

Resolution 2012-13: 69
Project Insurance Limits

By Board Chair Giess

WHEREAS, the Rochester School Facilities Modernization Program Act (“the Act”) established the Rochester Joint Schools Construction Board (“RJSCB”), a seven voting member board consisting of equal representation by the City of Rochester (“City”) and the Rochester City School District (“District”), as well as a member jointly selected by the City and the District; and

WHEREAS, under the Act, the RJSCB has certain enumerated powers to act as agent for the District, the City, or both; and

WHEREAS, the RJSCB, with the advice of its general counsel, the Program Manager, and the District’s general counsel and insurance agent, established certain insurance coverage limits (“Insurance Requirements”) that needed to be obtained by the prime contractors and subcontractors working on the Phase 1 of the Rochester Schools Modernization Program (the “Phase 1 projects”); and

WHEREAS, prime contractors and subcontractors have advised the RJSCB and its insurance review consultant, Lawley Services, Inc., that the Insurance Requirements related to the fire damage legal liability limit set at \$1M and the medical expense limit set at \$20k are difficult to obtain and are not industry standard; and

WHEREAS, the RJSCB’s insurance review consultant, Lawley Services Inc., has advised the RJSCB that the fire damage legal liability limit and the medical expense limit should be reduced in order to be more reasonable and consistent with industry standards; and

WHEREAS, the RJSCB now wishes to reduce the Insurance Requirements set for the prime contractors and subcontractors as follows: fire damage legal liability limit to be reduced from \$1,000,000 to \$300,000, and the medical expense limit to be reduced from \$20,000 to \$10,000;

THEREFORE, BE IT RESOLVED:

1. The RJSCB hereby approves the reduction of required limits for fire damage legal liability and for medical expense limits in the amounts stated above for all prime contractors and subcontractors.
2. The Program Manager and the Executive Director will proceed to advise the necessary parties, including but not limited to the prime contractors and the subcontractors, of the new limits and implement them on the Phase 1 projects as appropriate.

Second by Board Member Brown

Approved 5-0 with Member Castro away