CITY OF DRIPPING SPRINGS

RESOLUTION No. 2025-R35

A RESOLUTION OF THE CITY OF DRIPPING SPRINGS, TEXAS ("CITY"), ACCEPTING IMPROVEMENTS AND APPROVING AND ACCEPTING MAINTENANCE BOND FOR EAST INTERCEPTOR SEGMENT 1 – WASTEWATER IMPROVEMENTS, PROVIDING FOR EFFECTIVE DATE; AND PROPER NOTICE & MEETING.

WHEREAS, CC Carlton Industries, Ltd. ("Contractor") recently completed and the City Engineer for the City of Dripping Springs has inspected the revegetation, storm water, drainage, paving, wastewater ("Improvements") for the East Interceptor Segment – Wastewater Improvements; and

WHEREAS, the City desires to accept as being complete in accordance with applicable development the Improvements at East Interceptor Segment 1 – Wastewater Improvements; and

WHEREAS, the City of Dripping Springs City Council ("City Council") seeks the Contractor to provide a Maintenance Bond (Attachment "A") conditioned to guarantee for the period of one (1) Year from and after the date of substantial completion of the Improvements, guaranteeing the materials and workmanship related to Contractor's Improvements; and

WHEREAS, this Resolution conforms with the Maintenance and Guarantee regulation of the City's Code requiring all public improvements be free from defects for a period of one (1) year; and

WHEREAS, pursuant to Texas Local Government Code Section 51.001, the City has general authority to adopt an ordinance or police regulation that is for the good government, peace or order of the City and is necessary or proper for carrying out a power granted by law to the City; and

WHEREAS, the City Council finds that it is necessary and proper for the good government, peace or order of the City to approve this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DRIPPING SPRINGS, TEXAS:

1. **Finding of Fact:** The above and foregoing recitals are hereby found to be true and correct and are incorporated as finding of fact.

2. **Acceptance of Improvements:** The City Council hereby accepts the Improvements.

3. **Acceptance of Maintenance Bond:** The City Council hereby approves and accepts the Contractor's proposed Maintenance Bond No. 602-208635-4, from United States Fire Insurance Company ("Insurer"), included and attached herein as Attachment "A".

4. **Assumption of Responsibility:** Conditioned upon the fiscal guarantee for maintenance from the Contractor and the Insurer, the City shall assume responsibility for the repair, maintenance, and regulation of the Improvements for the benefit of the public.

5. **Authorization to Execute Documents:** The City Council hereby authorizes the Mayor or the Mayor's designee to execute any documentation on the City's behalf necessary to effectuate the intent and purpose of this Resolution.

6. **Effective Date:** The resolution shall be effective from and after its approval and passage.

7. **Meeting:** The meeting at which this Resolution was passed was open to the public, and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551.

PASSED AND APPROVED this, the 7th day of October 2025, by a vote of 5 (ayes) to 0 (nays) to 0 (abstentions) of the City Council of Dripping Springs, Texas:

CITY OF DRIPPING SPRINGS:

Bill Foulds, Jr., Mayor

ATTEST:

Diana Boone, City Secretary

City of Dripping Springs TEXAS Inc. 1981

Attachment "A"

THE STATE OF TEXAS §

COUNTY OF Hays §

MAINTENANCE BOND

BOND NO. 602-208635-4

KNOW ALL MEN BY THESE PRESENTS:

That CC Carlton Industries, Ltd. of Travis County, Texas, hereinafter called Principal, and United States Fire Insurance Company, a corporation legally authorized to do business and act as a surety in the State of Texas, hereinafter called Surety, are held and firmly bound unto the City of Dripping Springs, of Hays County, Texas, hereinafter called City, in the penal sum of $303,047.28 Three Hundred Three Thousand Two Forty Seven & 28/100's), the said sum being fifteen percent (15%) of the total amount paid for the hereinafter mentioned work, for the payment whereof Principal and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.
THE Condition of this Obligation is such that:

WHEREAS, the Principal was engaged to perform the following

work: East Interceptor Segment
Wastewater Improvements

, in the proper performance of which the City has an interest.

NOW, THEREFORE, if the Principal shall well, truly, and faithfully maintain and keep in good repair the work contracted to be done and performed for a period of One (1) year from the date of acceptance in writing by the City and do all necessary work and repair of any defective conditions growing out of or arising from the improper work of the same, including, but not limited to, any settling, breaking, cracking or other defective condition of any of the work or part thereof arising from improper excavation, backfilling, compacting or any other cause or condition, known or unknown, at any time during the period of this bond, which the city engineer, whose judgment shall be final and conclusive, determines to be the result of defective work, materials or labor; then this obligation shall be void, otherwise to remain in full force and effect.

In case the Principal shall fail to maintain, repair, or reconstruct any defective condition of the work as determined herein within thirty (30) days notice of same, it is agreed that the City may do said work and supply such materials as necessary and charge the sum against the Principal and Surety on this obligation.

It is further agreed that this obligation shall be a continued one against the Principal and Surety and that successive recoveries may be had hereon for successive breaches of the conditions herein provided until the full amount of this bond shall have been exhausted, and it is further

understood that the obligation to maintain said work shall continue throughout said maintenance period, and the same shall not be changed, diminished, or in any manner affected from any cause during said time.

PROVIDED, further, that if any legal action be filed on this bond, venue shall lie in Hays County, Texas.

SIGNED and sealed this the 2nd day of July, 2025

IN THE PRESENCE OF:

CC Carlton Industries, Ltd.
Principal

By: Benjamin Lyon
Benjamin Lyon, CEO

United States Fire Insurance Company
Surety

By: Steven W. Dobson
Steven W. Dobson, Attorney-in-fact

NOTE: POWER OF ATTORNEY OF SURETY MUST BE ATTACHED
COPY OF ANY WRITTEN CONSTRUCTION CONTRACT, AGREEMENT, OR ESTIMATE MUST BE ATTACHED
(Date of Bond must ***not*** be prior to date of contract)

POWER OF ATTORNEY
UNITED STATES FIRE INSURANCE COMPANY
PRINCIPAL OFFICE - MORRISTOWN, NEW JERSEY

08338

KNOW ALL MEN BY THESE PRESENTS: That United States Fire Insurance Company, a corporation duly organized and existing under the laws of the state of Delaware, has made, constituted and appointed, and does hereby make, constitute and appoint:

Steven W. Dobson, John W. Schuler

each, its true and lawful Attorney(s)-In-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver: Any and all bonds and undertakings of surety and other documents that the ordinary course of surety business may require, and to bind United States Fire Insurance Company thereby as fully and to the same extent as if such bonds or undertakings had been duly executed and acknowledged by the regularly elected officers of United States Fire Insurance Company at its principal office, in amounts or penalties: **Unlimited**

This Power of Attorney limits the act of those named therein to the bonds and undertakings specifically named therein, and they have no authority to bind United States Fire Insurance Company except in the manner and to the extent therein stated.

This Power of Attorney is granted pursuant to Article IV of the By-Laws of United States Fire Insurance Company as now in full force and effect, and consistent with Article III thereof, which Articles provide, in pertinent part:

> Article IV, Execution of Instruments - Except as the Board of Directors may authorize by resolution, the Chairman of the Board, President, any Vice-President, any Assistant Vice President, the Secretary, or any Assistant Secretary shall have power on behalf of the Corporation:
>
> (a) to execute, affix the corporate seal manually or by facsimile to, acknowledge, verify and deliver any contracts, obligations, instruments and documents whatsoever in connection with its business including, without limiting the foregoing, any bonds, guarantees, undertakings, recognizances, powers of attorney or revocations of any powers of attorney, stipulations, policies of insurance, deeds, leases, mortgages, releases, satisfactions and agency agreements;
> (b) to appoint, in writing, one or more persons for any or all of the purposes mentioned in the preceding paragraph (a), including affixing the seal of the Corporation.
>
> Article III, Officers, Section 3.11, Facsimile Signatures. The signature of any officer authorized by the Corporation to sign any bonds, guarantees, undertakings, recognizances, stipulations, powers of attorney or revocations of any powers of attorney and policies of insurance issued by the Corporation may be printed, facsimile, lithographed or otherwise produced. In addition, if and as authorized by the Board of Directors, dividend warrants or checks, or other numerous instruments similar to one another in form, may be signed by the facsimile signature or signatures, lithographed or otherwise produced, of such officer or officers of the Corporation as from time to time may be authorized to sign such instruments on behalf of the Corporation. The Corporation may continue to use for the purposes herein stated the facsimile signature of any person or persons who shall have been such officer or officers of the Corporation, notwithstanding the fact that he may have ceased to be such at the time when such instruments shall be issued.

IN WITNESS WHEREOF, United States Fire Insurance Company has caused these presents to be signed and attested by its appropriate officer and its corporate seal hereunto affixed this 21st day of April, 2025.

UNITED STATES FIRE INSURANCE COMPANY

Matthew E. Lubin, President

State of New Jersey }
County of Morris }

On this 21st day of April, 2025, before me, a Notary public of the State of New Jersey, came the above named officer of United States Fire Insurance Company, to me personally known to be the individual and officer described herein, and acknowledged that he executed the foregoing instrument and affixed the seal of United States Fire Insurance Company thereto by the authority of his office.

ETHAN SCHWARTZ
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES 6/25/2029
COMMISSION: #50223174

Ethan Schwartz (Notary Public)

I, the undersigned officer of United States Fire Insurance Company, a Delaware corporation, do hereby certify that the original Power of Attorney of which the foregoing is a full, true and correct copy is still in force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of United States Fire Insurance Company on the 2nd day of July 20 25

UNITED STATES FIRE INSURANCE COMPANY

Michael C. Fay, Senior Vice President

CONTACT INFORMATION: Bond Verifications: surety@cfins.com / Claims: SuretyClaimsSupport@cfins.com

CRUM & FORSTER

TEXAS COMPLAINT NOTICE
AVISO DE QUEJA DE TEXAS

IMPORTANT NOTICE

To obtain Information or make a complaint:

You may call Crum & Forster's toll-free number for information or to make a complaint at:

1-888-890-1500

You may write to Crum & Forster at:

Crum & Forster
305 Madison Avenue
Morristown, NJ 07962

Web: www.cfins.com
E-mail: info@cfins.com

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

PO Box 149104
Austin, TX 78714-9104
Fax: (512) 490-1007

Web: www.tdi.texas.gov
E-mail: ConsumerProtection@tdi.tx.gov

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact the agent first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY: This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener información o para presentar una queja:

Usted puede llamar al número de teléfono gratuito de Crum & Forster's para obtener información o para presentar una queja al:

1-888-890-1500

Usted también puede escribir a Crum & Forster:

Crum & Forster
305 Madison Avenue
Morristown, NJ 07962

Sitio web: www.cfins.com
E-mail: info@cfins.com

Usted puede comunicarse con el Departamento de Seguros de Texas para obtener información sobre compañías, coberturas, derechos, o quejas al:

1-800-252-3439

Usted puede escribir al Departamento de Seguros de Texas a:

P. O. Box 149104
Austin, TX 78714-9104
Fax: (512) 490-1007

Sitio web: www.tdi.texas.gov
E-mail: ConsumerProtection@ tdi.tx.gov

DISPUTAS POR PRIMAS DE SEGUROS O RECLAMACIONES:

Si tiene una disputa relacionada con su prima de seguro o con una reclamación, usted debe comunicarse con el agente primero. Si la disputa no es resuelta, usted puede comunicarse con el Departamento de Seguros de Texas.

ADJUNTE ESTE AVISO A SU PÓLIZA: Este aviso es solamente para propósitos informativos y no se convierte en parte o en condición del documento adjunto.