



INSURANCE REQUIREMENTS FOR CONSTRUCTION/SERVICES/PROFESSIONAL SERVICES

The term "City" shall include the City of McAllen and/or McAllen Public Utility (MPU) and their employees, officers, officials, agent, and volunteers in respect to the contracted services. Any failure on the part of the City to request required insurance documentation shall not constitute a waiver of the insurance requirement.

All Certificates of Insurance must be received prior to commencement of service/work and shall be reviewed by the Purchasing & Contracting department. Any exceptions or variations to these insurance requirements shall be approved by the Director of Risk Management or his/her designated representative **prior** to the commencement of any work. These insurance requirements shall be complied with by any and all sub-contractors, and/or lower-tier sub-contractors.

All insurance carriers shall be rated A6 or better and be published on a current A.M. Best Rating Guide, or some other recognized equivalent rating service (e.g., Moody's, Standard & Poor's). The City of McAllen may request a copy of the insurance policy according to the nature of the project and reserves the right to accept or reject the insurance carrier. All Certificates of Insurance shall be provided on an Acord 25 Form.

The Certificate of Insurance shall be made to the City of McAllen, P.O. Box 220, McAllen, TX 78505-0220, (1300 Houston, McAllen, Texas 78501). This information shall be listed under "Certificate Holder.

In the event the insurance coverage expires prior to the completion of the contract, a renewal certificate shall be issued thirty (30) days prior to said expiration date. The City must be notified at least thirty (30) days prior to any material change in and/or cancellation and/or non-renewals of such policies.

The City reserves the right to make reasonable requests or revisions pertaining to the types and limits of that coverage.

During the term of the Contract, the successful contractor/respondent/selected firm shall acquire and maintain, for the duration of the contract period the following insurances:

- A. **Comprehensive Commercial General Liability:** The Contractor/Respondent/Selected Firm shall provide minimum limits of \$250,000 Each Occurrence, \$500,000 General Aggregate combined single limit for bodily injury and property damage liability. This shall include premises/operations, independent contractors, products, completed operations, personal and advertising injury, and contractual liability. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs maintained by the City and shall name the "City of McAllen" as an additional insured with a waiver of subrogation. The policy of insurance shall be written on an "occurrence" form.

Blanket "XCU" – Explosion, Collapse & Underground
Independent Contractors
Care, Custody and Control
Contractual Liability

No endorsements excluding these coverages are allowed.

Additional Insured Requirement:

To the fullest extent of coverage allowed under Chapter 151 of the Texas Insurance Code, the City of McAllen and/or McAllen Public Utility shall be included as additional insured under the CGL policy, using ISO Additional Insured Endorsements CG20101001 and CG20371001, or endorsements providing equivalent coverage, including products completed operations

- B. **Business Automobile Liability:** The Contractor/Respondent/Selected Firm shall maintain limits of no less than \$500,000 combined single limit (each accident). This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs maintained by the City and shall name the "City of McAllen" as an additional insured with a waiver of subrogation. The policy of insurance shall be written on an "occurrence" form.

Applicable as long as no fragile or perishable products are transported; otherwise, Cargo Insurance is required.

Additional Insured Requirement:

To the fullest extent of coverage allowed under Chapter 151 of the Texas Insurance Code, the City of McAllen and/or McAllen Public Utilities (MPU) shall be included as additional insured under the CGL policy, using ISO Additional Insured Endorsements CG20101001 and CG20371001, or endorsements providing equivalent coverage, including products completed operations

- C. **Builder's Risk/Fire & Extended Coverage**

The Contractor shall insure the building or other work included in this contract on an all-risk (special causes of loss) policy, with an insurance company or companies acceptable to the Owner. The amount of the insurance at all times to be at least equal to the amount paid on account of work and material and plus the value of the work or materials furnished or delivered but not yet paid for by the Owner. Builder's Risk Policies shall cover loss of materials by theft, vandalism, malicious mischief or other loss whether materials are incorporated in the work or not.

The policies shall be in the names of the City and the Contractor, as their interests may appear, and certificates of insurance shall be delivered to the Owner before monthly partial payments are made. The policy shall provide for the inclusion of names of all other contractors, subcontractors and other employed on the premises as ensured and shall stipulate that the insurance companies shall have no right to subrogation against any contractors, subcontractors or other parties employed on the premises for any work building alterations, construction or erection to the described property.

- D. **Workers' Compensation:** The contractor/respondent/selected firm shall provide and maintain workers' compensation insurance for all employees in the full amount required by statute and full compliance with the applicable laws of the State of Texas. Employer's Liability insurance shall be provided in amounts not less than \$500,000 per accident for bodily injury by accident; \$500,000 policy limit by disease; and \$500,000 per employee for bodily injury by disease."

In addition, a Waiver of Subrogation Endorsement shall be provided by the contractor naming the City of McAllen in said policy for Worker's Compensation Insurance. Contractor/Respondent/Selected Firm shall further ensure that all of its sub-contractors maintain appropriate levels of workers' compensation insurance.

- E. **Professional Services - Insurance Provisions:** Errors & Omissions (Professional Liability): \$1,000,000 Each Claim Limit \$1,000,000 Aggregate Limit. If coverage is written on a claims-made basis, the retroactive date shall be on or prior to the date of the contractual Agreement. The certificate of insurance shall state that the coverage is claims-made and include the retroactive date. The insurance shall be maintained for the duration of the contractual Agreement and for four (4) years following completion of the services provided under the contractual Agreement or for the warranty period, whichever is longer. An annual certificate of insurance submitted to the City shall evidence coverage.

- F. **Deductible Clause:** Contractor/Respondent/Selected Firm to declare self-insured retention or deductible amounts in excess of \$25,000.