

Insurance and Bond Requirements
Tenant Projects
Austin-Bergstrom International Airport

1. General Requirements:

- A. Contractor and subcontractors shall carry insurance in the types and amounts indicated below until its Airport project (Project) is complete and shall include items owned by the City in the care, custody and control of the Contractor prior to and during construction of the Project.
- B. Contractor and its subcontractors shall not commence operations on the Project until the required insurance and certificates of insurance are obtained, reviewed and approved by the City. If coverage period ends before the Project is complete, Contractor must, prior to end of the coverage period, provide a new Certificate of Insurance to the City as verification of continuing coverage until the Project is completed.
- C. Approval of insurance by the City and the required minimums shall not relieve or decrease the liability or responsibility of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- D. Contractor's and all subcontractor's insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policy is issued and shall be written by companies with an A.M. Best rating of B+VII or better. Companies with A.M. ratings of A- or better, if required, shall write hazardous materials insurance. The City shall accept workers compensation coverage written by the Texas Workers' Compensation Fund.
- E. All endorsements, waivers, and notices of cancellation endorsements, as well as Certificates of Insurance naming the City of as an additional insured shall indicate:
 - City of Austin Department of Aviation
 - Austin-Bergstrom International Airport
 - Attn: Property Manager
 - 3600 Presidential Boulevard, Suite 411
 - Austin, Texas 78719
- F. The "other" insurance clause shall not apply to the City where the City is shown as an additional insured on any policy. It is intended that policies required for the Project, covering the City and Contractor, shall be considered primary coverage as applicable.
- G. If insurance policies are not written for amounts specified below, 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.

- H. The City shall be entitled, upon request and without expense, to receive 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.
 - I. The City reserves the right to review the insurance requirements set forth during the construction of the Project 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.
 - J. Contractor shall not cause or permit any insurance to lapse or to be cancelled prior to completing the Project.
 - K. Contractor shall pay all premiums, deductibles and self-insured retentions, if any, stated in all policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.
2. **Required Coverages.** Contractor shall carry insurance in the types and amounts indicated below the duration of the Project.
- A. Workers' Compensation and Employers Liability coverage with limits consistent with statutory benefits outlined in the Texas Workers' Compensation Act (Texas Labor Code Title V) and minimum policy limits for employers liability of \$1,000,000 bodily injury each accident, \$1,000,000 bodily injury by disease policy limit and \$1,000,000 bodily injury by disease each employee. The following endorsements shall be added to the policy:
 - a. Waiver of Subrogation in favor of the City of Austin, form WC 420304; and
 - b. Thirty (30) day Notice of Cancellation/Material Change in favor of the City of Austin, form WC 420601.
 - B. Commercial General Liability Insurance with a minimum bodily injury and property damage per occurrence limit of \$1,000,000 for coverage A (Bodily Injury and Property Damage) and coverage B (Personal and Advertising Injury); and a minimum \$1,000,000 coverage for Products/Completed Operations Liability. The policy shall contain the following provisions:

- a. Blanket contractual liability coverage for liability assumed under this Agreement and all contracts relative to this Agreement;
- b. Independent Contractors coverage;
- c. Medical Expense coverage with a limit of \$10,000 any one person;
- d. Fire Legal Liability with a minimum limit of \$100,000;
- e. Additional Insured in favor of the City of Austin, form CG 2010 or equivalent coverage; and
- f. Thirty (30) day Notice of Cancellation/Material Change in favor of the City of the Austin, form CG 0205 or equivalent coverage; and
- g. Waiver of Transfer of Right of Recovery Against Others in favor of the City of Austin, form CG 2404 or equivalent coverage.

Note: For Projects with work inside the AOA at the airport: A combined bodily injury and property damage limit of \$5,000,000 per occurrence and \$5,000,000 product/completed operations.

- C. Business Automobile Liability Insurance for all owned, non-owned and hired vehicles with a minimum combined single limit of \$1,000,000 for bodily injury and property damage. The policy shall contain the following provisions:
 - a. Additional Insured in favor of the City of Austin, form CA 2048 or equivalent coverage; and
 - b. Thirty (30) day Notice of Cancellation/Material Change in favor of the City of Austin, form CA 0244 or equivalent coverage, and Waiver of Transfer of Right of Recovery in favor of the City of Austin, form CA 0444 or equivalent coverage.

Note: For Projects with work inside the AOA at the airport: Minimum combined single limit of \$5,000,000 per occurrence for bodily injury and property damage.

- D. During any design or construction of the Premises Tenant shall require its contractors and subcontractors, as deemed applicable by the City, to provide Professional Liability Insurance with a minimum limit of \$1,000,000 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, omission, or breach of security (including but not limited to any confidential or private information) arising out of the performance of professional services under this Agreement. The required coverage shall extend to technology licensed and/or purchased, including any software licensed or hardware purchased to fulfill Tenant's Obligations under this Agreement.
- E. During construction of any portion of the Premises and any subsequent construction of alterations or repair of the Premises, Tenant shall require its contractors and subcontractors to maintain builder's risk insurance in an all risk physical loss form in the amount of the full value of the construction contract, commercial general liability insurance, employer's liability and worker's

compensation insurance, and automobile liability insurance in the amounts required by this Exhibit. The builder's risk insurance shall continue until the work under the construction contract is accepted by City. City shall be a loss payee on the policy. If off-site storage is permitted, coverage shall include transit and storage in an amount sufficient to protect property being transported or stored.

- F. During construction of any portion of the Premises and any subsequent construction of alternations or repair of the Premises, Tenant shall require its contractors and subcontractors to maintain Bonds, as deemed applicable by the City, on forms acceptable to the City of Austin Aviation Department.

The City of Austin Aviation Department shall be listed as a dual obligee on any bonds required below.

- i. Performance Bond: If the contract amount exceeds \$100,000, the Contractor shall furnish a Project Performance Bond.
- ii. Payment Bond: If the contract amount exceeds \$25,000, the Contractor shall furnish a Project Payment Bond.