



City of Fort Bragg

Administrative Regulation No. I-1

INSURANCE REQUIREMENTS

I. OBJECTIVE

The City of Fort Bragg practices risk transference in order to limit the City's liability as part of

- 1) issuing permits for events including, but not limited to, special events, street furniture, sidewalk sales, construction and remodeling, and operation of peddler vehicles and taxicabs;
- and 2) entering into contracts/agreements with contractors and consultants.

II. PROCEDURES

1. Prior to performing any work for which insurance is required under the Municipal Code or other City regulations, the applicant shall meet with the City Clerk, or his or her designee, to discuss the limits of insurance required.
2. The City Clerk's office will provide these requirements, including preferred certificates and endorsements, in writing to the applicant and/or his or her insurance broker.
3. Insurance provided as required above shall be effective throughout the term of the contract or permit.
4. Types and limits of insurance are summarized below. Depending on the type and location of work, these amounts may be increased at the City's discretion.
 - a) Contractors Working for the City
 - General Liability: \$2 million per occurrence / \$2 million aggregate for bodily injury, personal injury, and property damage is required **at a minimum**. The amount for specific projects will be determined depending on the type of work being performed and included in the Request for Proposals and the Construction Contract.
 - Automobile Liability: \$2 million combined single limit per accident for bodily injury and property damage.
 - Workers' Compensation: Statutory Limits as required by the State of California and Employer's Liability Insurance of \$1 million per accident for bodily injury or disease.
 - b) Consultants Working for the City
 - General Liability: \$1 million per occurrence / \$2 million aggregate for bodily injury, personal injury, and property damage. The amount for specific contracts will be determined depending on the type of work being performed and will be included in the Request for Proposals and the Professional Services Agreement.
 - Automobile Liability: \$1 million combined single limit per accident for bodily injury and property damage.
 - Workers' Compensation: Statutory Limits as required by the State of California and Employer's Liability Insurance of \$1 million per accident for bodily injury or disease.
 - Professional Liability: \$1-2 million covering errors and omissions. The amount for specific contracts will be determined depending on the type of work being performed and will be included in the Request for Proposals and the Professional Services Agreement.
 - c) Encroachment Permits
 - General Liability: \$1-2 million per occurrence / \$1-2 million aggregate for bodily injury, personal injury, and property damage depending on the type, location, and duration of the permit.
 - Workers' Compensation: Statutory Limits as required by the State of California and Employer's Liability Insurance of \$1 million per accident for bodily injury or disease.

Insurance Requirements
Regulation I-1

- d) Encroachment Permits for Special Events such as parades and other events requiring street closure:
 - General Liability: \$1-2 million per occurrence / \$1-2 million aggregate for bodily injury, personal injury, and property damage depending on the type, location, and duration of the permit.
 - e) Encroachment Permit for Pyrotechnics
 - General Liability: \$5 million per occurrence / \$5 million aggregate for bodily injury, personal injury, and property damage.
 - f) Sidewalk Furniture, Sidewalk Sales
 - General Liability: \$1 million per occurrence / \$1 million aggregate for bodily injury, personal injury, and property damage.
 - g) Use of City Facilities and Parks
 - General Liability: \$1 million per occurrence / \$1 million aggregate for bodily injury, personal injury, and property damage.
 - h) Taxicab and Peddler Vehicle Permits
 - General Liability: \$1 million per occurrence / \$2 million aggregate for bodily injury, personal injury, and property damage.
 - Automobile Liability: \$1 million combined single limit per accident for bodily injury and property damage.
 - Workers' Compensation: Statutory Limits as required by the State of California and Employer's Liability Insurance of \$1 million per accident for bodily injury or disease.
 - i) Insurance Required Under Title 15 (Building and Construction) when not on City right-of-way (15.04.070 – Demolition & Construction and 15.30.050 – Abrasive Blasting)
 - General Liability: \$1 million per occurrence / \$2 million aggregate for bodily injury, personal injury, and property damage is required **at a minimum**. The amount for specific projects will be determined and included in the Request for Proposals and the Construction Contract.
 - Workers' Compensation: As required by the State of California and Employer's Liability Insurance of \$1 million per accident for bodily injury or disease.
5. All insurance carriers shall be rated A:VII or better.
 6. Insurance certificates **must** be accompanied by the following:
 - a) An endorsement listing the "City of Fort Bragg, including its officers, officials, employees, and volunteers" as additional insureds. Wording on the certificated stating the City is an additional insured is **not** sufficient; the City requires the actual signed endorsement. Sample endorsement forms, depending on the type of permit or contract, are available from the City Clerk's office.
 - b) The insurance shall contain primary and non-contributing language such as "The insurance shall be primary as respects the insured shown in the schedule above, or if excess, shall stand in an unbroken chain of coverage excess of the Named Insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the Insured scheduled above shall be in excess of this insurance and shall not be called upon to contribute with it."
 - c) A statement that includes the following language: "The insurance afforded by this policy shall not be canceled except after thirty days prior written notice has been given to the City."
 7. For all permits and/or contracts requiring Workers' Compensation, the Workers' Compensation insurance must include a waiver of subrogation clause such as "This insurance company agrees to waive all rights of subrogation against the City of Fort Bragg, its officers, officials, employees, and volunteers for losses paid under the terms of this policy which arise from the work performed by the named insured for the City."

Insurance Requirements
Regulation I-1

8. Alternate endorsements are subject to approval by the City.

III. RESPONSIBILITY

1. The City Clerk's office is responsible for providing the City's insurance requirements, and preferred endorsement forms, to persons interested in obtaining a permit or contracting with the City.
2. The City Clerk's office is also responsible for reviewing insurance certificates and endorsements for compliance and tracking expiration of insurance certificates.
3. All project managers are responsible for verifying that insurance requirements have been met prior to allowing the consultant or contractor to start work on the project.
4. The City Manager is the only person authorized to waive or lower insurance requirements.
5. Redwood Empire Municipal Insurance Fund (REMIF) provides insurance requirement updates to the City from time to time.

IV. DEFINITIONS

1. "Project Manager" is any City employee managing a specific project on behalf of the City.
2. "Risk Transference" is the process of transferring liability from the City to consultants, contractors, and permittees doing business in or with the City.

Approved by City Manager	<u>Wanda Ruffing</u> (Signature)	<u>3.12.09</u> (Date)
Made a part of the City's Administrative Regulations binder and distributed to all City staff		<u>12/10/2009</u> (Date)

