

Appendix 2 – Bond Information Sheet

Revision 1 – 11/05/2020

Introduction

Council may exercise discretion and allow bonding for specific uncompleted works to allow for the issue of the 224c certificate. Bonding is only anticipated to be used for small to medium areas of physical works. The process is at the full discretion of the Chief Engineer and shall not be considered a default position for outstanding works.

Subdivisions

Bonding arrangements are not generally entered into for utility services to lots or provision of as-Built drawings, assets that relate to public use of assets Health and Safety (i.e. streetlights), incomplete assets where any adverse effects may result (i.e. stormwater devices) or Geotechnical Completion Records. The bond shall include multipliers and GST.

Bonds are to be prepared using QLDCs pro-forma bond document and sent to QLDC for acceptance with no amendments made to the standard terms.

A valuation of the uncompleted works to be bonded for shall be prepared by the Developer's Consultant, and submitted on the Councils bond application form, to the Manager, Resource Management Engineering and Subdivision Consent for consideration.

QLDC retains discretion to request additional bond works valuations. Bond figures will have the following multipliers added to their total, relating to the time frames applied for

- <12mths 1.5 multiplier
- >12mths 2.0 multiplier ('>12months will only be considered in extraordinary cases')

The sum set against each scheduled specific item for which a bond sum is agreed, shall be accepted on the basis that it is indicative of the likely cost net of GST. In the event that Council has to complete the construction or reconstruction of all or any of the scheduled bonded items including items bonded for the defects liability period then the Council will recover the costs of that work from the total bond monies held in relation to the scheduled items. The consent-holder's liability shall not be limited to the amount of any bonds and the Council will invoice the consent-holder to recover any shortfall should bond monies be depleted. Formal bond that must be retained for specified maintenance periods may be used for other items only where the need for retaining the bond for the specified maintenance period has lapsed. Council may therefore invoice for works while bond monies are still held.

Release of Bonds

The release of bonds is arranged by the Council Representative and also requires the "sign-off" of the affected Asset Manager's Representative. The Developer's Consultant shall provide a completion certificate and as-builts prior to the release of the bonds."

