

INSURANCE AND PERFORMANCE BOND REQUIREMENTS FOR PUBLIC WORKS CONTRACTS

Insurance

- A. The Contractor shall procure and maintain for the duration of the Contract insurance 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 Contractor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be paid by the Contractor.

- B. Coverage shall be at least as broad as:
 - 1. Insurance Services Office Form No. G1 0002 (Ed. 1/73) covering comprehensive general liability and Insurance Services Office form No. G1 0404 (ed. 5/81) covering broad form comprehensive general liability; or Insurance Services Office commercial general liability coverage (“occurrence” form cg 0001) (ed. 11/85).
 - 2. Insurance Services Office Form No. Ca 0001 (Ed. 1/80) covering automobile liability, code 1 “any auto” and endorsement CA 0025 (ed. 11/85).
 - 3. Workers' Compensation as required by the Workers' Compensation Act of Washington State.

- C. Contractor shall maintain limits of insurance no less than:
 - 1. Comprehensive general liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage, and for those policies where aggregates are applicable, a \$1,000,000 aggregate limit.
 - 2. Automobile liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.
 - 3. Workers' compensation and employers' liability: workers' compensation limits as required by the Workers' Compensation Act of Washington.

D. Any deductibles or self-insured retention must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City, its officials and employees; or the Contractor shall procure a bond guaranteeing payment of losses and related investigation, claim administration and defense and expenses.

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

1. General liability and automobile liability coverage:

a. The City, and RH2 Engineering, its officials, employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, leased, or used by the Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees or volunteers.

b. The Contractor's insurance coverage shall be primary insurance as respects the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers shall be in excess of the Contractor'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 City, its officials, employees or volunteers.

d. Coverage shall state that the Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. All coverages:

Each insurance policy required by this clause shall 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 by certified mail, return receipt requested, has been given to the City.

Certificates of insurance must be addressed to the attention of the City project person, and must include descriptive text of the project in the "Description of Operations" box.

F. Acceptability of insurers

Insurance is to be placed with insurers with a Bests' rating of no less than A:XIII, or with an insurer acceptable to the City.

G. Verification of coverage

Contractor shall furnish the City with certificates of insurance and with original endorsements affecting coverage required by this clause. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

H. Subcontractors

Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Performance Bond

- A. Contractor shall furnish a surety bond or bonds covering faithful performance of the Contract and the payment of all obligations arising thereunder. The bond shall be in the full amount of the Contract and shall be upon the form of bond set forth herein. The surety shall be a firm qualified to conduct business as a surety in the state in which the work is done.
- B. The performance for this Contract shall not only indemnify Owner for the usual performance provisions of the contract, but in addition shall be a bond to guarantee payment of any and all tax liability of any type, kind, nature or description due as a result of work performed pursuant to the contract.