§ 1226-i. Imposition and disposition of fees, rates or charges. 1. The water board shall establish, fix and revise, from time to time, fees, rates or other charges for the use of, or services furnished, rendered or made available by, all projects and water facilities owned, leased or utilized by the water board pursuant to this title in an amount at least sufficient at all times so as to provide funds in an amount sufficient, together with other revenues available to the board, if any, (i) to pay to the authority, in accordance with any agreement with the authority, an amount sufficient for the purpose of paying the principal of and the interest on the outstanding bonds of the authority as the same shall become due and payable and maintaining or funding a capital or debt service reserve fund therefor, if any, or any other fund determined necessary by the authority, and, if applicable (ii) to pay to any municipality, in accordance with this title or any agreement entered into pursuant to this title, an amount sufficient for the purpose of paying any payment in lieu of taxes as the same shall become due and payable, (iii) to raise an amount sufficient for the purpose of paying the costs of administering, maintaining, repairing and operating any water facility, (iv) to meet any requirements of any agreement, including requirements relating to the establishment of reserves for renewal and replacement and for uncollected charges and covenants respecting rates, (v) to pay all other reasonable and necessary expenses of the authority and the water board in relation thereto, and (vi) to pay or provide for such other purposes or projects as the water board considers appropriate and in the public interest.

2. No fee, rate or other charge shall be established, fixed or revised unless and until the water board has held a public hearing at which the users of the water facility, the owners of property served or to be served and other interested persons have had an opportunity to be heard concerning the same. Notice of such public hearing shall be published by the water board not less than ten nor more than twenty days before the date set therefor in a newspaper or newspapers having general circulation in the service area, as shall be designated by the water board. 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 hearing. A copy of the notice shall be filed in the

office of the secretary of the water board and shall be available for inspection by the public. At all such hearings, all users of the water facilities, owners of property served or to be served and any other interested persons shall have an opportunity to be heard concerning the matters under consideration. Any decision of the water board on matters considered at such public hearing shall be in writing and be made available in the office of the secretary of the water board for public inspection. Such decision shall be published in a newspaper or newspapers having a general circulation in the service area as shall be designated by the water board not later than thirty days after such decision is made. The fees, rates or other charges so established for any class of users of property served shall be extended to cover any additional premises thereafter served which are within the same class, without the necessity of a hearing thereon. The water board shall exempt the facility currently operated by the Utica zoological society and located on Steele Hill road, Utica, commonly known as the Utica zoo, from the payment of fees, rates or charges for water. The water board may also determine to exempt the municipalities within the service area from the payment of all or any part of fees, rates or other charges as the water board deems appropriate; provided, however, that (i) any such exemption shall be established by and set forth in a resolution of the governing body of the water board, (ii) such resolution shall be mailed or delivered to all municipalities within or partly within the service area prior to the date on which any such exemption shall take effect, and (iii) any such exemption shall apply equally and uniformly to all such municipalities.

3. The fees, rates or other charges established, fixed and revised from time to time by the water board shall be collected by the water board at such times and in such manner as may be determined by the rules and regulations adopted by the water board consistent with the provisions of this title.

4. Such fees, rates or other charges, if not paid when due, shall constitute a lien upon the premises served and a charge against the owners thereof, which lien and charge shall bear interest at the same rate as would unpaid taxes of the county. Such lien shall take

precedence over all other liens or encumbrances, except taxes, and may be foreclosed against the lot or building served in the same manner as a lien for such taxes. The amount which remains due and unpaid for sixty days may, with interest thereon at the same rate as unpaid county taxes and with reasonable attorneys' fees, be recovered by the water board in a civil action in the name of the water board against such owners. In addition to any other lawful enforcement methods and pursuant to rules and regulations of the water board promulgated pursuant to this title, the payment of fees, rates, or other charges for water service to any premises may be enforced by discontinuing the water service to such premises provided that such discontinuance or disconnection of any supply of water shall not be carried out except in the manner and upon the notice as is required of a waterworks corporation pursuant to subdivisions three-a, three-b and three-c of section eighty-nine-b and section one hundred sixteen of the public service law.

5. The water board shall pay to the authority such amounts at such times and in such manner as may be provided in the agreement by and among the authority, the water board, the board of water supply, and any municipality consistent with the priorities set forth in such agreement. There is hereby created a lien, by this title made a statutory lien within the meaning of the uniform commercial code and any other state or federal law, upon the gross revenues of the water board, in favor of the payment of all amounts due pursuant to such agreement and in the order and priority set forth therein and which lien shall be a first lien upon such gross revenues. The gross revenues so subject to such statutory lien shall be and remain subject to such statutory lien until the payment in full of each such item in accordance with such priority. Said statutory lien shall not be construed to give any holder or owner of any bond of the authority power to compel the sale of any water facility.

6. If there be any default by the water board, in the making of the payments to the authority required under this title, as a result of the failure by the water board to impose sufficient fees, rates or other charges, the authority may petition for the appointment by any court having jurisdiction in any proper action of a receiver to administer on behalf of the water board, under the direction of said court, the

affairs of the water board in order to achieve revenues at least sufficient to make such payments; and by and with the approval of said court, to establish, fix and revise, from time to time, fees, rates or other charges at least sufficient therefor in conformity with this title, and the resolution or trust indenture of the authority providing for the issuance of its bonds and in accordance with such orders as the court shall make.

7. The water board shall prepare and transmit to each town in the service area on or before the first day of September in each year, to each village in the service area on or before the first day of February in each year and to the city on or before the first day of February in each year a list of those persons or property owners within such municipality who are in arrears in the payment of fees, rates, or other charges for a period of sixty days or more after the last day fixed for payment thereof without penalty. The list shall contain a brief description of the properties for which the services were provided, the names of the persons liable to pay for the same and the amounts chargeable to each, including applicable penalties and interest. The municipality shall levy or cause to be levied such sums against the properties liable and shall state the amount thereof in a separate column in the annual tax rolls of such municipality under the name of "delinquent water charges". Such amounts, as and when collected by such municipality, shall be paid over to the water board. All of the provisions of the tax laws of the state covering the enforcement and collection of unpaid taxes of an applicable municipality shall apply to the collection of such unpaid fees, rates or other charges. In the event that the enforcement of unpaid taxes, including unpaid delinquent water charges, does not yield moneys sufficient to pay in full all unpaid taxes including unpaid delinquent water charges, the amount of unpaid water charges to be paid to the water board shall be prorated.

8. Neither the public service commission, the department of environmental conservation nor any municipal or state agency, shall have any jurisdiction over the water board or the authority or any power over the regulation of the fees, rates or other charges established, fixed or revised by the water board except as provided by law with respect to the

supply of water to users outside the service area. The decision dated September fourteen, nineteen hundred thirty-seven of the water power and control commission, predecessor to the department of environmental conservation, with respect to the supply, distribution of and payment for water by and to the city shall be of no force and effect subsequent to the date on which the water board shall supply, distribute and sell water in the service area pursuant to this title.