



Development Guide No. 14 – Engineering Bonds.

What is an Engineering Bond?

Engineering bonds allows to deposit a monetary payment to Council instead of undertaking work required by a Development Application. The Bond also gives guarantee to Council that the work will be completed at a later stage.

For example, if an asset is required to be built as part of the requirements of a Development Application but for some valid reason (to be approved by Council's Development Engineer) there is difficulty or a delay completing the work, a bond can be paid to allow the Development Application to progress. The outstanding work can be completed at a later date.

When will Engineering Bonds be accepted?

Engineering Bonds will only be accepted when:

- There are legitimate, well justified grounds;
- The applicant/developer is able to demonstrate to Council the difficulty faced in completing the works.
- Approval from Council's Manager if Engineering Approvals and Design is granted.

Certain types of construction work, such as stormwater and wastewater reticulation, and water supply are not eligible for a bond. These works must be carried out. Please contact Council's engineering department for more information.

Bonds will not be accepted to accelerate the application process.

What do I need to do to submit an Engineering Bond to Council?

In order to submit an Engineering Bond to Council, you need to complete an *Engineering Bond Application Form* and pay an application fee. You will also be required to submit accompanying information depending on the proposed works to be bonded. Information is to include:

- Two quotes from independent contractors on their company letterhead;
- A complete copy of the engineering conditions from the relevant Development Application (if applicable);
- Two copies of approved engineering plans detailing the location, dimensions and materials of the proposed bonded works;
- Written consent from all affected landowners stating that they allow the required works to be undertaken and a written statement that they will pass on this obligation to any future owners of the affected property; and
- The date by which the work will be completed.

At what stage can an Engineering Bond be paid?

Once your application and all the relevant information has been lodged, Council shall advise in writing whether your application has been approved or refused. If approved, this letter is to be presented to Council's Customer Service Centre when making payment to verify that the request to submit a bond has

been approved by Council.

Payment of the bond is to be submitted to Council prior to the application to release and/or issue of any Construction Certificates, Subdivision Certificates, and/or Occupation Certificates.

What are the fees associated with submitting an Engineering Bond to Council?

There are fees for administering the bond and inspecting the works. These include:

- Application Fee (as per Council's current Revenue Policy)
- A maintenance bond is required from the developer prior to the release of the Subdivision Certificate to the value of five (5) per cent of the total contract price of the engineering works or five hundred (500) dollars whichever is greater. The developer is to submit a copy of the successful tenderers bid for the Construction of the civil engineering works to allow this bond to be determined.
- Subject to mutual agreement between the developer and *Griffith City Council*, where *Griffith City Council* determines that it is not practical to physically construct works and that the deferment of works will result in improved community outcomes through co-ordination with other works. *Griffith City Council* may consider a payment or bank guarantee equivalent to the full cost of construction of the works plus thirty (30) percent. Deferred works typically relate to minor road widening that includes kerb and gutter extensions, footpaths and driveways.

What form of payment is accepted by Council for Engineering Bonds?

Payments of Engineering Bonds are accepted in the following forms:

- Cash;
- Bank Cheque;
- EFTPOS;
- Bank Guarantees from an Approved Deposit Institution (ADI). (Bank Guarantees must not have expiry dates); and
- Credit Cards.

Acceptance for Bonds and Guarantees are at the discretion of Council. No personal cheques will be accepted as payment.

What is an acceptable period for Engineering Bonds to be held by Council?

Documentation submitted to Council with Engineering Bonds must specify a date by which the work will be completed. If the work is not completed in a satisfactory way within the set timeframe, Council staff or contractors may enter onto the land, complete the works, and recover the costs from the bond. Once the work has been completed, the balance of the bond, if any, will be refunded.

When can an Engineering Bond be refunded?

In order for an Engineering Bond to be refunded, the quality of works will need to be certified by Council and an *Engineering Bond Refund Form* will need to be completed. You will also be required to submit the following accompanying information:

- A copy of your bond receipt as proof of payment;

Applicants are reminded that bond monies are held in trust accounts and can only be refunded to the person or agency that has paid the initial deposit.