

STATE OF NEW YORK

1004--B

2025-2026 Regular Sessions

IN ASSEMBLY

(Prefiled)

January 8, 2025

Introduced by M. of A. PAULIN -- read once and referred to the Committee on Local Governments -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the county law, in relation to providing for the conveyance or lease of sewer system properties located in the county of Westchester's New Rochelle sanitary sewer district and related management responsibilities to the county by municipalities in such district when determined to be in the public interest

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The county law is amended by adding a new section 277-a to read as follows:

§ 277-a. Conveyance or lease to the county of Westchester by a city, town or village in the county's New Rochelle sanitary sewer district of sewer system property and the establishment of certain county sewer districts, extensions or special transitional zones of assessment in the county of Westchester. 1. As used in this section, the following terms shall have the following meanings:

a. "Charter" shall mean the charter and administrative code of the county of Westchester.

b. "City, town or village" shall mean the city of New Rochelle, town of Mamaroneck or villages of Larchmont or Pelham Manor in the county of Westchester.

c. "Commissioner of finance" shall mean the commissioner of finance of the county of Westchester.

d. "Commissioner of environmental facilities" shall mean the commissioner of environmental facilities of the county of Westchester.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 e. "County" shall mean the county of Westchester, including when
2 acting on behalf of a county sewer district.

3 f. "County legislature" shall mean the county legislature of the coun-
4 ty of Westchester.

5 g. "Governing board of a city, town or village in the county of West-
6 chester" shall mean the finance board as such term is defined in section
7 2.00 of the local finance law.

8 h. "Sewer system" shall include sewage collection or conveyance facil-
9 ities, treatment or disposal plants, buildings, land and rights in land,
10 furnishings, equipment, machinery and apparatus, appurtenant facilities,
11 all moneys on hand collected or received for the purposes of such sewer
12 system, and all other items of property, either real or personal or
13 mixed, acquired for or incidental to such sewer system, provided that no
14 such property shall be located outside the boundaries of the county's
15 New Rochelle sanitary sewer district.

16 i. "Sewer system consolidation agreement" shall mean an agreement
17 between the county and a city, town or village whereby such city, town
18 or village shall convey or lease sewer system property to the county for
19 operation, maintenance or improvement by the county described in subdi-
20 vision two of this section.

21 j. "Special transitional zone of assessment" shall mean a zone of
22 assessment within the county's New Rochelle sanitary sewer district
23 established to allocate all or a portion of the costs of facilitating a
24 conveyance or lease of sewer system property by a city, town or village
25 to the county and a transfer of responsibilities for the operation,
26 maintenance and improvement thereof to the county sewer district. A
27 special transitional zone of assessment may overlap all or portions of
28 any zone of assessment established in the county's New Rochelle sanitary
29 sewer district to allocate the costs of the operation, maintenance and
30 improvement of the county's trunk sewers and wastewater treatment plants
31 and related facilities.

32 k. "Town sewer district" shall mean a sewer district governed by the
33 provisions of articles twelve or twelve-A of the town law or a benefited
34 area established to provide a sewer improvement pursuant to articles
35 three-A or twelve-C of such law.

36 l. "Village sewer district" shall mean a sewer district governed by
37 the provisions of article fourteen and section 17-1718 of the village
38 law.

39 2. Notwithstanding the provisions of any general, special or local
40 law, the county and a city, town or village may enter into, and take the
41 actions necessary to implement, sewer system consolidation agreements
42 under this section to facilitate the conveyance or lease to the county
43 of sewer system property and the transfer to the county of the responsi-
44 bilities of operation, maintenance and improvement of sewer system prop-
45 erty. Sewer system consolidation agreements shall include the following
46 provisions:

47 a. an identification of the sewer system property of the city, town or
48 village to be conveyed or leased to the county, the consideration, if
49 any, for such conveyance or lease and the conditions, if any, under
50 which the conveyance or lease could be reversed or canceled;

51 b. a description of any improvements of such property to be made by
52 the county, the estimated cost thereof and the plan for financing such
53 improvements;

54 c. determinations of whether the county shall undertake to establish
55 special transitional zones of assessment under terms and conditions as
56 may be agreed upon, and shall include a description and estimate of the

costs to be allocated to the special transitional zone of assessment and a description of whether the costs allocated thereto shall be levied in the same manner as other county charges or in the manner described in section two hundred seventy or section two hundred seventy-one of this article, and if pursuant to section two hundred seventy-one, whether and under what circumstances such manner of levy is expected to be changed;

d. determinations of whether the county shall make a payment or payments to the city, town or village in respect of city, town or village debt service on indebtedness issued to finance sewer system properties or whether the county may finance the cost of acquisition of sewer system properties from cities, towns or villages through the issuance of bonds or notes in accordance with the local finance law, and in either case whether the city, town or village shall establish funds to receive all or a portion of the proceeds thereof, as may be necessary or convenient to facilitate such payments or as may be required by section six-1 of the general municipal law, and whether the city, town or village shall call outstanding bonds for redemption at such times and under such conditions as may be agreed to;

e. determinations of whether and to what extent the county and the city, town or village shall indemnify each other for liabilities for work performed or existing conditions;

f. determinations of whether employees of the city, town or village shall be transferred to the county and become county employees under such terms and conditions as such employees and the parties may agree, subject to the rights and privileges of such employees under labor agreements and applicable law, and whether employees of cities, towns and villages not so transferred to the county may continue to be employed by such cities, towns and villages to provide services to the county sewer district under such terms as may be agreed upon;

g. estimates of capital cost of the sewer system property conveyed or leased, which may include planning, design, acquisition and construction costs of such property and improvements thereto, the costs of preparation of reports described in subdivision three of this section and the sewer system consolidation agreement, and any other expenses incurred in furtherance of the making of the sewer system consolidation agreement, and the amounts of the capital cost to be charged against properties in a special transitional zone of assessment, to be paid by the county through a county sewer district or to be paid by the city, town or village;

h. estimates of the operating expenses of the property conveyed or leased under the sewer system consolidation agreement, and a statement of the portions of the operating expenses to be annually charged against properties in a special transitional zone of assessment, to be paid by the county through a county sewer district or to be paid by the city, town or village;

i. terms describing the actions necessary to amend the sewer system consolidation agreement; and

j. terms describing the conditions under which the sewer system consolidation agreement may be extended.

3. A city, town or village may prepare and furnish to the county a report containing a map and a general description of the sewer system property which is proposed to be leased or conveyed and a description of its current condition. The report shall include the terms of any outstanding indebtedness issued to finance acquisition or improvement of such sewer system property and such additional information relevant to the assessment of the costs of operation, maintenance and improvement of

1 such sewer system property as the county may request. Upon presentation
2 of such report the county legislature may refer the same to the commis-
3 sioner of environmental facilities for a plan and report with respect
4 thereto. If the county legislature refers the report to the commissioner
5 of environmental facilities, said commissioner shall thereupon prepare
6 and furnish to the county legislature a plan and report describing capi-
7 tal improvements, if any, to such sewer system property which the
8 commissioner of environmental facilities recommends be undertaken
9 following its conveyance or lease to the county. This plan and report
10 shall include the estimated costs thereof, together with an estimate of
11 the operating and maintenance costs of such property. The plan and
12 report shall also contain such other data and information as shall have
13 been requested by the county legislature or as may be determined by the
14 commissioner of environmental facilities to be appropriate under the
15 circumstances. Upon review of the plan and report, the county legisla-
16 ture may, if a majority of the county legislature approves the plan and
17 report, authorize the preparation of a draft sewer system consolidation
18 agreement and direct that such plan and report be furnished to the city,
19 town or village. The county and the city, town or village may then
20 prepare a draft sewer system consolidation agreement. The draft sewer
21 system consolidation agreement shall be presented to and approved as to
22 form by the county legislature and the governing body of the city, town
23 or village prior to the calling of a hearing under subdivisions seven
24 and five of this section, respectively. Such draft sewer system consol-
25 idation agreement shall not be binding nor shall it be executed until
26 after a public hearing and authorization by the county legislature and
27 the governing body of the city, town or village, as provided for in
28 subdivisions six and eight of this section.

29 4. In addition to existing authority to establish county sewer
30 districts or extensions, the county legislature, in furtherance of a
31 sewer system consolidation agreement, may establish a special transi-
32 tional zone of assessment in any county sewer district, and to the
33 extent such special transitional zone of assessment would fall in whole
34 or in part outside any county sewer district, may coincidentally estab-
35 lish a county sewer district encompassing such area or extend an exist-
36 ing county sewer district to encompass such area, in the manner herein-
37 after provided. Each special transitional zone of assessment shall have
38 boundaries coterminous with the area provided with a sewer system by any
39 city, town or village, for the purpose of facilitating the conveyance or
40 lease to the county all or a portion of the property of cities, towns or
41 villages relating to the collection and conveyance of sewage to county
42 trunk sewers and the transfer of all or a portion of the responsibil-
43 ities for the operation, maintenance and improvement thereof.

44 5. Following the approval of a draft sewer system consolidation agree-
45 ment, the governing body of the city, town or village shall hold a
46 public hearing on the draft sewer system consolidation agreement. Such
47 public hearing shall be called by such governing body, which shall
48 direct that notice thereof be published and posted not less than four-
49 teen days prior to the date set for such hearing. Such notice shall be
50 given, in the case of towns, in the manner prescribed in section one
51 hundred ninety-three of the town law, and in the case of cities and
52 villages, in the manner prescribed for general elections. Such notice
53 shall state in general terms that it is proposed to petition the county
54 legislature to enter into a sewer system consolidation agreement and, if
55 contemplated by the sewer system consolidation agreement, to establish
56 or extend a county sewer district or establish a special transitional

1 zone of assessment for the purpose of facilitating the conveyance or
2 lease of property to the county and its operation, maintenance and
3 improvement of such property, as set forth in the draft sewer system
4 consolidation agreement. Such notice shall generally identify the
5 particular sewer system proposed to be conveyed or leased, the proposed
6 improvements thereto, if any, and the estimated maximum cost thereof,
7 and shall describe the boundaries of the proposed, district, extension
8 or special transitional zone of assessment in a manner sufficient to
9 permit definite and conclusive identification of all parcels of property
10 included therein. Such notice shall also state where the draft sewer
11 system consolidation agreement is available for public inspection, and
12 shall set forth the time when and place where such hearing shall be
13 held.

14 6. If the governing board shall decide, after such public hearing and
15 upon the evidence given thereat, that it is in the public interest to
16 petition the county legislature to enter into the sewer system consol-
17 idation agreement pursuant to this section, it shall authorize the chief
18 executive officer as that term is defined in the local finance law, as
19 the case may be, to:

20 a. execute such petition and file the same with the clerk of the coun-
21 ty legislature; and

22 b. execute the sewer system consolidation agreement, if the county
23 elects to enter into the sewer system consolidation agreement.

24 Such petition shall generally identify the particular sewer system
25 proposed to be conveyed or leased and shall describe the boundaries of
26 the area served thereby in a manner sufficient to permit definite and
27 conclusive identification of all parcels of property included therein.

28 7. Upon receipt of such petition and after the approval of the form of
29 the draft sewer system consolidation agreement, the county legislature
30 may call a public hearing to enter into the sewer system consolidation
31 agreement and, if contemplated thereby, to establish a special transi-
32 tional zone of assessment or establish or extend a county sewer
33 district. Notice of such public hearing shall be given not less than
34 fourteen days prior to the date of the hearing in the manner prescribed
35 in section two hundred fifty-four of this article. In addition, a copy
36 of such notice shall be served upon or mailed to the city, town or
37 village which presented such petition not less than fourteen days prior
38 to the day set therein for such hearing. Such notice shall contain:

39 a. a general description of the sewer system property proposed to be
40 conveyed or leased;

41 b. a description of the boundaries of any proposed district, extension
42 or special transitional zone of assessment in a manner sufficient to
43 permit definite and conclusive identification of all parcels of property
44 included therein;

45 c. the estimated maximum amount to be expended for proposed improve-
46 ments;

47 d. a statement of the proposed manner of assessing costs allocable to
48 the special transitional zone of assessment, indicating whether it is
49 proposed to levy assessments pursuant to the charter in the same manner
50 as county charges or as described in section two hundred seventy or
51 section two hundred seventy-one of this article;

52 e. a statement of whether and to what extent the county sewer district
53 will assume the payment of outstanding obligations, contracts and other
54 indebtedness of the city, town or village for the purposes of or in
55 relation to the sewer system proposed to be conveyed or leased;

1 f. shall state where the draft sewer system consolidation agreement is
2 available for public inspection; and

3 g. shall specify the time when and place where the county legislature
4 will meet to consider the matter and to hear all parties interested
5 therein concerning the same.

6 8. If, based upon the evidence presented at such public hearing and
7 after due consideration of the petition, the plan and report of the
8 commissioner of environmental facilities and other data provided to it,
9 the county legislature shall determine that it is in the public interest
10 to enter into the sewer system consolidation agreement, it shall by
11 majority vote adopt an act authorizing the execution of the sewer system
12 consolidation agreement. If the county legislature shall determine that
13 it is not in the public interest to enter into the sewer system consol-
14 idation agreement, it shall adopt an act so stating and terminating the
15 proceedings with respect thereto. The parties to a sewer system consol-
16 idation agreement may from time to time amend the sewer system consol-
17 idation agreement, provided that, if an amendment would a. increase the
18 estimated capital cost to be assessed against properties in a special
19 transitional zone of assessment for the improvements proposed in the
20 sewer system consolidation agreement; b. increase the share of operation
21 and maintenance costs to be annually assessed against a special transi-
22 tional zone of assessment; or c. eliminate from or add parcels to a
23 special transitional zone of assessment, the amendment may be authorized
24 only after public hearings held by each party in the same manner as the
25 original sewer system consolidation agreement following determinations
26 by the parties that such amendment is in the public interest after hear-
27 ings held as required for the original sewer system consolidation agree-
28 ment. Nothing in this section shall modify the special acts of the
29 legislature and local laws of the county of Westchester governing county
30 sewer districts and the assessments made and taxes levied in connection
31 therewith, and the county of Westchester may continue to operate county
32 sewer districts in conformity therewith, irrespective of whether the
33 county sewer district has undertaken to own, operate, maintain or
34 improve sewers which are not trunk sewers pursuant to this section or
35 otherwise undertakes to provide sewage collection and conveyance facili-
36 ties in addition to trunk sewers.

37 9. As part of the implementation of the sewer system consolidation
38 agreement, the county may adopt an act to establish a special transi-
39 tional zone of assessment or establish or extend a county sewer
40 district, which act shall include the following:

41 a. an accurate description of the boundaries of any such district,
42 extension, or special transitional zone of assessment in a manner suffi-
43 cient to permit definite and conclusive identification of all parcels of
44 property included therein, provided, however, if such district, exten-
45 sion or special transitional zone of assessment is coterminous with a
46 city, town or village it shall be a sufficient compliance with this
47 paragraph to so state without describing the boundaries of such city,
48 town or village;

49 b. a general description of the sewer system property to be conveyed
50 or leased to the county in accordance with the sewer system consol-
51 idation agreement;

52 c. a determination as to whether assessments for district purposes
53 will be levied pursuant to the charter in the same manner as county
54 charges or as described in section two hundred seventy or section two
55 hundred seventy-one of this article in accordance with the notice of the
56 public hearing held pursuant to subdivision seven of this section;

1 d. a determination as to the effective date or dates for the convey-
2 ance or lease of the property described in accordance with paragraph b
3 of this subdivision, having due regard to the fiscal year of the county
4 and the city, town or village concerned and the availability of funds
5 for the operation, maintenance and improvement of the sewer system by
6 the county;

7 e. a determination assuming responsibility for the payment of all or
8 the agreed portion of all obligations, contracts and other indebtedness
9 of the city, town or village, as the case may be, incurred for the
10 purposes of or in relation to the sewer system property to be conveyed
11 or leased which shall be outstanding as of the effective date of such
12 conveyance or lease, the exact amount and details thereof to be subject
13 to future determination by agreement in such manner as may be provided
14 therein; and

15 f. such other terms, conditions and provisions with respect to the
16 establishment of such district and such conveyance or lease, not incon-
17 sistent with the provisions of this section, as the county legislature
18 may determine to be necessary or desirable under the circumstances.

19 10. The clerk of the county legislature, within ten days after the
20 adoption thereof, shall file a certified copy of such act with the clerk
21 of the city, town or village concerned, who shall present the same to
22 the governing board at the next meeting thereof. Such governing board
23 shall thereupon proceed to adopt such resolutions or ordinances and take
24 such other action as shall be necessary or convenient to effectuate a
25 conveyance or lease of sewer system property to the county in accordance
26 with the provisions of this section and such act. In addition, in the
27 case of a town or a village sewer district, and if so provided in an
28 agreement with the county, the governing board may adopt an order
29 dissolving such district effective as of the date of such conveyance or
30 lease, a certified copy of which shall be recorded in the office of the
31 county clerk, or, if such district is not to be dissolved, the governing
32 board may adopt an order describing the remaining functions and respon-
33 sibilities of the district.

34 11. All or an agreed upon portion of assessments levied by, or fees,
35 rates, rents or other charges due or moneys owing to a city, town or
36 village with respect to any sewer system and remaining unpaid as of the
37 effective date of the conveyance or lease thereof to a county district
38 pursuant to this section shall be collected by the city, town or village
39 concerned in the same manner as if such conveyance or lease had not been
40 made, and upon receipt shall be paid over to the county commissioner of
41 finance to be applied for the purposes of such county sewer district.

42 12. a. The principal of and interest on all outstanding bonds and
43 notes of a city, town or village issued to pay all or part of the cost
44 of any sewer system conveyed or leased to a county district pursuant to
45 this section shall continue to be paid when due by such city, town or
46 village, and, if a sewer system consolidation agreement with the county
47 so provides, from moneys provided for such purpose by the county from
48 county district funds raised or appropriated therefor. If the county has
49 agreed to make such payments, the county commissioner of finance shall
50 from time to time pay such moneys to the fiscal officer of such city,
51 town or village sufficiently in advance to permit the payment of all or
52 the agreed upon portion of such principal and interest when due. All
53 other obligations and contract liabilities of a city, town or village
54 assumed by the county in a sewer system consolidation agreement shall be
55 paid directly from funds of the county in the same manner as other coun-
56 ty sewer district claims.

b. If bonds have been authorized by a city, town or village pursuant to the local finance law to pay all or a part of the cost of the acquisition, construction or reconstruction of or addition to a sewer system or the replacement of equipment, machinery, apparatus or furnishings therefor, and in anticipation of the issuance of such bonds such city, town or village has issued a bond anticipation note or notes or has otherwise contracted indebtedness to be paid from the proceeds of such bonds, and prior to the issuance of such bonds and the payment of such note or notes or other indebtedness, such sewer system has been conveyed or leased to the county pursuant to this section, the county may issue its bonds for the object or purpose of paying such note or notes or other indebtedness. The period of probable usefulness of the object or purpose for which such bonds may be issued by the county pursuant to this subdivision shall be the same as the period of probable usefulness specified in paragraph a of section 11.00 of the local finance law for the object or purpose for which the bonds were authorized by such city, town or village prior to such transfer. Such period shall be that which was in effect at the time of such transfer unless such period has been subsequently shortened, in which event the shorter period in effect at the time of the issuance of the bonds by the county shall apply. For the purposes of paragraphs b, b-1 and c of section 21.00 of the local finance law, the date of the earliest bond anticipation note issued by such city, town or village shall be considered as the date of the earliest bond anticipation note issued in anticipation of the bonds issued by the county for the object or purpose. Except as herein provided, such bonds shall be authorized and issued by the county in accordance with the provisions of the local finance law.

c. If, at the time of such transfer, the city, town or village has outstanding bonds issued to finance the conveyed or leased sewer system property, the county may issue refunding bonds under and subject to the provisions of section 90.10 of the local finance law or section 90.00 of the local finance law, except, if the bonds to be refunded are refunding bonds, for paragraph I thereof, to pay the principal, interest and redemption premium of the bonds of the city, town or village of the bonds to be refunded, with savings to the county calculated as if the principal, interest and redemption premium on the bonds to be refunded were to be considered bonds of the county.

13. The county legislature, and each city, town and village, are hereby authorized to adopt all such further acts and to take or direct all such additional proceedings as may be necessary or desirable to effectuate the purposes and intent of this section.

14. The county, cities, towns and villages may expend capital funds to conduct evaluations, surveys and analysis of county sewer facilities and the sewer facilities of cities, towns and villages in the county which may be useful in identifying whether or not the conveyance or lease of particular city, town or village sewer facilities to the county would be in the public interest and in planning, structuring and negotiating a conveyance or lease of city, town or village facilities to the county, and the county may elect to reimburse such costs incurred by cities, towns or villages and to allocate the costs thereof. All of such costs not paid from current funds may be financed by the county as part of the cost of the acquisition of facilities by the county, irrespective of whether any such acquisition is subsequently completed.

15. The provisions of section one hundred nineteen-o of the general municipal law shall apply to sewer system consolidation agreements made under this section, except that, irrespective of the term limits set

forth in section one hundred nineteen-o of the general municipal law, such agreements may have terms which extend for up to fifty years and which may be renewed periodically as provided therein for a term not exceeding fifty years. The expiration of any such agreements shall not affect actions completed under such agreements, including the conveyance or lease of property or any change in the status of employees transferred to the county pursuant thereto. This section does not replace or diminish the authority of the county and cities, towns and villages in the county to make agreements under section one hundred nineteen-o of the general municipal law in addition to the sewer system consolidation agreements authorized by this section.

§ 2. This act shall take effect immediately.