



Truckee Tahoe Airport District
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Minimum Insurance Requirements

**DRAFT
FOR DISCUSSION PURPOSES ONLY**

Truckee Tahoe Airport District

Truckee Tahoe Airport (TRK)

September 26, 2016



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1. INTRODUCTION

1.1. *Purpose*

The purpose of these Minimum Insurance Requirements is to set forth the insurance coverages and limits established by the Truckee Tahoe Airport District (TTAD).

1.2. *General Provisions*

These Minimum Insurance Requirements incorporate, by reference, the General Provisions. The terms identified by use of a capital letter in these Minimum Insurance Requirements are addressed in Section 1.2. of the General Provisions.



2. MINIMUM INSURANCE REQUIREMENTS

Commercial Aeronautical Operator

Commercial Aeronautical Operator (Operator) shall procure, maintain, and pay all premiums throughout the term of an Agreement for the applicable insurance coverages and limits required by Legal Requirements and set forth in Attachment A (Minimum Insurance Requirements) for Operator's Activities. The insurance company or companies underwriting the required policies shall be authorized to write such insurance in the State of California (with a Best rating of A or above) or be approved in writing by the TTAD.

- When coverages or limits set forth in Attachment A (Minimum Insurance Requirements) are not commercially available, appropriate replacement coverages or limits must be approved in writing at least 60 calendar days in advance by the TTAD.
- The TTAD reserves the right to require more or different coverages or limits based on entity's individual risks or exposures associated with Operator's Activities.

When Operator engages in more than one Activity, the minimum coverages and limits shall be established by the TTAD and may vary depending on the nature of each Activity or combination of Activities, but shall not necessarily be cumulative.

- While it may not be necessary for Operator to procure and maintain insurance for the combined total of the minimum requirements of each Activity, Operator shall procure and maintain insurance for all exposures in limits at least equal to the greatest of the required minimum or as established by the TTAD.

All insurance policies, which Operator is required to carry and keep in full force and effect, shall contain, or be endorsed to contain, the following provisions.

Liability policies shall contain, or be endorsed to contain, the following provisions:

- "Truckee Tahoe Airport District and/or the Board of Directors, individually and collectively, and its representatives, officers, officials, employees, agents, and volunteers are to be covered as additional insured with respect to: liability arising out of activities performed by or on behalf of entity; premises owned, leased, occupied, or used by entity; or vehicles, equipment, or aircraft owned, leased, hired, borrowed, or operated by entity. Such insurance shall provide primary coverage and shall not seek any contribution from any insurance or self-insurance carried by agent or the Truckee Tahoe Airport District."
- "Such insurance, as to the interest of the Truckee Tahoe Airport District only, shall not be invalidated by any act or neglect or breach of contract of entity. Any failure to comply with reporting or other provisions of the policies, including any breach of warranty, shall not affect coverage provided to Truckee Tahoe Airport District and/or the Board of Directors, individually and collectively, and its representatives, officers, officials, employees, agents, and volunteers. Entity's insurance shall apply separately



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to each insured against whom claim is made or suit is brought, except with respect to the aggregate limits of the insurer's liability."

- "Coverage shall not be suspended, voided, or canceled by either party or reduced in coverage or in limits except after 30 calendar days prior written notice, 14 calendar days prior written notice for cancelation for non-payment of premium, by certified mail, return receipt requested, has been given to Truckee Tahoe Airport District."

Companies issuing required insurance policies shall have no recourse against the TTAD for payment of premiums or assessments for any deductibles that are the sole responsibility and risk of the Operator. Certificates of Insurance for the insurance coverages required by Legal Requirements and set forth in these Minimum Standards shall be delivered to the TTAD upon execution of any Agreement, or when approval is given by the TTAD to conduct Activities. Thereafter, Operator shall provide Certificates of Insurance to the TTAD every 12 months. In addition, Operator shall furnish a Certificate of Insurance if any change (e.g., changing underwriters, coverages, or limits) occurs.

- The coverages and limits stipulated herein represent the minimum coverages and limits that shall be maintained by Operator, at all times, to engage in Activities at the Airport.

Operator with known environmental contamination exposures shall be required to secure appropriate environmental liability insurance with coverages and limits appropriate for the type and level of environmental contamination exposure risk, as determined by the TTAD.

Contractor

Contractor shall procure, maintain, and pay all premiums throughout the entire construction period for the insurance coverages detailed herein, required by Legal Requirements, and in limits and set forth in Attachment B (Minimum Insurance Requirements - Other). TTAD reserves the right to require greater insurance coverage limits based upon a given projects scope, scale, risk, and liability exposure. The insurance company or companies underwriting the required policies shall be authorized to write such insurance in the State of California with a Best rating of A or better or be approved in advance and in writing by the General Manager. The following represents the type of insurance coverage required by the TTAD.

Commercial General Liability – Coverage must include at a minimum: bodily injury, personal injury, broad form Property damage, products/completed operations, explosion, collapse, underground, broad form blanket contractual, and fire legal liability insurance.

Commercial or Business Automobile Liability – Coverage must include at a minimum: bodily injury and Property damage for all Vehicles arising out of the use, loading, and unloading of owned, non-owned, or hired Vehicles.

Personal Vehicle Liability – Coverage must include at a minimum: bodily Injury property damage for each Vehicle to be operated in association with the contract that is not insured under commercial Vehicle liability.



MINIMUM INSURANCE REQUIREMENTS

Workers' Compensation (WC) – Coverage must be in full compliance with California's statutory requirements, for all employees of contractor and Employer's Liability.

Professional Liability (Errors and Omissions) Engineers and Architects – Coverage for each occurrence.

Property Coverage – Course of construction (builder's risk) Insurance covering all materials and equipment at the job site, with limits of not less than one hundred percent (100%) of the total estimated cost of construction, against all perils including flood until the project is completed and accepted by the General Manager. Should the work being constructed be damaged by fire or any other causes during construction, contractor shall replace it in accordance with the requirements of the plans and specifications without additional cost or expense to the TTAD.

All insurance required will be primary coverage and any insurance or self-insurance maintained by the TTAD shall be excess of contractor's insurance coverage and shall not contribute to it.

The TTAD shall be notified immediately if any aggregate insurance limit is exceeded. Additional coverage shall be purchased to meet requirements.

All insurance, which contractor is required to carry and keep in full force and effect, shall name the TTAD and the Board, individually and collectively, and its representatives, officers, officials, employees, agents, and volunteers as additional insured.

Contractor agrees to waive all rights of subrogation against the TTAD and the Board, individually and collectively, and its representatives, officers, officials, employees, agents, and volunteers for losses arising directly or indirectly from the activities and/or work performed by contractor (applies only to Commercial General Liability and Workers' Compensation).

Policies shall not be suspended, voided, or canceled by either party or reduced in coverage or in limits except after 30 calendar days prior written notice, 14 calendar days prior written notice for cancellation for non-payment of premium, by certified mail, return receipt requested, has been given to the TTAD.

Contractor agrees to provide the TTAD with the following insurance documents before the start of construction:

- certificates of insurance for all required coverages;
- additional insured endorsements;
- waiver of subrogation endorsements (e.g., waiver of transfer rights of recovery against others, waiver of our right to recover from others, etc.); and
- 60 calendar days notice cancellation clause endorsements.

It is the responsibility of the contractor to ensure that any and all subcontractors comply with all terms and conditions of the insurance provisions stipulated herein.

Insurance coverage in the minimum limits set forth herein shall not be construed to relieve contractor for liability in excess of such coverage, nor shall it preclude the TTAD from taking such other actions as are available to it under the law.



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Claims Made Insurance – If the professional liability coverage is “claims made”, contractor shall, for a period of three years after the date when contract is terminated, completed, or non-renewed, maintain insurance with a retroactive date that is on or before the start date of contract services or purchase an extended reporting period endorsement (tail coverage).

Contamination and Pollution – Contractor, at its own cost and expense, shall provide clean-up of the site, any other Property, or any natural resources that are contaminated or polluted as a result of contractor’s activities. Any fines, penalties, punitive or exemplary damages assigned due to contaminating or polluting activities of the contractor shall be borne entirely by the contractor.

Non-Commercial Self-Fueling Permittee

Non-Commercial Self-Fueling Permittee shall maintain, at a minimum, the coverage detailed herein and in limits set forth in Attachment B (Minimum Insurance Requirements - Other). TTAD reserves the right to require greater insurance coverage limits based upon Permittee’s, scale, risk, and liability exposure.

- General Liability
 - Including Unlicensed Vehicles
- Business Automobile Liability
 - Non-Movement Area
 - Movement Area
- Environmental Liability

All insurance, which Non-Commercial Self-Fueling Permittee is required to carry and keep in full force and effect, shall name the TTAD and the Board, individually and collectively, and its representatives, officers, officials, employees, agents, and volunteers as additional insured.

Policies shall not be suspended, voided, or canceled or reduced in coverage or in limits except after 30 calendar days prior written notice, 14 calendar days prior written notice for cancellation for non-payment of premium, by certified mail, return receipt requested, has been given to the TTAD.

Non-Commercial Flying Club

Non-Commercial Flying clubs shall procure, maintain, and pay all premiums for the insurance coverages detailed herein, required by Legal Requirements, and in limits and set forth in Attachment B (Minimum Insurance Requirements - Other).

- General Liability
 - Unlicensed Vehicles
- Vehicular Liability
- Aircraft and Passenger Liability



MINIMUM INSURANCE REQUIREMENTS

All insurance, which a Non-Commercial Flying Club is required to carry and keep in full force and effect, shall name the TTAD and the Board, individually and collectively, and its representatives, officers, officials, employees, agents, and volunteers as additional insured.

Policies shall not be suspended, voided, or canceled or reduced in coverage or in limits except after 30 calendar days prior written notice, 14 calendar days prior written notice for cancellation for non-payment of premium, by certified mail, return receipt requested, has been given to the TTAD.

Non-Commercial Based Aircraft

Non-Commercial Based Aircraft tenants shall procure, maintain, and pay all premiums for the insurance coverages detailed herein, required by Legal Requirements, and in limits and set forth in Attachment B (Minimum Insurance Requirements - Other).

➤ Aircraft Liability

All insurance, which a Non-Commercial Based Aircraft tenant is required to carry and keep in full force and effect, shall name the TTAD and the Board, individually and collectively, and its representatives, officers, officials, employees, agents, and volunteers as additional insured.

Policies shall not be suspended, voided, or canceled or reduced in coverage or in limits except after 30 calendar days prior written notice, 14 calendar days prior written notice for cancellation for non-payment of premium, by certified mail, return receipt requested, has been given to the TTAD.



ATTACHMENT A MINIMUM INSURANCE REQUIREMENTS – COMMERCIAL

3. ATTACHMENT A – MINIMUM INSURANCE REUQUIREMENTS – COMMERCIAL

Except as otherwise provided, Operator’s shall maintain, at a minimum, the coverage and limits of insurance set forth below:

Truckee-Tahoe Airport		Fixed Base Operator	Aircraft Maintenance Operator	Aircraft Rental or Flight Training Operator, Sailplane Operator	Aircraft Charter or Aircraft Management Operator	Independent Flight Training Operator	Commercial Skydiving Operator	Other Commercial Aeronautical Activities	Temporary Specialized Aviation Service Operator
COMMERCIAL GENERAL LIABILITY (Combined Single Limit)									
Each Occurrence		\$15,000,000	\$1,000,000 Piston/ Turboprop	\$1,000,000	\$2,000,000	\$1,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Unlicensed Vehicles		\$4,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$1,000,000	\$2,000,000	\$2,000,000	\$2,000,000
BUSINESS AUTOMOBILE LIABILITY (Combined Single Limit, Each Occurrence) *									
Non-Movement Area		\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Movement Area		\$2,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
HANGAR KEEPER’S LEGAL LIABILITY (Largest Aircraft Accommodated) **									
SE Piston	Each Aircraft	\$10,000,000 Each Aircraft \$15,000,000 Each Occurrence	\$250,000	\$250,000	\$250,000		\$250,000	\$250,000	\$250,000
	Each Occurrence		\$500,000	\$500,000	\$500,000		\$500,000	\$500,000	\$500,000
ME Piston	Each Aircraft		\$500,000	\$500,000	\$500,000		\$500,000	\$500,000	\$500,000
	Each Occurrence		\$1,000,000	\$1,000,000	\$1,000,000		\$1,000,000	\$1,000,000	\$1,000,000
Turboprop Group I	Each Aircraft		\$1,000,000	\$1,000,000	\$1,000,000		\$1,000,000	\$1,000,000	\$1,000,000
	Each Occurrence		\$2,500,000	\$2,500,000	\$2,500,000		\$2,500,000	\$2,500,000	\$2,500,000
Turboprop Group II	Each Aircraft		\$2,500,000	\$2,500,000	\$2,500,000		\$2,500,000	\$2,500,000	\$2,500,000
	Each Occurrence		\$5,000,000	\$5,000,000	\$5,000,000		\$5,000,000	\$5,000,000	\$5,000,000
Turbojet Group I	Each Aircraft		\$5,000,000	\$5,000,000	\$5,000,000		\$5,000,000	\$5,000,000	\$5,000,000
	Each Occurrence		\$10,000,000	\$10,000,000	\$10,000,000		\$10,000,000	\$10,000,000	\$10,000,000
Turbojet Group II	Each Aircraft		\$10,000,000	\$10,000,000	\$10,000,000		\$10,000,000	\$10,000,000	\$10,000,000
	Each Occurrence		\$15,000,000	\$15,000,000	\$15,000,000		\$15,000,000	\$15,000,000	\$15,000,000
Turbojet Group III ***	Each Aircraft		\$15,000,000	\$15,000,000	\$15,000,000		\$15,000,000	\$15,000,000	\$15,000,000
	Each Occurrence		\$25,000,000	\$25,000,000	\$25,000,000		\$25,000,000	\$25,000,000	\$25,000,000
AIRCRAFT AND PASSENGER LIABILITY (Each Occurrence)									
SE Piston				\$1,000,000/\$100,000 sub limit per person				As required	As required
ME Piston				\$1,000,000/\$100,000 sub limit per person				As required	As required
Turboprop				\$5,000,000/\$250,000 sub limit per person				As required	As required
Turbojet/Group I				\$5,000,000/\$250,000 sub limit per person				As required	As required
Turbojet/Group II				\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	As required	As required
Turbojet/Group III ***				\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	As required	As required
Student and Renters				\$250,000		\$250,000			
ENVIRONMENTAL LIABILITY (Combined Single Limit)									
		\$2,000,000	\$1,000,000						
WORKER’S COMPENSATION									
Limits Based Upon Statutory Requirements									

* If entity operates any vehicle(s)

** Required for Operators possessing the care, custody, and control of non-owned Aircraft

*** Includes Aircraft Design Group IV, Group V, and Group VI



4. ATTACHMENT B – MINIMUM INSURANCE REQUIREMENTS – OTHER

4.1. Contractor

Except as otherwise provided, a contractor shall maintain, at a minimum, the coverage and in limits of insurance set forth in below:

Contractor Minimum Insurance Requirements	
Commercial General Liability – combined single limit	
• Bodily injury and Property Damage (each occurrence)	\$1,000,000
• Aggregate	\$2,000,000
• Fire Liability	\$100,000
Commercial or Business Automobile Liability	
• Bodily injury and Property Damage (each occurrence)	\$1,000,000
Personal Vehicle Liability	
• Per person	\$250,000
• Bodily Injury (each accident)	\$500,000
• Property Damage (each accident)	\$100,000
Environmental Liability – combined single limit	\$2,000,000
Professional Liability (Errors and Omissions) (each occurrence and aggregate)	\$1,000,000
Workers Compensation – Limits Based Upon Statutory Requirements	

4.2. Non-Commercial Self-Fueling Permittee

Except as otherwise provided, Non-Commercial Self-Fueling Permittee shall maintain, at a minimum, the coverage and in limits of insurance set forth in below:

Non-Commercial Self-Fueling Permittees Minimum Insurance Requirements	
General Liability – combined single limit	
• Each occurrence	\$2,000,000
• Unlicensed Vehicles	\$2,000,000
Business Automobile Liability – combined single limit (if entity operates any vehicles)	
• Non-Movement Area	\$1,000,000
• Movement Area	\$2,000,000
Environmental Liability	\$2,000,000



4.3. Non-Commercial Flying Club

Except as otherwise provided, Non-Commercial Flying Club shall maintain, at a minimum, the coverage and limits of insurance set forth below:

Non-Commercial Flying Club Operators Minimum Insurance Requirements	
General Liability – combined single limit	
• Each occurrence	\$1,000,000
• Unlicensed Vehicles	\$1,000,000
Vehicular Liability – combined single limit	
• Each occurrence	\$1,000,000
Aircraft and Passenger Liability	
• Each occurrence	\$1,000,000
• Sub limit per person	\$100,000

4.4. Non-Commercial Based Aircraft

Except as otherwise provided, Non-Commercial Based Aircraft shall maintain, at a minimum, the coverage and limits of insurance set forth below:

Non-Commercial Based Aircraft Minimum Insurance Requirements	
Aircraft Liability – combined single limit	
• Each occurrence	\$1,000,000