

**FRENCHTOWN CHARTER TOWNSHIP  
CONTRACTORS INSURANCE REQUIREMENTS ORDINANCE  
Ord. No. 152; Date of Adoption: March 1990**

An Ordinance to be known as Frenchtown Charter Township "Contractors Insurance Requirements Ordinance."

**THE CHARTER TOWNSHIP OF FRENCHTOWN HEREBY ORDAINS:**

**Section 1. Permit Requirements.**

No building permit shall be issued in Frenchtown Charter Township until the owner or contractor has provided satisfactory proof that the minimum insurance requirements of this Ordinance have been obtained.

**Section 2. Small Projects.**

For any project the overall value of which is over \$10,000.00 and under \$25,000.00, and is anticipated by the Township Engineer to be completed in less than 30 days, a permittee shall comply with the following requirements:

- A. In addition to the statutorily prescribed workers compensation policy, the permittee shall obtain an employer's liability policy with a minimum coverage of \$100,000.00.
  
- B. The permittee shall obtain a general liability (occurrence basis only) policy in an amount not less than \$1,000,000.00 per occurrence and/or aggregate combined single limit for personal injury, bodily injury and property damage, wherein Frenchtown Charter Township is named as an additional insured party with the following coverage inclusions: See footnote (a).
  - 1. Broad form general liability endorsement or equivalent, if the coverage of the broad form general liability endorsement is not already included in the general liability policy;
  - 2. Independent contractor coverage;
  - 3. Products and complete operations coverage;
  - 4. Contractual liability coverage.
  - 5. An endorsement on the policy providing that at least 30 days written notice shall be given to Frenchtown Charter Township of cancellation, reduction or material change in coverage of the policy or of intent not to renew. See footnote (b).

Amended by Ordinance No. 152-1, April 22, 2003.

**Section 3. Low and Medium Hazard Projects Up To \$300,000.00 and 180 Days Duration.**

For any project, the overall value of which is over \$25,000.00, up to \$300,000.00 and is anticipated by the Township Engineer to be completed in the duration of 30 to 180 days, a permittee shall comply with the following requirements:

- A. In addition to the statutorily prescribed workers compensation policy, the permittee shall obtain an employer's liability policy with a minimum coverage of \$100,000.00.
  
- B. The permittee shall obtain a general liability (occurrence basis only) policy in an amount not less than One Million Dollars per occurrence and/or aggregate combined single limit for personal injury, bodily injury and property damage, wherein Frenchtown Charter Township is named as an additional insured party with the following coverage inclusions: See footnote (a).
  - 1. Broad form general liability endorsement or equivalent, if the coverage of the broad form general liability endorsement is not already included in the general liability policy;
  - 2. Independent contractor coverage;
  - 3. Products and completed operations coverage;
  - 4. Contractual liability coverage.
  - 5. An endorsement on the policy providing that at least 30 days written notice shall be given to Frenchtown Charter Township of cancellation, reduction or material change in coverage of the policy or of intent not to renew. See footnote (b).

**Section 4. High Hazard Projects and Projects Over \$300,000.00.**

A "high hazard" project includes a project which includes excavation and underground contractors, road contractors, and all infrastructure construction and renovation, including removal of so-called contaminants or pollutants. For any project which is considered to be "high hazard", over \$25,000.00, and all projects with overall value equal to or greater than \$300,000.00 a permittee shall comply with the following requirements:

- A. In addition to the statutorily prescribed workers compensation policy, the permittee shall obtain an employer's liability policy with a minimum coverage of \$100,000.00.

- B. The permittee shall obtain a general liability (occurrence basis only) policy in an amount not less than One Million (\$1,000,000.00) Dollars per occurrence and/or aggregate combined single limit for personal injury, bodily injury and property damage, wherein Frenchtown Charter Township is named as an additional insured party with the following coverage inclusions: See footnote (a)
1. Broad form general liability endorsement or equivalent, if the coverage of the broad form general liability endorsement is not already included in the general liability policy;
  2. Independent contractor coverage;
  3. Products and completed operations coverage;
  4. Contractual liability coverage.
  5. An endorsement on the policy providing that at least 30 days written notice shall be given to Frenchtown Charter Township of cancellation, reduction or material change in coverage of the policy or of intent not to renew. See footnote (b).
- C. The permittee shall obtain an umbrella or Excess Liability Policy in an amount not less than Two Million (\$2,000,000.00) Dollars that shall apply both to the permittee's General Liability Policy and to his Automobile Liability Insurance with wording at least as broad as the primary or underlying policy (ies). The permittee shall have the option of arranging coverage under a single policy for the full limit required or by a combination of underlying policies with the balance provided by an excess or Umbrella Liability Policy equal to the total limits required. Frenchtown Charter Township shall be listed as an additional named insured. See footnote (a)

**Section 5. Failure to Maintain Coverage.**

The Building Official of Frenchtown Charter Township may issue a stop work order at any time if any of the insurance coverages as required by this Ordinance are not maintained.

**Section 6. Exception For Single Family Construction And Nominal Projects.**

The requirements of this Ordinance shall not apply to the actual construction of a single family dwelling or accessory buildings to said construction, nor shall it apply to any project which has an overall value of \$10,000.00 or less.

**Section 7. Penalty For Violation.**

Any person, firm, corporation, organization or association who is found to have violated any section of this Ordinance shall be guilty of a misdemeanor the penalty for which shall be a fine of not more than \$500.00 and imprisonment of not more than 90 days.

**Section 8. Effective Date.**

This Ordinance shall become effective thirty (30) days after publication.

**FOOTNOTES**

- (a) Frenchtown Charter Township, including all elected and appointed officials, all employees and volunteers, all boards, commissions and authorities and/or board members, employees and volunteers, shall be named. In addition, the policy shall specifically name the Township Engineering Firm. This coverage shall be primary to the additional insureds and not contributing with any other insurance or similar protection to the additional insured, whether said available coverage may be primary, contributing or excess. Notice of any reduction or material change in coverage shall be mailed, registered mail, return receipt requested to, Township Supervisor, Frenchtown Charter Township, 2744 Vivian, Monroe, Michigan 48162, with a copy to the Township Engineering Firm.
- (b) Endorsement regarding thirty (30) day notice of cancellation etc. must indicate that any notice will be mailed, registered mail, return receipt requested to Supervisor, Frenchtown Charter Township, 2744 Vivian Road, Monroe, Michigan 48162, with a copy to the Township Engineering Firm.