

# INSURANCE REQUIREMENTS

**No work shall commence on the CSU Bakersfield campus or CSU Bakersfield Antelope Valley campus until the proper insurance certificates and endorsements required in this Article have been received by CSUB's Office of Procurement and said certificates and endorsements have been approved by the Trustees of the California State University.**

For the purposes of this article the term "Contractor" shall mean any person or entity that would provide services on either CSUB campus, make deliveries of ordered commodities to either campus, or be involved in a Public Works project on either campus.

## **I. Policies and Coverage.**

A. The Contractor shall obtain the following policies and coverage:

1. 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.
2. 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
3. Worker's Compensation including Employers Liability Insurance: as required by law.

B. The Contractor also may be required to obtain the following policies and coverage:

1. Environmental Impairment Liability Insurance: should the work involve hazardous materials, such as asbestos, lead, fuel storage tanks, and PCBs.
2. Other Insurance: As required by agreement between the Trustees and the Contractor.

## **II. Verification of Coverage.**

The Contractor shall submit certificates of insurance and original endorsements to the policies of insurance required by the contract to the Trustees as evidence of the insurance coverage. 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. The Trustees reserve the right to require the Contractor to furnish the Trustees complete, certified copies of all required insurance policies.

## **III. Insurance Provisions.**

The insurance policies shall contain, or be endorsed to contain, the following provisions.

- A. 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.
- B. 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, their officers, employees, representatives, volunteers, and agents shall be in excess of the Contractor's insurance and shall not contribute with it.

- C. 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.
- D. 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.
- E. Course of construction coverage shall contain the following provisions:
  - 1. The Trustees shall be named as loss payee; and
  - 2. The insurer shall waive all rights of subrogation against the Trustees.

#### **IV. Amount of Insurance.**

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. For all projects other than those involving hazardous materials:
  - 1. 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.
  - 2. 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.
  - 3. Workers' Compensation limits as required by law with Employers Liability limits of \$1,000,000.00
- B. For projects involving hazardous materials:
  - 1. 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.
  - 2. 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.

Hazardous material transporter services must also have:

  - a. MCS-90 endorsement
  - b. 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 subsection a.
  - e. Environmental Impairment (pollution) Liability Insurance-
    - Limits of Liability
    - (i) \$10,000,000.00 General Aggregate
    - (ii) \$5,000,000.00 Each Occurrence-- combined single limit for bodily injury and property damage, including clean up costs.

**V. 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 no less than A:VII.

**VI. 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.

**VII. Miscellaneous.**

- A. Any deductible under any policy of insurance required in this Article shall be Contractor's liability.
- B. Acceptance of certificates of insurance by the Trustees shall not limit the Contractor's liability under the contract.
- C. 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.
- D. 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.
- E. The Contractor's obligations to obtain and maintain all required insurance are non-delegable duties under this contract.