

LIABILITY INSURANCE (1-48-0623)

Subsection 107.15 in the Standard Specifications is void and superseded by the following:

107.15 -- Liability Insurance

1. Prior to execution of the contract, the Contractor shall obtain insurance coverage to fully protect it from loss associated with the work, and have at a minimum the insurance described below:
 - a. General Liability:
 - (1) Limits of at least:
 - (i) \$ 1,000,000 per Occurrence
 - (ii) \$ 2,000,000 General Aggregate
 - (iii) \$ 2,000,000 Completed Operations Aggregate
 - (iv) \$ 1,000,000 Personal and Advertising Injury
 - (2) Contractor shall be responsible for the payment of any deductibles.
 - (3) Coverage shall be provided by a standard form Commercial General Liability Policy (CG0001 or equivalent) covering bodily injury, property damage including loss of use, and personal injury.
 - (4) The General Aggregate shall apply on a Per Project Basis.
 - (5) The Owner and the State of Nebraska, Department of Transportation, shall be named as Additional Insureds on a primary and non-contributory basis including completed operations for three (3) years after final acceptance and payment.
 - (6) Contractor agrees to waive its rights of recovery against the Owner and the State of Nebraska, Department of Transportation. Waiver of Subrogation in favor of the Owner and the State of Nebraska, Department of Transportation shall be added to the policy.
 - (7) Contractual liability coverage shall be on a broad form basis and shall not be amended by any limiting endorsements.
 - (8) If work is being performed near a railroad track, the 50' railroad right-of-way exclusion must be deleted.
 - (9) Products and completed operations coverage in the amount provided above shall be maintained for the duration of the work, and shall be further maintained for a minimum period of three years after final acceptance and payment.

- (10) Coverage shall be included for demolition of any building or structure, collapse, explosion, blasting, excavation and damage to property below surface of ground (XCU coverage).
- (11) Policy shall not contain a total or absolute pollution exclusion. Coverage shall be provided for pollution exposures arising from products and completed operations as per standard CG0001 Pollution Exclusion or equivalent. If the standard pollution exclusion as provided by CG0001 has been amended, coverage must be substituted with a separate Pollution Liability policy of \$1.0 million per occurrence and \$2.0 million aggregate. If coverage is provided by a "claims made" form, coverage will be maintained for three years after project completion. Any applicable deductible is the responsibility of the Contractor.

b. Automobile Liability:

- (1) Limits of at least:
 - (i) \$ 1,000,000 CSL per Accident
- (2) Coverage shall apply to all Owned, Hired, and Non-Owned Autos.
- (3) If work is being performed near a railroad track, the 50-foot railroad right-of-way exclusion must be deleted.
- (4) Contractor agrees to waive its rights of recovery against the Owner and the State of Nebraska, Department of Transportation. Waiver of Subrogation in favor of the Owner and the State of Nebraska, Department of Transportation, shall be added to the policy.
- (5) Automobile liability coverage shall be obtained from an insurance carrier who is licensed in Nebraska and any other State in which the project is located.

c. Workers' Compensation:

Limit: Statutory coverage for Nebraska and for any other State in which the project is located.

- (1) Employer's Liability limits:
 - (i) \$500,000 Each Accident
 - (ii) \$500,000 Disease – Per Person
 - (iii) \$500,000 Disease – Policy Limit
- (2) Contractor agrees to waive its rights of recovery against the Owner and the State of Nebraska, Department of Transportation. Waiver of Subrogation in favor of the Owner and the State of Nebraska, Department of Transportation shall be added to the policy.

- (3) Workers' compensation coverage shall be obtained from an insurance carrier who is licensed in Nebraska and any other State in which the project is located.
- (4) Where applicable, the Longshore and Harbor Workers Compensation Act endorsement shall be attached to the policy.

d. Umbrella/Excess:

- (1) Limits of at least:
 - (i) \$1,000,000 per Occurrence
- (2) Policy shall provide liability coverage in excess of the specified Employers Liability, Commercial General Liability and Automobile Liability.
- (3) The Owner and the State of Nebraska, Department of Transportation shall be "Additional Insureds".
- (4) Contractor agrees to waive its rights of recovery against the Owner and the State of Nebraska, Department of Transportation. Waiver of subrogation in favor of the Owner and the State of Nebraska, Department of Transportation shall be provided.

e. Pollution Liability:

- (1) When "hazardous wastes" or contaminated or polluted materials must be handled and/or moved, the Contractor shall obtain Pollution Liability Coverage with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate.
- (2) If, during the course of construction, hazardous wastes, contaminated or polluted material are discovered on the project, the Contractor shall immediately cease any operation that may disturb these materials, and shall immediately notify the Engineer of all facts related to the discovery of these materials.
- (3) Unforeseen work related to the discovery of hazardous, contaminated or polluted materials on the project, and the extra cost, if any, of pollution liability coverage will be handled as "extra work."

f. Additional Requirements:

- (1) The Contractor shall provide and carry any additional insurance required by the Special Provisions.
- (2) Except as otherwise provided herein, all insurance shall be kept in full force and effect until after the State releases the Contractor from all obligations under the contract.

- (3)
 - (i) If any of the work is sublet, equivalent insurance shall be provided by or on behalf of the subcontractor or subcontractors (at any tier) to cover all operations.
 - (ii) Approved trucking subcontractors (at any tier) who are being utilized only for the purpose of hauling materials shall be exempt from the requirements of Paragraphs 1.a., 1.d. and 1.e. of Subsection 107.15.
 - (iii)
 - (a) When a Contractor or subcontractor chooses to employ a trucker by carrying the driver on his or her payroll and entering into a lease agreement for the truck, the owner-operator of the truck shall be required to comply with the Automobile Liability provisions of Paragraph 1.b. of Subsection 107.15.
 - (b) Furthermore, it shall be the duty of the Prime Contractor to ensure that the owner-operator of the truck has such insurance in effect. The Prime Contractor shall maintain evidence that any truckers so utilized (at any tier) are insured to the minimum limits specified and be able to furnish documentation of the same on demand.
 - (c) Failure to ensure that insurance coverage exists and failure to maintain evidence thereof shall be considered a breach of the contract.
- (4) Any insurance policy shall be written by an insurance company with a Best's Insurance Guide Rating of A – VII or better.
- (5) Prior to execution of the contract, Contractor shall provide the Owner and the State of Nebraska, Department of Transportation evidence of such insurance coverage in effect in the form of an ACORD® (or equivalent) certificate of insurance executed by a licensed representative of the participating insurer(s). Certificates of insurance shall show the Owner and the Nebraska Department of Transportation as the certificate holders.
- (6) Failure of the owner or any other party to review, approve, and/or reject a certificate of insurance in whole or in part does not waive the requirements of this agreement.
- (7) The limits of coverage set forth in this document are suggested minimum limits of coverage. The suggested limits of coverage shall not be construed to be a limitation of the liability on the part of the Contractor or any of its subcontractors/tier subcontractors. The carrying of insurance described shall in no way be interpreted as relieving the Contractor, subcontractor, or tier subcontractors of any responsibility or liability under the contract.
- (8) If there is a discrepancy of coverage between this document and any

other insurance specification for this project, the greater limit or coverage requirement shall prevail.

- (9) For so long as insurance coverage is required under this agreement, the Contractor shall have a duty to notify the Owner and the State of Nebraska Department of Transportation (State) when the Contractor knows, or has reason to believe, that any insurance coverage required under this agreement will lapse, or may be cancelled or terminated. The Contractor must forward any pertinent notice of cancellation or termination to both the Owner and the State by mail (return receipt requested), hand-delivery, email, or facsimile transmission within 2 business days of receipt by Contractor of any such notice by an insurance carrier. Copies of notices received by the Contractor shall be sent to the Owner at its proper address, and to the State at the following address:

Nebraska Department of Transportation
Construction Division -- Insurance Section
1500 Nebraska Parkway, P.O. Box 94759
Lincoln, NE 68509-4759
Facsimile No. 402-479-4854
NDOT.ConstructionInsurance@nebraska.gov