



Town of Wickenburg

Insurance Requirements

Insurer Qualifications. Without limiting any obligations or liabilities of the Vendor, the Vendor shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of services at the Town's option.

No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect the Vendor. The Town reserves the right to review any and all of the insurance policies and/or endorsements but have no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements or failure to identify any insurance deficiency shall not relieve the Vendor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of work for the Town of Wickenburg.

Insurance Requirements. Vendor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Vendor, his agents, representatives, employees or subcontractors.

The *insurance requirements* herein are minimum requirements and in no way limit the indemnity covenants. The Town in no way warrants that the minimum limits contained herein are sufficient to protect the Vendor from liabilities that might arise out of the performance of the work by the Vendor, its agents, representatives, employees or subcontractors, and Vendor is free to purchase additional insurance. If the Town Manager determines that the nature of the work poses extra risk, he may require greater insurance coverage. For example, contracts over \$100,000 in value will require \$3,000,000 general aggregate for the general liability.

Minimum Scope and Limits of Insurance. Vendor shall provide coverage as required by the Town's Risk Manager with limits of liability not less than those stated below. The Town's Risk Manager shall determine the required coverage for each project or vendor.

1. Commercial General Liability – Occurrence Form. Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

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The policy shall be endorsed to include the following additional insured language:
“The Town of Wickenburg, its departments, agencies, boards, commissions, officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Vendor”.

2. Business Automobile Liability. Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of service to the Town of Wickenburg.

Combined Single Limit (CSL) \$1,000,000

The policy shall be endorsed to include the following additional insured language:
“The Town of Wickenburg, its departments, agencies, boards, commissions, officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Vendor, involving automobiles owned, leased, hired or borrowed by the Vendor”.

3. Worker's Compensation and Employers' Liability.

Workers' Compensation Statutory	Employers' Liability
Each Accident	\$ 100,000
Disease – Each Employee	\$ 100,000
Disease – Policy Limit	\$ 500,000

4. Professional Liability (Errors and Omissions Liability).

Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000

- a. In the event that the professional liability insurance required is written on a “claims made” basis, Vendor warrants that any retroactive date under the policy shall precede any work; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work is completed and accepted.
- b. The policy shall cover professional misconduct or lack of ordinary skill for those positions provided.

Additional Insurance Requirements. The policies shall include, or be endorsed to include, the following provisions:

The Town of Wickenburg, its departments, agencies, boards, commissions, officers, officials, agents, and employees wherever additional insured status is required. Such additional insured shall be covered to the full limits of liability purchased by the Vendor, even if those limits of liability are in excess of those

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required. The Vendor's insurance coverage shall be primary insurance with respect to all other available sources. Coverage provided by the Vendor shall not be limited to the liability assumed under the indemnification provisions.

Notice of Cancellation. Each insurance policy required shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given from the Vendor to the Town. Such notice shall be sent directly to the Town Risk Manager.

Acceptability of Insurers. Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A-. The Town in no way warrants that the above-required minimum insurer rating is sufficient to protect the Vendor from potential insurer insolvency.

Verification of Coverage. Vendor shall furnish the Town with a declarations page of the liability insurance policy, as well as any amendments or riders in order to verify contractual insurance requirements are being satisfied.

All certificates and endorsements are to be received and approved by the Town's Risk Manager before work commences. Each insurance policy required must be in effect at or prior to commencement of work and remain in effect for the duration of the project. Failure to maintain the insurance policies or to provide evidence of renewal is a material breach of contract.

All certificates shall be sent directly to the Town's Risk Manager. The Town project/contract number, if applicable, and project description shall be noted on the certificate of insurance. The Town reserves the right to require complete, certified copies of all insurance policies at any time.

Subcontractors. Vendors' certificate(s) shall include all subcontractors as insureds under its policies or Vendor shall furnish to the Town separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

Approval. Any modification or variation from the *insurance requirements* shall be made by the Town Manager, whose decision shall be final. Such action will not require a formal Council action, but may be made by administrative action.

Certificate Holder. The Town of Wickenburg needs to be listed as the certificate holder at the following address:

Town of Wickenburg
Attention: Risk Manager
155 N. Tegner Street, Suite A
Wickenburg, AZ 85390