

**CITY OF GIG HARBOR
PRIVATE PROJECT DEVELOPMENT
PERFORMANCE BOND**

DATE POSTED: _____
PROJECT COMPLETION DATE: _____

RE: Gig Harbor Subdivision/Plat/Name: _____
Owner/Developer/Contractor: _____
Project Address: _____

KNOW ALL PERSONS BY THESE PRESENTS: That we, _____
_____ (hereinafter called the "Principal"), and _____
a corporation organized under the laws of the State of _____, and authorized
to transact surety business in the State of Washington (hereinafter called the "Surety"), are held and
firmly bound unto the City of Gig Harbor, Washington, in the sum of _____
(\$_____), lawful money of the United States of America, for the payment of which
sum we and each of us bind ourselves, our heirs, executors, administrators, successors and assigns,
jointly and severally, by these presents. THE CONDITIONS of the above obligation are such that:

WHEREAS, the above named Principal has entered into a certain agreement with the City,
or has been granted approval by the City, for _____
(SPR 01-03), within the City;

WHEREAS, the agreement or the approval granted by the City requires that certain
improvements be made in connection with construction of the project; and that such improvements
be constructed in full compliance with City standards, and the plans and specifications submitted
with the project, as required by the City; and

WHEREAS, the agreement or the approval granted by the City requires that the
improvements are to be made or constructed within a certain period of time, unless an extension is
granted in writing by the City; and

NOW, THEREFORE, it is understood and agreed that this obligation shall continue in effect
until released in writing by the City of Gig Harbor, but only after the Principal has performed and
satisfied the following conditions:

A. Conditions.

1. The improvements to be constructed by the Principal include: (insert complete
description here)

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2. The Principal must construct the improvements to conform to the design, location, materials and other specifications for the indicated site improvements, as required by the City in the above-referenced City file. In addition, the Principal must construct the improvements according to the applicable ordinances and standards of the City and/or state statutes, as the same now exist or are hereafter amended.
 3. The Principal must have completed all improvements required by the above-referenced conditions, plans and City file within _____, which time period shall begin to run from the earlier of _____ unless an extension is granted by the City.
 4. The Principal must have paid all sums owing to laborers, contractors, mechanics, subcontractors, materialmen and suppliers or others as a result of such work for which a lien against any City property has arisen or may arise.
 5. The Principal must obtain acceptance by the City of the work completed, all on or before thirty (30) days after the completion date set forth in paragraph 3 above.

B. Default.

1. If the Principal defaults and does not perform the above conditions within the time specified, then the Surety shall, within twenty (20) days of demand of the City, make a written commitment to the City that it will either:
 - a). remedy the default itself with reasonable diligence pursuant to a time schedule acceptable to the City; or
 - b). tender to the City within an additional ten (10) days the amount necessary, as determined by the City, for the City to remedy the default, up to the total bond amount.

Upon completion of the Surety's duties under either of the options above, the Surety shall then have fulfilled its obligations under this bond. If the Surety elects to fulfill its obligation pursuant to the requirements of subsection B(1)(b), the City shall notify the Surety of the actual cost of the remedy, upon completion of the remedy. The City shall return, without interest, any overpayment made by the Surety, and the Surety shall pay to the City any actual costs, which exceeded the City's estimate, limited to the bond amount.

2. In the event the Principal fails to complete all of the above referenced improvements within the time period specified by the City, then the City, its employees and agents shall have the right at the City's sole election to enter onto said property described above for the purpose of completing the improvements. This provision shall not be

construed as creating an obligation on the part of the City or its representatives to complete such improvements.

- C. Corrections. Any corrections required by the City shall be commenced within seven (7) days of notification by the City and completed within thirty (30) days of the date of notification. If the work is not performed in a timely manner, the City shall have the right, without recourse to legal action, to take such action under this bond as described in Section B above.
- D. Extensions and Changes. No change, extension of time, alteration or addition to the work to be performed by the Principal shall affect the obligation of the Principal or Surety on this bond, unless the City specifically agrees, in writing, to such alteration, addition, extension or change. The surety waives notice of any such change, extension, alteration or addition thereunder.
- E. Enforcement. It is specifically agreed by and between the parties that in the event any legal action must be taken to enforce the provisions of this bond or to collect said bond, the prevailing party shall be entitled to collect its costs and reasonable attorney fees as a part of the reasonable costs of securing the obligation hereunder. In the event of settlement or resolution of these issues prior to the filing of any suit, the actual costs incurred by the City, including reasonable attorney fees, shall be considered a part of the obligation hereunder secured. Said costs and reasonable legal fees shall be recoverable by the prevailing party, not only from the proceeds of this bond, but also over and above said bond as a part of any recovery (including recovery on the bond) in any judicial proceeding. The Surety hereby agrees that this Agreement shall be governed by the laws of the State of Washington. Venue of any litigation arising out of this Agreement shall be in Pierce County Superior Court.
- F. Bond Expiration. This bond shall remain in full force and effect until the obligations secured hereby have been fully performed and a bond guaranteeing maintenance of all improvements for a period of twenty-four (24) months from acceptance has been submitted to the City in an amount to be determined by the City Engineer, in a form suitable to the City and until released in writing by the City.

DATED this _____ day of _____, 200__.

SURETY COMPANY
(Signature must be notarized)

DEVELOPER/OWNER
(Signature must be notarized)

By: _____
Its _____

By _____
Its _____

Print Name: _____

Print Name: _____

Business Name: _____

Business Name: _____

Business Address: _____

Business Address: _____

City/State/Zip Code: _____

City/State/Zip Code: _____

Telephone Number: _____

Telephone Number: _____

CITY OF GIG HARBOR

By: _____

Date: _____

Its: _____

City of Gig Harbor
3510 Grandview Street
Gig Harbor, Washington 98335
(253) 851-6170

APPROVED AS TO FORM:

Office of the City Attorney

<p>CHECK FOR ATTACHED NOTARY SIGNATURE</p> <p>_____ Individual (Form P-1)</p> <p>_____ Corporation (Form P-2)</p>

**FORM P-2 / NOTARY BLOCK (Use For Partnership or Corporation Only)
(For Developer/Owner)**

STATE OF WASHINGTON)
) ss.
COUNTY OF)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged as the _____ of _____ that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it to be (his/her) free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: _____

(print or type name)

NOTARY PUBLIC in and for the State of Washington, residing at: _____
My Commission expires: _____

(For Surety Company)

STATE OF WASHINGTON)
) ss.
COUNTY OF)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged as the _____ of _____ that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it to be (his/her) free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: _____

(print or type name)
NOTARY PUBLIC in and for the State of Washington, residing at: _____
My Commission expires: _____