

**1. DELETE Section 7.2d of Special Provisions in its entirety and replace with the following:**

“d. Insurance Requirements

1. Obligation of Contractor

The Contractor shall not commence any work until it obtains, at its own expense, all required insurance. Such insurance must have the approval of the Department as to limit, form and amount and must be maintained with a company authorized by law to issue such insurance in the State of Hawaii.

All insurance described herein will be maintained by the Contractor for the full period of the contract and in no event will be terminated or otherwise allowed to lapse prior to written certification of final acceptance of the work by the Department.

Certificate(s) of Insurance acceptable to the Department shall be filed with the Engineer prior to commencement of the work. These certificates shall contain a provision that coverages afforded under the policies will not be canceled or changed until at least thirty days written notice has been given to the Engineer by registered mail. The insurance policies shall name the State of Hawaii **and the County of Maui**, its officers and employees as an additional insured and such coverage shall be noted on the Certificate. Should any policy be canceled before final acceptance of the work by the Department, and the Contractor fails to immediately procure replacement insurance as specified, the Department, in addition to all other remedies it may have for such breach, reserves the right to procure such insurance and deduct the cost thereof from any money due to the Contractor.

Nothing contained in these insurance requirements is to be construed as limiting the extent of Contractor's responsibility for payment of damages resulting from its operations under this contract, including the Contractor's obligation to pay liquidated damages, nor shall it affect the Contractor's separate and independent duty to defend, indemnify and hold the Department harmless pursuant to other provisions of this contract. In no instance will the Department's exercise of an option to occupy and use completed portions of the work relieve the Contractor of its obligation to maintain the required insurance until the date of final acceptance of the work.

All insurance described herein shall cover the insured for all work to be performed under the contract, all work performed incidental thereto or directly or indirectly connected therewith, including traffic detour work or other work performed outside the work area, and all change order work.

The Contractor shall, from time to time, furnish the Engineer, when requested, satisfactory proof of coverage of each type of insurance required or a copy of the actual policies covering the work. Failure to comply with the Engineer's request may result in suspension of the work, and shall be sufficient grounds to withhold future payments due the Contractor and to terminate the contract for Contractor's default.

2. Types of Insurance

The Contractor shall purchase and maintain insurance described below which shall provide coverage against claims arising out of the Contractor's operations under the contract, whether such operations be by the Contractor itself or by the subcontractor or by anyone directly or indirectly employed by any of them or by anyone for whose acts any of them may be liable.

(a) Worker's Compensation. The Contractor and all subcontractors shall obtain full worker's compensation insurance coverage for all persons whom they employ or may employ in carrying out the work under this contract. This insurance shall be in strict conformity with the requirements of the most current and applicable State of Hawaii Worker's Compensation Insurance laws in effect on the date of the execution of this contract and as modified during the duration of the contract.

(b) Commercial General Liability Insurance and Automobile Insurance. Contractor's commercial general liability insurance and automobile liability insurance shall both be obtained in a combined, single limit of not less than \$1,000,000 per occurrence that shall include coverage for bodily injury, sickness, disease or death of any person, arising directly or indirectly out of, or in connection with, the performance of work under this contract.

The Contractor's property damage liability insurance shall provide for a single combined limit of not less than \$1,000,000 for all damages arising out of injury to or destruction of property of others including the Department's, arising directly or indirectly out of or in connection with the performance of the work under this contract including explosion or collapse.

The Contractor shall either:

i. Require each of its subcontractors to procure and to maintain during the life of its subcontract, subcontractors' comprehensive general liability, automobile liability and property damage liability insurance of the type and in the same amounts specified herein; or ii. Insure the activities of its subcontractors in its own policy.

The Contractor will be permitted, in cooperation with insurers, to maintain a self insured retention for up to 25% of the per occurrence combined single limits of the commercial general liability and the automobile liability policies. The existence of the self insured retention must be noted on the certificate of insurance coverage submitted to the Department or else it will be understood that the insurer is providing first dollar coverage for all claims. For all claims within the self-insured retention amount, the rights, duties and obligations between the Contractor and the Department shall be identical to that between a liability insurer and the Department, as an additional insured, as if there was no self-insured retention.

(c) Builder's Risk Insurance. Unless included in the Specifications of this project, the Contractor shall not be required to provide builder's risk insurance. If required as noted in the Specifications, builder's risk insurance shall be provided during the progress of work and until final acceptance by the Department upon completion of the contract. It shall be "All Risk" (including but not limited to earthquake, windstorm and flood damage) completed value insurance coverage on all completed work and work in progress to the full replacement value thereof. Such insurance shall include the Department as additional name insured. The Contractor shall submit to the Engineer for its approval all items deemed to be uninsurable. The policy may provide for a deductible in an amount of up to 25% of the amount insured by the policy. With respect to all losses up to any deductible amount, the relationship between the Contractor and the Department shall be that of insurer and additional insured as if no deductible existed".

**2. DELETE Section 7.16 of Special Provisions in its entirety and replace with the following:**

“RESPONSIBILITY FOR DAMAGE CLAIMS; INDEMNITY - The Contractor shall indemnify the State and the Department and Maui County against all loss of or damage to Maui County’s, the State’s or the Department’s existing property and facilities arising out of any act or omission committed in the performance of the work by the Contractor, any subcontractor or their employees and agents. Contractor shall defend, hold harmless and indemnify the Department and the State, Maui County, their employees, officers and agents against all losses, claims, suits, liability and expense, including but not limited to attorneys’ fees, arising out of injury to or death of persons (including employees of Maui County, the State and the Department, the Contractor or any subcontractor) or damage to property resulting from or in connection with performance of the work and not caused solely by the negligence of Maui County, the State or the Department, their agents, officers and employees. Maui County, the State or the Department may participate in the defense of any claim or suit without relieving the Contractor of any obligation hereunder. The purchase of liability insurance shall not relieve the Contractor of the obligations described herein.

The Contractor agrees that it will not attempt to hold the Maui County, State and its Departments and Agencies and their officers, representatives, employees or agents, liable or responsible for any losses or damages to third parties from the action of the elements, the nature of the work to be done under these specifications or from any unforeseen obstructions, acts of God, vandalism, fires or encumbrances which may be encountered in the prosecution of the work.

The Contractor shall pay all just claims for materials, supplies, tools, labor and other just claims against the Contractor or any subcontractor in connection with this contract and the surety bond will not be released by final acceptance and payment by the Department unless all such claims are paid or released.

The Department may, but is not obligated to, withhold or retain as much of the monies due or to become due the Contractor under this contract considered necessary by the Engineer to cover such just claims until satisfactory proof of payment or the establishment of a payment plan is presented.

The Contractor shall defend, indemnify and hold harmless Maui County, the State and its Departments and Agencies and their officers, representatives, employees or agents from all suits, actions or claims of any character brought on account of any claims or amounts arising or recovered under the Worker’s Compensation Laws or any other law, by-law, ordinance, order or decree.