



Office of the City Clerk

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Legislation Details (With Text)

File #: O2021-410

Type: Ordinance

Status: Passed

File created: 1/27/2021

In control: City Council

Final action: 2/26/2021

Title: Amendment of Municipal Code Section 2-32-031 to include security instruments offering indemnification for workers' compensation and other insurance claims regarding construction and operations at Chicago O'Hare International and Chicago Midway International Airports

Sponsors: Lightfoot, Lori E.

Indexes: Ch. 32 Dept. of Finance

Attachments: 1. O2021-410.pdf

Date	Ver.	Action By	Action	Result
2/26/2021	1	City Council	Passed	Pass
2/11/2021	1	Committee on Aviation	Recommended to Pass	
1/27/2021	1	City Council	Referred	

OFFICE OF THE MAYOR

CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

January 27, 2021

TO THE HONORABLE, THE CITY COUNCIL OF THE CITY
OF CHICAGO

Ladies and Gentlemen:

At the request of the Comptroller, I transmit herewith an ordinance amending section 2-32-031 of the Municipal Code regarding security instruments.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours.

ORDINANCE

WHEREAS, The Comptroller is authorized to obtain letters of credit, lines of credit, and tri-party trust agreements ("security instruments") to secure insurance agreements relating to Worker's Compensation claims payable from the Chicago O'Hare Airport Fund and Chicago Midway Airport Fund and to secure insurance agreements covering construction and operations at Chicago O'Hare International Airport and Chicago Midway International Airport; and

WHEREAS, It is not commercially possible in many cases to enter into tri-party trust agreements or other security instruments securing insurance agreements without providing indemnification; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Section 2-32-031 of the Municipal Code of Chicago is hereby amended by inserting the text underscored, and by deleting the text struck through, as follows:

2-32-031 Debt management policies; retention of rebate calculation agents, financial advisors, consultants, dissemination agents and qualified independent representatives.

(Omitted text is unaffected by this ordinance)

(g) In connection with the administration of workers' compensation and other insurance claims payable, per the annual appropriation ordinance, from the Chicago Midway Airport Fund and the Chicago O'Hare Airport Fund, and as needed to secure insurance agreements entered into by the Comptroller covering construction and operations at Chicago O'Hare International Airport and Chicago Midway International Airport, the Chief Financial Officer is authorized to obtain one or more letters of credit, lines of credit, or tri-party trust agreements (collectively, for purposes of this subsection, "security instruments"). Such security instruments may provide for indemnification. Each such security instrument, if applicable, shall bear interest at a rate or rates not to exceed seven percent (7%) per annum. The sum total of all such security instruments at any one time outstanding shall not exceed an aggregate of fifty million dollars (\$50,000,000). Terms exceeding these limits shall be approved by the City Council.

SECTION 2. This ordinance shall take effect upon its passage and approval.