

## DIVISION 1 - GENERAL REQUIREMENTS

### SECTION 1C - INSURANCE REQUIREMENTS

#### CONTENTS:

1. General Requirements
2. Certificates of Insurance
3. Types of Coverage and Minimum Limits
4. Continuity

#### 1. GENERAL REQUIREMENTS:

- A. In addition to the requirements specified under Article 11 of the General Conditions and the insurance required by law, the Contractor shall, before commencing work under this Contract and during the period of construction to the date of final acceptance by the Owner, purchase, effect, and maintain insurance coverage as described in this section.
- B. No Subcontractor shall be permitted to undertake any portion of this Contract without first having presented to the Contractor certification attesting to similar coverages as are required of the Contractor under this section. Such certification shall be issued to and in a form acceptable to the Contractor.
- C. The Contractor agrees to effectuate the naming of the Owner and the Architect as additional insureds on the Contractor's insurance policies, with the exception of Workers' Compensation and NY State Disability.
- D. Each policy naming the Owner and Architect (and Construction Manager when applicable) as additional insureds must:
  1. Be an insurance policy from an A.M. Best A-rated or better insurer, licensed to conduct business in New York State; and
  2. State that the Contractor's coverage is primary and non-contributory coverage for the Owner, its Board of Education, employees and volunteers.
- E. The Contractor agrees to indemnify the Owner for any applicable deductibles and self-insured retentions.

#### 2. CERTIFICATES OF INSURANCE:

- A. Certificates of Insurance shall be transmitted in duplicate to the Architect for forwarding to the Owner, and any Certificate found to be incomplete or not according to the proper form will be returned as being unsatisfactory. A letter of transmittal from each insurance company involved must be submitted certifying that the certificate is issued pursuant to their authorization.
- B. The Owner, Architect (and Construction Manager when applicable) must be listed as an additional insured by using standard or other endorsements

that extend coverage to the Owner, Architect (and Constuction Manager when applicable) for both on-going operations (CG 20 38) and products and completed operations (CG 20 37), latest version. The decision to accept an endorsement rests solely with the Owner. A completed copy of the endorsement(s) must be attached to the certificate of insurance. The certificate of insurance must describe the specific services provided by the Contractor (e.g., roofing, carpentry, or plumbing) that are covered by the liability policies. At the Owner's request, the Contractor will provide copies of the declarations pages of its liability and umbrella/excess policies with a list of endorsements and forms. If so requested, the Contractor will provide a copy of the policy endorsements and forms. A fully completed New York Construction Certificate of Liability Insurance addendum (ACORD 855 2014/05) must be included with the certificates of insurance. For any "Yes" answers on Items G through L on this addendum, additional details must be provided to the Owner in writing. Contracts with subcontractors shall require them to provide the same additional insured coverages and documents.

C. Certificates shall contain:

1. Name and address of the insured.
2. Job location and title of the Contract.
3. Policy number and expiration date.
4. Issuance date of Certificate.
5. Types of coverage included.
6. Limit of Liability for each type used.
7. Types of operations covered (Classifications).
8. Types of operations or of coverages specifically excluded.
9. Thirty (30) day cancellation or non-renewal notice.
10. Owner, Architect or Owner representatives as additional insured.
11. Hold Harmless Clause indemnifying Owner, Architect or Owner representatives
12. Name of Insurance Company.
13. Counter Signature of Resident Agent in State of project location.

D. No Certificate covering policies containing escape clauses or exclusions contrary to the Owner's interests will be accepted.

E. The delivery of Certificates of Insurance authorizes the Owner or Architect to make direct inquiry of and to receive direct response from the insurance carrier regarding questions arising during the performance of the Work which are pertinent to the coverages under the policies.

3. TYPES AND MINIMUM LIMITS OF COVERAGE:

A. The Contractor will obtain and keep in full force and effect during the term of the Contract, at the Contractor's sole cost and expense, the following insurance:

B. Commercial General Liability Insurance

- o \$1,000,000 per occurrence/ \$2,000,000 aggregate
- o \$2,000,000 Products and Completed Operations
- o \$1,000,000 Personal and Advertising Injury
- o \$100,000 Fire Damage
- o \$10,000 Medical Expense
- o The general aggregate must apply on a per-project basis.

C. Automobile Liability

- o \$1,000,000 combined single limit for owned, hired and borrowed and non-owned motor vehicles.

D. Workers' Compensation and NYS Disability Insurance

- o Statutory Workers' Compensation (C-105.2 or U-26.3); and New York State Disability Insurance (DB-120.1) for all employees. Proof of coverage must be on the approved specific form, as required by the New York State Workers' Compensation Board. ACORD certificates are not acceptable. A person seeking an exemption must file a CE-200 form with New York State. The form can be completed and submitted directly to the Workers' Compensation Board online.

E. Builders Risk

- o Must be purchased by the Contractor to include the interests of the Owner and Contractor jointly in a form satisfactory to the Owner. The limits must reflect the total completed value - all material and labor costs and provide coverage for fire, lightning, explosion, extended coverage, vandalism, malicious mischief, windstorm, hail and/or flood.

F. Umbrella/Excess Liability Insurance

- o Umbrella/Excess coverage must be on a follow-form basis.
- o With the exception of contracts that require work above a height of one story (ten feet), all contracts for less than or equal to \$1,000,000 will require an Umbrella/Excess Policy with limits of \$5,000,000 per occurrence/\$5,000,000 aggregate.
- o All contracts for more than \$1,000,000 or that require work above a height of one story (ten feet) will require an Umbrella/Excess Policy with limits of \$10,000,000 per occurrence/\$10,000,000 aggregate.

G. Asbestos, Lead and/or Hazardous Material Work

- o Asbestos/Lead Abatement Insurance: \$2,000,000 per occurrence/\$2,000,000 aggregate including products and completed operations.
- o Coverage for the Contractor's operations including, but not limited to removal, replacement, enclosure, encapsulation and/or disposal of asbestos, or any other hazardous material, along with any related pollution events, including coverage for third-party liability claims for bodily injury, property damage and clean-up costs. If a retroactive date is used, it must pre-date the inception of the Contract. If the Contractor is using motor vehicles for transporting hazardous materials, the Contractor must maintain pollution liability broadened coverage (ISO Endorsement CA 9948) as well as proof of MCS 90.
- o Coverage must extend for a period of three years following final completion of the Work.

- o Testing Company Errors and Omission Insurance: \$1,000,000 per occurrence/\$2,000,000 aggregate for the testing and other professional acts of the Contractor.
- H. The Contractor will obtain and keep in full force and effect during the term of this Contract, at the Contractor's sole cost and expense, Owners Contractors Protective (OCP) Insurance. The Owner will be the named insured on all OCP policies and there will be no additional insureds. The OCP Insurance must be from a carrier licensed to conduct business in New York State.
  - 1. With the exception of Contracts that require work above a height of one story (ten feet), all Contracts for less than or equal to \$1,000,000 will require an OCP Insurance Policy with limits of \$1,000,000 per occurrence/\$2,000,000 aggregate.
  - 2. All Contracts for more than \$1,000,000 or that require work above a height of one story (ten feet) will require an OCP Insurance Policy with limits of \$2,000,000 per occurrence/\$4,000,000 aggregate.
- I. Contractor's Contingent Liability: The Contractor shall procure, pay for, and maintain such insurance as will protect the Contractor from his contingent liability for damages and for injury to the person or property of another which may arise from the operations of all Subcontracts under this Contract.
- J. Contractor's and Employees' Equipment: The Contractor assumes responsibility for all injury to or destruction of the Contractor's materials, tools, machinery, equipment, appliances, shoring, scaffolding, false and form work, and personal property of Contractor's employees from whatever cause arises.

#### 4. CONTINUITY:

- A. Contractor acknowledges that failure to obtain the foregoing insurance on behalf of the Owner constitutes a material breach of contract and subjects the Contractor to liability for damages, indemnification and all other legal remedies available to the Owner. The Contractor must provide the Owner with proof satisfactory to the Owner in the Owner's sole and absolute discretion that the above requirements have been met prior to the commencement of Work.
- B. The Contractor acknowledges that its failure to obtain or keep current the insurance coverage required by this Addendum shall constitute a material breach of Contract and subjects the Contractor to liability for damages, including but not limited to direct, indirect, consequential, special and such other damages the Owner sustains as a result of such breach. In addition, the Contractor shall be responsible for the indemnification to the Owner and the Architect, of any and all costs associated with such lapse in coverage, including but not limited to reasonable attorney's fees.

- C. The Contractor shall require all Subcontractors to carry the same insurance coverages and limits of liability, as are required to be carried by the Contractor and adjusted to the nature of Subcontractors' operations and submit proof of same to the Owner for approval prior to start of any Work. The Contractor shall also require that Subcontractors require Sub-Subcontractors to carry the same insurance coverages and limits of liability, as are required to be carried by the Contractor and adjusted to the nature of Sub-Subcontractors' operations and submit proof of same to the Owner for approval prior to the start of any Work. This includes, but is not limited to requiring that Subcontractors and Sub-Subcontractors name the Owner as an additional insured by using endorsements CG 2038 and CG 2037 or their equivalents and providing Acord 855 NY Form. In the event the Contractor fails to obtain the required certificates of insurance and other required proof of insurance from the Subcontractor or its subs and a claim is made or suffered, the Contractor shall, to the fullest extent of the law, indemnify, defend, and hold harmless the Owner, the Owner's Board of Education, the Architect, Engineers, Consultants, and Sub-consultants and their agents, employees, officers, or representatives from any and all claims for which the required insurance would have provided coverage. This indemnity obligation is in addition to any other indemnity obligation provided in the Contract.
- D. The Contractor assumes responsibility for all injury or destruction of the Contractor's materials, tools, machinery, equipment, appliances, shoring, scaffolding, false and form work, and personal property of the Contractor's employees from whatever cause arises. Any policy of insurance secured covering the Contractor or Subcontractors leased or hired by them and any policy of insurance covering the Contractor or Subcontractors against physical loss or damage to such property shall include an endorsement waiving the right of subrogation against the Owner for any loss or damage to such property.
- E. The Owner in good faith may adjust and settle a loss with the Contractor's insurance carrier.
- F. The Owner and the Contractor waive all rights against each other and any of their Subcontractors, Sub-subcontractors, agents and employees for damages caused by fire or other perils to the extent of actual recovery of any insurance proceeds under any property insurance policy procured, pursuant to this Addendum, or other property insurance applicable to the Contractor's Work.
- G. Before commencement of its Work, the Contractor shall obtain and pay for such insurance as may be required to comply with its obligations pursuant to the Contract, including, but not limited to any indemnification and hold harmless provisions.
- H. Review and acknowledgment of the Certificate of Insurance or other proof of insurance by the Owner or the Architect shall not relieve or decrease the liability of the Contractor hereunder.

- I. If the terms of policies expire before the Contract is completed or during the period of completed operations coverage, and the Contractor fails to maintain continuance of such insurance, the Owner is entitled to provide protection for itself, to pay premiums therefor, and to charge the cost thereof to the Contractor.
- J. In the event of loss by fire or other insured hazard during the term of the Contract, the Contractor shall cooperate with the Owner and Architect and the insurance adjusters in all procedures incidental to the expeditious adjustment of the loss and shall during this period maintain progress of construction. The Contractor will not be relieved from his obligations for the proper execution of his Contract except that the time of completion may be extended for such number of days as may have been delayed by reason of such loss, as determined by the Architect.