

ORDINANCE NO. 2022-07

AN ORDINANCE CREATING SECTION 18-135 OF THE CODE OF ORDINANCES FOR THE VILLAGE OF UNION GROVE, RELATING TO THE IMPOSITION OF A CONTRACTOR'S BOND.

The Village Board of the Village of Union Grove ordains as follows:

1. That Section 18-135 of the Municipal Code of the Village of Union Grove be, and hereby is, created to read as follows:

"Sec. 18-135. Contractor's Bond.

(a) Definitions

(1) **"Right-of-way"** includes all portions of a highway dedicated to the public, including paved/asphalted portions, drainage ways, ditches, swales, culverts, curbs and gutters, other drainage structures, and sidewalks and ramps.

(2) **"Applicant"** means the person, partnership or corporation who signs the application for a building permit. The applicant shall be responsible for the duties specified under this section. The applicant may not assign his rights or duties under this section once the applicant commences the construction project for which the Contractor's Bond is required.

(b) **Contractor's Bond Required.** A cash bond of \$5,000 shall be submitted to the Building Inspector prior to the granting of any building permit for any new residential, commercial, industrial or institutional facilities or structures or for the remodeling of any such existing facilities or structures which in the judgment of the building inspector will require substantial equipment or materials, where the proposed construction is to be located on a parcel of land that has access to a Village road and the Building Inspector determines that damage to the right-of-way is possible.

Such bond shall guarantee:

(1) Any damage occurring during the period of construction to the public right of way on which the property fronts which shall be repaired and restored to the condition prior to such construction.

(2) All rubbish, debris and unused materials shall be removed from the premises.

(c) **Condition of right-of-way to be documented.** An applicant required to submit a Contractor's Bond shall, at the time of submittal, provide photographs or video documentation as to the condition of the right-of-way adjacent to the parcel that has access to a Village road upon which the construction will be taking place.

(d) Inspection and determination for release of bond. Upon written notification that final grading has been completed by the property owner or his/her designee, and after completion of a final inspection, the Building Inspector shall inspect the right-of-way to ensure that no damage is present. If no damage is present, the Building Inspector shall submit approval to the Village Treasurer to release the funds to the original payer. If damage is present, the necessary repairs to the right-of-way must be completed within 60 days after issuance of the occupancy permit. If an extension to the 60 day period is required by the contractor, the contractor must obtain authorization of the Village Board. The Building Inspector may also partially refund the Contractor's Bond or request additional monies be collected due to damage that has occurred above and beyond the initial deposit to the right-of-way or due to additional monies needed to address drainage issues discovered during the inspection. If the work is not completed within the 60 day time period, the village may cause such work to be completed in accord with this section and may charge the bond for any such costs. A special charge under subsection (g) may also be charged.

(e) Release to payer of bond. The Contractor's Bond will be released to the original payer (homebuilder, contractor, homeowner, etc.). If the Contractor's Bond was issued by someone other than the property owner, a copy of the check will be sent to the property address so that the property owner/resident is aware of the Contractor's Bond refund. It shall be the Village policy to refund the Contractor's Bond to the original payer in all cases, unless the payer submits otherwise in writing to the Village Treasurer prior to the release of the refund. In the instance where the original payer is not available or cannot be found (deceased, bankrupt, or other unknown reasons) and all reasonable efforts have been made to refund the Contractor's Bond, the funds will be treated as unclaimed monies under the Uniform Unclaimed Property Act.

(f) Increased amount of Contractor's Bond. Where, in the opinion of the Building Inspector, after consulting with the Director of Public Works, the amount of the Contractor's Bond needs to be increased due to the nature of the intended construction, the amount of the required bond shall be adjusted accordingly.

(g) Special charges. If the owner or payer of the bond fails to replenish the required deposits or fails to reimburse the Village for costs the Village has incurred, the owner hereby consents to the Village's imposing a special charge upon the real property for any amounts due to the Village under this subsection plus any costs the Village has incurred in attempting to collect the amounts due. This special charge shall become a lien upon the property. The owner hereby waives any rights it may have to any notices or hearings with respect to the special charge imposed under Wis. Stats. § 66.0627.

2. That this ordinance shall become effective upon adoption and publication as provided by law.

Adopted by the Village Board of Union Grove, Racine County, Wisconsin, on this 24th day of October, 2022.

VILLAGE OF UNION GROVE

By: 
Steve Wicklund, Village President

Attest: 
Sara Spencer, Village Clerk