



Memorandum

To: Design Consultants and Contractors

From: Jessica Watson, Program Manager

RE: Sussex Conservation District Bond Requirements

Date: December 13, 2013

As of **January 1, 2014**, the Sussex Conservation District will be collecting financial guarantees to ensure that construction of the stormwater management practices is accomplished in accordance with the approved sediment and stormwater management plan. Historically, Sussex County collected the financial guarantee on behalf of the Sussex Conservation District for requirements under the sediment and stormwater plan. The County has recently announced that they will no longer include stormwater as a part of their bonding requirements, and the District will be assuming responsibility for the financial guarantee in accordance with its authority as a Delegated Agency for the Delaware Sediment and Stormwater Regulations.

Please note this process is effective on **January 1, 2014**. The following documents are available on our website at Sussexconservation.org for review:

- Financial Guarantee Policy for the Construction of Sediment and Stormwater Improvements
- Standard Agreement
- Performance Surety Bond
- Performance Cash Bond
- Irrevocable Commercial Letter of Credit

Please note that Financial Guarantees are 150% of the construction estimate. Not all projects are required to submit a security and exemptions are listed under the Financial Guarantee Policy. Once the District has received the financial guarantee a "Ready to Proceed" letter will be issued and a preconstruction meeting can then be scheduled. The District will only allow for a onetime 50% reduction of the financial guarantee.

You are encouraged to review the above documents so as not to encounter any future construction delays. Any questions or concerns, please contact the District for assistance.