

**Risk Management Insurance Summary for GTOPs
("RM Summary for TARA")**

Social Services Contract 2016-17
GTOPs—Agency: Program Name
Date of Review, 2016

Issue Date: Certificate of Liability Insurance Issued

General Liability

Limits- **\$500,000 limit**

Additional Insured -

Waiver of Subrogation -

Thirty Day Notice of Cancellation –

- **Please note that if the carrier does not offer a 30 Day Notice, the City can waive the requirement via a signed statement on carrier letter head or an email directly from the underwriter that they do not offer a 30 Day Notice endorsement.**

Sexual Abuse & Molestation – \$500,000 limit

- **Please submit proof of Sexual Abuse & Molestation coverage (if care of a child is provided outside the presence of a legal guardian or parent**

Auto Liability – HIRED AND NON-OWNED ONLY

Limits –**500,000/1,000,000 limit**

Additional Insured –

- **The contractor's agent will need to update the certificate to reflect that their policies indeed do include the required endorsements, and/or have them forward copies of the actually required endorsement pages from the policies to supplement their certificate.**
- **The City will only generally accept statements that an endorsement is not available when it comes directly from the underwriter/carrier--not from the agent.**

Waiver of Subrogation - ok

Thirty Day Notice of Cancellation – ok

- **Regarding the auto insurance, if it appears that the coverage being provided is a package form that provides GL/Excess with Auto Liability added via endorsement.**
- **Contractor will need to confirm with insurance agent that this is accurate. If this is the case (and ANY is marked in error) please have it corrected and confirm that the**

contractor does not own any vehicles via the attached statement. (Hired & Non-Owned Exhibit)

- Regarding Auto, if the organization only has Hired and Non-Owned coverage so the attached statement should be put on their letterhead to confirm they do not own any vehicles. (Scheduled & Hired Exhibit)

Workers Compensation

Not required – **Offsite (Only programs on COA property is this coverage required)**

Professional Liability

Not required – **Scope of Work**

Crime Insurance

Limit – **Required Crime must be in an amount to their annual contract with COA or greater**

- The Crime Insurance requirement does not require the City of Austin to be named an Additional Insured. We simply require proof that the grant recipient has crime insurance in an amount at least as large as the grant we are providing them. A certificate of Insurance showing crime insurance would suffice for our needs.

Directors & Officers Liability

Limit – **\$1,000,000 limit**

- Required if organization has a Board of Directors

Additional Guidance:

Missing Required Endorsements

- For GL and Auto coverage can either be reflected on the certificate and/or the actual policy endorsements attached. If the insurer does not offer such endorsements, the City will accept a statement directly from the underwriter at Insurer.
- Most Insurers can add City's as additional insured and can (for a fee) provide a Waiver of Subrogation

Disclaimer: This guidance is only provided as reference, terms and requirements may vary when developing terms supporting program awarded GTOPs funding.

Automobile Liability Statement

Use of Hired & Non-Owned Auto

This statement shall be provided on contractor letterhead when the firm does not own any autos and hired and non-owned auto is the only exposure. This statement does not replace the certificate of insurance. It is to be submitted with the certificate of insurance that is completed by the insurance agent providing the liability coverage for the contractors hired and non-owned autos.

Contractor Name _____

My firm does not own any autos; therefore, this policy does not provide coverage for owned autos. This policy provides coverage for hired and non-owned autos only.

I hereby confirm that the only vehicles used for this contract will be hired and non-owned autos.

If during the contract period I begin providing services that include the use of owned autos, I will provide the City of Austin with the appropriate Automobile Insurance coverage and all necessary documentation for those vehicles.

Authorized Signature

Date

Printed Name

Title

Automobile Liability Statement

Use of Scheduled and Hired Only

This statement is to be provided on contractor letterhead when the services provided under the contract will be completed with the use of scheduled and hired autos only.

Contractor Name _____

The services for this contract will be provided by using scheduled and hired autos only. No employees or volunteers use their own personal vehicles for company business. Therefore, this policy does not provide coverage for non-owned autos.

I submit this statement in lieu of providing Non-Owned Automobile Liability Insurance coverage. Attached is a copy of the schedule of vehicles covered by my insurance policy # _____.

If during the contract period I begin providing services that include the use of a Non-Owned automobile, I will provide the City of Austin with Business Automobile coverage for Non-Owned autos as indicated in the contract documents prior to the use of the vehicle.

Authorized Signature

Date

Printed Name

Title

5.1. **Right To Assurance.** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.

5.2. **Default.** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under the "Right to Assurance" paragraph herein, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by Contractor to the City.

5.3. **Termination For Cause.** In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.

5.4. **Termination Without Cause.** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.

5.5. **Fraud.** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

SECTION 6. OTHER DELIVERABLE

6.1. **Insurance.** The following insurance requirements apply:

6.1.1. **General Requirements.**

6.1.1.1. The Contractor shall at a minimum carry insurance in the types and amounts indicated herein for the duration of the Contract and during any warranty period.

6.1.1.2. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within fourteen (14) calendar days after written request from the City.

6.1.1.3. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.

6.1.1.4. The Contractor shall not commence work until the required insurance is obtained and has been reviewed by City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.

6.1.1.5. The Contractor must submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.

6.1.1.6. The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better. The City will accept workers' compensation coverage written by the Texas Workers' Compensation Insurance Fund.

6.1.1.7. All endorsements naming the City as additional insured, waivers, and notices of cancellation endorsements as well as the Certificate of Insurance shall contain the Contractor's email address, and shall be mailed to the following address:

City of Austin, Telecommunications And Regulatory Affairs office
ATTN: Grant for Technology Opportunities
P. O. Box 1088
Austin, Texas 78767

6.1.1.8. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.

6.1.1.9. If insurance policies are not written for amounts specified, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.

6.1.1.10. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.

6.1.1.11. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.

6.1.1.12. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.

6.1.1.13. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.

6.1.1.14. The Contractor shall endeavor to provide the City thirty (30) calendar days written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.

6.1.2. **Specific Coverage Requirements.** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

6.1.2.1. **Commercial General Liability Insurance.** The minimum bodily injury and property damage per occurrence are \$500,000* for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injuries). The policy shall contain the following provisions and endorsements.

6.1.2.1.1. Blanket contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project

6.1.2.1.2. Independent Contractor's Coverage

6.1.2.1.3. Products/Completed Operations Liability for the duration of the warranty period

6.1.2.1.4. Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage

6.1.2.1.5. Thirty (30) calendar days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage

6.1.2.1.6. The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage

6.1.2.1.7. If care of a child is provided outside the presence of a legal guardian or parent, Contractor shall provide coverage for sexual abuse and molestation for a minimum limit of \$500,000 per occurrence.

6.1.2.1.8. The policy shall be endorsed to cover injury to a child while the child is in the care of the Contractor or Subcontractor.

* Supplemental Insurance Requirement. If eldercare, childcare, or housing for clients is provided, the required limits shall be \$1,000,000 per occurrence.

6.1.2.2. Business Automobile Liability Insurance.

Minimum limits: \$500,000 combined single limit per occurrence for all owned, hired and non-owned autos

a. If any form of transportation for clients is provided, coverage for all owned, non-owned, and hired vehicles shall be maintained with a combined single limit of \$1,000,000 per occurrence.

b. If no client transportation is provided but autos are used within the scope of work, and there are no agency owned vehicles, evidence of Personal Auto Policy coverage from each person using their auto may be provided. The following limits apply for personal auto insurance: \$100,000/\$300,000/\$100,000.

All policies shall contain the following endorsements:

6.1.2.2.1. Waiver of Subrogation, Endorsement TE 2046A, or equivalent coverage

6.1.2.2.2. Thirty (30) calendar days Notice of Cancellation, Endorsement TE 0202A, or equivalent coverage

6.1.2.2.3. The City of Austin listed as an additional insured, Endorsement TE 9901B, or equivalent coverage

6.1.2.3. Worker's Compensation and Employers' Liability Insurance. Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee. The policy shall contain the following provisions and endorsements:

6.1.2.3.1. The Contractor's policy shall apply to the State of Texas

6.1.2.3.2. Waiver of Subrogation, Form WC 420304, or equivalent coverage

6.1.2.3.3. Thirty (30) calendar days Notice of Cancellation, Form WC 420601, or equivalent coverage

6.1.2.4. Professional Liability Insurance.

6.1.2.4.1. Contractor shall provide coverage at a minimum limit of \$500,000 per claim to pay on behalf of the assured all sums which the assured shall become legally obligated to pay as damages by reason of any negligent act, error, or omission arising out of the performance of professional services under this Contract.

6.1.2.4.2. If coverage is written on a claims-made basis, the retroactive date shall be prior to or coincident with the date of the Contract and the certificate of insurance shall state that the coverage is claims-made and indicate the retroactive date. This coverage shall be continuous and will be provided for twenty-four (24) months following the completion of the Contract.

6.1.2.5. **Blanket Crime Policy Insurance.** A Blanket Crime Policy shall be required with limits equal to or greater than the sum of all Contract funds allocated by the City. Acceptance of alternative limits shall be approved by Risk Management.

6.1.2.6. **Directors and Officers Insurance.** Directors and Officers Insurance with a minimum of not less than \$1,000,000 per claim shall be in place for protection from claims arising out of negligent acts, errors or omissions for directors and officers while acting in their capacities as such. If coverage is underwritten on a claims-made basis, the retroactive date shall be coincident with or prior to the date of the Contract and the certificate of insurance shall state that the coverage is claims made and the retroactive date. The coverage shall be continuous for the duration of the Contract and for not less than twenty-four (24) months following the end of the Contract. Coverage, including renewals, shall have the same retroactive date as the original policy applicable to the Contract or evidence of prior acts or an extended reporting period acceptable to the City may be provided. The Contractor shall, on at least an annual basis, provide the City with a certificate of insurance as evidence of such insurance.

6.1.2.7. **Property Insurance.** If the Contract provides funding for the purchase of property or equipment the Contractor shall provide evidence of all risk property insurance for a value equivalent to the replacement cost of the property or equipment.

6.1.2.8. **Endorsements.** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

6.1.2.9. **Certificate.** The following statement must be shown on the Certificate of Insurance.

"The City of Austin is an Additional Insured on the general liability and the auto liability policies. A Waiver of Subrogation is issued in favor of the City of Austin for general liability, auto liability and workers compensation policies."

6.2. **Equal Opportunity.**

6.2.1. **Equal Employment Opportunity** No Contractor or Contractor's agent shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Bid submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Contractor has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. The Contractor shall sign and return the Non-Discrimination Certification attached hereto as Exhibit C. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the Contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4. Any Subcontractors used in the performance of this contract and paid with City funds must comply with the same nondiscrimination requirements as the Contractor.

6.2.2. **Americans With Disabilities Act (ADA) Compliance.** No Contractor, or Contractor's agent shall engage in any discriminatory employment practice against individuals with disabilities as defined in the ADA.

6.3. **Inspection of Premises.** City has the right to enter Contractor's and Subcontractor's work facilities and premises during Contractor's regular work hours, and Contractor agrees to facilitate a review of the facilities upon reasonable request by the City.

6.4. **Rights to Proposal and Contractual Material.** All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.

6.5. **Publications.** All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.

SECTION 7. WARRANTIES