

## INSURANCE, INDEMNITY AND WORKER'S COMP. REQUIREMENTS

**INSURANCE PER CITY AGREEMENT:** Prior to issuance of any grading or encroachment permit for any project that has a Subdivision Improvement Agreement (SIA), Improvement Agreement (IA), or other approved agreement, project insurance must meet the terms of the agreement. All project agreements and related insurance documents must be reviewed and approved by the City Attorney prior to commencement of any work or issuance of any permits.

**STANDARD INSURANCE:** (For projects without any City Agreement, SIA or IA)

1. The **insurance company** shall be an admitted insurance organization authorized by the State of California Insurance Commissioner to transact business of insurance in the State of California. Such insurer shall have a rating at least equivalent to or better than a Best's rating of **A: XI**.
2. The **policy** shall be a **commercial general liability** insurance policy including personal injury/property damage insurance for all activities of the Property Owner / Developer and its contractors and subcontractors arising out of or in connection with the scope of work stated on the encroachment permit, written on a commercial general liability form including, but not limited to Broad Form Property Damage, blanket contractual, products liability and completed operations, X, C, U hazards, vehicle coverage and non-owned auto liability coverage in an amount no less than (see item 5 below for dollar amount) combined single-limit personal injury and property damage for each occurrence.
3. Each such policy shall be endorsed with the following specific language:
  - a. The City of Novato (City) is named as additional insured for all liability arising out of the operations by or on behalf of the named insured and this policy protects the additional insured, its Officers, agents, and employees against liability for personal and bodily injuries, deaths, property damage, or destruction arising in any respect, directly or indirectly, in the performance of the encroachment permit scope of work.
  - b. The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.
  - c. The insurance provided is primary and no insurance held or owned by the City shall be called upon to contribute to a loss.
  - d. The coverage provided by this policy shall not be cancelled without thirty (30) days prior written notice given to the City.
4. Prior to issuance of an encroachment permit the applicant shall submit to City documentation evidencing its required insurance, including certificate of insurance signed by the insurance agent and the companies named. All necessary endorsements shall be attached. Any deductible or self-insured retentions must be declared to and approved by City. At the option of City, insurer shall reduce or eliminate such deductible or self-insured retention as respects the City, its officers and employees or Applicant shall procure a bond guaranteeing payment of losses and related investigation, claims administration, and defense expenses
5. **The Insurance Amount shall be \$2,000,000.00 (two million dollars) per occurrence.**

**ALTERNATE INSURANCE: (Value<\$500.00)** If the total value of the scope of work as provided and validated on the permit application does not exceed \$500.00, and if approved by the City, the property owner may obtain "alternate insurance" through their homeowners' insurance policy rather than providing "standard insurance" as described above. **(\$500<Value<\$100,000)** For values of work greater than \$500.00, but less than \$100,000.00, *and 1)* when traffic control is not required *and 2)* the scope of work is determined by the City to be typical, standard type of improvement (i.e sidewalk repair, new or replace curb under drain, replace existing driveway approach), *and 3)* work will in no way interfere, disturb or require moving, replacing, upgrading any surrounding utilities or infrastructure, *then* "alternate insurance" may be permitted by the City Engineer and his/her designee.

**PROOF OF ALTERNATE INSURANCE:** Prior to issuance of an encroachment permit and when required by the City Engineer, the homeowner must provide satisfactory proof of additional insurance on his or her homeowners' insurance policy.

**INDEMNITY:** Upon Applicant signing the Encroachment Permit Application and any Permit issued as a result of an approved application, the Property Owner(s), the Applicant(s) and the Permittee(s), each and all, agrees to indemnify, defend and hold harmless the City of Novato, its officers, agents, and employees any and all loss, damage, liability, cost or expense, however same may be caused, that may arise during or as part of the permit process, or during or as part of any permit issued, whether the liability, loss or damage is caused by, or arises out of, the negligence of the City, its officers, agents, or employees, or otherwise.

**WORKER'S COMPENSATION CERTIFICATE:** Upon Applicant signing the Encroachment Permit Application and any Permit issued as a result of an approved application, the Property Owner(s), the Applicant(s) and the Permittee(s), certify that each and all, are familiar with California Labor Code Section(s) covering Worker's Compensation Insurance and the certification of insurance or a consent to self-insure for Worker's Compensation Insurance as condition to issuance of a permit by the City. <http://www.dir.ca.gov/DWC/>