

Right-of-Way Services

Construction Engineering/Transportation

2000 W. 3<sup>rd</sup> Ave

Denver, CO 80223

303-446-3469

**To:** Land Developers and General Contractors

**From:** Michael Holm, P.E., DOTI Engineering Manager *MCH*

**Subject:** Bonding Process for Privately Constructed ROW Improvements

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For private development projects that exceed \$20,000 in construction costs for proposed improvements in the public Right of Way (based on current market rates), a performance bond of equal value is required of the Contractor as a critical step in ensuring that the work is completed according to the City-approved construction documents. The bonding process involves steps as described below:

### **Bond Submittal Process**

- **Contractor Submits an Engineer's Cost Estimate.** The Contractor provides a detailed cost estimate for the proposed improvements (as shown on the approved construction documents) to the Right of Way Inspection Team for review. The cost estimate should include a breakdown of the quantities and unit costs for each item/component listed below:
  - Demolition/Removals. This includes the cost of demolishing or removing existing structures or pavement and any associated disposal costs.
  - Subgrade preparation & materials. This includes the cost of preparing the subgrade for the new improvements, including excavating, grading and compaction of the base material.
  - All hardscape & flatwork concrete work. This includes the cost of installing all hardscape elements within the ROW, such as sidewalks, curbs, gutters, drainage pans and driveways.
  - Pavements. This includes the cost of installing all elements within the ROW for the installation of streets and alleys.
  - Structures. This includes the cost of installing all roadway related structures such as bridges.
  - Range Points. This includes the cost of installing survey monuments/range points within the ROW.
  - Tree grates. This includes the cost of installing tree grates to provide trees a protected place to grow.
  - Landscape. This includes the cost of installing all landscape elements such as trees, plantings and ground covers.
  - Sidewalk drain chases. This includes the cost of installing sidewalk chases to provide drainage from downspouts under the sidewalk and to the curb.
  - Traffic signage. This includes the cost of installing traffic signs, street signs, and other signage.

- Street striping. This includes the cost of striping the roadway with pavement markings, such as lane lines, crosswalks, and stop bars.
  - Lighting. This includes the cost of installing streetlights and other lighting fixtures.
  - Traffic signals. This includes the cost of installing traffic signals, pedestrian signals, and other transportation signals.
- **Right-of-Way Services Reviews the Estimate.** The Right of Way Inspection Team will review the cost estimate for accuracy, completeness and verify that the unit costs are reasonable & accurate. The total cost of the approved estimate will be the amount required for the Performance Bond.
  - **Contractor Provides a Performance Bond to Right of Way Services.** The Contractor submits a bond to Right of Way Services in the amount of the ROW inspector approved cost estimate. The bond is a financial guarantee that the Contractor will complete the improvements according to the approved plans and specifications and to the satisfaction of the Right of Way Inspector. The Contractor shall have the original embossed bond submitted in person to 2000 W. 3rd Ave. Denver Co. 80023.
  - **Note:** the bond is to be provided by the Developer or General Contractor, not by a Subcontractor.  
Bond example provided below

### **Bond Release Process**

Once the construction has been completed, the Contractor may request an Initial Acceptance walk through. A punch list will be generated by the Contractor and will be reviewed by the ROW Inspector for completeness. All punch list repairs are required to be completed to the satisfaction of the ROW Inspector prior to formally requesting Initial Acceptance from the ROW Engineering Manager.

The walk through criteria is available via this link: [Walk Thru Criteria](#)

- Once Initial Acceptance has been approved by the ROW Inspector, ROW Inspector Supervisor or ROW Project Manager, the bond release can be requested by emailing the ROW Project Manager with the following information:
  - Project Address
  - Bond Number
  - Amount of the Bond
  - Name and Address of the person to whom the bond should be released
- The bond is released to the Contractor upon satisfactory completion of the project and all the terms of the bond have been met.

APPROVED FORM

Project Name:

Project Address:

TEP #:

PAYMENT AND PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, that we the undersigned \_\_\_\_\_ hereinafter referred to as the "Permittee", and \_\_\_\_\_, a corporation organized and existing under and by virtue of the laws of the State of \_\_\_\_\_, and authorized to transact business in the State of Colorado, as Surety, are held and firmly bound unto the CITY AND COUNTY OF DENVER, A MUNICIPAL CORPORATION OF THE STATE OF COLORADO, hereinafter referred to as the "City", in the penal sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), lawful money of the United States of America, for the payment of which sum, well and truly to be made, we bind ourselves and our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents:

THE CONDITION OF THE FOREGOING OBLIGATION IS SUCH THAT:

WHEREAS, the above bounden Permittee has, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, been granted a permit by the City for the design, plan, construction, reconstruction, remodeling of certain improvements as designated, defined and described in the said Permit and the Conditions thereof, and in accordance with the Specifications and Plans therefore; including furnishings of all materials and labor, equipment, tools, work superintendence and other facilities and accessories; a copy of said Permit being made a part hereof;

NOW, THEREFORE, if the said Permittee shall and will, in all particulars well and truly faithfully observe, perform and abide by each and every Covenant, Condition and part of said Permit, and the Conditions, Specifications, Plans and other Permit Documents thereto attached, or by reference made part thereof and any alternations in and additions thereto, according to the true intent and meaning in such case, then this obligation shall be and become null and void; otherwise it shall remain in full force and effect;

PROVIDED FURTHER, that if said Permittee shall satisfy all claims and demands incurred by the Permittee in the performance of said Permit, and shall fully indemnify and save harmless the City from all damages, claims, demands, expense and charge of every kind (including claims of patent infringement) arising from any act, omission or neglect of said Permittee, its agents or employees with relation to said work; and shall fully reimburse and repay to the City all costs, damages and expenses which it may incur in making good any default based upon the failure of the Permittee to fulfill its obligation to furnish maintenance, repairs or replacements for the full guarantee period provided in the Permit documents, then this obligation shall be and become null and void; otherwise it shall remain in full force and effect;

PROVIDED FURTHER, that if said Permittee shall at all times promptly make payments of all amounts lawfully due all persons supplying or furnishing it or its subcontractors with labor and materials, rental machinery, tools or equipment used or performed in the prosecution of work provided for in the above Permit and if the Permittee will indemnify and save harmless the City for the extent of any and all payments in conjunction with the carrying out of such Permit, then this obligation shall be and become null and void; otherwise it shall remain in full force and effect;

PROVIDED FURTHER, that if said Permittee fails to duly pay for any labor, materials, team hire, sustenance, provisions, provender, gasoline, lubricating oils, fuel oils, grease, coal or any other supplies or materials consumed by said Permittee or its subcontractors in the performance of the work to be done, or fails to pay any person who supplies rental machinery tools or equipment, all amounts due as a result of the use of such machinery, tools or equipment in the prosecution of the work, the Surety will pay the same in any amount not exceeding the amount of this obligation, together with interest as provided by law;

PROVIDED FURTHER, that the said Surety, for the value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Permit, or to contracts with others in connection with this project, or the work to be performed thereunder, or the Specification and Plans accompanying the same, or incorporated by reference into such Permit, shall in any way effect its obligation on this bond and it does hereby waive notice of any change, extension of time, alteration or addition to the terms of the Permit, or contracts, or to the work, or to the Specifications and Plans.

In witness whereof, said Permittee and said Surety have executed these presents as of this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Permittee

ATTEST: By: \_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Surety

By: \_\_\_\_\_  
Attorney-in-Fact

Evidence of Attorney-in-Fact authority to execute, in the form of a valid Surety Power of Attorney certified to include the date of the bond, must accompany this Bond.

APPROVED FOR THE CITY AND COUNTY OF DENVER:

By: \_\_\_\_\_  
Director/Engineering Manager  
Public Works, Development Engineering Services

Prepared by the City Attorney's Office March 23, 2005

