Subdivision Street Construction Applications and Forms

Subdivision Street Construction Process:

- Applicant submits the following:
  - Copy of the recorded record plan
  - Approved construction drawings
  - For phased subdivisions, signed and sealed title sheet listing streets to be constructed in the phase
  - Proof of ownership from local land use agency
  - Security
  - Completed construction agreement, if necessary
  - Approval letter from DNREC or the DNREC approved delegated agency
  - Executed construction agreement for projects requiring third party inspection
  - Construction schedule
  - Copy of material sources
  - Utility Coordination Statements
  - Easements
- After review and approval of the documentation and security, the Public Works Engineer may issue a Notice to Proceed, allowing the developer to proceed with construction on bonded streets.
  - Note: The Public Works Engineer may request a preconstruction meeting prior to issuance of a permit.
- After completion of work, DelDOT performs inspections
- Applicant then submits the following:
  - As-built construction plans
  - Completion or No Objection letter from the local land use agency
  - Contact information letter from the maintenance association
  - Release from liabilities
- Once DelDOT is satisfied with the construction, the inspector shall recommend final acceptance and release of the security by the Public Works Engineer.

Applications and Forms

Electronic versions of the following forms may be located in the Development Coordination Portal within the "Doing Business with DelDOT" portion of the DelDOT website (http://deldot.gov/information/business/).

Agreement No. _____

CONSTRUCTION AGREEMENT

FOR

SUBDIVISION STREETS

This Agreement made and entered into this _____ day of _____, 20_____ by and between the State of Delaware, Department of Transportation, as First Party, hereinafter referred to as DelDOT, and _____ as Second Party, hereinafter referred to as Developer, whose address is:

_____

_____.

WITNESSETH:

WHEREAS, Developer intends to construct subdivision streets in a public subdivision known as _____, a recorded subdivision in _____ and,

WHEREAS, DelDOT will assume the maintenance of the subdivision streets listed below in this Agreement following the construction by Developer as approved by DelDOT.

NOW THEREFORE, for and in consideration of the mutual covenants, hereinafter stipulated to be kept and performed, it is agreed between the parties as follows:

1. Developer shall construct the subdivision streets listed below in accordance with the approved street construction plans on or before the completion date of _____, 20_____:

Street Name	From	To	Length

Developer agrees that all construction shall be in accordance with the approved construction plans, DelDOT *Standard Specifications* in force on the date of this Agreement, Special Provisions for non-standard construction items and DelDOT *Development Coordination Manual*.

2. Developer agrees to provide DelDOT with a Security Agreement using the following table:

Value of Security Table					
Street	Limits		Length (l.f.)	Estimate ($)	Security Amount ($)
	From	To			
Sub-Total					
Add 150% of estimated cost of the roadway entrance(s) shown on the plans					
TOTAL					

STREET CONSTRUCTION:

Type of Security: Letter of Credit: ☐ Escrow: ☐ Bond: ☐

Street Contractor: _____

_____

(Name)

_____

_____

(Address)

3. Prior to the start of construction Developer shall attend a preconstruction conference scheduled by DelDOT. No work shall begin within the dedicated right-of-way until a Notice to Proceed has been issued by DelDOT.

4. DelDOT will provide periodic inspection to ensure that construction activities are in accordance with approved plans, specifications and subdivision regulations. Developer shall provide DelDOT with

access to all parts of the work and furnish such information and assistance as is required by DelDOT to make a complete and detailed inspection as described in the *Standard Specifications*. Deficient items found on periodic inspections shall be corrected by Developer to the satisfaction of DelDOT.

5. During roadway and street construction, Developer agrees to control traffic in a safe manner in accordance with the *Delaware Manual on Uniform Traffic Control Devices (Delaware MUTCD).*

6. Installation of utilities shall be in accordance with DelDOT's *Utilities Design Manual*. Developer agrees to coordinate construction with the utility companies in accordance with the requirements of DelDOT.

7. Regulatory signs and street signs shall be furnished and installed by Developer in accordance with the DelDOT *Development Coordination Manual* and the *Delaware MUTCD.* Sight triangles shall be cleared in accordance with the aforementioned Standards and Regulations.

8. DelDOT may require revisions to the construction plans due to errors or omissions, field conditions or changed circumstances.

9. Developer may make a written request to DelDOT for revisions to the approved construction plans. Such request, if approved, shall be approved by DelDOT prior to the start of the proposed construction revision.

10. Subdivision streets and the contiguous highway system shall be kept clear of mud and debris by Developer as a result of construction activities at all times.

11. Developer shall request DelDOT to make Initial and Primary inspections when the construction activities are complete. Developer agrees to complete all work including those items of work listed in the Initial inspection report to the satisfaction of DelDOT on or before the Completion Date specified in Section I of this Agreement.

12. Developer shall furnish DelDOT an as-built print of the approved construction plans with revisions annotated in red to indicate plan revisions and a copy of a letter from the County Department of Public Works stating that all construction work required by County has been completed to their satisfaction.

13. Developer shall save harmless DelDOT from all unpaid bills, debts or obligations of whatever nature owed by Developer to any person, firm, corporation, subcontractor, supplier or the like arising from the subdivision street construction.

14. Failure to complete the subdivision street construction in accordance with this Agreement shall result in forfeiture of the security furnished to DelDOT for liquidated damages and such other action as may be permitted by the State of Delaware Code. Maintenance of the subdivision streets, including snow removal when greater than 4" of snow falls, listed in this Agreement shall remain the sole responsibility of the Developer until construction shown on the approved construction plans and approved plan revisions has been completed by Developer, his heirs and assigns, and accepted by DelDOT. Following street acceptance, DelDOT shall be responsible for street maintenance.

15. The Developer and their heirs, successors, assigns and agents guarantee the streets listed in this Agreement against the failure of the pavement or drainage for three years from the date of acceptance by DelDOT. This is a good faith guarantee which shall not be cause for the DelDOT to retain the

completion security, but failure to comply may be cause to require a 100 percent security in future cases.

16. This Agreement constitutes the sole understanding by and between Developer and DelDOT and nothing outside this Agreement shall be construed as an alternation, modification and/or revision hereof. This Agreement shall not be modified except in writing subscribed by both parties.

IN WITNESS WHEREOF, the parties hereunto have caused this Agreement to be executed in triplicate, the date first above written.

FOR THE STATE OF DELAWARE DEPARTMENT OF TRANSPORTATION

Final approval for the complete construction of the aforementioned streets will be granted upon execution of Construction Agreement Number _____ and the approved construction plans.

WITNESS: _____ _____

Public Works Engineer

FOR THE DEVELOPER

WITNESS: _____ _____

Developer

_____

Developer Company

_____

Typed Name

_____

Signature

_____

Title

Sworn and subscribed before me this ____ day of _____, 20____

Notary Public Signature _____

SAMPLE LETTER OF CREDIT

FOR

SUBDIVISION CONSTRUCTION

Bank Letterhead

Address to the appropriate District, as follows:

New Castle County:	Kent County:	Sussex County:
Public Works Engineer DelDOT Canal District 250 Bear-Christiana Road Bear, DE 19701 (302) 326-4679	Public Works Engineer DelDOT Central District 930 Public Safety Blvd. Dover, DE 19901 (302) 760-2433	Public Works Engineer DelDOT South District 23697 DuPont Blvd. Georgetown, DE 19947 (302) 853-1340

RE: Irrevocable Commercial Letter of Credit No. _____

_____ *(name of Development)*,

Tax Parcel No._____,

Property location: _____, in _____County,

Agreement No. _____

Dear Sir or Madam:

We hereby establish our Irrevocable Commercial Letter of Credit in favor of the State of Delaware, Department of Transportation as beneficiary at the request of and for an account of _____(Developer), for an amount or amounts not to exceed _____ ($ _____).

_____

This Letter of Credit is subject to the following terms and conditions:

Effective Date: _____

This credit is to be available by sight draft being presented to

_____ (Name of Bank)

at its main office at _____(Address).

All drafts so drawn must bear the clause "Drawn Under" and the following information: Bank Name, Letter of Credit Number, and date.

The sight draft must be signed by the Director of the Division of Maintenance and Operations stating that "_____ (Developer) has failed to perform construction of the subdivision streets, in accordance with the **Construction Agreement No.** _____ and the Irrevocable Letter of Credit in favor of the State of Delaware, Department of Transportation, pertaining thereto. Demand is hereby made in the amount of the enclosed draft."

This Letter of Credit will expire on _____. The Bank agrees to notify the State sixty (60) calendar days prior to expiration to permit a request for an extension or to permit DelDOT to draw thereon. The Bank agrees that such notice will be sent by registered mail to the appropriate Public Works Engineer as indicated in the table below and shall contain the Development name, Developer name, and County where the property is located.

New Castle County:	Kent County:	Sussex County:
Public Works Engineer DelDOT Canal District 250 Bear-Christiana Road Bear, DE 19701 (302) 326-4679	Public Works Engineer DelDOT Central District 930 Public Safety Blvd. Dover, DE 19901 (302) 760-2433	Public Works Engineer DelDOT South District 23697 DuPont Blvd. Georgetown, DE 19947 (302) 853-1340

The Bank agrees that such notice would be effective only if it is sent by registered mail. In the event such notice is not given, this Letter of Credit shall automatically renew until such notice is received. It shall

then expire sixty (60) calendar days from the receipt of such notice. This credit will automatically terminate as of the date DelDOT notifies the Bank that it has accepted the subject roadways for maintenance.

Except as otherwise stated herein, no modifications or revocations may be made by the undersigned to the irrevocable credit created hereby, without the express written approval of the Public Works Engineer, Delaware Department of Transportation.

All bank charges connected with this Letter of Credit are for the account of the Developer.

This Letter of Credit is neither negotiable nor assignable.

Very Truly Yours,

_____

(Signature)

_____

(Printed Name)

SURETY AGREEMENT

FOR

SUBDIVISION STREET CONSTRUCTION

KNOW ALL PERSONS by These Presents that: _____ (applicant)
whose address is: _____
hereinafter called "Developer" and _____
as surety legally authorized to do business in Delaware,

whose address is: _____
hereinafter called "Surety" are held firmly bound unto the State of Delaware

in the sum of _____ ($ _____)
(said sum being the total price agreed upon by DelDOT and the Developer for the construction as set forth in the **Construction Agreement No.** _____), to be paid to the State of Delaware for the use and benefit of DelDOT if the Developer fails to meet the conditions of this obligation.

SEALED with our seals and dated this _____ day of _____, _____.

NOW THE CONDITIONS OF THIS OBLIGATION ARE SUCH that if the Developer, who is responsible for the construction of the subdivision streets set forth in this Agreement for the property known as _____,
fails to construct such subdivision streets in accordance with the provisions of the fully executed Construction Agreement for subdivision streets, as determined by DelDOT, the bond shall be forfeited in favor of the State of Delaware. Bond forfeiture shall occur within sixty (60) days of receipt of written notification by DelDOT. Should the Developer complete all construction in accordance with the aforesaid Construction Agreement, then this obligation shall be void and of no effect, or else shall be and remain in full force and virtue until such subdivision streets are accepted by DelDOT.

EXECUTED by the parties hereto the day and year first herein written.

_____

For Surety Company:

Attest:

_____
(Signature)

_____
(Typed Name)

_____
(Position Title)

For Developer:

Attest:

_____
(Signature)

_____
(Typed Name)

_____
(Position Title)

ESCROW AGREEMENT

FOR

SUBDIVISION STREET CONSTRUCTION

KNOW ALL PERSONS by These Presents that: _____ (applicant) whose address is_____ and whose Employer Federal Identification Number is _____, hereinafter call "Developer" having furnished DelDOT a certified check

in the amount of _____ ($ _____) (said sum being the total price agreed upon by DelDOT and the Developer for the construction as set forth in the **Construction Agreement No.** _____), to be deposited into DelDOT's Escrow Account, does hereby relinquish said amount to the State of Delaware for the use and benefit of DelDOT, to which payment will and truly be made we bind ourselves, our successors and assigns, firmly by these presents.

SEALED with our seals and dated this _____ day of _____, _____.

NOW THE CONDITIONS OF THIS OBLIGATION are such that if the Developer, who is responsible for the construction of subdivision streets set forth in this Agreement for the property known as _____, fails to construct such subdivision streets in accordance with the provisions of the fully executed Construction Agreement for Subdivision Streets, as determined by DelDOT, the funds shall be forfeited in favor of the State of Delaware. Forfeiture shall occur within sixty (60) days of receipt of written notification by DelDOT. Should the Developer complete all construction in accordance with the aforesaid Construction Agreement, then this obligation shall be void and of no effect, or else shall be and remain in full force and virtue until such subdivision streets are accepted by DelDOT. Upon completion of all work to the satisfaction of DelDOT the funds held in escrow shall be released by DelDOT upon acceptance of the roadways.

EXECUTED by the parties hereto the day and year first herein written.

Attest: DelDOT

_____

(Signature)

_____

(Typed Name)

_____

(Position Title)

Attest: Owner/Developer

_____

(Signature)

_____

(Typed Name)

_____

(Position Title)

Sworn and subscribed before me this ____ day of _____, 20____

Notary Public Signature _____

NOTICE TO PROCEED

Date

Company

c/o

Address 1

Address 2

SUBJECT:

Dear Sir or Madam:

This letter shall serve as a "Notice to Proceed" with permanent road construction for _____ subdivision under Construction Agreement No. _____. All work within the subdivision shall be performed in accordance with the following documents:

- Subdivision construction drawings approved by DelDOT on _____.
- Pre-construction meeting minutes issued by DelDOT on _____.
- Construction Agreement for Subdivision Streets.
- DelDOT *Standard Specifications*.
- DelDOT *Standard Construction Details*.

Please contact DelDOT's Public Works Engineer if you have any questions.

Sincerely,

Name
Public Works Engineer

RELEASE FROM LIABILITIES

As a condition of the acceptance for maintenance by the Delaware Department of Transportation the streets specified in the **Construction Agreement No.** _____ in the subdivision known as _____ in _____ County, I, as Owner and Developer do hereby release and save harmless the Delaware Department of Transportation (DelDOT) from any and all manners of action, causes of action, suits, proceedings, debts, dues, contracts, judgments, damages, claims, and demands what-so-ever, in law and equity and further agree to assume the defense of any claims and pay any and all costs legally incurred by DelDOT in defense thereof arising from any actions by me or my Agents or Contractors created during the course of construction of the streets listed in the aforesaid Construction Agreement, provided such actions against DelDOT are initiated before acceptance of the streets by DelDOT or not later than six months after such date of acceptance.

The undersigned further swears and avers that there are no mechanic's liens or judgments affecting the streets of the subdivision listed in the aforesaid Construction Agreement.

Sworn and subscribed before me this ____ day of _____, 20____

Notary Public Signature _____

Owner/Developer:

_____
(Signature)

_____
(Typed Name)

_____
(Position Title)

_____
(Date)