



# Town of Moraga

## PUBLIC WORKS/ENGINEERING DEPARTMENT

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### MEMORANDUM

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#### **Contractor License:**

All Contractors must have a current contractor's license.

#### **W-9:**

All Contractors must submit a W-9 prior to the issuance of a Purchase Order.

#### **Insurance:**

Contractors shall procure and maintain insurance liability against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, its agents, representatives, employees, or subcontractors. Insurance is to be placed with insurers with a Best's rating of no less than A:VII.

Contractors shall provide Certificates of Liability Insurance complete with copies of all required endorsements. The endorsements are to be signed by a person authorized by those insurers to bind coverage on their behalf.

All certificates and endorsements received must be approved by the Town before work commences.

All of the following endorsements are required to be made a part of each of the required policies, except for the Workers' Compensation and Employers' Liability policies, as stipulated below:

- (a) "The Town of Moraga, its officers, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the Contractor products and completed operations of the Contractor, premises owned, occupied or used by the Contractor: or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Town of Moraga, its officers, officials, employees, agents or volunteers."
- (b) "This policy shall be considered primary insurance as respects any other valid and collectible insurance the Town may possess, including any self-insured retention the Town may have, and any other insurance the Town does possess shall be considered excess insurance only and shall not contribute with it."

- (c) “This insurance shall act for each insured and additional insured as though a separate policy had been written for each. This, however, will not act to increase the limit of liability of the insuring company.”

**Commercial General Liability:**

Contractors shall maintain commercial general liability insurance with at least coverage as broad as Insurance Services Office form CG 00 01, in an amount not less than two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury, and property damage, including without limitation, blanket contractual liability. The general aggregate limit shall be twice the required occurrence limit. The contractor’s general aggregate policies shall be primary and non-contributory and be endorsed using the Insurance Services Office form CG 20 10 (or equivalent) to provide that the town and its officers, officials, employees, attorneys, and agents shall be additionally insured under such policies. For construction contracts, an endorsement providing completed operations to the additional insured, ISO form CG 20 37, is also required.

**Automobile Liability:**

Contractors shall provide auto liability coverage for owned, non-owned, and hired autos using ISO Business Auto Coverage from CA 00 01, or the exact equivalent, with no less than two million dollars (\$2,000,000) per accident. If contractors own no vehicles, this requirement may be met through a non-owned auto endorsement to the CGL policies.

**Workers’ Compensation Insurance:**

Contractors shall maintain Workers' Compensation Insurance and Employer’s Liability Insurance with limits of at least two million dollars (\$2,000,000) on a claims-made and annual aggregate basis. Contractors shall submit to town, along with the certificate of insurance, a waiver of subrogation endorsement in favor of the town, its officers, agents, employees, and volunteers.

The contractor or consultant makes the following certification, required by section 1861 of the California Labor Code:

**Surety Bonds:**

Contractors shall provide the following Surety Bonds:

\_\_\_\_\_ Bid Bond  
\_\_\_\_\_ Performance Bond  
\_\_\_\_\_ Payment Bond  
\_\_\_\_\_ Warranty Bond

The Payment Bond and Performance Bond shall be in a sum equal to the contract price. If the performance bond provides for a one-year warranty, a separate warranty bond is not necessary. If the warranty period specified in the contract is for longer than one (1) year, a warrantee bond equal to ten percent (10%) of the contract price is required. Bonds shall be duly executed by a

responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

**Specific Insurance Provisions:**

**Insurance Limits:**

The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the town before the town's own insurance or self-insurance shall be called upon to protect it as a named insured.

If the contractor maintains higher limits than the minimum shown above, the town requires and shall be entitled to coverage for the higher limits maintained by the contractor or consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and overage shall be available to the town.

**Notice of Cancellation, Suspension, or Otherwise Voiding Policies:**

Each insurance policy required above shall contain, or be endorsed to contain, that cover shall not be suspended, voided, canceled, or reduced in coverage or in limits except with thirty (30) days prior written notice by certified mail, return receipt requested to the town.