

# Town of Kernersville Minimum Insurance Coverage and Requirements

Coverage	<u>Low Risk Profile</u>	<u>Medium Risk Profile</u> (Town's Standard Requirement)	<u>High Risk Profile</u>	<u>Specialty</u>	<u>Premises Lease</u>
<b>Commercial General Liability</b>	\$1,000,000	\$1,000,000 per occurrence. \$2,000,000 aggregate	\$5,000,000	\$5,000,000	\$1,000,000
<b>Automobile Liability</b>	\$1,000,000 CSL per occurrence for bodily injury or property damage	\$1,000,000 CSL	\$1,000,000 CSL	\$1,000,000 CSL	n/a
<b>**Workers' Compensation</b>	Statutory	Statutory	Statutory	Statutory	n/a
<b>**Employers Liability</b>	100/500/100	500/500/500*	500/500/500*	500/500/500*	n/a
<b>**Waiver of Subrogation on WC</b>					n/a
<b>Umbrella Liability</b>	n/a	\$1,000,000	\$2,000,000+	\$9,000,000+	n/a
<b>Professional Liability</b> <i>may be required on a risk profile</i> depending on nature of services provided by contract. Coverage required for professional service such as accountant, attorney, architect, design, engineering and most consultants	\$500,000 per occurrence	\$1,000,000	TBD	TBD	n/a
<b>Environmental/Pollution Liability</b> required if demolition, use of hazardous materials or environmentally sensitive	n/a	\$1,000,000*	\$1,000,000+*	\$1,000,000+*	n/a
<b>Fidelity Bond</b> (loss of money or other property due to dishonest acts). Only for Contracts such as Banking, Janitorial, Fund Raising, TPA's and similar	TBD	Amount depends on exposure to loss	TBD	TBD	n/a
<b>Other Coverage</b> As Required	TBD	TBD	TBD	TBD	n/a
<b>Bid, Performance &amp; Payment Bonds</b>	TBD	TBD	TBD	TBD	n/a

\* A combination of Umbrella/Excess and primary limit may be used to provide coverage for the amount shown.

\*\* NC Statutory Workers Compensation of \$500,000

	Low Risk Exposure	Standard Risk	High Risk Exposure	Specialty
<b>Common Service for Risk Profile includes but is not necessarily limited to service shown.</b>	Desk Top Publishing Mail Sorting Word Processing Copying Landscaping (minor, no trees, no electrical or excavation) Microfilm services Small low risk repair or service jobs (usually those jobs <30 days duration <b>and</b> <\$500) Tennis Instructor Yoga Instructor	Appliance Repair Asbestos Removal (small proj) Carpentry Carpet Cleaners Concrete Work Drywall Contractor Excavation (minor) Fence Installation Fire Extinguisher Testing Fork Lift Repair Electrical Repair Elevator Maintenance HVAC Janitorial Landscaping (minor excav) Painting Paving Contractors Parks & Rec renovation Pest Control Plumbing Pool Cleaning Purchase of Goods or Service Refrigeration Roofing (1 story small project) Tree Maintenance Trade Contractors Welding (small project) Wrecker Services	Charters Excavation (large) Fireworks Displays Hi Tech equipment instal. Landscaping (major excavation, large equipment) Large Construction Painting above 1 story Road Contractor Roofing (large project) Power Lines Sewer Contractor Welding (large project)	Asbestos Removal Crane Service Demolition Environmental Hazard Heavy Construction Sensitive Equipment
<b>Personal &amp; Professional Service includes but is not necessarily limited to service shown.</b>	Appraiser Disc Jockey Discussion Leader Proofreader Landscape Design (small project) Title Search Firm	Accountant Advertising Agencies Other Appraisers Architect (small project) Attorney Consultants (most projects) Designer (most projects) EAP Insurance Brokers Instructor (physical activity) Landscape Design (other) Lobbyists Programmers Researcher Temporary Services	Architect (large project) Consultants (large project) Medical Services	Project or contract determined to require higher limits

**Certificates of Insurance should include the following:**

1. The Town of Kernersville, its officers, officials, agents and employees as an additional insured on all policies
2. Disclose any self-insured retention (allowed only if pre-approved by Risk Management).
3. Designate the Town of Kernersville, Attn: Risk Management Division, PO Box 728, Kernersville NC 27285, as certificate holder.
4. Provide that the Town shall be notified at least 30 days in advance of cancellation or material change in coverage.

Contract insurance requirements must be met. Receipt of a non-compliant certificate, other documentation of insurance or policies by the Town or any of its representatives does **NOT** constitute a waiver of the vendor/contractor's obligation to fulfill the insurance requirements of the Town.

It is recognized that a purchase order for the routine procurement of goods may not explicitly state insurance requirements. However, departments should review each acquisition to identify potential risks that may require the imposition of insurance requirements. The Town's failure to request or demand evidence of insurance shall not constitute a waiver of any insurance requirement.

Those parties who do not meet the minimum requirements for insurance coverage may ask for an exception through the User department. A certificate of insurance for the maximum limits of coverage that are carried by the vendor must be submitted to the Town of Kernersville, Risk Manager along with a detailed explanation of services and/or products to be provided to the Town by the vendor. The User Department should be prepared to answer the following questions when requesting an exception:

1. What activities will take place?
2. Who could be harmed?
3. What property could be damaged and how severely?
4. What is the maximum exposure (worst case scenario) for the activity?
5. What is the maximum likely loss for the activity?
6. Is there a possible pollution exposure?
7. Are crowds or bystanders/passersby likely to be involved?
8. Will inherently dangerous activities be involved?
9. How likely is the Town to be a defendant in the event of a loss?
10. Are other contractors/vendors available to do the work that have the Town minimum limits?
11. What are the cost of the work (bid, contract or PO price) and the duration of the work?
12. What is the cost to the vendor to increase coverage to the Town's requirement?
13. Will food or alcoholic beverages be served?
14. Will any livestock, animals or wildlife be involved in the activity?

The request will be reviewed by the Town's Risk Manager for a determination as to whether an exception will be made. Failure to obtain an exception will eliminate the requesting party as a vendor.

Insurance requirements subject to change without notice.