
Sureties

Brochure #28

What are the types of sureties, and why and when are they required?

LANDSCAPING AND PUBLIC IMPROVEMENTS:

1. A PERFORMANCE SURETY is a guarantee to the City that landscaping, public improvements and other required improvements are installed in a satisfactory manner within a one-year time period. When improvements cannot be completed prior to the issuance of an occupancy permit and/or City final approval, a performance surety, at the rate of 150% of the costs of construction, may be used, provided staff determines that it is in the best interest of the City and the success of the project.
2. A MAINTENANCE SURETY, at a rate of 15% of the construction costs, is a guarantee to the City that required improvements are warranted against defects in labor and materials for a period of two years after the project has a received approval on a final inspection by the City.

CRITICAL AREAS MONITORING:

1. PERFORMANCE SURETY. All mitigation and buffer enhancements shall be completed prior to final plat approval and/or building occupancy. However, when improvements cannot be completed prior to final acceptance due to weather conditions, which may negatively affect the success of the project, a performance surety may be used. The performance surety shall be equal to 150% of the cost of the mitigation project and the required improvements shall be installed in a satisfactory manner within six (6) months.

City of Mukilteo
Planning and Community Development Department
11930 Cyrus Way
Mukilteo, WA 98275
(425) 263-8000

2. A MAINTENANCE SURETY shall be required on all mitigation projects to ensure that the improvement successfully survives the five-year monitoring period. For wetland mitigation and buffer enhancement projects, the amount of the maintenance surety shall be equal to fifteen percent (15%) of the cost of the mitigation project.
3. A MONITORING DEPOSIT, in the form of a cash deposit shall be submitted with all sureties prior to final acceptance of the project to cover the estimated City's costs to review the yearly monitoring reports and conduct a site inspection to ensure the performance standards are being met.

What form should I use?

All sureties are to be submitted on a form approved by the City. Please contact the City for samples of the City's preferred surety forms.

Other types may be used or the applicant may make the insertion of specific language, however, these changes will require the review and approval of the City Attorney. Should you desire any changes to our standard forms, an estimate will be obtained and a deposit will be required to cover the costs of the attorney review and approval time according to Resolution 89-19. Contact Shawna Gossett, Permit Services Supervisor, at (425) 263-8060; Fax (425) 212-2068, for assistance with coordination of your sureties.

What is the procedure for submittal of sureties?

- The applicant /developer submits to the City a signed contract document for the work completed or a signed itemized estimate of the work to be performed. City staff will review the contract document or estimate and advise the applicant/developer of the surety amount and provide the appropriate City approved surety document.
- The applicant/developer contacts his/her financial institution and executes the appropriate City approved surety document. The financial institution prepares a cover letter, on agency letterhead, to the City to accompany the surety.
- Notarized signature(s) of the current property owner(s) may be required on the surety document(s); please check the City's form to see if it is needed. All sureties for corporations and partnerships will require a document typically in the form of a resolution; articles of incorporation, unanimous consent action of stockholders or other similar document. For individual owners, the signature of the spouse is required whenever applicable.

For questions or additional information:

Call...

City of Mukilteo
Planning Department (425) 263-8050
City Hall (425) 263-8000
Fax (425) 212-2068

Location...

11930 Cyrus Way
Mukilteo, Washington 98275

Hours...

Monday - Thursday
7:30 a.m. to 5:00 p.m.
Friday
7:30 a.m. to 4:30 p.m.

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