

Memorandum

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To: DEPUTY DISTRICT DIRECTORS, Construction
DEPUTY DIVISION CHIEF, Structure Construction
CONSTRUCTION MANAGERS
SENIOR CONSTRUCTION ENGINEERS
RESIDENT ENGINEERS

Date: May 1, 2024

File: Division of Construction
CPD 24-4



From: RAMON HOPKINS, Chief
Division of Construction

Subject: **INSURANCE APPROVAL FOR EMERGENCY CONTRACTS**

On May 1, 2024, the insurance approval for emergency contracts will be the responsibility of headquarters Division of Construction instead of the Division of Procurement and Contracts.

Each district must submit a complete package of insurance documents to the Office of Construction Safety and Insurance before the start of any emergency project unless the contractor is prequalified for insurance for the amount of the contract through the date of the prequalification.

1. If the contractor is prequalified for insurance, the district must submit the following to the Office of Construction Safety and Insurance:
 - a. Insurance prequalification certificate
 - b. Name of the resident engineer
 - c. Contract amount
 - d. Expenditure authorization (EA), or contract number
2. If the contractor is not prequalified for insurance, the district must submit the following to the Office of Construction Safety and Insurance before the start of the work:
 - a. Certificate of Insurance listing all required coverage contained in the insurance section of the *Standard Specifications*
 - b. Full copies of the primary general liability policy and umbrella policies
 - c. Additional insured endorsements naming the district as an additional insured for both ongoing operations and completed operations, without limitations
 - d. Primary, non-contributory endorsement

- e. Waiver of subrogation endorsement for Workers' Compensation Insurance
- f. Per project aggregate endorsement

If policies are not available because of a recent renewal, then binders must be provided for the primary general liability and umbrella coverage until policies become available.

In rare instances, if it is not possible to wait for insurance to be approved to start work, the insurance documents must be submitted for approval by the next business day to the Office of Construction Safety and Insurance. Caltrans will be informed that work has already started. Payments will not be made to the contractor without full approval of all insurance documents for the project.

Once insurance documents for the contract have been approved, the contractor will receive an email from the Office of Construction Safety and Insurance. This email must be submitted with the rest of the package to the Division of Procurement and Contracts.

If a change of the total engineer's estimate of a project puts the project in a different insurance category in accordance with the following table, the project must be resubmitted for approval to the Office of Construction Safety and Insurance with updated insurance requirements.

Table: Liability Limits

Total bid	For each occurrence	Aggregate for products/completed operation	General aggregate	Umbrella or excess liability
≤ \$1,000,000	\$1,000,000	\$2,000,000	\$2,000,000	\$5,000,000
>\$1,000,000– ≤ \$10,000,000	\$1,000,000	\$2,000,000	\$2,000,000	\$10,000,000
> \$10,000,000– ≤ \$25,000,000	\$2,000,000	\$2,000,000	\$4,000,000	\$15,000,000
> \$25,000,000	\$2,000,000	\$2,000,000	\$4,000,000	\$25,000,000

If you have questions or comments regarding this directive, please contact Amanda Stark, Division of Construction, at Amanda.Stark@dot.ca.gov or (916) 530-0791.