

**RESOLUTION 09-106**

**A RESOLUTION OF THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF  
SPRING HILL, TN TO RENEW THE EXISTING PERFORMANCE BOND FOR  
ROYALTON WOODS SUBDIVISION – SECTION ONE**

WHEREAS, a Performance Bond is currently in place for this development; and

WHEREAS, the Performance Bond has an “otherwise to remain in full force and effect” clause so it will only be terminated on request of the City of Spring Hill; and

WHEREAS, the existing bond is guaranteeing the performance of certain public improvements; and

WHEREAS, the following public improvements are required:

*Water, Sewer, Storm Water Drainage and Detention Ponds, Streets and Curbs and final topping to all streets with 1 ½ inches of hot mix and asphalt; and*

WHEREAS, to date, public improvements have not been accepted by the City and therefore a performance bond is required; and

WHEREAS, it is the recommendation of the Codes Department that the existing Performance Bond be renewed for twelve (12) months, in the amount of \$367,893.75; and

WHEREAS, it is anticipated that the date of completion for the above referenced public improvements will be within the twelve (12) month period from the date of this resolution and in case such improvements are not completed in a timely manner, the Performance Bond does not expire; and

WHEREAS, the developer is required under Article III, Section 3-102.201 of the Subdivision Regulations to submit an “as-built” survey of the public improvements including water, sewer and drainage; and

WHEREAS, upon completion of the public improvements listed above, the Developer will be required to file a “maintenance” bond guaranteeing performance of the public improvements for an additional one year period with the Planning Commission after the dedication and acceptance of such public improvements by the Board of Mayor and Aldermen.

**NOW, THEREFORE BE IT RESOLVED**, by the Spring Hill Planning Commission that renewal of the existing Performance Bond for Royalton Woods Subdivision, Section One in the amount of \$367,893.75 is hereby recommended to the Board of Mayor and Aldermen.

Passed and adopted this 14<sup>th</sup> day of December, 2009.

  
\_\_\_\_\_  
Michael Glass, Chairman

  
\_\_\_\_\_  
Michael Dinwiddie, Secretary

# BOND INFORMATION SHEET

**Site Name:** Roylton Woods Subdivision, Section 1

|                  |                  |                                      |              |  |
|------------------|------------------|--------------------------------------|--------------|--|
| Type of Bond:    | Subdivision Bond | Original Bond Amount:                | \$367,893.75 | <u>Type of Action Requested:</u>                 |
| Bond #:          | S-641104         | Current Bond Amount:                 |              | Bond Renewal <input checked="" type="checkbox"/> |
| Bond Issued:     | 18-Dec-06        | 25% of Original Amount:              | \$91,973.44  | Bond Reduction <input type="checkbox"/>          |
| Expiration Date: | Does Not Expire  | (Per Section 3-102.202 of Sub. Regs) |              | Bond Release <input type="checkbox"/>            |

**Past Actions**

| Date:      | Type of Action:        | Amount:    | Reason:  |
|------------|------------------------|------------|--|
| 11/16/2009 | BOMA 09-102 Resolution | \$2,500.00 | Draw from Bond Amount for delinquent electric bills for pump station |
|            |                        |            |  |
|            |                        |            |  |

**Required Installation**

|                            |       |  |
|----------------------------|-------|--|
| <b>Streets</b>             |       |  |
| Binder Installed:          | Yes   |  |
| Road Base:                 | Stone |  |
| Compaction Test Submitted: | No    |  |
| Curb Installed:            | Yes   |  |
| Final Topping installed:   | No    |  |
| Street Signs Installed:    | Yes   |  |
| Street Lights Required:    | Yes   |  |
| Side Walks Required:       | Yes   |  |

|                                    |     |  |
|------------------------------------|-----|--|
| <b>Storm Water Drainage System</b> |     |  |
| System Installed:                  | Yes |  |
| "As Built" Drawings Submitted:     | No  |  |
| Meets City Specifications:         | Yes |  |

|                                |            |
|--------------------------------|------------|
| <b>Sewer</b>                   |            |
| Sewer Line Installed:          | Yes        |
| Sewer Line Tested:             | 10/11/2006 |
| Pump Station Required:         | Yes        |
| "As Built" Drawings Submitted: | Yes        |
| Meets City Specifications:     | Yes        |

|                                |            |
|--------------------------------|------------|
| <b>Water</b>                   |            |
| Water Line Installed:          | Yes        |
| Water Line Tested:             | 10/11/2006 |
| "As Built" Drawings Submitted: | No         |
| Meets City Specifications:     | Yes        |

RESOLUTION 09-51 OF THE  
PLANNING COMMISSION

# BOND INFORMATION SHEET

**Site Name:** Roylton Woods Subdivision, Section 1

|                  |                  |                                      |              |  |
|------------------|------------------|--------------------------------------|--------------|--|
| Type of Bond:    | Subdivision Bond | Original Bond Amount:                | \$367,893.75 | <u>Type of Action Requested:</u>                 |
| Bond #:          | S-641104         | Current Bond Amount:                 |              | Bond Renewal <input checked="" type="checkbox"/> |
| Bond Issued:     | 18-Dec-06        | 25% of Original Amount:              | \$91,973.44  | Bond Reduction <input type="checkbox"/>          |
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|            |                        |            |  |
|            |                        |            |  |

**Required Installation**

|                            |       |  |
|----------------------------|-------|--|
| <b>Streets</b>             |       |  |
| Binder Installed:          | Yes   |  |
| Road Base:                 | Stone |  |
| Compaction Test Submitted: | No    |  |
| Curb Installed:            | Yes   |  |
| Final Topping installed:   | No    |  |
| Street Signs Installed:    | Yes   |  |
| Street Lights Required:    | Yes   |  |
| Side Walks Required:       | Yes   |  |

|                                |            |
|--------------------------------|------------|
| <b>Sewer</b>                   |            |
| Sewer Line Installed:          | Yes        |
| Sewer Line Tested:             | 10/11/2006 |
| Pump Station Required:         | Yes        |
| "As Built" Drawings Submitted: | Yes        |
| Meets City Specifications:     | Yes        |

|                                    |     |  |
|------------------------------------|-----|--|
| <b>Storm Water Drainage System</b> |     |  |
| System Installed:                  | Yes |  |
| "As Built" Drawings Submitted:     | No  |  |
| Meets City Specifications:         | Yes |  |

|                                |            |
|--------------------------------|------------|
| <b>Water</b>                   |            |
| Water Line Installed:          | Yes        |
| Water Line Tested:             | 10/11/2006 |
| "As Built" Drawings Submitted: | No         |
| Meets City Specifications:     | Yes        |

# BOND INFORMATION SHEET

Site Name:       Royalton Woods Subdivision, Section 1

## Miscellaneous Site Information

|  |           |                |               |
|--|-----------|----------------|---------------|
| Total Number of Lots:                      | 65        | Developer:     | Michael Smith |
| Current Number of Available Building Lots: | 42        | In Bankruptcy: | No            |
| Amenities:                                 | Complete: | No             |               |
| 1  |           |                |               |
| 2  |           |                |               |
| 3  |           |                |               |

## Staff Comments:

1. Issue with electric bill being paid for pump station by developer
2. A final walk through inspection will need to be requested and completed prior to release of the performance bond and establishment of a maintenance bond.
3. Sidewalks are installed as Builders construct homes
4. Street lights are installed
5. This bond does not expire unless released by the City
6. As-Builts have not been submitted for water or storm drainage
7. Amenities are advertised but none shown on final plat

## Staff Recommendation:

Recommend to renew the bond

Beau Herring  
Director of Codes  
City of Spring Hill





SUBDIVISION BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, Royalton Woods Development, Inc.  
 (hereinafter called the Principal),  
 as Principal, and NGM Insurance Company  
 (hereinafter called the Surety), as Surety,  
 are held and firmly bound unto City of Springhill (hereinafter  
 called the Oblige), in the full and just sum of THREE HUNDRED, SIXTY  
 SEVEN THOUSAND, EIGHT HUNDRED NINETY THREE DOLLARS & 75/100\*\*\*\*\*  
 (\$ 367,893.75)  
 to the payment of which sum, well and truly to be made, the said  
 Principal and Surety bind themselves, and their respective heirs,  
 administrators, executors, successors and assigns, jointly and  
 severally, firmly by these presents.

WHEREAS, the Principal is the owner of a certain tract of land in  
 Spring Hill, Maury County, more particularly described as follows:  
 Royalton Woods, Section I

WHEREAS, The Principal has entered into an agreement with the Oblige,  
 wherein the Principal agrees to construct the following:  
 Royalton Woods, Section I  
 in said tract.

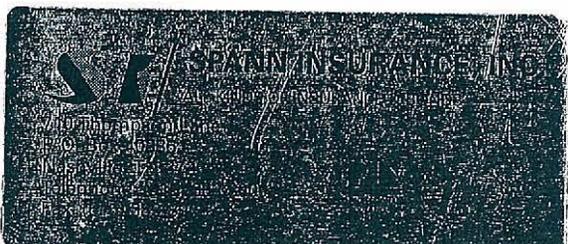
NOW, THEREFORE, the condition of this obligation is such that, if  
 the Principal shall faithfully perform the terms of said agreement  
 on (his) (its) part shall fully indemnify and save harmless the  
 Oblige from all cost and damage which the Oblige may suffer by  
 reason of failure so to do and shall fully reimburse and repay  
 the Oblige all outlay and expense which the Oblige may incur  
 in making good any such default, then this obligation shall be  
 null and void, otherwise it shall remain in full force and effect.

IN WITNESS WHEREOF, the said Principal and Surety have signed and  
 sealed this instrument this 18th day of December, 2006.

Royalton Woods Development, Inc.

BY: Michael M. Amos  
 PRINCIPAL

BY: [Signature]  
 John K. Spann III





KNOW ALL MEN BY THESE PRESENTS: That NGM Insurance Company, a Florida corporation having its principal office in the City of Jacksonville, State of Florida, pursuant to Article IV, Section 2 of the By-Laws of said Company, to wit:

"Article IV, Section 2. The board of directors, the president, any vice president, secretary, or the treasurer shall have the power and authority to appoint attorneys-in-fact and to authorize them to execute on behalf of the company and affix the seal of the company thereto, bonds, recognizances, contracts of indemnity or writings obligatory in the nature of a bond, recognizance or conditional undertaking and to remove any such attorneys-in-fact at any time and revoke the power and authority given to them."

does hereby make, constitute and appoint **John A Spann III, Gwen K Spann, Lee Spann, Cindy Foster, Juanita Kirby, John A Spann IV, Michelle Eldridge, David Fleming, Janice S Fleming**-----

its true and lawful Attorneys-in-fact, to make, execute, seal and deliver for and on its behalf, and as its act and deed, bonds, undertakings, recognizances, contracts of indemnity, or other writings obligatory in nature of a bond subject to the following limitation:

- 1. **No one bond to exceed Five Million Dollars (\$5,000,000.00)**-----

and to bind NGM Insurance Company thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of the NGM Insurance Company, the acts of said Attorney are hereby ratified and confirmed.

This power of attorney is signed and sealed by facsimile under and by the authority of the following resolution adopted by the Directors of NGM Insurance Company at a meeting duly called and held on the 2nd day of December 1977.

Voted: That the signature of any officer authorized by the By-Laws and the company seal may be affixed by facsimile to any power of attorney or special power of attorney or certification of either given for the execution of any bond, undertaking, recognizance or other written obligation in the nature thereof, such signature and seal, when so used being hereby adopted by the company as the original signature of such office and the original seal of the company, to be valid and binding upon the company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, NGM Insurance Company has caused these presents to be signed by its Corporate Secretary and its corporate seal to be hereto affixed this 1st day of March, 2006.

NGM INSURANCE COMPANY By:

William C. McKenna  
Corporate Secretary



State of Florida,  
County of Duval

On this March 1, 2006 before the subscriber a Notary Public of State of Florida in and for the County of Duval duly commissioned and qualified, came William C. McKenna of the NGM Insurance Company, to me personally known to be the officer described herein, and who executed the preceding instrument, and he acknowledged the execution of same, and being by me fully sworn, deposed and said that he is an officer of said Company, aforesaid; that the seal affixed to the preceding instrument is the corporate seal of said Company, and the said corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Company; that Article IV, Section 2 of the By-Laws of said Company is now in force.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at Jacksonville, Florida this 1st day of March, 2006.



**P. A. Harrell**  
Commission # DD464125  
Expires August 21, 2009  
Bonded Troy Farn Insurance, Inc. 800-365-7019

I, Brian J Beggs, Vice President of the NGM Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney executed by said Company which is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company at Jacksonville, Florida this

1st day of December 2006

# CONVERSATION LOG

# Royalton Woods

**Developer Contact:**

Name: Mike Smith  
 Address: 1747 Ethan Lane  
 City: Brentwood  
 State: TN  
 Zipcode: 37027  
 Phone: (615) 300-5301      Cell:

**Financial Institution:**

Spann Insurance Co.  
 710 Thompson Lane  
 Nashville  
 TN  
 37204  
 615.383.8000

| Date:      | Person Contacted:                                      | Reason:  | Outcome:   | Staff:  |
|------------|--|--|--|---------|
| 10/27/2009 | Mike Smith   | Questions about bonds on file                                    | unable to contact through either number  | Herring |
| 10/27/2009 | Carl Campbell -<br>Community First<br>B&T 931.380.2265 | Question re: bond listed #69001516                               | Left message   | Hepp    |
| 10/27/2009 | Spann Insurance Co -<br>Jack Spann<br>615.383.8000     | Question re: bond S-641104                                       | Left message   | Hepp    |
| 11/2/2009  | Sean Hart -<br>Community First 931<br>490-3429         | returned call on behalf of Carl Campbell                         | The bank has no listing of a current letter of Credit for Royalton Woods                           | Hepp    |
| 11/2/2009  | Spann Insurance Co -<br>Jack Spann<br>615.383.8000     | called re: bond continuation                                     | Mr. Spann is waiting on call back from Michael Smith to verify that it will not be reduced         | Hepp    |
| 11/4/2009  | Sean Hart -<br>Community First 931<br>490-3429         | Renewal for bond #69001516                                       | Left message   | Hepp    |
| 11/4/2009  | Sean Hart -<br>Community First 931<br>490-3429         | He returned call   | He told me that on 8-24-09, Craig Harris cancelled bond on behalf of Cyril Evers and Taylor Golden | Hepp    |
| 11/10/2009 | Michelle, Spann<br>Insurance; Jack<br>Spann            | Inquired about taking draft off Bond amount to pay electric bill | He indicated that it was within our right to make that claim                                       | Hepp    |
|            |  |  |  |         |