

**CITY OF CORAL GABLES**

**ORDINANCE NO. 2021-**

**AN ORDINANCE OF THE CITY COMMISSION OF CORAL GABLES AMENDING THE CITY CODE, CHAPTER 2, ENTITLED “ADMINISTRATION,” ARTICLE VIII ENTITLED “PROCUREMENT CODE”, SECTION 2-969, “PERFORMANCE AND PAYMENT BONDS”; PROVIDING FOR SEVERABILITY, REPEALER AND EFFECTIVE DATE.**

**WHEREAS**, currently the Procurement Code in the City Code requires that all construction contracts for work on public buildings, and public works, including repairs, have a performance and payment bond in place; and

**WHEREAS**, per Florida Statute 255.05(d), at the discretion of the official or board awarding such contract, when such work is done for any county, city, political subdivision, or public authority, a person entering into such a contract that is for \$200,000 or less may be exempted from executing the payment and performance bond; and

**WHEREAS**, given the large amount of smaller projects in the City and in order to encourage better pricing for future construction contracts, the City Commission believes that it is in the best interest of the City to bring the City Code in line with Florida Statute by amending the City Code to only require performance and payment bond for jobs valued over \$200,000; and

**WHEREAS**, nothing in this amendment would not prevent the City Manager or designee from requiring a performance and payment for smaller projects as needed.

**NOW, THEREFORE, BE IT ORDAINED BY THE COMMISSION OF THE CITY OF CORAL GABLES:**

**SECTION 1.** The foregoing “Whereas” clauses are hereby ratified and confirmed being true and correct and are hereby made a specific part of this Ordinance upon adoption hereof.

**SECTION 2.** Chapter 2, Article VIII, Section 2-969 of the Code of the City of Coral Gables, Florida, is hereby amended as follows<sup>1</sup>:

Sec. 2-969. - Performance and payment bonds.

- (a) Construction contracts. Performance and Payment Bonds shall be required for ~~the~~ construction contracts on ~~of~~ a public building or public work, or for repairs upon a public building or public work, which exceed \$200,000 in value, or as amended § 255.05(d), Fla. Stat. The performance and payment bond in an amount equal to 100 percent of the price specified in the contract, executed by a surety company authorized to do business in this state as a surety, shall be presented to the city prior to issuance of

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<sup>1</sup> Words and figures underscored are additions to existing code; words and figures ~~struck through~~ are deletions.

a contract document or purchase order. In lieu of a performance and payment bond, the city may accept cash, money order, certified check, cashier's check, or irrevocable letter of credit. The Performance and Payment Bond shall be recorded in the public records in Miami-Dade County. The bond must contain all language required by the appropriate Florida Statutes, including F.S. § 255.05(1)(a).

- (b) Supply or services contracts. Performance or payments bonds or equivalent acceptable may be required at the discretion of the chief procurement officer as provided under the administrative regulations promulgated hereunder. If required, the performance and payment bond, executed by a surety company authorized to do business in this state shall be presented to the city prior to issuance of a contract document or purchase order. In lieu of a performance and payment bond, the city may accept cash, money order, certified check, cashier's check, or irrevocable letter of credit. Such alternate form of security shall be for the same purpose and shall be subject to the same conditions as a performance and payment bond.
- (c) Reduction of bond amount. The city manager may reduce the amount of performance and payment bonds required on a specific supplies or services contract. Disclosure of the reduction shall be present in the solicitation or through the issuance of an addendum.
- (d) Authority to require additional bonds. Nothing in this section shall be construed to limit the authority of the city manager to require a performance bond or other security in addition to those bonds, or circumstances other than those specified in this article, including bonds on public construction projects below \$200,000.

**SECTION 3.** All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this Ordinance are hereby repealed.

**SECTION 4.** If any section, part of section, paragraph, clause, phrase, or word of this Ordinance is declared invalid, the remaining provisions of this Ordinance shall not be affected.

**SECTION 5.** It is the intention of the City Commission that the provisions of this Ordinance shall become and be made a part of the City Code, which provisions may be renumbered or re-lettered and the word ordinance be changed to “section”, “article”, or other appropriate word to accomplish such intention.

**SECTION 6.** If the City Code’s Tables of Contents, Supplemental History Table, or other reference portions are affected by these provisions, then changes are approved as a part of this Ordinance.

**SECTION 7.** This ordinance shall become effective upon adoption.

PASSED AND ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, A.D., 2021.

APPROVED:

RAUL VALDES-FAULI  
MAYOR

ATTEST:

BILLY Y. URQUIA  
CITY CLERK

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY:

MIRIAM SOLER RAMOS  
CITY ATTORNEY