



PERFORMANCE BOND REQUIREMENTS PUBLIC WORKS PROJECTS

Policy Revision

Approved by Public Works Subcommittee on September 27, 2002

As stated in Section 3.01 of the Development Guidelines:

"A performance bond, approved as to surety by the City Administrator and as to form by the City Attorney, which bond shall be conditioned upon faithful completion of that portion of the work performed pursuant to the permit which will require completion by the City should the permittee or his contractor default. The amount of such bond shall be 150% of the approved value of improvements. The City engineer shall *review* and provide approval, as may be applicable of the submitted amount."

In conformance with PMC 19.08.050 and Section 3.01 of the Development Guidelines for Public Works Standards, this policy statement is to clarify the City's requirement for Performance Bonds.

- 1) The scope of work covered by the Performance Bond shall include the following applicable items:
 - a) All work and restoration within the existing City right-of-way including but not limited to *pavement*, traffic control, sidewalks, public utilities, street lights, drainage facilities, and erosion control.
 - b) Storm water detention and treatment facilities, which are located on private property.
 - c) Temporary erosion control measures, which are located on private property.
- 2) Calculations for the Performance Bond shall be submitted to the City using approved forms. The City will provide an electronic version of the form to the permittee when requested. Changes to unit prices shall be reviewed and approved by the City.
- 3) The Performance Bond shall be maintained throughout the project and shall not be released or *converted* to a Warranty Bond without written approval by the City.

CITY OF PACIFIC

RIGHT-OF-WAY PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: That we, _____
_____, as Principal, and
_____, as Surety, are held and firmly bound unto the
City of Pacific in the full sum of _____
DOLLARS (\$_____), lawful money of the United States, for the payment of
which, well and truly to be made, we bind ourselves, our heirs, executors and
administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the conditions of this obligation are such that the Principal has entered or
will enter into an agreement in writing with the City of Pacific, dated ___ day of
_____, 20___ for:

Right-of-Way Permit No.: _____
Project Name: _____
Site Address/Location: _____

and the terms, conditions and covenants specified in said agreement, including all of
the contract documents therein referred to, are hereby referred to and made a part
hereof as fully and completely as though set forth in detail herein;

NOW, THEREFORE, if the Principal shall faithfully perform all the provisions and
requirements of the agreement, including all of the contract documents, according to
the terms and conditions thereof and shall hold the City of Pacific harmless from any
loss or damage to any person or property by reason of any negligence on the part of
the Principal or of any subcontractor in the performance of said work, and shall pay all
laborers, mechanics, subcontractors and material men and all persons who shall supply
such person or persons or subcontractors with provisions and supplies for carrying on of
such work, and shall further indemnify and save harmless the City from any defect or
defects in any of the workmanship or materials entering into any part of the work as
defined in the agreement which shall develop or be discovered within 365 days after
the final acceptance of such work, then this obligation shall be null and void; otherwise
this obligation shall remain in full force and effect, and the City shall have the right to
sue on this bond for any breach of the contract on this bond; provided, however, that
the provisions of this bond shall not apply to any money loaned or advanced to the
Principal or any subcontractor or other person in the performance of any such work.

IT IS FURTHER DECLARED AND AGREED that nothing of any kind or nature whatsoever that will not discharge the Principal shall operate as a discharge or a release of liability of the Surety, any law, rule of equity or usage relating to the liability of sureties to the contrary notwithstanding, and the Surety waives notice of any alteration, or extension of time, made by the City.

SIGNED AND SEALED this ____ day of _____, 20____.

Principal: _____ Surety: _____
By: _____ By: _____
Title: _____ Title: _____
Address: _____ Address: _____
City/Zip: _____ City/Zip: _____
Phone: _____ Phone: _____

STATE OF WASHINGTON)
)ss
COUNTY OF KING/PIERCE)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he/she signed this instrument on oath stated that (he/she) was authorized to execute the instrument and acknowledge it as the _____ of _____ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: _____
(Signature) (Print name: _____)

NOTARY PUBLIC in and for the State of Washington, residing at _____
My appointment expires _____

