

(3) "LATERAL SYSTEM CONSTRUCTION COSTS" INCLUDE:

(I) ANY EXPENSES NECESSARY TO PLAN, DESIGN, ACQUIRE, CONSTRUCT, INSPECT, TEST, AND PLACE INTO OPERATION THE LATERAL SYSTEM SERVING THE STATE BUILDING OR FACILITY; AND

(II) ANY INDIRECT EXPENSE NECESSARY TO CONSTRUCT WATER AND SEWER LINES THAT THE LOCAL JURISDICTION INCURS.

[(a)] (B) (1) The State shall pay ITS SHARE OF the annual operating costs of furnishing water and sewer service to State buildings and facilities and its share of those lateral system construction costs associated with future installation of water and sewer lines that directly serve the State building or facility.

(2) THE STATE SHALL ALSO PAY THE COST OF EXPANDING A WATER OR SEWAGE TREATMENT FACILITY WHICH IS NECESSITATED BY THE STATE'S UTILIZATION OF THAT FACILITY, BUT IN AN AMOUNT NOT TO EXCEED THE COST OF THE ACTUAL CAPACITY USED BY THE STATE.

[(b) The Secretary of the Department of General Services shall make rules and regulations governing payments by the State or any of its agencies or instrumentalities to any county, municipality, or special district of water and sewer user charges and of future lateral system construction costs for extending water and sewer systems to provide service for State buildings or facilities.]

(C) THE STATE SHALL PAY ALL CHARGES, FEES, AND ASSESSMENTS:

(1) LEVIED BY THE LOCALITY IN WHICH THE STATE BUILDING OR FACILITY IS LOCATED; AND

(2) DESIGNATED TO PAY FOR ANNUAL OPERATING COSTS AND LATERAL SYSTEM CONSTRUCTION COSTS.

(D) (1) REGARDLESS OF THE LOCATION OF THE STATE FACILITY AND UPON THE STATE AGREEING TO PAY THE COSTS SET OUT IN SUBSECTION (B) OF THIS SECTION, AND ANY ADDITIONAL COSTS OF CONSTRUCTION ASSOCIATED WITH THE CONNECTION OF A STATE FACILITY TO A PUBLIC UTILITY SYSTEM, THE STATE MAY CONNECT TO A PUBLICLY OWNED SYSTEM.

(2) IN THE EVENT AN EXISTING PUBLICLY OWNED SYSTEM IS PRESENTLY INADEQUATE TO HANDLE THE PROPOSED STATE UTILITY NEEDS, THE STATE SHALL PAY ALL COSTS ASSOCIATED WITH THE EXPANSION OF THE PUBLIC UTILITY SYSTEM TO MEET THE NEEDS OF THE STATE, LESS ANY AVAILABLE FEDERAL FUNDS.

(3) PRIOR TO CONNECTING TO ANY PUBLIC UTILITY SYSTEM, THE STATE SHALL COORDINATE ITS EFFORTS WITH THE OWNER OF THE PUBLIC UTILITY SYSTEM AND SHALL TAKE INTO CONSIDERATION ANY