

# Insurance Requirements

## Permit for Work in Street Right of Way

As part of the consideration of this Agreement, Permittee agrees to purchase and maintain at its sole cost and expense during the life of this agreement insurance coverage against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Permittee, its agents, representatives, or employees.

### **MINIMUM SCOPE AND LIMIT OF INSURANCE**

Coverage shall be at least as broad as:

- A. **Commercial General Liability (CGL)**: Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations with limits of no less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage. If a general aggregate limit applies, either the aggregate limit shall apply separately to this project or the general aggregate limit shall be twice the required occurrence limit.
- B. **Automobile Liability**: Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), or if Permittee has no owned autos, Code 8 (hired) and Code 9 (non-owned), with limits of no less than One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.
- C. **Workers' Compensation**: In accordance with the provisions of the California Labor Code, Permittee is required to be insured against liability for Workers' Compensation or to undertake self-insurance. Statutory Workers' Compensation and Employers' Liability of at least \$1,000,000 shall cover all Permittee's staff while performing any work incidental to the performance of this agreement.

If the Permittee maintains higher coverage limits than the amounts shown above, then the City requires and shall be entitled to coverage for the higher coverage limits maintained by the Permittee. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

### **OTHER INSURANCE PROVISIONS**

Each insurance policy shall contain, or be endorsed to contain, the following five (5) provisions:

#### **1) *Additional Insured Status***

The City of Santa Barbara, its officers, employees, and agents, shall be covered as additional insureds on the Commercial General Liability and the Automobile Liability policy with respect to liability arising out of work or operations performed by or on behalf of the Permittee including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Permittee. Additional Insured coverage shall be provided in the form of an endorsement to the Permittee's insurance (at least as

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broad as Insurance Services Office Form CG 20 10 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used). A copy of the endorsement evidencing that the City of Santa Barbara has been added as an additional insured on the policy, must be attached to the certificate of insurance.

### **2) *Subcontractors***

Permittee shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Permittee shall ensure that the City is an additional insured on insurance required from subcontractors. For Commercial General Liability coverage subcontractors shall provide coverage with a format at least as broad as Insurance Services Office form CG 20 38 04 13.

### **3) *Notice of Cancellation***

A provision that coverage will not be cancelled or subject to reduction without written notice given to the City Clerk, addressed to P.O. Box 1990, Santa Barbara, California 93102-1990.

### **4) *Primary Coverage***

For any claims related to this contract, the Permittee's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City shall be excess of the Permittee's insurance and shall not contribute with it.

### **5) *Waiver of Subrogation***

Permittee hereby agrees to waive rights of subrogation which any insurer of Permittee may acquire from Permittee by virtue of the payment of any loss. Permittee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. Permittee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Permittee, its employees, agents and subcontractors.

## **ACCEPTABILITY OF INSURERS**

All insurance coverage shall be placed with insurers that have a current rating from AM Best of no less than A: VII; and are admitted insurance companies in the State of California. All other insurers require prior approval of the City.

## **COVERAGE LIMITS SPECIFICATIONS**

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Approval of the insurance by City or acceptance of the certificate of insurance by City shall not relieve or decrease the extent to which the Permittee may be held responsible for payment of damages resulting from Permittee's services or operation pursuant to this Agreement, nor shall it be deemed a waiver of City's rights to insurance coverage hereunder.

If, for any reason, Permittee fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of contract. City, at its sole option, may terminate this Agreement and obtain damages from the Permittee resulting from said breach. Alternately, City may purchase such required insurance coverage, and without further notice to Permittee, City may deduct from sums due to Permittee any premium costs advanced by City for such insurance.

### **SELF-INSURED RETENTIONS**

Any self-insured retentions must be declared to and approved by the City. At the option of the City, either: the Permittee shall cause the insurer to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the Permittee shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

### **EVIDENCE OF COVERAGE**

Permittee must provide evidence that it has secured the required insurance coverage before execution of this agreement. A Certificate of Insurance supplied by the City or the appropriate ACORD and Insurance Services Office forms evidencing the above shall be completed by Permittee's insurer or its agent and submitted to the City prior to execution of this Agreement by the City.

Permittee shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Permittee's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.