

**STARKE COUNTY POLICY ESTABLISHING
INSURANCE REQUIREMENTS FOR PROSPECTIVE VENDORS**

Vendors who enter into a contract with Starke County, the Starke County Airport Authority, the Starke County Drainage Board, the Starke County Health Department, the Starke County Board of Parks and Recreation Department, and the Starke County Solid Waste Board (hereinafter collectively “the **County**”), shall be required to provide a Certificate of Insurance to the County as part of the contract. A copy of this Policy shall be included in any requests for bids, quotations, rental agreements or other proposals.

1. Each contract with the County shall require a Certificate of Insurance. Those contracts, whether the result of bids, quotes, or negotiation, shall include, but may not be limited to:

- A. Services provided to any office or department of the County.
- B. Renters, tenants, instructors/teachers, and recreational users of any property owned or operated by the County, if the rental payment exceeds \$250 per day or event, if the proposed event could potentially include over fifty (50) individuals, if property being used includes the historic courthouse square, or if the rented facility is planned to be used to provide alcohol.
- C. All construction contracts.
- D. All contracts for maintenance and repair services, which includes “on call” agents.
- E. Design services including buildings, roads, bridges, and other infrastructure.
- F. Contracts for design and/or installation of software and hardware systems in any County building or facility.
- G. Vendors who regularly provide deliveries of supplies and/or services to various offices of the County, including repair services, maintenance services, and delivery of water, office supplies, and similar products.

2. All Certificates of Insurance shall include the following coverages and meet the following requirements:

A. Commercial General Liability Insurance

- i. The CONSULTANT/CONTRACTOR/VENDOR (hereinafter collectively "VENDOR") must obtain and carry Commercial General liability insurance at limits not less than \$1,000,000 per occurrence basis, \$2,000,000 general aggregate. Coverage shall be on an occurrence form and include contractual liability. The policy shall be amended to include the following extensions of coverage:
 - a. Exclusions relating to the use of explosives, collapse, and underground damage to property shall be removed.
 - b. The policy shall provide thirty (30) days-notice of cancellation to the County.
 - c. Exclusions for independent contractors and/or exclusions for type of work being performed shall be removed unless the independent contractor(s) have their own insurance policy that is subject to the terms stated herein this Policy. The independent contractor's insurance policy must include, at a minimum, all of the requirements stated herein. The independent contractor(s) policy must be provided to VENDOR prior to the independent contractor(s) beginning any type of work, and is subject to the County's review at any time.
 - d. The VENDOR shall name the County as an additional insured on a primary and non-contributory basis and shall provide for a waiver of subrogation for the additional insureds.
 - e. The VENDOR shall expressly waive any and all claims of subrogation against the County that arises from existence or performance of the agreement between the VENDOR and the County.
 - f. In the case of any insurance policy provided by a religious group or organization, which deviates from the requirements

set forth in this Policy, it shall be at the County's sole discretion whether to approve or deny any such non-conforming insurance policy, based on the facts of each circumstance.

B. Automobile Liability

- i. The VENDOR shall obtain automobile liability insurance covering all owned, leased, borrowed, rented, or non-owned autos used by employees or others on behalf of the VENDOR for the conduct of the VENDOR's business, for an amount not less than \$1,000,000 combined single limit for bodily injury and property damage. The term "automobile" shall include private passenger autos, trucks, and similar type vehicles licensed for use on public highways. The policy shall be amended to include the following extensions of coverage:
 - a. If applicable, as determined by the County's Legal Counsel, Contractual Liability coverage shall be included.
 - b. The policy shall provide thirty (30) days-notice of cancellation to the County.
 - c. The VENDOR shall name the County as an additional insured on a primary and non-contributory basis and shall provide for a waiver of subrogation for the additional insureds.

C. Workers Compensation and Employers Liability

- i. The VENDOR, who comes on County premises, must obtain and carry workers' compensation and employers' liability insurance with policy limits not less than \$500,000 each accident, \$500,000 each employee, and \$500,000 policy limit.
 - a. In lieu of obtaining and carrying workers' compensation and employers' liability insurance independent contractors can fill out and file with the State of Indiana a WCE-1 Application for Workers' Compensation Clearance

Certificate (hereinafter "WCE-1 Form"). Once the WCE-1 Form has been approved by the State of Indiana the independent contractor shall upload the certificate of approval to the County's Compliance Vendor prior to entering into any agreement with the County.

- ii. The policy shall not exclude any owners, partners, or proprietors.
- iii. Workers' compensation shall include a waiver of subrogation in favor of County and provide thirty (30) days-notice of cancellation to the County.
- iv. A VENDOR that does not come on County property is exempt from the workers' compensation requirements of this policy.

D. Umbrella/Excess Liability

- i. The VENDOR must obtain and carry an umbrella/excess liability policy with a combined single limit of \$1,000,000 and provide thirty (30) days-notice of cancellation to the County.
- ii. The umbrella/excess policy may be used to meet the required limits and coverage for the general liability and auto liability policies provided such umbrella/excess liability policy result in the same or greater coverage.

3. The following coverages shall be applicable based upon the services being provided:

A. Professional Liability Insurance

- i. If applicable to the VENDOR, the VENDOR must obtain and carry professional liability insurance in an amount of \$1,000,000 per claim and \$2,000,000 aggregate for all claims for negligent performance. When a VENDOR is building or designing a bridge, a building, or any other significant structure the VENDOR must carry professional liability insurance in the amount of \$5,000,000 per claim and \$5,000,000, aggregate for all claims for negligent performance or one additional reasonable amount included in the contract as agreed to by the parties. The VENDOR shall maintain

the coverage for a period ending two (2) years after substantial completion of construction or the termination of this contract, whichever is longer. Waiver of subrogation in favor of County shall apply if automatically included in the professional liability policy.

B. Watercraft Liability

- i. When necessary to use watercraft for the performance of the VENDOR's Services under the terms of this Contract, either by the VENDOR, or any SUB-VENDOR, the VENDOR or SUB-VENDOR operating the watercraft shall carry watercraft liability insurance in the amount of \$1,000,000 combined single limit for bodily injury and property damage, including protection & indemnity where applicable. Coverage shall apply to owned, non-owned, and hired watercraft.
- ii. If the maritime laws apply to any work to be performed by the VENDOR under the terms of the agreement, the following coverage
 - a. United States Longshoremen & Harbor workers
 - b. Maritime Coverage - Jones Act
- iii. The policy shall provide thirty (30) days-notice of cancellation to the County.
- iv. The VENDOR or SUB-VENDOR shall name the County as an additional insured.

C. Aircraft/ Unmanned Aircraft Systems Liability

- i. When necessary to use an aircraft for the performance of the VENDOR's services under the terms of this Contract, either by the VENDOR or SUB VENDOR, the VENDOR or SUB-VENDOR operating the aircraft shall carry aircraft liability insurance in the amount of \$1,000,000 for un-manned aircraft systems and \$5,000,000 for manned aircraft systems combined single limit for bodily injury and property damage, including passenger liability except for unmanned aircraft, and including personal injury coverage.

- ii. Coverage shall apply to owned, non-owned, and hired aircraft.
- iii. The policy shall provide thirty (30) days-notice of cancellation to the County,
- iv. The VENDOR or SUB-VENDOR shall name the County as an additional insured.

D. Builder's Risk

- i. Should the VENDOR'S services include renovation or new construction, a builder's risk policy insuring the full amount on a replacement cost basis, including soft costs, of the renovation or new construction is required and a Certificate of Insurance evidencing the full limit shall be provided to the County.
- ii. The builders' risk shall include the County as an additional insured.

E. Installation Floater

- i. Should the VENDOR'S services include installation of equipment into real property, VENDOR shall purchase full replacement cost coverage in the form of an installation floater to cover said property until installed.

F. Pollution Liability

- i. VENDORS shall generally not be required to carry pollution liability coverage insurance.
- ii. The County reserves the right to require a VENDOR to carry adequate pollution liability coverage insurance.
 - a. This determination will be assessed on a project-by-project or VENDOR-by-VENDOR basis.
 - b. Either the Board of Commissioners or department head can make this determination.

G. Cyber Liability

- i. Should any of the VENDOR's services involve any one or more of the following services, VENDOR shall carry cyber liability in an amount not less than \$2,000,000 each claim, \$2,000,000 annual aggregate:

- a. Payroll services;
- b. Employee benefits including retirement plans, health insurance and/or consulting, human resource services, third party administrators;
- c. Hardware, software, or other IT services;
- d. Legal services that include the handling, storing, or transmitting of personal identifiable information; and
- e. Medical providers.

H. Flow-Down Clause

- i. VENDOR shall use commercially reasonable efforts to include in its SUB-VENDOR's provisions, which impose obligations on SUB-VENDORS, that are consistent with all of the obligations imposed on the VENDOR in the agreement between the County and the VENDOR. In the event that a conflict exists between the terms of the agreement between the SUB-VENDOR and VENDOR and the terms of the VENDOR and/or County agreement, the terms of agreement between the VENDOR and County shall govern and control.

4. Procedures

A. Penalty for Non-Compliance

- i. Any VENDOR who is determined to be "non-compliant in-progress" by the County's Compliance Vendor shall be given notice of their non-compliance status. The VENDOR shall have thirty (30) days, from the date of notice, to become compliant with all applicable insurance provisions mentioned in this exhibit. In the event that the VENDOR does not become compliant within the permitted thirty (30) days, the relationship between the VENDOR and the County may be terminated.

B. Appeal Process

- i. Should any VENDOR be determined to be "non-compliant" by the County's Compliance Vendor the VENDOR and/or department head

may initiate an appeal of that determination on a form provided by a representative from the Auditor's Office. The VENDOR's appeal will be brought before an Advisory Committee to the Board of Commissioners (hereinafter "the **BOC**") to determine whether an exemption should be made on behalf of the VENDOR. The Advisory Committee shall provide a recommendation to the BOC and the BOC shall approve or deny the Advisory Committee's recommendation. The Advisory Committee shall consist of the County's insurance consultant, the Safety and Risk Manager for the County, the appropriate department head or representative from the appropriate department, a representative from the Auditor's Office, and a representative of the County's legal counsel.

- ii. Should a department head and/or an elected official identify a VENDOR to be an appropriate candidate to submit an appeal, prior to being determined to be "non-compliant finalized" by the County's Compliance Vendor, they may do so immediately upon identifying the particular VENDOR. This appeal will be brought before the Advisory Committee established above in section 4(B)(i). The Advisory Committee will send their recommendation to the BOC and the BOC shall approve or deny the Advisory Committee's recommendation.

C. All contracts shall provide the Certificates of Insurance to the County's Compliance Vendor. The department head or elected official shall provide the Certificate of Insurance contact information form to the Starke County Auditor's Office upon approval of the contract/agreement between the VENDOR and the County. The Certificates shall also name the following boards and committees as additional insureds if the contract applies to the property or activities of the following:

- i. The Starke County Sheriff;
- ii. The Starke County Parks and Recreation;
- iii. The Starke County Health Department;

- iv. The Starke County Airport Authority;
 - v. The Starke County Solid Waste Board;
 - vi. The Starke County Public Building Corporation (if applicable);
 - viii. The Starke County Drainage Board; and/or
 - ix. Any other Starke County created (and applicable) board or unit.
- D. The Starke County Auditor's Office shall enter the **VENDOR** information into the County's insurance compliance system ("the **Compliance System**"). The Compliance System shall be constructed, operated, and maintained by the County's Compliance Vendor. Upon entering the **VENDOR**'s information into the Compliance System, the Compliance Vendor shall do the following:
- i. Confirm with the agent and/or insurance company shown on the Certificate of Insurance, that the insurance set out in said Certificate is in full force and effect and includes the minimum coverages set out herein.
- E. In the event the Certificate of Insurance does not reflect insurance, which are presently in force, the Compliance Vendor shall immediately notify the Starke County Auditor, who shall notify the department head and/or elected official. All purchases and/or services from the vendor shall be suspended until the Certificate of Insurance is brought into compliance pursuant to Section 4 (A) Penalty for Non-Compliance mentioned above. See rhetorical paragraph "Section 4 (A) Penalty for Non-Compliance."
- F. In the event a **VENDOR**'s information becomes invalid, expires, or does not meet the requirements of this Policy, the Compliance Vendor shall immediately notify, by email, the Starke County Auditor's Office. The Compliance Vendor shall inform the **VENDOR** that the Certificate does not comply with County requirements and needs to be remedied within ten (10) business days of this notice. In the event, the Certificate is not provided in compliance with this Policy, after three (3) notifications, pursuant to Section 4 (A) the **VENDOR** will be deemed as "non-compliant finalized and the contract with the **VENDOR** may terminated after ten (10) business days and

the County may prohibit subsequent contracts or agreements with the vendor. See rhetorical paragraph "Section 4 (A) Penalty for Non-Compliance." If the contract between the County and the VENDOR is to be terminated by the BOC, the Auditor's office shall provide a written notice to the appropriate department head five (5) business days prior to the contract being terminated.

- G. In the event the Certificate of Insurance is not authentic or is not enforceable, a ten (10) days-notice will be sent to the appropriate department head who shall suspend all activities and payments to the VENDOR until the Certificate of Insurance is authentic or enforceable.

5. Training.

- A. The terms of this policy shall be included in the Starke County Employee Handbook.
- B. The Human Resource Department shall include training for all Department Heads and Elected Officials.
- C. Mandatory Training shall be scheduled and conducted for all Starke County Employees who administer contracts described in this policy.
- D. Any Department Head, Elected Official, or other employee who is responsible for any acts listed herein may be subject to disciplinary action as determined by the Commissioners.

This Policy shall be effective the _____ day of _____, 2022.

SIGNATURE PAGE FOLLOWS

STARKE COUNTY COMMISSIONERS:



CHARLES CHESAK, President



MARK GOURLEY, Vice-President



BRYAN CAVENDER, Member

ATTEST:



Rachel Oesterreich
Auditor, Starke County