

Chapter 109

SURETIES

[HISTORY: Adopted by the Town of Henniker 7-16-1991. Amendments noted where applicable.]

GENERAL REFERENCES

Building construction fees -- See Ch. 25.
Insurance -- See Ch. 58.

Earth removal – See Ch. 201
Land subdivision – See Ch. 202

~ 109-1. Beneficiary.

All sureties will be solely in favor of and for the Town of Henniker.

~ 109-2. Acceptance of surety required.

No work or physical changes may be made until the Selectmen or their appointed representative accepts the surety. Such surety must be in a form acceptable to the Board of Selectmen.

~ 109-3. Planning Board subdivision sureties.

Documentation of sureties for Planning Board subdivision shall specifically state:

- A. The Planning Board Subdivision approval number and date assigned and the location of the subdivision.
- B. Subdivision approval date.
- C. Subdivision plat number.
- D. Address of the subdivision.
- E. Names, address and phone number of principal(s) of subdivision for purposes of surety coordination/questions, if necessary.
- F. One or several sureties may be accepted for staged releases of the surety. However, specific descriptions of what portions/sections are to be completed by length, width and time schedule must be clearly stated.
- G. Copy of road construction agreement attached.

~ 109-4. Gravel restorations.

Sureties required for gravel excavation restorations must include:

- A. Date of final Planning Board approval.
- B. Address of the excavation.

- C. Number of acres to be restored.
- D. Any specific agreements as to completed restoration as related to partial surety return if satisfactorily completed.
- E. Name of owner of excavation area.
- F. Name of specific excavation managers/principals if providing surety.
- G. Date of excavation permit expiration.
- H. Attach any written agreement between the Planning Board and the owner/principal.

~ 109-5. Roads and bridges.

Road/bridge surety (for vehicles that may cause damage to town-maintained roads) documentation shall specifically state:

- A. Name of principal(s).
- B. Date start/end; date of agreement between Selectmen and principal.
- C. What specific length of road: street names; distance involved.
- D. From what damage may this surety be used (any damage, road damage, bridge sidewalk, signs, etc.)

~ 109-6. Type of surety.

All bonds, sureties, cash or other arrangements must be agreed upon as to type of surety by all interested boards, Selectmen and the principals.

~ 109-7. Dedicated account; interest.

All cash/checks/certificates of deposit sureties will be immediately given to the Town Treasurer for retention in a dedicated account established for the particular project or work. Other types of sureties will be secured in a fireproof vault under control of the Selectmen and Town Treasurer. Any and all interests earned shall be added to the amount returned to the principal. Conversely, any and all interest earned by the surety shall become the property of the Town of Henniker if the surety is called to be used for the completion/repair/correction of the object the surety was posted for.

~ 109-8. Signatures required for release of surety.

- A. Planning Board required sureties will not be released for the satisfactory completion of any and all requirements/agreements without the signature of the Planning Board Chair and the majority of the Board of Selectmen. A majority of the Selectmen's signatures will be required on any request to the surety fund holder to liquidate the surety for the town. Such request shall substantiate the reason the surety is called, i.e., expiration of surety life, unsatisfactory work, damage to road, work not completed, etc.

- B. Road, bridge, etc., sureties will not be released without the signatures of a majority of the Selectmen. A majority of the Selectmen's signatures will be required on any request to the surety fund holder to liquidate the surety for the town. Such request shall substantiate the reason the surety is called, i.e., expiration of surety life, unsatisfactory work, damage to road, work not completed, etc.

~ 109-9. Renewal of liquidation of surety.

All bonds, sureties and surety agreements must contain the following stipulation:

- A. Not later than 10 calendar days prior to the expiration of a surety, the principal (surety provider) shall arrange with the Selectmen in writing for the exchange of the soon-to-expire surety with the holder. At no time is the surety document to leave the control of the Selectman or their designated representative. Specifically, a letter of credit does the town no good if the original is not in their possession to present either for cash or for the renewed letter of credit, etc. A date-stamped photocopy receipt should be provided if requested.
- B. In the event no arrangements have been made to extend or renew the surety by the principal within five days prior to the expiration, the surety shall be called and liquidated on the signatures of a majority of the Board of Selectmen.

~ 109-10. Notice of status.

The status of sureties in any form shall be maintained by the Selectmen's office. At the first meeting of each month, the Town Administrator shall provide to the Selectmen a notice concerning the status of all sureties.