

SECTION 12
BONDS OR LETTERS OF CREDIT

12.1 GENERAL

The permittee shall be required to post a bond or letter of credit in a form that is acceptable to the District. The intent of the bond or letter of credit is to insure that the water management or drainage facilities covered under a District permit are constructed in accordance with the approved plans. **Refer to Section 6, Inspections and As-Built Plans.**

12.2 AMOUNT OF BONDS OR LETTERS OF CREDIT

The amount of the bond and/or letter of credit shall be as follows:

- | | | |
|----|--|------------|
| a. | For developments less than or equal to 1 acre in size: | \$1,000.00 |
| b. | For developments greater than 1 acre in size but less than or equal to 10 acres in size: | \$2,500.00 |
| c. | For developments greater than 10 acres in size:
plus \$100.00 for each acre or part thereof in excess of 10 acres in size | \$5,000.00 |

In order to ensure that the lakes or bodies of water are constructed in accordance with the approved plans for the project, particularly as it relates to slopes, an additional bond or letter of credit, known as a "Shoreline Bond", shall be posted as follows based on the linear feet contained along the shoreline of the body of water:

- | | | |
|----|---|---|
| a. | For shorelines up to 1,000 linear feet | \$5.00 per linear foot or a minimum of \$1,000 |
| b. | For shorelines from 1,001 linear feet to 5,000 linear feet | \$4.00 per linear foot or a minimum of \$5,000 |
| c. | For shorelines from 5,001 linear feet to 10,000 linear feet | \$3.00 per linear foot or a minimum of \$20,000 |

- d. For shorelines greater than 10,000 linear feet \$40,000

The bonds and/or letters of credit required by this section shall be delivered to the District in acceptable form prior to a permit being issued by the District for construction of the lake, canal and/or water body. In addition, by issuance of a permit pursuant to this section, the permittee agrees not to request any certificates of occupancy until all required as-built drawings are approved by the District and the lake, canal or other water body, including lake or canal bank slopes, are completed to the satisfaction of the District including removal of all rocks, boulders or other debris from the lake bank slope between the deep cut line and the landward side of the adjacent maintenance easement.

12.3 RELEASE OF BONDS OR LETTERS OF CREDIT

The permittee shall submit a complete set of as-built plans in order to obtain a release of the bond. The as-built plans shall conform to the requirements of paragraphs 6.3, 6.4 and 6.5 of Section 6 of this manual. The District will make a final inspection of the project to determine if all requirements of the District have been met. Upon satisfactory review and approval of the as-built plans, completion of all punchlist items and acceptance of the engineer's certification letter, the District shall release the appropriate bond or letter of credit subject to a written release request from the permittee.

As an additional option to prevent double bonding, the District is agreeable to the property owner or developer obtaining a joint bond for all requirements of the District with the applicable Town, City or County, as long as the District is specifically identified as a beneficiary of said bond; and an acknowledgment is received from the bonding company or a statement is added to the bond that the District can draw on said bond upon demand of the District only; and the bond cannot be released or reduced without the approval of the District.

12.4 CASH BONDS

In the event a cash bond is deposited with the District, the District may invest or reinvest any monies deposited or paid to the District pursuant to this Section. No interest shall be paid to the permittee on any monies deposited with the District pursuant to this Section. All interest, accrued or otherwise, or income earned upon any of said investments or re-investments shall be credited to the District and applied to miscellaneous costs. The District will not be required to notify the permittee of the amount of interest earned or how it is applied. In addition, the District may deposit all monies received pursuant to this Section in one or more accounts as may be deemed to be in the best interest of the District and the permittee as determined in the District's sole discretion.