

## PUBLIC IMPROVEMENTS COMPLETION BOND

WHEREAS, the City of Albany, State of Oregon and \_\_\_\_\_ (Developer) hereinafter referred to as "Principal", have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement, dated \_\_\_\_\_, 20\_\_\_\_, and identified as Permit for Private Construction of Public Improvements Project No. SI-\_\_\_\_\_ is hereby referred to and made a part hereof; and

WHEREAS, said Principal is required under the terms of said agreement to furnish a financial guarantee for the faithful performance of said agreement, and to guarantee the work for a period of one year.

NOW, THEREFORE, we, the Principal and \_\_\_\_\_ (Surety), a corporation organized and doing business under and by virtue of the laws of the State of \_\_\_\_\_, and duly licensed by the State of Oregon for the purpose of making, guaranteeing, or becoming sole surety upon bonds or undertakings in the penal sum of \_\_\_\_\_ (\$\_\_\_\_\_) lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The conditions of this obligation are such that if the above bounded principal, his, their, or its heir, executors, administrators, successors, or assigns, shall in all things stand to or abide by and well truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner herein specified, and in all respects according to their true intent and meaning, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

The Surety and Principal further agree that in the event the work and improvements are not completed within the time allowed by the said agreement or any extensions thereof as may be granted by the Obligees they shall be jointly and severally liable to the City for any and all costs incurred by the City in completing the required improvements. In such event, at the election of Obligees, Surety shall tender to Obligees the amount necessary, based upon the estimate of Obligees, to carry out completion of the improvements; it being further understood that upon completion of the improvements, any unexpended funds shall be returned to Surety. In the alternative, Obligees may, at its election, order the Surety to take over and complete the improvements.

As a part of the obligation secured hereby and in addition to the face amount specified thereof, there shall be included costs and reasonable expenses and fees including enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety and Principal further agree that ten percent (10%) of the face amount of this bond will remain in effect and continue after completion and acceptance of the work and improvement by the Obligees for one year from the date of acceptance to guarantee said improvements against any defective work or labor done, or defective materials furnished, in performance of the contract.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligations on this bond, and does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

No right of action shall accrue hereunder to or for the use of any persons, firm or corporation other than the Obligees. If there be more than one Obligees named in this bond, then it is understood that the rights of the Obligees or any of them under this bond are conditioned upon the faithful performance by or on behalf of the Obligees of all conditions to the Agreement and total amount of the Surety's liability hereunder shall in no event exceed the aggregate penalty hereof.

IN WITNESS WHEREOF, said Principal and said Surety have caused this public improvements completion bond to be duly executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**PRINCIPAL:** \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

**CITY OF ALBANY, OREGON:**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Assistant City Manager

Date: \_\_\_\_\_

By: \_\_\_\_\_  
City Manager

**SURETY:** \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

**APPROVED AS TO FORM:**

Date: September 7, 2000

By: James Delapoer, City Attorney