

**CITY OF GASTONIA
SUMMARY OF LIABILITY INSURANCE REQUIREMENTS FOR
VENDORS, CONTRACTORS, AND ORGANIZATIONS SPONSORING SPECIAL EVENTS
EFFECTIVE 07/01/02**

I) VENDORS

- A) SIDEWALK VENDORS / RESIDENTIAL CURB-CUT VENDORS - The insurance certificate must include:
- i. Commercial general liability insurance covering bodily injury and property damage with limits of not less than \$300,000 per occurrence.
 - ii. The City must be named as additionally insured on the insurance certificate.
 - iii. In addition, the vendor must indemnify and save harmless the City of Gastonia, its officers, agents, and employees from any claims arising out of any work performed for the City or on City property.
- B) SKILLED TRADES AND SMALL BUSINESSES WORKING FOR THE CITY OR CONDUCTING THEIR BUSINESS ON CITY PROPERTY - Skilled trades include such professions as electricians, plumbers, carpenters, roofers, heating/air conditioning technicians, carpet installers, fence installers, concrete and masonry contractors, and mowing contractors. Small businesses, other than sidewalk vendors and residential curb cut vendors, performing work on behalf of the City or on City property are also included in this group. The insurance certificate for this group must include:
- i. Commercial general liability insurance covering bodily injury and property damage with limits of not less than \$1,000,000 per occurrence, and at least \$1,000,000 aggregate; or the equivalents utilizing excess or umbrella coverage.
 - ii. If the skilled trade or business has (3) or more employees, including the owner, the certificate must also include employers liability insurance (workers compensation) in accordance with statutory requirements with limits of not less than \$100,000 for each accident.
 - iii. In addition, projects requiring employees of the skilled trade or small business to drive onto City property, or transport City employees or clients, or to use its vehicles on City property will require auto liability insurance, which must cover bodily injury and property damage liability on all owned, non-owned, and hired vehicles for a limit of at least \$1,000,000 per occurrence, or the equivalent utilizing excess or umbrella coverage.
 - iv. The City must be named as additionally insured on the insurance certificate for all coverage, except professional liability.
 - v. In addition, the skilled trade or small business must indemnify and save harmless the City of Gastonia, its officers, agents, and employees from any claims arising out of any work performed for the City or on City property.

II) CONTRACTORS

- A) PROJECTS UP TO \$1,000,000- Contractors with projects up to \$1,000,000 are included in this category. The insurance certificate for this group must include:
- i. Projects requiring the contractor to provide consulting services from architects, engineers, or other technical areas of expertise will require professional liability insurance of at least \$1,000,000 for each claim.
 - ii. The certificate must also include commercial **general liability insurance covering bodily injury and property damage with limits of not less than \$1,000,000** per occurrence, and at least \$1,000,000 aggregate; or the equivalents utilizing excess or umbrella coverage.
 - iii. If the contractor has (3) or more employees, including the owner, the certificate must also **include employer's liability insurance (workers compensation)** in accordance with statutory requirements with limits of not less than \$500,000 for each accident.
 - iv. In addition, projects requiring the contractor to drive onto City property, or transport City employees or clients, or to use the contractor's vehicles on City property **will require auto liability insurance**, which must cover bodily injury and property damage liability on all owned, non-owned, and hired vehicles for a limit of at least \$1,000,000 per occurrence, or the equivalent utilizing excess or umbrella coverage.
 - v. Also the contractor must furnish a performance bond and builder's risk policy in an amount at least equal to the contract price as security for the faithful performance and payment of all contractors' obligations under the contract.
 - vi. When the contractor and/or his employees have access to monies or properties of the City, the contractor will provide a fidelity bond at a limit of not less than \$50,000 (depending on where the contractor will be working).
 - vii. **The City must be named as additionally insured** on the insurance certificate for all coverage, except professional liability.
 - viii. In addition, the contractor must indemnify and save harmless the City of Gastonia, its officers, agents, and employees from any claims arising out of any work performed for the City or on City property.

- B) TRADES WITH SPECIAL RISKS / PROJECTS GREATER THAN \$1,000,000 BUT LESS THAN \$2,000,000 - Trades with special risks include technicians who repair and maintain rolling stock vehicles, construction equipment, elevators, cranes, airplanes, or individuals who spread chemicals, demolish buildings, supervise and conduct blasting, remove asbestos, relocate buildings, or conduct carnival rides. Contractors involved in projects greater than \$1,000,000 but less than \$2,000,000 are also included in this category. The insurance certificate for this group must include:
- i. Projects requiring the contractor to provide consulting services from architects, engineers or other technical areas of expertise will require professional liability insurance of at least \$1,000,000 for each claim.
 - ii. The certificate must also include commercial general liability insurance covering bodily injury and property damage with limits of not less than \$2,000,000 per occurrence, and at least \$2,000,000 aggregate; or the equivalents utilizing excess or umbrella coverage.
 - iii. In addition, the certificate must include employers liability insurance (workers compensation) in accordance with statutory requirements with limits of not less than \$100,000 for each accident.
 - iv. Further, projects requiring the contractor to drive onto City property, or transport City employees or clients, or to use the contractor's vehicles on City property will require auto liability insurance, which must cover bodily injury and property damage liability on all owned, non-owned, and hired vehicles for a limit of not less than \$2,000,000 per occurrence, or the equivalent utilizing excess or umbrella coverage.
 - v. Also building and construction contractors must furnish a performance bond and builder's risk policy in an amount at least equal to the contract price as security for the faithful performance and payment of all contractors' obligations under the contract.
 - vi. When the contractor and/or his employees have access to monies or properties of the City, the contractor will provide a fidelity bond at a limit of not less than \$50,000 (depending on where the contractor will be working).
 - vii. The City must be named as additionally insured on the insurance certificate for all coverage, except professional liability.
 - viii. In addition, the contractor must indemnify and save harmless the City of Gastonia, its officers, agents, and employees from any claims arising out of any work performed for the City or on City property.

- C) PROJECTS GREATER THAN \$2,000,000 BUT LESS THAN \$3,000,000 - Contractors involved with projects greater than \$2,000,000 but less than \$3,000,000 are included in this category. The insurance certificate for this group must include:
- i. Projects requiring the contractor to provide consulting services from architects, engineers or other technical areas of expertise will require professional liability insurance of at least \$1,000,000 for each claim.
 - ii. The certificate must also include commercial general liability insurance covering bodily injury and property damage with limits of not less than \$3,000,000 per occurrence, and at least \$3,000,000 aggregate; or the equivalents utilizing excess or umbrella coverage.
 - iii. In addition, the certificate must include employer's liability insurance (workers compensation) in accordance with statutory requirements with limits of not less than \$100,000 for each accident.
 - iv. Further, projects requiring the contractor to drive onto City property, or transport City employees or clients, or to use the contractor's vehicles on City property will require auto liability insurance, which must cover bodily injury and property damage liability on all owned, non-owned, and hired vehicles for a limit of not less than \$3,000,000 per occurrence, or the equivalent utilizing excess or umbrella coverage.
 - v. Also the contractor must furnish a performance bond and builder's risk policy in an amount at least equal to the contract price as security for the faithful performance and payment of all of the contractor's obligations under the contract.
 - vi. When the contractor and/or his employees have access to monies or properties of the City, the contractor will provide a fidelity bond at a limit of not less than \$50,000 (depending on where the contractor will be working).
 - vii. The City must be named as additionally insured on the insurance certificate for all coverage, except professional liability.
 - viii. In addition, the contractor must indemnify and save harmless the City of Gastonia, its officers, agents, and employees from any claims arising out of any work performed for the City or on City property.
- D) PROJECTS GREATER THAN \$3,000,000 - Department personnel must consult with the City's Risk Management staff in Human Resources prior to bidding such projects to determine the type and amount of coverage needed.

III) SPECIAL EVENTS SPONSORED BY ORGANIZATIONS

A) ORGANIZATIONS SPONSORING SPECIAL EVENTS ON CITY PROPERTY INVOLVING UP TO 1,000 INDIVIDUALS - The insurance certificate must include:

- i. Commercial general liability insurance covering bodily injury and property damage with limits of not less than \$1,000,000 per occurrence, and at least \$1,000,000 aggregate; or the equivalents utilizing excess or umbrella coverage.
- ii. Events requiring volunteers or agents of the organization to drive onto City property, or transport City employees or clients, or to use the volunteer's or agent's vehicles on City property will require auto liability insurance, which must cover bodily injury and property damage liability on all owned, non-owned, and hired vehicles for a limit of not less than \$1,000,000 per occurrence, or the equivalent utilizing excess or umbrella coverage.
- iii. If an organization will be serving alcoholic beverages for the City or will be serving alcoholic beverages in conjunction with its conducting business on City property, the insurance certificate must include liquor liability coverage in an amount not less than \$1,000,000 per occurrence.
- iv. The City must be named as additionally insured on the insurance certificate for all coverage.
- v. In addition, the organization must indemnify and save harmless the City of Gastonia, its officers, agents, and employees from any claims arising out of any activity performed for the City or on City property.

B) ORGANIZATIONS SPONSORING SPECIAL EVENTS ON CITY PROPERTY INVOLVING MORE THAN 1,000 INDIVIDUALS - The insurance certificate must include:

- i. Commercial general liability insurance covering bodily injury and property damage with limits of not less than \$2,000,000 per occurrence, at least \$2,000,000 aggregate; or the equivalents utilizing excess or umbrella coverage.
- ii. Events requiring volunteers or agents of the organization to drive onto City property, or transport City employees or clients, or to use the volunteer's or agent's vehicles on City property will require auto liability insurance, which must cover bodily injury and property damage liability on all owned, non-owned, and hired vehicles for a limit of not less than \$1,000,000 per occurrence, or the equivalent utilizing excess or umbrella coverage.
- iii. If an organization will be serving alcoholic beverages for the City or will be serving alcoholic beverages in conjunction with its conducting business on City property, the insurance certificate must include liquor liability coverage in an amount not less than \$1,000,000 per occurrence.
- iv. The City must be named as additionally insured on the insurance certificate for all coverage.
- v. In addition, the organization must indemnify and save harmless the City of Gastonia, its officers, agents, and employees from any claims arising out of any activity performed for the City or on City property.

C) ORGANIZATIONS SPONSORING SPECIAL EVENTS ON CITY PROPERTY INVOLVING HAZARDOUS ACTIVITIES - This category includes events with fireworks, air show activities, or major construction events utilizing volunteers. The insurance certificate for this group must include:

- i. Commercial general liability insurance covering bodily injury and property damage with limits of not less than \$5,000,000 per occurrence, at least \$5,000,000 aggregate; or the equivalents utilizing excess or umbrella coverage.
- ii. Events requiring volunteers or agents of the organization to drive onto City property, or transport City employees or clients, or to use the volunteer's or agent's vehicles on City property will require auto liability insurance, which must cover bodily injury and property damage liability on all owned, non-owned, and hired vehicles for a limit of not less than \$1,000,000 per occurrence, or the equivalent utilizing excess or umbrella coverage.
- iii. If an organization will be serving alcoholic beverages for the City or will be serving alcoholic beverages in conjunction with its conducting business on City property, the insurance certificate must include liquor liability coverage in an amount not less than \$1,000,000 per occurrence.
- iv. The City must be named as additionally insured on the insurance certificate for all coverage.
- v. In addition, the organization must indemnify and save harmless the City of Gastonia, its officers, agents, and employees from any claims arising out of any activity performed for the City or on City property.