

Warranty Surety Q&A

Q. What is a Warranty Surety?

A. A Warranty surety ensures an owner/developer's financial obligation to repair any defects to installed utilities for a 24 month period. The warranty surety is submitted to the City by the owner/developer in the amount of 20% of the actual construction costs. The acceptable forms of warranty surety are cash or cash equivalent, certificate of deposit, or an irrevocable line of credit. The surety is returned to the owner/developer 24 months after the warranty period has ended unless a warranty extension is required due to repairs or rework.

Q. What is a Performance Surety?

A. A surety paid by the owner/developer in the amount of 125% of a verified line item cost estimate required to ensure performance by the owner/developer for the installation of required underground utilities. The surety is submitted in the form of cash or cash equivalent, certificate of deposit, or an irrevocable line of credit.

Q. Do I have to install the utility improvements that are part of my development in order to get my plat signed?

A. Not necessarily, you can either install the utilities or you can post a performance surety of 125% of the verified line item cost estimate to guarantee the financial ability to install the improvements at a later date. A 2-year warranty surety that is 20% of the cost of construction will also be required.

Q. If I construct the utility improvements that are part of my development, do I have to post a performance surety?

A. No, however you will be required to post a warranty surety that is 20% of the actual cost of construction prior to the City of Meridian accepting the utility improvements and signing your final plat.

Q. Can I begin construction of the utility improvements that are part of my development, and get my plat signed prior to their completion?

A. Yes, however you will be required to post a performance surety of 125% of the verified line item cost estimate to guarantee the financial ability to complete the installation of the improvements. A 2-year warranty surety that is 20% of the cost of construction will also be required.

Q. What are the acceptable forms of surety in the City of Meridian?

A. Cash, Cash Equivalent (certified/cashiers check or money order), Credit Card, Debit card
Irrevocable Letter of Credit, Bonds. See Surety Fees Handout

Q. When will I be able to start pulling building permits in my development?

A. Once your development improvements have been deemed "Substantially Complete", a performance and warranty surety is in place, and your plat is recorded into Ada County Records, you will be able to pull building permits.

Q. How long is the Warranty Period?

A. The warranty is for a two-year period that covers all workmanship and material deficiencies for water/sewer and reclaimed water infrastructure. The Warranty period begins after the City issues a formal acceptance letter and the Warranty Surety has been posted. All rework costs to remedy such deficiencies during the warranty period are paid by the owner/developer.

Q. What is a Substantial Completion Inspection?

A. An inspection done by the City of Meridian to ensure life/safety infrastructure meets requirements and is in a condition and state that allows for its intended purpose(s). Once passed, the owner/developer can continue with other development improvements.