

Town of Avon

REQUIREMENTS FOR SURETY PERFORMANCE BONDS

A performance (surety) bond issued to the Town of Avon to secure obligations of a contractor or developer must meet the following requirements:

1. The surety company must be located in Connecticut and be rated “A” or above by Standard and Poor’s, Moody’s or an equivalent, nationally-recognized rating agency.
2. The performance bond must be issued to:
Town of Avon
60 West Main Street
Avon, CT 06001
3. The amount of the performance bond must match the amount of the bond requirement set forth by the Town of Avon, which must be sufficient to ensure completion of the project or contract, including materials, labor, legal costs, permits, etc.. The amount shall also consider inflationary conditions should the project duration be expected to exceed one year, and shall include a 10% contingency.
4. The performance bond must remain in place until the work or project has been completed to the Town’s satisfaction, which is typically one year past the initial approval of the work. For subdivisions, the performance bond shall continue for the entire period permitted in which to complete the subdivision under Sections 8-25 and 8-26c of the Connecticut General Statutes. If the subdivision approval is extended for an additional period under Sections 8-25 and 8-26c of the Connecticut General Statutes, the performance bond must be extended for that time period.
5. The performance bond must include a commitment by the surety company to provide the Town with 60-days advance notice of an expiration or non-renewal of the performance bond.
6. The performance bond must provide that the issuance of a non-renewal by the surety company by itself provides the Town with the right to immediately call the bond.