KINGSPORT
TENNESSEE
Development Services

MEMORANDUM

TO: KINGSPORT REGIONAL PLANNING COMMISSION

FROM: SAMUEL COOPER, PLANNER II

DATE: JULY 16, 2026

SUBJECT: SUBDIVISION BOND FOR THE ARBOR TOWNHOMES (RIVERBEND) RELEASE

FILE NUMBER: PD24-0280

The City Engineering Division has prepared an estimate to cover the cost of the required improvements necessary to meet the Minimum Subdivision Regulations for the Final Plat of The Arbor Townhomes (Riverbend). The Engineering Division has confirmed that all improvements for the AEMS Development, LLC DBA All Phase Performance Bond have been completed.

The current Performance Bond has a Performance Date of June 11, 2026, with an expiration date of September 11, 2026.

Staff recommends approval for release of AEMS Development, LLC DBA All Phase Development's Performance Bond in the amount of $30,090.90.

PERFORMANCE BOND

Bond No. 0854697
Premium: $903.00

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned,
AEMS Development, LLC DBA All Phase Development

as Principal, and Harco National Insurance Company with its home office at 4200 Six Forks Rd, Suite 1400, Raleigh, NC, a corporation organized and existing under and by virtue of the laws of State of Illinois, and duly authorized to transact business in the State of North Carolina, as Surety, are held and firmly bound unto
City of Kingsport

(hereinafter referred to as "Obligee")

in the penal sum of Thirty Thousand, Ninety and 90/100 Dollars ($30,090.90) dollars, for payment of which well and truly to be made contingent upon all of the terms and conditions hereof, we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors and assigns.

SIGNED and sealed this 4th day of October 2024
THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT, WHEREAS, the above named Principal did on the_____ day of___________20___, enter into a written contract with the Obligee for
Bond Estimate – Riverbend Townhomes (Arbor Townhomes) September 17, 2024

(hereinafter "the Contract").

NOW, if the said ______________________________
shall well and faithfully do and perform the things agreed by ____________________ to be done and performed according to the terms of the said Contract, we agreeing and assenting that this undertaking shall be for the benefit of the Obligee herein only; then this obligation shall be void; otherwise the same shall remain in full force and effect; it being expressly understood and agreed that the total liability of the Surety hereunder shall in no event exceed the penal amount of this obligation as herein stated.

Anything herein to the contrary notwithstanding, the Obligee agrees that any and all payments issued by the Surety under this bond, whether to Obligee, to or on behalf of Principal and/or in furtherance of the performance or satisfaction of Surety's obligations hereunder in any way (including but not limited to costs incurred in undertaking or arranging to perform any work under or in connection with the Contract), are to be credited against the penal amount of the bond. Further, Obligee hereby waives notice of the Surety's issuance, undertaking or agreement to issue any such payment(s) and/or incur any such costs and Obligee covenants and agrees that the Surety may cease any and all work, payments or other performance hereunder of any kind whatsoever at any time that the penal amount of the bond has been reached or that the Surety deems the penal amount will be reached due to obligations incurred by the Surety (whether or not payment has been issued therefor); all without any requirement of prior notice to Obligee, and that any and all further obligations of Surety hereunder shall thereupon be deemed fully and unconditionally discharged.

If there is no Obligee Default, the Obligee having performed all of its obligations under the Contract, the Surety's obligation to the Obligee under this bond shall arise after:

a) The Obligee has notified the Principal and the Surety at its address described above that the Obligee is considering declaring a default and has requested and attempted to arrange a conference with the Principal and the Surety to be held not later than fifteen (15) days after receipt of such notice to discuss methods of performing the Contract. If the Obligee, the Principal and the Surety agree, the Principal shall be allowed a reasonable time to perform the Contract, but such an agreement shall not waive the Obligee's right, if any, subsequently to declare a default; and

b) The Obligee has declared a default and formally terminated the Principal's right to complete the Contract in accordance with the terms of the Contract. Such default and termination shall not be declared earlier than twenty (20) days after the Principal and the Surety have received notice as provided in subparagraph a above; and

c) The Obligee has agreed to pay the balance of the Contract Price to the Surety in accordance with the terms of the Contract or to a contractor selected to perform the Contract in accordance with the terms of the Contract.

When the Obligee has satisfied the conditions of subparagraphs a through c of the preceding section, the Surety shall promptly and at the Surety's expense take one of the following actions:

a) Arrange for the Principal, with consent of the Obligee, to perform and complete the Contract; or

b) Undertake to perform and complete the Contract itself, through its agents or through independent contractors; or

c) Obtain bids or negotiated proposals from qualified contractors acceptable to the Obligee for a contract for performance and completion of the Contract, arrange for a contract to be prepared for execution by the Obligee and the contractor selected with the Obligee's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Contract, and pay to the Obligee the completion costs in excess of the balance of the Contract Price only; or

d) Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

1. After investigation, determine the amount for which it may be liable to the Obligee, subject to all of the limitations as set forth herein and particularly in subparagraph c above, and as soon as practicable after the amount is determined, tender payment therefore to the Obligee; or

2. Deny liability in whole or in part and notify the Obligee citing reasons therefore.

Surety's liability to Obligee hereunder is limited to the reasonable costs of completion of the Contract in excess of the balance of the Contract Price, and Surety shall not be liable for any other claims, costs, losses or expenses of Obligee or any other party of any nature whatsoever.

Obligee agrees that amounts owed by Obligee to the Principal under the Contract shall be used for the performance of the Contract and to pay valid claims by subcontractors, suppliers and/or others providing labor, materials and/or equipment to or on behalf of the Principal in the performance of the Contract. By the Principal furnishing and the Obligee accepting this bond, they agree that all funds earned by the Principal in the performance of the Contract are dedicated to satisfy the obligations of the Principal and Surety under this bond. The Obligee further agrees that Surety shall not be liable to Obligee or others for obligations of the Principal that are unrelated to the Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations or by any other claims of Obligee or others.

No suit or action shall be commenced hereunder by Obligee:

1. After the expiration of one (1) year following the date on which Principal ceased work on said Contract or Obligee declared Principal in default, whichever occurs first, it being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law;

2. Other than in a state court of competent jurisdiction in and for the county or other political subdivision of the state in which the project, or any part thereof, is situated, or in the United States District Court for the District in which the project, or any part thereof, is situated, and not elsewhere.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the Obligee named herein or the heirs, executors, administrators or successors of the Obligee.

Definitions:

a) Balance of the Contract Price: The total amount payable by the Obligee to Contractor under the Contract after all proper adjustments have been made, including allowance to Contractor of any amounts received by the Obligee in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Contract.
b) Contract: The agreement between the Obligee and the Contractor identified on the signature page, including all Contract Documents and changes thereto.
c) Principal Default: Failure of the Principal, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Contract.
d) Obligee Default: Failure of the Obligee, which has neither been remedied nor waived, to pay the Principal as required by the Contract or to perform and complete or comply with the other terms thereof.

AEMS Development, LLC DBA All Phas

Attest: ____________________

Principal: ____________________
Brandon Stamper, Managing Memb

Harco National Insurance Company

Attest ____________________

By: ____________________
Jeremy Crawford Attorney-In-Fact (Seal)

POWER OF ATTORNEY

Bond # 0854697

HARCO NATIONAL INSURANCE COMPANY
INTERNATIONAL FIDELITY INSURANCE COMPANY

Member companies of IAT Insurance Group, Headquartered: 4200 Six Forks Rd, Suite 1400, Raleigh, NC 27609

KNOW ALL MEN BY THESE PRESENTS: That **HARCO NATIONAL INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of Illinois, and **INTERNATIONAL FIDELITY INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of New Jersey, and having their principal offices located respectively in the cities of Rolling Meadows, Illinois and Newark, New Jersey, do hereby constitute and appoint

JEREMY CRAWFORD

Golden Valley, MN

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY**, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** and is granted under and by authority of the following resolution adopted by the Board of Directors of **INTERNATIONAL FIDELITY INSURANCE COMPANY** at a meeting duly held on the 13th day of December, 2018 and by the Board of Directors of **HARCO NATIONAL INSURANCE COMPANY** at a meeting held on the 13th day of December, 2018.

"**RESOLVED**, that (1) the Chief Executive Officer, President, Executive Vice President, Senior Vice President, Vice President, or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** have each executed and attested these presents on this 31st day of December, 2023

INTERNATIONAL FIDELITY INSURANCE COMPANY CORPORATE SEAL 1904 NEW JERSEY

STATE OF NEW JERSEY
County of Essex

STATE OF ILLINOIS
County of Cook

HARCO NATIONAL INSURANCE COMPANY CORPORATE SEAL 1904 ILLINOIS

Michael F. Zurcher
Executive Vice President, Harco National Insurance Company
and International Fidelity Insurance Company

On this 31st day of December, 2023 , before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY**; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.

CATHY CRUZ NOTARY PUBLIC STATE OF NEW JERSEY

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

Cathy Cruz

Cathy Cruz a Notary Public of New Jersey
My Commission Expires April 16, 2029

CERTIFICATION

I, the undersigned officer of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand on this day, 10/4/2024

A02712

Irene Martins, Assistant Secretary