



# City of Sonoma

## Planning Department Informational Handout

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### Insurance Requirements for Outdoor Seating and Outdoor Merchandise

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The following insurance provisions are required to be met prior to obtaining a City Outdoor Seating or Outdoor Merchandise Permit for business activity in the public right-of-way. The applicant shall procure and maintain for the duration of the activity insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work provided by the applicant, his agents, representatives, employees, or subcontractors.

For questions call (707) 938-3681.

1. Workers' Compensation with "waiver of subrogation" language. (See Item "E" below for specific Waiver of Subrogation language)
  - Workers' Compensation Policy provided
  - Waiver of subrogation provided
  
2. General Liability with an endorsement listing the City of Sonoma, its officers, officials, employees, and volunteers as additionally insured. (See Item "D.1." below for specific endorsement language)
  - General Liability Policy provided
  - City of Sonoma as additionally insured endorsement provided. The endorsement is a separate page from the Certificate of Liability Insurance page.
  
3. Insurance forms may be faxed but must be followed with an original copy.

Specific Requirements:

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#### **A. Minimum Scope of Insurance**

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 00 01 12 07).
2. Workers' Compensation insurance as required by the State of California and Employer 's Liability Insurance.

#### **B. Minimum Limits of Insurance**

Contractor shall maintain limits no less than:

1. General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage including operations, products and completed operations. If Commercial General Liability Insurance or other form with a general

aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

**C. Deductibles and Self-Insured Retention**

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

**D. Other Insurance Provisions**

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The "City, its officers, officials, employees, and volunteers" are to be covered as additional insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor: and with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with "your work" or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance or as a separate Owner's policy. As an alternative, a municipal G/L Endorsement, such as CG2012 7/98, may be used.
2. For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state, "coverage shall not be canceled by either party, except after thirty (30) days' prior written notice to the City."
4. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

**E. Waiver of Subrogation**

The workers' compensation policy is to be endorsed with a **waiver of subrogation**.

**F. Verification of Coverage**

Contractor shall furnish the City with original certificates and amendatory endorsements affecting coverage required by this clause. The endorsements should be on forms provided by the City or on other than the City's forms,

provided those endorsements or policies conform to the requirements and meet the City's approval. All certificates and endorsements are to be received and approved by the City work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, affecting the coverage required by these specifications, at any time.