

**FIU STANDARD INSURANCE REQUIREMENTS FOR ALL CONSTRUCTION MANAGEMENT MAJOR PROJECTS (POSTED ON FIU'S WEBSITE UNDER INSURANCE REQUIREMENTS)**

**ARTICLE 20  
INSURANCE REQUIREMENTS**

**20.1 Basic Insurance Requirements.** In accordance with the Contract for Construction, the Builder shall be required to procure and maintain throughout each Project the following insurance policies for the joint benefit of the Builder and Owner, with an insurer acceptable to Owner:

**20.2 Types/Amounts of Insurance Required:**

20.2.1 Commercial General Liability insurance (occurrence form) including products/completed operations and contractual liability providing coverage in the minimum amount of:

20.2.1.1 For a major project or continuing services projects where the aggregate Construction Price is greater than \$2,000,000: A \$5,000,000 per occurrence liability limit. The deductible amount must be mutually agreed to, in writing, by both Owner and Builder. The per occurrence liability limit may be met with the combination of primary and excess policy limits; or

20.2.1.2 For a major project or continuing services projects where the aggregate Construction Price is \$2,000,000 or less: A \$1,000,000 per occurrence liability limit. The deductible amount must be mutually agreed to, in writing, by both Owner and Builder.

The insurance certificate(s) shall indicate that the Commercial General Liability policy carries an endorsement (no more restrictive than CG 20 10) which names The Florida International University Board of Trustees, Florida International University, the State of Florida, The Florida Board of Governors, and their respective trustees, directors, officers, employees and agents, as additional insureds. The Builder's policy(ies) shall be primary and any insurance carried by Owner (FIU) shall be noncontributing with respect thereto. In addition, the policy shall contain the following endorsements: "XCU" (explosion, collapse, underground damage) for those classifications excluded under the policy and contractual liability. If Builder is performing asbestos-related work, the policy shall also contain a pollution liability endorsement; and

20.2.2 Auto Liability insurance covering Builder's owned, non-owned and leased vehicles shall provide a minimum combined single limit of \$1,000,000 each accident. The deductible amount must be mutually agreed to, in writing, by both Owner and Builder. The insurance certificate(s) shall indicate that the Auto Liability policy carries an endorsement which names The Florida International University Board of Trustees, Florida International University, the State of Florida, The Florida Board of Governors, and their respective trustees, directors, officers, employees and agents, as additional insureds. The Builder's policy(ies) shall be primary and any insurance carried by Owner (FIU) shall be noncontributing with respect thereto; and

20.2.3 Workers' Compensation insurance which complies with the requirements of Chapter 440, Florida Statutes; and

20.2.4 Professional Liability insurance (occurrence form) or if the insurance is written on a claims-made form, it shall continue for five (5) years following the completion of the performance or the attempted performance of the provisions of the Contract for Construction. The insurance shall have a retroactive date of placement prior to or coinciding with the effective date of this agreement. If the coverage is canceled or non-renewed and not replaced with another claims-made policy form with a retroactive date prior to the effective date or coinciding with the effective date of the Contract for

Construction, the Builder must purchase Extended Reporting (“Tail”) coverage for a minimum of five (5) years following the completion of the performance or the attempted performance of the provisions of the Contract for Construction, providing coverage in the amount of:

20.2.4.1 For projects where the Construction Price is greater than \$2,000,000: A \$5,000,000 per occurrence liability limit is required;

20.2.4.2 For projects where the Construction Price is \$2,000,000 or less: A \$1,000,000 per occurrence liability limit is required; and

20.2.5 Builder’s Risk insurance, at replacement cost, covering the full GMP contract value for the construction being performed, including, the existing structure, if applicable. Such builder’s risk policy shall be written on an All-Risk Form that includes Windstorm as a covered loss and shall only contain exclusions acceptable to Owner in writing, and shall include coverage for reasonable compensation for the Architect’s/Engineer’s services and expenses required as a result of such insured loss. This insurance shall insure the interests of the Builder, subbuilders, and sub-subbuilders in the Project. Property covered by the builder’s insurance shall include Owner’s Direct Purchase Materials whether stored on or off-site and temporary building(s) or structure(s) at the Project site, other than any of Builder’s office trailer(s). In addition, such builder’s risk insurance shall cover portions of the Project stored off the site, after the written approval of the Owner, at the value established in the approval, and portions of the Project in transit. The Florida International University Board of Trustees, Florida International University, the State of Florida, The Florida Board of Governors and their respective trustees, directors, officers, employees and agents shall be named as additional insureds on such policy. The policy shall include a waiver of subrogation endorsement. Builder’s Risk insurance deductibles shall be subject to the following requirements:

20.2.5.1 For projects where the Construction Price is greater than \$2,000,000: the deductible under this policy shall not exceed \$250,000 for Flood, five percent (5%) of the value of the Project at the time of the loss or a minimum of \$250,000 for Windstorm and \$10,000 for all other perils unless otherwise agreed to by the parties in the GMP Amendment.

20.2.5.2 For projects where the Construction Price is \$2,000,000 or less: the deductible under this policy shall not exceed \$50,000 for Flood, five percent (5%) of the value of the Project at the time of the loss or a minimum of \$50,000 for Windstorm and \$5,000 for all other perils.

20.2.5.3 When the Project includes the repair, removal, installation and/or testing of live steam boilers, valves, pipes or lines then such insurance shall include testing and start-up coverage, written on the ISO form or its equivalent. A loss or losses insured under this insurance policy shall be adjusted by the Builder and its insurance company. The Builder shall repair or replace the damaged property with the proceeds from the builder’s risk policy. The builder shall be responsible for all damages and necessary repairs whether or not the loss is covered in the builders’ risk policy.

20.2.5.4 Notwithstanding the above Builder’s Risk provisions, Owner shall have the option, at its sole discretion, to procure a Builder’s Risk Insurance policy for the Project, in which event, the Owner shall notify the Builder in writing and this Article 20.2.5 shall not be applicable.

20.2.6 If relevant to the Project - Pollution, Environmental Impairment, and/or Asbestos Pollution Liability coverage in the minimum amount of \$1,000,000 per occurrence and \$2,000,000 policy aggregate, coverage to be maintained for a minimum of five (5) years after Project completion.

**20.3 Requirements Pertaining to all Insurance Required under this Section:**

20.3.1 All insurance policies shall be issued and countersigned by duly authorized representatives of such companies and the Commercial General Liability and Automobile Liability shall be written on ISO standard forms or their equivalent. Additionally, all insurance under this Section must be issued by an insurance company authorized to do business in the State of Florida and have an AM Best rating of A-, VII or higher. The insurance certificate(s) shall provide that any such insurance policy(ies) shall not be canceled, terminated, non-renewed, or materially changed without thirty (30) days' prior written notice to the Owner. In addition, the Builder shall require all subcontractors, consultants, and agents providing services on the Project to carry any and all insurance coverage that adequately covers each consultant's exposure based on the type of services they are providing in connection with the Project. In addition, the Builder shall notify the Owner, in writing, of any reduction in the aggregate coverage provided by the Builder's insurance within (30) days after each such revision in coverage. In the event the Builder or its consultants fail to maintain the insurance required hereby, the Owner may, at its discretion, pay any premium necessary to maintain the coverage required hereby and deduct such premium costs from the Builder's fees under the Contract for Construction.

20.3.2 The Builder shall release and discharge the Owner and the Owner's Related Parties of and from all liability to the Builder, and to anyone claiming by, through or under the Builder, by subrogation or otherwise, on account of any loss or damage to tools, machinery, and equipment or other property, however caused. The Builder shall cause its builder's risk property insurance company to issue a waiver of subrogation consistent with this provision.

20.3.3 Builder must provide the Owner with a Certificate(s) of Insurance(s) reflecting all of the insurance coverages satisfying the above requirements not later than 10 days after the Effective Date of the Contract for Construction and prior to commencement of any operations or activities hereunder. Additionally, the insurance required hereunder shall be carried by the Builder at least until the Project is Substantially Completed and accepted by the Owner.

20.3.4 Owner shall not be liable for amounts that may represent a deductible in any insurance policy, except for the Builder's Risk Policy. With regard to the Builder's Risk Policy only, the payment of any required deductible shall be the responsibility of the Owner. The Builder shall fully and timely cooperate with the Owner in filing claims on any deductible amounts claimed under Builder's Risk for damages sustained in the event of a loss.

20.3.5 The absence of a demand for any type of insurance certificates or policy or insurance condition, or for higher coverage limits shall not be construed as a waiver of the Builder's obligations to carry and maintain the appropriate types of insurances at limits that are appropriate to the liability exposure associated with the Contract for Construction. FIU does not represent that coverage and the limits specified herein will necessarily be adequate to cover Builder's liability.

**20.4 Effect of Insurance.** Compliance with insurance requirements shall not relieve the Builder of any responsibility to indemnify the Owner for any liability to the Owner as specified in any other provision of the Contract for Construction, and the Owner shall be entitled to pursue any remedy in law or equity if the Builder fails to comply with the contractual provisions of the Contract for Construction. Indemnity obligations specified elsewhere in the Contract for Construction shall not be negated or reduced by virtue of any insurance carrier's (i) denial of insurance coverage for the occurrence or event which is the subject matter of the claim; or (ii) refusal to defend any named insured.

**20.5 Insurance Survival.** This entire Article 20 shall survive expiration of the Contract for Construction.