

FACILITIES MANAGEMENT

BLDG. A., 2nd FLOOR, 50 SANATORIUM RD, POMONA, NY 10970

PHONE: 845-364-2958 / FAX: 845-364-3810

CAPITAL PROJECT NUMBER:
TITLE:

BID NUMBER: RFB-RC-

ARTICLE 11 - INSURANCE AND BONDS**11.1 CONTRACTOR'S LIABILITY INSURANCE**

11.1.1 The Contractor shall purchase and maintain from a company or companies acceptable to the Owner, lawfully authorized to do business in the jurisdiction in which the project is located, such insurance as will protect the Contractor, Owner, Architect/Engineer and such other parties designated by the Owner from claims set forth below, which may arise out of or result from the Contractor's operations under the Contract, or for which the Contractor may be legally liable, whether such operations be by the Contractor or by a Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- 11.1.1.1 claims under Workers' compensation, disability benefit and other similar employee benefit acts, which are applicable to the Work to be performed.
- 11.1.1.2 claims for damages because of bodily injury, occupational sickness or disease, or death of the Contractor's employees;
- 11.1.1.3 claims for damages because of bodily injury, sickness or disease, or death of any person other than the Contractor's employees;
- 11.1.1.4 claims for damages insured by usual personal injury liability coverage which are sustained (1) by a person as a result of an offense directly or indirectly related to the employment of such person by the Contractor, or (2) by another person;
- 11.1.1.5 claims for damages, other than to Work itself, because of injury to or destruction of tangible property, including loss of use;
- 11.1.1.6 claims for damages because of bodily injury, death of a person or property damage arising out of the ownership, maintenance or use of a motor vehicle;
- 11.1.1.7 all other claims involving the Contractor's obligations hereunder.

11.1.2 The insurance required herein shall be written for not less than limits of liability specified in the Contract Documents or required by law, whichever coverage is greater. Coverage shall be written on an occurrence basis, shall be maintained without interruption from date of commencement of the Work until the date of final payment and termination of any coverage required to be maintained after final payment. The County of Rockland shall be included as named additional insured, and an endorsement to the policy indicating this inclusion must be included with the insurance.

11.1.3 The Contractor shall file certificates of insurance acceptable to the Owner with the Owner before signing this Contract. These certificates and the insurance policies shall contain a provision that coverage's afforded under the policies will not be canceled or allowed to expire until not less than thirty (30) Days prior written notice had been given to the Owner. If any of the foregoing insurance coverages are required to remain in force after final payment and are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the final application for compensation. Upon request, the Contractor shall furnish the Owner with a true copy of each policy.

11.1.4 If, at any time, any of the above-required insurance policies should be cancelled, terminated or modified so that insurance is not in effect as above required, then, if the Owner shall so direct, the Contractor shall suspend performance of the Work. If the Work is suspended, no extension of time shall be due on account thereof. If the Work is not suspended,

**COUNTY OF ROCKLAND
FACILITIES MANAGEMENT**

PAGE: 66

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then the Owner may, at the Owner's option, obtain insurance affording coverage equal to that above required, the cost of such insurance to be deducted from any payments due to the Contractor from the Owner.

11.1.5 For the entire term of the Contract, the Contractor and each Subcontractor shall secure:

- 11.1.5.1 Workers' Compensation and Employer's Liability Insurance for the benefit of employees required to be insured by law. Employer's Liability Insurance must be in unlimited amount.
- 11.1.5.2 Disability Benefit Insurance during the life of the Contract for the benefit of such employees as required to be insured by the applicable provisions of law.
- 11.1.5.3 Comprehensive General Liability Insurance, Standard Comprehensive General Liability policy with contractual, products, and completed operations and explosion, blasting, collapse and underground damage liability coverage's issued to and covering the liability of the Contractor for all the Work and operations relating to the Work and all obligations assumed by the Contractor under the Contract in an amount which shall not be less than the following limits:

Bodily Injury Liability

\$1,000,000.00/\$2,000,000.00	Each person/each occurrence
\$2,000,000.00	Aggregate

Property Damage Liability

\$1,000,000.00	Each Occurrence
\$2,000,000.00	Aggregate

11.1.5.4 Automobile Liability and Property Damage Insurance:

A policy covering the use in connection with the Work of all owned, rented, leased and hired vehicles bearing, or under the circumstances under which such vehicles are being used, required by the Motor Vehicle Laws of the State of New York to attach license plates. The coverage under such policy shall not be less than the following limits:

Bodily Injury

\$1,000,000.00	Combined Single Limit Per Accident
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Property Damage

\$1,000,000.00	Combined Single Limit Per Accident
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11.1.5.5 Excess/Umbrella Liability

\$5,000,000.00	Each Occurrence
\$5,000,000.00	Aggregate

11.1.5.6 All liability insurance to include the County of Rockland, including its officials and employees, as an additional named insured.

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11.2 PROPERTY AND OTHER INSURANCE

11.2.1 Unless otherwise provided, the Owner shall purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located, property insurance in the amount of the initial Contract Sum, as well as subsequent modifications thereto for the entire Work at the Site on a replacement cost basis without voluntary deductibles. Such property insurance shall be maintained, unless otherwise provided in the Contract Documents or otherwise agreed in writing by all persons and entities who are beneficiaries of such insurance, until final payment has been made or until no person or entity other than the Owner has an insurable interest in the property, whichever is earlier. This insurance shall include the interests of the Owner, the Architect/Engineer, the Contractor, Subcontractors, and sub-Subcontractors in the Work.

11.2.2 Property insurance shall be on an all-risk policy form and shall insure against the perils of fire and extended coverage and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, false Work, temporary buildings and debris removal, including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Architect's/Engineer's services and expenses required as a result of such insured loss. Coverage for other perils shall not be required unless otherwise provided in the Contract Documents.

11.2.3 If the Owner does not intend to purchase such property insurance required by the Contract and with all of the coverages in the amount described above, the Owner shall inform the Contractor, in writing, before the commencement of the Work. The Contractor may then purchase insurance, which will protect the interests of the Contractor, Subcontractors and sub-Subcontractors in the Work, and by appropriate change order the cost thereof shall be charged to the Owner. If the Contractor is damaged by the failure or neglect of the Owner to purchase or maintain insurance as described above, without notifying the Contractor, the Owner shall be responsible for all reasonable costs properly attributable to the Owner.

11.2.4 If the property insurance requires minimum deductibles and such deductibles are identified in the Contract Documents, the Contractor shall pay costs not covered because of such deductibles. If the Owner or insurer increases the required minimum deductibles above the identified amounts in this Contract, or if the Owner elects to purchase this insurance with voluntary deductible amounts, the Owner shall be responsible for payment of the additional costs not covered because of such increased or voluntary deductibles. If deductibles are not identified in the Contract Documents, the Owner shall pay costs not covered because of deductibles.

11.2.5 Unless otherwise provided in the Contract Documents, this property insurance shall cover portions of the Work stored off the Site after written approval of the Owner at the value established in the approval, and portions of the Work in transit.

11.2.6 The property insurance specified may, in certain instances, include other parties as named insured, as the interests of such parties may appear. Loss, if any, is to be made adjustable with and payable to the Owner on behalf and for the named insured as the interests of such insured may appear. At the Owner's sole discretion, the Owner shall have the power to adjust and settle with the insurer any loss or claim under such insurance. The above is not intended to be a complete, full, or accurate description of the coverage provided by the insurance policies, copies of which are on file with the Owner. This paragraph is not intended to create or give any rights to the Contractor or Subcontractor other than those available to such contractors under the terms of said policies. The Owner assumes no obligation to obtain insurance other than that evidenced by said policies, and the Owner makes no representation or guarantee as to the effect and coverage under said policies. The Contractor and Subcontractor shall not violate or permit to be violated any term or condition of such policies and shall, at all times, satisfy the requirements of the Owner and the insurance companies issuing the policies mentioned above.

**COUNTY OF ROCKLAND
FACILITIES MANAGEMENT**

PAGE: 68

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11.2.7 **Boiler and Machinery Insurance:** The Owner shall purchase and maintain boiler and machinery insurance required by the Contract Documents or by law, which shall specifically cover such insured objects during installation and until final acceptance by the Owner; this insurance shall include interests of the Owner, Contractor, Subcontractors and sub-Subcontractors in the Work, and the Owner and Contractor shall be named insured.

11.2.8 **Loss of Use Insurance:** The Owner, at the Owner's option, may purchase and maintain such insurance as will insure the Owner against loss of use of the Owner's property due to fire or other hazards, however caused. The Owner waives all rights of action against the Contractor for loss of use of the Owner's property, other than as a result of the Contractor's negligence.

11.2.9 If the Contractor requests, in writing, that insurance for risks other than those described herein, or for other special hazards be included in the property insurance policy, the Owner shall, if possible, include such insurance, and the cost thereof shall be charged to the Contractor by appropriate change order.

11.2.10 **Waivers of Subrogation:** The Owner and Contractor waive all rights against (1) each other and any of their Subcontractors, sub-Subcontractors, agents and employees, each of the other, and (2) Architect's/Engineer's consultants, separate contractors, if any, and any of their Subcontractors, sub-Subcontractors, agents and employees, for damages caused by fire or other perils to the extent covered by property insurance obtained in accordance with hereto or other property insurance applicable to the Work, except such rights as they have to proceeds of such insurance held by the Owner as fiduciary. The Owner, or Contractor, as appropriate, shall require of the Architect/Engineer, Architect's/Engineer's consultants, separate contractors, if any, and the Subcontractors, sub-Subcontractors, agents and employees of any of them, by appropriate agreements, written where legally required for validity, similar waivers, each in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

11.2.11 A loss insured under Owner's property insurance shall be adjusted and settled with the appropriate insured by the Owner as fiduciary, and made payable to the Owner as fiduciary for the insured, as their interests may appear, subject to requirements of any applicable mortgage clause and of this section. The Contractor shall pay Subcontractors their just shares of insurance proceeds received by the Contractor, and by appropriate agreements, written where legally required for validity, shall require Subcontractors to make payments to their sub-Subcontractors similarly.

11.3 **PERFORMANCE AND PAYMENT BONDS**

11.3.1 The Contractor shall furnish to the Owner and keep in force during the term of the Contract performance and labor and material payment bonds guaranteeing that the Contractor will perform its obligations under the Contract and pay for all labor and materials furnished for the Work. Such bonds shall be issued in a form and by a surety reasonably acceptable to the Owner, shall be submitted to the Owner for approval as to form, shall name the Owner as obligee and shall be in the amount equal to at least one hundred percent (100%) of the Contract Sum (as the same may be adjusted from time to time, in accordance with the Contract). The Contractor shall deliver the executed, approved bonds to the Owner simultaneously with the execution of this Contract. Payee to be: Commissioner of Finance, County of Rockland, 50 Sanatorium Road, Building A, 8th Floor, Pomona, New York 10970.

11.3.2 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the contract, the Contractor shall promptly furnish a copy of the bonds or shall permit a copy to be made.

11.3.3 The Owner may require the Contractor, to the extent available, to obtain a bond from an appropriate surety for the Contractor's maintenance obligation under the Contract Documents.