

**EXPLANATION OF CONSENT AGENDA ITEM E.2.c.(8) – June 22, 2016**

**ITEM:**

Requesting commission approval for new **Insurance Requirement Policy POL-2016-001-RSK-3**

**EXPLANATION:**

The attached information is a new Insurance Requirements Policy. This policy has been created to describe the insurance requirements of vendors, contractors and service providers and have consistency throughout all departments.

- This policy is designed to create a standard format for any person, company, organization, etc conducting business with CPA and to carry a minimal amount of insurance to reduce the liability and exposure to CPA.
- This policy also describes the process in which Certificates of Insurance are obtained, handled and processed within CPA's internal systems.

The Risk Management/Safety Department responsible for this policy

**STAFF RECOMMENDS APPROVAL**

**Prepared by *Gary Raia***

<p align="center"><b>Policy</b></p> <p>Number: POL-2016-001-RSK-3</p>	 <p align="center"><b>CANAVERAL</b> PORT AUTHORITY</p>	<p>Effective: July 1, 2016</p>
<p>Section: How We Work</p>	<p align="center"><b>Insurance Requirements</b></p>	<p>Revision 0, supersedes all previous documents</p>

**I. PURPOSE**

To describe the insurance requirements when receiving goods and services for Canaveral Port Authority (CPA) and procedures for maintaining records of applicable coverage.

**II. POLICY**

A. For service providers, contractors, and vendors entering Port property to conduct business:

1. Adequate evidence of General Liability, Commercial Auto, and Workers' Compensation insurance coverage must be provided.
2. The minimum amount of coverage for General Liability is \$1.0 million each occurrence / \$2.0 million general aggregate. General Liability should include proof of completed operations and/or products coverage where applicable.
3. The minimum amount of coverage for Commercial Auto is \$1.0 million.
4. Workers' Compensation must meet state statutory limits or an exemption certificate must be provided in lieu thereof. Depending upon the type of work and location, USL&H and Jones ACT coverage's may also be required.
5. Professional Liability Coverage may be required depending upon the scope of work being provided. This includes, but not limited to architects, engineers, surveyors, attorneys, accountants, etc.
6. All certificates of insurance shall include CPA as "additional insured" where applicable.

B. For service providers, contractors, and vendors not entering Port property to conduct business, including vendors shipping products via common carrier:

1. Adequate evidence of General Liability coverage must be provided, including proof of completed operations and/or products coverage, where applicable.
2. The minimum amount of coverage for General Liability is \$1.0 million.
3. All certificates of insurance shall include CPA as "additional insured" where applicable.

C. Ground Transportation Operations: See POL 2016-001-PRK-3 and Ground Transportation Rules and Regulations.

D. Differing types and amounts of insurance amounts may be required as specified in solicitations, contracts, leases, permits or other agreements with CPA.

E. Certificates of insurance and/or other evidence of insurance will be maintained in the following manner:

1. Coverage documentation will be obtained by the applicable department authorizing such purchase or service and provided to the Risk Manager for review.
2. Upon acceptance by the Risk Manager, coverage documentation will be electronically stored in a document management system (e.g., Power DMS or similar system capable of providing notification of expiring coverage) and coded with the applicable expiration date(s).

3. The applicable department shall be responsible for ensuring coverage documentation remains current.

**III. APPLICABILITY**

This policy applies to all CPA departments and employees with respect to service providers, contractors, and vendors engaged to do business with CPA.






**IV. EXCEPTIONS**

Exceptions to this policy require the prior approval of the Director, Risk Management and/or the Port Director and Chief Executive Officer or his/her designee.

**V. RESPONSIBILITY**

Risk Management has the responsibility for maintaining and updating this policy.

**\*Approval Page**

Name	Title	Signature	Date
Gary Raia	Risk Manager/Document Creator		6/10/16
Karen Pappas	Director Of Purchasing		6/15/16
Craig Langley	General Counsel		6/15/16
George P. Kistner III, CPE	Records Manager		6/15/2016
Captain John W. Murray	Canaveral Port Authority Director/CEO		6/15/2016
Jerry Allender	Canaveral Port Authority Commission Chairman		

\*If Document Creator and/or Functional Area Director are also a part of the normal review process, a second signature is not required

