STATE OF NEW YORK

9469--A

IN ASSEMBLY

January 6, 2026

Introduced by M. of A. WIEDER -- read once and referred to the Committee on Corporations, Authorities and Commissions -- recommitted to the Committee on Corporations, Authorities and Commissions in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public authorities law, in relation to creating the CR clean water and sewer authority

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

Section 1. Short title. This act shall be known and may be cited as the "CR clean water and sewer authority act".

§ 2. Article 5 of the public authorities law is amended by adding a new title 11-E to read as follows:

TITLE 11-E

CR CLEAN WATER AND SEWER AUTHORITY

Section 1349-a. Definitions.
1349-b. Prior sewer district.
1349-c. Abolishing the prior sewer district.
1349-d. CR clean water and sewer authority.
1349-d-1. Additional municipalities joining the authority.
1349-e. Powers of the authority.
1349-f. Advances on behalf of the authority; transfer of property to authority.
1349-g. Charges by the authority; method of collection.
1349-h. County officers and employees.
1349-i. Obligation of public utilities.
1349-i-1. Municipal and district officers and employees.
1349-i-2. Employees of the authority.
1349-j. Environmental applications, proceedings, approvals and permits.
1349-k. Governmental capacity of the authority and municipalities.
1349-l. Limited liability.
1349-m. Bonds of the authority.

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

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1349-n. Remedies of bondholders.
1349-o. State, county and municipalities not liable on bonds of the authority.
1349-p. Moneys of the authority.
1349-q. Bonds and notes as legal investment.
1349-r. Agreement with the state.
1349-s. Exemption from taxes, assessments and certain fees.
1349-t. Obligations of contracts not impaired.
1349-u. Construction contracts.
1349-v. Actions against the authority.
1349-w. Audit and annual report.
1349-x. Separability clause.
1349-y. Effect of inconsistent provisions.

§ 1349-a. Definitions. As used in this title, unless a different meaning clearly appears from the context:

1. "Alternative project delivery contract" shall mean any project delivery method authorized by this title, including design-build, construction manager at risk and construction manager build, pursuant to which one or more contracts for the provision of design and construction services, or construction management and construction services, are awarded through an open and competitive method of procurement.

2. "Authority" shall mean the public benefit corporation created by section thirteen hundred forty-nine-d of this title.

3. "Authority sewer system" shall mean the prior sewer district system, including any plants, pump stations, collection or project interceptors which was owned by the county, and operated and maintained by the prior sewer district on the date of termination, and any projects made after the date of transfer to the authority, and as expanded pursuant to any agreements with new members.

4. "Bonds" shall mean the bonds, notes or other evidences of indebtedness issued by the authority.

5. "Calendar year and official year" shall mean the twelve-month period from January first through December thirty-first.

6. "Comptroller" shall mean the comptroller of the state of New York.

7. "Construction" shall mean the negotiation, acquisition, erection, building, alteration, improvement, testing, increase, enlargement, extension, reconstruction, interconnection, renovation or rehabilitation of a sewerage facility, sewer system or a project as defined herein; the inspection and supervision thereof; and the engineering, architectural, legal, appraisal, fiscal, economic and environmental investigations, services and studies, surveys, designs, plans, working drawings, specifications, procedures and other actions incidental thereto.

8. "Costs", as applied to any project, shall include the cost of construction, the cost of the acquisition of all property, including both real, personal and mixed, the cost of demolishing, removing or relocating any building or structures on lands so acquired including the cost of acquiring any land to which such buildings or structures may be moved or relocated, the cost of all systems, sewerage facilities, machinery, apparatus and equipment, financing charges and bond discount, interest to the extent not paid or provided for from revenues or other sources, the cost of engineering and architectural surveys, plans and specifications, bond insurance, bond credit enhancement arrangements, other expenses necessary or incidental to the construction of such project and the financing of the construction thereof, including the cost of legal and financial advice and credit arrangements with banks or other financial institutions, the amount authorized in the resolution of

the authority providing for the issuance of bonds to be paid into any reserve or special fund from the proceeds of such bonds and the financing of the placing of any project in operation.

9. "County" shall mean, unless otherwise specifically stated, the county of Rockland.

10. "County legislature" shall mean the county legislature of the county.

11. "Governing body" shall mean the members of the authority constituting and acting as the governing board of the authority.

12. "Members" shall mean the members of the board of directors.

13. "Municipality" shall mean any county, city, town, village, district or any combination thereof.

14. "Person" shall mean any natural person, partnership, association, joint venture, limited liability company or corporation, exclusive of a public corporation as defined pursuant to article two-A of the general construction law.

15. "Prior sewer district" shall mean the Rockland county sewer district no. 1 heretofore established by the county legislature and existing on the day immediately prior to the effective date of this title with the boundaries set forth as defined in the rules and regulations of the Rockland county code, part I - administrative legislation, chapter 165-3.

16. "Prior sewer district system" shall mean all sewers, including, without limitation, trunk, intercepting, connecting and other sewers, storm water drains, pumping stations, disposal or treatment plants or works, structures, appliances, equipment and other adjuncts thereto, comprising the entire system of sewerage owned by the county and operated and maintained by the prior sewer district at the time of the creation of the authority.

17. "Project" shall mean any and all phases of, acquisition, planning, development, financing, construction, operation or maintenance which are undertaken in whole or in part by the authority for the authority sewer system.

18. "Project labor agreement" shall mean a pre-hire collective bargaining agreement between a contractor and a bona fide building and construction trade labor organization establishing the labor organization as the collective bargaining representative for all persons who will perform work on a project, and which provides that only contractors and subcontractors who sign a pre-negotiated agreement with the labor organization can perform project work.

19. "Real property" shall mean lands, structures, franchises and interests in lands, waters, lands under water, groundwater riparian rights and air rights and any and all things and rights customarily included within the term "real property" and includes not only fee simple absolute, but also any and all lesser interests including, but not limited to easements, rights-of-way, uses, leases, licenses and all other incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms for years and liens thereon by way of judgment, mortgages or otherwise.

20. "Service area" shall mean the territorial limits of the prior sewer district, including any areas outside such territorial limits of the prior sewer district that were served by the prior sewer district and any areas of the county whereby the territorial limits of the prior sewer district have been expanded pursuant to section thirteen hundred forty-nine-d-1 of this title.

21. "Sewage" shall mean the water-carried human or animal waste from residences, buildings, industrial establishments or other places, together with such groundwater infiltration, surface water, or industrial waste as may be present. Such term includes both domestic sewage and wastewaters that may adversely affect public health, water quality, or the proper functioning of a sewage treatment system.

22. "Sewerage facilities" shall mean any plants, structures and other real and personal property acquired, rehabilitated or constructed or planned for the purpose of collecting, conveying, pumping, treating, neutralizing, storing and disposing of sewage, including but not limited to main, trunk, intercepting, connecting, lateral, outlet or other sewers, outfalls, pumping stations, treatment and disposal plants, groundwater recharge basins, back-flow prevention devices, sludge dewatering or disposal equipment and facilities, clarifiers, tilters, phosphorus removal equipment and other plants, works, structures, equipment, vehicles, conveyances, contract rights, franchises, approaches, connections, permits, real or personal property or rights therein and appurtenances thereto necessary or useful and convenient for the collection, conveyance, pumping, treatment, neutralizing, storing and disposing of sewage and to the extent not covered by the foregoing, any facilities operated and maintained by the prior sewer district.

23. "State" shall mean the state of New York.

24. "State agency" shall mean any state office, public benefit corporation, department, board, commission, bureau or division, or other agency or instrumentality of the state.

25. "System revenues" shall mean rates, rents, fees, charges, payments, assessments and other income and receipts derived from users of the sewerage facilities of the authority without limiting the generality of the foregoing, investment proceeds and proceeds of insurance, condemnation sales or other dispositions of assets together with all federal, state or municipal aid as well as any other income derived from the operation of the sewerage facilities of the authority.

26. "Treasurer" shall mean the treasurer of the authority.

§ 1349-b. Prior sewer district. The prior sewer district primarily served the towns of Ramapo and Clarkstown as well as the villages of Hillburn and Sloatsburg. The prior sewer district operated and maintained the wastewater treatment plants in Orangeburg and Hillburn as well as the major interceptors and pumping stations in the sewer system and, pursuant to a contractual arrangement, all sewers within the villages of Spring Valley, New Square, and sewers serving several parcels in the town of Orangetown.

§ 1349-c. Abolishing the prior sewer district. Notwithstanding any inconsistent provisions of the county law, the county charter, or any other general, special or local law, the prior sewer district, upon an affirmative vote of the county legislature, is hereby abolished, dissolved and merged into the authority and all of the rights, privileges, duties, responsibilities and obligations of the prior sewer district shall become the rights, privileges, duties, responsibilities and obligations of the authority. The prior sewer district system, together with all contracts, books, maps, plans, papers and records of whatever description pertaining to subjects or matters relating to the design, construction, operation and affairs of the prior sewer district system shall be assigned, transferred and dedicated to the use of and be in the possession of and under the jurisdiction, control and supervision of the authority and the authority is empowered to take possession thereof for its uses and purposes. The authority shall thereafter have

complete jurisdiction, control, possession and supervision of the prior sewer district system and of all related sewerage facilities. Notwithstanding the provisions of any state or local law to the contrary, the county shall transfer to the authority any funds which were in the prior sewer district's accounts upon dissolution thereof, as well as any prior sewer district fund balance held by the county on behalf of the prior sewer district, or grant recoveries received in connection with assets acquired by the authority from the county, which funds shall be used by the authority for the limited purposes of supporting necessary capital investments, debt service, debt service-related expenses and reserve requirements. The county budget adopted for each fiscal year shall contain a separate section for the authority showing amounts which are anticipated to be necessary for the authority to pay the principal of and interest on any outstanding bonds or notes of the county issued for the prior sewer district. The authority budget adopted each year shall include such principal and interest amounts and the authority shall pay such amounts to the county on an annual basis.

§ 1349-d. CR clean water and sewer authority. 1. A corporation known as the CR clean water and sewer authority is hereby created for the purposes and charged with the duties and having the powers provided in this title. The authority shall be a corporate governmental agency constituting a public benefit corporation and shall be considered a public employer. Upon its formation, the authority shall be governed by a governing body consisting of nine members, all of whom shall be residents of the service area of the authority, except that any member serving ex officio pursuant to this section shall not be subject to such residency requirement, appointed as follows:

(a) one by the county executive;

(b) two by the chairperson of the county legislature;

(c) one by the minority leader of the county legislature;

(d) the supervisor of the town of Ramapo as an ex officio member of the board;

(e) two selected by the supervisor of the town of Ramapo subject to the confirmation of the Ramapo town board;

(f) the supervisor of the town of Clarkstown as an ex officio member of the board;

(g) one selected by the supervisor of the town of Clarkstown subject to the confirmation of the Clarkstown town board; and

(h) all ex officio members are voting members of the board.

2. The term of any elected official serving as a member of the authority shall have a term that coincides with such member's term of elective office. At the conclusion of an individual's term of office, an appointing authority may select a new member of that class. For ex officio members, there is no requirement for re-appointment where a single individual serves successive terms in the same elected office. Nothing herein shall be deemed to limit or control the designation or term of any member serving as chairperson or vice-chairperson pursuant to this title.

(a) If new municipalities or districts join the authority in the manner specified in section thirteen hundred forty-nine-d-1 of this title, the authority's board may be reformed and reconstituted by a resolution of the governing body of the authority.

(b) The members of the governing body shall be reimbursed for all of their actual and necessary expenses incurred in connection with the carrying out of the purposes of this title.

(c) Any member of the authority may be removed from office by a vote of five members of the authority for gross neglect of duty, misconduct, maladministration or malfeasance in office, including the unexcused failure to attend three consecutive regular meetings of the authority.

(d) All members shall continue to hold office until their successors are appointed and qualified.

(e) Vacancies occurring otherwise than by expiration of term shall be filled in the same manner as that of the departing member, respectively, for the unexpired term.

(f) Members may be removed from office for the same reasons and in the same manner as provided by law for the removal of officers of the county, pursuant to section three of the public officers law.

3. The powers of the authority shall be vested in and exercised by the governing body at a meeting duly called and held where a quorum of five members is present. No action shall be taken except by the favorable vote of at least five members. The governing body may delegate to one or more of its members or officers such powers and duties as it may deem proper.

4. (a) The officers of the authority shall consist of a chairperson, a vice-chairperson and a treasurer who shall be members of the authority, and a secretary who need not be a member of the authority. Notwithstanding any other provision of this title, the supervisor of the town of Ramapo shall serve as the first chairperson of the authority, and the supervisor of the town of Clarkstown shall serve as the first vice-chairperson of the authority, each commencing upon the formation of the authority. The initial term of the chairperson and vice-chairperson designated pursuant to subdivision one of this section shall be three years. Following the expiration of the initial term, the offices of chairperson and vice-chairperson shall at all times be held by the supervisors of the town of Ramapo and the town of Clarkstown, respectively, or their successors in office, such that each town shall continuously hold one of such offices. After the expiration of the initial three-year term, the offices of chairperson and vice-chairperson shall rotate between the supervisors of the town of Ramapo and the town of Clarkstown every two years, with each supervisor alternately serving as chairperson and vice-chairperson. In the event that a supervisor serving as chairperson or vice-chairperson ceases to hold the office of supervisor, the successor supervisor shall assume the corresponding position on the authority and shall serve the remainder of the applicable term. The chairperson and vice-chairperson of the authority may receive compensation for their service in such amounts as may be determined from time to time by resolution of the governing body. The governing body may also, in its discretion, authorize compensation for other members of the authority, subject to such terms and conditions as the governing body shall determine. All members shall continue to be eligible for reimbursement of actual and necessary expenses incurred in the performance of their duties.

(b) At the first meeting of the governing body and at the first meeting thereof in each fiscal year thereafter the members of the governing body shall choose from their number the officers of the authority, except for the offices of chairperson and vice-chairperson, which shall be designated and governed in accordance with this section. Except for the offices of chairperson and vice-chairperson, which shall be designed and governed in accordance with this section, the officers of the authority shall serve at the pleasure of the authority. In addition to such officers, the authority may appoint and at its pleasure remove an

executive director, authority counsel, chief financial officer, and such other executive level positions as the board may desire, which positions shall be in the exempt class of the civil service, and such additional officers and employees as it may deem necessary, and may determine and fix their qualifications, and duties subject to the provisions of the civil service law. The authority may delegate to one or more of its members, officers, agents or employees any such powers as it may deem proper. The authority may also contract for expert professional services however, the authority shall not contract for professional services that were, prior to the effective date of this chapter, performed by a county or municipal employee unless specifically authorized by law. The treasurer shall execute a bond conditioned on the faithful performance of the duties of such treasurer's office, the amount and sufficiency of which shall be approved by the governing body and the premium for which shall be paid by the authority. The authority may also use the agents, employees, records and equipment of the county with the consent of the county.

5. Notwithstanding any inconsistent provision of any general, special or local law, ordinance, resolution or charter, and subject to and consistent with section thirteen hundred forty-nine-h of this title, no officer, member or employee of the state, any municipality or any public benefit corporation shall forfeit their office or employment by reason of their acceptance of appointment as a member, officer, agent or employee of the authority, nor shall service as a member, officer, agent or employee of the authority be deemed incompatible or in conflict with such office, membership or employment. The members and employees of the authority shall be subject to all requirements of state and county law pertaining to ethics and financial disclosure to which members of the county legislature and employees of the county, respectively, are subject.

6. It is hereby determined and declared that the authority and the carrying out of its powers, purposes and duties are in all respects for the benefit of the people of the municipalities within the bounds of the authority and state, for the improvement of their health, welfare and prosperity and that the said purposes are a public purpose and that the authority is and will be performing an essential governmental function in the exercise of the powers conferred upon it by this title.

7. The purpose of this title, among other things, is to provide for the jurisdiction, control, possession, supervision and use of the sewerage facilities; authorization to make rules and regulations in furtherance of this title; the enforcement of this title, the rules, regulations, permits and orders of the authority in connection with the direct or indirect use of the sewerage facilities by persons within the county of Rockland and any other persons from whom the authority accepts, treats and disposes of sewage, industrial waste, and other waste, from whatever source derived; and to enable the authority to comply with all applicable laws of the United States and the state of New York, and the rules, regulations, permits and orders of their regulatory agencies.

8. (a) The county executive shall file on or before the twelve-month anniversary of the date on which this title shall have become a law, in the office of the secretary of state, a certificate signed by the county executive setting forth: (i) the name of the authority; (ii) the names of the initial members; and (iii) the effective date of this title. The authority shall be perpetual in duration, except that if such resolution and certificate are not filed with the secretary of state on or before such date, then the power of the legislature of the county to approve

the creation of the authority shall thereupon lapse, the authority shall not be deemed to have been created hereby and shall not exist or be deemed to have existed, and the provisions of this title shall no longer have any force or effect.

(b) Except as provided in paragraph (a) of this subdivision, the authority and its corporate existence shall continue until terminated by law, provided, however, that no such law shall take effect so long as the authority shall have bonds or other obligations outstanding unless adequate provision has been made for the payment or satisfaction thereof. Upon termination of the authority, all sewerage facilities, rights and property, then remaining shall pass to and then vest in the county.

9. Until such time as the authority adopts its own sewer use regulations pursuant to section thirteen hundred forty-nine-e of this title, the authority hereby adopts the county sewer use law (laws of Rockland county, chapter three hundred forty-five), with the powers and duties of that law granted to the authority in the place of the prior sewer district.

10. All officers and employees of the authority shall be considered public employees.

11. The authority shall be subject to the civil service law.

12. The authority shall be a participant in the New York state and local employees' retirement system and be authorized to carry out other retirement plans authorized pursuant to the retirement and social security law, which may be offered to all of its officers and employees not participating in the New York state and local employees' retirement system, and to establish and carry out other incentive and benefit plans, trusts, and provisions for any or all of its officers and employees, subject to the applicable provisions of article fourteen of the civil service law.

§ 1349-d-1. Additional municipalities joining the authority. A municipality that owns a sewer system or sewer collection system, in whole or in part, located either within or outside of the service area, may request that the authority include such sewer system or sewer collection system in the authority sewer system upon a majority vote of the legislative body of such municipality. If such request is approved by the authority upon a majority vote of the authority governing body, such municipality's sewer system shall be incorporated into the authority sewer system subject to the provisions of this section. Notwithstanding the foregoing, no incorporation of a municipality located outside the existing service area, and no expansion of the service area of the authority, shall be deemed complete or effective unless and until a revised metes and bounds description reflecting such expansion has been duly adopted. The terms and conditions of such incorporation shall be set forth in an agreement between the municipality and the authority.

§ 1349-e. Powers of the authority. The authority shall have power:

1. To sue and be sued;

2. To have a seal and alter the same;

3. To accept, treat and dispose of the sewage and waste of municipal corporations in the county of Rockland and from any other persons from whatever source derived;

4. To reduce the generation and discharge of sewage, waste and pollutants, promote the conservation and efficient use of fresh water resources, protect the environment, and safeguard public health within the county of Rockland;

5. To acquire in the name of the authority, hold, sell, lease, mortgage or otherwise dispose of property, real, personal or mixed, or any

interest therein, without limitation, for its corporate purposes. In selecting the location for any real property to be acquired or leased, the authority shall give consideration to the present and any proposed land use character of the area in which such site is to be located and shall be subject to and exempt from the zoning laws or regulations, if any, otherwise generally applicable to such area to the same extent that the county is subject to and exempt from the zoning laws or regulations otherwise generally applicable to such area;

6. To prepare or cause to be prepared plans, designs and estimates of costs for the construction of a project, and from time to time to modify such plans, designs or estimates;

7. To construct a project and any additions, betterments and extensions to the sewerage facilities of the authority by contract or contracts, or under, through, or by means of its own officers, agents and employees;

8. To have jurisdiction, control, possession and supervision of the authority sewer system and any project; to maintain, operate, reconstruct and improve the same as a comprehensive sewerage system and to make additions, betterments and extensions thereto, and to have all the rights, privileges and jurisdiction necessary or proper for carrying such power into execution. No enumeration of powers in this or any other general, special or local law shall operate to restrict the meaning of this general grant of power or to exclude other powers comprehended within this general grant;

9. To condemn in the name of the authority pursuant to the eminent domain procedure law, any real property within the county and required by the authority to carry out the powers granted by this title;

10. To plan, develop and construct projects and to pay the cost thereof and to contract in relation thereto with municipalities or persons within or without the county and to own and operate, maintain, repair, improve, reconstruct, enlarge and extend, subject to the provisions of this title, any of its projects acquired or constructed under this title, and to sell, lease, mortgage, grant a security interest in, pledge, encumber, or otherwise dispose of any project or part thereof to any person, municipality or public corporation, subject to such conditions and limitations as the authority may determine to be in the public interest, and to apply for, hold and perform its obligations under any permit, license, approval, or other legal entitlement which may be required for its projects, services or exercise of powers;

11. To make rules, regulations and by-laws pertaining to and governing the management and regulation of its affairs and, subject to agreements with bondholders, the use of any project or other property of the authority and the provision of any service by the authority, which rules, regulations and by-laws and all amendments thereto, duly certified by the secretary of the authority, shall be filed in the office of the authority and in the office of the clerk of the county, and to provide for the enforcement of such rules, regulations and by-laws by legal or equitable proceedings which are or may be provided or authorized by law. In addition, the county legislature shall have power to prescribe that violations of specific rules, regulations and by-laws of the authority shall constitute violations and provide for the enforcement of violations thereof by civil penalties, including any such rules, regulations and by-laws requiring the payment of fees or charges by any person in connection with the service or availability or service by any sewerage facility owned or under contract to the authority;

12. With the consent of the county executive, to use officers or employees of the county and to pay a proper portion of the compensation or costs for the services for such officers or employees;

13. To make contracts and to execute all necessary or convenient agreements, documents and instruments, including evidences of indebtedness, negotiable or non-negotiable;

14. To enter on any lands, waterways or premises as in the judgment of the authority shall be necessary for the purpose of making borings, samples, surveys, soundings and examinations, including the examination of any effluent source, and to accomplish any purpose authorized by this title, any liability for which shall not exceed actual damages;

15. To enter upon streets, highways, bridges or public places for the purpose of constructing a project or any part thereof, or any addition, betterment or extension to the sewerage facilities of the authority. Whenever the authority has entered upon and damaged any street, highway, bridge or other public place the authority shall restore the same to its former condition;

16. To accept, treat and dispose of the sewage and waste collected or delivered to the authority sewer system;

17. To borrow money and to issue bonds and to fund or refund the same, and to provide for the rights of the holders thereof;

18. To procure insurance, letters of credit, lines of credit, or other credit enhancement with respect to its bonds or notes issued pursuant to this title, or facilities for the payment of tenders of such bonds or notes or facilities for the payment upon maturity of short-term notes not renewed;

19. To enter into interest rate exchange or similar arrangements with any person under such terms and conditions as the authority may determine including, without limitation, provisions as to default or early termination and indemnification by the authority or any other party thereto for loss of benefits as a result thereof;

20. To fix and collect rates, rentals, fees and other charges for the use of the sewerage facilities of, or services provided by, or any commodities furnished by, the authority, and to contract with any municipality in respect thereto, so as to provide revenues sufficient at all times to pay, as the same shall become due, the principal and interest on the bonds of the authority, together with the maintenance of proper reserves therefor, in addition to paying, as the same shall become due, the expenses of operating and maintaining the properties and business of the authority and meeting all of its contractual and other obligations, together with proper reserves for debt service, depreciation, maintenance and contingencies and all other obligations and indebtedness of the authority;

21. To enter into agreements, in its direction, to pay annual sums in lieu of taxes to any municipality in respect to any real property which is owned by the authority and located in such municipality, political subdivision or taxing district;

22. To accept gifts, grants, loans or contributions from the United States, the state or any agency or instrumentality of either of them, or any municipality or from any person or public corporation, by bequest or otherwise, and to expend the proceeds for any corporate purposes of the authority;

23. To covenant and consent that the interest on any of its bonds or notes issued pursuant to this title shall be includible, under the United States Internal Revenue Code of 1986, as amended, or any subsequent corresponding internal revenue law of the United States, in gross

income of the holder of the bonds or notes to the same extent and in the same manner that the interest on bills, bonds, notes or other obligations of the United States is includible in the gross income of the holders thereof under said Internal Revenue Code or any such subsequent law;

24. To enter into contracts, and carry out the terms thereof, for the wholesale provision of sewerage disposal with municipalities and private individuals or corporations; however, the authority shall not outsource, privatize, or in any other way diminish work that was, prior to the effective date of this section, performed by a county or municipal employee unless specifically authorized by law.

25. To enter into cooperative agreements with other authorities, municipalities, sewer districts and other public corporations for the interconnection of sewerage facilities, the exchange or interchange of services and commodities and, within the service area, enter into contracts for the construction and operation and maintenance of all or a portion of the authority sewer system, upon such terms and conditions as shall be determined to be reasonable including but not limited to the reimbursement of all costs of such construction, or for any other lawful purposes necessary or desirable to effect the purposes of this title; and

26. To do all things necessary or convenient to carry out the powers expressly given in this title.

§ 1349-f. Advances on behalf of the authority; transfer of property to authority. 1. The county or any other municipality may give, grant, sell, convey, loan, license the use of or lease to the authority any property or facility which is useful to the authority in order to carry out its powers under this title; provided, however, that any such transfer of property shall be upon such terms and conditions and subject to the rights of the holders of any bonds, as the authority and the county or other municipality may agree. The county or any other municipality shall have the power to contract with the authority to carry out the purposes and intent of this title.

2. Notwithstanding the provisions of any other law, general, special or local to the contrary, real property acquired by the authority or the county from the state may be used for any corporate purpose of the authority.

3. Nothing in this section shall result in the displacement of any currently employed county or municipal worker or the loss of position, including partial displacement such as reduction in the hours of non-overtime, wages or employment benefits, or result in the impairment of existing contracts for services or collective bargaining rights pursuant to existing agreements. No services or work on any property given, granted, sold, conveyed, loaned, licensed, or leased to the authority currently performed by public employees or future work that is similar in scope and nature to the work being currently performed by public employees shall be contracted out or privatized by the county, municipality or public authority. All such future work shall be performed by public employees.

§ 1349-g. Charges by the authority; method of collection. 1. The authority may fix, impose, and collect, on any equitable basis, rates, rentals, fees and other charges for the use of the authority sewer system or services provided by the authority, including the availability of any of the foregoing from the authority. Such rates, rentals, fees and other charges may be fixed, imposed, and collected from any person to whom such sewerage facilities or services are provided by or made

available from the authority. In any instance where the county is or would be required by law, to conduct a public hearing in connection with a rate, rental, fee or other charge, the authority shall not establish, fix, or revise any classification of user or service recipient, rate, rental, fee or other charge unless and until the authority has held a public hearing at which interested persons have had an opportunity to be heard concerning the same; provided however, that if the county has conducted a public hearing in connection with such rate, rental, fee or other charge, the authority shall not be required to hold a public hearing. Notice of any such public hearing shall be published at least ten days before the date set therefor, in at least one newspaper of general circulation in the county. Such notice shall set forth the date, time and place of such hearing and shall include a brief description of the matters to be considered at such meeting. A copy of the notice shall be available for inspection by the public. At any such hearing, any interested persons shall have an opportunity to be heard concerning the matters under consideration. Any decision by the authority at such public hearing shall be in writing and be made available in the office of the authority for public inspection during regular office hours.

2. Notwithstanding any other law to the contrary, all rates, rentals, fees and other charges for the use of the authority sewer system or services provided or made available by the authority may be imposed upon all properties where services are made available, placed on the annual tax rolls of the respective municipalities as a separate item under the heading "sewer disposal charge," and collected and are paid to the authority in the same manner as the real property taxes of the various municipalities located within the county are collected and paid to such municipalities. Such amounts, when collected by the several municipal collectors or receivers of taxes, shall be paid over to the county. A list of those properties within each respective municipality upon which the sewer disposal charge shall be imposed for the upcoming year shall be established on or before the first day of December in each year. All rates, rentals, fees and other charges for the use or availability of the authority sewer system or services provided by the authority shall be a lien upon the real property upon which, or in connection with which, services are provided or made available, as and from the first date fixed for payment of such rates, rentals, fees and other charges. Any such lien shall have the same priority and superiority as the lien of the general tax of the county. All of the provisions of the tax law of the state governing enforcement and collection of taxes or assessments for special improvements not inconsistent herewith shall apply to the collection of such rates, rentals, fees and other charges.

§ 1349-h. County officers and employees. 1. Any individual who is an officer or employee of the county employed by the county in a position funded by the 'G' fund of the county budget as of the date of the formation of the authority, shall remain an employee of the county and shall continue to work in the same or similar capacity. Such individuals shall be known as "legacy employees".

2. Both the county and the authority shall be bound by all collective bargaining agreements in effect as of the effective date of this title and be bound by any and all successor agreements between the county and the employee organization representing legacy employees. All benefits provided to the legacy employees, pursuant to county resolution, law, policy, or past practices shall continue to be provided to the legacy employees.

3. All salaries, compensation, other remuneration, cost of benefits, of any kind or type, provided to legacy employees by the county shall be paid by the county, as currently, and shall be reimbursed by the authority.

4. There shall be no layoffs of any officers or employees of the county which are a direct consequence of the enactment of this title. There shall be a presumption that any layoffs occurring more than sixty months after the date of their participation described in this subdivision shall be deemed not to be such a direct consequence.

§ 1349-i. Obligation of public utilities. Wherever railroad tracks, street railroad tracks, gas pipes, telephone wires, telegraph wires, electric light or power wires, or conduits for carrying telephone, telegraph or electric wires, or other structures of any public service corporation, extend in, along or across any part of the work authorized by this title, it shall be and become the duty of the corporation owning or using such tracks, pipes, wires or conduits, or other structures, to make such changes in the same, at its own expense, as may be required during the construction of the improvement provided for in this title, and to construct or rebuild and maintain at its own expense its tracks, pipes, wires or conduits and structures over or along the work by this title authorized and constructed or in the process of construction in pursuance thereof.

§ 1349-i-1. Municipal and district officers and employees. 1. Any individual who is an officer or employee of a municipality or district in a position involving the operation, maintenance, or administration of a sewer system or sewage collection system prior to the effective date of this section, or any individual who is an officer or employee of a municipality or district in a position involving the operation, maintenance, or administration of a sewer system or sewage collection system as of the date immediately preceding the incorporation of such municipality pursuant to section thirteen hundred forty-nine-d-1 of this title shall remain an employee of such municipality or district and shall continue to work in the same or similar capacity. Such individuals shall be known as "legacy employees".

2. Both the municipality or district and the authority shall be bound by all collective bargaining agreements in effect as of the effective date of this title and any and all successor agreements between the municipality or district and legacy employees. Additionally, any benefits provided to the legacy employees pursuant to resolution, law, policy, or past practices, shall continue to be provided to the legacy employees.

3. All salaries, compensation, other remuneration, and costs of benefits, of any kind or type, provided to legacy employees by the municipality or district shall be paid by the municipality or district, as currently, and shall be reimbursed by the authority.

4. There shall be no layoffs of any officers or employees of any municipality or district that becomes a participant in this authority which are a direct consequence of the enactment of this title. There shall be a presumption that any layoffs occurring more than sixty months after the date of their participation described in this subdivision shall be deemed not to be such a direct consequence.

§ 1349-i-2. Employees of the authority. 1. Authority employees hired by the authority shall be considered public employees.

2. Authority employees shall be placed in an appropriate bargaining unit with representation maintained by the recognized collective

bargaining agent representing the majority of employees of the county as of the effective date of the creation of the authority.

§ 1349-j. Environmental applications, proceedings, approvals and permits. 1. Any application in relation to the purposes of or contemplated by this title heretofore filed, or any proceeding heretofore commenced, by the county or any agency thereof with the state department of environmental conservation, the department of transportation or any other state agency or instrumentality or with the United States environmental protection agency or any other federal agency or instrumentality shall inure to and for the benefit of the authority to the same extent and in the same manner as if the authority had been a party to such application or proceeding from its inception, and the authority shall be deemed a party thereto, to the extent not prohibited by any federal law. Any license, approval, permit or decision heretofore or hereafter issued or granted pursuant to or as a result of any such application or proceeding shall inure to the benefit of and be binding upon the authority and shall be assigned and transferred by the municipalities served by the authority or any agency thereof to the authority, unless such assignment and transfer is prohibited by federal law.

2. All such applications, proceedings, licenses, approvals, permits and decisions shall further inure to and be for the benefit of and be binding upon any person leasing, acquiring, constructing, maintaining, using or occupying any facility financed in whole or in part by the authority.

§ 1349-k. Governmental capacity of the authority and municipalities. The county, other municipalities within the county and the authority in carrying out the respective powers and duties under this title shall be deemed to be acting in a governmental capacity. The construction, operation and maintenance of any project financed in whole or in part by the authority shall be deemed to be the performance of an essential governmental function by the authority acting in its governmental capacity, whether such project shall be owned or operated by the authority or by any person or other public corporation.

§ 1349-l. Limited liability. Neither the members of the authority, nor any municipality, officer or employee acting on behalf of the authority, while acting within the scope of their authority, shall be subject to any personal liability resulting from the construction, maintenance or operation of any of the properties of the authority or from carrying out any of the powers expressly given in this title; provided however, that this section shall not be held to apply to any independent contractor.

§ 1349-m. Bonds of the authority. 1. The authority shall have the power and is hereby authorized from time to time to issue bonds or notes in such principal amounts as it may determine to be necessary to pay the cost of any project or for any other corporate purpose, including incidental expenses in connection therewith. The authority shall have power and is hereby authorized to enter into such agreements and perform such acts as may be required under any applicable federal legislation to secure a federal guarantee of any bonds. The authority shall have power from time to time to refund any bonds by the issuance of new bonds whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds then outstanding and partly for any other corporate purpose. Bonds issued by the authority may be general obligations secured by the faith and credit of the authority or may be special obligations payable solely out of particular revenues or other moneys as may be designated in the proceedings of the authority under which the bonds shall be authorized to be issued and subject to any

agreements with the holders of outstanding bonds pledging any particular revenues or moneys. The authority may also enter into loan agreements, lines of credit and other security agreements and obtain for or on its behalf letters of credit in each case for securing its bonds or to provide direct payment of any costs which the authority is authorized to pay.

2. Bonds shall be authorized by resolution of the authority, be in such denominations, bear such date or dates and mature at such time or times as such resolution shall provide, except that notes and any renewals thereof shall mature within five years from the date of the original issuance and bonds and any renewals thereof shall mature within thirty years from the date of the original issuance of any such bonds or notes. The bonds and notes shall be subject to such terms of redemption, bear interest at such rate or rates payable at such times, be in registered form, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms and conditions as such resolution may provide. Bonds may be sold at public or private sale for such price or prices as the authority shall determine. Bonds of the authority shall not be sold by the authority at private sale unless such sale and the terms thereof have been approved in writing by the state comptroller where such sale is not to be to such comptroller, or by the state director of the budget where such sale is to said comptroller. The authority may pay all expenses, premiums and commissions which it may deem necessary or advantageous in connection with the issuance and sale of bonds.

3. Any resolution or resolutions authorizing bonds or any issue of bonds may contain provisions which may be a part of the contract with the holders of the bonds thereby authorized as to:

(a) pledging all or any part of the revenues, other moneys or property of the authority to secure the payment of the bonds, including but not limited to, any assets, contracts, investment securities, earnings or proceeds of any grant to the authority received from any private or public source, subject to such agreements with bondholders as may then exist;

(b) the setting aside of reserves and the creation of sinking funds and the regulation and disposition thereof;

(c) limitations on the purpose to which the proceeds from the sale of bonds may be applied;

(d) the rates, rents, fees and other charges to be fixed and collected by the authority and the amount to be raised in each year thereby and the use and disposition of revenues;

(e) limitations on the right of the authority to restrict and regulate the use of a project or part thereof in connection with which bonds are issued;

(f) limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured and the refunding of outstanding or other bonds;

(g) the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(h) the creation of special funds into which any revenues or moneys may be deposited;

(i) the terms and provisions of any trust, deed or indenture securing the bonds under which the bonds may be issued;

(j) vesting in a trustee or trustees such properties, rights, powers and duties in trust as the authority may determine, which may include any or all of the rights, powers and duties of the trustees appointed by the bondholders pursuant to section thirteen hundred forty-nine-h of this title and limiting or abrogating the rights of the bondholders to appoint a trustee under such section or limiting the rights, duties and powers of the trustee;

(k) defining the acts or omissions to act which may constitute a default in the obligations and duties of the authority to the bondholders and providing for the rights and remedies of the bondholders in the event of such default, including as a matter of right the appointment of a receiver, provided, however, that such rights and remedies shall not be inconsistent with the general laws of the state and other provisions of this title;

(l) limitations on the power of the authority to sell or otherwise dispose of any project or any part thereof;

(m) limitations on the amount of revenues and other moneys to be expended for operating, administrative or other expenses of the authority;

(n) the payment of the proceeds of bonds, revenues and other moneys to a trustee or other depository and for the method of disbursement thereof with such safeguards and restrictions as the authority may determine; and

(o) any other matters of like or different character which in any way affect the security or protection of the bonds or the rights and remedies of bondholders.

4. In addition to the powers herein conferred upon the authority to secure its bonds, the authority shall have power in connection with the issuance of bonds to enter into such agreements as the authority may deem necessary, consistent or desirable concerning the use of disposition of its revenues or other moneys or property, including the mortgaging of any property and the entrusting, pledging or creation of any other security interest in any such revenues, moneys or property and the doing of any act (including refraining from doing any act) which the authority would have the right to do in the absence of such agreements. The authority shall have power to enter into amendments of any such agreements within the powers granted to the authority by this title and to perform such agreements. The provisions of any such agreements may be made a part of the contract with the holders of bonds of the authority.

5. Any provision of the uniform commercial code to the contrary notwithstanding, any pledge of or other security interest in revenues, moneys, accounts, contract rights, general intangibles or other personal property made or created by the authority shall be valid, binding and perfected from the time when such pledge is made or other security interest attaches without any physical delivery of the collateral or further act, and the lien of any such pledge or other security interest shall be valid, binding and perfected against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether or not such parties have notice thereof. No instrument by which such a pledge or security is created nor any financing statement need be recorded or filed.

6. Whether or not the bonds are of such form and character as to be negotiable instruments under the terms of the uniform commercial code, the bonds are hereby made negotiable instruments within the meaning of and for all the purposes of the uniform commercial code, subject only to the provisions of the bonds for registration.

7. Neither the members of the authority nor any person executing bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof.

8. The authority, subject to such agreements with bondholders as then may exist, shall have power out of any moneys available therefor to purchase bonds of the authority, which shall thereupon be cancelled, at a price not exceeding (a) if the bonds are then redeemable, the redemption price then applicable, plus accrued interest to the next interest payment date or (b) if the bonds are not then redeemable, the redemption price applicable on the first date after such purchase upon which the bonds become subject to redemption plus accrued interest to the next interest payment date.

§ 1349-n. Remedies of bondholders. Subject to any resolution or resolutions adopted pursuant to subdivision three of section thirteen hundred forty-nine-m of this title:

1. In the event that the authority shall default in the payment of principal of or interest on any issue of bonds after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event that the authority shall fail or refuse to comply with the provisions of this title or shall default in any agreement made with the holders of any issue of bonds, the holders of twenty-five percent in aggregate principal amount of the bonds of such issue then outstanding, by instrument or instruments tiled in the office of the clerk of the county and proved or acknowledged in the same manner as deed to be recorded, may appoint a trustee to represent the holders of such bonds for the purpose herein provided.

2. Such trustee may and, upon written request of the holders of twenty-five per centum in principal amount of such bonds outstanding, shall in such trustee's own name:

(a) by action or proceeding in accordance with the civil practice law and rules, enforce all rights of the bondholders, including the right to require the authority to collect rents, rates, fees and charges adequate to carry out any agreement as to, or pledge of, such rents, rates, fees and charges and to require the authority to carry out any other agreements with the holders of such bonds to perform its duties under this title;

(b) bring an action or proceeding upon such bonds;

(c) by action or proceeding, require the authority to account as if it were the trustee of an express trust for the holders of such bonds;

(d) by action or proceeding, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such bonds; and

(e) declare all such bonds due and payable, and if all defaults shall be made good, then with the consent of the holders of twenty-five per centum of the principal amount of such bonds then outstanding, to annul such declaration and its consequences.

3. Such trustee shall in addition to the foregoing have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of bondholders in the enforcement and protection of their rights.

4. The supreme court shall have jurisdiction of any action or proceeding by the trustee on behalf of such bondholders. The venue of any such action or proceeding shall be laid in the county.

5. Before declaring the principal of bonds due and payable, the trustee shall first give thirty days' notice in writing to the authority.

6. Any such trustee, whether or not the issue of bonds represented by such trustee has been declared due and payable, shall be entitled as of right to the appointment of a receiver of any part or parts of the project, the revenues of which are pledged for the security of the bonds of such issue, and such receiver may enter and take possession of such part or parts of the project and, subject to any pledge or agreement with holders of such bonds, shall take possession of all moneys and other property derived from such part or parts of the project and proceed with any construction thereon or the acquisition of any property, real or personal, in connection therewith that the authority is under obligation to do, and to operate, maintain and reconstruct such part or parts of the project and collect and receive all revenues thereafter arising therefrom subject to any pledge thereof or agreement with bondholders relating thereto and perform the public duties and carry out the agreements and obligations of the authority under the direction of the court. In any suit, action or proceeding by the trustee the fees, counsel fees and expenses of the trustee and of the receiver, if any, shall constitute taxable disbursements and all costs and disbursements allowed by the court shall be a first charge on any revenues derived from the project.

7. The county is authorized to pledge to and agree with the holders of the bonds that the county will not limit or impair the rights hereby vested in the authority to purchase, construct, maintain, operate, repair, improve, increase, enlarge, extend, reconstruct, renovate, rehabilitate or dispose of any project, or any part or parts thereof, for which bonds or notes of the authority shall have been issued, to establish and collect rates, rents, fees and other charges referred to in this title and to fulfill the terms of any agreements made with the holders of the bonds or notes or with any public corporation or person with reference to such project or part thereof, or in any way impair the rights and remedies of the bondholders, until the bonds, together with interest thereon, with interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the bondholders are fully met and discharged.

§ 1349-o. State, county and municipalities not liable on bonds of the authority. Neither the state, county nor any other municipality or public corporation shall be liable on the bonds of the authority and such bonds shall not be a debt of the state, county or any other municipality or public corporation, and such bonds shall contain, on the face thereof, a statement to such effect.

§ 1349-p. Moneys of the authority. All moneys of the authority from whatever source derived shall be paid to the treasurer of the authority and shall be deposited forthwith in interest bearing accounts in a bank or banks in the state designated by the governing body. The moneys in such accounts shall be paid out by the treasurer, upon requisition by the governing body or of such other person or persons as the governing body may authorize to make such requisitions. All deposits of such moneys shall be secured by obligations of the United States and the state of New York of a market value equal at all times to the amount on deposit and all banks and trust companies are authorized to give such security for such deposits. The authority shall have power, notwithstanding the provisions of this section, to contract with the holders of any bonds, as to the custody, collection, security, investment and payment of any moneys of the authority or any moneys held in trust or otherwise for the payment of bonds or in any way to secure bonds, and to carry out any such contract notwithstanding that such contract may be

inconsistent with the provisions of this section. Moneys held in trust or otherwise for the payment of bonds, or in any way to secure bonds, and deposits of such moneys may be secured in the same manner as moneys of the authority and all banks and trust companies are authorized to give such security for such deposits. Any moneys of the authority not required for immediate use or disbursement may, at the discretion of the authority, be invested in those obligations specified pursuant to the provisions of section ninety-eight-a of the state finance law, as amended from time to time. Subject to the provisions of any contract with bondholders and with the approval of the comptroller, the authority shall prescribe a system of accounts.

§ 1349-q. Bonds and notes as legal investment. The bonds of the authority are hereby made securities in which all public officials and bodies of the state and all municipalities, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, investment companies and other persons carrying on a banking business, and administrators, guardians, executors, trustees and other fiduciaries and all other persons whatsoever, who are now or may hereafter be authorized to invest in bonds or notes, or other obligations of the state may properly and legally invest funds including capital in their control or belonging to them. The bonds and notes are also hereby made securities which may be deposited with and may be received by all public officers and bodies of this state and all municipalities for any purposes for which the deposit of bonds or notes or other obligations of this state is now or hereafter may be authorized.

§ 1349-r. Agreement with the state. The state does hereby pledge to and agree with the holders of any bonds or notes issued by the authority pursuant to this title that the state will not alter or limit the rights hereby vested in the authority to purchase, construct, maintain, operate, repair, improve, increase, enlarge, extend, reconstruct, renovate, rehabilitate or dispose of any project, or any part or parts thereof, for which bonds of the authority shall have been issued, to establish and collect rates, rents, fees and other charges referred to in this title to fulfill the terms of any agreement made with or for the benefit of the holders of bonds or notes or with any public corporation or person with reference to such project or part thereof, or in any way to impair the rights and remedies of bondholders until the bonds or notes, together with the interest thereon, including interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged, provided, however, that this section shall not be construed to limit in any manner, the ability of the state to alter, amend or enforce laws or regulations to protect public health and the environment. The authority is authorized to include this pledge and agreement of the state in any agreement with bondholders.

§ 1349-s. Exemption from taxes, assessments and certain fees. 1. It is hereby determined that the creation of the authority and the carrying out of its corporate purposes is in all respects for the benefit of the people of the county within the boundaries of the service area and the state and is a public purpose and the authority shall be regarded as performing a governmental function in the exercise of the powers conferred upon it by this title and shall not be required to pay any taxes, special ad valorem levies or special assessments upon any property owned by it or under its jurisdiction, control or supervision or upon

its activities or any filing, recording, or transfer fees or taxes in relation to instruments filed, recorded or transferred by it or on its behalf. The construction, use, occupation or possession of any property owned by the authority including improvements thereon, by any person or public corporation under a lease, lease and sublease or any other agreement shall not operate to abrogate or limit the foregoing exemption, notwithstanding that the lessee, user, occupant or person in possession shall claim ownership for federal income tax purposes. Mortgages made or financed, directly or indirectly, by the authority shall be exempt from the mortgage recording taxes imposed by article eleven of the tax law. The authority shall be deemed a public authority for the purposes of section four hundred twelve of the real property tax law.

2. Any bonds issued pursuant to this title together with the income therefrom as well as the property of the authority shall be exempt from taxes, except for transfer and estate taxes. The revenues, moneys and all other property and all transactions and activities of the authority shall be exempt from all taxes and governmental fees or charges, whether imposed by the state or any municipality, including without limitation real estate taxes, franchise taxes, sales taxes or other excise taxes. The state hereby covenants with the purchasers and with all subsequent holders and transferees of bonds issued by the authority pursuant to this title, in consideration of the acceptance of any payment of the bonds, that the bonds of the authority issued pursuant to this title and the income therefrom and all revenues, moneys, and other property pledged to secure the payment of such bonds shall at all times be free from taxation except for transfer and estate taxes.

§ 1349-t. Obligations of contracts not impaired. All contracts of the county in respect of the prior sewer district or any part thereof shall be binding upon the authority with the same force and effect as though such contracts had been expressly assumed by the authority and such contracts shall inure to the benefit of the authority with the same force and effect as though such contracts had been expressly assigned to the authority.

§ 1349-u. Construction contracts. 1. All contracts or orders for work, material or supplies performed or furnished in connection with construction shall be awarded by the authority pursuant to resolution of the governing body except as hereinafter provided. In any construction contract, the authority may provide a program for the payment of damages for delays and incentive awards in order to encourage timely project completion. An action, suit or proceeding contesting the validity of a contract awarded pursuant to this section, or the validity of the procedures relating to such award, shall be governed by the provisions of subdivision six of section one hundred twenty-w of the general municipal law and the term "municipality" as used in such subdivision six shall mean the authority.

2. The person whose bid or proposal is accepted shall give security for the faithful performance of the contract, and such other security as the authority may require, and may be required to maintain any construction done under the contract for such period as shall be stipulated, all in the manner prescribed and required by the authority and the sufficiency of such security shall, in addition to the justification and acknowledgement, be approved by the authority. All bids or proposals shall be publicly opened by the governing body or its duly authorized agent. If the person whose bid or proposal has been accepted after advertising shall neglect or refuse to accept the contract within five days after written notice that the contract has been awarded to such

person on such person's bid or proposal or if such person accepts but does not execute the contract and give proper security, the authority shall have the right to declare such person's deposit forfeited. In case any work shall be abandoned by any contractor, the authority may, if it determines that the public interest is thereby served, adopt on behalf of the authority any or all subcontracts made by such contractor for such work and all such subcontractors shall be bound by such adoption if made. No bid or proposal shall be accepted from or any contract awarded to any person or corporation who is in arrears to the authority or the county upon any obligation of the authority or of the county. Every contract shall be executed in duplicate, one copy of which shall be held by the authority and one copy of which shall be delivered to the contractor. The authority may adopt, utilize, ratify and confirm any request for proposals, invitation for sealed bids, plans, specifications and notices heretofore or hereafter published by the county with respect to any proposed project. The provisions of this section shall supersede any inconsistent provisions of the general municipal law, or any other general, special or local law, or the charter of the county. The authority shall be deemed an authority for the purpose of section twenty-eight hundred seventy-eight of this chapter. For the purposes of article fifteen-A of the executive law only, the authority shall be deemed a state agency as that term is used in such article, and its contracts for design, construction, services and materials shall be deemed state contracts within the meaning of that term as set forth in such article.

3. A project labor agreement shall be included in a project, provided that, based upon a study done by or for the authority, the authority determines that its interest in obtaining the best work at the lowest possible price, preventing favoritism, fraud and corruption, and other considerations such as the impact of delay, the possibility of cost savings advantages, and any local history of labor unrest, are best met by requiring a project labor agreement. The authority shall conduct such a study and a project labor agreement shall be performed consistent with the provisions of section two hundred twenty-two of the labor law.

4. If a project labor agreement is not utilized for construction on a project (a) the authority shall not utilize an alternative project delivery contract for a project; and (b) the contract for a project shall be let to the lowest responsible bidder.

§ 1349-v. Actions against the authority. The authority shall be subject to section fifty-e of the general municipal law for a notice of claim and the service of such notice of claim.

§ 1349-w. Audit and annual report. In conformity with the provisions of section five of article ten of the constitution, the accounts of the authority shall be subject to the supervision of the comptroller and an annual audit shall be performed by an independent certified accountant. The authority shall annually submit to the governor and comptroller and to the chairs of the senate finance and assembly ways and means committees a detailed report pursuant to the provisions of section twenty-eight hundred of this chapter, and a copy of such report shall be filed with the clerk of each town and village in the service area.

§ 1349-x. Separability clause. If any section, clause or provision in this title shall be held by a competent court to be unconstitutional or ineffective in whole or in part, to the extent that it is not unconstitutional or ineffective, it shall be valid and effective, and no other section, clause or provision shall on account thereof be deemed invalid or ineffective.

§ 1349-y. Effect of inconsistent provisions. In so far as the provisions of this title are inconsistent with the provisions of any other act, general or special, or of any charter, local law, ordinance or resolution of any municipality, the provisions of this title shall be controlling. Nothing contained in this section shall be held to supplement or otherwise expand the powers or duties of the authority otherwise set forth in this title. Except as specifically provided for in this title, in the performance of any of its functions, powers and duties, the authority shall be subject to all applicable general or special laws of the state, the county charter, and any local law, ordinance or resolution of the county.

§ 3. Notwithstanding any law to the contrary, no services or work described in this act, or any work similar in nature, currently performed by municipal or county employees or future work that is similar in scope and nature to the work being currently performed by municipal or county employees shall be contracted out or privatized by the county, municipality, or public authority. All such future work shall be performed by public employees.

Nothing in this act shall be deemed to waive or impair any rights or benefits of employees of a participating municipality or county that otherwise would be available to them pursuant to the terms of agreements between the certified representatives of such employees and the county or participating municipality pursuant to article 14 of the civil service law; all work performed by the municipality or county or public authority that ordinarily would be performed by employees subject to article 14 of the civil service law shall continue to be performed by such employees.

§ 4. This act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.