

CONSTRUCTION MANAGER CONTROLLED CONSTRUCTION INSURANCE PROJECTS

Insurance, contract security and indemnity risk provisions to be included in Supplementary General Conditions to the CCDC 5A – 2010 Contracts for Health entity projects insured by the Construction Manager with an estimated construction value of less than Five Million Dollars (\$5,000,000).

MODIFICATIONS TO GENERAL CONDITIONS

GC 8.1 INSURANCE, replace entirely with the following:

GC 8.1 - INSURANCE

Without restricting the generality of GC 9.1—INDEMNIFICATION, insurance and coverage will be arranged and paid for as under-noted:

8.1.1 **The *Construction Manager* shall, without limiting its obligations or liabilities herein and at its own expense, provide and maintain the following insurances with insurers licensed in British Columbia and in forms and amounts acceptable to the *Owner*:**

(a) **Commercial General Liability Insurance** with a limit of not less than FIVE MILLION DOLLARS (\$5,000,000), inclusive per occurrence against bodily injury and property damage, and the *Owner* is to be added as an additional insured and include a cross liability clause. This insurance shall be primary and not require the sharing of any loss by an insurer of the *Owner*. Such insurance shall include, but not be limited to:

- .01 Premises and Operations Liability;
- .02 Products and Completed Operations Liability (24 months);
- .03 Blanket Written Contractual Liability;
- .04 Contingent Employer's Liability;
- .05 Personal Injury Liability;
- .06 Non-Owned Automobile;
- .07 Employees as Additional Insureds;
- .08 Broad Form Property Damage;
- .09 Elevator and Hoist Liability
- .10 Operation of Attached Machinery

and where such further risk exists:

- .11 Shoring, Blasting, Excavating, Underpinning, Demolition, Piledriving, Subsurface and Grading, as applicable;
- .12 Limited Pollution Liability (TWO MILLION DOLLARS (\$2,000,000))
- .13 Broad Form Tenants Legal Liability (ONE MILLION DOLLARS (\$1,000,000))
- .14 Forest Fire Fighting Expenses (ONE MILLION DOLLARS (\$1,000,000))

The insurance shall be maintained continuously from commencement of the *Services* (including *Temporary Work*) and kept in force until the *Project* is ready for use or is being used for the purpose intended, whichever occurs first, and is so confirmed in writing by the *Consultant* in consultation with the *Construction Manager* and the *Owner*.

(b) Automobile Liability Insurance in respect of all owned or leased vehicles if used directly or indirectly in the performance of the *Services* and *Project*, subject to limits of not less than TWO MILLION DOLLARS (\$2,000,000) inclusive per occurrence. The insurance shall be maintained continuously from commencement of the *Services* (including *Temporary Work*) and kept in force until the *Project* is ready for use or is being used for the purpose intended, whichever occurs first, and is so confirmed in writing by the *Consultant* in consultation with the *Construction Manager* and the *Owner*.

- 8.1.2 The insurance required under clause 8.1.1 (a) must be endorsed to provide the *Owner* with 30 days' advance written notice of cancellation.
- 8.1.3 As may be applicable, the *Construction Manager* must cause all *Trade Contractors* to comply with the insurance requirements outlined in clause 8.1.2 (b).
- 8.1.4 The *Construction Manager* shall provide, maintain and pay for any additional insurance which they are required to provide by law or which they consider necessary.
- 8.1.5 All the foregoing insurance shall be primary and not require the sharing of any loss by any insurer of the *Owner*.
- 8.1.6 The *Construction Manager* shall provide the *Owner* with proof of insurance for those insurances required to be provided by the *Construction Manager* prior to the commencement of the *Services* and *Project* as applicable in the form of a completed certificate of insurance and will also provide a certified copy of any required policies upon request.
- 8.1.7 The *Owner* shall not be responsible for injury to the *Construction Manager's* employees or for loss or damage to the *Construction Manager's* or to the *Construction Manager's* employees' machinery, equipment, tools or supplies which may be temporarily used or stored in, on or about the project site during construction and which may, from time to time, or at the termination of this *Contract* be removed from the project site. The *Construction Manager* hereby waives all rights of recourse against the *Owner* with regard to damage to the *Construction Manager's* property.
- 8.1.8 If the *Construction Manager* fails to provide, maintain and pay for insurance as required by this schedule, other than automobile liability insurance, the *Owner* may obtain and pay for the required insurance, the cost of which will be payable on demand by the *Owner*. The *Owner* may offset such amounts from any monies due to the *Construction Manager* if not paid within 15 days.

GC 9.1 INDEMNIFICATION, delete GC 9.1.1 - 9.1.2 and replace with the following:

GC 9.1 – INDEMNIFICATION

9.1.1 Excepting always losses caused or contributed by the acts of the party for whom indemnification is sought, the *Owner* and the *Construction Manager* shall each indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings whether in respect to losses suffered by them or in respect to claims by third parties that arise out of, or are attributable in any respect to their involvement as parties to this contract, provided such claims are:

.1 caused by:

(1) the acts or omissions of the party from whom indemnification is sought or anyone for whose acts or omissions that party is liable, or

(2) a failure of the party to the Contract from whom indemnification is sought to fulfill its terms or conditions; and

.2 made by Notice in Writing within such periods as prescribed by the Limitation Act of the Province of British Columbia.

9.1.2 The obligation of either party to indemnify as set forth in paragraph 9.1.1 shall be limited as follows:

- .1 In respect to losses suffered by the *Owner* and the *Construction Manager* for which insurance is to be provided by the *Construction Manager* pursuant to GC 8.1 – INSURANCE, the limit of Commercial General Liability Coverage – GC 8.1.1(a).
- .2 In respect to losses suffered by the *Owner* and the *Construction Manager* for which insurance is not required to be provided by either party in accordance with GC 8.1 – INSURANCE, the greater of:
 - (1) the *Construction Manager's* compensation as recorded in Article A-5 – COMPENSATION FOR SERVICES or;
 - (2) TWO MILLION DOLLARS (\$2,000,000.00),but in no event shall the sum be greater than TWENTY MILLION DOLLARS (\$20,000,000.00).
- .3 In respect to claims by third parties for direct loss resulting from bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, the obligation to indemnify is without limit. In respect to all other claims for indemnity as a result of claims advanced by third parties, the limits of indemnity set forth in paragraphs 9.1.2.1 and 9.1.2.2 shall apply.