

**MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND**

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**BULLETIN MEL 26-26**

**Date:** **January 1, 2026**

**To:** **Fund Commissioners of Member Joint Insurance Funds**

**From:** **Underwriting Manager**  
**Conner Strong & Buckelew**

**Re:** **Contractual Insurance Guidelines**

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Attached are Insurance Guidelines recommended by the MEL Coverage Committee, which Members can utilize in their contracts.

**This bulletin is for information purposes only. It is not intended to be all-inclusive but merely an overview. It does not alter, amend or change your coverage. Please refer to specific policies for limits, terms, conditions and exclusions. The Member Manual/Insurance Policies shall prevail.**

cc: Risk Management Consultants  
Fund Professionals  
Fund Executive Directors



## Insurance Guidelines

*For use in your contracts with third parties*



This document contains MEL JIF-approved recommendations for you to consider utilizing when contracting with other parties.

Not all provisions or insurance coverages contained in these guidelines may be applicable to each of your contracts, and additional provisions or insurance coverages may be necessary for certain contracts. **You must work with your Risk Management Consultant (RMC) and legal counsel** in determining the right set of insurance requirements and provisions for each of your contracts in conjunction with the indemnification and liability provisions in such contracts.

Again, this is only a set of guidelines, not requirements, from the MEL JIF.



**PROVIDER** shall make effective the following minimum insurances and follow all provisions, at its own expense, prior to commencement of the services in this agreement. Such insurance requirements shall apply to **PROVIDER** and any sub-providers of **PROVIDER**. Any combination of primary and umbrella/excess policies may be used to satisfy the limits. All below provisions shall also apply to the umbrella/excess policies for such coverages listed below.

## Use of Premises / Facilities

**Scope:** Use of Premises / Facilities

### Insurance Coverages

1. Commercial General Liability: \$1,000,000 Each Occurrence / \$2,000,000 Aggregate
  - a. Liquor Liability and Athletic Activities must be included, as necessary

Please remember, the GatherGuard program is available to share with users of your premises/facilities. Check the MEL Coverage Bulletins for more details.

## Group 1 (Small)

**Scope:** Maintenance, Repair, Small Services

### Insurance Coverages

2. Commercial General Liability: \$1,000,000 Each Occurrence / \$2,000,000 Aggregate
  - a. Liquor Liability, Sexual Abuse / Molestation and Athletic Activities must be included
  - b. Completed Operations must be included
3. Business Automobile Liability: \$1,000,000 combined single limit any one accident
  - a. All owned, hired or non-owned automobiles used in connection with this agreement
4. Professional Liability/Errors & Omissions Liability: \$1,000,000 each claim / \$1,000,000 annual aggregate
  - a. Must not contain cyber, privacy or network-related exclusions
5. Workers' Compensation: Statutory
6. Employers' Liability: \$1,000,000
7. Crime: \$1,000,000
  - a. Must include Employee Theft and Client Coverage
8. Cyber Liability: \$1,000,000 Each Claim / \$1,000,000 Aggregate



## Group 2 (Medium)

**Scope:** Maintenance, Repair, Small Renovation/Construction, Medium Services

### Insurance Coverages

1. Commercial General Liability: \$2,000,000 Each Occurrence / \$3,000,000 Aggregate
  - a. Liquor Liability, Sexual Abuse / Molestation and Athletic Activities must be included
  - b. Completed Operations must be included
2. Business Automobile Liability: \$1,000,000 combined single limit any one accident
  - a. All owned, hired or non-owned automobiles used in connection with this agreement
3. Professional Liability/Errors & Omissions Liability: \$1,000,000 each claim / \$1,000,000 annual aggregate
  - a. Must not contain cyber, privacy or network-related exclusions
4. Workers' Compensation: Statutory
5. Employers' Liability: \$1,000,000
6. Crime: \$1,000,000
  - a. Must include Employee Theft and Client Coverage
7. Cyber Liability: \$1,000,000 Each Claim / \$1,000,000 Aggregate

## Group 3 (Larger)

**Scope:** Renovation, Construction, Significant Service Agreements, MEL Firework/Mechanical Amusement Ride Requirements, MEL Public Entity Shared Services Guidelines

### Insurance Coverages

1. Commercial General Liability: \$5,000,000 Each Occurrence / \$5,000,000 Aggregate
  - a. Liquor Liability, Sexual Abuse / Molestation and Athletic Activities must be included
  - b. Completed Operations must be included
2. Business Automobile Liability: \$5,000,000 combined single limit any one accident
  - a. All owned, hired or non-owned automobiles used in connection with this agreement
3. Professional Liability/Errors & Omissions Liability: \$5,000,000 each claim / \$5,000,000 annual aggregate
  - a. Must not contain cyber, privacy or network-related exclusions
4. Workers' Compensation: Statutory
5. Employers' Liability: \$1,000,000
6. Crime: \$1,000,000
  - a. Must include Employee Theft and Client Coverage
7. Environmental Liability: \$5,000,000 Each Act / \$5,000,000 Aggregate
8. Cyber Liability: \$3,000,000 Each Claim / \$3,000,000 Aggregate



## Group 4 (Large)

**Scope:** Large Projects, Large Agreements

### Insurance Coverages

1. Commercial General Liability: \$10,000,000 Each Occurrence / \$10,000,000 Aggregate
  - a. Liquor Liability, Sexual Abuse / Molestation and Athletic Activities must be included
  - b. Completed Operations must be included
2. Business Automobile Liability: \$5,000,000 combined single limit any one accident
  - a. All owned, hired or non-owned automobiles used in connection with this agreement
3. Professional Liability/Errors & Omissions Liability: \$10,000,000 each claim / \$10,000,000 annual aggregate
  - a. Must not contain cyber, privacy or network-related exclusions
4. Workers' Compensation: Statutory
5. Employers' Liability: \$1,000,000
6. Crime: \$5,000,000
  - a. Must include Employee Theft and Client Coverage
9. Environmental Liability: \$10,000,000 Each Act / \$10,000,000 Aggregate
10. Cyber Liability: \$5,000,000 Each Claim / \$5,000,000 Aggregate

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## Group 5 (S-1368 Housing Guidelines)

**Scope:** In response to S-1368 for municipalities to collect certain liability insurance from multifamily rental units.

### Insurance Coverages

1. Commercial General Liability:
  - a. S-1368 Requirement: \$500,000 Each Occurrence (if four or fewer units, one of which is owner-occupied, limit shall be \$300,000)
  - b. MEL recommendations:
    - i. \$10,000,000 Each Occurrence / \$10,000,000 Aggregate
    - ii. Sexual Abuse / Molestation must be included
    - iii. Completed Operations must be included
2. **[IF APPLICABLE]** Business Automobile Liability: \$5,000,000 combined single limit any one accident
  - a. All owned, hired or non-owned automobiles used in connection with this agreement
3. **[IF APPLICABLE]** Workers' Compensation: Statutory
4. **[IF APPLICABLE]** Employers' Liability: \$1,000,000



## Additional Insurance Provisions

- All coverages shall remain in effect for the life of the agreement and for three (3) years thereafter. As respects any claims-made coverages, any combination of renewal policies and extended reporting periods may be used to satisfy such time period; however, no extended reporting period shall be effected for the work under this agreement until the last work has been completed.
- Any retroactive dates, or the similar, must be no later than the effective date of this agreement.
- All insurance shall be procured from insurers permitted to do business in the United States and having an A.M. Best rating of at least "A-: VIII", or the S&P equivalent.
  - If no such rating, self-insured or the like, **MEMBER** has the right to request and review the financials of such.
- All General Liability, Automobile Liability, Professional Liability, Environmental Liability and Cyber Liability coverages shall name **MEMBER** as an additional insured on a primary and non-contributory basis.
- **MEMBER** shall be named as Loss Payee on the Crime coverages.
- All coverages shall contain Waiver of Subrogation provisions, as allowed by law, in favor of **MEMBER**.
- At least thirty (30) days written notice of cancellation or non-renewal (10 days for non-payment) of any of the coverages shall be provided to **MEMBER**.
- Full "cross liability" / "severability of interests" / "separation of insureds" provisions shall be provided on all coverages.
- All insurances must be applicable to and cover the operations/services described in this agreement.
- Remove reverse Hold Harmless clauses.
- As respects individuals opting-out of the Workers' Compensation coverage, such individuals shall not work on the subject (project, services) in this agreement.

The amounts of the insurances or the carrying of the insurances described shall in no way be interpreted as relieving the **PROVIDER** of any responsibility or liability under the agreement. Any type of insurance or any increase in limits of liability not described above which the **PROVIDER** requires for its own protection or on account of statute shall be its own responsibility and at its own expense. **PROVIDER** shall promptly notify **MEMBER** and the appropriate insurance company(ies) in writing of any accident(s) or circumstance(s), as well as any claim, suit or process received by the **PROVIDER** arising in the course of operations under the agreement. The **PROVIDER** shall forward such documents received to its insurance company(ies), as soon as practicable, or as required by its insurance policy(ies).



## Indemnification

To the extent that state and/or federal laws limit the terms and conditions of this Section, it shall be deemed so limited to comply with such state and/or federal laws. To the fullest extent permitted by law, [Contractor] ("Indemnitor") shall indemnify, defend and hold harmless [Company/Client], its affiliates and their respective members, employees, agents and representatives (collectively, the "Indemnified Parties" and each an "Indemnified Party") from and against liabilities, claims, damages, losses, including but not limited to economic losses, demands, penalties, fines, judgments, actions and expenses, including but not limited to attorneys' fees, legal costs and legal expenses, [ including those brought by or related to the Indemnitor's own employees, servants, agents or workmen such that the Indemnitor waives any immunity under any workers' compensation, disability benefit or other employee benefit acts or statutes for the purposes of this Section] provided that such liability, claim, damage, loss, demand, judgement, action or expense or penalty or fine (1) allegedly or actually arises out of, is connected to, or results from performance of or failure to perform the work under this Contract by the Indemnitor, or the Indemnitor's agents, employees, subcontractors and suppliers (collectively, "Indemnitor Parties"), or (2) is connected with any accident or occurrence which happens or is alleged to have happened (a) in or about the place where such work is or was performed, (b) while the Indemnitor Parties are performing the work, or (c) while any of the Indemnitor Parties' property, work in progress, equipment or personnel are in or about such place or the vicinity where the accident or occurrence took place, or (3) arises out of any professional services by or on behalf of the Indemnitor, and, for each of the preceding, where such liability, claim, damage, loss, demand, penalty, fine, action or expense is caused or alleged to have been caused solely by the Indemnitor.

However, this indemnification provision shall not apply to an Indemnified Party that is an architect, engineer, surveyor or its agents, servants or employees (collectively, "Engineers") for any liability, claim, damage, loss, demand, action or expenses caused by the Engineers sole negligence arising out of: (1) the preparation or approval by the Engineers of maps, drawings, opinions, reports, surveys, change orders, designs or specifications, or (2) the giving of or the failure to give directions or instructions by the Engineers provided such giving or failure to give is the primary cause of the liability, damage, claim, loss, demand, action or expense.

The obligations of this Section shall not be construed to negate, abridge, or reduce other rights, obligations or indemnity which would otherwise exist as to a party or person described in this Section.

The amount and type of insurance coverage requirements set forth in this Agreement shall in no way be construed as limiting the scope of the indemnity of this section.

This Section shall survive the termination of this Contract.



**DELETE BEFORE USING**

***The Information contained in this document is of a general nature only and has been provided to you for consideration and use as an addendum to your contracts. However, such recommendations do not constitute legal advice or recommendations and should not to be taken as such. Moreover, the sender is not hereby engaged in rendering legal services or the practice of law, nor accounting advice or opinion. If you have any issues regarding the information, we urge you to consult your own legal counsel prior to use.***



## **DELETE BEFORE USING**

### **Frequently Asked Questions**

**Q:** Does the third party really need the limits /coverages suggested?

**A:** *No, the member entity has the option of choosing the limits they wish. We recommend working with your Risk Management Consultant on the right limits for you.*

**Q:** Are these coverages / limits a JIF requirement?

**A:** *No, the coverages / limits are suggestions by the MEL Coverage Committee. We recommend working with your Risk Management Consultant on the right coverage / limits for you.*

**Q:** Are Cyber and Crime really required for Fireworks?

**A:** *No, the coverage needs will vary depending on the contract. The suggestions provided are very general suggestions for typical types of work, but each contract needs to be reviewed and the insurance requirements should be customized for each. We recommend working with your Risk Management Consultant on the right coverage / limits for you.*