

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON, TEXAS, PROVIDING FOR, AUTHORIZING, AND APPROVING THE PURCHASE OF PROPERTY AND BOILER & MACHINERY INSURANCE COVERAGE FOR THE CITY OF DENTON, THROUGH THE CITY'S SOLE BROKER OF RECORD, MCGRIFF, SEIBELS, AND WILLIAMS OF TEXAS, INC., AND IN ACCORDANCE WITH CHAPTER 252.024 OF THE TEXAS LOCAL GOVERNMENT CODE SUCH COVERAGE IS EXEMPT FROM THE REQUIREMENTS OF COMPETITIVE BIDDING; AND PROVIDING AN EFFECTIVE DATE (FILE 6603-AWARDED TO AFFILIATED FM INSURANCE COMPANY WITH A RATE OF \$0.0646 PER \$100 OF INSURABLE VALUE, WITH A ONE (1) YEAR NOT-TO-EXCEED AMOUNT OF \$340,000 AND A THREE (3) YEAR NOT-TO-EXCEED AMOUNT OF \$1,020,000.)

WHEREAS, Section 252.024 of the Local Government Code provides that a municipality may select a licensed insurance broker as the sole broker of record to obtain proposals and coverages for excess or surplus insurance that provides necessary coverage and adequate limits of coverage in structured layered excess coverages in all areas of risk requiring special consideration, including public official liability, police professional liability, and airport liability; and need not be submitted to competitive bids; and

WHEREAS, the City Council wishes to procure one or more of the items mentioned in the above paragraph; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The following purchase of materials, equipment or supplies, as described in the "File" listed hereon, and on file in the office of the Purchasing Agent, and the license terms attached are hereby approved:

| <u>FILE</u> <u>NUMBER</u> | <u>VENDOR</u> | <u>AMOUNT</u> |
|------------------------------|---------------------------------|------------------------------|
| 6603 | Affiliated FM Insurance Company | \$1,020,000 (the "Proposal") |

SECTION 2. The City Council hereby finds that this bid, and the award thereof, constitutes a procurement of items that are available from only one source, including, items that are only available from one source because of patents, copyrights, secret processes or natural monopolies; films, manuscripts or books; electricity, gas, water and other utility purchases; captive replacement parts or components for equipment; and library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and need not be submitted to competitive bids.

SECTION 3. The acceptance and approval of the above items shall not constitute a contract between the City and the person submitting the quotation for such items until such person shall comply with all requirements specified by the Purchasing Department.

SECTION 4. The City Manager is hereby authorized to execute any contracts relating to the items specified in Section 1 and the expenditure of funds pursuant to said contracts is hereby authorized.

SECTION 5. The City Council of the City of Denton, Texas hereby expressly delegates the authority to take any actions that may be required or permitted to be performed by the City of Denton under File 6603 to the City Manager of the City of Denton, Texas, or his designee.

SECTION 6. This ordinance shall become effective immediately upon its passage and approval.

PASSED AND APPROVED this the _____ day of _____, 2017.

CHRIS WATTS, MAYOR

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
AARON LEAL, INTERIM CITY ATTORNEY

BY: Jennifer W. Walters