



City of San Clemente Engineering Division

Instructions for Completing Performance, Labor & Material, Warranty Bond

- The amount of a bond shall be based on 100% of the Engineering Division's approved cost estimate of the cost of construction, plus 10% contingency. The bond must be accompanied by a notary statement for the bond signatures, and an additional document attached to the bond that indicates the bonding company and Attorney-in-Fact are authorized to conduct such business in the State of California. The bonding company must meet the requirements as stipulated in the State of California Code of Civil Procedures CCP § 995.310 and §995.660.
- The City requires that the bond be filled in on the original bond form, and will not accept a copy or a faxed copy of any kind of the bond form to be used for preparing the original bond.
- We do not accept original signatures and seal on a copy of the bond form to be considered as an "original" bond. The signatures and seal must be on an original bond form to create a clean document that is acceptable to the City.
- Before submitting the bond to the City, please FAX a copy of the proposed bond and the approved cost estimate to the Engineering Division at (949) 366-4741 for approval of content, dollar amount and format.
- Upon approval, please submit one (1) original and two (2) copies of each bond to the City.
- Warranty bond amounts shall be 25% of the original bond amount.

Bond No. _____
Premium: _____

WARRANTY BOND

(GUARANTEE – REPAIR AND MAINTENANCE OF IMPROVEMENTS)

KNOW ALL MEN BY THESE PRESENTS, That we _____, (hereinafter called Principal), as Principal, and _____, a corporation organized and doing business under and by virtue of the laws of the State of _____, and duly licensed for the purpose of making guaranteeing or becoming sole surety upon bonds or undertakings required or authorized by the laws of the State of California (hereinafter called Surety) as Surety, are held and firmly bound unto the City of San Clemente, hereinafter called Obligee) in the just and full sum of \$ _____ Dollars (\$ _____), lawful money of the United States of America for the payment of which well and truly to be made, we hereby bind ourselves and our heirs and each of our successors and assigns, jointly and severally firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT WHEREAS the above bounden Principal has agreed to guarantee the material and workmanship relative to the installation of _____ improvements in _____, against all defects and to promptly perform work and supply material for a period of one year after the date of acceptance of said improvements by Obligee.

Should Principal fail to promptly repair and replace materials or work required to be done by him within the time allowed by Obligee, the Obligee may, at its option, cause all required work to be done and the parties executing this bond shall be firmly bound for the payment of all necessary costs therefor.

This bond is conditioned upon and guarantees due compliance with all applicable provisions of the Subdivision Improvement Act of the State of California and the agreement referred to above.

NOW, THEREFORE, if the above bounden Principal shall well and truly repair and/or replace defective material and workmanship, this obligation shall be void one year after the date of acceptance of the improvements by the Obligee, otherwise this obligation shall remain in full force and effect.

IN WITNESS WHEREOF, said Principal and said Surety have caused these Presents to be duly signed and sealed this _____ day of _____, 20__.

Principal

By: _____

By: _____