



8 7 5 7 3 9 3  
Tx:4527724

**Return to:**

*WW*

City Clerk  
116 E. Market Street  
Troy, Illinois 62294

2021R40641  
STATE OF ILLINOIS  
MADISON COUNTY  
09/27/2021 02:07 PM  
DEBRA D. MING-MENDOZA  
CLERK & RECORDER  
REC FEE: 50.00  
CO STAMP FEE:  
ST STAMP FEE:  
FF FEE:  
RHSPS FEE:  
# OF PAGES: 14



*50.00*

**Ordinance No. 2021 - 21**

An Ordinance of the City of Troy, Illinois, Amending Title III,  
Chapter 37 Finances and Purchasing; Fee Schedule,  
Sections 45, 46 and 47 (General Provisions, Purchasing and Bidding  
and Contract Procedures) of the Codified Ordinances

ADOPTED BY THE CITY COUNCIL

OF THE CITY OF TROY, ILLINOIS

THIS 7TH DAY OF SEPTEMBER, 2021

*Published in pamphlet form by the authority of the City Council of the  
City of Troy, Madison County, Illinois, this 7th day of September, 2021.*

*507*

**WHEREAS**, the corporate authorities of the City of Troy adopted a Code of Ordinances and have made revisions thereto; and

**WHEREAS**, the corporate authorities adopted Title III, Chapter 37, Finance and Purchasing; Fee Schedule, Sections 45, 46 and 47; and

**WHEREAS**, the corporate authorities deem it to be in the best interests of the City to amend certain sections of the Codified Ordinances which establish purchasing and bidding and contract procedures; and

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Troy, Madison County, Illinois as follows:

**Section 1: Recitals.** The facts and statements contained in the preamble to this Ordinance are found to be true and correct and hereby adopted as part of this Ordinance.

**Section 2: Amendment.**

1. The Codified Ordinances of the City of Troy, Title III, Chapter 37 Finance and Purchasing; Fee Schedule, Sections 45, 46, and 47, General Provisions, Purchasing and Bidding and Contract Procedures, and Term are hereby deleted.
2. The Codified Ordinances of the City of Troy, Title III, Chapter 37 Finance and Purchasing; Fee Schedule, Sections 45, 46, and 47 are hereby replaced as follows:

**§ 37.45 GENERAL PROVISIONS.**

(A) Purchasing agent. The City Administrator shall be the purchasing agent for the city, as provided in ILCS Ch. 65, Act 5, § 3.1-30-5. As purchasing agent, the City Administrator shall oversee the purchasing of goods and services by city employees, requiring that they follow good purchasing practices. The City Administrator shall have the authority to reject any and all requests or requisitions for the expenditure of funds unless the expenditures are required by law, or unless instructed by the City Council to proceed with an expenditure.

(B) Monitor of purchases. The City Administrator shall monitor all expenditures, bringing to the attention of the City Council any purchasing practices he or she or she feels are unethical, or could be considered a conflict of interest.

(C) Signature. A purchase order or contract shall be valid only when signed by the City Administrator who shall have determined that there are sufficient funds appropriated to cover such purchases.

(D) Approval. All purchases must be covered by a purchase order or by a contract, except those purchases under \$10,000, which will require approval by the department head.

(E) Revise purchase orders. The City Administrator shall examine all purchase orders and he or she shall have the authority to revise purchase orders as to quantity or established cost after consulting with the department head.

(F) Interpretation. Questions of interpretation of these regulations or questions on procedures in purchasing not specifically stated herein, shall be referred to the City Administrator.

(G) State and federal laws. Except in cases where they are not as restrictive as the city's purchasing regulations, applicable state and federal laws shall supersede any regulations of the city concerning purchasing.

(1986 Code, § 6.5-1)

(H) Emergency. In the event of an emergency, the City Administrator shall have the authority to deviate from the purchasing/bidding requirements set forth in § 37.46, provided the City Administrator exercises proper care in obtaining the best possible price for the goods or services required by the city at such a time and taking into consideration the emergency conditions. In the event the City Administrator deems it necessary to deviate from the purchasing/bidding requirements set forth in § 37.46, the City Administrator shall notify the Mayor as soon as possible, document in writing the reasons for such action and present the written report to the City Council at the next special or regularly scheduled meeting of the City Council.

(Ord. 1992-21, passed 6-15-1992; Ord. 1994-25, passed 8-16-1994; Ord. 2008-15, passed 9-15-2008, Ord. 2021-\*\*, passed 9-7-2021)

### **§ 37.46 PURCHASING.**

(A) Purchases less than \$10,000. Purchases of goods or services within this category may be authorized by a department head. Purchases in this category may be made for goods or services for which there are line items or categories for expenditure within the department's budget.

(B) Purchases from \$10,000 to \$25,000. For purchases of goods or services within this category, a department head or City Administrator shall solicit, in writing, at least three non-sealed bids for the item or items. The department head shall submit the completed purchase order with the bids attached to the City Administrator prior to the issuance of a purchase order. The execution of the bid requirement shall be documented by the department head on the purchase order provided by the City Administrator. After a purchase order has been assigned and signed by the City Administrator, the department head may proceed with the purchase or contract for services to the lowest responsible bidder who submits the bid most advantageous to the city. The City Administrator is not required to obtain at least three non-sealed bids for goods or services within this category but shall seek to contract for goods or services under terms and conditions that are in the best interest of the city.

(C) Purchases greater than \$25,000. Contracts for goods or services greater than \$25,000 shall be handled in accordance with the requirements set forth in ILCS Ch. 65, Act 5, §§ 8-9-1 and 8-9-2. The City Council shall have the authority to award contracts within this category. Contracts for goods or services within this category shall be purchased from the lowest responsible bidder, after due notice inviting bids, unless competitive bidding is waived by a two-thirds vote of the Aldermen then holding office.

(D) Blanket orders. At the discretion of the City Administrator blanket purchase orders may be issued each month to the several vendors the city uses to supply minor items on a regular basis. Purchase of small items can then be made by going to the store, purchasing the item, signing a sales slip and telling the vendor to charge the purchase against the blanket purchase order. A signed copy of the sales slip is left with the vendor who will send it to the city with his or her monthly statement.

(E) Designee in Administrator's absence. A designee shall be appointed to act as the City Administrator in emergency situations, when the City Administrator is unable to be located or is not within the city limits. When the term CITY ADMINISTRATOR is used in this chapter, the term shall also refer to the designee who shall have all the powers and limitations of the City Administrator under the appropriate emergency situation as conferred under this chapter.

(1986 Code, § 6.5-2) (Ord. 1992-21, passed 6-15-1992; Ord. 1994-25, passed 8-16-1994; Ord. 2008-15, passed 9-15-2008, Ord. 2021-\*\*, passed 9-7-2021)

#### **§ 37.47 BIDDING AND CONTRACT PROCEDURES.**

(A) Application of procedures. The following procedures shall be applicable for the bidding process for purchases over \$25,000 or for purchases under \$25,000 when the City Administrator believes it is in the best interest of the city to utilize a formal sealed bid procedure.

(B) Notice inviting bids. Notice inviting bids for purchases shall be published at least once in a newspaper with general circulation within the city.

(C) Scope of notice. The newspaper notice required herein shall include a general description of the work to be performed or the articles to be purchased, shall state where specifications may be secured, and the time and place for opening bids.

(D) Bid deposits. When deemed necessary by the City Council, bid deposits shall be prescribed in the public notices inviting bids. Unsuccessful bidders shall be entitled to the return of their bid deposits upon the award of the contract by the City Council. A successful bidder shall forfeit any bid deposit required by the City Council upon failure on his or her part to enter into a contract within ten days after the award.

(E) Bid specifications.

(1) It shall be the duty of the department head to prepare written specifications for open, competitive bidding. The specifications shall be approved by the City Administrator or by such knowledgeable person as the City Administrator may appoint to review the specifications. The City Administrator, at his or her discretion, may mail bid specifications to prospective bidders.

(2) The department head shall have the authority to interview such salespersons or representatives of manufacturing concerns as he or she may wish in the development of specifications, as long as the interviewing does not result in a cost to the city.

(F) Bid opening procedure.

(1) Sealed. Bids for purchases shall be submitted sealed to the City Administrator's office and shall be identified as bids on the envelope.

(2) Opening. Bids shall be opened in public at the time and place stated in the public notice.

(3) Tabulation. A tabulation of all bids received shall be made by the City Council or by a city employee, in which event a tabulation of the bids shall be furnished to the City Council at its next regular meeting.

(G) Rejection of bids. The city shall have the authority to reject all bids or parts of all bids when the public interest will be served thereby.

(H) Bidders in default to city. The city shall not accept the bid for a contractor who is in default on the payment of taxes, licenses or other monies due the city.

(I) Award of contract.

(1) Lowest responsible bidder. Contracts shall be awarded to the lowest responsible bidder. In awarding the contract, in addition to price, the City Council shall consider the following when determining whether the bidder is responsible:

(a) The ability, capacity and skill of the bidder to perform the contract to provide the service required;

(b) Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;

(c) The character, integrity, reputation, judgment, experience and efficiency of the bidder;

(d) The quality of the performance of previous contracts or services;

(e) The previous and existing compliance by the bidder with laws and ordinances relating to the contract and service;

(f) The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service;

(g) The quality, availability and adaptability of the supplies or contractual services to the particular use required;

(h) The ability of the bidder to provide future maintenance and service for the use of the subject of the contract; and

(i) The number and scope of conditions attached to the bid.

(2) Performance bonds. The City shall require a 100% performance bond, before entering into a contract to protect the best interests of the city. In addition to a performance bond, the city shall retain ten percent (10%) of the amount otherwise due as retainage from each progress payment made before substantial completion of the project/contract. The City may also allow other forms of security, as deemed acceptable by the City Administrator, to include cashier's checks or letters of credit.

(3) Certificate of insurance. The city shall require all contractors performing public works projects or performing work on city property in connection with a purchase order, to maintain insurance of the types and with limits of liability not less than those set out below at the contractor's expense during the term (including the warranty period) of the purchase order from insurers reasonably acceptable to the city covering items, risks and operations required to fulfill the purchase order:

(a) Workers' compensation. Insurance that the contractor is obliged by law to carry that covers all of contractor's employees performing work under this purchase order ("worker compensation");

(b) Employer's liability insurance. Employer's liability insurance with a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. Such insurance shall protect the city as an alternate employer against claims asserted against the contractor by the contractor's workers as "borrowed servants," statutory employees or maritime employees ("employer' liability");

(c) Commercial or comprehensive general liability insurance. Commercial or comprehensive general liability insurance, including contractual liability coverage, with a limit of \$2,000,000 per occurrence/\$5,000,000 aggregate;

(d) Automobile liability insurance. Automobile liability insurance with a combined bodily injury and property damage minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate for all owned and leased vehicles;

(e) Aircraft. If aircraft are used in connection with a purchase order, aircraft liability insurance, including passenger liability insurance, with a combined single limit for bodily injury and property damage of \$10,000,000 any one occurrence and a limit of \$3,000,000 any one passenger;

(f) Other. Any other insurance in the types and amounts required by applicable law;

(g) Primary insurance. All insurance required above shall be primary to any insurance coverage available to the city regardless of whether the city carries primary or excess coverage;

(h) Waiver of subrogation and additional insured. The policies under divisions (I)(3)(c) through (I)(3)(f) above shall be endorsed to show the city as additional insureds and all insurance policies obtained by the contractor shall contain a waiver of subrogation in favor of the city. The policies provided for under this section shall contain a provision that any breach by seller of any warranty,

covenant or representation in any of the policies shall not prejudice any claim by the city as an additional insured;

(i) Certificates of insurance and policies. Upon the city's request, all persons contracting with the city shall furnish to the city certificates of insurance demonstrating that the contractor, supplier or vendor has obtained the insurance coverage set out above and containing a statement that the insurance will not be materially changed or cancelled without at least 30 days' prior written notice to the city. All coverages must be written on forms reasonably acceptable to the city. Neither review nor failure to review the certificates shall constitute approval thereto or be deemed to waive or diminish city's rights under any purchase order. In the event of an accident or loss resulting in an insurance claim, the contractor, supplier or vendor, at city's request, shall provide city with certified copies of its insurance policies for which the city is shown as an additional insured. This obligation shall survive the termination of any contract or purchase order;

(j) Failure to comply. Neither failure to comply nor full compliance with the insurance provisions of this purchase order shall limit or relieve any contractor, vendor or supplier from its liability and/or indemnity obligations under any contract or purchase order. If a contractor, vendor or supplier fails or refuses to comply with the obligations set forth in the city's code of ordinances, the city, without prejudice to any other rights or remedies available to it under the purchase order or at law, may (1) treat the purchase order as having been repudiated by the contractor, vendor or supplier or (2) procure the required insurances and deduct the cost thereof from any amounts due hereunder or otherwise recover such amounts from the contractor, vendor or supplier;

(k) Sub-vendors and subcontractors. All contractors, vendors or suppliers shall ensure that each of their vendors and subcontractors shall maintain insurance which is required under any applicable laws or regulations, together with such other insurances of types and amounts necessary to cover risks inherent in the work of that vendor or subcontractor, as well as any other insurance that the city may deem necessary and such insurance which the contractor, vendor or supplier is obliged to effect in accordance with this section; and

(l) The City Council shall have the authority to require the additional insurance requirements if the City Council determines that it is in the best interest of the city to do so.  
(1986 Code, § 6.5-3) (Ord. 1992-21, passed 6-15-1992; Ord. 2008-15, passed 9-15-2008, Ord. 2021-\*\*, passed 9-7-2021)

**Section 3: Severability.** If any provisions of this Ordinance, or the application of any provisions of this Ordinance, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this Ordinance, or their application, that can be given effect without the unconstitutional or invalid provision or its application. Each unconstitutional or invalid provision or application of such provision, is severable, unless otherwise provided by this Ordinance.

**Section 4: Effective date.** This Ordinance shall be in full force and effect from and after its passage and approval and publication as provided by law.

Section 5: All ordinances or parts of ordinances thereof in conflict with this Ordinance are hereby repealed to the extent of any such conflict.

Section 6: Any section or provision of this Ordinance that is construed to be invalid or void shall not affect the remaining sections or provisions which shall remain in full force and effect thereafter.

**PASSED** by the City Council of the City of Troy, Madison County, Illinois, approved by the Mayor, and deposited in the office of the City Clerk this 7th day of September, 2021.

Aldermen:

Dawson

Flint

Hellrung

Henderson

Italiano

Knoll ABSENT

Manley


Turner

Total:

7 Ayes

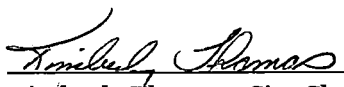
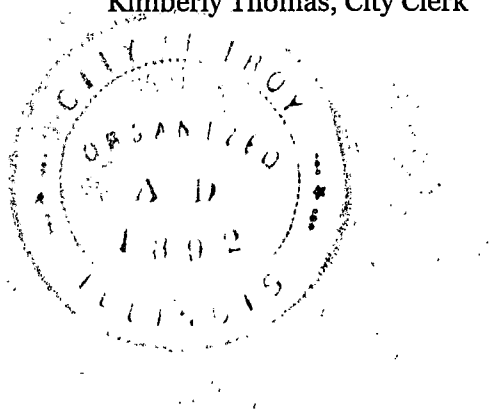
0 Nays

**APPROVED:**



David Nonn, Mayor,  
City of Troy, Illinois

**ATTEST:**

  
\_\_\_\_\_  
Kimberly Thomas, City Clerk



**§ 37.45 GENERAL PROVISIONS.**

(A) Purchasing agent. The City Administrator shall be the purchasing agent for the city, as provided in ILCS Ch. 65, Act 5, § 3.1-30-5. As purchasing agent, the City Administrator shall oversee the purchasing of goods and services by city employees, requiring that they follow good purchasing practices. The City Administrator shall have the authority to reject any and all requests or requisitions for the expenditure of funds unless the expenditures are required by law, or unless instructed by the City Council to proceed with an expenditure.

(B) Monitor of purchases. The City Administrator shall monitor all expenditures, bringing to the attention of the City Council any purchasing practices he or she or she feels are unethical, or could be considered a conflict of interest.

(C) Signature. A purchase order or contract shall be valid only when signed by the City Administrator who shall have determined that there are sufficient funds appropriated to cover such purchases.

(D) Approval. All purchases must be covered by a purchase order or by a contract, except those purchases under ~~\$500~~ \$10,000, which will require approval by the department head.

(E) Revise purchase orders. The City Administrator shall examine all purchase orders and he or she shall have the authority to revise purchase orders as to quantity or established cost after consulting with the department head.

(F) Interpretation. Questions of interpretation of these regulations or questions on procedures in purchasing not specifically stated herein, shall be referred to the City Administrator.

(G) State and federal laws. Except in cases where they are not as restrictive as the city's purchasing regulations, applicable state and federal laws shall supersede any regulations of the city concerning purchasing.

(1986 Code, § 6.5-1)

(H) Emergency. In the event of an emergency, the City Administrator shall have the authority to deviate from the purchasing/bidding requirements set forth in § 37.46, provided the City Administrator exercises proper care in obtaining the best possible price for the goods or services required by the city at such a time and taking into consideration the emergency conditions. In the event the City Administrator deems it necessary to deviate from the purchasing/bidding requirements set forth in § 37.46, the City Administrator shall notify the Mayor as soon as possible, document in writing the reasons for such action and present the written report to the City Council at the next special or regularly scheduled meeting of the City Council.

(Ord. 1992-21, passed 6-15-1992; Ord. 1994-25, passed 8-16-1994; Ord. 2008-15, passed 9-15-2008, Ord. 2021-\*\*, passed 9-7-2021)

**§ 37.46 PURCHASING.**

(A) Purchases less than ~~\$500~~ \$10,000. Purchases of goods or services within this category may be authorized by a department head. Purchases in this category may be

made for goods or services for which there are line items or categories for expenditure within the department's budget.

(B) Purchases from ~~\$500 to \$5,000~~ \$10,000 to \$25,000. For purchases of goods or services within this category, a department head or City Administrator shall solicit, in writing, at least three non-sealed bids for the item or items. The department head shall submit the completed purchase order with the bids attached to the City Administrator prior to the issuance of a purchase order. The execution of the bid requirement shall be documented by the department head on the purchase order provided by the City Administrator. After a purchase order has been assigned and signed by the City Administrator, the department head may proceed with the purchase or contract for services to the lowest responsible bidder who submits the bid most advantageous to the city. The City Administrator is not required to obtain at least three non-sealed bids for goods or services within this category but shall seek to contract for goods or services under terms and conditions that are in the best interest of the city.

~~(C) Purchases from \$5,000 to \$20,000. For purchases of goods or services within this category, a department head or the City Administrator shall solicit, in writing, at least three non-sealed bids for the item or items. The department head or the City Administrator shall submit the completed purchase order with the bids attached to the City Administrator prior to the issuance of a purchase order. The execution of the bid requirement shall be documented by the department head on the purchase order provided by the City Administrator. After a purchase order has been assigned and signed by the City Administrator, the department head may proceed with the purchase or contract for services with the lowest responsible bidder who submits the bid most advantageous to the city. In the event the City Administrator is soliciting the three non-sealed bids, the City Administrator shall submit the completed purchase order with the bids attached to the City Council prior to issuance of the purchase order. The execution of the bid requirement shall be documented by the City Administrator on the purchase order presented to the City Council. After a purchase order has been assigned and approved by the City Council, the City Administrator may proceed with the purchase or contract for services with the lowest responsible bidder who submits the bid most advantageous to the city.~~

(DC) Purchases greater than ~~\$20,000~~ \$25,000. Contracts for goods or services greater than ~~\$20,000~~ 25,000 shall be handled in accordance with the requirements set forth in ILCS Ch. 65, Act 5, §§ 8-9-1 and 8-9-2. The City Council shall have the authority to award contracts within this category. Contracts for goods or services within this category shall be purchased from the lowest responsible bidder, after due notice inviting bids, unless competitive bidding is waived by a two-thirds vote of the Aldermen then holding office.

(ED) Blanket orders. At the discretion of the City Administrator blanket purchase orders may be issued each month to the several vendors the city uses to supply minor items on a regular basis. Purchase of small items can then be made by going to the store, purchasing the item, signing a sales slip and telling the vendor to charge the purchase against the blanket purchase order. A signed copy of the sales slip is left with the vendor who will send it to the city with his or her monthly statement.

(FE) Designee in Administrator's absence. A designee shall be appointed to act as the City Administrator in emergency situations, when the City Administrator is unable to be located or is not within the city limits. When the term CITY ADMINISTRATOR is used in

this chapter, the term shall also refer to the designee who shall have all the powers and limitations of the City Administrator under the appropriate emergency situation as conferred under this chapter.

(1986 Code, § 6.5-2) (Ord. 1992-21, passed 6-15-1992; Ord. 1994-25, passed 8-16-1994; Ord. 2008-15, passed 9-15-2008, Ord. 2021-\*\*, passed 9-7-2021)

#### § 37.47 BIDDING AND CONTRACT PROCEDURES.

(A) Application of procedures. The following procedures shall be applicable for the bidding process for purchases over ~~\$20,000~~ \$25,000 or for purchases under ~~\$20,000~~ \$25,000 when the City Administrator believes it is in the best interest of the city to utilize a formal sealed bid procedure.

(B) Notice inviting bids. Notice inviting bids for purchases shall be published at least once in a newspaper with general circulation within the city.

(C) Scope of notice. The newspaper notice required herein shall include a general description of the work to be performed or the articles to be purchased, shall state where specifications may be secured, and the time and place for opening bids.

(D) Bid deposits. When deemed necessary by the City Council, 10% bid deposits shall be prescribed in the public notices inviting bids. Unsuccessful bidders shall be entitled to the return of their bid deposits upon the award of the contract by the City Council. A successful bidder shall forfeit any bid deposit required by the City Council upon failure on his or her part to enter into a contract within ten days after the award.

(E) Bid specifications.

(1) It shall be the duty of the department head to prepare written specifications for open, competitive bidding. The specifications shall be approved by the City Administrator or by such knowledgeable person as the City Administrator may appoint to review the specifications. The City Administrator, at his or her discretion, may mail bid specifications to prospective bidders.

(2) The department head shall have the authority to interview such salespersons or representatives of manufacturing concerns as he or she may wish in the development of specifications, as long as the interviewing does not result in a cost to the city.

(F) Bid opening procedure.

(1) Sealed. Bids for purchases shall be submitted sealed to the City Administrator's office and shall be identified as bids on the envelope.

(2) Opening. Bids shall be opened in public at the time and place stated in the public notice.

(3) Tabulation. A tabulation of all bids received shall be made by the City Council or by a city employee, in which event a tabulation of the bids shall be furnished to the City Council at its next regular meeting.

(G) Rejection of bids. The city shall have the authority to reject all bids or parts of all bids when the public interest will be served thereby.

(H) Bidders in default to city. The city shall not accept the bid for a contractor who is in default on the payment of taxes, licenses or other monies due the city.

(I) Award of contract.

(1) **Lowest responsible bidder.** Contracts shall be awarded to the lowest responsible bidder. In awarding the contract, in addition to price, the City Council shall consider the following when determining whether the bidder is responsible:

(a) The ability, capacity and skill of the bidder to perform the contract to provide the service required;

(b) Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;

(c) The character, integrity, reputation, judgment, experience and efficiency of the bidder;

(d) The quality of the performance of previous contracts or services;

(e) The previous and existing compliance by the bidder with laws and ordinances relating to the contract and service;

(f) The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service;

(g) The quality, availability and adaptability of the supplies or contractual services to the particular use required;

(h) The ability of the bidder to provide future maintenance and service for the use of the subject of the contract; and

(i) The number and scope of conditions attached to the bid.

(2) **Performance bonds.** The City Council shall have the authority to shall require a 100% performance bond, before entering into a contract, in such amounts as it shall find reasonably necessary to protect the best interests of the city. In addition to a performance bond, the city shall retain ten percent (10%) of the amount otherwise due as retainage from each progress payment made before substantial completion of the project/contract. The City may also allow other forms of security, as deemed acceptable by the City Administrator, to include cashier's checks or letters of credit.

(3) **Certificate of insurance.** The city shall require all contractors performing public works projects or performing work on city property in connection with a purchase order, to maintain insurance of the types and with limits of liability not less than those set out below at the contractor's expense during the term (including the warranty period) of the purchase order from insurers reasonably acceptable to the city covering items, risks and operations required to fulfill the purchase order:

(a) **Workers' compensation.** Insurance that the contractor is obliged by law to carry that covers all of contractor's employees performing work under this purchase order ("worker compensation");

(b) **Employer's liability insurance.** Employer's liability insurance with a minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate. ~~any one occurrence or the statutory requirement, whichever is greater.~~ Such insurance shall protect the city as an alternate employer against claims asserted against the contractor by the contractor's workers as "borrowed servants," statutory employees or maritime employees ("employer liability");

(c) **Commercial or comprehensive general liability insurance.** Commercial or comprehensive general liability insurance, including contractual liability coverage, with a

limit of \$12,000,000 per occurrence/\$5,000,000 aggregate ~~any one occurrence~~. Such ~~insurance shall include sudden and accidental pollution liability coverage;~~

(d) Automobile liability insurance. Automobile liability insurance with a combined bodily injury and property damage minimum limit of \$1,000,000 per occurrence/\$2,000,000 aggregate ~~any one occurrence or the statutory requirement, whichever is greater~~, for all owned and leased vehicles;

(e) Aircraft. If aircraft are used in connection with a purchase order, aircraft liability insurance, including passenger liability insurance, with a combined single limit for bodily injury and property damage of \$10,000,000 any one occurrence and a limit of \$3,000,000 any one passenger;

(f) Other. Any other insurance in the types and amounts required by applicable law;

(g) Primary insurance. All insurance required above shall be primary to any insurance coverage available to the city regardless of whether the city carries primary or excess coverage;

(h) Waiver of subrogation and additional insured. The policies under divisions (1)(3)(c) through (1)(3)(f) above shall be endorsed to show the city as additional insureds and all insurance policies obtained by the contractor shall contain a waiver of subrogation in favor of the city. The policies provided for under this section shall contain a provision that any breach by seller of any warranty, covenant or representation in any of the policies shall not prejudice any claim by the city as an additional insured;

(i) Certificates of insurance and policies. Upon the city's request, all persons contracting with the city shall furnish to the city certificates of insurance demonstrating that the contractor, supplier or vendor has obtained the insurance coverage set out above and containing a statement that the insurance will not be materially changed or cancelled without at least 30 days' prior written notice to the city. All coverages must be written on forms reasonably acceptable to the city. Neither review nor failure to review the certificates shall constitute approval thereto or be deemed to waive or diminish city's rights under any purchase order. In the event of an accident or loss resulting in an insurance claim, the contractor, supplier or vendor, at city's request, shall provide city with certified copies of its insurance policies for which the city is shown as an additional insured. This obligation shall survive the termination of any contract or purchase order;

(j) Failure to comply. Neither failure to comply nor full compliance with the insurance provisions of this purchase order shall limit or relieve any contractor, vendor or supplier from its liability and/or indemnity obligations under any contract or purchase order. If a contractor, vendor or supplier fails or refuses to comply with the obligations set forth in the city's code of ordinances, the city, without prejudice to any other rights or remedies available to it under the purchase order or at law, may (1) treat the purchase order as having been repudiated by the contractor, vendor or supplier or (2) procure the required insurances and deduct the cost thereof from any amounts due hereunder or otherwise recover such amounts from the contractor, vendor or supplier;

(k) Sub-vendors and subcontractors. All contractors, vendors or suppliers shall ensure that each of their vendors and subcontractors shall maintain insurance which is required under any applicable laws or regulations, together with such other insurances of types and amounts necessary to cover risks inherent in the work of that vendor or subcontractor, as well as any other insurance that the city may deem necessary and such

insurance which the contractor, vendor or supplier is obliged to effect in accordance with this section; and

(l) The City Council shall have the authority to require the additional insurance requirements if the City Council determines that it is in the best interest of the city to do so. (1986 Code, § 6.5-3) (Ord. 1992-21, passed 6-15-1992; Ord. 2008-15, passed 9-15-2008, Ord. 2021-\*\*, passed 9-7-2021)

**END OF DOCUMENT**