AGREEMENT SECURED BY LETTER OF CREDIT TO GUARANTEE MAINTAINANCE OF IMPROVEMENTS AS REQUIRED BY POST-CONSTRUCTION STORM WATER ORDINANCE

Date of Issue: _____ Letter of Credit #: _____

Obligee: CITY/TOWN ADDRESS
Deliver to: Western Piedmont Council of Governments
P.O. Box 9026, Hickory, NC 28603
Attention: Stormwater Administrator

Guarantee of Maintenance given by:

Principal:
Address:
City, State, Zip:
Phone Number: ( )

Bank Issuing Letter of Credit:
Address:
City, State, Zip:
Phone Number: ( )

The Principal is firmly bound unto The CITY/TOWN in the sum of ($) dollars, which amount is secured by an Irrevocable Letter of Credit, Number delivered to delivered to the cities stormwater representative party - The Western Piedmont Council of Governments this day of , 20 .

This Agreement is made in accordance with the CITY/TOWN Post-Construction Storm Water Ordinance to guarantee maintenance and repair of improvements as provided in the plan(s), specification(s), agreement, and/or Ordinance for the project known as located at for a period of three years from the date the improvements were released with final inspection.

The condition of this obligation is such that if the Principal promptly and faithfully performs all the maintenance and repair work specified in the above paragraph, this obligation shall be null and void and the Letter of Credit delivered to the CITY/TOWN shall be returned to the Principal.

In the event that the Letter of Credit expires while this bond is in effect, the Principal agrees to deliver to Western Piedmont Council of Governments a new Letter of Credit in the same principal

amount as the Letter of Credit referred to above, or other security acceptable to Western Piedmont Council of Governments Stormwater Administrator. **The expiration of the Letter of Credit shall not affect the conditions of this bond.**

In the event that the Principal defaults under its obligation to maintain and repair the improvements, The CITY/TOWN may complete maintenance and repairs using funds available from the Letter of Credit. Said funds can be used to pay any and all expenses which may be incurred by the CITY/TOWN as the result of actions taken by the CITY/TOWN after the default including but not limited to construction costs, administrative costs, engineering supervision costs, mobilization costs, and legal fees. Upon completion of the maintenance and repairs performed after default, the CITY/TOWN will refund any unused portion of the funds.

WITNESS our hands and seals this, the day of 20 .

PRINCIPAL: _____

By: _____
Principal (authorized signature)

_____
Principal (printed name and title)

WITNESS for Principal: _____
Witness (signature)

_____
Witness (printed name)