

**STANDARD OPERATING PROCEDURE (SOP) #: 109.05**

**Subject: Major Construction/Renovation Contracts/Builder's Risk Options  
(For Projects Over \$1,000,000) Minimum Insurance Coverage and Requirements**

**Purpose and Scope:** To ensure that services or installations (Major Construction – Over \$1,000,000.00) performed by a Contractor for the University is covered by appropriate insurance as evidenced by an ACORD certificate and endorsement of insurance.

**Procedures: Reference SOP #: 109.01**

**Major Construction/Renovation Contracts/Builder's Risk Options –  
(Projects Over \$1,000,000)  
Minimum Insurance Coverage and Requirements**

The CONTRACTOR shall obtain and maintain the minimum insurance coverage set forth below. By requiring such minimum insurance, the University of West Florida (UWF) shall not be deemed or construed to have assessed the risk that may be applicable to the CONTRACTOR. The University of West Florida recognizes these limits of coverage shall not be interpreted as limiting liability. The CONTRACTOR shall assess its own risks and if it deems appropriate and/or prudent, maintain higher limits and/or broader coverage. The CONTRACTOR is not relieved of any liability or other obligations assumed or pursuant to the Contract by reason of its failure to obtain or maintain insurance in sufficient amounts, duration, or types.

**COVERAGES**

**1. Commercial General Liability–ISO CG 001 Form or equivalent. Coverage to include:**

Premises and Operations  
Explosions, Collapse and Underground Hazards  
Products/Completed Operations  
Liability assumed under an Insured Contract (including defense costs assumed under contract)  
Broad Form Property Damage  
Independent Contractors  
Personal/Advertising Injury  
Additional Insured – Owners, Lessees or Contractors Endorsement, (ISO Form CG 20 37 07 04 or equivalent)

**2. Automobile Liability including all:**

Any Auto  
Owned Auto  
Non-owned Auto  
Hired Auto  
Personal Injury Protection (when applicable)

**3. Workers' Compensation**

Statutory Benefits (Coverage A)  
Employers Liability (Coverage B)

**4. Excess/Umbrella Liability**

Excess of Commercial General Liability, Automobile Liability and Employers Liability. Coverage should be as broad as primary.

## **LIMITS REQUIRED**

The CONTRACTOR shall carry the following limits of liability as required below: Dollar amounts may change in accordance with the event or project. The University of West Florida recognizes these limits of coverage shall not be interpreted as limiting liability. Events may include Food and Liquor Liability. Construction requirements may also include Builders Risk, Professional Liability, and Pollution Liability.

<b>Commercial General Liability</b>	
General Aggregate	\$ 2,000,000
Products/Completed Operations Aggregate	\$ 2,000,000
Each Occurrence Limit	\$ 1,000,000
Personal/Advertising Injury	\$ 1,000,000
Fire Damage (Any One Fire)	\$ 50,000
Medical Payments (Any One Person)	\$ 5,000
<b>Automobile Liability</b>	
Bodily Injury/Property Damage (Each Accident)	\$ 1,000,000
Personal Injury Protection	Statutory
<b>Workers' Compensation</b>	
Coverage A (Workers' Compensation)	Statutory
Coverage B (Employers Liability)	\$100,000 \$500,000 \$100,000
<b>Umbrella Liability</b>	
Each Occurrence Limit	\$ 1,000,000
General Aggregate Limit	\$ 1,000,000
Products/Completed Operations Aggregate	\$ 1,000,000
<b>Professional Liability</b> (when applicable)	
Each occurrence	\$1,000,000
Aggregate	\$2,000,000
<b>Pollution Liability</b> (when applicable)	
Per Loss	\$100,000
Aggregate	\$100,000

The University requires the Contractor to keep the insurance policy in effect beyond the completion of the project to cover possible hidden defects or possible flaws in the design/construction. Example: if a wall fails a year after the completion of the project, the Contractor would be obligated to repair or replace the wall. However, if the wall causes half of the building to fall with it, then the insurance would pay for the damage of the building. The extended period is requested by the University and the insurance coverage shall be maintained, except for Automobile Liability and Worker's Compensation, for a period of one (1) year after the date of substantial completion of the project.

## **ADDITIONAL REQUIREMENTS**

The CONTRACTOR shall meet the following requirements:

1. Be licensed or approved to do business within the State of Florida.
2. Insurance certificate and endorsement written on a Project/per occurrence basis (Professional liability and pollution liability are acceptable written on a claims-made basis).
3. Name the State of Florida, Florida Board of Governors, University of West Florida Board of Trustees, and The University of West Florida, its officers, employees, agents, and volunteers as "Additional Insured". (ISO Form CG 20 37 07 04 or equivalent).
4. Include an Additional Insured Endorsement form as the "Additional Insured" on Commercial General Liability, Automobile Liability, Umbrella/Excess Liability, Environmental Liability and other as specified by the contract.
5. Be on a primary basis, non-contributory with any other insurance coverage and/or self-insurance carried by UWF.
6. Include a Waiver of Subrogation Clause that clearly states that the insurer paying any claim arising by reason of any operations under the contract will not seek reimbursement from UWF.
7. Include a Separation of Insured Clause (Cross Liability) for all liability policies.
8. Policy may not be non-renewed, cancelled or materially changed or altered unless thirty (30) days advance written notice is provided to UWF.
9. Insurance certificates and written endorsement **must** be provided directly by the insurance agency or carrier.
10. Renewal certificates and endorsements are to be provided to UWF at least 30 days prior to expiration.
11. Failure of the Contractor to fully comply with these requirements during the term of the Contract will be considered a material breach of contract and will be cause for immediate termination of the Contract at the option of the University or purchasing the insurance on behalf of the Contractor and being reimbursed by the Contractor.
12. Insurer possesses a minimum **A.M. Best's Insurance Guide rating of no less than "B+"**.