

Insurance Policy Statement

Any company or individual performing work for the City of Coos Bay (hereinafter “the City”) or hosting a special event on City property shall be required to provide proof of insurance to the City per applicable insurance level.

1. General Liability shall be a per occurrence form and must cover the time for which the work/event/contract is being performed/held.
2. Proof of insurance of not less than the amount required is to be provided. Limits shown in the requirements are a minimum per occurrence limit.
3. If the City is required to use Federal or State insurance policy limits, or is subject to the Federal or State tort claim limits, the limits required through this statement shall be superseded by such limits.
4. If a claim occurs where the amount of the claim exceeds the insurance policy limits required by this directive, the company or individual performing work/hosting event assumes full responsibility for the payment of such claim.
5. Waivers of the policy limits or provisions in this policy must be approved by the City Manager, City Attorney and the City Risk Manager of Record. Insurance policy limits may also be required to be higher based upon the City's review of the specific application for which insurance is required.
6. Tail Coverage”: If any of the required liability insurance is on a “claims made” basis, recipient shall maintain either “tail” coverage or continuous “claims made” liability coverage, provided the effective date of the continuous “claims made” coverage is on or before the effective date of the Contract/Agreement, for a minimum of 24 months following the later of:
 - (1) Recipient's completion of all services and the City's acceptance of all services required under the Contract/Agreement, or
 - (2) The expiration of all warranty periods provided under the Contract/Agreement. Notwithstanding the foregoing 24-month requirement, if recipient elects to maintain “tail” coverage and the maximum time period “tail” coverage is reasonably available in the marketplace is less than the 24-month period described above, recipient shall maintain “tail” coverage for the maximum time period “tail” coverage is reasonably available in the marketplace for the coverage required.

7. Definitions:

Commercial General Liability: To cover bodily injury, death, and property damage. This insurance shall include contractual liability coverage for the indemnity provided under those listed in the Agreement/Contract, personal and advertising injury liability, products liability and completed operations liability. Coverage may be written in combination with Automobile Liability Insurance (with separate limits).

Professional Liability: To cover error, omission or negligent acts related to the professional services to be provided under the Agreement/Contract.

Automobile Liability: To cover each accident for bodily injury and property damage, including coverage for owned, hired, non-owned, leased, or rented vehicles as applicable. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits).

Builders Risk: To cover structures being built, temporary structures at the building site, and building materials not yet having become part of the building. The building materials are covered while on the insured location, in transit, or in storage at another location.

Installation Floater: To cover materials, equipment, and personal property while in transit, installation, and until coverage terminates according to the terms of the floater. This coverage can cover the property of others in the contractor's care, custody or control that is often excluded under the contractor's general liability coverage.

Umbrella Liability: To cover excess liability over several of the insured's primary liability policies. An excess liability policy may be what is called a following form policy, which means it is subject to the same terms as the underlying policies; it may be a self-contained policy, which means it is subject to its own terms only; or it may be a combination of these two types of excess policies.

Umbrella policies provide three functions:

- (1) To provide additional limits above the each occurrence limit of the insured's primary policies;
- (2) To take the place of primary insurance when primary aggregate limits are reduced or exhausted; and
- (3) To provide broader coverage for some claims that would not be covered by the insured's primary insurance policies, which would be subject to the policy retention.

Most umbrella liability policies contain one comprehensive insuring agreement. The agreement usually states it will pay the ultimate net loss, which is the total amount in excess of the primary limit for which the insured becomes legally obligated to pay for damages of bodily injury, property damage, personal injury, and advertising injury.

8. Should the Umbrella/Excess Insurance coverage combined with Commercial General Liability coverage not equal or exceed the minimum combined coverage shown, coverage must be increased to equal or exceed the minimum total coverage limits shown.

If there is no Umbrella/Excess Insurance coverage, then the Commercial General Liability, Employers Liability, and Automobile Liability limits must be increased to equal or exceed the minimum total coverage limits shown.

9. (If applicable) Contractor will purchase and maintain property insurance for the entire work at the site on a replacement cost basis.

Contractor shall obtain, at Contractor's expense, and keep in effect until final acceptance of the work performed under this contract, an Installation Floater or equivalent property coverage for materials, equipment, supplies, and tools to be used for completion of the work performed under this contract.

The Installation Floater shall include coverage for testing, if applicable.

The minimum amount of coverage to be carried shall be equal to the full amount of this contract.

The contractor will be responsible for any applicable deductibles.

10. The Certificate of Insurance(s) and Endorsement(s) will be a part of the Contract/Agreement and shall be provided to the City with endorsement(s) indicating that the Commercial General Liability insurance coverage is in effect which shall be **primary and non-contributory** with any insurance maintained by the City.

For construction contracts, a per project aggregate (form CG 2503 05/09 or equivalent) shall also be required.

In all situations, the City shall be included as an additional insured under the commercial general liability, automobile liability, and umbrella liability policies as applicable.

As applicable, a waiver of subrogation under the workers' compensation and commercial general liability policies shall also be provided.

Copies of such endorsements or coverage enhancements **shall be attached to the certificate(s)** provided to the City and will become a part of the Contract/Agreement.

Insurance Coverage provided must be underwritten by an insurance company deemed acceptable by the City. The City reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

Insurance Levels

Level 1 Insurance Requirements:

With the current local OTCA limits as of 7/1/2013 at \$1,766,700 for all claimants including bodily injury, death, and property damage, the City elects to retain a minimum \$766,700 exposure per occurrence if a claim should occur involving more than one claimant. The retained amount will increase each year as the OTCA limits increase.

Special Events and other events held on City property require the following insurance policy limits. **If alcohol is being served, the insurance policy limits increase to Level 2, except for the requirement to provide Professional Errors and Omissions liability.**

<u>Commercial General Liability</u>	\$ 1,000,000
<u>Workers' Compensation (if applicable)</u>	Statutory Limit
Employer's Liability	\$ 500,000
<u>Automobile Liability</u>	\$1,000,000

Level 2 Insurance Requirements:

Professional services contracts/agreements \$50,000 and under:

<u>Commercial General Liability</u>	\$1,000,000
<u>Professional Errors and Omissions Liability</u>	\$2,000,000
<u>Workers' Compensation (if applicable)</u>	Statutory Limit
Employer's Liability	\$ 500,000
<u>Automobile Liability</u>	\$1,000,000
<u>Umbrella/Excess Insurance</u>	\$ 1,000,000

Level 3 Insurance Requirements:**Construction contracts \$50,000 and under:**

<u>Commercial General Liability</u>	\$ 1,000,000
<u>Workers' Compensation (if applicable)</u>	Statutory Limit
Employer's Liability	\$ 500,000
<u>Umbrella/Excess Insurance</u>	\$ 1,000,000
<u>Automobile Liability</u> .	\$ 1,000,000
<u>Builders Risk Insurance and Installation Floater</u>	See Section 9

Level 4 Insurance Requirements:**Professional services contracts/agreements over \$50,000:**

<u>Commercial General Liability</u>	\$ 1,000,000
<u>Professional Errors and Omissions Liability</u>	\$ 2,000,000
<u>Workers' Compensation</u>	Statutory Limit
Employer's Liability	\$ 500,000
<u>Umbrella/Excess Insurance</u>	\$ 2,000,000
<u>Automobile Liability</u>	\$1,000,000

Level 5 Insurance Requirements:**Construction contracts over \$50,000:**

<u>Commercial General Liability</u>	\$ 1,000,000
<u>Workers' Compensation (if applicable)</u>	Statutory Limit
Employer's Liability	\$ 500,000
<u>Umbrella/Excess Insurance</u>	\$ 2,000,000
<u>Automobile Liability</u>	\$1,000,000
<u>Builders Risk Insurance and Installation Floater</u>	See Section 9