



## **Work within the City of Morro Bay's Right-of-Way (Encroachment Permits)**

### **1. City Business License:**

Anyone working within the city limits shall have a current city business license.

### **2. Underground Service Alert:**

Encroachment permits are not valid until underground service alert (USA) is active. Call USA (811) prior to any excavation, potholing, or boring.

### **3. License Required:**

For standard encroachment permits the contractor shall have a:

- General Engineering Contractor – License A, **or**
- License Classification deemed suitable for the proposed work as defined by the California Contractor's State License Board and as approved by the City of Morro Bay City Engineer.

For underground encroachment permits the contractor shall have a:

- General Engineering – License A, **or**
- Pipeline Contractor – C34, **or**
- License Classification deemed suitable for the proposed work as defined by the California Contractor's State License Board and as approved by the City of Morro Bay City Engineer.

### **4. For street closures – partial or full:**

- Applicant shall provide a traffic control plan and indicate when a street is to be closed prior to approval of an encroachment permit.
- Applicant shall give Public Works 772-6215, Morro Bay Fire 772-6242, and Police 772-6225, Dial a ride and San Luis Obispo RTA 24 hour notice prior to closing the street.
- The applicant shall provide/post “no parking” signs 72 hours in advance.
- The applicant shall provide/post friendly advance 72 hour reminder to the neighbors advising them of the upcoming inconvenience and provide a contact phone numbers if there are any problems.

**5. Insurance Requirements:**

- Minimum Limits of Insurance: The Contractor/Permitee shall obtain and possess insurance coverage as specified herein and as approved by the Engineer. Liability insurance shall conform to the provisions of Section 7-1.12 “Responsibility For Damage” of the State Standard Specifications.

Policy limits shall meet or exceed the amounts as follows:

- a) Bodily Injury Liability \$1,000,000 Each Person  
\$2,000,000 Each Occurrence
  
- b) Property Damage Liability \$1,000,000 Each
  
- c) A single limit for Bodily Injury Liability & Property Damage Liability combined of:  
\$1,000,000 Each Occurrence  
\$1,000,000 Aggregate
  
- d) Automobile Liability \$1,000,000 Each Occurrence
  
- e) Workmen’s Compensation Statutory
  
- f) Employer’s Liability \$1,000,000 per incident for  
Bodily injury or disease

- Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees, volunteers, and the design engineer; or Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.
  
- Other Insurance Provisions: The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:
  1. The City, its officers, officials, employees, volunteers, and agents are to be covered as insured with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of Contractor including materials, parts

or equipment furnished in connection with such work or endorsement to Contractor's insurance, or as a separate owner's policy (CG 2012 or approved equal).

2. For any claims related to this project, Contractor's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, volunteers, and agents. Any insurance or self-insurance maintained by the City, its officers, officials, employees, volunteers or agents shall be excess of Contractor insurance and shall not contribute to it.
3. Each insurance policy required by this section shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.
4. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of section 2782 of the Civil Code.

The policy shall contain the following provisions:

1. The City shall be named as loss payee.
  2. The insurer shall waive all rights of subrogation against the City.
- Acceptability of Insurers: All insurance required by this section shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and shall be licensed to operate in the State of California.
  - Verification of Coverage: Contractor shall furnish the City with original certificates and amendatory **endorsements** effecting coverage required by this section. The endorsements should be on forms provided by the City or on other than the City's forms, provided those endorsements or policies conform to the requirements. All certificates and endorsements are to be received and approved by the City **before** work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.
  - Subcontractors: Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to all of the requirements stated herein.