

LAX Development Program  
Owner Controlled Insurance Program

Bradley West Gates  
Project

Insurance  
Manual

LAX DEVELOPMENT PROGRAM  
OWNER CONTROLLED INSURANCE PROGRAM

# Insurance Manual

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## **Bradley West Gates Project**

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## Overview

### *Welcome to the LAWA LAX Development Program Owner Controlled Insurance Program.*

**L**os Angeles World Airports (LAWA) has arranged for certain of its construction projects, including the Bradley West Gates project, to be insured under its Owner Controlled Insurance Program (OCIP). An OCIP is a single insurance program that insures LAWA, all Enrolled Contractors and Enrolled Subcontractors (and enrolled Construction Managers, if any), under Contract with LAWA and other designated parties for Work performed prior to Final Completion at the Project Site. Certain Contractors and Subcontractors are excluded from this program. These parties are identified in Section 4 of this manual.

Coverage under the OCIP includes Workers' Compensation, Employers Liability, General Liability, Excess Liability, Contractor's Pollution Liability, and Builder's Risk Insurance. LAWA will also provide for both enrolled parties and excluded parties Excess Automobile Liability insurance for vehicle operations within the Air Operations Area (AOA) with limits of at least \$9,000,000 excess of Contractor(s)/subcontractor(s) provided \$1,000,000 Combined Single Limit primary policy.

LAWA will pay insurance premiums for the OCIP coverage described in this manual. You should then notify your insurance broker/insurer(s) of the coverages provided under this Program for on-site activities to avoid the duplication of coverage and the related costs.

**NOTE:**

Insurance coverages and limits provided under the OCIP are limited in scope and are specific to work performed after the inception date of your enrollment into this program. Your insurance representative should review this information. Any additional coverage you may wish to purchase will be at your option and expense.

## About This Manual

The Insurance Manual was prepared by Aon Risk Insurance Services West, Inc. (Aon) and Los Angeles World Airports (LAWA). Aon is the insurance broker and **OCIP Administrator** for this program. The manual is designed to identify, define and assign responsibilities for the administration of the LAX Development Program OCIP projects.

### What This Manual Does

This Manual:

- Generally describes the structure of LAX Development Program OCIP
- Identifies responsibilities of the various parties involved in the project
- Provides a *basic* description of OCIP coverage
- Describes audit and administrative procedures
- Provides answers to basic questions about the OCIP
- Will be updated as necessary

### What this Manual Does NOT Do

This Manual does not:

- Provide coverage interpretations
- Provide complete information about coverages
- Provide answers to specific claims questions

Refer questions concerning the OCIP, its administration or coverages to the appropriate party identified in the Project Directory. The Directory immediately follows this introduction.

#### DISCLAIMER:

The information in this manual is intended to outline the OCIP Program. If any conflict exists between this manual and the OCIP insurance policies or Contracts between Los Angeles World Airports and the Contractor, the policies or Contracts will govern.

## OCIP Project Directory

*The following list includes key insurance personnel involved in the project.*

### OCIP Administration

Aon Risk Insurance Services West, Inc.  
707 Wilshire Boulevard, Suite 6000  
Los Angeles, CA 90017

Phone: (213) 630-3200

**Program Manager** – Tom Harvey, OCIP  
Program Manager

Phone: (213) 630-1350  
Fax: (213) 630-2097  
email: Tom\_Harvey@ars.aon.com

**Insurance Administrator** – Debby Hillman

Phone: (213) 630-1306  
Fax: (213) 630-2097  
email: Debby\_Hillman@ars.aon.com

### Los Angeles World Airports

Los Angeles World Airports  
Risk Management Division  
7301 World Way West, 2<sup>nd</sup> Floor  
Los Angeles, CA 90045

Risk Management  
**Risk Manager II** – Bruce Brown

Phone: (310) 215-5495  
Fax: (310) 649-3900  
email: bbrown@lawa.org

**OCIP Manager** – Joe Merkovsky

Phone: (310) 215-5496  
Fax: (310) 649-3900  
email: jmerkovsky@lawa.org

**OCIP Project Assistant** – Glen Malabuyoc

Phone: (310) 215-5496  
Fax: (310) 649-3900  
email: gmalabuyoc@lawa.org



## Project Definitions

*The following list includes key OCIP definitions.*

<b>ELIGIBLE PARTIES</b>	Parties (companies or firms) performing labor or services at the Project site are eligible to enroll in the OCIP unless an Excluded Party.
<b>ENROLLED PARTIES, CONTRACTORS/ SUBCONTRACTORS</b>	Those eligible Contractors and subcontractors that have submitted all necessary enrollment information and have been accepted into the OCIP as evidenced by a Confirmation Letter and Certificate of Insurance.
<b>EXCLUDED PARTIES:</b>	<p>Companies or firms ineligible for OCIP coverage including:</p> <ul style="list-style-type: none"> <li>(a) Hazardous materials remediation, removal and/or transport companies and their consultants;</li> <li>(b) Architects, surveyors, engineers, and soil and other testing or inspection companies, and their consultants;</li> <li>(c) Vendors, suppliers, fabricators, material dealers, truckers, haulers, drivers and others who merely transport, pickup, deliver, or carry materials, personnel, parts or equipment or any other items or persons to or from the Project site;</li> <li>(d) Contractors and each of their respective subcontractors who do not perform any actual labor on the Project site, during the term of the Contract;</li> <li>(e) Any parties or entities not specifically designated by in its sole discretion, even if otherwise eligible.</li> </ul>
<b>Insured Work:</b>	Work performed on the Project site (excluding Work performed off site, except as expressly provided herein, <b>excluding Work performed after Final Completion</b> and excluding Work performed by Excluded Parties).
<b>OCIP:</b>	<b>Owner Controlled Insurance Program</b> - A coordinated insurance program providing certain coverages, as defined herein, for Owner, Eligible and Enrolled Construction Managers, Contractors, and subcontractors performing Work at the Project Site.
<b>OCIP ADMINISTRATOR:</b>	<b>Aon Risk Insurance Services West, Inc.</b>

## OCIP Insurance Coverage

*This chapter provides a brief description of OCIP Coverage. You should refer to the actual policies for details concerning coverage, exclusions and limitations.*

### Excluded Parties

**Excluded Parties** (companies or firms) are precluded from OCIP coverage are generally described as:

- (a) Hazardous materials remediation, removal and/or transport companies and their consultants;
- (b) Architects, surveyors, engineers, and soil and other testing or inspection companies, and their consultants;
- (c) Vendors, suppliers, fabricators, material dealers, truckers, haulers, drivers and others who merely transport, pickup, deliver, or carry materials, personnel, parts or equipment or any other items or persons to or from the Project site;
- (d) Contractors and each of their respective subcontractors who do not perform any actual labor at the Project site.

Los Angeles World Airports reserves the right, at its sole discretion, to include or exclude any contractor or subcontractor from the OCIP. Excluded Parties and parties no longer enrolled in or covered by the OCIP shall obtain and maintain, and shall require each of its Subcontractors to obtain and maintain, the insurance coverage specified in Section 5 of this Insurance Manual or Section 7 of the Contract Specifications (Special Conditions).

### Evidence of Coverage

Each Enrolled Contractor and Subcontractor will be issued an individual workers' compensation policy. The OCIP Administrator will provide a Certificate of Insurance evidencing OCIP insurance to each Enrolled Contractor and Subcontractor, each of whom will be a named insured on the policies. A **Certificate of Insurance** is a document providing evidence of existing coverage for a particular insurance policy or policies. Other documentation including forms, posting notices, etc., will be furnished to each Enrolled Contractor and Subcontractor. Complete copies of policies will be furnished to an authorized representative of each Enrolled Contractor and Subcontractor on request.



## Description of OCIP Coverages

The following sections describe the policies that Los Angeles World Airports has arranged for its projects.

**Note: Specified limits apply to the entire OCIP which covers multiple projects.**

Each Enrolled Contractor and Subcontractor will be issued a separate workers' compensation policy

### Workers Compensation and Employers Liability:

**Part One** - Workers' Compensation: Statutory Limit

**Part Two** - Employer's Liability: Annual Limits Per Insured

Bodily Injury by Accident, each accident	\$ 2,000,000
Bodily Injury by Disease, each employee	\$ 2,000,000
Bodily Injury by Disease, policy limit	\$ 2,000,000

- Exclusion: Employee Employed by General Employer (Labor Leasing Firms) – General Employer must be specifically enrolled
- Other States Endorsement – All States except Monopolistic (ND, OH, WA, WV, WY)
- Designated Premises Endorsement
- Waiver of Subrogation
- Alternate Employer Endorsement
- Voluntary Compensation Including Athletic Events Endorsement
- USL&H, Maritime/Jones Act and FELA on “if any” basis

**GENERAL LIABILITY OBLIGATION**

Contractor shall be responsible at its own expense for the first \$25,000 of each occurrence including court costs, attorney fees and costs of defense for bodily injury or property damage to the extent losses payable are attributable to Contractor's acts or omissions, or the acts or omissions of any of its Subcontractors or any other entity or person for whom Contractor may be responsible.

### Commercial General Liability

	<u>Limits of Liability</u> <u>Shared by All Insureds for All Projects</u>
General Aggregate	\$ 4,000,000
Products/Completed Operations Aggregate	\$ 4,000,000
Personal/Advertising Injury	\$ 2,000,000
Each Occurrence Limit	\$ 2,000,000
Fire Damage Legal Liability (any one fire)	\$ 100,000
Medical Expense Limit (any one person)	\$ 5,000

- Insurance Services Office Occurrence (ISO) Form CG 00 01 12 07
- Broad Named Insured
- Amend Contractual Liability To Include “Other Easements”
- Amend Bodily Injury Definition
- Extend "Expected and Intended" to Include Property Damage (Reasonable Force)
- Professional Liability exclusion deleted for in-house design work - Exclusion - Contractors - Professional Liability Form CG 22 79 07 98
- Delete Personal Injury/Advertising Injury Contractual Liability Exclusion
- Bodily Injury to Co-Employee Endorsement LC 04 04 06 05
- Designated Premises Endorsement
- Incidental Medical Malpractice
- “Silent” On Subsidence And Punitive Damages
- Annual Reinstatement of aggregates as defined in policies (except Products/Completed Operations Extension)
- Ten(10) Year Products & Completed Operations Extension (single aggregate)

A single General Liability policy will be issued covering all insureds.

OCIP INSURANCE COVERAGE

- Exclusions Include: Total Pollution, Fungus including Mold, Lead, EFIS, Asbestos/Silica, Employment-Related Practices, Discrimination

**Excess Liability**

	Limits of Liability <u>Shared by All Insureds for All Projects</u>
Each Occurrence Limit	\$ 300,000,000
Annual General Aggregate Limit	\$ 300,000,000

- “Following Form” underlying General and Employers Liability wording
- Provides endorsement for Auto Liability while operating in the Airfield Operations Area (AOA), with limits of at least \$9,000,000 excess of \$1,000,000 per occurrence self-insured retention
- Annual reinstatement of limits
- Silent on Subsidence
- Ten (10) Year Products & Completed Operations Extension beyond final acceptance of the project.
- Excludes: Exterior Insulation and Finish Systems (EIFS) Real & Personal Property in the care, custody or control of the insured; Asbestos; Discrimination & Wrongful Termination; ERISA; Owned & Non-owned Aircraft, and Watercraft; Nuclear Broad Form Liability, Fungus (Mold)

**BUILDER'S RISK OBLIGATION**

Contractor and/or subcontractor shall be responsible at its own expense for a sum of \$25,000 for each loss payable under the OCIP Builder's Risk Policy attributable to Contractor's Work, acts or omissions, or the Work, acts or omissions of any of Contractor's Subcontractors, or any other entity or party for whom Contractor may be responsible ("Builder's Risk Obligation").

The Builder's Risk Obligation of \$25,000 of each loss will not be covered by the OCIP Coverages.

**Builder's Risk**

	Limits of Liability <u>Shared by All Insureds</u>
"All Risk" Builders Risk including sub-limits for Earthquake and Flood as More Fully Defined in Policy Wording:	
Loss Limit (Total Liability per Occurrence):	\$750,000,000
Sublimits:	
Physical Damage per Occurrence	\$750,000,000
Transit per Conveyance	\$ 10,000,000
Offsite Temporary Storage per Occurrence	\$ 10,000,000
Demolition/ Increased Cost of Construction per Occurrence	\$ 10,000,000
Debris Removal per Occurrence	\$ 25,000,000
Fire Department Service Charges per Occurrence	\$ 2,000,000
Plans, Blueprints, Drawings, Specifications or Other Contract Documents	\$ 1,000,000
Expediting Expenses/Extra Expenses per Occurrence	\$ 10,000,000
Trees, Shrubs, Plantings and Landscaping per Occurrence (Named Perils Only)	\$ 500,000
Annual Aggregate Limits of Liability:	
Earthquake	\$25,000,000
Flood	\$25,000,000

Contractor, and subcontractors of every tier are Additional Named Insureds.

Covers damage to structures in the course of construction, materials, equipment and fixtures to be *permanently* incorporated into the work. Coverage provides protection against "Risks of Direct Physical Loss or Damage" subject to normal policy conditions and exclusions that include Mold, Defective Workmanship and Pollutants.

**Note:**

Contractors and Subcontractors are advised to arrange their own insurance for Contractor or Subcontractor owned or leased equipment, and materials not intended for inclusion in the project. The OCIP will not cover Contractor or Subcontractor property. Materials and equipment that are to be a permanent part of the project will be covered by Builder’s Risk Insurance, subject to the terms of the policy.

**Contractor’s  
Pollution  
Liability  
OBLIGATION**

Contractor and/or Subcontractor shall be responsible at its own expense for the first \$25,000 of each occurrence including court costs, attorney fees and costs of defense for bodily injury or property damage to the extent losses payable are attributable to Contractor’s and/or Subcontractor’s acts or omissions, or the acts or omissions of any of its Subcontractors or any other entity or person for whom Contractor and/or Subcontractor may be responsible (“Contractor’s Pollution Obligation”).

The Contractor’s Pollution Obligation of \$25,000 of each loss will not be covered by the OCIP Coverages

**Contractor’s Pollution Liability (Occurrence Form)**

**Limits of Liability**  
Shared by All Insureds

Each Occurrence Limit	\$25,000,000
Policy Aggregate Limit	\$25,000,000

- For all *Enrolled* Parties with completed operations for ten (10) years
- Definition of Property Damage Endorsement (OCIP)
- Joint Defense Endorsement
- Biological Contaminants (including Mold) Endorsement – **Claims-Made basis**
- EIFS Exclusion
- Insured vs. Insured Exclusion
- Transportation Exclusion – Loading and Unloading Exception

The descriptions on these pages provide a summary of coverages ONLY. Contractors and Subcontractors should refer to the policies for actual terms and conditions.

**OCIP Termination or Modification**

Los Angeles World Airports reserves the right to terminate or modify the OCIP or any portion thereof. If LAWA exercises this right, Contractors and Subcontractors will be provided notice as required by the terms of their individual contracts. At its option, LAWA may procure alternate coverage or may require the Contractors to procure and maintain alternate insurance coverage.

## Contractor Required Coverage

*Contractors and Subcontractors are required to maintain coverage to protect against losses that occur away from the Site or that are otherwise not covered under the OCIP.*

Contractors and Subcontractors are required to maintain insurance coverage that protects Los Angeles World Airports, from liability for claims for damages. These liabilities may arise from the Contractor's and Subcontractor's operations performed away from the Project site, from activities not insured by the OCIP, or from operations performed by Excluded Parties.

There are two types of contractors: **Eligible** Contractors and **Excluded** Contractors.

**Eligible** Contractors and Subcontractors are to provide evidence of Workers Compensation insurance and General Liability for *off-site activities* as per the insurance specifications in the contract. See Section 3 for the definition of an Eligible Contractor.

**Excluded** Contractors and Subcontractors must provide evidence of General Liability and Workers Compensation insurance for all activities including **both** *on-site* and *off-site* activities as per the insurance specifications in the contract. See Section 3 for the definition of Excluded Parties.

## Contractor Maintained Coverages

The limits of liability shown for the insurance required of the Contractors and Subcontractors are minimum limits only and are not intended to restrict the liability imposed on the Contractors and Subcontractors for work performed under their Contract.

**As to eligible and Enrolled Parties, the workers' compensation, employer's liability, and commercial general liability insurance required by this Section shall only be for off-site activities or operations not insured under the OCIP Coverages.**

CONTRACTOR REQUIRED COVERAGE

Workers' Compensation and Employer's Liability

**Part One** - Workers' Compensation: Statutory Limit

**Part Two** - Employer's Liability: Annual Limits:

Bodily Injury by Accident, each Accident:	\$ 1,000,000
Bodily Injury by Disease, each Employee	\$ 1,000,000
Bodily Injury by Disease, Policy Limit:	\$ 1,000,000

Limits apply to both enrolled and excluded parties.

General and/or Excess Liability

Enrolled Parties

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal/Advertising Injury	\$1,000,000
Each Occurrence Limit	\$1,000,000

Excluded Parties

General Aggregate	\$10,000,000
Products/Completed Operations Aggregate	\$10,000,000
Personal/Advertising Injury	\$10,000,000
Each Occurrence Limit	\$10,000,000

Notwithstanding the above, the following applies to Excluded Parties not operating within the AOA:

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal/Advertising Injury	\$1,000,000
Each Occurrence Limit	\$1,000,000

The commercial general liability insurance required by this Section shall include the following coverages for Excluded Parties: Premises and Operations, Contractual (Blanket/Schedule), Independent Contractors, Broad Form Property Damage, Personal Injury, Explosions, Collapse & Underground (required when work involves digging, excavation, grading or use of explosive materials).

Limits can be provided by a combination of a primary Commercial General Liability policy and Excess or Umbrella Liability policy.

Any Excluded parties having on-site operations and access restricted to outside the Air Operations Area (AOA) are similarly required to maintain limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

Any Excluded parties having on-site operations that occur within the Air Operations Area (AOA), other than operations within vehicles, are required to maintain limits of not less than \$10,000,000 per occurrence and \$10,000,000 in the aggregate. In the alternative, Excluded Parties having on-site operation occurring within the AOA may maintain

**Eligible Contractors** shall provide evidence of workers' compensation insurance for off-site activities.

**Excluded Contractors** shall provide evidence of workers' compensation applicable to "on" and "off" site activities.

**Eligible Contractors** shall provide evidence of general liability insurance for off-site activities and name LAWA as Additional Insured.

**Excluded Contractors** shall provide evidence of general liability insurance applicable to "on" and "off" site activities and name LAWA as Additional Insured.

Aviation/Airport Liability with limits of \$10,000,000 each occurrence and in the aggregate.

## Automobile Liability

**All Contractors and Subcontractors** shall provide evidence of automobile liability. The OCIP does not cover primary automobile liability. The OCIP will provide excess auto liability for operations the AOA.

Standard Commercial Automobile Liability Insurance covering all owned, non-owned and hired automobiles, trucks, and trailers with a combined single limit of not less than \$1,000,000. The City will procure for the benefit of Enrolled Parties and Excluded Parties Excess Automobile Liability Insurance **for operations occurring within the Air Operations Area (AOA)** with limits of at least \$9,000,000.

## Property Insurance

Contractors and Subcontractors are advised to arrange their own insurance for owned and leased equipment, and materials that will **not** be permanently installed in the project, whether such equipment or materials is located at a Project Site or “in transit”. **(Materials or equipment that are to be permanently installed in “the project”, whether located at the project site, at an approved “off-site” location, or “in transit” will be covered by the Builder’s Risk policy, subject to the terms of that policy.)** Contractors and Subcontractors are solely responsible for any loss or damage to their personal property including, without limitation, property or materials created or provided under the Contract until installed at the Project Site, contractor tools and equipment, scaffolding and temporary structures, whether owned, used, leased or rented by contractor. The OCIP will not cover Contractor or Subcontractor property.

## Watercraft and Aircraft Liability

The operator of any watercraft or aircraft of any kind must maintain liability naming the Owner and the respective Contractor and/or Subcontractor as an additional insured with primary and non contributory wording. In addition, the limit of liability must be satisfactory to Los Angeles World Airports. Such insurance requirements will be determined as the need arises.

## Professional Liability

**Los Angeles World Airports OCIP** does not provide professional liability insurance.

LAWA does not provide Professional Liability as part of this OCIP. All professional service firms must provide professional liability insurance appropriate for their profession. Architect and engineering firms must provide insurance covering liability arising out of design errors and omissions with a limit as specified in the Contract.

## Pollution Liability

Hazardous (environmental) remediation and demolition Contractors and Subcontractors whose Work involves removal or treatment of hazardous materials will provide and maintain Contractors Pollution Liability insurance. Such coverage will specifically schedule the type of work defined in the Contract. Los Angeles World Airports will determine the required limits based on the nature of the contract and the risk involved.

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Certificates of Insurance

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Prior to mobilization and enrollment in the OCIP and within five (5) days of the OCIP Administrator's request, or renewal, change or replacement of coverage, Contractors and Subcontractors will submit to the OCIP Administrator the required **Certificates of Insurance** evidencing the coverage and limits as specified in this section with insurers having an **A.M. Best's rating of A- IV or better**.

Contractor shall obtain and maintain, and shall require each of its Subcontractors to obtain and maintain, the insurance coverage specified in this Section 5 and in Section 7 of the Contract Specifications (Special Conditions) in a form and from insurance companies and from insurance companies having an A.M. Best's rating of A- IV or better. Each policy required under this Section 5 and Section 7 of the Special Conditions of the Contract, shall also, either by provisions in the policies, or by other endorsement attached to such policies, include and insure the City, its Board of Airport Commissioners (hereinafter referred to as "Board"), LAWA, the OCIP Administrator, their respective officers, agents and employees, and any additional entities as the City may request as additional insureds against the area of risk described herein as respects Contractor's acts or omissions in its operations, use and occupancy of the premises hereunder or other related functions performed by or on behalf of Contractor on Airport.

Each specified insurance policy (other than Workers' Compensation and Employers' Liability and fire and extended coverages) shall contain a Severability of Interest (Cross Liability) clause which states, "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability," and a Contractual Endorsement which shall state, "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under this Agreement with the City of Los Angeles."

All such insurance shall be primary and noncontributing with any other insurance held by City and/or Los Angeles World Airports where liability arises out of or results from the acts or omissions of Contractor, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of Contractor.

More details regarding required limits and endorsements may be downloaded from the following website: [http://www.lawa.org/welcome\\_lawa.aspx?id=630](http://www.lawa.org/welcome_lawa.aspx?id=630).

Completed forms should be forwarded to the OCIP Administrator. Please see the Project Directory address, fax, and email information.

**As to eligible and Enrolled Parties, the workers' compensation, employer's liability, and commercial general liability insurance required by this Section shall only be for off-site activities or operations not insured under the OCIP Coverages**

## Contractor Responsibilities

*Throughout the course of the Project, Contractors will be responsible for reporting and maintaining of certain records as outlined in this section.*

The Contractor and its Subcontractors are required to cooperate with Los Angeles World Airports and its OCIP Administrator in all aspects of OCIP operation and administration. Responsibilities of the Contractor include:

- Identifying, and removing from its bid to LAWA, the cost of OCIP-provided Insurance Providing each Subcontractor with a copy of the Insurance Manual and Construction Safety Policy Guidelines
- Enrolling in the OCIP
- Including OCIP provisions in all subcontracts as appropriate
- Providing timely evidence of insurance (Certificates of Insurance per LAWA requirements) to the OCIP Administrator
- Notifying the OCIP Administrator of all subcontracts awarded
- Maintaining and reporting monthly payroll records
- Cooperating with the OCIP Administrator's requests for information
- Complying with insurance, claim and safety procedures as herein described
- Notifying the OCIP Administrator immediately of any insurance cancellation or non renewal (Contractor-required insurance)
- Promptly Paying General Liability Obligations/Deductibles (if any)
- Assisting with Subcontractor compliance with all OCIP requirements

### **Responsibilities of Subcontractors of all tiers:**

- Identifying, and removing from its bid to Contractor, the cost of OCIP-provided Insurance
- Enrollment in the OCIP, if eligible (Please refer to Adjustments for Costs of OCIP Provided Coverages.)
- Reviewing and understanding coverages, exclusions, and limitations of OCIP policies
- Maintaining and reporting monthly payroll records



- Cooperating with the OCIP Administrator's requests for information
- Complying with insurance, claim and safety procedures as herein described
- Providing timely evidence of insurance (Certificates of Insurance per LAWA requirements) to the OCIP Administrator
- Promptly Paying General Liability Obligations/Deductibles (if any)

In conjunction with the responsibilities of the Contractor and its Subcontractors, the OCIP Administrator has responsibilities as part of the OCIP. Those responsibilities include:

- Providing instructions for enrollment
- Assisting Contractor and Subcontractor during enrollment process
- Conducting Contractor/Subcontractor OCIP Orientation Meetings if Requested
- Collecting and recording Monthly Payroll Reports
- Providing written notice to Contractor regarding subcontractor compliance
- Tracking Final Audit and Subcontractor Close-Outs

## Contractor Bids

LAWA has elected to utilize an OCIP to provide certain insurance coverages for all Enrolled Contractors and Enrolled Subcontractors for Work performed at the Project Site(s). The section below, "Adjustments for Costs of OCIP Provided Coverages" describes the procedure for bidding, and how Contractor must remove the cost of OCIP-provided insurance, for Contractor and all Subcontractors, from the bid and all requests for payment for the work. Section 8 of this Manual contains worksheets (Aon-1 & Aon-2) that are used by the Contractor/subcontractor to help identify insurance costs for this Project. These worksheets must **not** be submitted with Bid.

See Section 7 for sample forms that can help identify your insurance costs.

See Section 2 for information on contacting the OCIP Administrator.

**DO NOT SUBMIT ANY OCIP FORMS WITH YOUR BID.**

## Contractor/Subcontractor Costs of OCIP-Provided Coverages

Each Contractor and Subcontractor is required to **exclude** the cost of OCIP provided insurance coverages from its bid price for the proposed scope of work (including subcontracted work). That is, do not include costs of insurance coverage that the OCIP is providing in your bid.

## CONTRACTOR RERESPONSIBILITIES

To aid the Contractor and its Subcontractors in identifying its costs of OCIP provided insurance, the Insurance Credit Worksheet form (Aon-1) (a sample is included in Section 8) is available for the Contractor and Subcontractor to use. A separate form can be used for the Contractor's self-performed work, each identified Subcontractor and for unidentified Subcontractors at the time of the bid. **The work sheets are to assist the Contractor and Subcontractor in removing the insurance costs from the bid to help remain competitive. Do not include these worksheets with the bid submission.**

Each Enrolled Contractor and Enrolled Subcontractor may be required to submit insurance documentation to assist the City and its OCIP Administrator in their internal insurance evaluations. Documentation may include the following pages from the Workers' Compensation, General Liability, Excess Liability, Contractor's Pollution Liability, and Builders' Risk/Installation Floater policies:

- Declarations or information page
- Rate page(s)
- Deductible endorsements
- Verification of experience modification (Workers' Compensation only)
- 5 Years of loss history for entities that retain losses

OCIP insurance coverage shall apply to change-order work as it does to the base scope of work. As such, change order pricing should be priced by the Enrolled Contractors to exclude the cost of OCIP provided insurance coverages.

**Contractors are solely responsible for ensuring that their Subcontractors of all tiers also deduct the cost of OCIP provided insurance coverages from their bids.**

## Enrollment

See Section 8 for sample OCIP forms.

Each Contractor shall provide details about its Subcontractors as necessary to enroll them in the OCIP. LAWA will need all of the information requested on the Enrollment Application form (Aon-3) in Section 8. This form must be completed and submitted to the OCIP Administrator prior to mobilization to obtain coverage under the OCIP.

A separate Enrollment Application form (Aon-3) is required for each Eligible Subcontractor of any tier which performs Work at the Project Site. A separate Workers' Compensation policy will be issued to each enrolled Contractor and Subcontractor.

Each Enrolled Contractor or Subcontractor will received a Confirmation Letter. A **Confirmation Letter** is a letter issued by the OCIP Administrator that confirms acceptance of the applicant into Los Angeles World Airports OCIP.

**Note: Enrollment is not automatic**

Enrollment into the OCIP is required, but not automatic. Eligible Contractors and all Eligible Subcontractors **MUST** complete the enrollment forms and participate in the enrollment process for OCIP coverage to apply. Access to the Project Site will not be permitted until enrollment is complete.

## Safety Guidelines

Safety Guidelines  
establishing minimum  
standards or guidelines for  
contractor safety programs.

Each Contractor is required to establish a written, project-specific, safety program and to provide a designated safety representative who is on site when any work is in progress. Minimum standards for contractor programs are outlined in Los Angeles World Airports' Airport Development Group Construction Safety Policy Guidelines.

## Assignment of Return Premiums

The cost of the OCIP insurance coverage is paid by Los Angeles World Airports. LAWA will be the sole recipient of any return OCIP premiums or dividends. All Enrolled Contractors and Subcontractors will assign, to LAWA, all adjustments, refunds, premium discounts, dividends, credits or any other monies due from the OCIP insurer(s). Contractors will assure that each Enrolled Subcontractor has executed such an assignment. The Enrollment Application form (Aon-3) supplied in Section 7 will be used for this purpose.

## Payroll Reports

Each Enrolled Contractor and Subcontractor of every tier must submit monthly Workers' Compensation payroll reports to the OCIP Administrator identifying man-hours and payroll for all work performed at the Project Site by Contract. This information will be used to provide the insurance company with information required for determining LAWA's premium.

Enrolled Contractors and Subcontractors must submit payroll reports prior to the 10<sup>th</sup> of the following month. Using the internet, **go to [www.AonWrap.Aon.com](http://www.AonWrap.Aon.com) and utilize the password provided with your evidence of enrollment.** The monthly man-hour and payroll reports should include supervisory and clerical personnel on-site and cover all Work performed at or emanating directly from each Project Site.

Please note: in the event of "interim demobilization", that is when the Contractor/subcontractor is not performing work at the project site but is still enrolled in the OCIP, the Contractor/subcontractor will still be required to submit Monthly Payroll Reports.

## Insurance Company Payroll Audit

Each Enrolled Contractor and Subcontractor is required to maintain payroll records for each Contract. Such records will allocate the payroll by Workers' Compensation classification(s) and

exclude the excess or premium paid for overtime (i.e., only the straight time rate will apply to overtime hours worked). Furthermore, such records will limit the payroll for Executive Officers and Partners/Sole Proprietors to the limitations as stated in the state manual rules.

It is important that you properly classify payrolls, as these are reported to the rating bureau for promulgation of future Experience Modifiers for your firm. All Enrolled Contractors and Subcontractors shall make available their books, vouchers, contracts, documents, and records, of any and all kinds, to the auditors of the OCIP insurance carrier(s) or LAWA's representatives. Availability of records must be for a reasonable time during the policy period, any extension, or during a final audit period as required by the insurance policies.

**Note:**

Failure to submit the payroll reports as required may result in the withholding of payments until required documentation is received.

## Change Orders and the OCIP

OCIP insurance coverage shall apply to change-order work as it does to the base scope of work. As such, change order pricing should be priced by the Enrolled Contractors to exclude the cost of OCIP-provided insurance coverages.

## Close Out and Audit Procedures

Submit the Notice of Work Completion form (Aon-5) when a Contractor and/or an associated Subcontractor has completed its Work at projects and no longer has on-site workers. The Aon-5 form will initiate the final payroll report and audit of payroll and man-hours by the OCIP Insurer. These Close-Out and Audit activities will proceed as quickly as possible, and are expected to take thirty (30) to forty-five (45) days. The **OCIP Insurer** is the insurance company (ies) named on a policy or certificate of insurance that provides coverage for the OCIP. A copy of the Notice of Work Completion form, (Aon-5) with instructions on the proper method for completion is found in Section 8.

Final payment will not be released to Subcontractors by Contractor until all necessary forms have been submitted to the OCIP Administrator. Any Penalties for which the Contractor or Subcontractor of any tier is responsible for will be considered at the time of close-out. Penalties will *not* be considered if previously reimbursed.

## Claim Procedures

*This section describes basic procedures for reporting various types of claims: workers' compensation, liability, and damage to the project.*

### Workers' Compensation Claims

A Claims Kit will be provided to all enrolled parties. It will include details about claim reporting and is intended for use at the job site.

**T**he main responsibility for any Contractor and/or Subcontractor is first to see that the injured worker receives immediate medical care. In the event of a serious injury or accident, you should immediately notify the OCIP Administrator.

To assist in the reporting of an injury or accident, claims may be reported via a toll-free telephone number or over the Internet. **Please report any injury using the number 1-800-641-1723 as soon as practicable, but within 24 hours.** This number is available 24 hours a day, 7 days a week. When you report the workers compensation injury by phone at **1-800-641-1723**, the insurance company will complete the Employer's First Report of Injury (form 5020) and make the necessary filings. However, it is the employer's responsibility to provide the injured worker with the Employer's Claim Form (form DWC-1).

**Emergency Phone:**

**310-646-7911**

for all airport emergency services including ambulance.

Each Contractor and Subcontractor enrolled into the LAWA OCIP will receive a Claims Kit detailing the procedures for reporting Worker's Compensation claims. These kits will include appropriate claim forms and postings. Additional kits or claims forms can be obtained from the OCIP Administrator.

Los Angeles World Airports has arrangements with two local medical providers for treatment of all minor or non-life threatening injuries. Additional details are provided in the Claims Kit provided at the completion of the enrollment process.

Contractors and Subcontractors must designate a representative at the site to take injured employees to the medical center, and to report the claim. This individual is to remain with the injured employee at the center while he/she is being treated. The treating physician should provide a written description of whether or not the injured employee can return to work, a list of restrictions if any, and the estimated length of time he/she will stay on modified duty. Los Angeles World Airports supports transitional modified work to keep injured workers gainfully employed during recovery.

Please call the local emergency services (**Airport Police Dispatch -- 310-646-7911**) for emergency response to any serious traumatic life threatening injuries.

## Liability Claims

Report all Liability claims to the OCIP Administrator at 213-996-1306.

Accidents at or around the job site resulting in damage to property of others (other than your own work product), or personal injury or death to a member of the public, must be reported immediately to Airport Police and the OCIP Administrator or the carrier's claims coordinator. Complete and deliver the General Liability Loss Notice as contained in the Claims Kit to the OCIP Administrator at 213-630-1306 within 24 hours of the incident.

Do *not* voluntarily admit liability and cooperate with LAWA or the OCIP insurer representatives in the accident investigation.

## Automobile Claims

Report all Auto claims to your insurance carrier and the OCIP Administrator at 213-996-1306.

***No primary liability coverage is provided for automobile accidents under the OCIP. It is the sole responsibility of each Contractor and Subcontractor to report accidents/claims involving their automobiles to their own insurers and any accident on Airport Operations Area (AOA).***

HOWEVER, all accidents occurring in or around the job site must be reported to the OCIP Administrator at 213-630-1306. Accident investigations will occur and focus on liability arising out of the project construction activities that could result in future claims (i.e. due to the conditions of the roads, etc.) Each Contractor and Subcontractor shall cooperate in the investigation of all automobile accidents.

## Pollution Claims

Report all Pollution incidents or claims.

Please report all Project pollution incidents or claims by immediately notifying the OCIP Administrator at 213-630-1306 of any known or suspected pollution incidents.

## Loss and Claims Information

The OCIP Administrator will furnish loss reports summarizing the contractor's or subcontractor's claims as requested by the contractor or subcontractor, but limited to a quarterly distribution. Information on a specific claim may be obtained by calling the OCIP Administrator at any time. Claims Review Meetings will be conducted with LAWA and insurance company periodically throughout the course of the project as needed.

## Forms

*This section contains the forms needed for reporting claims, reporting payroll and administration of the OCIP.*

This section contains the following forms:

Aon 1	Insurance Credit Worksheet and Instructions
Aon 2	Insurance Summary and Instructions
Aon 3	Enrollment Application and Instructions (with endorsement WC 040317)
Aon 4	Payroll Report and Instructions
Aon 5	Notice of Work Completion and Instructions

### Note

For assistance in completing these forms, please contact:

Debby Hillman

Aon Risk Services

Ph: (213) 630-1306

Fax: (213) 624-2097

Email: [Debby\\_Hillman@ars.aon.com](mailto:Debby_Hillman@ars.aon.com)







**1. Contractor Information:**

Federal ID No.:

▼ **Business Information** (headquarters)

▼ **Contact Information** (address questions to.)

Company Name & dba /  
Contact Name & Title:

**ABC Construction Company, Inc.**

**ABC Construction Company, Inc.**

Address:

**123 Main St.**

**1 Site Street**

City, State Zip Code:

**Hometown, CA 98765**

**Projectown, CA 91234**

Telephone:

**555-123-4567**

**555-923-4567**

Fax:

**555-987-6543**

**555-187-6543**

**2. Bid Information:**

Bid Package No.: **Neuroscience #1**

Scope of Work: **Brief description of Project**

Proposed Contract Price: **\$ 27,566,320**

Amount of Self Performed Work: **\$ 8,500,000**

Are you a:  Contractor  
 Subcontractor

If Subcontractor,  
identify under contract with: \_\_\_\_\_

**Workers' Compensation Insurance Information:**

State	Class Code	Description	Rate (per \$100 payroll)	Worker-hours	Payroll	WC Premium (Payroll * Rate / 100)
CA	5403	Carpentry < \$21	22.20	12,750	375,000	83,250
CA	5432	Carpentry > \$21	7.99	39,400	985,000	78,702
CA	5213	Concrete Const. NOC	12.11	17,350	416,500	50,438
CA	5214	Concrete or Cement	11.54	4,791	115,000	13,271
CA	6220	Excavation > \$23	8.10	860	21,500	1,742
<b>9. Totals</b>				<b>75,151</b>	<b>1,913,000</b>	<b>227,403</b>

10. Your Company's Workers' Compensation Experience Modifier: **.75**

11. Modified Premium (Total WC Premium multiplied by line 10): **170,552**

12. a) Employers Liability Rate: **Incl.** b) Employers Liability Cost = line 11 x line 12a: **170,552**

a) Modification Premium Factors:	b) Rate	c) Amount
Modifier 1:	<b>10%</b>	<b>17,055</b>
Modifier 2:	<b>8%</b>	<b>13,644</b>

d) Total Modified Amount: **(30,699)**

14. Total Workers' Compensation Premium (line 11 plus 12 plus or minus 13): **139,853**

15. a) General Liab. Rate: **3.75** b) Based On:  Payroll  Receipts  Other  
c) Rate factor:  Per \$100  Per \$1,000  
GL Premium Cost: **31,875**

16. a) Builder's Risk/Installation Floater Rate: **.15** b) Property Premium Costs: **39,750**

17. a) Excess/Umbrella Rate: **.262** b) Based On:  Payroll  Receipts  
c) Rate factor:  Per \$100  Per \$1,000  
Excess/Umbrella Premium Costs: **6,943**

18. Total of all Insurance Premiums (total of lines 14, 15, 16 & 17): **218,421**

19. Overhead & Profit on Insurance Prem. %: **10%** O/H & Profit Amount: **21,826**

20. Total of Lower Tier Subcontractors Insurance Credits (Line 7d from Aon-2): **573,289**

21. Total Initial Insurance Credit (Total of lines 18, 19 & 20): **791,710**

22. Initial Insurance Composite Rate (line 21 divided by total payroll in line 9): **13.59**

## INSTRUCTIONS FOR INSURANCE CREDIT WORKSHEET (AON FORM-1)

Complete a separate form for each contractor, known subcontractor and trade not currently awarded to a subcontractor. Completion of this form is a required part of your bid and must accompany your bid documents. Duplicate this form as needed:

**1. Contractor Information:**

- Provide your company's Federal Id Number.
- Provide your Business Information including the Company Name, Address, City, State, Zip Code, Telephone and Fax in the column.
- Provide the name of your employee that can answer insurance questions. If this person's Business Address, Telephone and Fax is different enter this information in the column provided.

**2. Bid Information:**

- Provide the Bid Package Number assigned by Los Angeles World Airports.
- Provide a brief description of the work your firm will perform.
- Identify your proposed contract price.
- Identify the amount your firm will self-perform (*100% if no subcontractors are used; otherwise, your proposed contract price less the amount to be subcontracted out*)
- Check the box that applies to your status on this bid.
- Identify with whom you are contracting with (Los Angeles World Airports or the name of the contractor or subcontractor)

**Workers Compensation Insurance Information:**

Description of Worker's Compensation Column Information

℞ **State & Class Code** – provide the state in which the work will be performed and the workers compensation classification codes that are applicable to the scope of your work.

∅ **Description** – Provide the workers compensation class code descriptions that applies to the codes.

⊗ **Rate** – enter rate your firm pays for coverage for each class code. This information can be obtained from your workers compensation policy.

⊕ **Man-hours** – Provide your estimated man-hours, by class code, for work that will be performed *on-site*.

∅ **Payroll** – Provide your estimated payroll, by class code, for work that will be performed *on-site*.

∩ **WC Premium** – For each classification you entered, multiply the Payroll by the Rate and divide by 100.

9. **Totals** – Calculate totals for columns numbered ⊕, ∅ and ∩.
10. **Workers Compensation Experience Modifier** - Enter your experience modification factor. This number is located on your workers compensation policy or on the Bureau's rating sheets. If you do not have an experience modifier, use 1.00.
11. **Modified Premium** – Multiply the total on line 9 by your workers compensation experience modifier.
12. **Employers Liability Rate** – a) Enter your Employers Liability Rate located on your workers compensation policy and b) calculate by multiplying the Modified Premium by the rate.
13. **Modification Premium Factors** – Identify the premium modification factors that apply to your workers compensation policy. These factors may include a "Scheduled Credit" or a "Premium Discount". a) Identify the name of the Modifier, b) enter the **Rate**, c) compute the **Amount** by calculating the Modified Premium by the Rate. Total the amount computed in column 13.c). Enter the total in d).
14. **Total Workers Compensation Premium** – Add the Modified Premium and the Employers Liability Premium (line 11 and 12). Subtract the Premium Modifications identified and totaled in line 13d).

Other Insurance Items:

15. **General Liability** – a) Enter the General Liability rate, b) identify the bases the rate applies to by checking the *box (if the basis is other, identify in the space provided)*, c) Check whether the rate factor is (\$100 or \$1,000). Compute the General Liability Premium by using the formula (rate bases \* rate / rate factor).
16. **Builder's Risk/Installation Floater** – a) Enter the rate and b) apply to the Proposed Contract Cost identified in the Bid Information Section.
17. **Excess/Umbrella Liability** – a) Enter your Excess or Umbrella Liability rate, b) identify the basis the rate applies to by checking the box (*if the basis is other, identify in the space provided*), c) Check whether the rate factor is (\$100 or \$1,000). Compute the Excess or Umbrella Liability Premium by using the formula (rate basis \* rate / rate factor).

Total Insurance Premiums:

19. **Total of all Insurance Premiums** – Add lines 14, 15, 16 and 17.
20. **Overhead & Profit** - a) Identify your percentage of Overhead & Profit included in your pricing structure, b) apply the percentage to Overhead & Profit to the Total of all Insurance Premiums.
21. **Total Initial Insurance Credit** – Add lines 18 and 19.
22. **Initial Insurance Composite Rate** - Divide the Total Initial Insurance Credit (*line 20*) by the Total Payroll (*column 9*).

**Do not submit this form with your bid.**

1. Name of Contractor: \_\_\_\_\_ 2. Bid Package No.: \_\_\_\_\_  
 3. Total Proposed Cost: \$ \_\_\_\_\_

Contracting Parties & Trades		a Amount of Contract	b Estimated Man-hours	c Estimated Payroll	d Initial Insurance Credit
<i>Aon Form-1 Reference No.</i>		2.	9.⊕	9.∅	9.∅
<b>4. Contractor : (Attach an Aon Form-1)</b>					
5. Your Known Subcontractors (Attach a Separate Aon Form-1 form each)	DO NOT SUBMIT	THIS FORM WITH	WITH YOUR	BID.	
6. List Additional Trades NOT yet assigned to a sub (attach separate Aon Form -1)					
<b>7. Total Estimates for Contract:</b>	7a	7b	7c	7d	
<b>8. Composite Rate for Contract:</b> (line 7d divided by line 7c * 100)					

DO NOT SUBMIT THIS FORM WITH YOUR BID.

## INSTRUCTIONS FOR INSURANCE SUMMARY (AON FORM-2)

Make a separate entry on the Aon Form-2 for each contractor, know subcontractor and trade not currently awarded to a subcontractor. Attach an Aon Form-1 to support each line entry. Completion of this form is a required part of your bid and must accompany your bid documents. Duplicate this form as needed:

### General Information

1. **Name of Contractor** – Enter the name of the Contractor or Subcontractor that is being summarized on the form.
2. **Bid Package No.** – Enter the Bid Package No. that Los Angeles World Airports assigned to the bid.
3. **Proposed Contract Cost** – Enter the Proposed Contract Cost for the Contractor or Subcontractor being summarized.

### Contractor Specific Information

4. **Contractor** – Enter the Contractor or Subcontract that is being summarized (*include only self-performed work from the Aon Form-1*)
  - b) Estimated Man-hours ( line 9 and column⊕ )
  - c) Estimated Payroll ( line 9 and column∅ )
  - d) Initial Insurance Credit ( line 21).
5. **Known Subcontractors** – for each Subcontractor summarize their work and the work of lower level tiers. Information will be obtained from either an Insurance Summary Aon Form-2, if lower level tiers were used, or the Aon Form-1. The Aon Form-1 reference numbers are supplied below:
  - a) Amount of Contract – The Proposed Contract Cost from Bid Information Section (2).
  - b) Estimated Man-hours -- the work performed by the subcontractor and all lower level subcontractors. Information from line 9 and column⊕.
  - c) Estimated Payroll -- the work performed by the subcontractor and all lower level subcontractors. Information from line 9 and column.
  - d) Initial Insurance Credit -- the work performed by the subcontractor and all lower level tiers. Information obtained from line 21.
6. **Identified Trades NOT yet assigned to a subcontractor** – for each trade, not yet assigned to a subcontractor, estimate the amount of work and insurance costs on Aon Form-1s.
  - a) Amount of Contract – The Estimated cost to subcontract the work. Information is obtained from the Proposed Contract Cost from Bid Information Section (2).
  - b) Estimated Man-hours -- the estimated on-site trade man-hours. Information from line 9 and column⊕.
  - c) Estimated Payroll -- the estimated on-site trade payroll. Information from line 9 and column∅.
  - d) Initial Insurance Credit -- the computed insurance costs for the trade based on estimated subcontract cost, including Contract Amount, Man-hours and Payroll. The OCIP Administrator is available to provide reasonable insurance rates for computing the insurance costs on the Aon Form-1. Information obtained from line 21.
7. **Total Estimates for Contract** – The total amount entered in column a, b, c, and d.
8. **Composite Rate for Contract** – The Total Initial Insurance Credit divided by the Total Estimated Payroll (*line 7d / 7c*).



**4. Subcontract Information:** List any subcontractors that will be working for you on this project (complete the information in the following table). Use additional paper if necessary:

Subcontractor	Address	Subcontract \$	Phone	Contact Person
Do Not Submit	This Form	With Your Bid		

- 5. Will you have any off-site location(s) 100% dedicated to this project?  Yes  No If yes, please provide address:  
\_\_\_\_\_
- 6. If you are a subsidiary and/or division of another company, complete a WCIRB Change of Ownership Form. If you are a participant as a joint venture partner, must also complete an WCIRB Change of Ownership Form.
- 7. Please check if:  Any aircraft used on this project  Any watercraft used on this project
- 8. Does your firm participate in Alternative Dispute Resolution with the Union?  Yes  No

**WARRANTY**

Workers' Compensation, General Liability, Excess Liability, Contractor's Pollution, and Builder's Risk Insurance coverages, as stated in the Contract Documents, are provided by Los Angeles World Airports. The undersigned agrees and warrants:

- 9. It is the Contractor's/Subcontractor's responsibility to notify it's own insurance carrier to exclude, from its regular insurance all Insurance Costs for OCIP-provided insurance for Work to be performed at the Project Site under this Contract.
- 10. The statements in this insurance application are true to the best of my knowledge.
- 11. Contractor/Subcontractor warrants that the cost of OCIP insurance and the cost of OCIP insurance for all subcontracted Work have been deducted from their bid.
- 12. Contractor/Subcontractor agrees to be solely responsible for the cost of the premiums for non-OCIP insurance specified in the contract.
- 13. Contractor/Subcontractor acknowledges that employees of a "general employer," "special employer," or similar "labor leasing" firm will not be covered under the Worker's Compensation policy issued to Contractor/Subcontractor as per attached form "Employee Covered by General Employer Excluded" endorsement #WC 040317.
- 14. The costs of premiums for the coverage provided by the OCIP shall be paid by Los Angeles World Airports. Los Angeles World Airports will receive or pay, as the case may be, all adjustments to such costs, whether by way of dividends, retrospective rating adjustments, return premiums, audits or otherwise. Each Contractor and each of its Subcontractors shall execute any instruments of assignment as may be necessary to permit Los Angeles World Airports to receive such adjustments, unless otherwise provided in the Contract Documents.

Date: \_\_\_\_\_ Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_ Signature: \_\_\_\_\_

**Mail to: Debby Hillman**  
**Aon Risk Services, Inc.**  
**707 Wilshire Blvd., Ste. 2600**  
**Los Angeles, CA 90017**

**Fax to: Debby Hillman**  
**Aon Risk Services, Inc.**  
**(213) 630-2097**

**Or**

[Debby Hillman@ars.aon.com](mailto:Debby.Hillman@ars.aon.com)

**ENDORSEMENT AGREEMENT LIMITING AND RESTRICTING THIS INSURANCE  
California - Employee Insured by General Employer Excluded**

The insurance under this policy is limited as follows:

It is AGREED that, anything in this policy to the contrary notwithstanding, this policy DOES NOT INSURE:

**NO LIABILITY FOR  
EMPLOYEE INSURED BY  
GENERAL EMPLOYER**

Any liability you may have as the special employer of an employee who is not on your payroll at the time of injury, based upon your representation that: (1) you have entered into a valid and enforceable agreement pursuant to Labor Code Section 3602(d) with the employee's general employer under which the general employer agrees to secure the payment of compensation for such employee and (2) the general employer has obtained workers' compensation coverage for the employee.

**FAILURE TO SECURE THE PAYMENT OF FULL COMPENSATION BENEFITS FOR ALL EMPLOYEES AS REQUIRED BY LABOR CODE SECTION 3700 IS A VIOLATION OF LAW AND MAY SUBJECT THE EMPLOYER TO THE IMPOSITION OF A WORK STOP ORDER, LARGE FINES, AND OTHER SUBSTANTIAL PENALTIES (Labor Code Section 3710.1, et seq.).**

By signature below, you affirm that, with respect to any employee who is also the employee of a general employer, (1) you have entered into a valid and enforceable agreement pursuant to Labor Code Section 3602(d) with the employee's general employer under which the general employer agrees to secure the payment of compensation for such employee and (2) the general employer has obtained workers' compensation coverage for the employee.

Countersigned By \_\_\_\_\_

This endorsement is executed by the

Premium \$

Effective Date

Expiration Date

For attachment to Policy No.

Countersigned by \_\_\_\_\_  
Authorized Representative

End. Serial No.

**WC 04 03 17**

Page 1 of 1

Ed. 06/01/2006

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## INSTRUCTION FOR ENROLLMENT APPLICATION (AON FORM-3)

This form **must be completed and submitted** by each successful Contractor and Subcontractor of any tier prior to Site mobilization **for each contract awarded**. The Contractor and Subcontractor will submit the completed form to Aon Risk Services. Upon receipt of this form, Aon will issue, to the Contractor or Subcontractor, a Certificate of Insurance evidencing coverage in the Owner Controlled Insurance Program. The completed Certificate of Insurance and workers compensation insurance policy will be mailed to the Enrolled party.

1. **Contractor Information** – Supply the Federal ID Number, Legal Company Name (include the doing business as, dba if applicable), mailing address and phone numbers. Identify the individual that will answer questions and be responsible for your OCIP Worker’s Compensation policy. Also identify the legal structure of your company by check one of the boxes. If you choose Other, write the structure in the space provided
2. **Provide your current Workers’ Compensation Information** –
  - a) Enter information concerning your Worker’s Compensation Experience Modifier in the table. Refer to your copy of the Bureau’s Rating Calculation or contract or agent.
  - i) The Anniversary Rating Date is the effective date of your unique Experience Modifier.
  - ii) The Experience Modification Factor is calculated by the Bureau based on your loss experience and payroll.
  - iii) The Bureau File Number is your identification number with the Bureau. It may also be referred to as a Risk Identification Number.
  - b) Enter information concerning your current Worker’s Compensation Policy. This information is available on the Declaration or Information page.
3. **Contract Information** –
  - a) Provide the contract number that was assigned by Los Angeles World Airports or the party you contract with.
  - b) Provide a brief description of your work under this contract number.
  - c) Identify the location of your work, if possible. This could be an area, phase, sub-project description that ABD & Company uses to group several contract together. (East Parking Garage, Phase II, Broken-Hill Project are examples)
  - d) Identify your status by checking on of the boxes provided. If you select other, identify what type of a provided you are.
  - e) Identify the effective date of your contract.
  - f) If you are a Subcontractor, identify with whom you contract with.
  - g) Contacts – communication is key to a successful OCIP. Identify the key contacts for each function listed and provide the information requested. If a single individual handles multiple job duties, be sure to list them those functions that apply.
  - h) Provide the Start Date and the Completion Date. Identify if these are the actual dates or have been estimated.
  - i) Provide the amount of you contract. If you have a time and materials contract, provide a reasonable estimate of your anticipated activity
4. **Subcontract Information:** List subcontractors that will perform work on-site during the term of your Contract. Enrollment is *NOT* automatic. If you add or change subcontracting firms during the course of your contract, be sure to notify the OCIP Administrator.
5. Indicate if you have off-site location(s), including warehouses, that are dedicated to this project by checking the appropriate box. If the answer is yes, provide the address. If additional room is need, attach a separate sheet. Be sure to include the Address, City, State and Zip Code.
6. ERM-14 forms are available upon request. Please contact the OCIP Administrator.
7. Check the appropriate box if you will be using aircraft or watercraft.
8. Indicate if your company participates in Alternative Dispute Resolution with the Union.

**Read the Warranty statements completely. Sign the Aon Form-3 and return to the OCIP Administrator using the information supplied at the bottom of the form. This form has been designed to fit in a standard window envelope for your convenience.**

# Internet Payroll Reporting

Using the internet, go to [www.AonWrap.Aon.com](http://www.AonWrap.Aon.com) and utilize the password provided with your evidence of enrollment. The monthly man-hour and payroll reports should include supervisory and clerical personnel on-site and cover all Work performed at or emanating directly from each Project Site.

Please note: in the event of "interim demobilization", that is when the Contractor/subcontractor is not performing work at the project site but is still enrolled in the OCIP, the Contractor/subcontractor will still be required to submit Monthly Payroll Reports.

https://www.aonwrap.aon.com/Form4/Payroll.asp - Aon Corporation

Contract Term: From  To  (est.) Frequency

Contract Number:

Contractor:

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Status

Completion Date  Last update

From:  To:

Initial Entry Via:

	Country	State	WC Class	WC Description	Man Hours	Gross Payroll	Reportable Payroll
<input type="radio"/>	USA	CA	5213	Concrete Construction NOC	0.00	\$0.00	\$0.00
<input type="radio"/>	USA	CA	5222	CHIMNEY-CONSTRUCTION - NOT METAL. Includes foundation and applies to stone, brick, or concrete chimn	0.00	\$0.00	\$0.00
<input type="radio"/>	USA	CA	5606	Executive Supervisor	0.00	\$0.00	\$0.00
<input type="radio"/>	USA	CA	8227	CONCRETE-[CODES 5222 - CONCRETE CONSTRUCTION IN CONNECTION WITH BRIDGES] - FORMS - RECONDITIONING AND	0.00	\$0.00	\$0.00
<input type="radio"/>	USA	CA	8810	Clerical Office Employees	0.00	\$0.00	\$0.00
<input type="radio"/>	USA	CA	6220	Excavation/Grading Land >= \$26.00	0.00	\$0.00	\$0.00
<input type="radio"/>	USA	CA	6316	Gas or Water Mains or Connections > \$21 per hour	0.00	\$0.00	\$0.00
<input type="radio"/>	USA	CA	5506	Street or Road Construction	0.00	\$0.00	\$0.00
<input type="radio"/>	USA	CA	6308	Sewer construction	0.00	\$0.00	\$0.00
<input type="radio"/>	USA	CA	5507	Street or Road Construction - Rock Excavation & Subsurface Work; Stump Removal Operations	0.00	\$0.00	\$0.00
<b>Totals</b>					0.00	\$0.00	\$0.00
<b>\$h</b>							

- 1. Contractor Name: Do Not Submit This Form With Your Bid
- 2. Contract #: \_\_\_\_\_
- 3. Description of Work Performed: \_\_\_\_\_
- 4. Date this Contract Completed: \_\_\_\_\_
- 4. Date Work Completed: \_\_\_\_\_

5. The following Subcontractors have completed their Work at the Site: (Add attachment if more space is needed)

NAME	CONTRACT #	CONTRACT COMPLETED	WORK COMPLETED

6. Location of your payroll audit records:

Address: \_\_\_\_\_

Contact/Phone #: \_\_\_\_\_

The undersigned acknowledges request for termination of coverage under the OCIP as of the date indicated above for the specified Contract. Should we return to the work Site, we will be working under our own insurance program and must provide the Sponsor with a Certificate of Insurance showing our own coverage as outlined in our contract.

7. Signed by: \_\_\_\_\_  
Title \_\_\_\_\_ Date \_\_\_\_\_

8. Approved by: \_\_\_\_\_  
Construction Manager \_\_\_\_\_ Date \_\_\_\_\_

Mail to: **Debby Hillman**  
Aon Risk Services, Inc.  
707 Wilshire Blvd., Ste. 2600  
Los Angeles, CA 90017

or Fax to: **Debby Hillman**  
Aon Risk Services, Inc.  
(213) 630-2097

Email: [Debby.Hillman@ars.aon.com](mailto:Debby.Hillman@ars.aon.com)

## INSTRUCTION FOR NOTICE OF WORK COMPLETION (AON FORM-5)

This form will be completed and returned to the OCIP Administrator by the contractor or subcontractor whenever work is completed for each Contract. The Contractor will request the receive the final payment after all Contractor and Subcontractor information is complete.

### COMPLETION INSTRUCTIONS

1. Contractor Name: If you are a Subcontractor, the name of the Contractor. If you are a Sub-Subcontractor, the name of the Subcontractor.
2. Contract #: The Contract or Specification number(s) relating to the Work at the Project Site.
3. Description of Work Performed: Type of work performed under your contract.
4. Date Contract Completed: Fill in appropriate date.
5. Date Total Work Completed: Fill in appropriate date.
6. Subcontractor of all tiers included in the work: Names of Subcontractors of all tiers associated with the close-out.
7. Final Audits Payroll Records: List name of terminating Contractor and applicable Subcontractors.
8. Signature: The Signature of the Contractor Closing-out
9. Approved by: The Signature of LAWA Project Manager or Construction Manager/GC.