

City of Kamloops Insurance Specifications

SGC 22.1.2 Add sub-section: For the purpose of this paragraph "claim" or "claims" shall mean those claims for damages or loss resulting from the performance of the work under the contract and made against the City and/or the City of Kamloops

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Contractor by persons not involved in the performance of the work, e.g. property owners, pedestrians, motorists. The Contractor shall, upon receiving notice of a claim, respond promptly in a respectful manner to the claimant and notify the City of Kamloops of the particulars of the claim. Within thirty (30) days after receiving notice of a claim the Contractor will make its best efforts to settle the claim and, if unsuccessful, the City of Kamloops may then appoint an independent adjuster to investigate the claim. The City of Kamloops will make its best efforts to settle any claims not settled within thirty (30) days by the Contractor based on the independent adjuster's report. All costs of the settlement and the adjuster are to be paid by the Contractor and may be taken by the City of Kamloops from monies due the Contractor. Prior to the release of holdback monies, the Contractor and the Contract Administrator will confirm to the City of Kamloops that there are no unresolved claims remaining and, if they are unable to do so, then the City of Kamloops will be entitled to retain monies it deems sufficient to pay for claims and any associated costs, including legal costs on a solicitor-client basis, from the holdback amount. This section does not apply to a claim for which the Contractor has insurance, provided the defense of such claims has been undertaken by the Contractor's insurer for both the Contractor and the City of Kamloops in a manner which will result in no costs to the City of Kamloops.

SGC 24.1 Delete GC 24.1 SGC 24.1 Delete GC 24.1 and replace with the following:

24.1.1. Liability Insurance

- .1 This policy shall cover the risks of liability for Bodily Injury, Death or Property damage arising from the activities at the Site. It shall be written in the name of the Owner, Contractor, Subcontractors, Architects, Engineers, Contract Administrator, Consultants, and Sub-consultants engaged on the Work. It shall provide a limit of liability in the amount of not less than five million dollars (\$5,000,000).

The policy deductible is the responsibility of the Contractor. The Contractor shall indemnify and save harmless the Owner from any and all third party claims that may arise from the City of Kamloops AMENDMENTS TO THE MMCD GOLD BOOK - Volume II - 2000 REVISION: 2009 March 03 Page 15 of 66 Contractors operations under the contract resulting in bodily injury, death, or property damage. .2 To comply with these specifications the Contractor has two options:

Option 1

Commercial General Liability Insurance: The Contractor must supply the Owner with a Certificate of Insurance in the amount of not less than five million dollars (\$5,000,000) as per 24.1.1.1. (above). The Contractor will be responsible to the Owner to guarantee to the Owner that each Sub-contractor hired by the Contractor carries Commercial General Liability Insurance subject to inclusive limits of not less than two million dollars (\$2,000,000) for bodily injury, death, or property damage. The Contractor will obtain for the benefit of the Owner, certificates of insurance from each Subcontractor's Broker or Insurer. Each certificate of insurance is to be sent to and approved by the Owner prior to the Sub-contractor commencing work on the job/project in question.

Option 2 - Wrap Up Liability Insurance:

The insurance shall be issued in the name of the Owner and the Contractor. The insurance shall also insure as Unnamed Insureds, the Owner, the Engineering Consultants of the Owner, and their Sub-contractors who perform a part or parts of the Work, but excluding suppliers whose only function is to supply and/or transport products to the project site.

3. The insurance shall preclude subrogation claims by the insurer against anyone insured by the liability policy(ies). The Commercial General Liability or Wrap Up Liability Insurance shall include coverage for:
 - a) Premises and operations liability.
 - b) Products and/or completed operations liability extending for a two (2) year period after completion and acceptance by the City.
 - c) Blanket contractual liability.
 - d) Cross liability.
 - e) Occurrence property damage.
 - f) Hoist liability, if applicable to the work.

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- g) Contingent employer's liability.
- h) Personal injury liability arising out of false arrest, detention, or imprisonment or malicious prosecution, libel, slander, defamation of character, invasion of privacy, wrongful eviction, wrongful entry, or discrimination.
- i) Shoring, blasting, excavating, underpinning, demolition pile driving and caisson work, work below ground surface, tunneling, and grading, where such work is required.
- j) Liability with respect to non-owned licensed vehicles.
- k) Contingent Contractors Protective Liability.

24.1.2 All Risk Builders Risk Insurance

The policy deductible is the responsibility of the Contractor. This coverage is not required for underground work such as the installation of water mains, sanitary sewer mains, or storm sewer mains. This coverage is also not required for the installation of road works and sidewalks. The Contractor will provide and maintain "All Risks" property insurance insuring the full replacement value of the Work. The full replacement value of the property to be provided by the Contractor for incorporation into the Work. The insurance shall be issued in the name of the Contractor and the Owner, and as unnamed insureds Sub-contractors, and all others having an insurable interest in the Work. Insurance provided is to insure against "All Risks" of physical loss or damage and be issued on a broad form "All Risks" builders risk policy to apply to:

- a) All products and supplies of any nature whatsoever, the property of the Insureds or of others for which the Insureds may have assumed responsibility, to be used in or pertaining to the site preparation and demolition or existing structures, erections, and/or fabrication, and/or reconstruction, and/or repair of the Work, while on Site or in transit, subject to exclusions to be agreed to by the Owner.

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- b) The installation, testing, and any subsequent use of machinery and equipment including boilers, pressure vessels, or vessels under vacuum.
- c) Damage to the Work caused by an accident to and/or the explosion of any boiler(s) or pressure vessel(s) or electrical equipment forming part of the Work

Such coverage shall exclude construction machinery, equipment, temporary structural and other temporary facilities, tools, and supplies used in the construction of the Work and which are not expendable under the contract. The insurance shall preclude subrogation claims by the insurer against anyone insured by the property insurance policy(s). All such insurance shall be maintained continuously until ten (10) days after the date the Contract Administrator issues a Certificate of Total Performance. All such insurance will provide for the Owner to take occupancy of the Work or any part thereof during the term of the insurance. The policies will provide that, in the event of a loss, payment for damages to the Work shall be made to the Owner and the Contractor as their respective interests may appear. The Owner will act on behalf of the Contractor and himself for the purpose of adjusting the amount of such loss with the Insurers. On determination of the extent of the loss, the Contractor shall immediately proceed to restore the Work and shall be entitled to receive from the Owner (in addition to any sum due under the contract), the amount for which the Contractor's interest in the restoration work has been appraised, such amount to be paid as the work of the restoration proceeds and in accordance with the Contract Administrator's certificates for payment. Damage shall not affect the rights and obligations of either party under the Contract except that the Contractor shall be entitled to such reasonable extensions of time for Substantial and Total Performance of the Work as the Contract Administrator may decide.

24.1.3. Other Insurance

24.1.3.1. Contractor's Equipment Insurance

This policy shall cover all Contractors' tools and equipment used at the Site against "All Risks" of direct physical loss or damage including the perils of earthquake and flood subject to customary exclusions.

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The Contractor shall require all Sub-contractors engaged in the Work to purchase and maintain similar Contractors' equipment insurance covering their tools and equipment used at the project Site. All such Contractors' Equipment Insurance policies shall contain a waiver of subrogation against the Owner and the Contractor, Sub-contractor, Architect, Engineers, Consultants, and Sub-consultants engaged in the Work. Thirty (30) days prior written notice of cancellation or material change adversely affecting this insurance to be given by the Insurers to the Owner.

24.1.3.2. Aircraft and/or Watercraft Liability Insurance, if used in the performance of the contract. The Contractor shall provide and maintain Public Liability and Property Damage insurance with respect to owned and non-owned aircraft and watercraft, as may be required, subject to inclusive limits of not less than two million dollars (\$2,000,000). Said insurance shall be issued in the joint names of the Contractor and the Owner and as unnamed Insureds Sub-Contractors, the Engineering Consultants and any others required by the Owner to be added as additional unnamed Insureds.

24.1.3.3. Automobile Liability Insurance The Contractor, Sub-contractor, his agents, and employees shall provide and maintain Public Liability Property Damage Insurance in respect of owned licensed vehicles subject to inclusive limits of not less than two million dollars (\$2,000,000).

24.1.4. Insurance Certificate and Insurance Questions

24.1.4.1 Construction Certificate of Insurance

Applicable to all policies except automobile liability insurance issued by the Insurance Corporation of British Columbia. The Contractor shall promptly forward a Construction Certificate of Insurance containing insuring agreements acceptable to the City. Should the insurance policies under which the certificate is drawn expire during the term of this Contract or any extension or renewal thereof, the Contractor shall forward a renewal insurance certificate to the City thirty (30) days prior to the expiry of said insurance policies on a form satisfactory to the City.

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The most current Construction Certificate of Insurance can be obtained from:

<http://www.kamloops.ca/business/insurancecertificates.html>

24.1.4.2. Insurance Questions

Any questions regarding insurance requirements should be made to the City of Kamloops Risk Management/Insurance Section at 250-828-3417, 250-828-3315, fax 250-828-0845, or riskmanagement@kamloops.ca. SGC 25.