

SECTION 17
TRANSITION TO THE WARRANTY PERIOD
MEMORANDUM FOR CONVEYANCE OF SYSTEM

17.0 MEMORANDUM FOR CONVEYANCE OF SYSTEM

Upon completion of all work, payment of all costs, and submittal of all required documentation, Water Utility Engineering staff will determine if the project work, payments, and documentation are acceptable.

If these project details are acceptable, written documentation of these details is submitted to the Principal Engineer for review. It may not be practical for all work to be complete at the time of main extension acceptance. For example, the following are not done until the placement of final paving: blue dot placement; valve cans set to grade and painted; and the repainting of aboveground appurtenances, if necessary. Additionally, the acquisition of service fees may have been postponed and their payment may be pending.

Upon the review and approval of the work, payments, and documentation for the project by the Principal Engineer, staff will prepare (for the Principal Engineer's signature) a memorandum for conveyance of the system and release of the Performance Bond and the initiation of the Warranty Bond. An example Interoffice Memorandum, with the subject of "EXECUTION OF CONVEYANCE OF WATER SYSTEM AGREEMENT AND BOND REDUCTION" is in this section of the guide for reference.

Once the memorandum has been approved, the Senior Office Assistant will prepare the Conveyance Agreement and the Warranty Bond documentation. After both the SBMWD and the Developer sign the Conveyance Agreement, interim use of water may begin. (See attached Executed Conveyance of Water System Agreement transmittal letter master)

The Developer is instructed to forward the executed Conveyance Agreement to their bonding company and request that the surety company send verification that the Warranty Bond is in place.

If acquisition fees have been deferred the Developer is instructed in the transmittal letter for the executed Conveyance Agreement to have their escrow company to send all requests for lien releases to the Senior Office Assistant.

A copy of the signed Conveyance Agreement with a location map shall be given to Customer Service Section Supervisor, Finance, and Engineering.

**CITY OF SAN BERNARDINO
MUNICIPAL WATER DEPARTMENT
INTEROFFICE MEMORANDUM**

TO: John A. Perry

FROM: Matthew H. Litchfield

SUBJECT: EXECUTION OF CONVEYANCE OF WATER SYSTEM AGREEMENT AND BOND REDUCTION FOR INSERT TRACT/PARCEL NO. & NAME OF PROJECT LOCATED AT INSERT LOCATION (EPN INSERT EPN NO.)

DATE: Insert Date

COPIES: Tennie Lundy (w/attach), Pat Abeyta (w/attach)

The construction items for this project have been successfully completed and all requested information with respect to water improvements for Insert Tract/Parcel No. & Project Name has been submitted.

Please process the execution of the Conveyance of Water System Agreement. Once this Agreement is executed, the bonding company may reduce the Performance Bond and begin the Warranty Bond for the above project.

Matthew H. Litchfield, P.E.
Principal Engineer

MN:ldl
Attach.

<input type="checkbox"/> Approved	_____	_____
<input type="checkbox"/> Not Approved	John A. Perry, P.E.	Date
	Interim Director, Water Utility	

Comments: _____

CITY OF SAN BERNARDINO MUNICIPAL WATER DEPARTMENT

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Safety Program Manager

Insert Date

Insert Name
Company Name
Insert Street Address
Insert City, State and Zip

Dear Insert Name:

RE: FULLY EXECUTED CONVEYANCE OF WATER SYSTEM AGREEMENT AND
REDUCTION OF FAITHFUL PERFORMANCE BOND TO 25 PERCENT
WARRANTY BOND FOR TRACT NO. Insert Tract No., INSERT
PROJECT NAME, EPN (Insert EPN Number)

Attached is the Conveyance of Water System Agreement for Tract
No. Insert Tract No., Insert Project Name executed on Insert
Date. The San Bernardino Municipal Water Department (SBMWD)
formally accepts the developer installed and completed water
facilities and appurtenances.

In accordance with the Water System Infrastructure Installation
Agreement, Sections 9.4 and 9.4.1, your Faithful Performance
Bond No. Enter Bond No. is to be reduced to a 25 percent
Warranty Bond. The Warranty Bond is to be in effect for one
year, starting Enter date Conveyance Agreement signed until
Enter date period ends. Please provide your bonding company
with a copy of the Conveyance Agreement and request that they
forward verification to our office that the Warranty Bond is in
place.

Payment of deferred acquisition of water service charges shall
be made prior to the close of escrow for either the sale or
transfer of each lot. Upon payment, please have your escrow

Insert Name
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Insert Date

company send their demand for Release of Lien to the attention of Lorrie Laible at SBMWD, P.O. Box 710, San Bernardino, California 92402.

You are now eligible for interim water service for your project. Please apply for service with MaryAnn Rennick, Customer Service, 300 North "D" Street, Fifth Floor, San Bernardino, California. All activated services are required to be in your name until such time they are sold and transferred to the property owner.

If you should have any questions, please do not hesitate to contact Lorrie Laible at (909) 384-5136.

Sincerely yours,

Tennie A. Lundy
Senior Administrative Coordinator

TAL:ldl
Attach.

cc: W. William Bryden, P.E. (w/o attach)
Matthew H. Litchfield (w/attach)
Pat Abeyta (w/attach)
MaryAnn Rennick (w/attach)