and maintain at its sole cost and expense, such liability and other insurance as set out in the insurance requirements of this Document. This insurance will provide coverage for claims and/or suits which may arise out of or result from the Contractor's performance and furnishing of the Work, whether it is performed by the Contractor, any subcontractor, partner, supplier, or by anyone directly or indirectly employed by any of them to perform or furnish any of the Work, or by anyone for whose acts any of them may be liable.

If applicable, the Contractor shall require all sub-contractors to maintain, in limits equal to or greater than Contractor's, the same insurance coverage for Work performed or materials provided for the Work. Contractor shall insert this requirement in all contracts or agreements with all entities and/or persons who perform any Work under this contract. At no time shall Contractor allow any subcontractors to perform Work without the required types and limits of insurance coverage. In the event of a subcontractor's non-compliance with this requirement, the Contractor shall be responsible for any damages or liabilities arising from the subcontractors work, actions, or inactions.

B. General Requirements:

1. Qualifications of Insurers:

- a. All insurance required for the Contract is to be purchased and maintained by the Contractor from insurance companies that are duly licensed and authorized by the State of Louisiana to issue insurance policies for the limits and coverages so required. Such insurance companies utilized are to have a minimum rating of A- VI (or the current requirements of the State of Louisiana Public Bid Law (RS: 38:2211-2296)) as of the most current edition of A.M. Best's Key Rating Guide. Any variance must be approved by the Owner.
- b. If any insurance company providing any insurance coverage furnished by the Contractor is declared bankrupt, becomes insolvent, loses its right to do business in Louisiana, or ceases to meet the requirements of this Document, the Contractor shall, within thirty (30) days thereafter, substitute another insurance company acceptable to the Owner. The Owner reserves the right to mandate cessation of all Work until the receipt of acceptable replacement insurance.

2. Partnerships and Joint Ventures: If the Contractor is a partnership or joint venture then the evidence of all primary and excess liability insurance required to be maintained during the term hereunder shall be furnished in the name of the partnership or joint venture. Evidence of continuing primary commercial general liability insurance, which shall remain in effect in the name of the partnership or joint venture shall also be furnished.

3. Certificates of Insurance/Policies of Insurance:

- a. The Contractor shall deliver to the Owner Certificates of Insurance, with copies to each additional insured identified in the Contract, evidencing all insurance which the Contractor has purchased and shall maintain in accordance with this Document. It is mandatory that within ten (10) days after the notification of the award of the Contract, the Contractor shall furnish to Owner the required certificates of insurance.
- b. The Owner may require that any impaired aggregate(s) be replenished in its favor prior to commencement of work and/or during the progress of the Work.
- c. The Owner reserves the right to request removal of any endorsement(s) that it finds jeopardizes its own insurance portfolio. Failure to reach a compromise may result in contract cancellation or disqualification of bidder. The Owner reserves the right to request certified copies of any policy(s) evidenced by the Certificate(s) of Insurance. The requested certified copies should be provided to the Owner within ten (10) days of the written request.
- d. Any and all communications regarding the insurance policies shall include the Project name, Project number, Proposal number and Owner's address as indentified in the Contract.

- 4. Objection by the Owner:** If Owner has any objection to the coverage afforded by, or any other provisions of, the insurance required to be purchased and maintained by the Contractor in accordance with the insurance requirements for the Work on the basis of non-conformance with the Contract, Owner shall notify the Contractor in writing within fifteen (15) days after receipt of the Certificates. The Contractor shall provide a written response to Owner's objections within ten (10) days from the date of the letter request.
- 5. The Contractor's Failure:** Upon failure of the Contractor or his subcontractor to purchase, furnish, deliver or maintain such insurance as required herein, at the election of the Owner, the Contract may be forthwith declared suspended, discontinued, or terminated. Failure of the Contractor to purchase and maintain insurance shall not relieve the Contractor from any liability under the Contract, nor shall the insurance requirements be construed to conflict with the obligations of the Contractor concerning indemnification.
- 6. No Waiver of Liability:** Acceptance of evidence of the insurance requirements by the Owner in no way relieves or decreases the liability of the Contractor for the performance of the Work under the Contract. Additionally, the Contractor is responsible for any losses, expenses, damages, claims and/or suits and costs of any kind which exceed the Contractor's limits of liability or which may be outside the coverage scope of the Contractor's insurance policies. The insurance requirements outlined in this Document shall in no way be construed to limit or eliminate the liability of the Contractor that may arise from the performance of Work under the Contract. The Contractor's coverage is to be primary for any and all claims and/or suits related to, or arising from, the Work; and any insurance coverage maintained by the Owner is to be deemed as excess of the Contractor's insurance coverage and shall not contribute with or to it in any way.
- 7. No Recourse Against the Owner:** The insurance companies issuing the policies shall have no recourse against the Owner for payment of any premiums, deductibles, retentions or for assessments under any form or policy. These shall be borne by and be the sole responsibility of the Contractor.
- 8. The Owner's Liability Insurance:** In addition to the insurance required to be provided by The Contractor above, the Owner, at its option, may purchase and maintain at Owner's expense its own liability insurance as will protect the Owner against claims which may arise from operations under the Contract.