

House Bill 1594 (AS PASSED HOUSE AND SENATE)

By: Representatives Greene of the 149th and Hanner of the 148th

A BILL TO BE ENTITLED
AN ACT

1 To create the Lower Chattahoochee Regional Airport Authority; to provide for a short title
2 and legislative findings; to confer powers and impose duties on the authority; to provide for
3 the membership and the appointment of members of the authority and their terms of office,
4 qualifications, duties, powers, and compensation; to provide for vacancies, organization,
5 meetings, and expenses; to prohibit authority employees and members from having certain
6 interests; to provide for definitions; to provide for succession in interest to the
7 Cuthbert-Randolph Airport Authority; to provide for revenue bonds and their form,
8 signatures thereon, negotiability, sale, and use of proceeds from such sales; to provide for
9 interim documents and for lost or mutilated documents; to provide for condition for issuance;
10 to prohibit the pledge of credit for the payment of bonds; to provide for trust indentures and
11 sinking fund; to provide for payment of bond proceeds; to provide for bondholder remedies
12 and protection; to provide for refunding bonds; to provide for bond validation; to provide for
13 venue and jurisdiction; to provide for trust funds; to provide for authority purpose; to provide
14 for charges; to provide for rules and regulations; to provide for tort immunity; to provide for
15 supplemental powers; to provide for effect on other governments; to provide for liberal
16 construction; to provide for an effective date; to repeal a certain Act; to repeal conflicting
17 laws; and for other purposes.

18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

19 SECTION 1.

20 Short title.

21 This Act shall be known and may be cited as the "Lower Chattahoochee Regional Airport
22 Authority Act."

- 1 the person so selected and appointed shall serve for the remainder of the unexpired term.
- 2 The members of the authority shall be reimbursed for all actual expenses incurred in the
3 performance of their duties out of funds of the authority. The authority shall make rules and
4 regulations for its own government. It shall have perpetual existence.
- 5 (c) To be eligible for appointment as a member of the authority, a person shall satisfy the
6 requirements of Code Section 45-2-1 of the O.C.G.A.
- 7 (d) The members of the authority shall in April of each year elect one of their number as
8 chairperson. Also, the members of the authority shall elect one of their number as vice
9 chairperson, shall also elect one of their number as secretary, and may also elect one of their
10 number as treasurer. The secretary may also serve as treasurer. Each of such officers shall
11 serve for a period of one year and until their successors are duly elected and qualified. The
12 chairperson of the authority shall be entitled to vote upon any issue, motion, or resolution.
- 13 (e) A majority of the members of the authority shall constitute a quorum. No vacancy on
14 the authority shall impair the right of the quorum to exercise all of the rights and perform all
15 of the duties of the authority.
- 16 (f) A vacancy on the authority shall exist in the office of any member of the authority who
17 is convicted of a felony or who enters a plea of nolo contendere thereto; who is convicted of
18 a crime involving moral turpitude or who enters a plea of nolo contendere thereto; who
19 moves such person's residence from Calhoun, Clay, Quitman, or Randolph County; who is
20 convicted of any act of misfeasance, malfeasance, or nonfeasance of such person's duties as
21 a member of the authority; or who fails to attend any regular or special meeting of the
22 authority for a period of three months without an excuse approved by a resolution of the
23 authority.
- 24 (g) All meetings of the authority, regular or special, shall be open to the public. The
25 authority may hold public hearings on its own initiative or at the request of residents of
26 Calhoun, Clay, Quitman, or Randolph County or residents of any area affected by the actions
27 of the authority.
- 28 (h) No member or employee of the authority shall have, directly or indirectly, any financial
29 interest, profit, or benefit in any contract, work, or business of the authority nor in the sale,
30 lease, or purchase of any property to or from the authority.

1 Law and any amendments thereto and, in addition, shall also mean obligations of the
2 authority, the issuance of which are specifically provided for in this Act.

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

9 SECTION 5.

10 Powers.

11 The authority shall have the power:

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

13 (2) To acquire by purchase, lease, or otherwise and to hold, lease, and dispose of real and
14 personal property of every kind and character for its corporate purposes and to plan,
15 acquire, establish, develop, construct, enlarge, improve, maintain, equip, and lease all
16 airports which shall come under the control of the authority under the provisions of this Act
17 or which it may acquire or plan to acquire; to regulate, protect, and police such airports and
18 all related activities and facilities; to enter into any contracts, leases, or other agreements,
19 promulgate any orders, set any tolls, fees, or other charges for the use of property or
20 services of the authority and collect and use same as necessary to operate the airports under
21 control of the authority; and to accomplish any purposes of this Act and make any
22 purchases or sales necessary for such purposes; except that the authority may not acquire
23 any airport of any county, municipality, or combination thereof unless such county and
24 municipality agree to pay to the authority, so long as it operates such airport, at least the
25 amount of airport operating expenses funded by taxes, fees, and assessments of such county
26 and municipality immediately prior to such acquisition;

27 (3) To acquire in its own name by purchase, on such terms and conditions and in such
28 manner as it may deem proper, or by condemnation in accordance with the provisions of
29 any and all existing laws applicable to the condemnation of property for public use, real
30 property, or rights or easements therein, or franchises necessary or convenient for its
31 corporate purposes, and to use the same so long as its corporate existence shall continue,
32 and to lease or make contracts with respect to the use of, or dispose of the same in any
33 manner it deems to be to the best advantage of the authority, the authority being under no
34 obligation to accept and pay for any property condemned under this Act except from the
35 funds provided under the authority of this Act, and, in any proceedings to condemn, such

1 orders may be made by the court having jurisdiction of the suit, action, or proceedings as
2 may be just to the authority and to the owners of the property to be condemned, and no
3 property shall be acquired under the provisions of this Act upon which any lien or other
4 encumbrance exists unless at the time such property is so acquired a sufficient sum of
5 money be deposited in trust to pay and redeem the fair value of such lien or encumbrance;

6 (4) To appoint, select, and employ officers, agents, and employees, including engineering,
7 architectural, and construction experts, fiscal agents, and attorneys, and to fix their
8 respective compensations;

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

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

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

33 (8) To accept loans and grants of money or materials or property of any kind from the
34 State of Georgia or any agency or instrumentality or political subdivision thereof upon such
35 terms and conditions as the State of Georgia or such agency or instrumentality or political
36 subdivision may require;

- 1 (9) To borrow money for any of its corporate purposes and to issue negotiable revenue
2 bonds payable solely from funds pledged for that purpose and to provide for the payment
3 of the same and for the rights of the holders thereof;
- 4 (10) To exercise any power usually possessed by private corporations performing similar
5 functions, including the power to make short-term loans and approve, execute, and deliver
6 appropriate evidence of such indebtedness, provided no such power is in conflict with the
7 Constitution or general laws of this state; and
- 8 (11) To do all things necessary or convenient to carry out the powers expressly given in
9 this Act.

10 SECTION 6.

11 Successor to former airport authority.

12 The Lower Chattahoochee Regional Airport Authority shall be the successor in interest to
13 the Cuthbert-Randolph Airport Authority created by an Act approved April 1, 1971 (Ga. L.
14 1971, p. 2837), and shall by operation of law acquire and assume all assets, interests,
15 obligations, debts, and liabilities of the Cuthbert-Randolph Airport Authority.

16 SECTION 7.

17 Revenue bonds.

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

1 incurred in carrying out such trust indenture may be treated as a part of the cost of
2 maintenance, operation, and repair of the project affected by such indenture.

3 SECTION 17.

4 To whom proceeds of bonds shall be paid.

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

10 SECTION 18.

11 Sinking fund.

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

- 21 (1) The interest upon such revenue bonds as such interest shall fall due;
- 22 (2) The principal of the bonds as the same shall fall due;
- 23 (3) The necessary charges of paying agents for paying principal and interest and other
24 investment charges;
- 25 (4) Any premium upon bonds retired by call or purchase as provided in this Act; and
- 26 (5) Any investment fees or charges.

27 The use and disposition of such sinking fund shall be subject to such regulations as may be
28 provided in the resolution authorizing the issuance of the revenue bonds or in the trust
29 indenture but, except as may otherwise be provided in such resolution or trust indenture, such
30 sinking fund shall be maintained as a trust account for the benefit of all revenue bonds
31 without distinction or priority of one over another. Subject to the provisions of the resolution
32 authorizing the issuance of the bonds or the trust indenture, any surplus moneys in the

1 sinking fund may be applied to the purchase or redemption of bonds, and any such bonds so
2 purchased or redeemed shall forthwith be canceled and shall not again be issued.

3 SECTION 19.

4 Remedies of bondholders.

5 Any holder of revenue bonds issued under the provisions of this Act or any of the coupons
6 appertaining thereto and the trustee under the trust indenture, if any, except to the extent the
7 rights given in this Act may be restricted by resolution passed before the issuance of the
8 bonds or by the trust indenture, may, either at law or in equity, by suit, action, mandamus,
9 or other proceedings, protect and enforce any and all rights under the laws of this state or
10 granted under this Act or under such resolution or trust indenture and may enforce and
11 compel performance of all duties required by this Act or by such resolution or trust indenture
12 to be performed by the authority or any officer thereof, including the fixing, charging, and
13 collecting of revenues, fees, tolls, and other charges for the use of the facilities and services
14 furnished.

15 SECTION 20.

16 Refunding bonds.

17 The authority is authorized to provide by resolution for the issuance of bonds of the authority
18 for the purpose of funding or refunding any revenue bonds issued under the provisions of this
19 Act and then outstanding, together with accrued interest thereon and premium, if any. The
20 issuance of such funding or refunding bonds, the maturities and all other details thereof, the
21 rights of the holders thereof, and the duties of the authority in respect to the same shall be
22 governed by the foregoing provisions of this Act insofar as the same may be applicable.

23 SECTION 21.

24 Validation.

25 Bonds of the authority shall be confirmed and validated in accordance with the procedure of
26 Article 3 of Chapter 82 of Title 36 of the O.C.G.A., known as the "Revenue Bond Law." The
27 petition for validation shall also make party defendant to such action the State of Georgia or
28 any municipality, county, authority, political subdivision, or instrumentality of the State of
29 Georgia which has contracted with the authority for the services and facilities of the project
30 for which bonds are to be issued and sought to be validated, and the state or such
31 municipality, county, authority, political subdivision, or instrumentality shall be required to

1 show cause, if any exists, why such contract or contracts and the terms and conditions thereof
2 should not be inquired into by the court and the contract or contracts adjudicated as a part of
3 the basis for the security for the payment of any such bonds of the authority. The bonds,
4 when validated, and the judgment of validation shall be final and conclusive with respect to
5 such bonds, and the security for the payment thereof and interest thereon and against the
6 authority issuing the same and the state and any municipality, county, authority, political
7 subdivision, or instrumentality, if a party to the validation proceedings, contracting with the
8 Lower Chattahoochee Regional Airport Authority.

9 SECTION 22.

10 Venue and jurisdiction.

11 Any action to protect or enforce any rights under the provisions of this Act or any suit or
12 action against such authority shall be brought in the Superior Court of Randolph County,
13 Georgia; and any action pertaining to validation of any bonds issued under the provisions of
14 this Act shall likewise be brought in said court which shall have exclusive, original
15 jurisdiction of such actions.

16 SECTION 23.

17 Interest of bondholders protected.

18 While any of the bonds issued by the authority remain outstanding, the powers, duties, or
19 existence of said authority or its officers, employees, or agents shall not be diminished or
20 impaired in any manner that will affect adversely the interests and rights of the holders of
21 such bonds. No other entity, department, agency, or authority will be created which will
22 compete with the authority to such an extent as to affect adversely the interest and rights of
23 the holders of such bonds, nor will the state itself so compete with the authority. The
24 provisions of this Act shall be for the benefit of the authority and the holders of any such
25 bonds, and, upon the issuance of bonds under the provisions hereof, shall constitute a
26 contract with the holders of such bonds.

27 SECTION 24.

28 Moneys received considered trust funds.

29 All moneys received pursuant to the authority of this Act, whether as proceeds from the
30 sale of revenue bonds, as grants or other contributions, or as revenue, income, fees, and

1 earnings, shall be deemed to be trust funds to be held and applied solely as provided in
2 this Act.

3 SECTION 25.

4 Purpose of the authority.

5 Without limiting the generality of any provision of this Act, the general purpose of the
6 authority is declared to be that of acquiring, constructing, equipping, maintaining, and
7 operating an airport and the usual facilities related thereto, and improving of such facilities,
8 acquiring parking facilities and parking areas in connection therewith, acquiring the
9 necessary property therefor, both real and personal, and leasing or selling any or all of such
10 facilities, including real property, and doing any and all things deemed by the authority to
11 be necessary, convenient, or desirable for and incident to the efficient and proper
12 development and operation of such types of undertaking.

13 SECTION 26.

14 Rates, charges, and revenues; use.

15 The authority is authorized to prescribe and fix rates and to revise the same from time to time
16 and to collect fees, tolls, and charges for the services, facilities, and commodities furnished
17 and, in anticipation of the collection of the revenues of such undertaking or project, to issue
18 revenue bonds as provided in this Act to finance, in whole or in part, the cost of the
19 acquisition, construction, reconstruction, improvement, betterment, or extension of any
20 project and to pledge to the punctual payment of said bonds and interest thereon, all or any
21 part of the revenues of such undertaking or project, including the revenues of improvements,
22 betterments, or extensions thereto thereafter made.

23 SECTION 27.

24 Rules and regulations for operation of projects.

25 It shall be the duty of the authority to prescribe rules and regulations for the operation of
26 the project or projects constructed or acquired under the provisions of this Act.

