



**CITY OF DUBLIN
ADMINISTRATIVE ORDERS
OF THE CITY MANAGER**

ADMINISTRATIVE ORDER 3.5
TO: All Department Division Heads and Assistants
FROM: Marsha I. Grigsby, City Manager
SUBJECT: Insurance Requirements for Contractors, Consultants (professional services), Event Sponsors and Co-Sponsors, and Volunteer Organizations
DATE: January 3, 2002
Supersedes and Replaces Administrative Order 3.5 dated 02/18/97 Regarding Same Subject.

I. PURPOSE

The purpose of this Administrative Order is to establish insurance requirements for contractors, consultants (professional services), event sponsors and co-sponsors and volunteer organizations who use City-owned facilities. It is in the City's best interest to minimize its exposures and risks by requiring others to possess the appropriate types and levels of insurance coverage.

This Administrative Order shall apply to all City Department/Divisions who negotiate contracts/agreements with contractors, consultants (professional services), event sponsors and co-sponsors, volunteer organizations and others. Questions regarding this Administrative Order should be directed to the City of Dublin Risk Manager.

Effective immediately, the following insurance requirements should be used in any formal competitive bidding procedures involving contractors, any proposed contracts with professional service consultants, and any negotiated relationships with event sponsors/co-sponsors and volunteer organizations.

II. CONTRACTORS/CONSTRUCTION PROJECTS

A. The Contractor shall secure and maintain, at his/her own expense, until completion of the contract, general liability and property insurance as shall protect him and the City from claims for bodily injury, personal injury, and property damage which may arise because of the nature of the work or from

operations under this contract.

B. General Liability

The Contractor shall have General Liability coverage on a per project basis, per occurrence, and in comprehensive form. General Liability coverage shall include

Products/Completed Operations, Explosion, Underground and Collapse Hazard,

Premises, Operations, Contractual, Independent Contractors, Broad Form Property Damage and Personal Injury.

The Contractor shall provide General Liability and Excess General Liability coverage in the following amounts, at a **minimum**:

Projects less than \$1,000,000: Contractor shall have total limits of insurance to include primary and excess coverage in an amount not less than **\$2,000,000**. (Examples: may be \$1,000,000 primary and \$1,000,000 excess, \$2,000,000 primary, or other equivalent combination.)

Projects greater than \$1,000,000: Contractor shall provide total limits of insurance to include primary and excess coverage in an amount of not less than **\$5,000,000**. (Examples: may be \$1,000,000 primary and \$4,000,000 excess, \$2,000,000 primary and \$3,000,000 excess, or other equivalent combination.)

C. Automobile Liability

The Contractor shall secure, and maintain, at his/her own expense, until the completion of the Contract, coverage for any auto, including non-owned and hired autos, with a combined single limit of \$1,000,000 per occurrence. The City shall be named as an Additional Insured.

D. Worker's Compensation Insurance

Before beginning work, the Contractor shall furnish to the City satisfactory proof that he/she has, for the period covered under the Contract, full Worker's Compensation coverage for all persons whom he/she may employ directly, or through subcontractors, in carrying out the work contemplated under the Contract, and shall hold the City free and harmless for all personal injuries of all persons whom the Contractor may employ directly or through subcontractors.

E. Additional Insured

The Contractor shall name the City of Dublin as an "Additional Insured" on all insurance policies, except Worker's Compensation, and this shall be reflected on the Certificate of Insurance.

F. Cancellation Notice or Material Change of Coverage

Contractor's required insurance shall be endorsed to provide that the policy(ies) will not be canceled, reduced, discontinued, or otherwise materially altered during the period of performance without thirty (30) days prior written notice to the City of Dublin.

G. Certificate(s) of Insurance

Prior to commencing work under each contract or subcontract, Certificates of Insurance shall be submitted and approved by the City. The Contractor is responsible for obtaining Certificates of Insurance establishing that the Contractor and all subcontractors have complied with insurance requirements previously stated. Copies of Certificate(s) of Insurance shall be forwarded to the Risk Manager, Division of Human Resources and Procurement for review and filing.

H. Rating of Insurance Company(ies)

Any and all insurance company(ies) supplying coverage to the Contractor must have no less than an A- rating in accordance with the A.M. Best rating guide.

I. Indemnification & Hold Harmless Clause

The Contract shall possess an Article which indemnifies and holds harmless the City of Dublin and its respective officers, agents, and employees.

Example: The Contractor shall indemnify and hold harmless the City of Dublin and its respective officers, agents, and employees from and against all claims, damages, losses and expenses arising out of or resulting from the performance of the work under the Contract, provided that any such claim, damage, loss or expense is attributable to bodily injury, personal injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom; and is caused in whole or in part by any negligent or willful act or omission of the Contractor and/or Subcontractor, anyone directly employed by any of them, or anyone for

whose act any of them may be liable. In addition, the Contractor shall, at his/her own expense, defend the City of Dublin in all litigation, pay all attorney's fees, damages, courts costs and other expenses arising out of the litigation of claim or incurred in connection therewith; and shall at his/her own expense, satisfy and cause to be discharged such judgments as may be obtained against the City or any of its officers, agents, and employees.

In any and all claims against the City of Dublin and its officers, agents and employees, by any employee of the Contractor and/or Subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be

liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor under Worker's Compensation acts, disability benefits acts or other employee benefits acts.

III. Consultants/Professional Service Contracts

A. Errors and Omissions Insurance

The Contractor/Consultant shall have Errors and Omissions coverage in the minimum amount of \$1,000,000 and shall be in effect for the entire period of the project and for a minimum of one year after completion of said project.

B. Worker's Compensation Insurance

Before beginning work, the Contractor/Consultant shall furnish to the City satisfactory proof (certificates) that he has, for the period covered under the Contract, full Worker's Compensation coverage for all persons whom he/she may employ directly, or through subcontractors, in carrying out the work contemplated under the Contract, and shall hold the City free and harmless for all personal injuries of all persons whom the Contractor may employ directly or through subcontractors.

C. Property Insurance

The Contractor/Consultant shall have property insurance for protection from claims or damages because of damage to or destruction of property including loss of use resulting therefrom in an amount not less than \$500,000. The City shall be held harmless for any damage to the Contractor's/Consultant's property and/or equipment during the course of executing the Contract.

D. General Liability

The Contractor/Consultant shall have general liability coverage in the minimum amount of \$1,000,000 per occurrence.

E. Automobile Liability

The Contractor/Consultant shall have automobile insurance including coverage for non-owned and hired autos with a combined single limit of not less than \$1,000,000 per occurrence and the City shall be named as an "Additional Insured".

F. Additional Insured

The City of Dublin shall be named as an "Additional Insured" on all insurance coverage except Worker's Compensation and Errors & Omissions. All Certificates of Insurance shall clearly display such designation.

G. Indemnification & Hold Harmless Clause

The Contract shall possess an Article which indemnifies and holds harmless the City of Dublin and its respective officers, agents and employees.

Example: The Consultant shall indemnify and hold harmless the City and its respective officers, agents and employees against all suits or claims that may be based upon any injury to persons or property that may arise out of any error, omission, negligent or willful act of the Consultant, and the Consultant shall, at his/her own expense, defend the City in all litigation, pay all attorney's fees, damages, court costs and other expenses arising out of the litigation of claim or incurred in connection therewith; and shall, at his/her own expense, satisfy and cause to be discharged such judgments as may be obtained against the City or any of its officers, agents and employees.

For any and all claims for which the Consultant has agreed to indemnify the City, the obligation to indemnify shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Consultant under Worker's Compensation acts or other employment benefit acts.

H. Certificate of Insurance

The Consultant is responsible for obtaining Certificates of Insurance establishing that the Consultant has complied with insurance requirements previously stated. Copies of Certificate(s) of Insurance shall be forwarded to the Risk Manager, Division of Human Resources and Procurement for review and filing. (The certificate(s) must be submitted to and approved by the City prior to the start of work or commencement of an event.

I. Cancellation Notice or Material Change of Coverage

Contractor's/Consultant's required insurance shall be endorsed to provide that the policy(ies) will not be canceled, reduced, discontinued, or otherwise

materially altered during the period of performance without thirty (30) days prior written notice to the City of Dublin. Notice, as stated above, shall also be given for those coverages provided for one year after project completion (see III. A.).

IV. SPECIAL EVENT SPONSORS & CO-SPONSORS/VOLUNTEER ORGANIZATIONS

Special Event Sponsors/Co-Sponsors and volunteer organizations who use City-owned property or rights of way shall:

- A. Secure and maintain, at their own expense, Commercial General Liability with liability limits in the minimum amount of \$1,000,000 per occurrence;
- B. Secure and maintain, at their own expense, Automobile insurance with a minimum combined single limit of \$1,000,000 per occurrence;
- C. Secure and maintain, at their own expense, Liquor Liability insurance in the minimum amount of \$1,000,000 per occurrence, if alcoholic beverages are sold;
- D. Name the City of Dublin as an "Additional Insured" on all applicable insurance policies, except for Worker's Compensation. The designation of "Additional Insured" shall be noted on the Certificate of Insurance;
- E. Indemnify and hold harmless the City of Dublin. This "Hold Harmless Clause" can be placed in the body of a Contract or Agreement; (See II. G. Example)
- F. The special Event Sponsor(s) and Co-Sponsor(s)/volunteer organization(s) is responsible for obtaining Certificates of Insurance establishing that the Consultant has complied with insurance requirements previously stated. Copies of Certificate(s) of Insurance shall be forwarded to the Risk Manager, Division of Human Resources and Procurement for review and filing. (The certificate(s) must be submitted to and approved by the City prior to the start of work or commencement of an event.
- G. Immediately notify the City if insurance noted previously is canceled, reduced, not renewed, or otherwise materially altered during the period for which it is intended.
- H. Any and all insurance company(ies) supplying coverage to the Contractor must have no less than an A- rating in accordance with the A.M. Best rating guide.

In addition, special event sponsors/co-sponsors and volunteer organizations should be advised to secure Worker's Compensation Insurance and seek Waivers of Liability from volunteers or participants when applicable.