

APPENDIX 8

STORMWATER BMP BONDING PROCESS

The City of Greensboro ordinance requires that a BMP must be functioning as design and certified prior to plat recordation. In some instances, the Stormwater Management Division allows the placement of a surety or Bond as a temporary measure to comply with that requirement. The following is the Bonding process for any stormwater bonds.

- 1.) Bonding process start at the Planning & Engineering Section.
- 2.) The Stormwater Engineer will advise the responsible party as to the steps required to properly construct/maintain the stormwater BMP and information for bonding. The Stormwater engineer will ask for a copy of the site plan and itemized estimate of construction costs signed by the developer's project engineer of record.
- 3.) The Stormwater Engineer will then forward to the Stormwater Utility Billing Specialist: a) copy of site plan, b) copy of itemized cost estimate, c) indication of specific type of BMP, d) bond cost factor (20% , 40% or greater depending on BMP type).
- 4.) The Billing Specialist will send a letter requesting a bond of adequate amount for the project, along with a sample bond form to ensure proper legal language. A hardcopy bond file will be created and maintained by the Billing Specialist.
- 5.) Once the bond is received, the Stormwater Billing Specialist will review the bond for proper language and dollar amount. The original bond document will be stored in the Water Resources Department fireproof vault. The pond bond tracker (excel file) will then be updated with new bond information. The Billing Specialist will send an e-mail message to the all Stormwater Engineers, Soil & Erosion, Operations Management and the Planning Department to inform them that an adequate bond was received for BMP construction. The project will then be clear to proceed.
- 6.) The Stormwater Billing Specialist will monitor the status of the bond and mail a letter to the responsible party at least one month prior to expiration of the current bonding period to request renewal of the bond. If bond renewal is not received by the current expiration date, the Stormwater division may choose to cash in the bond.
- 7.) When the project is complete and the responsible party believes the Stormwater Improvement has been completed in accordance with the approved design, the responsible party is required to notify the Stormwater Division in writing and schedule a final inspection of the site and the Stormwater Improvement. For all BMP's, the Stormwater division will notify Erosion Control so that an inspection can be scheduled by the Erosion Control Inspector. The Engineer's Certification of Stormwater Improvement Completion must be finalized prior to the City's final inspection of the Stormwater Improvement.
If the City Inspector observes any inconsistencies in the Engineer's Certification of Stormwater Improvement Completion or field review, then the engineer and responsible party will be promptly notified. **The bond will not be released until the Stormwater Improvement is fully functional and has been approved by the Design Engineers.**
- 8.) Once all approval criteria are met, the Stormwater Billing Specialist will send a letter to the responsible party to document the City's receipt of the Engineer's Certification of Stormwater Improvement Completion, the City's field inspection of completed Stormwater Improvement, and that the bond has been released. The original bond will be enclosed and returned to the responsible party.

SAMPLE

ADMINISTRATIVE HOLD ON CERTIFICATE OF DEPOSIT OR SAVINGS ACCOUNT

Date:

City of Greensboro
Stormwater Management Division
2602 S. Elm-Eugene Street
Greensboro, North Carolina 27406

Gentlemen:

<NAMED ACCOUNT HOLDERS> have requested <BANK NAME>Bank of N.C. to place an administrative hold on Certificate of Deposit (or Savings Account) # _____ and is authorizing the City of Greensboro to draw up to \$_____ but not exceeding \$_____ on the account should you fail to meet requirements of the watershed protection plan and perform in accordance with Chapter 30 of the Greensboro Code of Ordinances on the property more particularly described as

<NAME OF DEVELOPMENT>.

This confirms that the hold will be in force upon notification by the City of Greensboro and will remain in force for one year or until release in writing by an agent of the City of Greensboro.

_____ Bank of N.C. has been informed by _____ and the City of Greensboro that the right of the City of Greensboro to draw on this account will be exercised only if _____ fail to maintain the terms of the watershed regulations.

Respectfully,

Assistant Vice President
Branch Manager

Witnesses:

AMPLE
STORMWATER MANAGEMENT BOND

BOND NO. _____

STATE OF NORTH CAROLINA

CITY OF GREENSBORO

KNOW ALL PERSONS BY THESE PRESENTS: That we, <Developer>, a <Developer State> Corporation, authorized to do business in the state of North Carolina, as Principal, and <Bonding Company>, a corporation organized and existing under and by virtue of the laws of the state of <Bonding Company's State> and authorized to do business in the state of North Carolina as Surety, are held and firmly bound unto the City of Greensboro, in the penal sum of <Amount(printed)> (\$ _____) DOLLARS for the payment of which, well and truly to be made, we firmly bind ourselves, and each of our heirs, executors, administrators, and assigns, jointly and severally by these presents.

WHEREAS, the principal (applicant) has submitted a Watershed Protection Plan for <Name of development as listed on plan> as required by the City of Greensboro Code of Ordinances.

THE CONDITION of this obligation is such that if the Principal shall well and truly do and perform the installation and maintenance of the watershed protection feature in said location as required in the City of Greensboro Code of Ordinances, and shall pay all labor and material bills incurred relative thereto, this obligation shall be void otherwise to remain in full force and effect.

Signed, sealed, delivered and effective this <Day> day of <Month>, <Year> .

(Developer)

Countersigned:

By: _____
(Name and title – Typed)

(Agency Name)

(Bonding Company)

Resident Agent (please type)

Attorney-in-fact (Typed)