

## INSURANCE REQUIREMENTS

Contractor shall procure and maintain for the duration of the contract insurance 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, his agents, representatives, employees or subcontractors.

Any questions or concerns regarding insurance coverage should be discussed with SHRA's General Counsel or Risk Management. Work shall not proceed until insurance issues/ concerns are resolved.

During the term of the contract, the vendor shall maintain the following insurance coverage from insurance providers licensed to do business in California and having a Best's rating of at least A-VII, or a rating of such other rating service as the Agency, in its sole discretion, shall require.

### Basic Requirements:

- Named certificate holder on all certificates of insurance shall be:  
**Sacramento Housing and Redevelopment Agency and Its Constituent Entities**  
**801 12<sup>th</sup> Street**  
**Sacramento, CA 95814**
- Certificates of Insurance shall include applicable endorsements. Insurance certificates shall not be accepted without the required endorsements. Further guidance of required endorsements is be outlined below.
- Proper notification of cancellation of coverage is required. Contractors are required to provide notice of cancellation within ten (10) days for non-payment, and within thirty (30) days for all others.
  - Failure to maintain the required insurance coverage is a material breach of the Contract. Agency shall, nevertheless, have the right, without obligation, to pay any delinquent insurance premiums and any other charges to reinstate or maintain the required insurance policies and coverage. Vendor must immediately reimburse Agency for any and all costs incurred by Agency in obtaining or maintaining such insurance. If Agency does incur such costs, Agency shall have the right to withhold such amount from any payment due to the vendor under the Contract and to reduce the compensation payable to the vendor under the Contract by such amount.
- Any deductibles or self-insured retentions must be declared to and approved by the Agency.

The associated contract requires the following insurance:

- |   |                 |
|---|-----------------|
| <input type="checkbox"/> Construction Contract                | Refer to page 2 |
| <input type="checkbox"/> ITMS Contract                        | Refer to page 3 |
| <input type="checkbox"/> Service Contract and Supply Contract | Refer to page 4 |

- Construction Contract
  - **Commercial General Liability:** A policy of comprehensive general liability insurance which shall include, without limitation, coverage for contractual liability, public liability and property damage, written for not less than the single limit liability coverage stated.
    - Requirements:
      - Limits shall be no less than:
        - \$1,000,000 per occurrence for all covered losses
        - \$2,000,000 general aggregate
      - Deductible shall be \$25,000 or less
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
        - ISO Form CG 20 10 or equal equivalent
        - IOS Form CG 20 37 or equal equivalent
    - Infrastructure Projects over one million dollars are subject to Agency General Counsel determination of alternate limits.
  - **Automobile Liability:** *Required if motor vehicles are used in performing services in connection with contract.* Contractor shall provide automobile liability coverage for owned, non-owned, and hired automobiles.
    - Requirements:
      - Limits shall be no less than: \$1,000,000 per accident
      - Deductible shall be \$5,000 or less
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
  - **Workers Compensation and Employers Liability Insurance:** California law requires a company to have Workers Compensation insurance if they have one (1) or more employees.
    - Requirements:
      - Limits shall be no less than \$1,000,000 per accident or disease.
      - Roofers are required to have Worker’s Compensation for the owner. It does not matter whether or not the company has employees; the company must have Worker’s Compensation, because the owner must be covered.
      - Coverage is required whether the employee is full-time, part-time, temporary, or a family member of the owner. All employees of a company as legally defined including corporate officers and directors must be included in the Worker’s Compensation policy unless they are owners of the firm. An owner of a firm is defined as having a 25% interest in the firm.
  - **Product Liability or Excess Liability:** Required for contracts for work over \$5,000.
    - Contractor shall provide “all risk” coverage for the completed value of the project. Policies shall contain the following provisions:
      - (1) Agency shall be named as loss payee; and
      - (2) The insurer shall waive all rights of recovery against Agency
    - The Contractor shall obtain and maintain, during the term of the Contract, property insurance upon the Project at an amount equal to the full insurable value of the Project at all times.

- Information Technology Managed Services Contract
  - **Commercial General Liability:** A policy of comprehensive general liability insurance which shall include, without limitation, coverage for contractual liability, public liability and property damage, written for not less than the single limit liability coverage stated.
    - Requirements:
      - Limits shall be no less than:
        - \$1,000,000 per occurrence for all covered losses
        - \$2,000,000 general aggregate
      - Deductible shall be \$25,000 or less
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
        - ISO Form CG 20 10 or equal equivalent
    - Projects over one million dollars are subject to Agency General Counsel determination of alternate limits.
  - **Automobile Liability:** *Required if motor vehicles are used in performing services in connection with contract.* Contractor shall provide automobile liability coverage for owned, non-owned, and hired automobiles.
    - Requirements:
      - Limits shall be no less than: \$1,000,000 per accident
      - Deductible shall be \$5,000 or less
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
  - **Workers Compensation and Employers Liability Insurance:** California law requires a company to have Workers Compensation insurance if they have one (1) or more employees.
    - Requirements:
      - Limits shall be no less than \$1,000,000 per accident or disease.
      - Coverage is required whether the employee is full-time, part-time, temporary, or a family member of the owner. All employees of a company as legally defined including corporate officers and directors must be included in the Worker's Compensation policy unless they are owners of the firm. An owner of a firm is defined as having a 25% interest in the firm.
  - **Cyber Liability:** *Required if PII attachment is included with contract. Required if service or product provided include electronic activities which may be vulnerable to data breaches of personal information.*
    - Requirements:
      - Limits shall be no less than: \$1,000,000 per claim
      - Policy shall include coverage through a third party as a cloud provider
      - Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Vendor in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security.
      - The policy shall provide coverage for breach response costs as well as regulatory fines and penalties, and credit monitoring expenses with limits sufficient to respond to these obligations.

- Service Contract and Supply Contract
  - **Commercial General Liability:** A policy of comprehensive general liability insurance which shall include, without limitation, coverage for contractual liability, public liability and property damage, written for not less than the single limit liability coverage stated.
    - Requirements:
      - Limits shall be no less than:
        - \$1,000,000 per occurrence for all covered losses
        - \$2,000,000 general aggregate
      - Deductible shall be \$25,000 or less
      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
        - ISO Form CG 20 10 or equal equivalent
    - Projects over one million dollars are subject to Agency General Counsel determination of alternate limits.
  - **Automobile Liability:** *Required if motor vehicles are used in performing services in connection with contract.* Contractor shall provide automobile liability coverage for owned, non-owned, and hired automobiles.
    - Requirements:
      - Limits shall be no less than: \$1,000,000 per accident
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      - Endorsements:
        - ISO Form CG 00 01 or equal equivalent
  - **Workers Compensation and Employers Liability Insurance:** California law requires a company to have Workers Compensation insurance if they have one (1) or more employees.
    - Requirements:
      - Limits shall be no less than \$1,000,000 per accident or disease.
      - Coverage is required whether the employee is full-time, part-time, temporary, or a family member of the owner. All employees of a company as legally defined including corporate officers and directors must be included in the Worker's Compensation policy unless they are owners of the firm. An owner of a firm is defined as having a 25% interest in the firm.
  - **Professional Liability:** Required for all professional services provided, including but not limited to: accountant, architect, attorney, claims administration firms, consultants, insurance brokers, engineers, financial advisors, or other person who maintains a professional license.
    - Limits shall be no less than:
      - \$1,000,000 per claim
      - \$1,000,000 aggregate
    - Contractor shall maintain professional liability insurance that insures against professional errors and omissions that may be made in performing the Services to be rendered in connection with this Agreement.
    - Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement, and Contractor agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement.
  - **Cyber Liability:** Required if PII attachment is included with contract. *Required if service or product provided include electronic activities which may be vulnerable to data breaches of personal information.*
    - Requirements:

- Limits shall be no less than: \$1,000,000 per claim
- Policy shall include coverage through a third party as a cloud provider
- Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Vendor in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security.
- The policy shall provide coverage for breach response costs as well as regulatory fines and penalties, and credit monitoring expenses with limits sufficient to respond to these obligations.