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MEMORANDUM

TO: Frank Schulte, City Administrator
FROM: Scott Lockwood, PE, Consulting City Engineer
DATE: September 16, 2022
SUBJECT: **Contract Insurance Requirements**

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SEP 16 2022
CITY OF GROSSE POINTE WOODS
CLERK'S DEPARTMENT

As we have discussed, recently the City Council had awarded two contracts which were bid through our office. The projects include the 2022 Sidewalk Replacement Program and the 2022 Joint Sealing Program. The contracts include insurance requirements in order to protect the City, AEW, the Contractor and other agencies if affected. Typically, insurance types and levels are based on requirements as provided by the City's attorney several years ago. However, AEW had erroneously included professional liability insurance in the contracts for the aforementioned projects.

In very rare instances, projects may require the contractor to employ a design professional (professional engineer, registered architect, etc.), typically for design-build projects. In such case, professional liability insurance would make sense. These projects require no design elements by the Contractor. **Therefore, we are suggesting the City waive the professional liability insurance requirement for the 2022 Sidewalk Replacement Program and the 2022 Joint Sealing Program.**

AEW has taken the necessary steps to ensure this does not occur on future projects. We apologize for this inconvenience.

Please contact me with any questions or comments.