

**CITY OF ATLANTIC BEACH
CITY COMMISSION MEETING
STAFF REPORT**

AGENDA ITEM: Maintenance Bond Code

SUBMITTED BY: Jeremy Hubsch
Building and Zoning Director



DATE: September 28, 2015

BACKGROUND:

Whenever the City accepts public improvements in a subdivision, Section 24-233 requires a maintenance bond for 100% of the cost of improvements. The maintenance bond is to cover the cost of accepted improvements for a year. It essentially acts as an insurance policy for the City shall any construction defaults occur.

It has come to the City's attention during recent developments that requiring a 100% maintenance bond is not in line with many other municipalities. Currently, Atlantic Beach and Jacksonville Beach are the only municipalities that require the full 100%. Neptune Beach, St. Johns County, Nassau County and Putnam County only require 15% of the cost of improvements. Clay County and Flagler County require 10%. The City of Jacksonville is negotiable.

Public Works Director Doug Layton believes that 15% is sufficient to cover the improvements that the city accepts. The city reviews plans and conducts inspections on work that is accepted. Mr. Layton believes it is unlikely that if there are constructions defects or issues, they will cost the full 100% of the entire project to repair.

At the July 21st Community Development Board Meeting, the CDB voted 5-0 to recommend that the City Commission reduce the required maintenance bond from 100% to 15%. Staff has drafted a proposed ordinance which amends section 24-233 to reflect the CDB's recommendation.

BUDGET: None.

RECOMMENDATION: Approve Ordinance 90-15-112

ATTACHMENTS: Proposed Ordinance 90-15-112

REVIEWED BY CITY MANAGER:



ORDINANCE NO. 95-15-112

AN ORDINANCE OF THE CITY OF ATLANTIC BEACH, FLORIDA, AMENDING CHAPTER 24, ARTICLE IV OF THE CODE OF ORDINANCES, LAND DEVELOPMENT CODE, TO AMEND SECTION 24-233, MAINTENANCE SECURITY; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Atlantic Beach, Florida seeks to reduce the required maintenance bond for new subdivisions, the City finds that it is necessary to amend Chapter 24, Article IV of the Atlantic Beach Code of Ordinances.

NOW THEREFORE, BE IT ENACTED BY THE CITY COMMISSION ON BEHALF OF THE PEOPLE OF THE CITY OF ATLANTIC BEACH, FLORIDA:

SECTION 1. Regulation Amended. That Section 24, Article IV of the Code of Ordinances, specifically the Land Development Regulations, Section 24-233 of the City of Atlantic Beach, Florida, is hereby amended to read as follows:

Sec. 24-233. - Maintenance security.

Where the city is requested to accept maintenance of any public improvement within the subdivision, a maintenance bond in the amount of ~~one hundred (100)~~ fifteen (15) percent of the construction cost of the improvements shall be filed with the city. Such bond shall provide that the city shall be indemnified if the developer does not replace or repair any public improvements, which are defective in materials or workmanship or which were not constructed in compliance with the approved construction plans. The terms of the maintenance bond shall expire one (1) year after acceptance for maintenance by the city unless the city serves written notice to the developer that the improvements are defective in material or workmanship or were not constructed in compliance with the approved construction plans within the one (1) year.

SECTION 2. Conflict. If any portion of this ordinance is in conflict with any portion of any other ordinance, then the provisions of this ordinance shall govern.

SECTION 3. Severability. If any section, sentence, clause or phrase of this ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this ordinance.

SECTION 4. Effective Date. This Ordinance shall take effect immediately upon its final passage and adoption.

PASSED by the City Commission on first reading this 12th day of October 2015.

PASSED by the City Commission on second and final reading this 26th day of October 2015.

CAROLYN WOODS
Mayor, Presiding Officer

ATTEST:

DONNA L. BARTLE
City Clerk

Approved as to form and correctness:

RICHARD KOMANDO
City Attorney