



OWNER'S INSTRUCTIONS TO ENGINEER CONCERNING BONDS AND INSURANCE

PROJECT: Runway 11-29 Rehabilitation and Airport Terminal Parking Lot Rehabilitation

FROM: The City of Bridgeport
(Owner) _____
(Owner's Contract No.)

TO: CHA Consulting
(Engineer) 056200
(Engineer's Project No.)

This is in response to your letter dated _____, 20____. The following are the Owner's instructions with respect to the requirements for bonds and insurance to be included in the bidding documents and construction contract for the Project. Owner-required revisions to the proposed standard General Conditions and Supplementary Conditions regarding bonds and insurance are attached, or transmitted under separate cover.

I. BID SECURITY

- ☒ Bid security is required.
☐ Bid security is not required.

When bid security is required, such security shall be in the amount of 10 percent of the Bidder's maximum bid price, in the following form(s):

The following form of bid bond:

- ☐ EJCDC® C-430, Bid Bond (Penal Sum Form) (2013 edition)
☒ EJCDC® C-435, Bid Bond (Damages Form) (2013 edition)
☐ Other bid bond form, as follows: _____

Other forms of bid security acceptable to the Owner are:

- ☐ Certified check.
- ☐ Bank money order
- ☐ Other, as follows: _____

II. CONSTRUCTION BONDS

- ☐ Construction security is required in the following forms:
- ☒ Construction performance bond in an amount equal to the Contract Price is required in the following form:
 - ☒ EJCDC® C-610, Performance Bond (2013 edition)
 - ☐ Other performance bond: _____.
- ☒ Construction payment bond in an amount equal to the Contract Price is required in the following form:
 - ☒ EJCDC® C-615, Payment Bond (2013 edition)
 - ☐ Other payment bond: _____.
- ☒ Maintenance bond (sometimes referred to as a warranty bond) in an amount of 25 percent of the Contract Price at completion and readiness for final payment form (if any): _____. Maintenance bond shall be in effect from the end of the one-year correction period specified in General Conditions Paragraph 15.08 and shall remain in effect for 1 year. Wording to include in the Supplementary Conditions for this type of bond is enclosed.
- ☐ Construction security is not required.

III. CONTRACTOR'S LIABILITY INSURANCE

The limits of liability for the insurance required by Paragraph 6.03 of the General Conditions shall not be less than the following amounts. See various Notes to User in EJCDC® C-800, Guide to the Preparation of Supplementary Conditions, Article 6.

A. Workers' Compensation and related coverages:

1. State: Statutory
2. Applicable Federal (e.g. Longshoreman's): Statutory
3. Jones Act coverage, if applicable

a. Worker's Compensation Insurance \$100,000

b. Bodily injury by disease, aggregate \$500,000

4. Employer's Liability

a. Bodily injury, each accident \$100,000

b. Bodily injury by disease, each employee \$100,000

c. Bodily injury/disease aggregate \$500,000

5. Foreign voluntary worker compensation: Statutory

- B. Contractor's Comprehensive General Liability Insurance:
- | | |
|--|-------------|
| 1. General Aggregate | \$2,000,000 |
| 2. Each Occurrence (Bodily Injury and Property Damage) | \$1,000,000 |
- C. Automobile Liability Insurance:
1. a combined single limit of \$ 2,000,000
- D. Required Environmental Liability Insurance:
1. General Aggregate \$ 1,000,000
- E. Additional insured coverage under the Contractor's Commercial General Liability policy(ies) for Owner and Engineer, and others listed in the Supplementary Conditions, will be provided, subject to customary exclusions for professional liability :
1. ☐ By endorsement as additional insureds on Contractor's Commercial General Liability policy.
2. ☒ OR by a separate Protective Liability policy covering all of them, issued by Contractor's general liability carrier.
- Indicate coverage amount(s): \$ 1,000,000
- F. List here by name and address any additional individuals or entities (in addition to Owner and Engineer) to be identified in the Supplementary Conditions as additional insureds under the required liability policies:
- _____
- _____
- _____

IV. PROPERTY INSURANCE:

- A. ☒ Property insurance in the form of "Builder's Risk" insurance is required.
- ☐ Property insurance in the form of an installation floater, to be purchased by Contractor, is required.
- ☐ Property insurance is not required for this Project.
- B. Builder's risk insurance to the full replacement cost of the Work in accordance with Paragraph 6.05 of the General Conditions will be furnished by:
- ☐ Owner
- ☒ Contractor
- C. Such builder's risk insurance will be subject to a maximum deductible amount of \$ 1,000,000

D. Other Property Insurance (e.g. terrorism, Owner-furnished equipment, equipment breakdown):

Provided By:

Type of Coverage:

E. List here by name and address all individuals or entities (in addition to Owner, Contractor, and Subcontractors) to be identified in the Supplementary Conditions as insureds under builder's risk and other property insurance policies:

IV. UMBRELLA/EXCESS COVERAGE:

A. Umbrella/Excess Coverage will be required in the amount of \$ 5,000,000

We acknowledge the Engineer's recommendation that the Owner obtain advice from a knowledgeable construction insurance consultant, and with legal counsel, prior to providing these instructions to the Engineer. We affirm that we have not relied on the Engineer for advice or recommendations regarding the coverages and limits included in these instructions. We expressly agree to defend and hold harmless the Engineer and any of its officers, shareholders, partners, members, or employees from and against any claim, loss, damage or action related to Owner's insurance and bond requirements, including the Engineer's involvement with preparing or specifying such insurance and bond requirements, or to any determination or decision regarding insurance coverages and limits for the Work or the Project.

By: OWNER

(Name)

(Title)