

Addendum I, Supplemental I

I. INSURANCE AND RISK MANAGEMENT

The CONSULTANT is primarily responsible for the risk management of its work under this CONTRACT, including but not limited to, obtaining and maintaining the required insurance and establishing and maintaining a reasonable risk control and safety program. MAG reserves the right to amend the requirements herein at any time during the CONTRACT subject to at least sixty (60) days' prior written notice to CONSULTANT. MAG may elect at any time, subject to the notice provision of this Section, to itself provide any or all of the coverages required in this Section, provided that MAG and CONSULTANT agree upon an appropriate adjustment of the compensation terms of the CONTRACT to offset any increase or decrease in the CONSULTANT's costs attributable to MAG's changes. The CONSULTANT shall require Subconsultants providing service under this contract to maintain insurance as appropriate that is comparable to that required of CONSULTANT under this CONTRACT. CONSULTANT warrants that this Section has been thoroughly reviewed by the CONSULTANT's insurance agent/broker, who has been instructed to procure the required insurance coverage.

Prior to beginning the work under this CONTRACT and without limiting any liabilities or other obligations of CONSULTANT, CONSULTANT shall obtain and maintain, and/or cause to be obtained and maintained, the required forms and minimum amounts of insurance coverages as outlined below. CONSULTANT's responsibility and liability for the SERVICES provided by its Subconsultant is not limited in any fashion by the types and limits of Subconsultant's insurance. All coverages shall be in full force and effect during the entire term of this CONTRACT.

A. ALL INSURANCE COVERAGES

1. Upon execution of the CONTRACT, CONSULTANT shall provide MAG with acceptable certificate(s) of insurance, documenting that all required insurance coverages have been obtained. All such certificates shall be executed by a duly authorized representative of each insurer, showing full compliance with the insurance requirements set forth in this Section.
 - a. Failure of MAG to demand such certificate(s) or other evidence of full compliance with these insurance requirements or failure of MAG to identify a deficiency from the evidence that is provided shall not be construed as a waiver of CONSULTANT's obligation to maintain such insurance.
 - b. All required certificate(s) of insurance shall be mailed to the following address or such other addresses as designated by MAG from time to time:

Fiscal Services
Attention: Risk Management and Insurance
Maricopa Association of Governments
302 North First Avenue, Suite 200
Phoenix, AZ 85003
 - c. Failure to maintain the required insurance may result in the termination of this CONTRACT at MAG's option.

Certificates of insurance may be sent electronically to:

Contracts@azmag.gov

2. If the CONSULTANT fails to maintain the insurance as set forth in this Section, MAG shall have the right, but not the obligation, to purchase said insurance at CONSULTANT's expense, in which case, CONSULTANT shall promptly reimburse MAG upon demand.
3. MAG reserves the right to review certified copies of all insurance policies issued to CONSULTANT for the coverages required by this CONTRACT to confirm that such policies meet the requirements of this Section. This information must be provided within ten (10) days of MAG's, or MAG's designee's, written request.
4. The CONSULTANT's insurance company(ies), third party administrators, use of self-insurance, and deductibles/self-insured retentions are subject to approval by MAG prior to the start of the SERVICES.
5. None of the insurance policies shall be subject to lapse, cancellation, or material change in coverage unless at least 30 (thirty) days' prior to written notice is provided to MAG.
6. Each insurance policy shall be written on a primary coverage basis, including any self-insured retentions, unless expressly approved by MAG in writing.
7. Each insurance policy, with the exception of the Workers' Compensation and professional liability policies, shall include, by specific endorsement, using a form at least equal to ISO CG2010, that names the following as additional insureds:

"MAG, and its directors, officers, agents, representatives, and employees, and MAG's members, members' directors, officers, agents, representatives, and employees."

Any person or entity reasonably designated by MAG shall be added as an additional insured upon the request of MAG to the CONSULTANT.
8. Any failure by the CONSULTANT to comply with the reporting requirements of the required insurance coverage shall not affect the coverage provided to MAG or MAG's members.
9. If CONSULTANT's commercial general and automobile liability policies do not contain a separation of insureds provision, or a substantially similar clause, they shall be endorsed to provide cross-liability coverage.
10. To the extent permitted by law, CONSULTANT waives all rights of subrogation or similar rights against MAG, and its directors, officers, agents, representatives, and employees; and against MAG's members, members' directors, officers, agents, representatives, and employees.
11. By requiring the insurance in this Section, MAG does not represent that coverage and limits will be adequate to protect CONSULTANT, and such coverage and limits shall not be deemed as a limitation on CONSULTANT's liability under CONSULTANT'S indemnity obligations to MAG in this CONTRACT.
12. All insurance coverage shall be written through carriers licensed in Arizona, or on an approved non-admitted list of carriers published by the Arizona Department of Insurance, and possessing an A.M. Best rating of at least A or better through Lloyd's of London.

13. Insurance evidenced by certificate shall not expire, be cancelled, or materially changed without 30 (thirty) days' prior written notice to MAG; and a statement to that effect must appear on the face of the certificate and such certificates shall be signed by a person authorized to bind the insurer. The amount of any errors and omissions deductible shall be stated on the face of the certificate. The MAG Contract Administrator may require the CONSULTANT to furnish a financial statement establishing the ability of the CONSULTANT to fund the deductible. If, in the judgment of the MAG Contract Administrator, the financial statement does not establish the CONSULTANT's ability to fund the deductible and no other provisions acceptable to the MAG Contract Administrator are made to assure funding of the deductible, the MAG Contract Administrator may, in his/her sole discretion, terminate this CONTRACT without further liability to MAG.

B. COMMERCIAL GENERAL LIABILITY INSURANCE

1. CONSULTANT shall maintain general liability and, if necessary, excess/umbrella insurance with a limit of liability not less than \$1,000,000 per each occurrence. If such insurance contains an aggregate limit, it shall apply separately to this CONTRACT and shall be not less than \$2,000,000 annually. The insurance shall, at a minimum, cover liability arising from premises, operations, independent contractors, products and completed operations, personal injury, advertising injury, and liability assumed under insured contract, including the tort liability of another assumed in a business contract. Coverage under the policy will be provided on a form at least as broad as the ISO form CG00011204 or equivalent thereof.
2. Coverage for claims pertaining to the SERVICES, including for incidents occurring, but not known, during the policy period shall be maintained for a period of at least three (3) years past acceptance, cancellation, or termination of the SERVICES.

C. AUTOMOBILE LIABILITY INSURANCE

1. CONSULTANT shall maintain automobile liability and, if necessary, excess/umbrella insurance with a liability limits of not less than \$1,000,000 per occurrence with an annual aggregate limit of not less than \$3,000,000. CONSULTANT shall also maintain uninsured and underinsured motorist coverage with limits of liability of not less than \$300,000 per occurrence. Such insurance shall cover liability arising out of the use of any vehicle, including owned, hired, leased, borrowed, and non-owned vehicles. If necessary, the policy shall be endorsed to provide contractual liability coverage. Coverage under the policy will be provided on a form at least as broad as the ISO form CA00011203 or equivalent thereof.
2. CONSULTANT shall maintain physical damage coverage for covered vehicles, including collision and comprehensive coverage, with a deductible of no more than \$5,000 per occurrence.
3. Any and all of MAG's vehicles that are loaned or leased to CONSULTANT for use in connection with performing the SERVICES shall be covered by CONSULTANT's automobile liability insurance coverage, and MAG shall be named as loss payee for claims related to MAG's vehicles. In the event of a loss relating to a MAG vehicle loaned or leased by CONSULTANT, CONSULTANT shall be responsible for the cost of repairing or replacing the vehicle with a vehicle of like kind and quality.

D. WORKERS' COMPENSATION INSURANCE

CONSULTANT shall maintain Workers' Compensation and employers' liability insurance in accordance with the Federal and State statutes having jurisdiction over its employees where the SERVICES are performed. The limits of liability for employers' liability coverage shall not be less than \$1,000,000 for each employee for bodily injury by accident and \$1,000,000 for each employee for bodily injury by disease.

E. PROPERTY INSURANCE

CONSULTANT shall maintain insurance to cover MAG's real and personal property in the care, custody, and control of the CONSULTANT. Such insurance shall cover the replacement cost of the property and shall name MAG as a loss payee.

F. PROFESSIONAL LIABILITY

1. CONSULTANT shall maintain professional liability insurance, appropriate to the CONSULTANT's profession, covering errors and omissions arising out of the CONSULTANT's SERVICES, including the errors and omissions of all persons employed by the CONSULTANT, all persons for whose acts, errors, mistakes, or omissions the CONSULTANT may be legally liable, with liability limits of not less than \$1,000,000 per claim. If such insurance contains an aggregate limit, it shall apply separately to this CONTRACT and such aggregate limit shall be not less than \$3,000,000 annually. These limits may be adjusted in MAG's sole discretion if there are any stamped, sealed, or approved plans that are being submitted as part of the work or SERVICES as related to this CONTRACT. This insurance may not exclude claims for contractual liability for this CONTRACT.
2. Coverage for claims pertaining to the SERVICES, including for incidents occurring, but not known, during the policy period will extend for a period of at least three (3) years past acceptance, termination, or cancellation of the SERVICES as evidenced by annual renewal certificates of insurance.