

# INSURANCE REQUIREMENTS

**Insurance:** The bidder/offeror shall maintain adequate liability insurance, which shall protect and save harmless the City of Newport News, Virginia, its officials, employees, and volunteers from all suits and actions of every kind and description arising from injury or damage to persons and property in the prosecution of said work or in failure to properly safeguard same, and from all claims arising under the workers' compensation laws.

The Commonwealth of Virginia requires construction contractors and subcontractors to obtain and maintain workers' compensation insurance while performing work on behalf of the City. Evidence of coverage needs to be provided prior to commencement of work by bidders/offerors.

Prior to commencement of services, the bidder/offeror shall furnish the City with the following separate endorsements, and a certificate of insurance showing all required insurance coverage with companies licensed to do business in Virginia. A separate endorsement to the general liability policy shall be provided in which the City is designated as an "Additional Insured." In addition, a separate endorsement to the workers' compensation policy shall be provided in which the City is designated as an "Alternate Employer."

Sample forms CG 20 10 (designating the City as Additional Insured for liability claims) and WC 00 03 01(2005 ed.) (designating the City as an Alternate Employer for workers' compensation claims, pursuant to Section 65.2-302(A) of the Code of Virginia, 1950, as amended); and the Commonwealth's form for Worker's Compensation Certificate of Coverage are attached.

Certain providers of professional services (including but not limited to architects and engineers) shall also furnish a certificate of insurance showing professional liability insurance with companies licensed to do business in Virginia, prior to the commencement of services.

The bidder/offeror shall have ten (10) days from notice of intent to award to provide insurance documentation. Failure to provide the Certificate and forms within this period may be cause for the City to award a contract to the next responsive bidder/offeror, and hold the original contractor liable for excess costs. All insurers providing the above coverage shall give the City thirty (30) days advance written notice in the event of any non-renewal or cancellation of such insurance (10 days notice for non-payment of premium). As confirmation thereof, the City must be furnished either a policy endorsement specifically providing for such notice (copies of three sample endorsements attached), or a copy of the policy language that gives the City such assurance, or a statement on the insurance agent's, broker's, or insurer's letterhead that the City shall be given such notice.

## TYPE INSURANCE COVERAGE

## LIMITS

1. Workers' Compensation Employer's Liability	Statutory
Bodily Injury by Accident	\$100,000.00 each accident
Bodily Injury by Disease	\$100,000.00 each employee
Bodily Injury by Disease	\$500,000.00 policy limit
2. Commercial General Liability	\$1,000,000.00 each occurrence \$2,000,000.00 aggregate
3. Automobile Liability (Owned, hired, leased, and borrowed Vehicles)	\$100,000.00 each occurrence
4. Professional Liability (if applicable)	\$1,000,000.00 each occurrence \$2,000,000.00 aggregate
5. Environmental/Pollution Legal Insurance	\$2,000,000.00 each occurrence \$2,000,000.00 aggregate

**This insurance coverage supersedes any conflicting insurance coverage and limits in the Department of Engineering 1983 Standard Specifications.**

POLICY NUMBER: \_\_\_\_\_ COMMERCIAL GENERAL LIABILITY  
CG 20 10 10 93

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS (FORM B)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name of Person or Organizations:

**City of Newport News  
Purchasing Department  
2400 Washington Ave  
Newport News, VA 23607**

**(If no entry appears above, information required to complete this  
endorsement will be shown in the Declarations as applicable to this  
endorsement).**

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for this insured.

CG 20 10 10 93

**Endorsement**

**Alternate Employer**

**WC 00 03 01**

**Policy Amendment**

**If the following information is not complete, refer to the appropriate information page attached to the policy.**

<b>INSURED</b>	<b>POLICY NO.</b>	<b>SEQ. NO.</b>
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<b>PRODUCER</b>	<b>EFFECTIVE DATE</b>
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**SCHEDULE**

Alternate Employer	Address	State of Special or Temporary Employment
<b>City of Newport News c/o Purchasing Department 2400 Washington Avenue Newport News, Virginia</b>		<b>Virginia</b>

This endorsement applies only with respect to bodily injury to your employees while in the course of special or temporary employment by the alternate employer in the state named in the Schedule. Part One (Workers Compensation Insurance) and Part Two (Employers Liability Insurance) will apply as though the alternate employer is insured.

Under Part One (Workers Compensation Insurance), we will reimburse the alternate employer for the benefits required by the workers compensation law if we are not permitted to pay the benefits directly to the person entitled to them.

The insurance afforded by this endorsement is not intended to satisfy the alternate employers duty to secure its obligations under the workers compensation law. We will not file evidence of this insurance on behalf of the alternate employer with any government agency.

We will not ask any other insurer of the alternate employer to share with us a loss covered by this endorsement.

Premiums will be charged for your employees while in the course of special or temporary employment by the alternate employer.

Part Four (Your Duties If Injury Occurs) applies to you and the alternate employer. The alternate employer will recognize our right to defend under Parts One and Two and our right to inspect under Part Six.

**WORKER'S COMPENSATION**

**CERTIFICATE OF COVERAGE**

Section 11-46.3, Code of Virginia, requires construction contractors and subcontractors to obtain and maintain workers' compensation insurance while performing work on behalf of the Commonwealth of Virginia departments, institutions or agencies. This same requirement applies for work being performed on behalf of local governments.

Evidence of coverage needs to be provided prior to commencement of work.

This form is to be returned to the organization contracting the work.

The undersigned organization stipulates that it either:

- A. Has worker's compensation insurance    \_\_\_\_ Yes

Insurance Company: \_\_\_\_\_

Policy Expiration Date: \_\_\_\_\_

- B. Is self-insured for workers' compensation    \_\_\_\_ Yes

Title of Construction Contract: \_\_\_\_\_

Contract Number: \_\_\_\_\_

Signed By: \_\_\_\_\_

Title: \_\_\_\_\_

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_

NOTICE ENDORSEMENT

Policy Number:

IL 60 05 VA 01 10

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**MATERIAL COVERAGE CHANGE OR CANCELLATION  
NOTIFICATION – CERTIFIED MAIL**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

COMMERCIAL INLAND MARINE COVERAGE PART

COMMERCIAL PROPERTY COVERAGE PART

CRIME AND FIDELITY COVERAGE PART

LIQUOR LIABILITY COVERAGE PART

OWNERS AND CONTRACTOR PROTECTIVE LIABILITY PART

RAILROAD PROTECTIVE LIABILITY COVERAGE PART

SCHEDULE

Name of additional Insured Person(s) Or Organization(s) and mailing address:	Location And Description Of Project
City of Newport News c/o Purchasing Department 2400 Washington Avenue Newport News, VA 23607	

We will not cancel or reduce coverage under this policy without providing at least 30 days notice of our intent to do so. Notice of such cancellation or reduction of coverage will be provided by certified mail, return receipt requested, to the Additional insured in the schedule above.

NOTICE ENDORSEMENT

Policy Number:

WC 99 00 10 01 10A

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**MATERIAL COVERAGE CHANGE OR CANCELLATION  
NOTIFICATION – CERTIFIED MAIL**

This endorsement modifies insurance provided under the following:  
WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

SCHEDULE

Name of additional Insured Person(s) Or Organization(s) and mailing address:	Location And Description Of Project
City of Newport News c/o Purchasing Department 2400 Washington Avenue Newport News, VA 23607	

We will not cancel or reduce coverage under this policy without providing at least 30 days notice of our intent to do so. Notice of such cancellation or reduction of coverage will be provided by certified mail, return receipt requested, to the Additional insured in the schedule above.

**NOTICE ENDORSEMENT**

Policy Number:

COMMERCIAL AUTO  
CA 02 03 12 05

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**VIRGINIA CANCELLATION AND NONRENEWAL  
NOTICE TO DESIGNATED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

- BUSINESS AUTO COVERAGE FORM
- BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
- GARAGE COVERAGE FORM
- MOTOR CARRIER COVERAGE FORM
- TRUCKERS COVERAGE FORM

SCHEDULE

1. Name: City of Newport News c/o Purchasing Department
2. Address: 2400 Washington Avenue Newport News, VA 23607
3. Number of days advance notice: 30
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.



**City of Newport News**

2400 Washington Avenue • Newport News, Virginia 23607

**Office of the City Attorney**

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**ROBERT E. PEALO**

December 9, 2010

To Whom It May Concern:

Re: Notice of cancellation requirements for insurance coverage

Dear Sir or Madam:

In the wake of recent revisions to the Acord form, I have been receiving documentation from insurers that indicates that, since a statement regarding notice of cancellation is no longer included on the form, that the company cannot give any such assurance in the future. Many of the companies have indicated that they intend to strictly rely on the disclaimers in the form.

It is the City's position that a private company providing data reporting services for insurers has no standing or authority to alter legal provisions and contractual terms. Please note that the City does not agree with this industry position, and will not approve any proof of insurance that does not include the specific endorsements required under the contract. A simple notation of these endorsements on the Acord form will not be accepted.

Further the City will not accept proof of insurance that fails to provide for thirty (30) days notice of policy cancellation [ten (10) days for non-payment]. This assurance may be provided by one of the following three methods:

1. A note on company letterhead that the City will receive such notice. This may be on the letterhead of either the agent, the broker, or the insurance company, and not include a blanket disclaimer of liability upon failure to give such notice.
2. A separate endorsement specifying the notice as required, or
3. A copy of a policy provision regarding such notice.

In addition, this same assurance must be given when the City requires an Alternate Employer endorsement. No edition of an alternate employer endorsement that includes a provision that the statutory employer will receive no notice of cancellation will be accepted. A form including this provision appears to

be contrary to Virginia Code § 65.2-804(B), which requires thirty (30) days notice of cancellation [ten (10) days for non-payment]. Virginia Code § 65.2-800 requires that an employer be insured, and paragraph C of that section equates an employer and a statutory employer for the purposes of that duty.

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**Insurance forms required**

**December 9, 2010**

In summary, the City will accept no proof of insurance that does not include in one of the forms indicated above an assurance that the City will receive thirty (30) days notice of cancellation [ten (10) days for non-payment]. Failure to provide the information could result in rejection of your insured's bid or offer to provide services to the City, or a rejection of the insured's request for City permits that require the City to be named as an additional insured.

Very Truly Yours,

/s/ Joseph M. DuRant

Joseph M. DuRant  
Deputy City Attorney

SAMPLE