



City Attorney's Office · 555 Santa Clara Street · Vallejo · CA · 94590 · 707.648.4545

CONSTRUCTION CONTRACTS

Insurance Requirements

Make sure your insurance includes:

<u>Coverage</u>	<u>Requirements</u>
<input type="checkbox"/> Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 General Aggregate [for bodily injury, personal injury, property damage, including blanket contractual liability] \$2,000,000 Completed Operations Aggregate
<input type="checkbox"/> Automobile Liability	\$1,000,000 per occurrence, including owned, non-owned and hired vehicles
<input type="checkbox"/> Umbrella/ Excess liability	\$4,000,000; for bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages above, including commercial general liability and employer's liability, to include the following terms and conditions: -a drop down feature requiring the policy to respond in the event that any primary insurance that would otherwise have applied proves to be uncollectable in whole or in part for any reason; - "Pay on Behalf of Insured" wording (NOT reimbursement) -Concurrency of effective dates with primary policies and -Policies shall follow form to the underlying primary policies
<input type="checkbox"/> Workers Compensation (Statutory)	\$1,000,000 and Employers Liability insurance: 1,000,000
<input type="checkbox"/> Pollution Liability Insurance	(If contract involves the removal, transportation or cleanup of hazardous material; or if there is a reasonable probability that contaminants already exist on site, "pollution legal liability insurance" in the amount of \$1,000,000 per claim and in the aggregate
<input type="checkbox"/> Additional Insured Endorsement (General & Auto)	The City must be named an additional insured on the standard industry form (known as an ACORD form) and on an endorsement form using the following language: <p style="margin-left: 40px;">"The City of Vallejo, its officers, agents and employees are included as additional insured on all policies except Workers' Compensation."</p>

Endorsement must state that coverage is primary insurance. Insurance must cover on an occurrence basis, not on a claims-made basis.

Builders Risk Insurance

Upon commencement of construction, contractor to obtain and maintain builders risk insurance as specified below.

Completed operations coverage

\$2,000,000; which shall extend a minimum of three years beyond project completion.

Cancellation or Non-Renewal

Policies must provide that notice of cancellation or non-renewal must be received by the City at least thirty days prior to such event.

Insurers Affording Coverage

Include Insurer's NAIC numbers on ACORD form

For Construction Contracts \$25,000 or more:

Performance Bond, and
Labor & Materials Payment Bond

P&L&M Bonds must be in the amount of the contract

Other
