SECTION 8. PERFORMANCE BOND OR GUARANTEE

8.01 As a condition of approval, in accordance with RSA 674:36, III (b), the Planning Board shall require the posting of a performance bond or guarantee in an amount sufficient to defray the costs of construction of streets; public improvements; drainage structures; the extension of water and sewer drains, storm drains; underdrains and other improvements of a public utility nature. The amount of the security shall be based on an estimate of costs provided by the subdivider and, at the discretion of the Planning Board, reviewed by a licensed engineer. The cost of such a review shall be paid by the applicant.

8.02 The security shall be approved as to form and sureties by the Board and the municipal counsel.

8.03 The amount of the security shall include fees to cover the cost of periodic inspections.

8.04 Where electric lines or other utilities are to be installed by a corporation, municipal department, or public utility, a letter of intent shall be required stating that the work will be done in reasonable time and without expense to the town.

8.05 Each approved plat shall contain a time limit for the completion of streets and public improvements.

8.06 Each performance guarantee shall contain:
   (1) An expiration date and
   (2) A statement requiring the company issuing the surety bond or the lender issuing the letter of credit to give the Board of Selectmen thirty days certified notice of the pending expiration of the bond or letter of credit or other security.

8.07 The performance guarantee shall be released in phases as portions of the secured improvements or installations are completed and approved by the Board of Selectmen, in accordance with the plan approved by the Planning Board.

8.08 All deeds covering land to be used for public purposes, easements and rights-of-way over property to remain in private ownership, and rights of drainage across private property are submitted in a form satisfactory to the Board's counsel.

8.09 All recording fees shall be borne by the subdivider.