

# Spare the Air Youth High School Grant Program



## Insurance and Contracting Requirements

Grant recipients will become subcontractors to Alta Planning + Design (Alta) and shall, at its own expense, obtain and maintain in effect at all times the following types of insurance against claims, damages and losses due to injuries to persons or damage to property or other losses that may arise in connection with the performance of work under its Agreement with Alta, placed with insurers Best's Rating of A- or better with a Financial Size Category of VIII or better:

- Workers' Compensation Insurance with Statutory limits, and Employer's Liability Insurance with a limit of not less than \$1,000,000 per employee and \$1,000,000 per accident, and any and all other coverage of vendor's employees as may be required by applicable law. Such policy shall contain a Waiver of Subrogation in favor of Alta & Metropolitan Transportation Commission (MTC). Such Workers Compensation & Employer's Liability may be waived, if and only for as long as vendor is a sole proprietor or a corporation with stock 100% owned by officers with no employees.
- Commercial General Liability Insurance for Bodily Injury and Property Damage liability, covering the premises and operations, and products and completed operations of vendor and vendor's officers, agents, and employees and with limits of liability which shall not be less than \$1,000,000 combined single limit per occurrence with a general aggregate liability of not less than \$2,000,000, a products/completed operations aggregate liability limit of not less than \$2,000,000 and Personal & Advertising Injury liability with a limit of not less than \$1,000,000. Such policy shall contain a Waiver of Subrogation in favor of Alta & MTC.  
Products and completed operations insurance shall be maintained for three (3) years following termination of this Agreement.  
Alta, MTC, California Department of Transportation (Caltrans), Federal Highway Administration (FHWA) and their commissioners, directors, officers, representatives, agents and employees are to be named as additional insureds for ongoing and completed operations. Such insurance shall be primary and non-contributory and contain a Separation of Insureds Clause as respects any claims, losses or liability arising directly or indirectly from vendor's operations.
- Business Automobile Insurance for all automobiles owned (if any), used or maintained by vendor and vendor's officers, agents and employees, including but not limited to owned (if any), leased (if any), non-owned and hired automobiles, with limits of liability that shall not be less than \$1,000,000 combined single limit per accident.

- Umbrella Insurance in the amount of \$1,000,000 providing excess limits over Employer's Liability, Automobile Liability, and Commercial General Liability Insurance. Such umbrella coverage shall be following form to underlying coverage including all endorsements and additional insured requirements.
- Errors and Omissions Professional Liability Insurance for errors and omissions and the resulting damages, including, but not limited to, economic loss to vendor and having minimum limits of \$1,000,000 per claim
- Property Insurance. Property Insurance covering vendor's own business personal property and equipment to be used in performance of its Agreement with Alta, materials or property to be purchased and/or installed on behalf of Alta (if any), and builders risk for property in the course of construction (if applicable). Coverage shall be written on a "Special Form" policy that includes theft, but excludes earthquake, with limits at least equal to the replacement cost of the property.

Vendor's obligation to provide the insurance described herein may be satisfied in whole or in part by adequately funded self-insurance, upon evidence of financial capacity satisfactory to Alta.

Vendor shall be responsible for payment of any deductible or retention on vendor's policies without right of contribution from Alta. Deductible and retention provisions shall not contain any restrictions as to how or by whom the deductible or retention is paid. Any deductible or retention provision limiting payment to the Named Insured is unacceptable.

In the event that Alta seeks coverage as an additional insured under any vendor insurance policy that contains a deductible or self-insured retention, vendor shall satisfy such deductible or self-insured retention to the extent of loss covered by such policy, for any lawsuit arising from or connected with any alleged act of vendor, subvendor, subcontractor, or any of their employees, officers or directors, even if vendor or subvendor is not a named defendant in the lawsuit.

If any insurance specified above is written on a "Claims-Made" (rather than an "occurrence") basis, then in addition to the coverage requirements above, vendor shall:

1. Ensure that the Retroactive Date is shown on the policy, and such date must be before the date of its Agreement with Alta or the beginning of any work under such Agreement;
2. Maintain and provide evidence of similar insurance for at least three (3) years following project completion, including the requirement of adding all additional insureds; and
3. If insurance is cancelled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the Agreement effective date, vendor shall purchase "extended reporting" coverage for a minimum of three (3) years after completion of the work.

All insurance specified above shall remain in force until all work or services to be performed are satisfactorily completed, all of vendor's personnel, subcontractors, and equipment have been removed from MTC's property, and the work or services have been formally accepted. Vendor must notify Alta if any of the above

required coverages are non-renewed or cancelled. The failure to procure or maintain required insurance and/or an adequately funded self-insurance program will constitute a material breach of its Agreement with Alta.

Prior to commencement of any work hereunder, vendor shall deliver to Alta Certificates of Insurance verifying the aforementioned coverages. Such certificates shall make reference to all provisions and endorsements referred to above and shall be signed on behalf of the insurer by an authorized representative thereof.

The foregoing requirements as to the types and limits of insurance coverage to be maintained by vendor are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by vendor pursuant hereto, including, but not limited to, liability assumed pursuant to the Indemnification section of its Agreement with Alta.