

COMMUNITY ISD A133-2019
EXHIBIT B: INSURANCE REQUIREMENTS

This Exhibit B is attached to and made a part of the agreement between the Owner and Construction Manager as Constructor AIA A133-2019, as amended, ("Agreement") for the Project (as defined in this exhibit and the Agreement) between Community Independent School District ("Owner") and _____ ("Construction Manager") for the Owner's Project: Miscellaneous Capital Improvements and 2022 Bond Program ("Project"). The Construction Manager will furnish insurance that meets the requirements set forth below:

1. **Insurance; Bonds.**

1.1. Construction Manager shall maintain, at Construction Manager's expense, for the full term of the Agreement:

1.1.1. Comprehensive or commercial general liability insurance, with limits not less than \$1,000,000 per each occurrence, combined single limit, and \$2,000,000 aggregate limit, for bodily injury and property damage, including coverage for contractual liability, personal injury, independent contractors, explosion, collapse and underground, broad form property damage, products liability, and completed operations.

1.1.1.1. Without limiting the forgoing, such policy/ies shall include within its/their scope coverage for claims including, but not limited to:

1.1.1.1.1 damages because of bodily injury (including emotional distress), sickness, disease, or death of any person other than Construction Manager's employers, or

1.1.1.1.2 damages arising from personal or advertising injury applicable to the Construction Manager's obligations under the Contract Documents, including liability assumed by and the indemnity and defense obligations of the Construction Manager and subcontractors.

1.1.1.2. Construction Manager shall also carry umbrella coverage of \$10,000,000 excess of the underlying limits of the commercial general liability insurance.

1.1.2. Comprehensive or business automobile liability insurance, with limits not less than \$1,000,000 per each occurrence, combined single limit, for bodily injury and property damage, including coverage for owned, non-owned, and hired automobiles.

- 1.1.3. Workers' Compensation, including employers' liability insurance, with limits not less than \$1,000,000 each accident, occurrence or disease. Construction Manager shall require subcontractors to provide Workers' compensation insurance for all subcontractors' employees engaged in Work under the subcontract. Any class of employee or employees not covered by a subcontractor's insurance shall be covered by the Construction Manager's insurance. Construction Manager shall comply with all applicable requirements of Texas Labor Code Title 5.
- 1.1.4. Builder's Risk/All Risk, "all-risk" or equivalent insurance policy, including boiler and machinery insurance, in the amount of the Guaranteed Maximum Price, plus value of subsequent Contract modifications and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis. Coverage shall insure against the perils of fire, (with extended coverage) and physical loss or damage including, without limitation or duplication of coverage, lightning, collapse, earthquake, wind storm, hurricane, hail, explosion, riot, civil commotion, sprinkler leakage, civil authority, sonic boom, smoke, aircraft, land vehicles, theft, vandalism, malicious mischief, falsework, testing and start-up, temporary buildings, debris removal including demolition occasioned by enforcement of any applicable legal requirements, and all other perils, and shall include materials stored on-site, off-site and in transit. Owner shall be a named insured under the policy, and the insurance shall also include the interests of Construction Manager, subcontractors, and sub-subcontractors and shall cover reasonable compensation for Architect's and Construction Manager's services and expenses required as a result of such insured loss. If this policy excludes Employee Theft or Dishonesty coverage, including third parties, Construction Manager shall obtain separate coverage sufficient to protect Owner's interest and in an amount agreeable to Owner. For any claim made against the builder's risk/all risk insurance, the deductible shall not exceed the following:
- .1 builder's risk: \$10,000;
 - .2 flood: \$25,000; or
 - .3 named windstorm: \$100,000.
- 1.1.5. Fire insurance on all Work subject to loss or damage by fire. The amount of fire insurance shall be sufficient to protect the Project and all appurtenant structures against loss of damage in full until Final Completion.
- 1.1.6. Coverage for debris removal, with limits not less than \$1,000,000.
- 1.1.7. Payment and Performance Bonds, each bond to be in a total amount equal to 100% of the Contract Sum, or Guaranteed Maximum Price as set forth in Section 8.3 of the Agreement and shall fully comply with Texas

Insurance Code Section 3503.001 *et seq.* and Texas Government Code Chapter 2253, or their successors.

- 1.2. General liability insurance shall be on an occurrence basis. The coverage afforded thereby shall be primary and non-contributory to any other existing valid and collectable insurance to the full limit of liability stated in the declaration, and such insurance shall apply separately to each insured against whom claim is made or suit is brought, but the inclusion of more than one (1) insured shall not operate to increase the insurer's limits of liability.
- 1.3. Insurance companies shall be legally licensed and admitted through the Texas Department of Insurance to engage in the business of furnishing insurance in the State of Texas. All insurance companies shall have an "A-VIII" in Bests Rating Guide and shall be satisfactory to the Owner and Architect.
- 1.4. Before commencement of the Work under this Contract, certificates of insurance and copies of endorsements and the originals of the payment and performance bonds shall be furnished to the Owner and Architect, with complete copies of policies to be furnished to Owner and Architect promptly upon request.
- 1.5. Certificates of insurance and endorsements shall state in particular those insured, the extent of insurance, location and operation to which the insurance applies, the expiration date, and cancellation and reduction notices. Certificates, endorsements, and insurance policies shall include the following clause: "This policy shall not be non-renewed, canceled, or reduced in required limits of liability or amounts of insurance until notice has been mailed to the Owner. Date of cancellation or reduction may not be less than thirty (30) days after the date of mailing notice." Each policy except Worker's compensation and professional liability shall add the Owner, the Owner's Consultants, and all authorized agents and representatives, and members, directors, officers, trustees, agents and employees of any of them as named additional insured's.
- 1.6. Should any of the required insurance be provided under a form of coverage that includes an annual general aggregate limit or provides that claims investigation or legal defense costs be included in such annual general aggregate limit, such annual general aggregate limit shall apply separately to the Project (with the insurer's endorsement provided to the Owner) or shall be two times the occurrence limits stipulated.
- 1.7. Should the payment and performance bond amounts be in excess of ten percent (10%) of the surety company's capital and surplus, then the surety company issuing the bond shall certify that the surety company has acquired reinsurance, in a form and amount acceptable to the Owner, to reinsure the portion of the risk that exceeds ten percent (10%) of the surety company's capital and surplus with one or more reinsurers who are duly authorized and admitted to do business in Texas and that amount reinsured by a reinsurer does not exceed ten percent (10%) of the reinsurer's capital and surplus. Construction Manager shall immediately notify the

Owner and Architect in writing if there is any change in: the rating; insolvency or receivership in any State; bankruptcy; right to do business in the State; or status of Construction Manager's sureties at any time until Final Completion.

- 1.8. If Construction Manager fails to maintain any required insurance, the Owner, at its sole option and without incurring any further obligation to provide insurance, may take out insurance in such type and amount and to deduct the amount of the premium for such insurance from any sums due the Construction Manager.
2. All capitalized terms used in this Insurance exhibit that are not otherwise defined herein shall have the same meaning as such terms in the Agreement or the General Conditions of the Contract for the Project.