



CITY OF PARKLAND ENGINEERING DIVISION BONDING PROCEDURE

**Policy Number EN-2014-000-01
Date Approved: April 1st 2014
Revised February 28th 2017**

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- SUBJECT:** Bond criteria for construction projects within private rights of way.
- PROCEDURE:** To define bonding procedures for works performed within private right of way.
- POLICY:** As defined by section 145-150 and 145-160 of the Code of Ordinance, performance and warranty bonds shall be posted for works related only to the construction of roadways within the private rights-of -way.
- PROCEDURE:**
- ✓ Developer or responsible entity (“Developer”) shall post a performance Bond with the City of Parkland (“CITY”) for construction related only to roadway(s) within the development.
 - ✓ This performance bond shall be required prior to acceptance of an Engineering permit for the proposed construction. The bond amount may be adjusted at the CITY’s sole discretion depending upon the Developer’s past history on similar projects within the CITY.
 - ✓ This bond amount shall be one hundred and twenty percent (120%) of the itemized construction cost related to the proposed roadway(s) construction. The itemized cost must be reviewed and accepted by the City prior to bond approval.

- ✓ A copy of the sample performance bond or letter of credit form is available on the City of Parkland's Engineering webpage.
- ✓ The submitted itemized construction cost for establishing the performance bond shall be signed and sealed by an Engineer registered in the State of Florida. Cost established for the proposed construction is at the sole responsibility of the Engineer of Record.
- ✓ Conditions applicable to the performance bond shall be;
 1. Developer shall construct the roadway(s) infrastructure within entire development or portion of development(POD), depending on the extent of the proposed construction, up to the first lift of asphalt prior to issuance of any Certificate of Occupancy (CO) within the development; and
 2. Developer shall begin install of final lift (2nd lift) of asphalt along with all associated pavement markings and signage upon approval of eighty percent (80%) of the CO's within entire development or portion of development (POD) depending on the extent of the proposed construction; and
 3. Developer shall complete all roadway construction before receipt of 100% of the CO's within entire development or portion of development (POD) depending on the extent of the proposed construction; and
 4. Developer shall pay the CITY for all losses, expenses, cost and attorney fees including app; and
 5. Elate proceedings, that CITY sustains as a result of default by developer on work as established by the Construction Plans and Specification for the development and quantified in the provided itemized construction cost; and
 6. Whenever the Developer is declared by the CITY to be, in default of work as established by the construction Plans and Specifications for the development, the means of bonding shall promptly remedy the default by ensuring that the work is completed in accordance with the specifications; and
 7. No action shall accrue on the bond to or for the use of any person or corporation other than the CITY.

- ✓ Once a developer satisfies all the above conditions of the performance bond, the bond will be eligible for release.
- ✓ In order to release the performance bond the Developer shall;
 1. Satisfy all conditions outlined in the performance bond; and
 2. Notify the City Engineer, in writing, of its request to release the performance bond; and
 3. Provide all supporting documentation to illustrate compliance of the conditions of the performance bond; and
 4. Post a warranty bond, per the terms of the CITY's Code of Ordinance Section 145-160. The warranty bond shall commence upon final release of the performance bond and shall remain in effect for at least two (2) years after CITY Engineer and/or his/her designee provides written approval of the final phase of infrastructure improvements within the amount of twenty five percent (25%) of the itemized cost related roadway construction. The submitted itemized construction cost for establishing the warranty bond must be signed and sealed by an Engineer Registered in the State of Florida. The itemized cost must be approved and accepted by the CITY but is at the sole responsibility of the Engineer of Record for the proposed improvements; and
 5. Bond Release Form can be found on the Engineering page of the City's website.
- ✓ Once the two (2) year period, as stated above, has elapsed then the warranty bond will be eligible for release.
- ✓ To release the warranty bond posted with CITY the developer must;
 1. Notify the CITY Engineer, in writing, of its request to release the bond; and
 2. Request the CITY Engineer to re-inspect improvements prior to the expiration date of the warranty bond; and
 3. If re-inspection shows deficiencies, the Developer shall make necessary repair(s) to correct such deficiencies as determined by the CITY Engineer. The Developer shall extend the warranty bond until said deficiencies are corrected; and

4. The Developer shall provide a warranty bond release report of approval by the CITY Engineer. If inspection is satisfactory to the CITY Engineer as evidenced by a warranty bond release report, the warranty bond shall be released.

During the bonding process the CITY Engineer and/or his/her designee is responsible for;

- ✓ Verifying bond amount.
- ✓ Routing all bond information for legal review and approval by the CITY's Attorney.
- ✓ Routing approved bond and supporting documentation to the CITY Clerk's Office for holding purposes. Bond monitoring is the sole responsibility of the CITY Engineer and/or his/her designee.
- ✓ Notifying and supplying documentation to the CITY Clerk, in writing when bonds are to be released.
- ✓ Verifying that work has been completed to contract specification, bond conditions and within applicable Code requirements before releasing any bonds.
- ✓ Ensuring that Developer corrects any deficiencies or insufficiencies prior to releasing any bonds. If it is determined that such insufficiencies have created an emergency condition requiring immediate correction in order to protect the public health, safety and welfare, the CITY may cause such IMMEDIATE action to be taken as may be necessary to correct such insufficiencies. If such an emergency should be determined, the CITY Engineer shall notify the principal and the surety as soon as possible of the nature of the emergency and of the actions being taken of the CITY to correct the emergency.
- ✓ Re-inspecting improvements prior to warranty bond expiration.
- ✓ Reviewing and approving warranty bond release report.
- ✓ Providing notification to the CITY Finance Director that applicable cash bonds are eligible for release (upon verification by City Engineer and/or his/her designee that all bond conditions have been satisfied).

During the bonding process the CITY Clerk and/or his/her designee responsible for;

- ✓ Retaining Performance and Warranty Bonds that have been approved by the City Engineer and/or his/her designee
- ✓ Releasing bond to Developer (upon verification by City Engineer and/or his/her designee that all bond conditions have been satisfied).


CITY ENGINEER

2 / 28 / 2017
Date