



INSURANCE REQUIREMENTS FOR CONTRACTORS

The Contractor shall not commence work until it has obtained all the insurance required in this Article, and such insurance has been approved by the Trustees.

- a. Policies and Coverage.
- (1) The Contractor shall obtain and maintain for the term of the Contract the following policies and coverage:
 - (a) Comprehensive or Commercial Form General Liability Insurance, on an occurrence basis, covering work done or to be done by or on behalf of the Contractor and providing insurance for bodily injury, personal injury, property damage, and contractual liability. The aggregate limit shall apply separately to the work.
 - (b) Business Automobile Liability Insurance on an occurrence basis, covering owned, hired, and non owned automobiles used by or on behalf of the Contractor and providing insurance for bodily injury, property damage, and contractual liability. Such insurance shall include coverage for uninsured and underinsured motorists.
 - (c) Worker's Compensation including Employers Liability Insurance as required by law.
 - (d) Course of Construction Insurance covering all risk of loss, maintained at one hundred percent of the completed value based on the insurable portion of the work, including materials at the project site, stored off the project site, and in transit. The insurable portion of the work is ninety percent of the Contract amount unless adjusted by the Supplementary General Conditions. The Contractor's liability for damages proximately caused by acts of God (as defined in Public Contract Code Section 7105) and not involving Contractor negligence shall be limited to five percent of the Contract amount if the work damage is built in accordance with the Contract and applicable building standards.
 - (2) The Contractor also may be required to obtain and maintain the following policies and coverage:
 - (a) Environmental Impairment Liability Insurance should the work involve hazardous materials, such as asbestos, lead fuel storage tanks, and PCBs.
 - (b) Other Insurance by agreement between the Trustees and the Contractor.
- b. Verification of Coverage. **THE CONTRACTOR SHALL SUBMIT CERTIFICATES OF INSURANCE AND SEPARATE LETTERS OF ENDORSEMENTS TO THE POLICIES OF INSURANCE REQUIRED BY THE CONTRACT TO THE TRUSTEES AS EVIDENCE OF THE INSURANCE COVERAGE, NAMING THE CALIFORNIA STATE UNIVERSITY, FRESNO; THE CALIFORNIA STATE UNIVERSITY, FRESNO FOUNDATION, INC; THE CALIFORNIA STATE UNIVERSITY, FRESNO ASSOCIATION, INC; THE CALIFORNIA STATE UNIVERSITY ATHLETIC CORPORATION, INC; THE BOARD OF TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY; THE STATE OF CALIFORNIA AND THEIR EMPLOYEES, AGENTS, VOLUNTEERS AND ASSIGNS AS ADDITIONAL INSURED FOR THE DURATION AND PURPOSE OF THE EVENT(S) BEING HELD.** The scope of coverage and deductible shall be shown on the certificate of insurance. The certificates of insurance and endorsements shall provide for no cancellation or modification of coverage without thirty days written notice to the Trustees. Renewal certifications and endorsements shall be timely filed by the Contractor for all coverage until the work is accepted as complete pursuant to Article 8.01, Acceptance. The Trustees reserve the right to require the Contractor to furnish the Trustees complete, certified copies of all required insurance policies.
- c. Insurance Provisions. The insurance policies shall contain, or be endorsed to contain, the following provisions.
- (1) For the general and automobile liability policies, the State of California, the Trustees of the California State University, the University, their officers, employees, representatives, volunteers, and agents are to be covered as additional insureds.
 - (2) For any claims related to the work, the Contractor's insurance coverage shall be primary insurance as respects the State of California, the Trustees of the California State University, the University, their officers, employees, representatives, volunteers, and agents. Any insurance or self-insurance maintained by the State of California, the Trustees of the California State University, the University, their officers, employees, representatives, volunteers, and agents shall be in excess of the Contractor's insurance and shall not contribute with it.
 - (3) Each insurance policy required by this Article shall state that coverage shall not be canceled by either the Contractor or the insurance carrier, except after thirty days prior written notice by certified mail, return receipt requested, has been given to the Trustees.
 - (4) The State of California, the Trustees of the California State University, the University, their officers, employees, representatives, volunteers, and agents shall not by reason of their inclusion as additional insureds incur liability to the insurance carriers for payment of premiums for such insurance.
 - (5) Course of construction coverage shall contain the following provisions:
 - (a) The Trustees shall be named as loss payee; and
 - (b) The insurer shall waive all rights of subrogation against the Trustees.

d. Amount of Insurance.

(1) For all projects other than those involving hazardous materials, the insurance furnished by Contractor under this Article shall provide coverage in amounts not less than the following, unless a different amount is stated in the Supplementary General Conditions:

- (a) Comprehensive or Commercial form General Liability Insurance — Limits of Liability
\$2,000,000.00 General Aggregate
\$1,000,000.00 Each Occurrence – combined single limit for bodily injury and property damage.
- (b) Business Automobile Liability Insurance – Limits of Liability
\$1,000,000.00 Each Accident – combined single limit for bodily injury and property damage to include uninsured and underinsured motorist coverage.
- (c) Workers' Compensation limits as required by law with Employers Liability limits of \$1,000,000.00.
- (d) Course of Construction Insurance – 100% of the completed value of the work as provided in subdivision 4.06-a (1)(d).

(2) For projects involving hazardous materials, only the Contractor and its hazardous materials subcontractor(s) shall provide coverage in amounts not less than the following, unless a different amount is stated in the Supplementary General Conditions:

- (a) Comprehensive or Commercial form General Liability Insurance – Limits of Liability
\$10,000,000.00 General Aggregate
\$5,000,000.00 Each Occurrence – combined single limit for bodily injury and property damage.
- (b) Business Automobile Liability Insurance – Limits of Liability
\$1,000,000.00 Each Accident – combines single limit for bodily injury and property damage to include uninsured and underinsured motorist coverage.

Hazardous material transporter services must also have:

- (i) MCS-90 endorsement
- (ii) Sudden & Accidental Pollution endorsement—Limits of Liability*
\$2,000,000.00 Each Occurrence
\$2,000,000.00 General Aggregate
*A higher limit on the MCS-90 endorsement required by law must be matched by the Sudden & Accidental Pollution Insurance.
- (c) Workers' Compensation limits as required by law with employers Liability limits of \$1,000,000.00.
- (d) Course of Construction Insurance—100% of the completed value of the work as provided in subdivision 4.06-a (1)(d).
- (e) Environmental Impairment (pollution) Liability Insurance – Limits of Liability
\$10,000,000.00 General Aggregate
\$5,000,000.00 Each Occurrence—combined single limit for bodily injury and property damage, including clean up costs.

e. Acceptability of Insurers. Insurers shall be licensed by the State of California to transact insurance and shall hold a current A.M. Best's rating of A:VII, or shall be a carrier otherwise acceptable to the Trustees.

f. Subcontractor's Insurance. Contractor shall ensure that its subcontractors are covered by insurance of the types and the amounts required by this Article. Contractor shall not allow any subcontractor to commence work on its subcontract until the insurance has been obtained. Only the Contractor and its hazardous materials subcontractor(s) shall have the coverage for projects involving hazardous materials as required in Article 4.06-d, Amounts of Insurance, subdivision (2).

g. Miscellaneous

- (1) Any deductible under any policy of insurance required in this Article shall be Contractor's liability.
- (2) Acceptance of certificates of insurance by the Trustees shall not limit the Contractor's liability under the Contract.
- (3) In the event the Contractor does not comply with these insurance requirements, the Trustees may, at its option, provide insurance coverage to protect the Trustees. The cost of the insurance shall be paid by the Contractor and, if prompt payment is not received, may be deducted from Contract sums otherwise due the Contractor.
- (4) If the Trustees are damaged by the failure of Contractor to provide or maintain the required insurance, the Contractor shall pay the Trustees for all such damages.
- (5) The Contractor's obligations to obtain and maintain all required insurance are nondelegable duties under this Contract.