



Improvement Bond Information

Lehi City requires all new developments to place an Irrevocable Escrow Bond or Letter of Credit. The bond is between the developer, a financial institution, and Lehi City. Lehi City only accepts Escrow Bonds or Letter of Credit from any financial institution insured by the FDIC or NCUA. Lehi City does not accept surety bonds or cash for bonds. The bond is held for the sole purpose of guaranteeing the proper completion by the Developer of all required improvements.

Once the bond is calculated, an email will be sent with Lehi City approved forms for Escrow Bond and Letter of Credit along with the Required Improvement Agreement.

There are 2 parts to the bond for each project.

- **Base Bond** and the
- **Contingency Bond** (10% of the bond estimate) which will be held for the 1-year warranty period.

To move forward to pre-con, the contingency bond must be placed, all the public improvement fees to be paid and a signed Required Improvement Agreement turned in. To record before construction, the bond must be in place and the fees paid.

Review time for bonds can take up to 3-4 weeks once the city approved plans are received. To avoid interruptions in the review process, please include Erosion Control Plans and an Engineer's Cost Estimate in your submittal to DRC.

As the project progresses, the developer will need to request inspections to reduce the bond by emailing in a request. Lehi City will authorize the reduction to the bank based on the approval from the Inspectors. Once the base bond has been reduced to \$0, the project then goes into a 1-year warranty. At the end of the 1-year warranty, a final walk through will be done of the project by all involved inspectors. When all is up to code and per the approved plans, Lehi City will then release the final 10% contingency and close the bond. The bond will remain in place until the final approval of the project.

To make requests for inspections, please email Stefanie Daggs at sdaggs@lehi-ut.gov. In the request, please include the project name as known in the DRC process, address and the contact information to send the report to. Inspections can take up to 2 weeks for a report back from the Inspectors. Inspections are done in the order they are received.

*****Bonds are non-transferable and public improvement fees are non-refundable.**

Engineer's Cost Estimate

The estimate should include, but not limited to the pricing AND quantities of the following:

(The contractors' bid for the project will work as well)

- Curb & Gutter
- Sidewalk
- Pavement (with road base and subbase)
- Road cut
- Trail
- All weather Utility Access Road
- ADA Ramps
- All Utility connections and piping (culinary, Sewer, Pressurized Irrigation, Storm Drain)
- Stabilized Material (for pipes)
- Fire Hydrants
- Post indicator Valve
- Hot Tap
- Water valve gates
- Blowoff Top sections
- Fireline
- Knox Box
- Manholes
- Curb inlet
- Combo boxes
- Flared End Section
- Grease trap
- Grease interceptor
- Roof Drain
- Storm Tech Detention
- SWPP (Stabilized Construction Access, Inlet Protection, Silt Fence, BMP)
- Signs and parking lot messages
- Landscaping
- Fencing