

CITY OF LAVON, TEXAS
ORDINANCE NO. 2017-05-01

Subdivision Code – Maintenance Bonds

AN ORDINANCE OF THE CITY OF LAVON, TEXAS AMENDING ORDINANCE NO. 2002-01-03 SUBDIVISION ORDINANCE, SECTION 8.00 “BONDS AND INSURANCE” BY ADDING ADDITIONAL REQUIREMENTS FOR MAINTENANCE BONDS; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00); PROVIDING FOR PUBLICATION OF THIS CAPTION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Lavon, Texas (“City Council”) has determined it is in the best interest of the citizens to amend the regulations governing the development and subdivision of land within the City of Lavon, Texas (the “City”); and

WHEREAS, the City Council has determined that the adoption of this amendment is done to ensure the integrity of public infrastructure within the City of Lavon, Texas; and

WHEREAS, the City Council has further determined the following amendment to the Subdivision Ordinance would provide for and would be in the best interest of the safety, health and general welfare of its citizens.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAVON, TEXAS, THAT:

Section 1. Findings Incorporated. The findings set forth above are incorporated as if fully set forth herein.

Section 2. Amendment. Section 8.0 Bonds and Insurance of Ordinance No. 2002-01-03, Subdivision Ordinance, shall be amended in Subsection (a) to read entirely as follows:

- (a) Warranty Bond. Upon completion of all improvements in accordance with the city’s specifications and standards, and their acceptance by the city, the developer or his or her contractor shall furnish the city with a maintenance warranty bond executed by a corporate surety holding a license from the State of Texas to act as surety or provide a cash escrow, an irrevocable letter of credit or other form acceptable to the city. The form of the bond shall be approved by the city attorney. The bond amount shall equal one hundred percent (100%) of the construction cost of all improvements and shall be in effect for two (2) years from the date of completion and acceptance by the city. The form of such bond shall be substantially as provided for in the following form.

MAINTENANCE BOND

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

KNOW ALL MEN BY THESE PRESENTS: THAT

_____ whose address is
_____, hereinafter called "Principal", and
_____, a corporation organized under the laws of the State of
_____ and authorized to do business in the State of Texas, hereinafter called "Surety",
are jointly and severally held and firmly bound unto the **CITY OF LAVON, TEXAS**, a general
law municipality located in Collin County, Texas, hereinafter called "Beneficiary", in the amount
of _____ DOLLARS and _____
CENTS (\$ _____), in lawful money of the United States, the sum of which equals one
hundred percent (100%) of the construction cost of all improvements to the project described
below, to be paid in Lavon, Collin County, Texas, for the payment of which sum well and truly
to be made, we bind ourselves, our heirs, executors, administrators and successors and assigns,
jointly and severally; and firmly by these presents. This bond shall automatically be increased
by the amount of any change order or supplemental agreement which increases the Contract
price, but in no event shall a change order or supplemental agreement which reduces the Contract
price decrease the penal sum of this Bond.

WHEREAS, Principal entered into a certain written Contract with the Beneficiary, dated the
_____ day of _____, _____, A.D. which is made a part hereof by reference, to
furnish all materials, equipment, labor, supervision, and other accessories necessary for:

INSERT NAME OF PROJECT

in the City of Lavon, Texas, as more particularly described and designated in the above-
referenced contract such contract being incorporated herein and made a part hereof as fully and
to the same extent as if written herein word for word.

NOW, THEREFORE, if Principal will maintain and keep in good repair the work
herein contracted to be done and performed for a period of two (2) years from the date of final
acceptance and do and perform all necessary work and repair any defective condition, it being
understood that the purpose of this section is to cover all defective conditions arising by reason
of defective materials, work or labor performed by Principal; then this obligation shall be void,
otherwise it shall remain in full force and effect; and in case Principal shall fail to do so it is
agreed that the City may do such work and supply such materials and charge the same against
Principal and Surety on this obligation.

PROVIDED, FURTHER, that if any legal action be filed on this Bond, exclusive venue shall lie in Collin County, Texas.

PROVIDED FURTHER, that Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work performed thereunder, or the plans, specifications, drawings, etc. accompanying same shall in any way affect its obligation on this Bond; and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder.

The undersigned and designated agent is hereby designated by Surety as the resident agent in Grayson County to whom all requisite notice may be delivered and on whom service of process may be had in matters arising out of this suretyship.

IN WITNESS WHEREOF, this instrument is executed on this the _____ day of _____, _____.

PRINCIPAL: _____

BY: _____
Name

ATTEST:

TITLE: _____

SURETY: _____

BY: _____
Name

ATTEST:

TITLE: _____

The Resident Agent of the Surety in Collin County, Texas, for delivery of notice and service of the process is:

NAME: _____
STREET ADDRESS: _____
CITY, STATE, ZIP: _____

NOTE: Date on Page 1 of Maintenance Bond must be same date that City Council awarded Contract. Date on Page 2 of Maintenance Bond must be after date of Contract. If Resident Agent is not a corporation, give a person's name.

Section 3. Penalties. Any person, firm or corporation violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and, upon conviction, in the municipal

court of the City of Lavon, Texas, shall be punished by a fine not to exceed the sum of two thousand dollars (\$2,000.00) for each offense, and each and every day any such violation shall continue shall be deemed to constitute a separate offense.

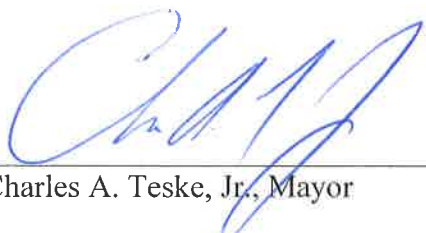
Section 4. Cumulative/Repealer Clause. This ordinance shall be cumulative of all provisions of state or federal law and all ordinances of the City of Lavon, Texas, except where the provisions of this ordinance are in direct conflict with the provisions of such other ordinances, in which event the conflicting provisions of such ordinances are hereby repealed to the extent of such conflict.

Section 5. Severability. In the event any clause, phrase, provision, sentence, or any part of this Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provisions hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Lavon, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

Section 6. Open Meeting. It is hereby officially found and determined that all notice required by law has been given and notice of this Ordinance was posted and the Ordinance passed in accordance with the Open Meeting Act.

Section 7. Effective Date. This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law in such cases provides.

DULY PASSED and APPROVED by the City Council of the City of Lavon, Texas, on the 2nd day of May 2017.



Charles A. Teske, Jr., Mayor

ATTEST:



Kim Dobbs, City Administrator | City Secretary

