

# Insurance Requirements for Parties Contracting with the Cottonwood Heights Community Development and Renewal Agency

The contracting party shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the contracting party, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the contracting party's bid.

## A. MINIMUM LIMITS OF INSURANCE.

The contracting party shall maintain limits no less than:

1. *Professional Liability*: \$2,500,000.00 combined single limit per occurrence for bodily injury, personal injury and property damage, including "tail coverage" for at least one year after completion of all services.

2. *Automobile Liability*: \$2,500,000.00 combined single limit per accident for bodily injury and property damage. "Any Auto" coverage is required.

3. *Worker's Compensation*: Worker's compensation limits as required by applicable law for all employees and other persons.

4. *Commercial General Liability*: \$2,500,000.00 combined single limit per occurrence for personal injury and property damage; \$2,500,000.00 annual aggregate. Broad Form Commercial General Liability is required (ISO 1993 or better). Personal injury, premises-operations, products-completed operation, independent contractors and subcontractors fire legal liability and, when appropriate, coverages for explosion, collapse and underground (XCU) hazards.

5. *Excess Liability*. \$5,000,000.00.

## B. DEDUCTIBLES AND SELF-INSURED RETENTIONS.

Any deductibles (5% limit), self-insured programs or retentions must be declared to and approved by the Cottonwood Heights Community Development and Renewal Agency (the "CDRA"). At the option of the CDRA, either: the insurer may be required to reduce or eliminate such deductibles or self-insured retentions as respect to the CDRA, its officers, officials and employees; or the contracting party may be required to procure a bond guaranteeing payment of losses and related investigations, claim distribution and defense expenses.

## C. NOTICE OF INCIDENT OR ACCIDENT.

The contracting party shall agree to promptly disclose to the CDRA all incidents or occurrences of accident, injury, and/or property damage covered by the insurance policy or policies.

## D. OTHER INSURANCE PROVISIONS.

The policies are to contain, or be endorsed to contain, the following provisions:

1. *General Liability and Automobile Liability Coverages*.

(a) The CDRA, its officers, officials, employees and volunteers are to be covered as additional insured as respects: liability arising out of activities performed by or on behalf of the contracting party; products and completed operations of the contracting party; premises owned, leased, hired or borrowed by the contracting party. The coverage shall contain no special limitations on the scope of protection afforded to the CDRA, its officers, officials, employees or volunteers.

(b) The contracting party's insurance coverage shall be a primary insurance as respects to the CDRA, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the CDRA, its officers, officials, employees or volunteers shall be in excess of the contracting party's insurance and shall not contribute with it.

(c) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the CDRA, its officers, officials, employees or volunteers.

(d) The contracting party's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respects to the limits of the insurer's liability.

2. *Worker's Compensation and Employer's Liability Coverage.*

The insurer shall agree to waive all rights of subrogation against the CDRA, its officers, officials, employees and volunteers for losses arising from work performed by the contracting party for the CDRA.

3. *All Coverages.*

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice (from the insurer) by certified mail, return receipt requested, has been given to the CDRA.

E. ACCEPTABILITY OF INSURERS.

Insurance is to be placed with insurers with a Bests' rating of no less than A:VII, unless approved by the Manager.

F. VERIFICATION OF COVERAGE.

The contracting party shall furnish the CDRA with certificates of insurance and with original endorsements effecting coverage required by this clause. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms provided before work commences. The CDRA reserves the right to require complete, certified copies of all required insurance policies, with all endorsements, at any time.

G. SUBCONTRACTORS.

The contracting party shall include all subcontractors as insureds under its policy or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.