#### 17. RESPONSIBILITY FOR DAMAGE CLAIMS AND LIABILITY INSURANCE, cont'd

Nothing in the Contract including but not limited to the plans, bid proposals, specifications and insurance requirements is intended to create in the public or any member thereof a third party beneficiary hereunder, nor is any term and condition or other provision of the Contract intended to establish a standard of care owned to the public or any member thereof.

Additional insurance shall be maintained as specified below, for the minimum limits as indicated. Insurance shall be written by insurance companies authorized to transact business in the State of Ohio under the laws of Ohio and licensed by the Department of Insurance as either admitted or non-admitted insurers.

- (i) Worker's Compensation and Employers Liability
- 1. Worker's Compensation Insurance in compliance with Ohio Worker's Compensation laws and other applicable Worker's Compensation or disability laws.

# (ii) Professional Liability Insurance:

The Contractor must secure and maintain professional liability insurance as specified below, for the minimum limits indicated. Policies written on a claims-made basis shall have a retroactive date which covers the period in which the design work began. The insurance policy shall be written by an insurance company authorized to transact business in the State of Ohio and licensed by the Department of Insurance as either admitted or non-admitted insurers and shall be rated A- or better by A.M Best at the time the contract is executed by the County.

The Contractor must immediately notify the Engineer in writing if it or any of its Consultants fails or refuses to renew its Professional Liability Insurance, Project Professional Liability Insurance Policy or Workers' Compensation Insurance. Furthermore, the Contractor must notify the Engineer in writing if it or any of its Consultant's policies are cancelled, lapse, terminated or modified so that the insurance does not meet the requirements set forth in this Design Build Contract.

The failure to comply with any of the provisions contained in this contract shall be considered a breach of contract.

The Contractor providing in-house professional services shall carry Practice Professional Liability Insurance in the amount of \$1,000,000 per claim/annual aggregate to protect against claims arising from the performance of its professional services caused by the negligent acts, errors, or omissions for which the Contractor is legally liable.

## 17. RESPONSIBILITY FOR DAMAGE CLAIMS AND LIABILITY INSURANCE, cont'd

The coverage shall be maintained for the design and construction period and a period of 2 years after substantial completion of the project as long as it is commercially available.

A certificate of insurance evidencing such coverage must be submitted for the entity providing professional services prior to the execution of the Design Build Contract.

When the Contractor retains Consultants to provide professional services, the Contractor shall ensure that the Consultants maintain Practice Liability Insurance of \$1,000,000 per claim/annual aggregate for the design and construction period and a period of 2 years after substantial completion of the project, as long as it is commercially available. A certificate of insurance evidencing such coverage must be submitted for the entity providing professional services prior to the execution of the Design Build Contract.

All design professionals, consultants, and sub-consultants providing service including environmental and geotechnical services, must have professional liability insurance in place during the design, construction and discovery period of not less than two years.

The cost of this policy minus deductible contributions shall be paid as a separate lump sum bid item. In order for payment to be made, the Contractor must submit an invoice from the insurance company prior to preparation of the pay estimate by the Engineer.

The Engineer and employees assume no responsibility for the adequacy of limits and coverage in the event of any claim against the Contractor, its employees, subcontractors, design consultant, sub-consultants or any agent of any of them and the obligations of the indemnity requirement above shall survive the exhaustion of limits of coverage and discontinuance of coverage beyond the term specified, to the fullest extent of the state's statute of response.

The insurance hereinbefore specified shall be taken out before execution of the Contract by the County and kept in effect until all work required to be performed under the terms of the contract is satisfactorily completed as evidenced by the formal acceptance by the Engineer. Such policy shall include a thirty (30) days cancellation notice.

## 17. RESPONSIBILITY FOR DAMAGE CLAIMS AND LIABILITY INSURANCE, cont'd

'Evidence' as above set forth shall consist of furnishing the Engineer one (1) original and one (1) certified copy of the policy.

Payment will be made at the contract price for:

ITEM UNIT DESCRIPTION

100 Lump Sum SPECIAL-PROFESSIONAL LIABLITY INSURANCE

### 12. REPORTING, INVESTIGATING AND RESOLVING MOTORIST DAMAGE CLAIMS

Pursuant to 107.12 and 107.14, the following procedures shall be utilized by the Contractor and the Engineer for reporting, investigating and resolving motorist damage claims.

When a motorist reports damage to his vehicle either verbally or in writing to the Contractor, the Contractor shall within three days make and file a written report to the Engineer or his representative. The report shall be forwarded to the Union County Board of Commissioners who, as a co-insured party, will then contact the Contractor's insurance company and request that the insurance company investigate and resolve the claim. In the event that the Engineer directly receives the motorist's claim, the claim report shall be sent to the contractor's insurance company and a copy be mailed to the Contractor. If the Contractor's insurance company does not resolve the claim in a timely manner, the Engineer shall advise the motorist of the option of pursuing the claim in the Union County Common Pleas Court.

In the event of a lawsuit filed by the motorist, the Union County Board of Commissioners, as an additional party, may request the Contractor's insurance company to defend this lawsuit and hold the Engineer harmless in accordance with 107.14.

#### 19. TAXES

Materials purchased for use or consumption in connection with the proposed work will be exempt from the State of Ohio Sales Tax as provided for in Section 5739.02 of the Revised Code of Ohio, and also from the State of Ohio Use Tax, Section 5741.01.

## 20. CONTRACTOR'S OBLIGATION TO PAY BILLS

Before the Contractor shall demand payment, all persons or firms that have supplied labor, materials, or equipment for the work embraced under this Contract shall have been fully paid for the same. The necessary affidavit shall be completed prior to each payment.