

House Bill 1078 (AS PASSED HOUSE AND SENATE)

By: Representative Greene of the 149th

A BILL TO BE ENTITLED
AN ACT

1 To create the Randolph County Water and Sewer Authority and provide for its activation;
2 to provide for a short title; to provide for definitions; to provide for the purposes, powers,
3 duties, and functions of the authority and authorize certain contracts and agreements; to
4 provide for the membership and appointment of members of the authority and their terms of
5 office, qualifications, duties, powers, methods of filling vacancies, compensation, and
6 expenses; to provide for organization, meetings, and quorum of the authority; to provide for
7 an attorney of the authority; to provide for an audit and budgets; to authorize the authority
8 to contract with others regarding its functions, to contract with others pertaining to the use
9 of the utilities and facilities of the authority, and to execute leases and do all things necessary
10 or convenient for the operation of such undertakings or projects; to provide for revenue
11 bonds and other obligations of the authority and to provide for their form, signatures thereon,
12 negotiability, sale, and use of proceeds; to provide for interim and replacement documents;
13 to provide for condition for issuance and authorize the collection and pledging of the
14 revenues and earnings of the authority for the payment of such bonds; to authorize the
15 execution of resolutions and trust indentures to secure the payment thereof and to define the
16 rights of the holders of such obligations; to provide for sinking fund and trust funds; to
17 provide for rates, charges, and revenues; to provide that no debt of Randolph County shall
18 be incurred in the exercise of any of the powers granted by this Act; to provide for tax
19 exemption; to authorize the authority to condemn property of every kind; to authorize the
20 issuance of funding and refunding bonds; to provide for venue and jurisdiction; to provide
21 for rules and regulations; to provide for immunity from liability; to provide for statutory
22 construction and the effect on other governments and authorities; to provide for the
23 validation of bonds; to provide for construction; to repeal conflicting laws; and for other
24 purposes.

1 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

2 **SECTION 1.**

3 Short title.

4 This Act shall be known and may be cited as the "Randolph County Water and Sewer
5 Authority Act."

6 **SECTION 2.**

7 Randolph County Water and Sewer Authority; activation.

8 (a)(1) There is created a body corporate and politic, to be known as the Randolph County
9 Water and Sewer Authority, which shall be deemed to be a political subdivision of the State
10 of Georgia and a public corporation and by that name, style, and title said body may contract
11 and be contracted with, sue and be sued, implead and be impleaded, and complain and defend
12 in all courts of law and equity. The authority shall have perpetual existence. It is the intent
13 of the General Assembly that the authority created by this Act shall be the primary supplier
14 of water and sewer utilities in the unincorporated areas of Randolph County. The authority
15 may, by contract, provide services to other areas or jurisdictions in a manner which will best
16 utilize available resources and efficiently and economically provide such services.

17 (2) The authority created under this Act shall not transact any business or exercise any
18 powers under this Act until the board of commissioners of Randolph County shall, by proper
19 resolution, declare that there is need for the authority to function in such county.

20 (b) The authority shall consist of five members to be appointed by the Board of
21 Commissioners of Randolph County.

22 (c) The initial terms for the authority members shall be as follows: two members shall be
23 appointed to initial terms ending December 31, 2008; three members shall be appointed to
24 initial terms ending December 31, 2010; and all such terms shall expire upon the dates
25 specified and upon the appointment and qualification of a respective successor.

26 (d) Successors to members of the authority whose initial terms of office expire as provided
27 in subsection (c) of this section, and all future successors to members of the authority whose
28 terms are to expire, shall serve terms of four years and until their respective successors are
29 appointed and qualified. Any member of the authority may be appointed to succeed himself
30 or herself.

31 (e) To be eligible for appointment as a member of the authority, a person shall satisfy the
32 eligibility requirements of Code Section 45-2-1 of the O.C.G.A. and shall be a customer of
33 a utility of the authority.

1 (f) The members of the authority shall elect one of their number as chairperson and another
2 as vice chairperson. The members of the authority shall also elect a secretary, who need not
3 be a member of the authority, and may also elect a treasurer, who need not be a member of
4 the authority. The secretary may also serve as treasurer. If the secretary, treasurer, or neither
5 is a member of the authority, such officer shall have no voting rights. Each of such officers
6 shall serve for a period of one year and until their successors are duly elected and qualified.

7 (g) Three members of the authority shall constitute a quorum. No vacancy on the authority
8 shall impair the right of the quorum to exercise all of the rights and perform all of the duties
9 of the authority.

10 (h) Any vacancy in the office of any member of the authority shall be filled in the same
11 manner as the original appointment; and the appointment to fill the vacancy shall be made
12 within 15 days after the vacancy occurs. A vacancy shall exist in the office of any member
13 of the authority who is convicted of a felony or who enters a plea of nolo contendere thereto,
14 who is convicted of a crime involving moral turpitude or enters a plea of nolo contendere
15 thereto, who moves his or her residence from Randolph County or is no longer a customer
16 of a utility of the authority, who is convicted of any act of misfeasance, malfeasance, or
17 nonfeasance of duties as a member of the authority, or who fails to attend any regular or
18 special meeting of the authority for a period of six months without excuse approved by
19 resolution of the authority.

20 (i) There shall be an annual audit of the authority to be conducted by a certified public
21 accountant selected by the authority.

22 (j) The fiscal affairs of the authority, including the raising of revenue and the adoption and
23 approval of the annual budget, shall be under the control of the authority.

24 (k) The chairperson of the authority shall receive as compensation the sum of \$500.00 per
25 month, and the remaining members of the authority shall each receive as compensation the
26 sum of \$400.00 per month.

SECTION 3.

Definitions.

29 (a) As used in this Act, the term:

30 (1) "Authority" means the Randolph County Water and Sewer Authority created by this
31 Act.

32 (2) "Commission" means the board of commissioners of Randolph County and
33 "commission district" means that numbered geographic area of Randolph County from
34 which each member of the commission is appointed.

1 (3) "Cost of the project" means the cost of construction, the cost of all lands, properties,
2 rights, easements, and franchises acquired, the cost of all machinery and equipment,
3 financing charges, interest prior to and during construction and for one year after
4 completion of construction, cost of engineering, architectural, fiscal agents, and legal
5 expenses, and of plans and specifications, and other expenses necessary or incident to
6 determining the feasibility or practicality of the project, administrative expense, and such
7 other expenses as may be necessary or incident to the financing authorized by this Act,
8 the cost of the acquisition or construction of any project, the placing of any project in
9 operation, and the condemnation of property necessary for such construction and
10 operation. Any obligation or expense incurred for any of the foregoing purposes shall be
11 regarded as a part of the cost of the project and may be paid or reimbursed as such out of
12 the proceeds of revenue bonds issued under the provisions of this Act for such project.

13 (4) "Project" means the acquisition, construction, and equipping of water facilities for
14 obtaining one or more sources of water supply, the treatment of the water and the
15 distribution and sale of water to users and consumers, including, but not limited to, the
16 State of Georgia and counties and municipalities for the purpose of resale, inside and
17 outside the territorial boundaries of Randolph County, and the operation, maintenance,
18 additions, improvements, and extension of such facilities so as to assure an adequate
19 water utility system deemed by the authority necessary and convenient for the efficient
20 operation of such type of undertaking. The term "project" shall also mean and include
21 the acquisition, construction, and equipping of all necessary and usual facilities useful
22 and necessary for the gathering of waste water of every type, including both individual
23 and industrial, and the treatment of sewage of any and every type, including, but not
24 limited to, the acquisition and construction of treatment plants, ponds, and lagoons, inside
25 and outside the territorial boundaries of Randolph County, and the operation,
26 maintenance, additions, improvements, and extensions of such facilities so as to assure
27 an adequate sewerage system deemed by the authority necessary or convenient for the
28 efficient operation of a sanitary and storm sewer system. Said water facilities and said
29 sewerage facilities, at the discretion of the authority, may be combined at any time into
30 a water and sewerage system as one revenue-producing undertaking and operated and
31 maintained as such.

32 (5) "Revenue bonds" or "bonds" means revenue bonds as defined and provided in Article
33 3 of Chapter 82 of Title 36 of the O.C.G.A., the "Revenue Bond Law," and such type
34 obligations may be issued by the authority as authorized under said "Revenue Bond Law"
35 and any amendments thereto. In addition, such terms shall also mean obligations of the
36 authority, the issuance of which are specifically provided for in this Act.

1 (b) Any project shall be deemed to be "self-liquidating" if, in the judgment of the authority,
2 the revenues and earnings to be derived by the authority therefrom and all facilities used in
3 connection therewith will be sufficient to pay the cost of operating, maintaining and
4 repairing, improving, extending, or improving and extending the project and to pay the
5 principal and the interest on the revenue bonds which may be issued to finance, in whole or
6 in part, the cost of such project or projects.

SECTION 4.

Powers.

9 The authority shall have the power:

10 (1) To have a seal and alter the same at its pleasure;

11 (2) To acquire by purchase, lease, or otherwise, and to hold, lease, and dispose of real

12 and personal property of every kind and character for its corporate purposes. All

13 purchases of supplies, equipment, and other materials in an amount in excess of

14 \$18,000.00 shall be by competitive bid with advertisement of said purchases to be

15 published in the official organ of Randolph County one time before the date of purchase.

16 The authority shall attempt to obtain at least three competitive bids, and the authority

17 shall accept the best bid in accordance with terms of the advertisement. The provisions

18 of this paragraph shall not apply to emergency purchases or repairs. No purchase by the

19 authority shall be made from a member or relative of a member of the authority within

20 the first degree of kinship, except by sealed bid as provided in this paragraph.

21 (3) To acquire in its own name by purchase, on such terms and conditions and in such
22 manner as it may deem proper, or by condemnation in accordance with the provisions of
23 any and all existing laws applicable to the condemnation of property for public use, real
24 property or rights or easements therein; or franchises necessary or convenient for its
25 corporate purposes, and to use the same so long as its corporate existence shall continue,
26 and to lease or make contracts with respect to the use of or dispose of the same in any
27 manner it deems to the best advantage of the authority, the authority being under no
28 obligation to accept and pay for any property condemned under this Act except from the
29 funds provided under the authority of this Act, and in any proceedings to condemn, such
30 orders may be made by the court having jurisdiction of the suit, action, or proceedings
31 as may be just to the authority and to the owners of the property to be condemned, and
32 no property shall be acquired under the provisions of this Act upon which any lien or
33 other encumbrance exists, unless at the time such property is so acquired a sufficient sum
34 of money is deposited in trust to pay and redeem the fair value of such lien or
35 encumbrance;

1 (4) To appoint, select, and employ officers, agents, and employees, including
2 engineering, architectural, and construction experts, fiscal agents, and attorneys and fix
3 their respective compensations;

4 (5) To make contracts and leases and to execute all instruments necessary or convenient,
5 including contracts for construction of projects and leases of projects or contracts with
6 respect to the use of projects which it causes to be constructed, erected, or acquired. Any
7 and all persons, firms, and corporations and any and all political subdivisions,
8 departments, institutions, or agencies of the state and public authorities are authorized to
9 enter into contracts, leases, or agreements with the authority upon such terms and for such
10 purposes as they deem advisable; and without limiting the generality of the foregoing,
11 authority is specifically granted to municipal corporations, counties, and other political
12 subdivisions and to the authority to enter into contracts, lease agreements, or other
13 undertakings relating to the furnishing of water and related services and facilities by the
14 authority to such municipal corporations, counties, and political subdivisions or for the
15 purchase of water by the authority therefrom for a term not exceeding 50 years, and also
16 to enter into contracts, lease agreements, or other undertakings relative to the gathering
17 of waste matter and the treatment of waste matter and sewage by the authority for such
18 municipal corporations, counties, and political subdivisions or by such municipal
19 corporations, counties, or political subdivisions for the authority. Likewise, without
20 limiting the generality of the foregoing, the same authority granted to municipal
21 corporations, counties, political subdivisions, and the authority relative to entering into
22 contracts, lease agreements, or other undertakings is authorized between the authority and
23 private corporations, both inside and outside the State of Georgia, and the authority and
24 public bodies, including counties and cities outside the State of Georgia;

25 (6) To construct, erect, acquire, own, repair, remodel, maintain, add to, extend, improve,
26 equip, operate, and manage projects as defined in this Act, the cost of any such project
27 to be paid in whole or in part from the proceeds of revenue bonds of the authority or in
28 part from such proceeds and any grant or contribution from the United States of America
29 or any agency or instrumentality thereof or from the State of Georgia or any agency or
30 instrumentality thereof;

31 (7) To accept loans or grants, or both, of money or materials or property of any kind
32 from the United States of America or any agency or instrumentality thereof, upon such
33 terms and conditions as the United States of America or such agency or instrumentality
34 may require;

35 (8) To accept loans or grants, or both, of money or materials or property of any kind
36 from the State of Georgia or any agency or instrumentality or political subdivision

1 thereof, upon such terms and conditions as the State of Georgia or such agency or
2 instrumentality or political subdivision may require;

3 (9) To borrow money for any of its corporate purposes and to issue negotiable revenue
4 bonds payable solely from funds pledged for that purpose, and to provide for the payment
5 of the same and for the rights of the holders thereof;

6 (10) To exercise any power usually possessed by private corporations performing similar
7 functions, including the power to make short-term loans and approve, execute, and
8 deliver appropriate evidence of such indebtedness, provided that no such power is in
9 conflict with the Constitution or general laws of this state;

10 (11) To assume all assets, liabilities, notes, debt, bonds, and obligations, both financial
11 and otherwise, of any water or sewer system owned by Randolph County subject to
12 approval of such assumption by the commission; and

13 (12) To do all things necessary or convenient to carry out the powers expressly given in
14 this Act.

15 **SECTION 5.**

16 Revenue bonds.

17 The authority, or any authority or body which has or which may in the future succeed to the
18 powers, duties, and liabilities vested in the authority created by this Act, shall have power
19 and is authorized to provide by resolution for the issuance of negotiable revenue bonds of the
20 authority for the purpose of paying all or any part of the cost, as defined in this Act, of any
21 one or more projects. The principal of and interest on such revenue bonds shall be payable
22 solely from the special fund provided for such payment. The bonds of each issue shall be
23 dated, shall bear interest at such rate or rates per annum payable at such time or times, shall
24 mature at such time or times not exceeding 40 years from their date or dates, shall be payable
25 in such medium of payment as to both principal and interest as may be determined by the
26 authority, and may be redeemable before maturity, at the option of the authority, at such price
27 or prices and under such terms and conditions as may be fixed by the authority in the
28 resolution for the issuance of bonds.

29 **SECTION 6.**

30 Same; form; denomination; registration; place of payment.

31 The authority shall determine the form of the bonds, including any interest coupons to be
32 attached thereto, and shall fix the denomination or denominations of the bonds and the place
33 or places of payment of principal and interest thereon, which may be at any bank or trust

1 company inside or outside this state. The bonds may be issued in coupon or registered form,
2 or both, as the authority may determine, and provision may be made for the registration of
3 any coupon bond as to principal alone and also as to both principal and interest.

4 **SECTION 7.**

5 Same; signatures; seal.

6 In case any officer whose signature shall appear on any bonds or whose facsimile signature
7 shall appear on any coupon shall cease to be such officer before the delivery of such bonds,
8 such signature shall nevertheless be valid and sufficient for all purposes the same as if such
9 officer had remained in office until such delivery. All such bonds shall be signed by the
10 chairperson of the authority and the official seal of the authority shall be affixed thereto and
11 attested to by the secretary of the authority, and any coupons attached thereto shall bear the
12 facsimile signatures of such persons, and any bond may be signed, sealed, and attested to on
13 behalf of the authority by such persons as at the actual time of the execution of such bonds
14 shall be duly authorized or hold the proper office, although at the date of such bonds such
15 person may not have been so authorized or shall not have held such office.

16 **SECTION 8.**

17 Same; negotiability; exemption from taxation.

18 All revenue bonds issued under the provisions of this Act shall be declared to have all the
19 qualities and incidents of negotiable instruments under the laws of this state. Such bonds,
20 their transfer, and the income therefrom shall be exempt from all taxation within the state.

21 **SECTION 9.**

22 Same; sale; price; proceeds.

23 The authority may sell such bonds in such manner and for such price as it may determine to
24 be for the best interest of the authority. The proceeds derived from the sale of such bonds
25 shall be used solely for the purpose or purposes provided in the resolutions and proceedings
26 authorizing the issuance of such bonds.

SECTION 10.

Same; interim receipts and certificates or temporary bonds.

The authority may, under like restrictions, issue interim receipts, interim certificates, or temporary bonds, with or without coupons, exchangeable for definitive bonds upon the issuance of the latter.

SECTION 11.

Same; replacement of lost or mutilated bonds.

The authority may provide for the replacement of any bonds or coupons which shall become mutilated or be destroyed or lost.

SECTION 12.

Same; conditions precedent to issuance.

Revenue bonds may be issued without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions, and things which are specified or required by this Act. In the discretion of the authority, revenue bonds of a single issue may be issued for the purpose of any particular project. Any resolution providing for the issuance of revenue bonds under the provisions of this Act shall become effective immediately upon its passage and need not be published or posted, and any such resolution may be passed at any regular or special or adjourned meeting of the authority by a majority of its members.

SECTION 13.

Credit not pledged.

Revenue bonds issued under the provisions of this Act shall not be deemed to constitute a debt of Randolph County nor a pledge of faith and credit of said county, but such bonds shall be payable solely from the funds provided for by this Act and the issuance of such revenue bonds shall not directly, indirectly, or contingently obligate said county to levy or pledge any form of taxation whatever therefor or to make any appropriation for their payment, and all such bonds shall contain recitals on their face covering substantially the foregoing provisions of this section.

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SECTION 14.

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Trust indenture as security.

3 In the discretion of the authority, any issuance of such revenue bonds may be secured by a
4 trust indenture by and between the authority and a corporate trustee, which may be any trust
5 company or bank having the powers of a trust company inside or outside the state. Such trust
6 indenture may pledge or assign fees, tolls, revenues, and earnings to be received by the
7 authority. Either the resolution providing for the issuance of revenue bonds or such trust
8 indenture may contain such provisions for protecting and enforcing the rights and remedies
9 of the bondholders as may be reasonable and proper and not in violation of law, including
10 covenants setting forth the duties of the authority in relation to the acquisition of property,
11 the construction of the project, the maintenance, operation, repair, and insuring of the project,
12 and the custody, safeguarding, and application of all moneys, and may also provide that any
13 project shall be constructed and paid for under the supervision and approval of consulting
14 engineers or architects employed or designated by the authority and satisfactory to the
15 original purchasers of the bonds issued therefor, and may also require that the security given
16 by contractors and by any depository of the proceeds of the bonds or revenues or other
17 moneys be satisfactory to such purchasers, and may also contain provisions concerning the
18 conditions, if any, upon which additional revenue bonds may be issued. It shall be lawful for
19 any bank or trust company incorporated under the laws of this state to act as such depository
20 and to furnish such indemnifying bonds or pledge such securities as may be required by the
21 authority. Such indenture may set forth the rights and remedies of the bondholders and of the
22 trustee, and may restrict the individual right of action of bondholders as is customary in trust
23 indentures securing bonds and debentures of corporations. In addition to the foregoing, such
24 trust indenture may contain such other provisions as the authority may deem reasonable and
25 proper for the security of the bondholders. All expenses incurred in carrying out such trust
26 indenture may be treated as part of the cost, maintenance, operation, and repair of the project
27 affected by such indenture.

28

SECTION 15.

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To whom proceeds of bonds shall be paid.

30 In the resolution providing for the issuance of revenue bonds or in the trust indenture, the
31 authority shall provide for the payment of the proceeds of the sale of the bonds to any officer
32 or person who, or any agency, bank, or trust company which, shall act as trustee of such
33 funds and shall hold and apply the same to the purposes hereof, subject to such regulations
34 of this Act and such resolution or trust indenture may provide.

SECTION 16.

Sinking fund.

The revenues, fees, tolls, and earnings derived from any particular project or projects, regardless of whether or not such fees, earnings, and revenues were produced by a particular project for which bonds have been issued unless otherwise pledged and allocated, may be pledged and allocated by the authority to the payment of the principal and interest on revenue bonds of the authority as the resolution authorizing the issuance of the bonds or in the trust instrument may provide, and such funds so pledged from whatever source received, which said pledge may include funds received from one or more or all sources, shall be set aside at regular intervals, as may be provided in the resolution or trust indenture, into a sinking fund, which sinking fund shall be pledged to and charged with the payment of:

- (1) The interest upon such revenue bonds as such interest shall fall due;
- (2) The principal of the bonds as the same shall fall due;
- (3) The necessary charges of paying agent for paying principal and interest and other investment charges; and

(4) Any premium upon bonds retired by call or purchase as provided in this Act.

The use and disposition of such sinking fund shall be subject to such regulations as may be provided in the resolution authorizing the issuance of the revenue bonds or in the trust indenture, but, except as may otherwise be provided in such resolution or trust indenture, such sinking fund shall be maintained as a trust account for the benefit of all revenue bonds without distinction or priority of one over another. Subject to the provisions of the resolution authorizing the issuance of the bonds or the trust indenture, any surplus moneys in the sinking fund may be applied to the purchase or redemption of bonds, and any such bonds so purchased or redeemed shall forthwith be cancelled and shall not again be issued.

SECTION 17.

Remedies of bondholders.

Any holder of revenue bonds issued under the provisions of this Act or any of the coupons appertaining thereto and the trustee under the trust indenture, if any, except to the extent the rights given in this Act may be restricted by the resolution passed before the issuance of the bonds or by the trust indenture, may, either at law or in equity, by suit, action, mandamus, or other proceedings, protect and enforce any and all rights under the laws of the State of Georgia or granted under this Act or under such resolution or trust indenture, and may enforce and compel performance of all duties required by this Act or by such resolution or trust indenture to be performed by the authority or any officer thereof, including the fixing,

1 charging, and collecting of revenues, fees, tolls, and other charges for the use of the facilities
2 and services furnished.

3 **SECTION 18.**

4 Refunding bonds.

5 The authority is authorized to provide by resolution for the issuance of bonds of the authority
6 for the purpose of funding or refunding any revenue bonds issued under the provisions of this
7 Act and then outstanding, together with accrued interest on the premium, if any. The issuance
8 of such funding or refunding bonds, the maturities and all other details thereof, the rights of
9 the holders thereof, and the duties of the authority in respect to the same shall be governed
10 by the other provisions of this Act insofar as the same may be applicable.

11 **SECTION 19.**

12 Validation.

13 Bonds of the authority shall be confirmed and validated in accordance with the procedure of
14 Article 3 of Chapter 82 of the Title 36 of the O.C.G.A., the "Revenue Bond Law," as
15 amended. The petition for validation shall also make party defendant to such action the State
16 of Georgia or any municipality, county, authority, political subdivision, or instrumentality
17 of the State of Georgia which has contracted with the authority for the services and facilities
18 of the project for which bonds are to be issued and sought to be validated and the state or
19 such municipality, county, authority, political subdivision, or instrumentality shall be
20 required to show cause, if any exists, why such contract or contracts and the terms and
21 conditions thereof should not be inquired into by the court and the contract or contracts
22 adjudicated as a part of the basis for the security for the payment of any such bonds of the
23 authority. The bonds, when validated, and the judgment of validation shall be final and
24 conclusive with respect to such bonds and the security for the payment thereof and interest
25 thereon and against the authority issuing the same, and the state and any municipality,
26 county, authority, political subdivision, or instrumentality, if a party to the validation
27 proceedings, contracting with the authority.

28 **SECTION 20.**

29 Venue and jurisdiction.

30 Any action to protect or enforce any rights under the provisions of this Act or any suit or
31 action against such authority shall be brought in the Superior Court of Randolph County,

1 Georgia, and any action pertaining to validation of any bonds issued under the provisions of
2 this Act shall likewise be brought in said court which shall have exclusive, original
3 jurisdiction of such actions.

4 **SECTION 21.**

5 Interest of bondholders protected.

6 While any of the bonds issued by the authority remain outstanding, the powers, duties, or
7 existence of said authority or its officers, employees, or agents shall not be diminished or
8 impaired in any manner that will affect adversely the interest and rights of the holders of such
9 bonds, and no other entity, department, agency, or authority will be created which will
10 compete with the authority to such an extent as to affect adversely the interest and the rights
11 of the holders of such bonds, nor will the state so itself compete with the authority. The
12 provisions of this Act shall be for the benefit of the authority and the holders of any such
13 bonds and, upon the issuance of bonds under the provisions of this Act, shall constitute a
14 contract with the holders of such bonds.

15 **SECTION 22.**

16 Moneys received considered trust funds.

17 All moneys received pursuant to the provisions of this Act, whether as proceeds from the sale
18 of revenue bonds, as grants or other contributions, or as revenue, income, fees, and earnings,
19 shall be deemed to be trust funds to be held and applied solely as provided in this Act.

20 **SECTION 23.**

21 Purpose of the authority.

22 (a) Without limiting the generality of any provision of this Act, the general purpose of the
23 authority is declared to be that of acquiring an adequate source of water supply, treatment of
24 such water, and thereafter the distribution of the same to the various areas, municipalities,
25 and citizens in Randolph County and its environs, including adjoining counties and
26 municipalities located therein, and further for the general purpose of collecting of waste
27 water, both individual and industrial; but such general purpose shall not restrict the authority
28 from selling and delivering water directly to customers in those areas where water
29 distribution systems do not now exist or furnishing sewer collection facilities to such
30 customers, and to areas where no county, municipality, or public authority deems it desirable
31 or feasible to furnish water or sewerage services in such locality.

1 (b) The authority shall not have the authority to construct water lines for the distribution of
2 water directly to customers within any municipality without first obtaining the express
3 written consent of the appropriate governing body of said municipality. Likewise, the
4 authority shall not have the authority to construct sewer lines for the collection of waste and
5 sewage directly from customers within any municipality without first obtaining the express
6 written consent of the appropriate governing body of said municipality.

SECTION 24.

Rates, charges, and revenues; use.

9 The authority is authorized to prescribe and fix rates and to revise same from time to time
10 and to collect fees, tolls, and charges for the services, facilities, and commodities furnished
11 and, in anticipation of the collection of the revenues of such undertaking or project, to issue
12 revenue bonds as provided by this Act to finance, in whole or in part, the cost of the
13 acquisition, construction, reconstruction, improvement, betterment, or extension of a water
14 system, a sewerage system, or a combined water and sewerage system, and to pledge to the
15 punctual payment of said bonds and interest thereon, all or any part of the revenues of
16 improvements, betterments, or extensions thereto thereafter made. Before increasing water
17 or sewer rates, the authority shall hold two public hearings with dates, times, and locations
18 advertised once in the legal organ of the county at least seven days before each public
19 hearing. The authority shall notify the customers of the authority of the proposed increase
20 in rates and the public hearing dates, times, and locations on the preceding month's water or
21 sewer bill before the date of the public hearings.

SECTION 25.

Rules and regulations for operation of projects.

24 It shall be the duty of the authority to prescribe rules and regulations for the operation of the
25 project or projects constructed or acquired, or both, under the provisions of this Act,
26 including the basis upon which water service and facilities or sewerage service and facilities,
27 or both, shall be furnished.

SECTION 26.

Tort immunity.

30 The authority shall have the same immunity and exemption from liability for torts and
31 negligence as Randolph County; and the officers, agents, and employees of the authority

1 when in the performance of the work of the authority shall have the same immunity and
2 exemption from liability for torts and negligence as the officers, agents, and employees of
3 Randolph County when in the performance of their public duties or work of the county.

4 **SECTION 27.**

5 Powers declared supplemental and additional.

6 The foregoing sections of this Act shall be deemed to provide an additional and alternative
7 method for the doing of the things authorized, shall be regarded as supplemental and
8 additional to powers conferred by other laws, and shall not be regarded as in derogation of
9 any powers now existing.

10 **SECTION 28.**

11 Effect on other governments.

12 This Act shall not and does not in any way take from Randolph County or any municipality
13 located in Randolph County or any adjoining county the authority to own, operate, and
14 maintain a water system, a sewerage system, or a combined water and sewerage system or
15 to issue revenue bonds.

16 **SECTION 29.**

17 Liberal construction of the Act.

18 This Act, being for the welfare of various political subdivisions of the state and its
19 inhabitants, shall be liberally construed to effect the purposes hereof.

20 **SECTION 30.**

21 Repeal.

22 All laws and parts of laws in conflict with this Act are repealed.