



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Consent

F.3.

3/11/2025

Subject:

Adopt Resolution and Release Performance Bond: Watermark Phase 1 and 2 - District 1
Developer: Stanley Martin Homes, LLC

Fiscal Impact:

None

Dept/Office:

Public Works/Engineering

Requested Action:

In accordance with Section 62-2844(b), it is requested that the Board of County Commissioners adopt the attached Resolution and authorize the Chair to sign the Resolution releasing the Contract and Surety Performance Bond dated April 9, 2024, for Watermark Phase 1 and 2.

Summary Explanation and Background:

Watermark Phase 1 and 2 is located west of North Highway 1 on the north side of Camp Road. The public rights-of-way created by the plat are Watermark Drive, Quarryside Drive, Poller Way, Rockaway Lane, Caldwell Court, and Ladoga Drive. The subdivision contains 166 lots on 80.41 acres.

The Watermark Phase 1 and 2 subdivision received preliminary plat and final engineering plans on February 2, 2022, and final plat and contract approval on April 9, 2024. The developer posted a Surety Performance Bond for guarantee of the completion of the infrastructure improvements according to the approved plans.

Per Section 62-2809(b)(2), "Construction after final plat recordation: ...the applicant shall provide security required in Section 62-2844 for the performance of such construction..." Section 62-2844(a) states: "An applicant shall be required to secure its performance security of the construction required under this article by a surety bond, letter of credit, savings account, certificate of deposit or execution of a tri-party escrow agreement. Such security shall not be required if a certificate of completion has been issued for all the subdivision improvements prior to final plat recordation." Because the applicant chose to plat the subdivision prior to completion of construction, the applicant entered into a Contract with the Board and posted a Surety Performance Bond to guarantee the completion of the infrastructure improvements according to the approved plans.

As of November 27, 2024, the Watermark Phase 1 and 2 infrastructure improvements have been completed and we are in receipt of a two-year maintenance bond.

Reference: 19SD00019, 22FM00013

Contact: Christine Verrett, Special Projects Coordinator III, Extension 58328

Clerk to the Board Instructions:

Please forward the Board action to the Public Works Department and provide one original of the Resolution.



Kimberly Powell, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001

Fax: (321) 264-6972

Kimberly.Powell@brevardclerk.us

March 12, 2025

M E M O R A N D U M

TO: Marc Bernath, Public Works Director Attn: Christine Verrett


RE: Item F.3., Adopt Resolution and Release Performance Bond for Watermark Phase 1 and 2 – Developer: Stanley Martin Homes, LLC

The Board of County Commissioners, in regular session on March 11, 2025, executed and adopted Resolution No. 25-019, releasing the Contract and Surety Performance Bond dated April 9, 2024, for Watermark Phase 1 and 2 – Developer: Stanley Martin Homes, LLC. Enclosed is the fully-executed Resolution.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK



Kimberly Powell, Clerk to the Board

/kl

Encl. (1)

RESOLUTION 25-019

WHEREAS, the Board of County Commissioners of Brevard County, Stanley Martin Homes, LLC entered into a contract to guarantee the construction of improvements on property commonly known as Watermark Phases 1 and 2.

WHEREAS, by execution of the Contract, the Board of County Commissioners of Brevard County, Florida agreed to accept said improvements for public use at such time as said improvements were satisfactorily completed; and


WHEREAS, Stanley Martin Homes, LLC completed all the infrastructure improvements and has requested that the executed contract approved on April 9, 2024, be released and release of all undisbursed funds referenced in the Contract hereinabove described.

NOW, THEREFORE, be it resolved by the Board of County Commissioners of Brevard County, Florida that:

1. The Board of County Commissioners of Brevard County, Florida hereby acknowledges that there is satisfactory completion of all improvements to that certain real property commonly known as Watermark Phases 1 and 2.
2. The Board of County Commissioners of Brevard County, Florida hereby releases the contract and performance bond executed on April 9, 2024.
3. This Resolution shall take effect immediately upon adoption.

DONE, ORDERED, AND ADOPTED in Regular Session the 11th day of March, 2025.

ATTEST:



Rachel Sadoff, Clerk of the Court

BOARD OF COUNTY COMMISSIONERS
BREVARD COUNTY, FLORIDA

By: 

Rob Feltner, Chairman

As approved by the Board on March 11, 2025

Subdivision No. 22FM00013

Project Name WATERMARK PH 1 + 2

**Subdivision Infrastructure
Contract**

THIS CONTRACT entered into this 9th day of April, by and between the Board of County Commissioners of Brevard County, Florida, hereinafter referred to as "COUNTY," and Stanley Martin Homes, LLC, hereinafter referred to as "PRINCIPAL."

WITNESSETH:

IN CONSIDERATION of the mutual covenants and promises herein contained, the parties hereto agree as follows:

1. The PRINCIPAL agrees to construct the improvements described below:

and all other improvements depicted in subdivision number 19SD00019- Watermark. A copy of said plat to be recorded in the Plat Books of the Public Records of Brevard County.

2. Principal agrees to construct the improvements strictly in accordance with the plans and specifications on file in the Land Development Division (which construction is hereinafter referred to as the "Work"). Such plans and specifications (hereinafter referred to as the "Plans") are hereby incorporated into this Agreement by reference and made a part hereof. Principal warrants to County that the Work will conform to the requirements of the Plans and other requirements specified in the County's approval of the Work. Principal also warrants to County that the Work will be free from faults and defects. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered to be defective. All defective Work, whether or not in place, may be rejected, corrected or accepted as provided in this paragraph 2.

If within two (2) years after approval and acceptance of the improvements by County, any Work is found to be defective, Principal shall promptly, without cost to County, either correct such defective Work, or, if it has been rejected by County, remove it from the site and replace it with nondefective Work. If Principal does not promptly comply with the terms of such instructions, County may elect any of the remedies provided for in paragraph 6 herein below. Corrective Work shall be warranted to be free from defects for a period of six (6) months. Any defect in such Work shall be corrected again by Principal promptly upon notice of the defect from County. In the event the maintenance bond given by Principal in connection with County's acceptance of the improvements is extended, the two (2) year warranty period provided for herein shall be extended for a like period.

To the extent assignable, Principal assigns to County all of Principal's warranty rights under its construction contract with the contractor constructing the improvements (including all warranties provided by law of in equity with respect to such construction contract), which warranties may be asserted by County on behalf of Principal in the event Principal fails to perform its warranty obligations hereunder. Where warranties granted hereunder overlap, the more stringent requirement shall control."

3. The PRINCIPAL agrees to complete said construction on or before the 9th day of April, 2025.


4. In order to guarantee performance of PRINCIPAL'S obligations herein contained, PRINCIPAL shall furnish cash, letter of credit, certificate of deposit or surety bond in a form approved by the COUNTY, in the amount of \$ 2,166,657.69 . If such bond is a cash bond or a certificate of deposit, said amount shall be deposited with the Board of County Commissioners within five (5) business days of the County's acceptance of this contract. Said bond shall be 125% of the estimated cost of construction, as determined by the Land Development Division. PRINCIPAL shall maintain such records and accounts, including property, personnel, financial records, as are deemed necessary by the COUNTY to ensure proper accounting for all funds expended under the agreement. Said records shall be made available upon request for audit purposes to Brevard County and its auditors.
5. The COUNTY agrees to accept said plat above described for recording in the public records of Brevard County, Florida and to accept the areas depicted thereon as dedicated for public use, including but not limited to streets and parks, at such time as said improvements are satisfactorily completed. Satisfactory completion in accordance with the plans and specifications shall be determined by written approval of the County Development Engineer or designated assistant.
6. In the event, PRINCIPAL fails to complete said improvements within the time prescribed, the COUNTY may elect to take all or any of the following actions:
 - A. Vacate all or part of such recorded plat where improvements have not Been completed in accordance with the plans and specifications,
 - B. Complete the improvements utilizing COUNTY employees and materials and request payment from the bond or the PRINCIPAL,
 - C. Request the surety on said performance bond to complete such improvements, or
 - D. Contract for completion of said improvements.
7. The PRINCIPAL and Surety on said performance bond shall be liable for all costs, expenses, and damages incurred by the COUNTY, including attorney's fees, in the event the PRINCIPAL defaults on this contract.
8. In the performance of this Agreement, the PRINCIPAL shall keep books, records, and accounts of all activities, related to the agreement, in compliance with generally accepted accounting procedures. Books, records and accounts related to the performance of this agreement shall be open to inspection during regular business hours by an authorized representative of the Office and shall be retained by the PRINCIPAL for a period of three years after termination of this agreement. All records, books and accounts related to the performance of this agreement shall be subject to the applicable provisions of the Florida Public Records Act, Chapter 119 of the Florida Statutes.
9. No reports, data, programs or other materials produced, in whole or in part for the benefit and use of the County, under this agreement shall be subject to copyright by PRINCIPAL in the United States or any other country.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

ATTEST:


Rachel M. Sadoff, Clerk

**BOARD OF COUNTY COMMISSIONERS
OF BREVARD COUNTY, FLORIDA**


Jason Steele, Chair

As approved by the Board on: APRIL 9, 2024.

WITNESSES:





PRINCIPAL:


Richard Browning, as President

3/14/24
DATE

State of: Florida

County of: Orange

The foregoing instrument was acknowledged before me this 14 day of March, 2024, by Richard Browning, Division President who is personally known to me or who has produced _____ as identification and who did (did not) take an oath.

My commission expires: 11-18-2024

S E A L

Commission Number:

HH065072




Notary Public

C. Melissa Henry
Notary Name printed, typed or stamped

SURETY PERFORMANCE BOND**KNOW ALL MEN BY THESE PRESENTS:**

That we, Stanley Martin Homes, LLC, hereinafter referred to as "Owner" and, RLI Insurance Company, hereinafter referred to as "Surety", are held and firmly bound unto the **BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA**, hereinafter referred to as "County", in the sum of \$ 2,166,657.69, for the payment of which we bind ourselves, our heirs, executors, successors and assigns, jointly and severally, firmly by these presents:

WHEREAS, Owner has entered into a contract with the County dated the 9th day of April, 202024, which contract is made a part hereof by reference.

NOW THEREFORE, the condition of this obligation is such that if Owner shall promptly and faithfully perform said contract and complete the work contemplated therein by April 9th, 2025, then this obligation shall be null and void, otherwise it shall remain in full force and effect.

If the Owner shall be declared in default of said contract by the County, the Surety shall have sixty (60) days from the date of said default within which to take whatever action it deems necessary in order to insure performance. If, at the expiration of sixty (60) days from the date of said default, no arrangements have been made by the Owner or surety satisfactory to the County for the completion of said contract, then the County shall have the right to complete said contract and the Owner and Surety jointly and severally, shall pay all costs of completing said contract to the County, including but not limited to engineering, legal and other costs, together with any damages, either direct or consequential, which the County may sustain on account of the Owner's default of said contract. After the expiration of the aforesaid grace period, the County shall have the additional right to contract for the completion of said contract upon which the Owner has defaulted and upon the County's acceptance of the lowest responsible bid for the completion of said contract, the Owner and Surety shall become immediately liable for the amount of said bid and in the event the County is required to commence legal proceedings for the collection thereof, interest shall accrue at the rate of six percent (6%) per annum beginning with the commencement of such legal proceedings. The County, in its discretion, may permit the Surety to complete said contract, in the event of Owner's default.

In the event that the County commences suit for the collection of any sums due hereunder, the obligors and each of them agree to pay all costs incurred by the County, including attorney's fees.

EXECUTED this 15th day of March, 2024.

OWNER: Stanley Martin Homes, LLC

SURETY: RLI Insurance Company

Julia C. Zalesky
Julia C. Zalesky, Attorney-in-Fact

Pre-approved Form reviewed for
Legal form and content: 12/18/07



POWER OF ATTORNEY

RLI Insurance Company Contractors Bonding and Insurance Company

9025 N. Lindbergh Dr. Peoria, IL 61615
Phone: 800-645-2402

Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That **RLI Insurance Company and/or Contractors Bonding and Insurance Company**, each an Illinois corporation, (separately and together, the "Company") do hereby make, constitute and appoint:

Gary Giulietti, Holly Lynch, Philip Baker, Kathleen M. Coen, Holly Tallone, Julia C. Zalesky, Abigail E. Curtiss, Jordan Fisher, Ashley Martin, Jessica Hedrick, Dana E. Wium, jointly or severally

in the City of Farmington, State of Connecticut its true and lawful Agent(s) and Attorney(s) in Fact, with full power and authority hereby conferred, to sign, execute, acknowledge and deliver for and on its behalf as Surety, in general, any and all bonds and undertakings in an amount not to exceed Seventy Five Million Dollars (\$75,000,000.00) for any single obligation.

The acknowledgment and execution of such bond by the said Attorney in Fact shall be as binding upon the Company as if such bond had been executed and acknowledged by the regularly elected officers of the Company.

RLI Insurance Company and/or Contractors Bonding and Insurance Company, as applicable, have each further certified that the following is a true and exact copy of a Resolution adopted by the Board of Directors of each such corporation, and is now in force, to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the **RLI Insurance Company and/or Contractors Bonding and Insurance Company**, as applicable, have caused these presents to be executed by its respective Sr. Vice President with its corporate seal affixed this 7th day of March, 2024.



**RLI Insurance Company
Contractors Bonding and Insurance Company**

By:

Eric Raudins
Eric Raudins

Sr. Vice President

State of Illinois

County of Peoria

} SS

CERTIFICATE

On this 7th day of March, 2024, before me, a Notary Public, personally appeared Eric Raudins, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the **RLI Insurance Company and/or Contractors Bonding and Insurance Company** and acknowledged said instrument to be the voluntary act and deed of said corporation.

I, the undersigned officer of **RLI Insurance Company and/or Contractors Bonding and Insurance Company**, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the **RLI Insurance Company and/or Contractors Bonding and Insurance Company** this 15 day of March, 2024.

By:

Jill A. Scott
Jill A. Scott

Notary Public



JILL A SCOTT
Notary Public
State of Ohio
My Comm. Expires
September 22, 2025

**RLI Insurance Company
Contractors Bonding and Insurance Company**

By:

Jeffrey D. Dick
Jeffrey D. Dick

Corporate Secretary

Admitted Assets

Investments:	
Fixed maturities	\$ 1,343,631,923
Equity securities	1,268,806,758
Short-term investments	3,054,500
Real estate	27,014,108
Properties held to produce income	0
Cash and cash equivalents	57,699,481
Other invested assets	53,001,785
Receivables for securities	203,933
Agents' balances	88,924,498
Investment income due and accrued	10,365,084
Funds held	0
Reinsurance recoverable on paid losses	10,825,931
Federal income taxes receivable	1,430,379
Net deferred tax asset	11,010,858
Guarantee funds receivable or on deposit	0
Electronic data processing equipment, net of depreciation	755,308
Receivable from affiliates	0
Other admitted assets	39,343,761
Total Admitted Assets	\$ 2,916,068,307

State of Illinois

County of Peoria

Liabilities and Surplus

Liabilities:	
Reserve for unpaid losses and loss adjustment expenses	\$ 830,658,551
Unearned premiums	354,155,024
Accrued expenses	97,292,026
Funds held	422,374
Advance premiums	19,971,481
Amounts withheld	84,822,062
Remittances and items not allocated	1,448,394
Dividends declared and unpaid	44,327
Ceded reinsurance premium payable	28,148,458
Payable for securities	2,248,339
Statutory penalties	785,200
Current federal & foreign income taxes	0
Net deferred tax liability	0
Borrowed money and accrued interest	50,036,167
Drafts outstanding	0
Payable to affiliate	33,879,630
Other liabilities	4,231,114
Total Liabilities	\$ 1,508,143,147
Surplus:	
Common stock	\$ 10,000,375
Additional paid-in capital	242,451,084
Unassigned surplus	1,155,473,701
Total Surplus	\$ 1,407,925,160
Total Liabilities and Surplus	\$ 2,916,068,307

The undersigned, being duly sworn, says: That he is the President of **RLI Insurance Company**; that said Company is a corporation duly organized, in the State of Illinois, and licensed and engaged in business in the State of _____ and has duly complied with all the requirements of the laws of said State applicable of said Company and is duly qualified to act as Surety under such laws; that said Company has also complied with and is duly qualified to act as Surety under the Act of Congress approved July 1947, 6U.S.C sec. 6-13; and that to the best of his knowledge and belief the above statement is a full, true, and correct statement of the financial condition of the said Company on the 31st day of December 2022.

Attest:



{ Corporate
Seal
Affixed }

Craig Kliethermes
Craig Kliethermes President

Olga S. Happel
Olga S. Happel Assistant Secretary

Sworn to before me this 10th day of March, 2023.



{ Notarial
Seal
Affixed }

Catherine D. Geiger
Catherine D. Geiger Notary Public, State of Illinois