§ 51-0305. Contracts for water quailty improvement projects.

1. The commissioner, in the name of the state, may enter into contracts with municipalities having power to construct, operate and maintain sewage treatment works, and any such municipality may enter into a contract with the commissioner concerning eligible projects. Any such contract may include such provisions as may be agreed upon by the parties thereto, and shall include, in substance, the following provisions:

a. Current estimate of the reasonable cost of the project as determined by the commissioner at the time of execution of the contract. The commissioner shall not be precluded by section two hundred twenty of this title from determining a reasonable cost for any project enumerated in such section different from the estimated cost of such section.

b. An agreement by the commissioner to pay to the municipality, during the progress of construction subject to final computation and determination of the total state grant upon completion of the entire project reflecting the project cost, a portion of the non-federal share of the cost of any project, phase or portion thereof approved for a federal treatment works construction grant, determined by the following formulae:

(i) for any project which has received a Federal Clean Water Act section 202(a)(1) grant in an amount which is that per centum of the cost of construction authorized for federal fiscal years beginning July first, nineteen hundred seventy-one and ending September thirtieth, nineteen hundred eighty-four, inclusive, an amount that is one-half of the non-federal share of the cost of the eligible project, not to exceed thirty percent thereof;

(ii) for any project which has received a grant pursuant to Federal Clean Water Act section 202(a)(1) or section 201 as amended in nineteen hundred eighty-one, which is that reduced per centum of the costs of construction authorized for federal fiscal years beginning on and after October first, nineteen hundred eighty-four, an amount that is two-thirds of the non-federal share of the eligible cost of the project, not to exceed thirty percent thereof;

(iii) for any project or portion of a project which has received a federal grant for utilization of innovative or alternative treatment processes and techniques pursuant to the provisions of section 202(a)(2) of the Federal Clean Water Act, thirty percent of the cost of the innovative or alternative portion of the eligible project, provided that the local share of the innovative or alternative portion will be a minimum of seven and one-half percent.

c. An agreement by the municipality

1. to proceed expeditiously with, and complete, the project in accordance with plans approved by the department,

2. to commence operation of the sewage treatment works on completion of the project, and not to discontinue operation or dispose of the sewage treatment works without the approval of the commissioner,

3. to operate and maintain the sewage treatment works in accordance with applicable provisions of law, the state sanitary code or rules and regulations of the commissioner,

4. to provide for the payment of the municipality's share of the cost of the project.

d. A provision that, in the event that federal pollution abatement assistance which was not included in the calculation of the state payment pursuant to paragraph b of this subdivision becomes available to the municipality, the amount of the state payment shall be recalculated with the inclusion of such additional federal assistance and the municipality shall either:

1. pay to the state the amount by which the state payment actually made exceeds the state payment determined by the recalculation or

2. if such additional federal pollution abatement assistance has not been received by the municipality, authorize the state to receive and retain an amount from the federal government equal to the amount to

which it would be entitled under subparagraph 1 hereof.

2. In connection with each contract, the commissioner shall keep adequate records of the amount of the payment by the state pursuant to paragraph b of subdivision one of this section of the amount of federal assistance received by the municipality. Such records shall be retained by the commissioner and shall establish the basis for recalculation of the state payment as required by paragraph d of subdivision one of this section.