

CITY OF JACKSONVILLE **Insurance Requirements**

The City of Jacksonville requires that contractors (service providers, vendors, etc.) carry insurance depending on the type of work being performed, location of the work, and the level of risk to the public, City employees, and to the Contractor. The project may require that the Contractor carry only one type of insurance or a combination of insurances.

The following list describes various types of insurance and the minimum limits of coverage normally required by the City, depending on the service being provided and the associated risk and cost:

1. Automobile Liability Insurance: The Contractor shall provide and maintain Automobile Liability insurance for bodily injury and property damage liability covering all the Contractor's owned, borrowed, leased, non-owned and hired vehicles. The Contractor shall carry a **minimum \$1,000,000 single limit** per accident for bodily injury and/or property damage. Liability limits in excess of \$1,000,000, if mandated by a state or federal regulation, will be considered the minimum limits required by the City.
2. Commercial General Liability Insurance: The Contractor shall provide Commercial General Liability insurance covering the Contractor's liability arising out of bodily injury, property damage, and personal injury. The Contractor shall carry a **minimum of \$1,000,000 per occurrence, \$2,000,000 General Aggregate and \$2,000,000 Products/Completed Operations Aggregate**. The policy shall include broad form contractual liability and to the extent the contract for work will involve blasting or excavation the insurance shall not contain an exclusion clause relative to property damage arising out of explosion, collapse of buildings or structures and damage to property underground. The policy shall be endorsed to provide additional insured status for the City for both ongoing operations and completed operations. The additional insured coverage forms should be specifically noted on the Certificate of Insurance. The City may also require a true and certified copy of the Contractor's Commercial General Liability policy.

Note: The Commercial General Liability minimum limits may be satisfied with \$1,000,000 Commercial General Liability and \$1,000,000 Umbrella/Excess insurance.

3. Umbrella/Excess Liability Insurance: The Contractor shall provide Umbrella/Excess Liability insurance with a **minimum single limit of \$1,000,000** to protect the Contractor against all claims in excess of the limits provided under the Automobile Liability, Commercial General Liability, and the Employer's Liability portion of the Workers' Compensation Insurance.

Specific excess coverage may also be obtained on coverage such as Professional Liability and Pollution Liability. The City shall determine if a Specific

Umbrella/Excess policy is required and at what limits based on a risk analysis of the contract.

4. Workers' Compensation Insurance: The Contractor shall provide Workers' Compensation insurance for all his employees employed at the project worksite during the life of the contract with the City. The coverage must include **employers' liability with limits no less than \$100,000 bodily injury per accident limit, \$500,000 disease per policy limit and \$100,000 disease each employee limit**, providing coverage for employees and owners as required by North Carolina State Statute.
5. Builder's Risk Insurance: For construction contracts, the Contractor shall secure and maintain during the life of the contract with the City, Builder's Risk Insurance, including fire and extended coverage, wind and water damage from hurricanes and tropical storms, flooding, and special extended coverage, for 100% of the contract amount, if required. The coverage should provide for losses to be paid to the Contractor and the City as their interests may appear. The coverage shall be equal to **100% of the contract amount plus the asset value of any existing structure**. The City shall be named as an additional insured on the Contractor's policy and an Evidence of Property Coverage Certificate shall be filed with the City by the insurance carrier and or agent of the carrier. The City shall be provided a Certificate of Insurance as well as an Evidence of Property Coverage Certificate as evidence of coverage.

The City may require additional coverage (e.g., flood, collapse, and earth movement) from the Contractor to ensure the replacement value of the existing building at 100 percent replacement cost.

6. Professional Liability (Errors & Omissions) Insurance: Professional service providers shall secure and maintain during the life of the contract with the City, Professional Liability Insurance (E & O) with a **minimum single limit of \$1,000,000**.
7. Pollution Liability Insurance: The Contractor will provide Pollution Liability insurance where, in the City's opinion, there is a substantial risk of liability arising out of an environmental impairment occurrence with a **minimum single limit of \$1,000,000 per occurrence and \$2,000,000 aggregate**. Such exposures include contracts involving the removal of, transportation of, and treatment of pollutants by the Contractor and for construction contracts that may involve the Contractor bringing pollutants onto the construction site.
8. Cancellation, Non-renewal: Written notice of cancellation, expiration, non-renewal or changes in coverage during the full time period covered by the contract shall be given to the City thirty (30) days prior to the date of such cancellation, expiration, non-renewal, lapse of coverage, or changes in coverage affecting the policy. **Cancellation and or non-renewal of a required policy by the Contractor (service provider) during the time required for the contract to be completed is prohibited.** **The Contractor may substitute insurance policies during the time of the contract as**

long as the coverage provided is equal to or greater than that coverage being replaced. A new certificate of insurance noting the change in insurance carrier and or coverage must be immediately filed with the City.

When the Contractor (service provider) submits an insurance certificate to the City, the certificate must be an original document, or a fax sent directly from the insurance provider (e.g., insurance agent or insurance company). All faxed insurance certificates must be sent to the Finance Department at (910) 938-0982 to the attention of the Contract Specialist. The City of Jacksonville must be added as an Additional Insured on the insurance certificates, with the exception of Worker's Compensation and Professional Liability Insurance. Certificates are required before contracts may be executed and work or service may begin. Each insurance certificate should include this statement or similar wording, "Written notice of cancellation, expiration, non-renewal or changes in coverage during the full time period covered by the contract shall be given to the City thirty (30) days prior to the date of such cancellation, expiration, non-renewal, lapse of coverage, or changes in coverage affecting the policy."

Companies that provide insurance and bonds (bid, performance, and payment) must be licensed in North Carolina.