

**SUBDIVISION/LAND DEVELOPMENT
IMPROVEMENT BOND
AGREEMENT**

THIS AGREEMENT, made this _____ day of _____, _____, (year), by and between the TOWNSHIP OF FERGUSON, A Home Rule Municipality, of Centre County, Pennsylvania, hereinafter referred to as "Township"

A
N
D

_____,
Centre County, Pennsylvania, hereinafter referred to as "Developer"

RECITALS

A. Developer desires final plan approval for _____

_____,
herein after referred to as "Plan" dated _____, _____ (year).

B. Developer is desirous of installing the improvements pursuant to the Plan, consisting of water lines, sanitary sewer lines, storm sewers, curbs, street lights, traffic signals, gutters, fire hydrants, shade trees, signage, recreational facilities, open space improvements, buffer or screen plantings, storm water detention basins, bikeways, walkways and sidewalks, curbing and paving for the street(s) known as _____

_____, and
to be responsible for administration, inspection and engineering fees, and for that purpose, has obtained an estimate prepared by a professional engineer, which estimate is in the amount of \$ _____

_____, (and
which estimate is equal to the cost of completion, under prevailing wage laws, estimated as of ninety (90) days following the date scheduled for completion by the Developer, which date is one (1) year from the date of this agreement); and Developer will provide to Township an Improvement Bond in the amount of \$ _____

_____, dollars,
which amount is one hundred ten (110%) percent of the above described estimate amount as

required by The Pennsylvania Municipalities Planning Code and the Township Subdivision and Land Development Ordinances.

C. Developer must complete the improvements for the Plan within fifty (50) weeks from the date hereof. The subdivision regulations of the Township require that financial security be posted for public improvements prior to final plan approval.

D. It is the purpose of this Agreement to provide the financial security needed by the Developer to guarantee the installation of the aforementioned public improvements.

NOW, THEREFORE, for and in exchange of mutual considerations and intending to be legally bound by the provisions hereof, the parties agree as follows:

1. Developer agrees to provide an Improvement Bond for the benefit of and made payable to Township for the purpose of guaranteeing payment for completion of public improvements by Developer, consisting of water lines, sanitary sewer lines, storm sewers, curbs, street lights, traffic signals, gutters, fire hydrants, shade trees, signage, recreational facilities, open space improvements, buffer or screen plantings, storm water detention basins, bikeways, walkways and sidewalks, and other improvements required by the Township Subdivision and Land Development Ordinances as set forth on Plans submitted by Developer to Township, in accordance with Township Road Construction Standards, the Township Code of Ordinances and Specifications of the Township Engineer, and for inspection and engineering fees.

2. The Improvement Bond shall initially be in force and issued for a period of at least one (1) year (52 weeks) from date hereof. Developer agrees that all improvements shall be completed within fifty (50) weeks from the date hereof.

3. If all of the improvements referred to in Paragraph D.1 of this Agreement are not completed within fifty (50) weeks from the date hereof, the Developer may seek extension of that period upon the concurrence of Township by entering into a new agreement; provided, however, that as a condition to granting such extension either the existing Improvement Bond shall remain in effect for a period of time at least two weeks after the termination of the extension or Developer must provide a new improvement bond or other form of financial security endorsed to Township and acceptable to the Township, and in an amount and for a time to be determined by the Township.

4. Upon default by Developer in construction of the improvements pursuant to and in accordance with Township Road Construction Standards, the Township Code of Ordinances and specifications of the Township Engineer, and for inspection and engineering fees within one (1) year, said improvements may be completed by Township, at the Township's

option, and in such event, Township may exercise and draw upon the Improvement Bond for any amounts required to complete the improvements.

5. Upon default by Developer in construction of the improvements pursuant to and in accordance with Township Road Construction Standards, the Township Code of Ordinances and specifications of the Township Engineer, and for inspection and engineering fees, Township shall be authorized to withhold (a) permits for the further construction of improvements and (b) zoning permits.

6. Developer shall commence construction of sewage improvements only upon written authorization of the University Area Joint Authority and shall backfill and fill trenches only after inspection and approval of said Authority and Township; construction of water improvements shall be commenced only upon written authorization of the State College Borough Water Authority, or Rock Springs Water Company, and backfilling and filling trenches shall commence only after inspection and approval by said Authority and Township and with respect to all other improvements, notice in writing shall be given to Township of date of commencement of construction.

7. Township agrees that this Agreement and the Improvement Bond are the financial security required for the improvements for the Plan.

8. Prior to acceptance and public use of any portion of the improvements, Developer shall deposit a maintenance bond to secure structural integrity of said improvements as well as the function of said improvements as required by the Municipalities Planning Code, Section 509 (k), as amended, {except water and sewer facilities for which financial security is posted in accordance with Municipalities Planning Code, Section 509 (1), as amended}, in accordance with the design and specifications as required by Township and as depicted on the Plan in form acceptable to Township and in an amount of not less than fifteen (15%) percent of the actual cost of installation of said improvements, conditioned that if the improvements are in satisfactory condition at the end of eighteen (18) months after completion and acceptance of dedication, the bond shall be void.

IN WITNESS WHEREOF, the parties set their hands and seals the day and year first above written.

ATTEST:

TOWNSHIP OF FERGUSON

(Secretary)

(Chairman)

WITNESS:

DEVELOPER
