§ 54-0709. Contracts for state assistance payments for waste reduction or municipal recycling projects.

1. The commissioner may, in the name of the state, enter into contracts with municipalities to provide state assistance payments toward the cost of waste reduction or municipal recycling projects. Such contracts shall include the following provisions:

a. an estimate of the costs of the project as determined by the commissioner;

b. an agreement by the commissioner to make state assistance payments toward the cost of the project by periodically reimbursing the municipality, during the progress of project development or following completion of the project as may be agreed upon by the parties, in an amount not to exceed the amounts established elsewhere in this title; and

c. an agreement by the municipality:

(i) to proceed expeditiously with and complete the project as approved by the commissioner;

(ii) to operate and maintain the waste reduction or municipal recycling project in accordance with applicable law and rules and regulations;

(iii) to provide for the payment of the municipality's share of the cost of the project;

(iv) to continue, upon evaluation of its effectiveness, operation of the project and not to dispose of the project or any portion thereof or change its use without the approval of the commissioner;

(v) to assume the full cost of any continued operation of the project;

(vi) to repay within one year of notification by the commissioner, any state assistance payments made toward the cost of the project or an equitable portion of such monies declared appropriate by the commissioner, if the municipality:

(A) fails to complete the project as approved;

(B) fails to continue operation of the project;

(C) disposes of the project, or any portion thereof, without the prior

written approval of the commissioner; or

(D) changes the use of the project, or any portion thereof, without the prior written approval of the commissioner.

No repayment, however, shall be required where the commissioner determines that such failure, disposition or change of use was immediately necessary to protect public health and safety;

(vii) to apply for and make reasonable efforts to secure federal assistance for the project; and

(viii) to not sell, lease or otherwise dispose of or use lands acquired under this title for any purpose inconsistent with the project under which such land is acquired.

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.