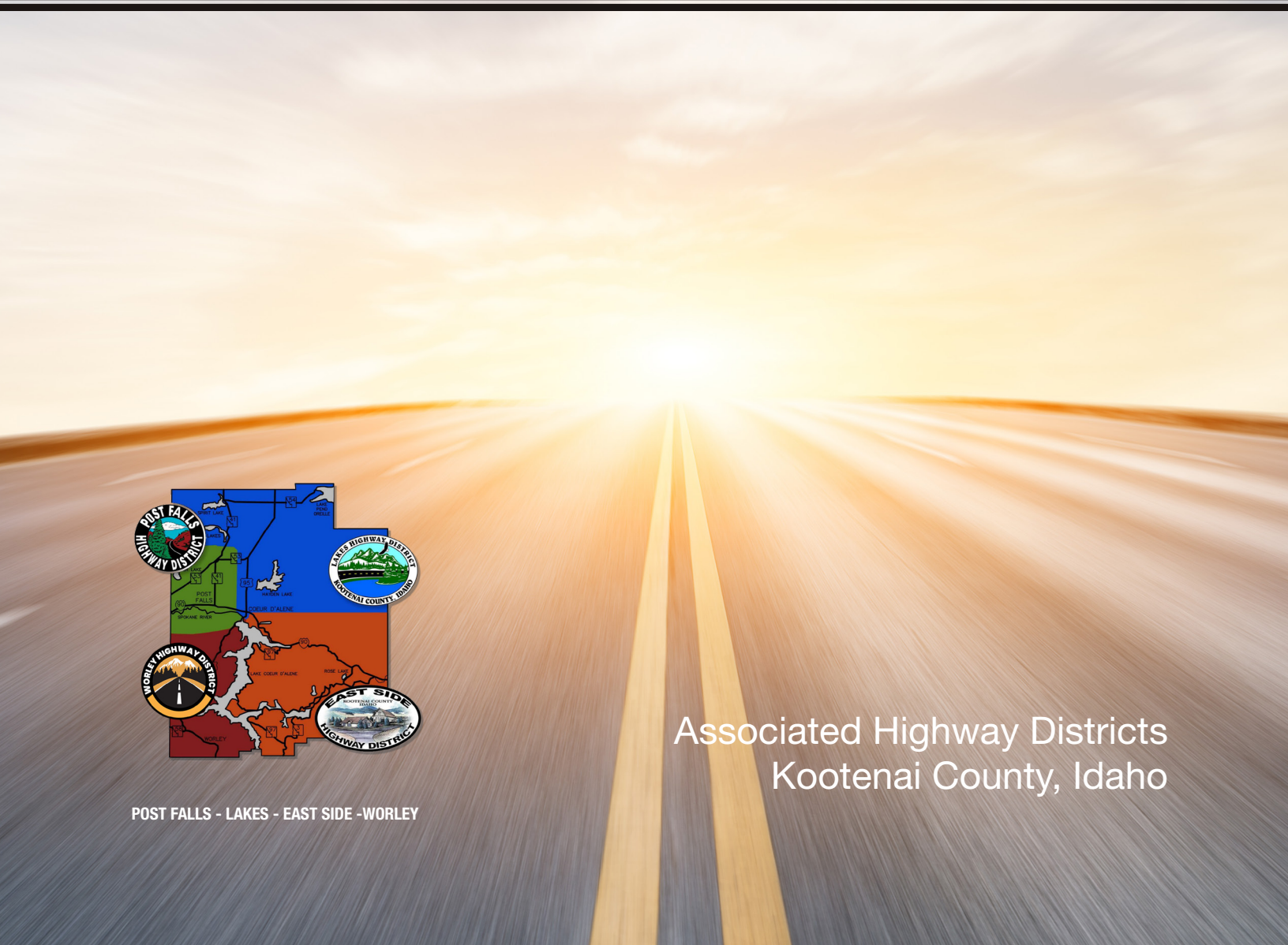
Financial Guarantee Agreement



POST FALLS - LAKES - EAST SIDE -WORLEY

Associated Highway Districts
Kootenai County, Idaho

FINANCIAL GUARANTEE AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 20____, by and between _____ _____, (hereinafter referred to as "Developer or Applicant") and the _____ _____ Highway District (hereinafter referred to as "District").

IT IS AGREED:

1. APPLICANT agrees to complete, or cause to be completed, the improvements as shown on Drawing(s) No. _____, Sheet(s) _____ through _____, for _____ (hereinafter referred to as "Project") in accordance with special provisions and conditions as set forth by the District, on or before the _____ day of _____, 20_____, or such latter time as may be extended, in writing, by the District, including the installation of all necessary utility lines, structures and service connections directly associated with the project within the public rights-of-way and easements.

2. APPLICANT agrees to pay for all labor and material costs for completion of the improvements, and the improvements are to be completed free and clear of all liens, encumbrances, assessments, or unpaid obligations.

3. APPLICANT agrees that all improvements listed herein shall be completed according to standard specifications adopted by the District and to pay, when due, all fees incurred or charged by the District in connection with this project.

4. APPLICANT has furnished the District with a cash deposit, Surety Bond, or other form of credit issued by a financial institution authorized to do business in the State of Idaho, in a form approved by the District in the amount of $_____ (equal to 150% of the estimated cost of the "public or special improvements" included in the project). Said cash deposit, Surety Bond or other form of credit shall be in force for a minimum term of two (2) years after acceptance of the improvements by the District, assuring performance of Applicant's obligations under this agreements operated and maintained by the Highway District; and others as follows:

In the event Applicant fails to complete the improvements or conditions as herein set out, District, at its option, may complete the project, or cause it to be completed, and the cost thereof in labor and material costs, or for the District to perform any observations, tests, or retests, whereby test results of the materials to be used and/or installed are shown not to conform to District detailed specifications, shall be the amount of liquidated damages, plus court costs and reasonable attorney fees incurred by the District in relation thereto, which amounts shall be a charge against the cash deposit, Surety Bond, or other form of credit. The Applicant shall be liable for any deficiency incurred over and above the amount of the bond or other form of credit furnished.

5. DISTRICT agrees that upon satisfactory completion of the improvements listed herein, in accordance with the specifications and requirements of said District, the District, upon acceptance by the Board, will be responsible for continuous maintenance of the public street within the District's boundaries.

6. APPLICANT further agrees neither the final certificate of completion nor any provision within this agreement nor partial or entire use of the improvements embraced in this agreement by the District or the public shall constitute an acceptance of work not done in accordance with said approved drawings and District Standards and Specifications or relieve the Applicant of liability in respect to any or all warranties or responsibility for faulty materials or workmanship. The applicant shall remedy or shall cause to be remedied promptly any defects in the work and to pay for any damage to other work resulting therefrom which shall appear within a period of two (2) years from the date of final acceptance of the improvements. The District will give notice of defective materials and work with reasonable promptness.

7. APPLICANT agrees that he shall retain an Idaho licensed, Professional Engineer who shall supervise the construction and certify that all improvements are constructed in accordance with the District's "Construction Observation Policy Statement" a copy of which is attached and hereby made a part of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

_____
Developer/Applicant

_____
Highway District

_____
CHAIRMAN

ATTEST:

_____
CLERK

State of Idaho)
)ss
County of Kootenai)

This record was acknowledged before me on _____ by _____ as _____ of _____.

_____
Notary Public
Commission Exp.: _____

State of _____)
)ss
County of _____)

This record was acknowledged before me on _____ by_____.

_____Notary Public

Commissioner Exp.:_____