

# **ACKNOWLEDGEMENT LETTER**

## **PROPERTY OWNER AND CONTRACTOR RESPONSIBILITIES**

1. **Per Sec. 22-802 of the Municipal Code, only General Contractors and Demolition Contractors must be licensed by the Village of Glenview.**
2. **Per Sec. 22-805 of the Code, General Contractors and Demolition Contractors must:**
  - a. Furnish a **Surety Bond** in the amount of \$25,000.
  - b. Furnish a **Certificate of Insurance** indemnifying the Village of Glenview and the property owner for damages sustained on account of any failure of the contractor in relation to work related to the permit(s) for the property. The Certificate of Insurance must list both the Village of Glenview and the property owner as additionally insured.
  - c. On behalf of the property owner, **the general contractor shall be responsible for confirming and retaining proof of insurance coverages** (including both liability and workman's compensation, as applicable) associated with all other contractors and subcontractors performing work upon a given property or an association with permits related to a given property.
3. **If a property owner hires a contractor or subcontractor to perform work with or without a permit and the contractor is not bonded or insured, the following consequences might occur:**
  - a. The **owner may be held liable** for any bodily injury to or death of others or for any damage to the property of others that arises out of work performed.
  - b. The owner may not be able to **collect from a surety bond** any damages for loss sustained by the owner because of violations by the contractor.
  - c. The owner may be subject to **fines of up to \$1,000 per day** for each violation.
4. **Why should a contractor be bonded and insured?**
  - a. If the general contractor hires a subcontractor who causes property damage, the **general contractor can be held liable** for these damages. Even if the terms of a contract with the subcontractor clearly state that insurance coverage is mandatory, you could be sued if the coverage does not exist or is not valid. This is why you must retain proof of insurance coverage.
  - b. A surety bond exists to **ensure project completion** within the terms of the contract. If the contractor abandons the job or does not comply with the agreed terms of the contract, the bond funds may be used to complete work associated with the permit(s).
5. **Why should the homeowner be named as additionally insured?**
  - a. If the general contractor misses a payment or the insurance is canceled, the **homeowner will receive notification** from the Insurance Company.
  - b. Claims regarding damages associated with work conducted in accordance with the permit(s) may be made **against both the contractor and the property owner**.
6. **What will occur if work is performed in excess of a permit?**
  - a. It is against the law to exceed the scope of a building permit. The property owner and general contractor assume any and all responsibility for the work being performed. If the property owner or their designee builds, or allows anyone else to build, any building, room addition, structure, or other object that differs from, or in any way exceeds, what a permit authorizes, the owner and general contractor can be issued a citation with a mandatory court appearance, have any associated permit(s) revoked, be ordered to stop all work on the project; fined up to \$1,000 per day; required to tear down at the owner's & contractor's sole expense all completed work; and, in addition to any other penalties provided by law, required to reimburse the Village of Glenview any damages incurred for providing any false or inaccurate information in this building permit application.
  - b. I understand that all construction work under this proposed permit must conform to the requirements of the Village of Glenview adopted Codes and, if it does not, I acknowledge that I can and will be issued a citation with a mandatory court appearance.

Subject Property Address: \_\_\_\_\_

Owner's Printed Name: \_\_\_\_\_ Contractor's Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Signature: \_\_\_\_\_