

**CITY OF BETHLEHEM
ADDITIONAL TERMS AND CONDITIONS
RELATING TO INSURANCE, BONDING, AND WARRANTIES
FOR THE PURCHASE OF GOODS AND SERVICES**

IF NOTED ON THE PURCHASE ORDER BETWEEN CITY OF BETHLEHEM AND SELLER, THE FOLLOWING ADDITIONAL TERMS AND CONDITIONS SHALL APPLY TO THE PURCHASE ORDER:

1. Insurance Requirements.

- (i) Seller shall maintain, at its sole expense, the following minimum insurance coverage:
 - (a) Workers Compensation and Employers' Liability: Must be in an amount equal to or greater than federal and state minimum requirements.
 - (b) Comprehensive General Liability (including Premises-Operations; Independent Contractors' Protective; Products and Completed Operations; Broad Form Property Damage). Coverage must be no less than \$1,000,000 for each occurrence and \$2,000,000 in the aggregate. Products and Completed Operations coverage to be maintained one (1) year after final acceptance of the work contracted for under this Purchase Order.
 - (c) Motor Vehicle Liability (for owned, non-owned and hired vehicles). Coverage must be no less than \$1,000,000 combined single limit.
 - (d) Builder's Risk. Coverage must be no less than the total completed value of subject project.
- (ii) Certificates of Insurance (Acord Form 25) shall be produced to City prior to authorization to commence work and shall name "**The City of Bethlehem, its Officials and Employees**" as additional insureds on all policies except Workers Compensation and Employers' Liability.

2. Bonds Requirements. Seller shall furnish and deliver to City prior to authorization to commence work the following bonds:

- (a) Performance Bond. A performance bond in an amount equal to one hundred percent (100%) of the Contract Price (exclusive of bonding costs). Such bond shall be solely for the protection of City and shall be conditioned upon the faithful performance of the work contracted for under this Purchase Order, including any warranty period and correction period required under this Purchase Order.
- (b) Labor and Material Payment Bond. A labor and material payment bond in an amount equal to one hundred percent (100%) of the Contract Price (exclusive of bonding costs). Such bond shall be solely for the protection of claimants supplying labor and/or materials to Seller, or to any of Seller's Subcontractors in the prosecution of the work provided for in this Purchase Order, and shall be conditioned for the prompt payment of all such material furnished or labor supplied or performed in the prosecution of the work and any warranty period obligations required pursuant to this Purchase Order. "Labor and/or materials" shall include public utility services and reasonable rentals of equipment, but only for periods when the equipment rented is actually used at the site.

3. Warranties. In addition to any warranties set forth in Paragraph 12 of the City's Terms and Conditions located at: <https://www.bethlehem-pa.gov/Quicklinks/Purchasing>, which are incorporated herein by reference and made a material part hereof, for a period of one (1) year after final acceptance of the work contracted for under this Purchase Order, Seller shall promptly, without cost to City and in accordance with City's written instructions, correct any work that is found to be defective, normal wear and tear excepted. Any Goods provided or Services performed during this correction period shall be subject to all requirements stated in this Purchase Order.