



**MSD
UNDERGROUND DETENTION BASIN
PERFORMANCE AND MAINTENANCE BOND**

as Surety (“Surety”) and _____, (“Contractor”) and _____ (“Owner/Developer”) as Principals (“Principals”), enter into and execute this bond (“Performance and Maintenance Bond”) and bind themselves, their heirs, administrators, executors, successors and assigns in favor of the Louisville and Jefferson County Metropolitan Sewer District, as Obligee (“MSD”), in the penal sum of \$ _____, as of this _____ day of _____, _____.

WHEREAS, Principals have provided to MSD plans for the construction, by Principals, of drainage facilities and improvements in connection with a development known as _____, MSD File # _____, which plans were prepared for Principals by _____ and dated _____ and which plans were approved by MSD on _____, which plans and approval are incorporated herein and made a part hereof by reference and are hereinafter collectively referred to as the “Approved Plans”;

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that if Principals shall fully and completely construct all and each of the drainage facilities and improvements as set out in the Approved Plans, including the payment in full of all labor and materials used in the construction of said drainage facilities and improvements in accordance with the provisions of KRS Chapter 337, pay all unemployment contributions which become due and payable under the Kentucky Unemployment Insurance Law and shall indemnify and hold harmless and defend MSD against all claims, loss or damage, and expenses of reconstruction or additional work directly arising by reason of the failure of the Principals to faithfully construct, maintain and preserve said drainage facilities and improvements and to guarantee the work performed under said Approved Plans for a period of one year from the date of acknowledgement of acceptance by MSD of said work, then this obligation shall be null and void; otherwise, it shall remain in full force and effect.

At the conclusion of this one year period and release of the initial bond, the Owner/Developer as remaining Principal shall execute the attached Maintenance bond that will remain in effect for an additional twenty-four (24) month period. Any maintenance bond issued for any subsequent term(s) will be at the surety's option & failure to provide any subsequent bonds will not be considered a default under this contract and bond.

Whenever, Principals shall be, and are declared by MSD, in writing, to be in default of their obligations under the Approved Plans, the Surety shall, within ten (10) days, undertake to promptly remedy the default, and shall promptly:

1. Complete the Approved Plans in accordance with their terms and conditions, or
2. Obtain a bid or bids for completing the Approved Plans in accordance with their terms and conditions, and upon determination by Surety of the lowest responsible bidder or, if MSD elects, upon determination by MSD and Surety jointly of the lowest responsible bidder, arrange for a Contract between such bidder and Surety, and make available as work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion of the Approved Plans, but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the penal sum set forth herein.

This Performance and Maintenance Bond is provided by Surety for the sole and exclusive benefit of MSD together with its successors or assigns. No other party, person or entity shall have any rights against Surety hereunder.

Any and all notices to Surety, Principals or MSD shall be given by Certified Mail, Return Receipt Requested, to the address set forth for each party below:

Surety:

Principals:

MSD: Louisville and Jefferson County Metropolitan Sewer District
700 West Liberty Street
Louisville, KY 40203-1913

Should any proceedings be necessary to enforce this Performance and Maintenance Bond, such sum as the Court may determine to be reasonable shall be allowed to MSD as attorney's fees, in addition to any other sums found due.

In the event that any actions or proceedings are initiated with respect to this Performance and Maintenance Bond, the parties agree that the venue thereof shall be Jefferson County, Commonwealth of Kentucky, and shall be tried by the Court sitting without a jury.

IN TESTIMONY WHEREOF, the signatories to this Bond, as Principals, attest that they have been authorized and have the legal authority to execute this instrument in person or by duly authorized agent, and Surety has caused its name to be hereunto signed by its duly authorized agent and its corporate seal hereto affixed, this _____ day of _____, _____.

PRINCIPAL (CONTRACTOR)

BY: _____

TITLE: _____

PRINCIPAL (OWNER/DEVELOPER)

BY: _____

TITLE: _____

SURETY

BY: _____

TITLE: _____

(SEAL)