



City of Murrieta – Insurance Requirements

1. INSURANCE

CONTRACTOR shall not begin the services under this Agreement until it has: (a) obtained, and upon the CITY's request, provided to the CITY, insurance certificates reflecting evidence of all insurance required in this Section 6; however, CITY reserves the right to request, and CONTRACTOR shall submit, copies of any policy upon reasonable request by CITY; (b) obtained CITY approval of each company or companies as required by Section 6; and (c) confirmed that all policies contain the specific provisions required in Section 6.

1.1 Types of Insurance. At all times during the term of this Agreement, CONTRACTOR shall maintain insurance coverage as follows:

1.1.1 Commercial General Liability. Commercial General Liability (CGL) Insurance written on an occurrence basis to protect CONTRACTOR and CITY against liability or claims of liability which may arise out of this Agreement in the amount of One Million Dollars (\$1,000,000) per occurrence and subject to an annual aggregate of One Million Dollars (\$1,000,000). There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability.

1.1.2 Workers' Compensation. For all of CONTRACTOR's employees who are subject to this Agreement and to the extent required by applicable state or federal law, CONTRACTOR shall keep in full force and effect a Workers' Compensation policy. That policy shall provide employers' liability coverage as required by applicable state and/or federal Workers' Compensation laws, and CONTRACTOR shall provide an endorsement that the insurer waives the right of subrogation against the CITY and its respective elected officials, officers, employees, agents and representatives. In the event a claim under the provisions of the California Workers' Compensation Act is filed against CITY by a bona fide employee of CONTRACTOR participating under this Agreement, CONTRACTOR agrees to defend and indemnify the CITY from such claim.

1.2 Insurer Requirements. All insurance required by express provision of this Agreement shall be carried only by responsible insurance companies that are rated "A-" and "V" or better by the A.M. Best Key Rating Guide, and are licensed to do business in the State of California. CITY will accept insurance provided by non-admitted "surplus lines" carriers only if the carrier is authorized to do business in the State of California.

1.3 Deductibles. All deductibles on any policy shall be the responsibility of CONTRACTOR and shall be disclosed to CITY at the time the evidence of insurance is provided.

1.4 Specific Provisions Required. Each policy required under this Section 6 shall expressly provide, and an endorsement shall be submitted to CITY, that: (a) the policies are primary and non-contributory to any insurance that may be carried by CITY; and (b) CITY is entitled to thirty (30) days' prior written notice (10 days for cancellation due to non-payment of premium) of cancellation, material reduction, or non-renewal of the policy or policies.

Additionally, the CGL policy shall expressly provide, and an endorsement shall be submitted to CITY, that the City of Murrieta and its respective officers and employees are additional insureds under the policy.

1.5 Waiver of Subrogation. Contractor hereby agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the Entity for all work performed by the Contractor, its employees, agents, and subcontractors.

1.6 Indemnity Not Limited by Insurance. CONTRACTOR's liabilities, including, but not limited to, CONTRACTOR's indemnity and defense obligations under this Agreement, shall not be deemed limited in any way to the insurance coverage required herein. Maintenance of specified insurance coverage is a material element of this Agreement, and CONTRACTOR's failure to maintain or renew coverage or to provide evidence of renewal during the term of this Agreement may be treated as a material breach of contract by CITY.