

Construction / Renovation Contracts / Builder's Risk Options

Minimum Insurance Coverages and Requirements

The Contractor awarded the project ("Contractor") shall obtain and maintain until all its obligations have been discharged, including any warranty periods under this Contract 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 Contractor, its agents, representatives, employees, or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract.

By requiring such minimum insurance, the Moraine Park Technical College District ("College") shall not be deemed or construed to have assessed the risk that may be applicable to the Contractor under the awarded Contract Number. The Contractor shall assess its own risks and, if it deems appropriate and/or prudent, maintain higher limits and/or broader coverages. The Contractor is not relieved of any liability or other obligations assumed or pursuant to the Contract by reason of its failure to obtain or maintain insurance in sufficient amounts, duration, or types. The insurance coverages stated below do not replace any surety bonds as required by contract.

Coverages

1. **Commercial General Liability** – ISO form CG 00 01 or its equivalent form providing equivalent liability coverage. Coverage to include:
 - Premises and Operations
 - Personal Injury/Advertising Injury
 - Products/Completed Operations
 - Liability assumed under an Insured Contract (including tort liability of another assumed in a business contract)
 - Independent Contractors
 - Designated Construction Project(s) General Aggregate Limit, ISO endorsement CG 25 03 or equivalent
 - Automatic Additional Insured-Owners, Lessees, or Contractors Endorsement, ISO endorsement CG 20 38 or equivalent
 - Additional Insured Completed Operations-Owners, Lessees, or Contractors Endorsement, ISO endorsement CG 20 37 or equivalent: Completed Operations coverage must be kept in effect for up to the statute of repose after project completion.

2. **Automobile Liability** – Coverage to include:
 - Owned Vehicles
 - Leased Vehicles
 - Hired Vehicles
 - Non-Owned and Employee Non-Owned Vehicles
 - Personal Injury Protection (where applicable)

3. **Worker's Compensation and Employer's Liability** - Workers' Compensation (Coverage A) and Employers' Liability (Coverage B)
4. **Professional Liability (including Design Build Errors and Omissions)** – When operations or activities under the contract involve any type of design work, professional liability coverage shall be maintained by the Contractor covering wrongful acts, errors, or omissions of the Contractor.
5. **Contractors' Pollution Liability** – The College requires this coverage whenever work at issue under this Contract involves potential pollution risk to the environment or losses caused by pollution conditions, including asbestos, that may arise from the operations of the Contractor described in the Contractor's scope of services. Policy shall cover the Contractor's completed operations. Completed Operations shall be kept in effect up to the statute of repose after project completion.

Coverage shall apply to sudden and gradual pollution conditions resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids, or gases, natural gas, waste materials, or other irritants, contaminants, or pollutants, including asbestos. If the coverage is written on a claims-made basis, the Contractor warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Contract.

This coverage can be obtained through the Contractor's commercial general liability policy by including the Limited Pollution Liability Extension ISO endorsement CG 24 15 or its equivalent.

If the contractor is responsible for the transport of any hazardous waste, the Contractor can extend the pollution liability policy to cover this exposure or the Contractor can add to the Commercial Automobile Policy by adding ISO endorsement CA 99 48 and MCS-90.

Limits Required

The Contractor shall carry limits of liability not less than:

Commercial General Liability	
Per Occurrence	\$3,000,000
Products/Completed Operations Per Occurrence	\$2,000,000
Personal/Advertising Injury	\$1,000,000
Damage to Rented Premises	\$50,000
Medical Payments (Any One Person)	\$5,000
Commercial Automobile Liability	
Bodily Injury/Property Damage (Each Accident)	\$1,000,000
Personal Injury Protection, if applicable	Statutory
Worker's Compensation	
Coverage A (Workers' Compensation)	Statutory
Coverage B (Employer's Liability)	Meet State of Wisconsin minimum limits
Umbrella Liability/Excess Liability (if required)	
Per Occurrence	\$1,000,000
Products/Completed Operations Per Occurrence	\$1,000,000
Professional Liability (if required)	
Per Occurrence/Incident/Claim	\$1,000,000
The College requires the Contractor to keep this policy in effect after completion of the project as specified in the contract.	
Contractor's Pollution Liability (if required)	
Per Loss	\$1,000,000
The College requires the Contractor to keep this policy in effect after completion of the project as specified in the contract.	

Additional Requirements

Commercial General Liability (CGL)

Commercial General Liability (CGL) must include coverage for liability arising from Products/ Completed Operations and Liability Assumed Under an Insured Contract.

If the CGL insurance has a general aggregate limit, then ISO endorsement CG 25 03 or its equivalent must be added. The Designated Construction Project(s) General Aggregate Limit must be maintained for the ongoing operations phase of the Project and the limit must be twice the minimum required occurrence limit.

The Contractor shall name the Moraine Park Technical College District and its Board of Trustees, officers, employees, agents, and volunteers as Additional Insureds on ISO endorsements CG 20 38 and CG 20 37 or a substitute providing equivalent coverage.

Commercial Automobile

Commercial automobile must be endorsed to include contractual liability coverage if it is not automatically included within the form.

Contractors' Pollution Liability

The contractors' pollution liability policy shall be endorsed to include the following as Additional Insureds: the Moraine Park Technical College District and its Board of Trustees, officers, employees, agents, and volunteers named as an additional insured with respect to liability and defense of suits arising out of the activities performed by, or on behalf of the Contractor, including completed operations.

Workers' Compensation

Workers' Compensation policy must include NCCI endorsement WC000313 Waiver of Our Right to Recover from Others endorsement in favor of the College and its Board of Trustees, officers, employees, agents, and volunteers.

If there is an exposure of injury to Contractors employees under the U.S. Longshore and Harbor Workers' Compensation Act, the Jones Act, or under laws, regulations, or statutes applicable to maritime employees, coverage shall be included for such injuries or claims. The U.S. Longshore and Harbor Workers' Compensation Act coverage is provided by NCCI endorsement WC000106A, and the Maritime Coverages are provided by NCCO endorsement WC000201A.

All Policies

- Must be written on a primary basis, non-contributory with any other insurance coverages and/or self-insurance carried by the College.
- Must include a Separation of Insureds (Cross Liability) Clause.

Notice of Cancellation

Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, or canceled except after thirty (30) days' prior written notice has been given to the College, except when cancellation is for non-payment of premium; then ten (10) days' prior notice may be given. Such notice shall be sent directly to the Moraine Park Technical College District, Occupational Health, Safety & Risk Manager, 235 N. National Avenue, Fond du Lac, WI 54935 or via email to riskmgmt@morainepark.edu. If any insurance company refuses to provide the required notice, the Contractor or its insurance broker shall notify the College of any cancellation, suspension, or non-renewal of any insurance within seven (7) days of receipt of insurers' notification to that effect.

Option I: Builders' Risk or Installation Floater Provided by Contractor – Completed Value Basis

Unless otherwise provided, the Contractor shall purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction in which the project is located, builders' risk insurance in the amount of the initial contract amount plus values of subsequent modifications, change orders, and loss of materials supplied or installed by others comprising the value of the entire project at the site on a replacement cost basis without optional deductibles. Such builders' risk insurance shall be maintained, unless otherwise provided in the contract documents or otherwise agreed in writing by all persons and entities who are beneficiaries of such insurance, until final payment has been made or until no person or entity other than the Moraine Park Technical College District ("College") has insurable interest in the property to be covered, whichever is earlier. The builders' risk insurance shall include interests of Moraine Park Technical College, the general contractor, subcontractors, and sub-tier contractors in the project.

The builders' risk coverage shall be written on a Special Covered Cause of Loss form and shall include theft; vandalism; malicious mischief; collapse; false-work; temporary buildings; transit; debris removal, including

demolition; increased cost of construction; architect's fees and expenses; soft costs; flood, including water damage; earthquake; and, if applicable, all below and above ground structures; piping; foundations, including underground water and sewer mains; piling, including the ground on which the structure rests; and excavation, backfilling, filling, and grading.

Insured property shall include portions of the work located away from the site but intended for use at the site and shall also cover portions of the work in transit. The policy shall cover the cost of removing debris, including demolition as may be made legally necessary by the operation of any law, ordinance, or regulation.

The builders' risk shall include Permission to Occupy or a Beneficial Occupancy Clause. The policy shall specifically permit occupancy of the building during construction. The Contractor shall take reasonable steps to obtain consent of the insurance company and delete any provisions with regard to restrictions within any Occupancy Clauses within the Builders' Risk Policy. The builders' risk policy shall remain in force until acceptance of the project by Moraine Park Technical College.

Equipment breakdown coverage (boiler and machinery) shall be included as required by the contract documents or by law, which shall specifically cover insured equipment during installation and testing, including cold and hot testing. The deductible shall not exceed \$25,000 per occurrence (may be higher for Flood and Earthquake) and shall be the responsibility of the Contractor.

If Owner is damaged by failure of Contractor to maintain insurance as required in this section, then Contractor shall bear all reasonable costs properly attributable to that failure. Coverages shall be written for 100% of the completed value (replacement cost basis) of the work being performed. Other coverages may be required if provided in the Contract documents.

If the Contractor does not intend to purchase such builders' risk insurance required by the Contract and with all of the coverages in the amount described above, the Contractor shall so inform the College as stated in writing prior to commencement of the work. The College may then purchase insurance which will protect the interests of the College, the general contractor, subcontractors, and sub-tier contractors in the project. Coverages applying shall be the same as stated above including other coverages that may be required by the College. The cost shall be charged to the Contractor. Coverage shall be written for 100% of the completed value of the work being performed, with a deductible not to exceed \$25,000 per occurrence per occurrence. For All Other Perils excluding Flood and Earthquake, higher deductibles may be used depending on size of contract. Losses in excess of the deductible insured under the builders' risk shall be adjusted in conjunction with the College. Any insurance payments/ proceeds shall be made payable to the Moraine Park Technical College District subject to requirements of any applicable mortgage clause. The contractor shall pay subcontractors their just shares of insurance proceeds received by the contractor, and by appropriate agreements, written where legally required for validity, shall require subcontractors to make payments to their sub-tier contractors in similar manner.

If the College is damaged by the failure or neglect of the Contractor to purchase or maintain insurance as described above, without so notifying the College, then the Contractor shall bear all reasonable costs properly attributable thereto.

Contractors engaged in modifications of existing structures are required to secure a Beneficial Occupancy Endorsement which enables the College to occupy the facility during construction.

If during the project construction period, the College insures properties, real or personal or both, adjoining or adjacent to the site by property insurance under policies separate from those insuring the project, or if after final payment, property insurance is to be provided on the completed project through a policy or policies other than those insuring the project during the construction period, the College shall waive all rights for damages caused by fire or other perils covered by this separate property insurance.

Option II: Builders' Risk Provided by Moraine Park Technical College District

Unless otherwise provided, the Moraine Park Technical College District ("College") shall purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction in which the project is located, builders' risk insurance in the amount of the initial contract amount plus values of subsequent modifications, change orders, and loss of materials supplied or installed by others comprising the value of the entire project at the site on a replacement cost basis without optional deductibles. Such builders' risk insurance shall be maintained, unless otherwise provided in the contract documents or otherwise agreed in writing by all persons and entities who are beneficiaries of such insurance, until final payment has been made or until no person or entity other than the College has insurable interest in the property to be covered, whichever is earlier. The builders' risk insurance shall include interests of the College, the general contractor, subcontractors, and sub-tier contractors in the project.

The builders' risk coverage shall be written on a Special Covered Cause of Loss form and shall include theft; vandalism; malicious mischief; collapse; false-work; temporary buildings; transit; debris removal, including demolition; increased cost of construction; architect's fees and expenses; soft costs; flood, including water damage; earthquake; and if applicable, all below and above ground structures; piping; foundations, including underground water and sewer mains; piling, including the ground on which the structure rests; and excavation, backfilling, filling, and grading.

The builders' risk shall include Permission to Occupy or a Beneficial Occupancy Clause. The policy shall specifically permit occupancy of the building during construction. The College shall take reasonable steps to obtain consent of the insurance company and delete any provisions with regard to restrictions within any occupancy clauses within the builders' risk policy. The builders' risk policy shall remain in force until acceptance of the project by the College.

Equipment breakdown coverage (boiler and machinery) shall be included as required by the contract documents or by law, which shall specifically cover insured equipment during installation and testing, including cold and hot testing. The deductible shall not exceed \$25,000 per occurrence (may be higher for flood and earthquake) and shall be the responsibility of the Contractor except for losses that involve all Acts of God, such as flood, earthquake, windstorm, tsunami, volcano, etc.

The College insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

If the College does not intend to purchase such builders' risk insurance required by the Contract and with all of the coverages in the amount described above, the College shall so inform the Contractor in writing prior to commencement of the work. The Contractor may then purchase insurance which will protect the interests of the College, the Contractor, subcontractors, and sub-tier contractors in the project. Coverages applying shall be the

same as stated above including other coverages that may be required by the College. The cost shall be charged to the College. Coverage shall be written for 100% of the completed value (replacement cost basis) of the work being performed, with a deductible not to exceed \$25,000 per occurrence per occurrence (may be higher for flood and earthquake). Higher deductibles may be used depending on size of contract.

Losses in excess of the deductible insured under the builders' risk shall be adjusted by the College. Any insurance payments/proceeds shall be made payable to the Moraine Park Technical College District subject to requirements of any applicable mortgage clause. The Contractor shall pay subcontractors their just shares of insurance proceeds received by the contractor, and by appropriate agreements, written where legally required for validity, shall require subcontractors to make payments to their sub-tier contractors in similar manner.

If during the project construction period the College insures properties, real or personal or both, adjoining or adjacent to the site by property insurance under policies separate from those insuring the project, or if after final payment, property insurance is to be provided on the completed project through a policy or policies other than those insuring the project during the construction period, The College shall waive all rights for damages caused by fire or other perils covered by this separate property insurance.