

## EXHIBIT B

### MINIMUM INSURANCE REQUIREMENTS

**Some of the following requirements apply to only design professionals and some apply only to contractors. Requirements will be enforced based on the type of contract.**

Contractor/Design Professional shall obtain and submit to City before any Work is performed, certificates from the Contractor's/Design Professional's insurance carriers indicating the presence of coverages and limits of liability as follows.

The City only accepts the most recent version of ACORD® Certificate of Liability Insurance form with additional insured endorsements. The Builder's Risk policy (if required) shall remain in effect during construction through the date of project Final Acceptance. The remainder of the insurance policies shall remain in effect during construction and through the one-year warranty period that follows project Final Acceptance, unless otherwise specified in contract documents. Proof of all required coverage(s) shall be provided by the Contractor/Design Professional.

Policy forms must include:

- A. Premises and Operations coverage with no explosion, collapse or underground damage (XCU) exclusions;
- B. Products and Completed Operations coverage. Contractor/Design Professional agrees to maintain this coverage for a minimum of 10 years following completion of the Contractor/Design Professional Work and to continue to name City as an Additional Insured for the entire 10-year period;
- C. Blanket contractual coverage for the indemnity/hold harmless agreements assumed in this Subcontract and in the Prime Contract. Any Employee Exclusion will be deleted;
- D. Broad Form Property Damage coverage, including completed operations or its equivalent;
- E. An endorsement in a form acceptable to the City, naming City, any other party required to be named as an additional insured under the Contract Documents, and any other parties in interest as Additional Insured(s) under the coverage specified under Comprehensive General Liability or Commercial General Liability. Any form that does not grant additional insured status for both the ongoing operations and products/completed operations coverages IS NOT ACCEPTABLE;
- F. An endorsement in a form acceptable to the City, stating: "Such coverage as is afforded by this policy for the benefit of the additional insured(s) is primary and except for any builder's risk property insurance coverage that may be purchased and maintained by City in connection with the Project, any other coverage maintained by such additional insured(s) shall be non-contributing with the coverage provided under this policy;"
- G. Coverage SHALL BE on an "Occurrence" form. **"Claims Made"** and **"Modified Occurrence"** forms are not acceptable;
- H. Coverage to include general aggregate limits on a "per project" basis;

**1. Workers' Compensation (required for both Contractors/Design Professionals):**

Coverage A. Statutory Benefits

Coverage B. Employer's Liability

Bodily Injury by accident	\$1,000,000 each accident
Bodily Injury by disease	\$1,000,000 policy limit
Bodily Injury by disease	\$1,000,000 each employee

**2. Commercial Auto Coverage (required for both Contractors and Design Professionals):**

Auto Liability limits of not less than \$1,000,000 Combined Single Limit (Each Accident), combined Bodily Injury and Property Damage Liability insurance. Certificate to reflect coverage for "Any Auto, All Owned, Scheduled, Hired, or Non-Owned."

If the Contract Documents require Contractor/Design Professional to remove and haul hazardous waste from the Project site, or if the Project involves such similar environmental exposure, pollution liability coverage equivalent to that provided under the ISO Pollution Liability-Broadened Coverage for Covered Autos Endorsement shall be provided, and the Motor Carrier Act Endorsement (MCS 90) shall be attached.

**3. Commercial General Liability (required for both Contractors/Design Professionals):**

Each Occurrence Limit	\$2,000,000
Personal Injury/Advertising Injury Limit	\$2,000,000
Products/Completed Operations Aggregate Limit	\$2,000,000
General Aggregate Limit (other than Products/Completed Operations)	\$4,000,000

**4. Excess Liability:**

Umbrella or Excess Liability may be used to satisfy the above Auto and General Liability coverage requirements and limits to reach a total combined limit of:

Auto	Amount sufficient to cover difference in limits when compared to minimum coverage required.
Each Occurrence	Amount sufficient to cover difference in limits when compared to minimum coverage required.
Aggregate	Amount sufficient to cover difference in limits when compared to minimum coverage required.

**5. Professional Liability (required for Design Professionals only):**

(Applicable only to Design Professional services which are part of Work.)

Coverage provided must have no exclusion for design-build projects. Contractor/Design Professional must provide evidence of coverage for three (3) years beyond completion of the Project.

Coverage Amount: \$2,000,000 per claim/\$4,000,000 aggregate, unless higher coverage limits are required under the Contract Documents, in which case such higher limits shall apply.

**6. Pollution Legal Liability:** \$1,000,000 per Occurrence  
\$1,000,000 Aggregate Limit

(Applicable to any pollutants or hazardous waste exposures as part of Work, except for CMAR Pre-Construction services work.)

Contractor shall maintain insurance covering losses caused by pollution conditions (including mold) that arise from the Work.

**7. Builders Risk (if required, will be required for Contractors only):**

Contractor shall include in its Cost Proposal the cost to obtain builders risk or "all risk" or equivalent policy form coverage in the amount of the initial Contract Price. This required insurance coverage is required on projects that are typically outside the public rights-of-way whereby the City is constructing or modifying a public building. The City may, at the City's sole option, purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located, property insurance written on a builders risk "all-risk" or equivalent policy form in the amount of the initial Contract Price, plus value of subsequent contract modifications and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis. This insurance shall include interests of the City, Contractor and its subcontractors in the Project, and shall include, without limitation, insurance against the perils of fire and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing and startup, temporary buildings and debris removal, including demolition occasioned by enforcement of any applicable legal requirements. City shall bear the responsibility for the deductible for such coverage when a loss affects the Work, provided, however, to the extent such loss is attributable to the negligent or wrongful acts or omissions of Contractor or someone for whom Contractor is responsible, Contractor shall bear the responsibility of the deductible. Such property insurance will not cover any tools or equipment owned or rented by Contractor that will not be incorporated into the Project, including trailers, excavators, scaffoldings, or forms. Contractor is responsible for providing insurance coverage for such items.

**8. Other Requirements:**

- A. All policies must be written by insurance companies whose rating, in the most recent AM Best's Rating Guide, is not less than A-. All coverage forms must be acceptable to City.
- B. ACORD® Certificate of Liability Insurance form with the required endorsements evidencing the required coverages must be PROVIDED to the City prior to commencement of any Work. Failure of City to demand such certificate or other evidence of full compliance with these insurance requirements or failure of City to identify a deficiency from evidence that is provided shall not be construed as a waiver of Contractor's/Design Professional's obligation to maintain such insurance. City shall have the right, but not the obligation, to prohibit Contractor/Design Professional or any of its subcontractors from entering the Project site until such certificates or other evidence that insurance has been placed in complete compliance with these requirements is received and approved by City.
- C. The policies shall provide waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay for the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

The following policies shall include Waiver of Subrogation endorsements:

Workers' Compensation  
Commercial Auto Coverage  
Commercial General Liability  
Pollution Legal Liability

- D. The following policies shall include Additional Insured endorsements:  
Commercial Auto Coverage  
Commercial General Liability  
Excess Liability  
Builders Risk

- E. Contractor/Design Professional shall be responsible for satisfying any deductible or self-insured retention with respect to any of the coverages required by the Contract Documents to be provided by Contractor/Design Professional.
- F. City reserves the right, in its sole discretion, to require higher limits of liability coverage if, in City's opinion, operations by or on behalf of Contractor/Design Professional create higher than normal hazards and, to require Contractor/Design Professional to name additional parties in interest to be Additional Insureds.
- G. In the event that rental of equipment is undertaken by Contractor/Design Professional or any Subcontractor to complete and/or perform the Work, Contractor/Design Professional agrees that it shall be solely responsible for such rental equipment. Such responsibility shall include, but not be limited to protection against theft, fire, vandalism and use by unauthorized persons.
- H. In the event that materials or any other type of personal property ("personal property") is acquired for the Project or delivered to the Project site, Contractor/Design Professional agrees that it shall be solely responsible for such property until it becomes a fixture on the Project, or otherwise is installed and incorporated as a final part of the Project. Such responsibility shall include, but not be limited to protection against theft, fire, vandalism and use by unauthorized persons.
- I. Any additional provisions specific to the Project are attached. In the event of any conflict between the attached terms and the terms of this Exhibit, Contractor/Design Professional shall comply with the more stringent provisions.

If a policy does expire, a renewal certificate of the required coverage shall be sent to the City of Mesa not less than seven (7) calendar days prior to the expiration date or, if a policy is to be cancelled, changed or not renewed, a proper notice of such action shall be sent to the City not less than fourteen (14) calendar days prior to any such action by the insurance company.

Notice shall be sent to: City Engineer  
City of Mesa  
P.O. Box 1466  
Mesa, AZ 85211-1466