

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY - CAPITAL IMPROVEMENT PROJECTS

OWNER CONTROLLED INSURANCE PROGRAM CONTRACTORS INFORMATION MANUAL

GENERAL LIABILITY/EXCESS LIABILITY OWNER CONTROLLED
INSURANCE PROGRAM (OCIP)

EFFECTIVE SEPTEMBER 30, 2017 (12/14/17 VERSION)

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Introduction

Welcome to the San Diego County Regional Airport Authority – Capital Improvements Projects (CIP) – General Liability and Excess Liability Owner Controlled Insurance Program.

The San Diego County Regional Airport Authority (“SDCRAA”, or the “Authority”) has arranged insurance for their Capital Improvement Projects (CIP) to be covered under a GL-Only Owner Controlled Insurance Program (OCIP). An OCIP is a single insurance program that insures the project Sponsor (the Authority) and Enrolled Parties (see Definitions) of any tier. Certain parties are excluded from the OCIP as defined in this manual (see Definitions).

This Manual is intended to provide general information as to the insurance afforded and/or required of enrolled parties, claims reporting, safety & loss control requirements, and the procedures to be followed in administering the program. We urge you to read it carefully and completely. All questions concerning the OCIP requirements should be referred to the OCIP Administrator as indicated in the Directory.

The OCIP provides **General Liability and Excess Liability** coverage (no Workers Compensation) for the Capital Improvement Projects. For Airside activities, the OCIP also includes an Optional Excess Automobile Liability program as further explained in this manual.

Coverage applies only to work performed at the Project Site by Enrolled Parties. Enrolled Parties must provide their own insurance for off-site activities and other activities not insured under the OCIP. This manual specifies the insurance requirements Contractors and Subcontractors must maintain apart from those provided by the OCIP, as well as enrollment steps that Contractors and Subcontractors must complete in order to be covered by the OCIP prior to the commencement of work at the Project Site.

In addition, the San Diego County Regional Airport Authority provides **Builder’s Risk** coverage which does not require enrollment for subcontractors to be afforded coverage.

This Manual is meant to provide only a general overview of the OCIP for convenience of reference. In connection with the foregoing, the provisions of this manual (1) are subject in all respects to the terms and conditions of the actual insurance policies and related contracts between the parties and (2) shall in no manner alter, amend or affect the terms or provisions of such insurance policies or related contracts. Accordingly, all parties are advised that they may request and review all applicable insurance policies or representative detailed summaries of the same and related contracts with the assistance of their independent brokers, attorneys and other appropriate advisors, which they may deem appropriate.

The provisions herein for the OCIP shall in no way be interpreted as relieving the Enrolled Parties of any responsibility under their contracts.

Directory

Company & Address		Contact Information	
OCIP Brokerage and Administration			
Marsh Risk & Insurance Services 345 California Street San Francisco, CA 94104		Marsh USA Inc. 111 SW Columbia Portland, OR 97201	
OCIP Administrator Sherrey Deaver	e-mail Phone Fax	SDCRAA.OCIP@marsh.com 503-248-6142 503-248-1220	
OCIP Program Manager Ann Anderson	Telephone: e-mail Cell	503-248-1263 Ann.S.Anderson@marsh.com 503-750-6309	
OCIP Client Advisory Chris Davis Faye Song	Telephone: e-mail Telephone: e-mail	415-743-8290 Christopher.Davis@marsh.com 415-743-8125 faye.song@marsh.com	
OCIP Sponsor/Owner			
San Diego County Regional Airport Authority 3225 N Harbor Drive San Diego, CA 92101			
Manager, Insurance & Construction Risk Michael Schaefer	Telephone: e-mail	619-400-2849 mschaefer@san.org	
CIP Safety Manager Gary Couture	Telephone: e-mail	619-400-2620(d)/619-857-3523(m) gcouture@san.org	
General Liability Claims Administrator:			
Carrier: Endurance American Specialty Ins Co			
Claims Reporting	Fax: e-mail:	914-468-8087 Insuranceclaims@sompo-intl.com	
Builders Risk Claims:			
Please contact the Airport for any Builder's Risk claims			
Manager, Insurance & Construction Risk Michael Schaefer	Telephone: e-mail:	619-400-2849 mschaefer@san.org	

Definitions

Note: The following list of words and phrases include an explanation of meanings. However, they may be defined differently in other policy documents or contracts, and in that case, the definitions given in such documents will take precedence.

Word/Phrase	Meaning
Accident or Occurrence	An unforeseen and unintended event or sudden happening, including any repeated exposure to conditions which result in injury to people or damage to property.
Airside	That portion of Airport property contained within the perimeter security fence where aircraft are present and or aircraft activities are present (e.g. refueling, unloading/loading baggage, etc.) at SDIA.
Certificate of Insurance	An Acor document providing evidence of the existence of coverage for a particular insurance policy or policies.
Claim	A demand for compensation, including a benefit request, for injuries or damages caused by an insured loss.
Claim Administrator	The insurance company representative responsible for processing all Claim reports and initial follow-up.
Contract	A written agreement between Owner (or its designee), General Contractor, or between General Contractor and Subcontractors, or by and between Subcontractors of any tier.
Contractor	Any individual, firm, or corporation undertaking construction or other services under Contract with the Owner and/or General Contractor requiring labor at or from the Project Site.
Contractor/Prime Contractor	The person, firm, joint venture, corporation or other party that has entered into a Contract with Owner to perform Work at the Project site. The overall project contractor is also referred to as "prime contractor". A contractor is the party to a contract who is charged with the total construction and who enters into subcontracts for such work as electrical, plumbing, etc
Employer	The Owner, General Contractor, Subcontractor, or any person who contracts to pay for and secures the right to direct and control the services of any person.
Enrolled Party	A company who has complied with the enrollment procedures, is provided an enrollment confirmation and is named as an insured on the Certificate of Insurance, as provided by the OCIP Administrator.
Enrollment Forms	Documents that must be completed for the Contractor to participate in the OCIP as part of an enrollment package. Contractor is not enrolled until enrollment package has been accepted by the OCIP Project Manager/Administrator and an enrollment confirmation has been received.

Word/Phrase	Meaning
Excluded Parties	<p>The GL/Excess coverages do not apply to:</p> <ul style="list-style-type: none"> • Off-site fabricators, vendors, suppliers (who do not perform or subcontract installation), material dealers; • Guard services; • Janitorial services; • Blasting operations; • Truckers (including trucking to the Project where delivery is the only scope of Work to be performed); • Asbestos abatement or other hazardous waste removal Contractor(s) and their respective Subcontractor(s) of any tier; • Architects, engineers, surveyors, consultants or others performing professional services (unless specifically included by Owner); • And others whose sole function is to transport, pickup, deliver or carry materials, supplies, personnel, tools, equipment, parts or other items to or from the Project Site, or who do not perform any actual on-site labor; • Any other entity specifically determined by the Owner to be excluded will not be covered by insurance purchased by the Owner through the OCIP.
Insured Loss	The total cost, charges, and expense (including deductibles/SIRs) relating to an Accident or Occurrence and insured by policies under the OCIP.
Insureds	The San Diego County Regional Airport Authority and specifically Enrolled Parties, unless enrollment is not required. Insureds will also be other parties that the Authority is required under contract to add as additional insureds.
Insurers	The Insurance Companies named on the Policies and Certificates of Insurance.
Landside	The portion of the property at SDIA that is not Airside.
Owner Controlled Insurance Program or "OCIP"	The program under which General Liability and Excess Liability insurance is procured by the Owner for the General Contractor, eligible Contractors and Subcontractors of all tiers while they are working at the Project Site. (Also called a wrap-up program.)
OCIP Administrator	Representatives from the insurance brokerage firm of Marsh USA Inc.
Off-Site Insurance Certificate	Evidence of the Contractor's non-OCIP Insurance as stipulated in the contract documents for Automobile, Workers' Compensation, Off-Site General Liability and any other coverages specifically required by Contract.
Project Site	Project or Project Site shall mean those areas designated in writing by the San Diego County Regional Airport Authority for performance of the Work and such additional areas as may be designated in writing by the Authority for Contractor's use in performance of the Work.
Sponsor/Owner	The San Diego County Regional Airport Authority (aka SDCRAA and the Authority), acting through its legally constituted Board of Members, or any properly authorized representative.
Subcontractor	An entity with whom Contractor has entered into any subcontract to perform any part of the work or to provide any materials, equipment or supplies to or on behalf of Contractor in connection with the work (including any entity at any tier with whom any Subcontractor has further subcontracted any part of the Work).

Word/Phrase	Meaning
Substantial Completion	Means substantial completion of the Construction Project, which means whichever of the following occurs first: a) The date of the final inspection of the Construction Project by the applicable public agency; b) the date of recordation of a valid notice of completion; c) the date of use or occupancy of the Construction Project or improvement; d) one year after termination or cessation of work on the Construction Project.

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Overview of the Owner Controlled Insurance Program

2.1. Purpose

The San Diego Airport Authority has implemented an OCIP to provide certain insurance coverage for eligible Contractors/Subcontractors performing construction operations under CIP Jobs beginning after 9/30/2017.

This manual is meant to provide only a general overview of the OCIP and does not in any way alter the actual insurance policy language. If the wording in this manual seems ambiguous, the policies will govern.

2.2. Application of OCIP to Contractors/Subcontractors

OCIP coverages are designed to cover Owner and all eligible Contractors/Subcontractors enrolled in the OCIP (unless excluded by the criteria in Definitions). OCIP coverage is summarized in Section 3.

*Enrollment by all eligible Contractors/Subcontractors is **mandatory**, but **not automatic**.* Enrollment is subject to satisfactory review and approval of Enrollment Forms by the OCIP Administrator and is evidenced by an enrollment confirmation and Certificate of Insurance evidencing coverage under the OCIP.

All Insureds must comply with OCIP provisions and procedures including the established Project safety program. Each Contractor must ensure its Subcontractors are properly enrolled in the OCIP and comply with these provisions and procedures.

2.3. Scope of the OCIP

The Owner has procured the following insurance coverages on behalf of enrolled Contractors/Subcontractors performing construction operations on the Project Site, as detailed further in Section 3:

– **Commercial General Liability and Excess Liability**

Most Enrolled Contractors/Subcontractors are covered by the following coverage while they work at the PROJECT Site:

- Primary General Liability (GL), including up to 10-years Completed Operations or relevant applicable law, whichever is shorter
- Excess Liability (Excess) providing limits excess of the primary GL

Other insurance provided by the Owner (**for the benefit of all other Contractors under contract with the Owner or General Contractor – Contractor DOES NOT have to be enrolled under this policies for coverage to apply**):

– **Builders Risk (BR) Insurance**

All Contractors/Subcontractors who perform work at the Project Site are covered by a BR policy purchased by the Authority.

NON-OCIP COVERAGE NOTES:

Contractors/Subcontractors must carry their own insurance for on and off the Project Site activities and exposures not covered by the OCIP as specified in Contract Documents. Off-site fabrication or storage locations for materials for use in the completed Project may be covered under the OCIP, subject to approval by the Owner, but **must be** dedicated to the Project and **must be** scheduled on the insurance policies.

Builders Risk coverage provides extensions for property stored at off-site locations or in transit, subject to policy sublimits as identified in Section 3 and the insurance policy. However, Contractors' equipment and materials not incorporated into the completed Project are **NOT** covered under the BR insurance unless the Owner and insurer have specifically agreed to such coverage.

2.4. Contractors Not Included Under the OCIP

Contractors/Subcontractors whose contracted work includes one or more of the following scopes identified in Section 1. Definitions **will not** be included under the OCIP unless specifically authorized by the Owner or the OCIP Administrator.

2.5. Safety Program

A coordinated safety program will be in effect on the Project Site. Contractors/Subcontractors will refer to the Authority's project safety program and to their Contracts for accident prevention, safety, and loss control requirements and procedures.

2.6. Questions about the OCIP

Direct any questions about the OCIP coverages to the OCIP Project Manager, Ann Anderson (see Directory) and questions regarding procedures to the OCIP Administrator:

Marsh USA Inc.

OCIP Administrator – Sherrey Deaver

111 SW Columbia, Suite 500

Portland, OR 97201

Direct Lines: 503-248-6142

Fax: 503-248-1220

Email: SDCRAA.OCIP@marsh.com

2.7. OCIP Q&A

Questions Commonly Asked in Owner Controlled Insurance Programs

2.7.1. What does this OCIP cover?

See Section 3

1. It will **not** provide other types of insurance such as workers' compensation, off-site general liability, automobile liability (unless under the Excess Auto Program for Airside vehicles), contractors' equipment, aviation or marine operations, professional liability, installation floater risks, automobile physical damage, contractor's tools or other risks of the contractors (although separate project-specific coverage is provided by the Owner subject to the terms of the actual policies for Builders Risk).
2. It will **not** cover contractors for any operations not associated with this specific Project.
3. It will **not** cover product liability for products that are manufactured or fabricated off the Project Site, unless specifically designated by insurer.
4. All participating Contractors will receive a certificate of insurance evidencing General and Excess liability, indicating participants as named insureds, but only for work performed on the site of this OCIP Project. The coverage provided in this OCIP is further described in Section 3.
5. The General Liability and Excess Liability policies will be on an occurrence basis, and will extend completed operations coverage for all named insureds for up to 10 years after Substantial Completion of the Project, or applicable law, whichever is shorter.

2.7.2. What is the reason for having an OCIP?

To enhance stability and continuity in insurance coverage for the Project Owner and participating Contractors, engaging a major insurer whose financial stability suggests that it will still be there to cover claims when and if they occur.

To reduce the potential for adversarial relationship between Contractors, Subcontractors, and the Project owner at the time of a claim, allowing the claim to be defended and settled in a proactive manner, reducing claim costs for all participants.

To reduce the cost and redundancy of insurance associated with this construction Project.

2.7.3. How can I be sure my insurer will not charge me for the OCIP risk?

You should notify your insurers of the OCIP, through your agent or directly, giving a description of the risk and OCIP coverage.

You must keep separate revenue and payroll records specifically allocated to the OCIP project to avoid duplicate premium charges for your work performed under the OCIP program.

If you have questions about these issues as the bidding and work proceed, your broker, agent or underwriter should be able to assist you. Marsh is also available to help answer any questions about this program.

2.7.4. Is there coverage beyond the completion of my work?

Yes, the GL/Excess program extends coverage for up to 10 years after the Substantial Completion of the Project (per applicable law). In addition, the program extends coverage for work performed during Warranty/Repair period.

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Coverage Included Under the OCIP at the Project Site Only

3.1. General Liability and Excess Liability

General Liability	
Insurer	Endurance American Specialty Insurance Company
A.M. Best Rating	A+ XV
Policy Term	9/30/17 – 9/30/22
Coverage Limits:	
Each Occurrence	\$2,000,000
General Aggregate (one reinstatement, at 30 months)	\$4,000,000
Products Completed Operations Aggregate (<i>single limit</i>)	\$4,000,000
Personal Injury/Advertising	\$1,000,000
Notable Coverage Features:	<ul style="list-style-type: none">• CG 00 01 04 13 Occurrence Form• Extended Products/Completed Operations Endorsement (up to 10 years or applicable law, whichever shorter)• Designated Premises/Project Endorsement• Blanket Additional Insured (when required by written contract)• Primary/Non-Contributory Wording• Blanket Waiver of Subrogation (when required by written contract)• Extended Repair Work Endorsement
Notable Exclusions:	<ul style="list-style-type: none">• Employment Related Practices• Asbestos• Nuclear Energy• Lead• Fungi or Bacteria• Silica or Silica-Related Dust• Pollution (with limited exception for hostile fire)• Professional Liability• EIFS• Terrorism (including NBCR)• Other Chemicals/Diseases• Radioactive Matter• Others per policy form

1st Layer Excess Liability	Follow Form
Insurer(s)	Allied World Assurance Company
A.M. Best Rating	A XV
Policy Term	9/30/17 – 9/30/22
Coverage Limits:	
Each Occurrence	\$25,000,000
General Aggregate (one reinstatement, at 30 months)	\$25,000,000
Products/Completed Operations Aggregate (Term Limit)	\$25,000,000
2nd Layer Excess Liability	Follow Form
Insurer(s)	Indemnity Insurance Co of North America
A.M. Best Rating	A++ XV
Policy Term	9/30/17 – 9/30/22
Coverage Limits:	
Each Occurrence	\$25,000,000 (xs \$25,000,000)
General Aggregate (one reinstatement, at 30 months)	\$25,000,000 (xs \$25,000,000)
Products/Completed Operations Aggregate (Term Limit)	\$25,000,000
3rd Layer Excess Liability (50/50 quota-share)	Follow Form
Insurer #1	Great American Spirit Insurance Company
A.M. Best Rating	A+ XIV
Policy Term	9/30/17 – 9/30/22
Insurer #2	Liberty Mutual Insurance
A.M. Best Rating	A XV
Policy Term	9/30/17 – 9/30/22
Coverage Limits:	
Each Occurrence	\$50,000,000 (xs \$50,000,000)
General Aggregate (one reinstatement, at 30 months)	\$50,000,000 (xs \$50,000,000)
Products/Completed Operations Aggregate (Term Limit)	\$50,000,000

MARSH

The information contained in this document is confidential, may be privileged, and is intended for the use of the individual or entity named above. If you are not the addressee, please do not read, copy, forward, use, or store this document or any of the information contained herein.

3.2. Optional Excess Automobile Liability Program (separate enrollment required)

Any automobile entering the Airside at San Diego International Airport is required to have a security permit. If a vehicle is operated without an escort, the Contractor or Subcontractor of any tier shall provide evidence of automobile liability insurance of \$10,000,000 in order to obtain a security permit.

For those Contractors or Subcontractors of any tier that do not currently have automobile liability limits of \$10,000,000, the Owner is providing an optional automobile program through their insurance broker, Marsh. The Owner offers this optional excess automobile insurance program at no additional cost to the Contractor.

The optional program will provide a per occurrence excess automobile liability sub-limit up to \$10,000,000, excess over the “retained limit” of \$2,000,000, subject to the following terms and conditions:

1. Contractors/Subcontractors participating in the excess automobile program must be enrolled in the OCIP and shall be required to maintain automobile liability limits (“unscheduled underlying insurance”) of at least \$2,000,000 per occurrence limits (either through a primary policy or in combination with an umbrella/excess policy) naming San Diego County Regional Airport Authority as an additional insured. Such enrolled Contractor must provide a certificate of insurance evidencing coverage to Marsh;
2. Any “unscheduled underlying insurance” or other automobile liability coverage maintained by an enrolled Contractor will be primary and non-contributory;
3. In the event a loss exceeds the amount of the “unscheduled underlying insurance”, the excess automobile liability policy shall respond to that part of the loss that exceeds the “unscheduled underlying insurance” but only to the extent of the difference between the “retained limit” and \$10,000,000 sub-limit (i.e. no more than \$8,000,000);
4. The “retained limit” will erode the per occurrence excess automobile liability sub-limit;

Contractors and Subcontractors must complete a separate enrollment form for the excess automobile program along with providing evidence of the minimum primary limits. Please refer to the Section 6, Forms, for the Excess Auto Enrollment form.

This automobile program is optional and a separate enrollment is required and mandatory.

3.3 Other Insurance Provided by Owner

(For the benefit of all other Contractors under contract for CIP Jobs – Contractor DOES NOT have to be enrolled under these policies for coverage to apply)

Builders Risk Insurance

Insured: Protects interests of the Owner and Contractors, to the extent of their interest in such Property (unless endorsed otherwise) for new construction and additions under construction at a scheduled location for: improvement, betterments, alterations and repairs to buildings or structures; materials, equipment and supplies for new construction, additions, buildings or structures; temporary structures; and machinery, equipment, and fixtures that are permanently attached to the building or structure.

Coverage is for Work and materials on-site, approved / scheduled temporary off-site storage sites and approved in transit coverage provided under an "All Risk" policy form.

Limits carried will be in amounts sufficient to cover the replacement cost of Work in progress subject to the limit of the policy, whichever is less. The policy for such insurance will be secured and maintained by the Owner. The Contractors/Subcontractors must report the value, time and means/location of any such transit or storage to the Owner or his designee prior to transit or storage. The Contractors/ Subcontractors will be responsible for any loss that is uninsured or underinsured arising out of such failure to notify the Owner or his designee.

Coverage will include all materials, supplies and equipment that are intended for specific installation in the Project while such materials, supplies and equipment are located at the Project site, in transit and while temporarily located away from the Project site for the purpose of repair, adjustment or storage at one of the enrolled parties.

Excluded Items

This insurance will not include any tools or clothing of workers or any tools, equipment, protective fencing, scaffolding, and equipment owned, rented, leased or used by the enrolled parties in the performance of the Work, not intended for specific installation into the Project.

The Owner will not be liable or responsible for any loss or damage whatsoever to the excluded items and the enrolled parties will indemnify and hold harmless the Owner, from any claims or causes of action brought by any person or parties as a result of loss or damage to such excluded items.

The Contractors/Subcontractors waive all rights against each other for loss or damage to any equipment used in connection with the Project and covered by any property insurance. The Contractors/Subcontractors will require similar waivers from their Subcontractor(s).

Any loss insured as outlined above is to be adjusted with the Owner and made payable to the Owner as trustee for the insureds, as their interests may appear, subject to the requirements of any applicable mortgagee clause. The Contractor will pay such Subcontractor(s) an applicable share of any insurance monies received by the Contractor and by appropriate agreement, written where legally required for validity, will require Subcontractor(s) to make payments to their sub-subcontractor(s) in similar manner.

Contractors/Subcontractors will not make a claim against the Builders Risk policy without written notice to the Owner as the primary holder of the policy.

3.4 Miscellaneous Coverage Conditions

Primary And Non-Contributing: Commercial General Liability, Umbrella/Excess and Builders Risk insurance is primary insurance and non-contributing with any other insurance carried by the Enrolled Parties.

Assignment: In consideration of the Authority purchasing OCIP insurance described earlier in this section, the Enrolled Parties will assign to the Authority all return premiums, premium refunds, dividends and other monies due or to become due in connection with the insurance which the Authority provides under the OCIP, all of which will insure to the benefit of the OCIP. The Enrolled Parties will effect this assignment by completing enrollment forms.

Waiver Of Subrogation Rights: To the extent allowable by law, the Enrolled Parties waive any and all subrogation rights in connection with the performance of the Work to the extent such subrogation rights are a) not the result of any intentional wrongful act or omission of the party causing such loss and b) are covered losses under the insurance provided by the Authority

4

Insurance Required of Contractors/Subcontractors of Any Tier

The OCIP provides coverage for Work at the Project Site only.

4.1 Insurance Requirements of Enrolled Parties

The OCIP coverage as outlined in Section 3 of this Manual will not furnish all the insurance needed by a Contractor/Subcontractor. Other coverages carried by the Contractor/Subcontractor – regardless of whether the insurance is required by law, by the Owner or for the Contractor's own additional protection – must be obtained at the Contractor/Subcontractor's own expense, unless otherwise specified in the Contract. Details of coverages required of Contractor/Subcontractor are detailed in the Contract, but at a minimum will include:

- (1) **Workers' Compensation Insurance/Employers Liability**
- (2) **Commercial Automobile Liability (Airside and Landside)**
- (3) **Commercial General Liability Insurance (Off Site)**
- (4) **Others, as specified by Contract**

4.2 Certificates of Insurance (Prime Contractors & Airside Subcontractors)

The Enrolled Parties will provide certificates of insurance to the Authority as evidence that policies specified in the Contract are in full force and effect. Certificates of insurance will be labeled and addressed as follows and may be uploaded to their contract in <https://mwrap.marsh.com/contractorportal>:

San Diego County Regional Airport Authority
c/o Marsh USA
111 SW Columbia, 5th Floor
Portland, OR 97201

4.3 Certificates of Insurance (all Subcontractors, not Airside):

Certificate(s) of insurance shall be provided to Prime Contractors as evidence that policies specified in the Contract are in full force and effect.

4.4 Insurance Requirements of Excluded Parties

Excluded Parties performing Work will obtain and maintain, and will require each of its excluded Subcontractors to obtain and maintain, the insurance coverage specified in this section. However, such insurance coverage will be required for both ON and OFF the Project Site.

5

Contractor Responsibilities

5.1. Administrative Responsibilities

Contractors/Subcontractors are required to cooperate with the San Diego County Regional Airport Authority and its OCIP Administrator in all aspects of the OCIP administration and operation. These responsibilities include, but are not limited to:

- Identifying the cost of insurance provided by the OCIP and removing from its bids;
- Enrolling in the OCIP;
- Including OCIP provisions in all subcontracts as appropriate;
- Providing timely evidence of insurance to the OCIP Administrator (where required);
- Ensuring all subcontractors receive this manual at time of bid and include OCIP provisions in all **subcontracts and purchase orders**;
- Providing advance notice (**prior to start of work onsite**) to the OCIP Administrator of all subcontracts awarded;
- Complying and actively supporting the project loss control safety program, safety and claim reporting procedures.
- Cooperating with OCIP insurer requirements on safety and claims

5.2. Insurance Costs

The San Diego Airport Authority has arranged for OCIP coverages and pays the applicable premiums for the benefit of covered Contractors/Subcontractors.

Contractors/Subcontractors in return will:

- **Remove** all costs of insurance and losses (if under a loss-sensitive program), including profit and overhead, associated with the General Liability and Excess Liability coverage that is being provided by the OCIP. In addition, identification of other costs of insurance included in bid may be requested by the Authority. Cost identification and removal should include the insurance costs of any sub-tier contractors expected to perform work under the contract.
- All change orders will **exclude** the cost of insurance and losses in the same manner to which they were removed from the original bid. This cost of insurance will be identified as a line item deduction of change order price.

Contractors/Subcontractors agree to execute necessary OCIP documents and agreements prior to beginning work on the Project Site.

5.3. SubContract Award Notification

Each Contractor is responsible for reporting its Subcontractors of any tier. The Contractor must notify the OCIP Administrator of Subcontractor through the MWrap Contractor Portal (<https://MWrap.Marsh.com/contractorportal>).

5.4. Contract Enrollment

Each Contractor is responsible for entering all required information through the MWrap Contractor Portal (<https://MWrap.Marsh.com/contractorportal>) in order to complete their Enrollment. Upon receipt and approval of the required information the OCIP Administrator will provide evidence of enrollment as noted in 5.5.

5.5. Evidence of OCIP Enrollment

When the OCIP Administrator has received and approved all information, the Contractor/Subcontractor is enrolled in the OCIP and sent evidence of General Liability and Excess Liability coverage. **Work onsite is NOT permitted until evidence of OCIP enrollment has been provided by Marsh.**

5.6. Notice of Work Completion – Close-out of Each Contract

The Enrolled Parties must complete a “Notice of Work Completion” form through the Contractor Portal (<https://MWrap.Marsh.com/contractorportal>) for each contract that has been completed on the Project Site. Once the form has been completed, the information must be verified by their awarding contractor.

6

Other Provisions

6.1. Contractual Obligations

The insurance, as provided by the Owner for Contractors and Subcontractors under the OCIP, is not intended to, and shall not be construed to limit, qualify, or waive any liabilities or obligations of Contractors and Subcontractors, assumed or otherwise, under their Contracts.

6.2. Right to Terminate or Modify the OCIP

If the San Diego County Regional Airport Authority, for any reason, is unable to furnish coverage, elects to discontinue the OCIP, modifies the limits of liability provided in the OCIP, or requests that an Enrolled Party withdraw from the OCIP, then the Authority or its representatives will provide written notice to Enrolled Parties.

The Enrolled Party will then obtain and thereafter maintain during the performance of the Work, the insurance required to be provided by Excluded Parties and as otherwise required under the contract documents. The Authority will thereafter no longer be obligated to furnish all or a part of such insurance through the OCIP. The form, content, limits of liability and cost of such replacement insurance and the insurer issuing such insurance secured by the Enrolled Party will be subject to the Authority's approval, which approval will not be unreasonably delayed or withheld.

6.3. Modifying the OCIP Procedures

The Owner may from time to time alter these procedures for efficient OCIP operation and will endeavor to (but not be required to) provide advance written notice to each enrolled Contractor/Subcontractor. (Procedure changes will not reduce or modify coverage terms.) Job site safe work standards and claims procedures may be revised when deemed necessary by the Owner.

7

Claim Reporting Procedures

This section describes basic procedures for reporting various types of claims:

All Contractors and Subcontractors:

- Will strictly adhere to specific guidelines for the reporting of all industrial incidents involving their own employees and their Subcontractor's employees.
- Contractors and Subcontractors are to instruct their employees to immediately report all incidents to their company supervisor who will then immediately notify the Owner's Safety Manager (see Directory).
- All contractors and subcontractors are to provide, upon request, any additional information regarding the incident and to cooperate fully in all incidents and claim related investigations. Any questions or uncertainties about an insured loss or reported claim should be referred to the Insurance and Construction Risk Manager at the Airport (see Directory).
- Are to provide, upon request, any additional information regarding the incident and to cooperate fully in all incidents and claim related investigations.
- Any fines assessed for claims which are reported late are the responsibility of the Subcontractor.

Note:

In the event an Incident attracts the attention of the media, any inquiries from the press and/or media shall be referred to the Owner's Marketing & Public Relations Department, 619-400-2879.

General Liability Claim Reporting

Personal injury or property damage sustained by a third party constitutes a reportable event. For all such incidents, all contractors and subcontractors are to complete a Project Incident Report and forward it to the Owner's CIP Safety Manager.

Whenever this occurs, the Contractor and Subcontractors will contact the Owner's CIP Safety Manager (see Directory).

- Take appropriate emergency measures to prevent additional injury or property damage (refer to SDCRAA CIP Safety Manual).
- Complete an OCIP Accident Investigation Form. Immediately (within 8 hours) submit the original completed form to the Owner's OCIP Administrator.
- If served with a summons, complaint or other legal documents relating to an OCIP-covered claim, notify the OCIP Project Manager/Administrator immediately.
- Forward all subsequent inquiries or correspondence about an insured loss or claim, including a summons, complaint or other legal documents, to Michael Schaefer, SDCRAA Insurance and Construction Risk Manager (see Directory). You should reference your claim number on all correspondence.

- The Contractors/Subcontractors shall not attempt to directly settle or negotiate any claim. Refer any questions on a claim or insured loss to Michael Schaefer, SDCRAA Sr. Risk Analyst (see Directory). An Owner representative will assist in the investigation of the incident. However, the enrolled parties shall remain responsible for thoroughly investigating all third party injuries or property damage claims and ensuring the claims have been promptly reported to Indicate: applicable party – insurer or centralized person

NOTE: All available facts and information, including the names of witnesses, must be secured as soon as possible while such information is still available. Unless prompt action is taken in this respect, witnesses disappear, facts become obscure and the further handling of the claim may be prejudiced.

Builders Risk Claim Reporting

Physical damage to the Owner's property or to the Work being performed by any contractor/subcontractor on the Project site, including any consequential damages arising there from, will constitute a reportable event under this section.

Whenever this occurs, the Contractor or Subcontractor will:

- Take appropriate emergency measures to prevent additional damage or consequential loss
- Immediately report all incidents to the Owner's Safety Manager
- Establish accounts for recording the cost associated with the events as it affects property used in the work
- Complete a Project Incident Report (see Section 8) immediately. Email or fax the completed form to Michael Schaefer, SDCRAA Insurance and Construction Risk Manager (see Directory).
- Complete and submit an OCIP Initial Incident Report to the Owner's Safety Manager
- Receive written authorization from the Owner before initiating permanent repairs or replacement
- Submit all invoices related to repairs or replacement of damaged property to Michael Schaefer, SDCRAA Insurance and Construction Risk Manager (see Directory), as they become available

The insurer will confirm the coverage for an insured loss; then will issue written instructions for the Contractor/Subcontractor or Owner to repair or replace the damaged property. The Owner will monitor the work.

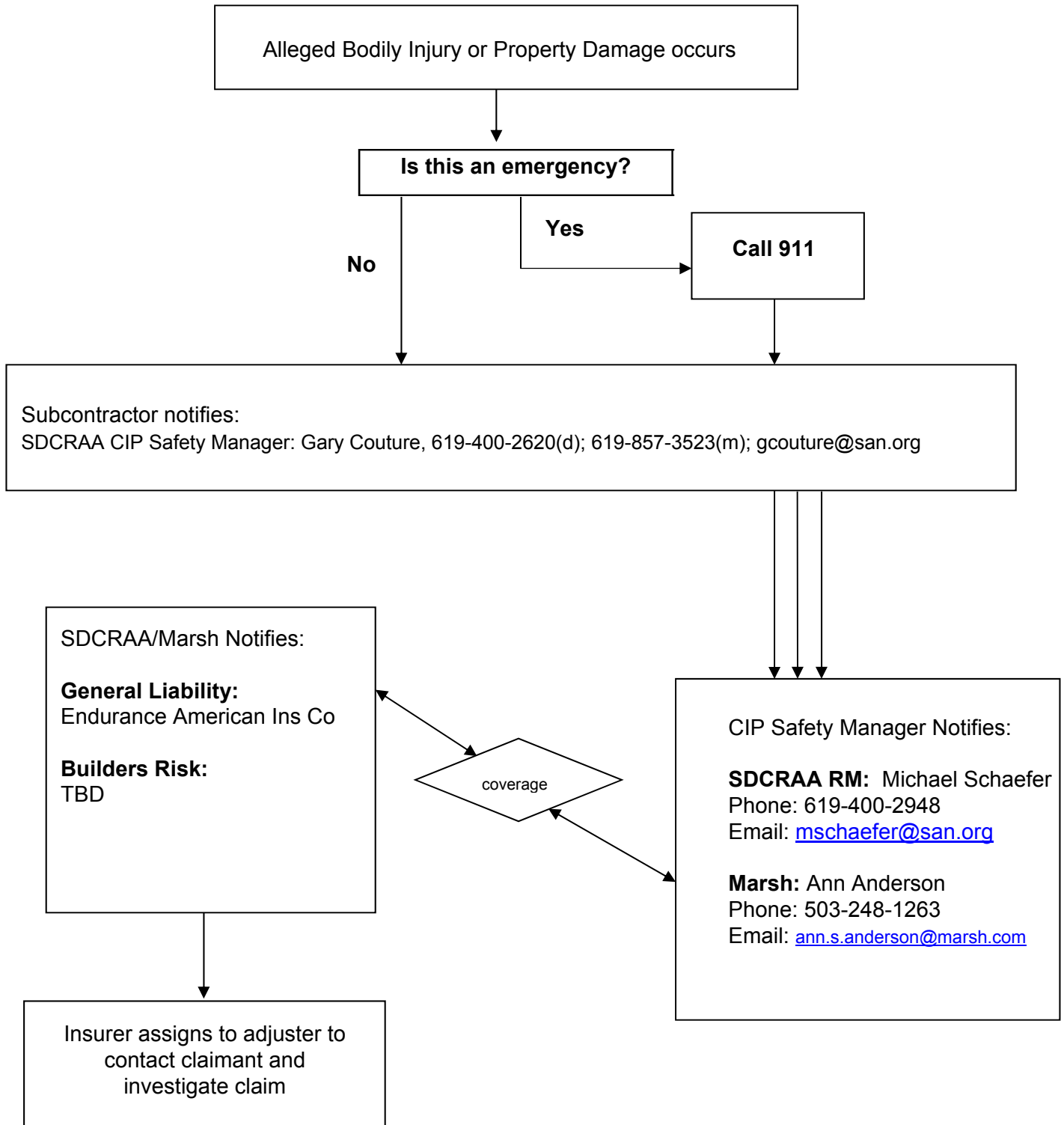
Note: Loss, if any, under the Builder's Risk policies will be adjusted with and payable to the Owner as trustee for all insured parties. Owner shall coordinate distribution of insurance proceeds.

Automobile Incident and Claim Reporting

No coverage is provided for automobile accidents under the OCIP, other than as part of the Excess Auto Liability Insurance program. It is the sole responsibility of each Contractor and Subcontractor to report accidents involving their automobiles to their own insurers.

HOWEVER, all auto-related accidents occurring in or around the job site must be reported to the Owner's Safety Manager and a Project incident report completed. These accidents will be investigated with regard to any liability arising out of the Project construction activities that could result in future claims (i.e. due to the conditions of the roads, etc.) Each Contractor and Subcontractor shall cooperate in the investigation of all automobile accidents.

Claim Flow



MARSH

The information contained in this document is confidential, may be privileged, and is intended for the use of the individual or entity named above. If you are not the addressee, please do not read, copy, forward, use, or store this document or any of the information contained herein.

8

OCIP Forms Section

San Diego County Regional Airport Authority GL OCIP Owner Controlled Insurance Program (OCIP) Enrollment Checklist

To do now	<input type="checkbox"/> Read the General Liability OCIP Contractors Information Manual	
To return within 1 week (before project site entry)	<input type="checkbox"/> OCIP Enrollment Application and Notice of Subcontract Award	https://MWrap.Marsh.com/contractorportal
	<input type="checkbox"/> Non-CIP Certificate of Insurance per Contract	See Contract
In case of an incident or accident	<input type="checkbox"/> Notice of Occurrence/Claim Form	See Forms

For questions contact:

Marsh USA Inc., Attn: OCIP Administrator
111 SW Columbia, Portland, OR 97201 | Fax: (503) 248-1220 | Phone (503) 248-6142 | Email
SDCRAA.OCIP@marsh.com

<<Insert Claim Form>>



Marsh Risk & Insurance Services
345 California Street
San Francisco, CA 94104-2679

Marsh USA Inc.
111 SW Columbia, Suite 500
Portland, OR 97201

California Insurance License #0437153