

## Otay Water District INSURANCE REQUIREMENTS

Unless more specific insurance provisions are attached, the following shall apply. The Seller, at its sole cost and expense, shall purchase and maintain, and shall require its sub-suppliers, when applicable, to purchase and maintain throughout the term of this Order, the following insurance policies:

- (1) Commercial General Liability Policy with coverage as broad and as encompassing as the Commercial General Liability in the occurrence form, and providing coverage against claims for bodily injury or death and property damage occurring in or upon or resulting from the use or occupancy of Otay property and/or facilities, or arising out of Seller's and its employees', sub supplier, agents' and authorized representatives' performance of this Order. Such insurance shall be primary and non-contributory with any other coverage, including Otay's and such insurance shall afford immediate defense and indemnification of Otay to the limit of not less than ONE MILLION DOLLARS (\$1,000,000) per occurrence and TWO MILLION DOLLARS (\$2,000,000) aggregate.
- (2) Commercial Automobile Liability, or Business Auto coverage with limits not less than ONE MILLION DOLLARS (\$1,000,000) for each occurrence, combines single limit for bodily injury or death and property damage, covering ANY AUTO (owned, non-owned and hired automobiles), including loading and unloading operations.
- (3) Workers' Compensation insurance as required by the laws of the State of California.
- (4) Employer's Liability insurance with the following limits:

Bodily Injury by Accident	-	\$1,000,000 each accident
Bodily Injury by Disease	-	\$1,000,000 policy limit
Bodily Injury by Disease	-	\$1,000,000 each employee
- (5)  If checked, Professional Liability Insurance (errors and omissions) with minimum limits of \$1,000,000 per occurrence.

### REQUIRED ENDORSEMENTS

ADDITIONAL INSURED: The Commercial General Liability and Commercial Automobile Liability insurance policies described above must include the following additional insured endorsement:

"Otay Water District, and its members, officers, directors, agents and employees are named as additional insured."

WAIVER OF SUBROGATION: The policy shall be endorsed with a waiver of subrogation in favor of Otay. In the event a claim under the provisions of the California Workers' Compensation Act is filed against Otay by a bona fide employee of Seller participating under this Order, Seller agrees to defend and indemnify Otay from such claim.

CANCELLATION CLAUSE: The cancellation clause for all the above policies and certificate(s) shall read as follows:

"Should this policy be canceled before the expiration date thereof, the issuing company will mail thirty (30) days written notice to the certificate holder named herein."

### ADDITIONAL CONDITIONS

The aforesaid policies shall constitute primary and non-contributory insurance as to Otay, its officers, employees, and volunteers, so that any other policies held by Otay shall not contribute to any loss under said insurance. Seller and Otay agree that the specified coverage or limits of insurance in no way limits the liability of Seller. Seller shall maintain with respect to each such policy or agreement evidence of such insurance coverage and endorsements.

If insurance coverage is provided on a "claims made" rather than "occurrence" form, the Seller shall maintain such insurance coverage for four (4) years after expiration of the term (and any extensions) of this Order. In addition, the "retro" date must be on or before the date of this Order.

Insurance shall be written with only California admitted companies which hold a current policy holder's alphabetic and financial size category rating of not less than A VIII according to the current Best's Key Rating Guide, or a company with equal financial stability that is approved by Otay. In the event coverage is provided by non-admitted "surplus lines" carriers, they must be included on the most recent California List of Eligible Surplus Lines Insurers (LESLI list) and otherwise meet rating requirements.

This Order shall not take effect until certificate(s) or other sufficient proof that these insurance provisions are filed with and approved by Otay. If the Seller does not keep all insurance policies in full force and effect at all times during the terms of this Order, Otay may obtain such coverage at Seller's expense and deduct the cost of such insurance from payments due to Seller under this Order, or may elect to treat the failure to maintain the requisite insurance as a breach of this Order and terminate the Order as provided herein.

All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by Otay.

Seller's liabilities, including, but not limited to, Seller's indemnity and defense obligations under this Order, shall not be deemed limited in any way to the insurance coverage required herein.