

**EXHIBIT G
(Payment Bond Form)**



PAYMENT BOND

(NOTE: CONTRACTOR MUST USE THIS FORM, NOT A SURETY COMPANY FORM. MUST BE ACCOMPANIED BY A POWER OF ATTORNEY FOR THE SURETY'S OFFICER AUTHORIZED TO SIGN)

KNOW BY ALL MEN BY THESE PRESENTS:

We the undersigned _____ as PRINCIPAL (hereinafter called CONTRACTOR), and _____ a corporation organized and existing under and by virtue of the laws of the state of _____ duly authorized to do surety business in the state of Oregon and named on the current list of approved surety companies acceptable on federal bonds and conforming with the underwriting limitations as published in the Authorized Insurance List in the State of Oregon published by the Office of the Insurance Commissioner and which carries an "A" rating and is of the appropriate class for the bond amount as determined by Best's Rating System, as SURETY, hereby hold and firmly bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, to the CITY OF REDMOND as OBLIGEE (hereinafter called CITY OF REDMOND), for the sum of _____ Dollars (\$ _____) in lawful money of the United States of America, to pay for all labor, materials, and equipment furnished for use in performance of the Construction Contract described in this bond during the original term of the Construction Contract and during any warranty period. (Capitalized terms used, but not defined, in this bond shall have the meanings given such terms in the Construction Contract.)

WHEREAS, the CONTRACTOR entered into a Construction Contract with CITY OF REDMOND dated _____, 20____, which Construction Contract (including all Contract Documents) is made a part hereof as if fully set forth herein, for CONTRACTOR'S performance of all terms of the Construction Contract for the Project described as follows: **Redmond Municipal Airport -Terminal Building Expansion Project, City Project No. AP2205**

NOW, THEREFORE, the condition of this obligation is such that if the CONTRACTOR shall timely, truly, and faithfully perform all the undertakings, covenants, terms, conditions, and agreements of the Construction Contract, including any warranty obligations, on the terms and conditions thereunder; and shall promptly pay all persons or others supplying labor, materials, or both, to the CONTRACTOR or its subcontractors, for prosecution of the work provided for in the Contract Documents; and shall promptly pay all contributions due the State Industrial Accident Fund and the State Unemployment Compensation Fund from the CONTRACTOR or its subcontractors in connection with the performance of the Construction Contract; and shall pay over to the Oregon Department of Revenue all sums required to be deducted and retained from the wages of employees of the CONTRACTOR and its subcontractors; and shall permit no lien or other claim to be filed or prosecuted against CITY OF REDMOND on account of any labor or materials furnished; then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Whenever CONTRACTOR shall be declared by CITY OF REDMOND to be in default under the Contract Documents for nonpayment of any amount for which payment is required thereunder, or under any subcontract or other agreement with any persons or others supplying labor, materials, or both, for prosecution of the work provided for in the Contract Documents, the SURETY shall promptly remedy the default by making such payment in accordance with the Contract Documents or under any applicable subcontract or other agreement. SURETY, for value received, further stipulates and agrees that all changes, extensions of time, alterations, or additions to the terms of the Contract Documents are within the scope of the SURETY's undertaking on this bond, and SURETY hereby waives notice of any such change, extension of time, alteration, or addition to the terms of the Contract Documents, or to the Project. Any such change, extension of time, alteration, or addition to the terms of the Contract Documents, or to the Project, shall automatically increase the obligation of the Surety hereunder in a like amount.

Nonpayment of the bond premium will not invalidate this bond, nor shall CITY OF REDMOND be obligated for the payment of any premiums.

This obligation shall continue to bind the CONTRACTOR and SURETY, notwithstanding successive payments made hereunder, until the full amount of the obligation is exhausted.

SURETY shall indemnify, defend, and hold harmless the CITY OF REDMOND against any claim of direct or indirect loss resulting from the failure of the CONTRACTOR (or any of the employees, subcontractors, or lower tier subcontractors of the CONTRACTOR) to faithfully perform the terms of the Construction Contract.

No right of action shall accrue on this bond to or for the use of any person or corporation other than CITY OF REDMOND or its heirs, executors, administrators, successors or assigns.

If more than one SURETY is on this bond, each SURETY hereby agrees that it is jointly and severally liable for obligations on this bond.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__.

SURETY

CONTRACTOR

By: _____

By*: _____

Title: _____

Title: _____

Street Address

Street Address

City State ZIP

City State ZIP

Phone Number

Phone Number

* Must be signed by president or vice-president of Contractor.