

**CONTRACT INSURANCE SPECIFICATIONS****Property Management**

PLEASE READ INSURANCE REQUIREMENTS CAREFULLY TO ENSURE ALL INSURANCE COSTS ARE INCLUDED IN BID.

**I. INSURANCE REQUIREMENTS**

The Property Management Company is cautioned to assure that the total insurance requirements for this contract are thoroughly reviewed, understood and met. Terrebonne Parish Consolidated Government (herein after referred to as TPCG) will thoroughly review the complete insurance documentation submitted, prior to contract execution. Failure to comply with the terms and conditions may be grounds for rejection of and/or refusal to award a contract, preferred property management company status or permit issuance. Coverages cannot exclude services provided to Terrebonne Parish Consolidated Government.

**A. GENERAL**

The following insurance requirements shall be provided and shall apply on a primary basis; any insurance carried by TPCG shall be excess and not contributing insurance. The total limit of insurance must be equal to or greater than the minimum acceptable limits indicated below. Required primary limits may be reached with the addition of umbrella or excess liability policy limits. Required limits may be reached using umbrella or excess liability coverages, if applicable. Additionally, each line of insurance may have its own set of requirements that must be met. "CLAIMS MADE" POLICIES OF INSURANCE ARE NOT ACCEPTABLE for auto liability, general liability, employers' liability, and umbrella liability, but are acceptable for professional liability, pollution liability and errors and omissions policies.

**B. INSURANCE**

Insurance obtained and maintained by the Property Management Company shall contain the following coverages and limits:

1. Workers Compensation:
  - a. State Act - Louisiana Statutory Requirements; Provide Other States coverage, if applicable;
  - b. Employers Liability with minimum acceptable limits of \$1,000,000/\$1,000,000/\$1,000,000; and
  - c. Waiver of subrogation in favor of Terrebonne Parish Consolidated Government, its elected and appointed officials, agents, directors, servants, employees, volunteers, and any other entities who may require waivers by specific contract.
2. General Liability:
  - a. Commercial General Liability Form CG 00 01, or pre-approved equivalent; Minimal acceptable limit: \$1,000,000 per occurrence; \$2,000,000 general aggregate; and \$2,000,000 products/completed operations aggregate; including
    1. Product Liability coverage if selling food or goods, and
    2. Liquor Liability coverage if selling, serving or furnishing alcohol;
  - b. Additional Insured endorsement in favor of Terrebonne Parish Consolidated Government, its elected and appointed officials, agents, directors, servants, employees, and volunteers on CG 2010 Form B (edition 07 04), or approved equivalent; and



- c. Waiver of Transfer of Rights of Recovery Against Others to in favor of Terrebonne Parish Consolidated Government, its elected and appointed officials, agents, directors, servants, employees, volunteers, and any other entities who may require waivers by specific contract.

*Note: The general liability policy shall not exclude any standardized coverage included in the required basic form or limit Contractual Coverages for this project in any way that would prohibit or limit the reporting of any claim or suit and the subsequent defense and indemnity that would normally be provided by the policy. General liability shall include coverage under damage to rented premises.*

- 3. Auto Liability:
  - a. Minimal acceptable limit: \$1,000,000 Combined Single Limits;
  - b. Liability coverage to be provided for Any Auto OR for All Owned Autos and Hired and Non-owned Autos. If the Property Management Company owns no vehicles, then a Hired and Non-owned Auto Liability policy is required;
  - c. Additional Insured endorsement in favor of Terrebonne Parish Consolidated Government, its elected and appointed officials, agents, directors, servants, employees, and volunteers; and
  - d. Waiver of Transfer of Rights of Recovery Against Others to Us in favor of Terrebonne Parish Consolidated Government, its elected and appointed officials, agents, directors, servants, employees, volunteers, and any other entities who may require waivers by specific contract.
- 4. Crime Insurance:
  - a. Employee Dishonesty Bond issued on a blanket basis with a \$100,000 minimum limit.
- 5. Professional Liability, as Applicable to The Services Provided:
  - a. Minimal acceptable limits: \$1,000,000 Per Loss; \$2,000,000 annual aggregate;
  - b. If claims-made coverage is accepted, the retroactive date, if any, must precede the commencement of the performance of the contract;
  - c. Any retrospective date applicable to coverage will be maintained or an extended discovery period will be exercised for a period of three (3) years beginning when the contract ends or is terminated;
  - d. This insurance shall provide primary coverage for claims and/or suits which may arise out of or result from the property manager's Scope of Work as described in the contract and its amendments; and
  - e. TPCG shall have the right to request a copy of loss runs associated with the current in force policy to determine if the policy limits have been impaired to an unacceptable level.

## **II. GENERAL SPECIFICATIONS**

### **A. PROPERTY MANAGEMENT COMPANY'S LIABILITY INSURANCE**

The Property Management Company shall purchase in its name, and maintain at its sole cost and expense, such liability and other insurance as set out in the insurance requirements of this Document. This insurance will provide primary coverage for claims and/or suits which may arise out of or result from the Property Management Company's performance and furnishing of the work, goods or services, whether it is performed and/or furnished by the Property Management Company, any subcontractor, partner, supplier, or by anyone directly or indirectly employed by any of them to perform or furnish any of the work and/or goods or services under the contract, or by anyone for whose acts any of them may be liable, and shall name Terrebonne Parish

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Consolidated Government, its elected and appointed officials, agents, directors, servants, employees, and volunteers as an additional insured thereunder. Additionally, the Property Management Company should be aware of and comply with any requirements of its own insurance policies.

If applicable, the Property Management Company shall require all subcontractors to maintain, in limits equal to or greater than Property Management Company's, the same insurance coverage for work performed, or goods or services provided. The Property Management Company shall insert this requirement in all contracts or agreements with all entities and/or persons who perform any work, and/or provide goods or services. At no time shall the Property Management Company allow any subcontractors to perform work and/or provide goods or services without the required types and limits of insurance coverage. In the event of a subcontractor's non-compliance with this requirement, the Property Management Company shall be responsible for any damages or liabilities arising from the subcontractors' work, actions, or inactions.

**B. GENERAL REQUIREMENTS**

1. Qualifications of Insurers:
  - a. All insurance required in this document are to be purchased and maintained by the Property Management Company from insurance companies that are duly licensed by the State of Louisiana to issue insurance policies for the limits and coverages so required. Such insurance companies utilized are to have a minimum rating of A- VI as of the most currently published A.M. Best Guide. Any variance must be approved by TPCG.
  - b. If the insurance company providing any insurance coverage furnished by the Property Management Company is declared bankrupt, becomes insolvent, its right to do business in Louisiana is terminated or it ceases to meet the requirements of this Document, the Property Management Company shall, within thirty (30) days thereafter, substitute another insurance company acceptable to TPCG. TPCG reserves the right to mandate cessation of all work or provision of goods or services until the receipt of acceptable replacement insurance.
2. Partnerships and Joint Ventures: If the Property Management Company is a partnership or joint venture then the evidence of all primary and excess liability insurance required to be maintained during the term hereunder shall be furnished in the name of the partnership or joint venture. Evidence of continuing primary commercial general liability insurance, which shall remain in effect in the name of the partnership or joint venture shall also be furnished.
3. Certificates of Insurance/Policies of Insurance:
  - a. The Property Management Company shall deliver to TPCG Certificates of Insurance, with copies to each additional insured identified in the Contract, evidencing all insurance which the Property Management Company has purchased and shall maintain in accordance with this Document. It is mandatory that within ten (10) days after the notification of the acceptance of the Property Management Company's application, the Property Management Company shall furnish to TPCG the certificates of insurance as required in this Document. TPCG reserves the right to require a complete copy of all policies, forms and endorsements, if it is deemed necessary.
  - b. TPCG may require that any impaired aggregate(s) be replenished in its favor prior to commencement of work or the provisions of goods and/or services; and/or during its progress.
  - c. TPCG reserves the right to request removal of any endorsement(s) that it finds jeopardizes its own insurance portfolio. Failure to reach a compromise may result in

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contract cancellation or disqualification of bidder, if applicable. TPCG reserves the right to request certified copies of any policy(s) evidenced by the Certificate(s) of Insurance. The requested certified copies should be provided to TPCG within ten (10) days of the written request.

4. Objection by TPCG: If TPCG has any objection to the coverage afforded by or any other provisions of the insurance required to be purchased and maintained by the Property Management Company in accordance with the insurance requirements for the work and/or the provision of goods or services on the basis of non-conformance with the requirements, TPCG shall notify the Property Management Company in writing within fifteen (15) days after receipt of the Certificates. The Property Management Company shall provide a written response to TPCG's objections within ten (10) days from the date of the letter request.
5. The Property Management Company's Failure: Upon failure of the Property Management Company or its subcontractor to purchase, furnish, deliver or maintain such insurance as required herein, at the election of TPCG, the Contract may be forthwith declared suspended, discontinued, or terminated. Failure of the Property Management Company to purchase and maintain insurance shall not relieve the Property Management Company from any liability under the Contract, nor shall the insurance requirements be construed to conflict with the obligations of the Property Management Company concerning indemnification.
6. No Waiver of Liability: Acceptance of evidence of the insurance requirements by TPCG in no way relieves or decreases the liability of the Property Management Company for its performance of any work or the provision of goods or services under the contract. Additionally, the Property Management Company is responsible for any losses, expenses, damages, claims and/or suits and costs of any kind which exceed the Property Management Company's limits of liability or which may be outside the coverage scope of the Property Management Company's insurance policies. The insurance requirements outlined in this Document shall in no way be construed to limit or eliminate the liability of the Property Management Company that may arise from the performance of work and/or provision of goods or services. The Property Management Company's coverage is to be primary for any and all claims and/or suits related to, or arising from its operations and any of the insurance coverage(s) maintained by TPCG is/are to be deemed as excess of the Property Management Company's insurance coverage and shall not contribute with or to it in any way. The limits required herein are the minimum acceptable limits for this work. TPCG in no way affirms that this is an adequate level of insurance for its operations.
7. No Recourse Against TPCG: The insurance companies issuing the policies shall have no recourse against TPCG for payment of any premiums, deductibles, retentions or for assessments under any form or policy. These shall be borne by and be the sole responsibility of the Property Management Company.