



STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES

1500 Jefferson St. SE, Olympia, WA 98501
PO Box 41476, Olympia, WA 98504-1476

August 22, 2025

TO: Insurance Agent for
Ameresco, Inc.

FROM: Kim Obi, Contracts Specialist, (360) 972-5003

RE: Contract No. 2025-737 G (1-1)
Olympia Armory Solar PV & Battery Storage
City of Olympia

The General Conditions for Washington State Energy Savings Performance Contracting require that Ameresco, Inc. provide the State of Washington with a signed contract, bond and insurance within 15 days of receipt. It is therefore essential that you provide the contractor with the bonds and insurance as soon as possible. Please refer to the attached *Insurance and Bonding Requirements*.

Please note that the payment and performance bonds shall be written on the AIA Form A312 for the amount of the contract plus state sales tax, and that Builder's Risk or Installation Floater insurance coverage is required in the amount of the contract.

Include on all documents:

- **Contract number: 2025-737 G (1-1)**
- **Project name: Olympia Armory Solar PV & Battery Storage**
- **Owner's Name as (per contract): "City of Olympia, acting through the Department of Enterprise Services"**

We would like a preview copy by e-mail of these documents before finalizing. My e-mail address is: kim.obi@des.wa.gov.

Should you have questions, please contact me. Thank you for your assistance.

ko

Attachments

ENERGY INSURANCE AND BONDING REQUIREMENTS

(Paragraphs keyed to the state's General Conditions for Washington State Energy Savings Performance Contracting)

PART 2 – INSURANCE AND BONDS

2.01 ESCO'S LIABILITY INSURANCE

General insurance requirements: Prior to commencement of the Work, ESCO shall obtain all the insurance required by the Contract Documents and provide evidence satisfactory to Owner that such insurance has been procured. Review of the ESCO's insurance by Owner shall not relieve or decrease the liability of ESCO. Companies writing the insurance to be obtained by this part shall be licensed to do business under Chapter 48 RCW or comply with the Surplus Lines Law of the State of Washington. ESCO shall include in its bid the cost of all insurance and bond costs required to complete the base bid work and accepted alternates. Insurance carriers providing insurance in accordance with the Contract Documents shall be acceptable to Owner, and the A.M. Best ratings shall be indicated on the insurance certificates.

- A. Term of insurance coverage: ESCO shall maintain the following insurance coverage during the Work and for one year after Final Acceptance. ESCO shall also maintain the following insurance coverage during the performance of any corrective Work required by Section 5.18.
 - 1. General Liability Insurance: Commercial General Liability (CGL) on an Occurrence Form. Coverage shall include, but not be limited to:
 - a. Completed operations/products liability;
 - b. Explosion, collapse, and underground; and
 - c. Employer's liability coverage.
 - 2. Automobile Liability Insurance: Automobile liability
- B. Industrial Insurance compliance: ESCO shall comply with the Washington State Industrial Insurance Act and, if applicable, the Federal Longshoremen's and Harbor Workers' Act and the Jones Act.
- C. Insurance to protect for the following: All insurance coverages shall protect against claims for damages for personal and bodily injury or death, as well as claims for property damage, which may arise from operations in connection with the Work whether such operations are by ESCO or any Subcontractor.
- D. Owner as Additional Insured: All insurance coverages shall be endorsed to include Owner **as an additional named insured** for Work performed in accordance with the Contract Documents, and all insurance certificates **shall evidence the Owner as an additional insured.**

2.02 COVERAGE LIMITS

A. Required Insurance Coverages: The coverage limits shall be as follows:

1. For a contract less than \$100,000.00, the coverage required is:

- a. Comprehensive General Liability Insurance – The ESCO shall at all times during the term of this contract, at its cost and expense, carry and maintain general public liability insurance, including contractual liability, against claims for bodily injury, personal injury, death or property damage occurring or arising out of the services provided under this contract. This insurance shall cover claims caused by any act, omission, or negligence of the ESCO or its officers, agents, representatives, assigns or servants. The limits of insurance, which may be increased as deemed necessary by the contracting parties, shall be:

Each Occurrence	\$1,000,000.00
General Aggregate Limits (other than products – commercial operations)	\$1,000,000.00
Products – Commercial Operations Limit	\$1,000,000.00
Personal and Advertising Injury Limit	\$1,000,000.00
Fire Damage Limit (any one fire)	\$50,000.00
Medical Expense Limit (any one person)	\$5,000.00

- b. If the contract is for underground utility work, the ESCO shall provide proof of insurance for that above in the form of Explosion, Collapse and Underground (XCU) coverage.

- c. Employers Liability on an occurrence basis in an amount not less than \$1,000,000.00 per occurrence.

2. For contracts over \$100,000.00 but less than \$5,000,000.00 the ESCO shall obtain the coverage limits as listed for contracts below \$100,000.00 and General Aggregate and Products – Commercial Operations Limit of not less than \$2,000,000.00.

3. Coverage for Comprehensive General Bodily Injury Liability Insurance for a contract over \$5,000,000.00 is:

Each Occurrence	\$2,000,000.00
General Aggregate Limits (other than products – commercial operations)	\$4,000,000.00
Products – Commercial Operations limit	\$4,000,000.00
Personal and Advertising Injury Limit	\$2,000,000.00
Fire Damage Limit (any one fire)	\$50,000.00
Medical Expense Limit (any one Person)	\$5,000.00

4. For all Contracts – Automobile Liability: in the event that services delivered pursuant to this contract involve the use of vehicles or the transportation of clients, automobile liability insurance shall be required. If ESCO-owned personal vehicles are used, a Business Automobile Policy covering at a minimum Code 2 “owned autos only” must be secured. If ESCO’s employees’ vehicles are used, the ESCO must also include under the Business Automobile Policy Code 9, coverage of non-owned autos. The minimum limits for automobile liability is \$1,000,000.00 per occurrence, using a combined single limit for bodily injury and property damage.
5. For Contracts for Hazardous Substance Removal (Asbestos Abatement, PCB Abatement, etc.) The State of Washington must be listed as an additional insured. This certificate of insurance must be provided to the Owner prior to commencing work.
- a. In addition to providing insurance coverage for the project as outlined above, the ESCO shall provide Pollution Liability insurance for the hazardous substance removal as follows:

<u>EACH OCCURRENCE</u>	<u>AGGREGATE</u>
\$500,000.00	\$1,000,000.00

or \$1,000,000.00 each occurrence/aggregate bodily injury and property damage combined single limit.

- 1) Insurance certificate must state that the insurer is covering hazardous substance removal.
- 2) Should this insurance be secured on a “claims made” basis, the coverage must be continuously maintained for one year following the project’s “final completion” through official completion of the project, plus one year following.
6. For Contracts where hazardous substance removal is a subcomponent of contracted work, the general contractor shall provide to the Owner a certificate of insurance for coverage as defined in 5a. above. The State of Washington must be listed as an additional insured. This certificate of insurance must be provided to the Owner prior to commencing work.
7. For projects in which Avista Corporation is providing any incentive funding under the Demand Side Management Program for the conservation of electricity add the following subparagraph:
 - a. Pollution Liability – The ESCO shall maintain, at all times during the performance of the services, Pollution Liability insurance in an amount not less than \$1,000,000.00 per occurrence with an Aggregate of \$2,000,000.00 Such policy shall be maintained for a period of two (2) years after the date of ESCO’s completion of the Work. Any ESCO performing Work under this contract shall be required to provide proof of such Pollution Liability insurance prior to performance of any Work.

2.03 INSURANCE COVERAGE CERTIFICATES

A. Insurance Coverage Certificates:

1. Certificate Required: The ESCO shall furnish acceptable proof of insurance coverage on the ACORD 25 form. The ESCO shall furnish to Owner a completed certificate of insurance coverage prior to commencement of the Work.
2. List Project info: All insurance certificates shall name Owner's Project Number and Project Title
3. Cancellation provisions: All insurance certificates shall specifically require 45 days prior notice to Owner of cancellation of any material change, except 30 days for surplus line insurance.

2.04 PAYMENT AND PERFORMANCE BONDS

Conditions for bonds: Payment and performance bonds for 100% of the Contract Award Amount, plus state sales tax, shall be furnished for the Work, using the Payment Bond and Performance Bond form published by and available from the American Institute of Architects (AIA) – form A312. Prior to execution of a Change Order that, cumulatively with previous Change Orders, increases the Contract Award Amount by 15% or more, the ESCO shall provide either new payment and performance bonds for the revised Contract Sum, or riders to the existing payment and performance bonds increasing the amount of the bonds. The ESCO shall likewise provide additional bonds or riders when subsequent Change Orders increase the Contract Sum by 15% or more. If the Contract Amount is \$150,000.00 or less, at the option of the Contractor the Owner may, in lieu of the bond, retain 10% of the Contract Amount for the period allowed by RCW 39.08.010. The Bond shall be with a Surety or Bonding Company that is registered with the State of Washington Insurance Commissioner's Office.

2.05 ALTERNATIVE SURETY

When alternative surety required: ESCO shall promptly furnish payment and performance bonds from an alternative surety as required to protect Owner and persons supplying labor or materials required by the Contract Documents if:

- A. Owner has a reasonable objection to the surety; or
- B. Any surety fails to furnish reports on its financial condition if required by Owner.

2.06 BUILDER'S RISK

- A. ESCO to buy Property Insurance: ESCO shall purchase and maintain property insurance in the amount of the Contract Sum including all Change Orders for the Work on a replacement cost basis until Substantial Completion. For projects not involving New Building Construction, "Installation Floater" is an acceptable substitute for the Builder's Risk Insurance. The insurance shall cover the interest of Owner, ESCO, and any Subcontractors, as their interests may appear.
- B. Losses covered: ESCO property insurance shall be placed on an "all risk" basis and insure against the perils of fire and extended coverage and physical loss or damage including theft, vandalism, malicious mischief, collapse, false work, temporary buildings, debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for ESCO's services and expenses required as a result of an insured loss.
- C. Waiver of subrogation rights: Owner and ESCO waive all subrogation rights against each other, any Subcontractors, ESCO, ESCO's subconsultants, separate contractors described in Section 5.20, if any, and any of their subcontractors, for damages caused by fire or other perils to the extent covered by property insurance obtained pursuant to this section or other property insurance applicable to the Work, except such rights as they have to proceeds of such insurance held by Owner as fiduciary. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

2.07 EQUIPMENT INSURANCE

- A. Risk of loss, theft, or damage to ESCO Equipment or other acts which may render ESCO Equipment unserviceable are assumed by the ESCO until the Notice of Commencement of Energy Cost Savings is accepted by the Owner and DES for the EEM utilizing that particular ESCO Equipment. Thereafter, Owner shall be responsible at all times for any loss or damage resulting from adjustments, modifications, or other actions taken or performed by its own personnel on ESCO Equipment that are not in accordance with the instructions provided with the equipment.