§ 51-0507. Contracts for municipal air quality improvement projects.

1. The commissioner, in the name of the state, may enter into contracts with municipalities to undertake air quality improvement projects, and any such municipality may enter into a contract with the commissioner. 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. An estimate of the reasonable cost of the project as determined by the commissioner;

b. An agreement by the commissioner to pay to the municipality, during the progress of construction or following completion of construction as may be agreed upon by the parties, an amount, not to exceed 50 percent of the cost of the project;

c. An agreement by the municipality

(1) to proceed expeditiously with, and complete, the project as approved by the commissioner,

(2) to operate and maintain the upgraded incinerator, furnace, or boiler in accordance with applicable law and rules and regulations, and, in the case of a project defined in paragraph b of subdivision one of section 51-0503 of this title, the agreement shall include the provisions contemplated by paragraph c of subdivision one of section 51-0907 of this article,

(3) to apply for and make reasonable efforts to secure federal assistance, if any, for the project,

(4) to secure the approval of the commissioner before applying for such federal assistance, in order to maximize the amounts of such assistance received or to be received for all projects in New York state,

(5) 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 assistance which was not included in the calculation of the state payment becomes available

to the municipality, the amount of the state payment shall be recalculated with the inclusion of such federal assistance and the municipality shall pay to the state the amount by which the state payment actually made exceeds the state payment determined by the recalculation.

2. In connection with each contract, the commissioner shall keep adequate records of the amount of the payment by the state and of the amount of federal assistance, if any, 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 herein.