

**REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN  
BOARD POLICY**

**POLICY:** Insurance

**AUTHORITY:** Board Resolution dated December 21, 2023.

**POLICY STATEMENT**

The Regional District of Okanagan-Similkameen (RDOS) uses a consistent approach to providing and maintaining appropriate insurance coverage, as well as in requiring insurance coverage from consultants and contractors.

**PURPOSE**

To establish insurance requirements and outline procedures for the maintenance of adequate liability and accident coverage for RDOS staff, elected officials, consultants, and contractors.

**RESPONSIBILITIES**

The Senior Manager of Finance will ensure that the necessary premiums are paid to provide insurance coverage.

**PROCEDURES**

**1. Personal Vehicles**

- a. The RDOS requires all elected officials and employees who drive their own vehicles on RDOS business to carry "Business Usage" insurance coverage; and
- b. Staff will utilize RDOS owned vehicles (subject to availability and operational feasibility) rather than their personal vehicles when they are attending out of office meetings.

**2. Director and Alternate Director Accident Insurance**

- a. The RDOS provides optional accident, life, and indemnity insurance to its elected officials and their appointed alternates, at their own expense.
- b. Coverage is provided for an injury sustained by the insured person while in consequence of performing the usual and necessary duties as a Director, including traveling directly to or from any scheduled meetings or other function as a representative of the RDOS.
- c. Directors and Alternate Directors will not be provided with accident, life, and indemnity insurance once they are beyond 80 years of age.
- d. The minimum amount of accident indemnity coverage for Directors and Alternate Directors is as follows:

Accident / Life Insurance	\$250,000.00
Weekly Indemnity	\$500.00

**3. Liability Insurance**

- a. The Finance Department, in collaboration with the RDOS's liability insurance provider, will periodically review coverage and make recommendations to the Board of Directors of any required coverage change.

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- b. The Finance Department, through the annual budget process, ensures liability insurance premiums are allocated amongst services and sets respective budgets for Board approval.
  - c. When an individual service encounters a claim, the Finance Department will bill the applicable deductible directly to the service.
  - d. All claims are forwarded through the Finance Department to the RDOS liability insurance carrier for resolution.

#### **4. Insurance Coverage for Contractors and Consultants**

- a. Contracts being issued by the RDOS that are over the amount of \$75,000 will require naming the RDOS insured \$5,000,000 liability insurance.
- b. Contracts being issued by the RDOS that are equal to or less than \$75,000 will require naming the RDOS insured \$2,000,000 liability insurance, unless staff determines that there may be an unusual risk associated to that contract, then it is staff's discretion to increase the liability insurance requirement to \$5,000,000.
- c. Notwithstanding Sections 4a. and b., consulting contracts that provide recommendations only require naming the RDOS insured \$2,000,000 liability insurance.
- d. Contractors and consultants shall, at their expense, establish and maintain Errors and Omissions Insurance in respect to the Services and operations of the contractor/consultant based on the following:
  - i. Preliminary project where fees do not exceed \$15,000: insurance limit shall be a minimum of \$250,000 per claim and \$500,000 per policy period.
  - ii. Studies with no designing required: insurance limit shall be a minimum of \$500,000 per claim and \$1,000,000 per policy period.
  - iii. Design assignments and/or planning services covering projects not exceeding \$1,000,000 in value: insurance limit shall be a minimum of \$1,000,000 per claim and \$1,000,000 per policy period.
  - iv. Design assignments and/or planning services covering projects exceeding \$1,000,000 in value: insurance limit shall be a minimum of \$2,000,000 per claim.
- e. The Errors and Omissions Insurance shall be maintained continuously during the term of the contract and subsequently continue to be in force for twelve (12) months beyond the project completion date of service (i.e., submission of final report, as approved in writing by the RDOS).
- f. Contractors / consultants shall maintain in full force and effect with insurers licensed in the Province of British Columbia, all insurance as outlined on the applicable Certificate of Insurance form as provided by the RDOS. The form must be completed by the contractor / consultant's insurance broker and returned to the RDOS.
- g. General liability insurance must be obtained on an occurrence basis for consultants / contractors with limits of not less than \$5,000,000 inclusive per occurrence for bodily injury and property damage. Detailed coverage is to be as specified on the applicable Certificate of Insurance form.
- h. Contractors / consultants shall provide, maintain, and pay for insurance on Equipment rented or owned by the contractor / consultant to its full insurable value. Detailed coverage is to be as specified on the provided Certificate of Insurance form.
- i. Contractors / consultants shall at all times indemnify and hold harmless the RDOS, and the RDOS elected officials, officers, employees, and agents from and against all liabilities, losses, costs, damages, reasonable legal fees, disbursements, fines, penalties, expenses, all manner of actions, causes of action, claims, demands, and proceedings, whether arising directly or indirectly from death, personal or bodily injury, sickness, disease, property damage or other loss or damage which

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may result from or be connected with the performance of an agreement, including any breach or default of an agreement by the contractor / consultant or its employee.

- j. Contractors / consultants shall provide, maintain, and pay for Automobile Liability insurance on owned or on leased vehicle(s) with a minimum of \$5,000,000 on Personal Injury & Property Damage. Detailed coverage is to be as specified on the provided Certificate of Insurance form.
- k. Contractors / consultants are required to have WorkSafeBC coverage unless they are exempt, in which case they are required to provide the RDOS with a letter stating they are exempt and would also be required to have Personal Optional Protection.
- l. Contractors / consultants shall provide 30 days written notice in advance of cancellation of any policies.

## **5. Related Documents**

- a. Certificate of Insurance A (small contracts)
- b. Certificate of Insurance B (large contracts)