§ 1181. Construction contracts. If the project, or any portion thereof, or any addition, betterment or extension to the facilities, shall be constructed pursuant to a contract for which the estimated cost exceeds seven thousand dollars, such contract shall be awarded to the lowest responsible bidder after advertisement for bids. The board may make rules and regulations for the submission of bids and the construction of the project or such portion thereof or such addition, betterment, or extension. No contract shall be entered into for construction of the project or any portion thereof or any addition, betterment or extension to the facilities, or for the purchase of materials, unless the contractor shall give an undertaking with a sufficient surety or sureties approved by the authority and in an amount fixed by the authority, for the faithful performance of the contract. As to contracts entered into for construction, such undertaking shall provide, among other things, that the person or corporation entering into such contract with the authority, will pay for all materials furnished and services rendered for the performance of the contract and that any person or corporation furnishing such materials or rendering such services may maintain an action to recover for the same against the obligor in the undertaking as though such person or corporation was named therein, provided the action is brought within one year after the time the cause of action accrued. Nothing in this section shall be construed to limit the power of the authority to construct the project or any portion thereof or any addition, betterment or extension to the facilities directly by the officers, agents, and employees of the authority or otherwise than by contract. The authority may proceed jointly with the state of New York in the construction of any highway which also includes sewage and storm water facilities and by agreement with the state of New York fix and determine the amount which shall constitute the contribution by the authority toward the cost of the construction by the state of New York of such facilities in connection with the construction or improvement of any highway. The portion of the cost to be paid by the authority shall be deposited with the state comptroller, who is authorized to receive and accept the same. Upon completion of any project authorized by this section the commissioner of transportation shall render to the authority an itemized statement showing in full (a) the amount of money deposited as hereinbefore

provided, and (b) all disbursements made pursuant to this section. Any surplus money shall be paid to such authority on the warrant of the comptroller on vouchers therefore approved by the commissioner of transportation.