ORDINANCE NO 2017-14

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING CHAPTER 2, ARTICLE VI, DIVISION 2 SECTION 2-269 REGARDING PAYMENT AND PERFORMANCE BONDS; PROVIDING FOR CODIFICATION; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council recognizes that requiring payment and performance bonds, while necessary for certain large projects, may inordinately burden contractors performing smaller projects for the city, and limit competition; and

WHEREAS, pursuant to Section 255.05(1)(d), Florida Statutes, the City Council may waive a payment and performance bond when awarding contracts for the construction of a public building, for the prosecution and completion of a public work, or for repairs upon a public building or public work, when the work to be completed is estimated to be \$200,000 or less.

WHEREAS, the City Council desires to encourage the accessibility of government contracts to small businesses and to promote competitive bidding for all projects whether small or large; and

WHEREAS, the City Council desires to authorize the city manager to waive the payment and performance bond requirement for city projects that are estimated to be \$100,000 or less, and

WHEREAS, for purposes of this ordinance words with underlined (<u>underlined</u>) type shall constitute additions to the original text and words with strikethrough (strikethrough) type shall constitute deletions from the original text.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA:

<u>SECTION 1.</u> The City Council of the City of Port Orange, Florida hereby amends Section 2-269 of the Code of Ordinances to read as follows:

Sec. 2-269. – Payment and performance bonds.

(a) A contractor or vendor may be required to provide a corporate surety bond from a surety company authorized to do business in Florida to guarantee the full and faithful performance of the contract obligations and the payment of labor and material expended

pursuant to the contract whenever and in such amounts as are deemed necessary by the city manager. All such bonds shall be approved as to form by the city attorney.

(b) The City Council delegates to the city manager the authority to waive, in whole or in part, the payment and performance bond requirements on city projects for the construction of a public building, for the prosecution and completion of a public work, or for repairs upon a public building or public work, unless otherwise required by law, and when the cost of the work to be completed is estimated to be less than or equal to \$100,000.

SECTION 2. The provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Port Orange and the Sections of this Ordinance may be renumbered or re-lettered to accomplish such intention. The Code codifier is granted reasonable authority to codify the provisions of this Ordinance.

SECTION 3. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION 4. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared severable.

SECTION 5. This ordinance shall become effective immediately upon final passage by the City Council.

MAYOR DONALD O. BURNETTE

ATTEST

Robin L. Fenwick, CMC, City Clerk

Passed on first reading on the 2nd day of May, 2017.

Passed and adopted on second and final reading on the 10^{40} day of May, 2017.

Reviewed and Approved: Margaret T. Roberts, City Attorney