

House Bill 637

By: Representative Jackson of the 142nd

A BILL TO BE ENTITLED
AN ACT

1 To create the Jefferson County Utilities Authority; to provide a short title; to provide for
2 definitions; to authorize the authority to acquire, construct, equip, operate, maintain, own,
3 and improve self-liquidating projects embracing sources of water supply, the treatment,
4 distribution, and sale of water and related facilities to individuals, private concerns,
5 municipal corporations, and governmental units, the collection, treatment and disposal of
6 sewage waste and related facilities and the sale of sewage treatment services to individuals,
7 private concerns, municipal corporations, and governmental units, the collection, treatment,
8 distribution, and disposal of stormwater and related facilities, the purchase, distribution, and
9 sale of natural gas, the purchase, distribution, and sale of cable television services, the
10 purchase, distribution, and sale of public telecommunication services, the purchase,
11 distribution, and sale of wireless telecommunication services, and the purchase, distribution,
12 and sale of Internet services and other electronic services in areas of Jefferson County that
13 have not been assigned to other governmental or private entities; to provide for the
14 appointment of members of the board; to provide for organization and rules; to provide for
15 powers and duties; to provide for financing of projects; to provide for revenue bonds; to
16 provide for trust indentures and sinking funds; to provide for jurisdiction, venue, and
17 remedies; to provide for validation; to provide for certain trust funds; to provide for audits;
18 to provide for immunity; to provide for rules and regulations; to provide for construction; to
19 provide for the sale or exchange of property; to provide for supplemental powers; to provide
20 for other related matters; to repeal conflicting laws; and for other purposes.

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

22 **SECTION 1.**

23 Short title.

24 This Act shall be known and may be cited as the "Jefferson County Utilities Authority Act."

SECTION 2.

Definitions.

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As used in this Act, the term:

(1) "Authority" means the Jefferson County Utilities Authority created by Section 3 of this Act.

(2) "Board" means the members of the authority that are appointed to manage the operation of the authority.

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

(4) "Project" or "projects" means any of the following individually or collectively:

(A) "Cable television project" means the acquisition, construction, and equipping of cable television facilities for distribution and sale to users and customers, including, but not limited to, the State of Georgia, counties, municipalities, and other entities, inside and outside of the territorial boundaries of Jefferson County.

(B) "Gas project" means the acquisition, construction, and equipping of natural gas facilities for distribution and sale to users and customers, including, but not limited to, the State of Georgia, counties, municipalities, and other entities, inside and outside of the territorial boundaries of Jefferson County.

(C) "Internet project" means the acquisition, construction, and equipping of Internet communication services and facilities and other electronic communication services and facilities for distribution and sale to users and customers, including, but not limited to, the State of Georgia, counties, municipalities, and other entities, inside and outside of the territorial boundaries of Jefferson County.

(D) "Public telecommunication project" means the acquisition, construction, and equipping of public telecommunication facilities for distribution and sale to users and

60 customers, including, but not limited to, the State of Georgia, counties, municipalities,
61 and other entities, inside and outside of the territorial boundaries of Jefferson County.

62 (E) "Sewerage project" means the acquisition, construction, and equipping of sewerage
63 facilities useful and necessary for the gathering of waste matter and the treatment of
64 sewage of any and every type, including, but not limited to, the acquisition and
65 construction of treatment plants, ponds, and lagoons inside and outside the territorial
66 boundaries of Jefferson County; additions and improvements to and extensions of such
67 facilities and the operation and maintenance of the same so as to assure an adequate
68 sewerage system; and the sale of sewage collection and treatment services to users and
69 customers, including, but not limited to, the State of Georgia, counties, municipalities,
70 and other entities for the purpose of providing sewage collection and treatment services,
71 inside or outside the territorial boundaries of Jefferson County.

72 (F) "Stormwater project" means the acquisition, constructing, and equipping of
73 stormwater facilities for stormwater control, retention, and management; watershed
74 protection; and any other facilities and services determined by the authority to be
75 necessary and efficient for water quality protection, conservation, and control; and to
76 provide stormwater services to users and customers in the authority's area of operation,
77 including, but not limited to, the State of Georgia, counties, and municipalities, inside
78 or outside the territorial boundaries of Jefferson County.

79 (G) "Water project" means the acquisition, construction, and equipping of water
80 facilities for obtaining one or more sources of water supply, watershed projects, works
81 of improvements for watersheds, projects for watershed protection and flood control
82 and prevention, recreational facilities developed in connection therewith, the treatment
83 of water, and the distribution and sale of water to users and consumers, including, but
84 not limited to, the State of Georgia, counties, municipalities, and other entities, inside
85 and outside the territorial boundaries of Jefferson County.

86 (H) "Wireless telecommunication project" means the acquisition, construction, and
87 equipping of wireless telecommunication facilities for distribution and sale to users and
88 customers, including, but not limited to, the State of Georgia, counties, municipalities,
89 and other entities, inside and outside of the territorial boundaries of Jefferson County.

90 Said projects shall include all works, plants, systems, instrumentalities, and
91 appurtenances thereto; all properties, lands, easements, and rights in land; and water
92 rights, contract rights, and franchise rights associated with any of said projects.

93 (5) "Public service" or "public services" means any of the following individually or
94 collectively:

95 (A) "Cable service" means the distribution, sale, granting of franchise, and making
96 contracts for cable television services to users and customers in the authority's area of

97 operation, including, but not limited to, the State of Georgia, counties, and
98 municipalities, inside or outside the territorial boundaries of Jefferson County, insofar
99 as said services are not in conflict with regulations by the Georgia Public Service
100 Commission.

101 (B) "Gas service" means the distribution, sale, granting of franchise, and making
102 contracts for natural gas services to users and customers in the authority's area of
103 operation, including, but not limited to, the State of Georgia, counties, and
104 municipalities, inside or outside the territorial boundaries of Jefferson County, insofar
105 as said services are not in conflict with regulations by the Georgia Public Service
106 Commission.

107 (C) "Internet service" means the distribution, sale, granting of franchise, and making
108 contracts for Internet and other electronic communication services to users and
109 customers in the authority's area of operation, including, but not limited to, the State of
110 Georgia, counties, and municipalities, inside or outside the territorial boundaries of
111 Jefferson County, insofar as said services are not in conflict with regulations by the
112 Georgia Public Service Commission.

113 (D) "Sewer service" means the distribution, sale, and making contracts for sewage and
114 sewage treatment services to users and customers in the authority's area of operation,
115 including, but not limited to, the State of Georgia, counties, and municipalities, inside
116 or outside the territorial boundaries of Jefferson County, insofar as said services are not
117 in conflict with regulations by the Georgia Public Service Commission.

118 (E) "Stormwater service" means the distribution, sale, and making contracts for
119 stormwater services to users and customers in the authority's area of operation,
120 including, but not limited to, the State of Georgia, counties, and municipalities, inside
121 or outside the territorial boundaries of Jefferson County.

122 (F) "Telecommunication service" means the distribution, sale, granting of franchise,
123 and making contracts for public telecommunication services to users and customers in
124 the authority's area of operation, including, but not limited to, the State of Georgia,
125 counties, and municipalities, inside or outside the territorial boundaries of Jefferson
126 County, insofar as said services are not in conflict with regulations by the Georgia
127 Public Service Commission.

128 (G) "Water service" means the distribution, sale and, making contracts for water
129 services to users and customers in the authority's area of operation, including, but not
130 limited to, the State of Georgia, counties, and municipalities, inside or outside the
131 territorial boundaries of Jefferson County, insofar as said services are not in conflict
132 with regulations by the Georgia Public Service Commission.

133 (H) "Wireless telecommunication service" means the distribution, sale, granting of
 134 franchise, and making contracts for wireless telecommunication services to users and
 135 customers in the authority's area of operation, including, but not limited to, the State of
 136 Georgia, counties, and municipalities, inside or outside the territorial boundaries of
 137 Jefferson County, insofar as said services are not in conflict with regulations by the
 138 Georgia Public Service Commission.

139 (6) "Revenue bonds," "bonds," or "obligations" means revenue bonds as defined and
 140 provided for in Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the "Revenue Bond
 141 Law." Such bonds and obligations may be issued by the authority as authorized under the
 142 "Revenue Bond Law" and any amendments thereto. Such terms shall also mean
 143 obligations of the authority the issuance of which are specifically provided for in this Act.

144 (7) "Self-liquidating" means any project which, in the sole judgment of the authority, the
 145 revenues and earnings to be derived by the authority therefrom and all properties used,
 146 leased, and sold in connection therewith, together with any grants, will be sufficient to
 147 pay the cost of operating, maintaining, repairing, improving, and extending the project
 148 and to pay the principal and interest of the revenue bonds which may be issued for the
 149 cost of such project or projects.

150 SECTION 3.

151 Creation of the authority; membership; governance.

152 (a) There is created a body corporate and politic, to be known as the Jefferson County
 153 Utilities Authority, which shall be deemed to be a political subdivision of the State of
 154 Georgia and a public corporation, and by that name, style, and title, said body may contract
 155 and be contracted with, own and dispose of all types of property, real and personal, sue and
 156 be sued, implead and be impleaded, and complain and defend in all courts of law and equity,
 157 except that the authority, its board members, or the trustee acting under any trust indenture
 158 shall in no event be liable for any torts committed by its officers, agents, or employees.

159 (b) The authority shall consist of five members, each of whom shall reside in Jefferson
 160 County, be over the age of 21 years, shall not have been convicted of a felony, a
 161 misdemeanor of a high and aggravated nature, or a crime of moral turpitude, and shall not
 162 hold any other appointed or elected position in Jefferson County or a municipality thereof.

163 (c) The Board of Commissioners of Jefferson County shall appoint the members of the
 164 authority. The Board of Commissioners of Jefferson County shall appoint three of the initial
 165 members for initial terms of four years and two of the initial members for initial terms of two
 166 years. Subsequent appointments shall be made for terms of office of four years and shall

167 serve until the successor is appointed and qualified. Vacancies on the authority's board shall
168 be filled for an unexpired term by the Board of Commissioners of Jefferson County.

169 (d) Any authority member who is convicted of a felony, misdemeanor of a high and
170 aggravated nature, or a crime of moral turpitude shall be removed from the authority upon
171 the date of conviction, regardless of the status of any appeal.

172 (e) The authority shall elect from its members a chairperson, a vice chairperson, a secretary,
173 and a treasurer or a secretary-treasurer. All officers shall be voting members.

174 (f) The members of the authority shall serve without compensation; however, they shall be
175 reimbursed for all actual expenses incurred in the performance of their duties.

176 (g) A majority of the members shall constitute a quorum, and any action may be taken by
177 the authority upon the affirmative vote of a majority of a quorum of the members. No
178 vacancy on the authority shall impair the right of the quorum to exercise all of the rights and
179 perform all of the duties of the authority.

180 (h) The authority shall make rules and regulations for its own government.

181 (i) The authority shall be subject to all the provisions of Chapters 14 and 18 of Title 50 of
182 the O.C.G.A., the open meetings and open records laws of the State of Georgia.

183 (j) The authority shall have perpetual existence.

184 **SECTION 4.**

185 **Powers.**

186 The authority shall have the following powers:

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

188 (2) To acquire by purchase, lease, gift, or otherwise and to own, hold, operate, lease,
189 maintain, and dispose of real and personal property of every kind and character for its
190 corporate purposes;

191 (3) To acquire in its own name by purchase, on such terms and conditions and in such
192 manner as it may deem proper, or by condemnation in accordance with the provisions of
193 any and all existing laws applicable to the condemnation of property for public use, real
194 property or rights of easements therein or franchises necessary or convenient for its
195 corporate purposes; to use the same so long as its corporate existence shall continue; and
196 to lease or make contracts with respect to the use of or dispose of the same in any manner
197 it deems to the best advantage of the authority. The authority shall be under no obligation
198 to accept and pay for any property condemned under this Act except from funds provided
199 under the authority of this Act; and in any proceedings to condemn, such orders may be
200 made by the court having jurisdiction of the action or proceedings as may be just to the
201 authority and to the owners of the property to be condemned;

202 (4) To enter into an agreement with any and all persons, firms, corporations, counties,
203 municipalities, and state or federal governments, and with any political subdivision
204 thereof, with respect to acquiring a source of water supply; providing public services;
205 preparing engineering data, plans, and specifications for said public services; extending
206 said public service lines and facilities; apportioning the costs of constructing, extending,
207 and maintaining the public services; providing for the testing and inspection of facilities
208 constructed; providing for rates to be charged for said public services services; keeping
209 of permanent records; apportioning or designating the responsibility for any functions
210 normally maintained by said public service systems; providing for the ownership of the
211 various facilities constructed or acquired; and providing for such other matters or
212 contingencies as might be necessary or desirable in order to secure for Jefferson County
213 a satisfactory and reliable public services system at the most reasonable cost possible;

214 (5) To appoint, select, and employ such officers, agents, and employees as necessary in
215 the judgment of the authority to accomplish the purposes of the authority. Such officers,
216 agents, and employees may include, but shall not be limited to, engineering, architectural,
217 and construction experts, fiscal agents, and attorneys. The authority shall have the power
218 to fix their respective compensation. The authority shall require bond of any person
219 handling funds of the authority;

220 (6) To make and execute contracts, leases, and instruments which shall be necessary or
221 convenient, including contracts for acquisition and construction of projects and leases of
222 projects or contracts with respect to the use of projects which it causes to be constructed
223 or acquired. Any and all persons, firms, and corporations and any and all consolidated
224 governments, political subdivisions, departments, institutions, agencies of the state, all
225 special districts, municipal corporations, the federal government, and all of their
226 respective agencies and political subdivisions are authorized to enter into contracts,
227 leases, or agreements with the authority upon such terms and for such purposes as they
228 deem advisable. Without limiting the generality of the foregoing provisions of this
229 subsection, authorization is specifically granted to consolidated governments, municipal
230 corporations, and counties and to the authority to enter into contracts, lease agreements,
231 franchising agreements, or other undertakings relative to the furnishing of said public
232 services and facilities by the authority to such consolidated governments, municipal
233 corporations, special districts, counties, and federal government and all of their respective
234 agencies and political subdivisions for a term not exceeding 50 years. As to any
235 consolidated government, political subdivision, department, institution, special district,
236 federal government, the State of Georgia, or any of their respective agencies which shall
237 enter into an agreement under the provisions of this paragraph or in paragraph (4) of this

238 section, the obligation to perform and fulfill such agreement shall constitute a general
239 obligation of such entity for which its full faith and credit shall be pledged;

240 (7) To construct, erect, acquire, own, repair, remodel, maintain, add to, extend, improve,
241 equip, operate, and manage its public services; with the cost of such public services and
242 projects to be paid in whole or in part from the proceeds of revenue bonds of the authority
243 or from such proceeds and any grant from the United States of America or any agency
244 or instrumentality thereof or from the State of Georgia or any agency or instrumentality
245 thereof;

246 (8) To accept loans and grants of money or materials or property of any kind from the
247 United States of America or any agency or instrumentality thereof, upon such terms and
248 conditions as the United States of America or such agency or instrumentality may
249 impose;

250 (9) To accept loans and grants of money or materials or property of any kind from the
251 State of Georgia or any agency or instrumentality or political subdivision thereof, upon
252 such terms and conditions as the States of Georgia or such agency or instrumentality or
253 political subdivision may impose;

254 (10) To borrow money for any of its corporate purposes and to execute notes or other
255 evidences of such indebtedness and to secure the same;

256 (11) To exercise any power usually possessed by private corporations performing similar
257 functions;

258 (12) To issue negotiable revenue bonds, payable solely from funds pledged for the
259 purpose, and to provide for the payment of the same and for rights of the holders thereof;

260 (13) To sue and be sued;

261 (14) To sell or exchange its property at private sale if the authority obtains at least two
262 certified appraisals, as defined in Code Section 43-39A-2 of the O.C.G.A., of the property
263 and disposes of such property for at least the average of those appraisal prices for the
264 property;

265 (15) The authority and any trustee acting under any trust indenture are specifically
266 authorized to sell, lease, grant, exchange, or otherwise dispose of any surplus property,
267 both real and personal, or interest therein not required in the normal operation of and
268 usable in the furtherance of the purpose for which the authority was created, under such
269 terms, notices, and conditions as may be established by the authority, except as such right
270 and power may be limited as provided elsewhere in this Act;

271 (16) Except as otherwise provided in this Act, the authority may exercise any of its
272 powers or provide any of its services inside of any local government within Jefferson
273 County when authorized by contract with the governing authority thereof;

274 (17) To make and enforce rules and regulations for the management and operation of its
275 public service systems which now exist and as hereafter added to, extended, or improved
276 by any project or projects constructed after the provisions of this Act;

277 (18) To prescribe, fix, and collect rates, fees, tolls, or charges of the authority and to
278 revise from time to time and collect such rates, fees, tolls, or charges for said public
279 services, facilities, or commodities furnished; and in anticipation of the collection of the
280 revenues and income of such undertakings or projects, to issue revenue bonds as provided
281 in this Act to finance in whole or in part the acquisition, construction, reconstruction,
282 improvement, betterment, or extension of its public services systems and projects; and
283 to pledge to the punctual payment of the bonds and interest thereon all or any part of the
284 revenues of such undertaking or project, including the revenues of improvements,
285 betterments, or extensions thereto; and to classify and differentiate such rates, fees, tolls,
286 or charges in any reasonable manner, including, but not limited to, small, intermediate,
287 and large consumers and industrial, commercial, and residential consumers.
288 Additionally, and not in limitation of any of the foregoing, the authority, in fixing said
289 public services rates, shall be fully authorized and empowered to comply with any state
290 or federal Acts and any lawful regulations adopted pursuant to any such Act. As a
291 limitation of the power of the authority, however, if at any time there are issued and
292 outstanding revenue bonds for the payment of which the revenues of the authority are
293 pledged, the authority shall make no decrease in rates or fees for said public services
294 which will in any way impair the obligations contained in the revenue bonds;

295 (19) To adopt rules and regulations providing for the suspension of service to delinquent
296 customers. The authority, through its general manager, or such other employees as the
297 authority designates, shall have the right and power to issue executions for any past due
298 charges, which executions shall be a lien upon and against the land and other properties
299 of the assessed party, which lien shall be of equal priority, rank, and dignity, having the
300 same attributes, rights, and powers, as to collection and foreclosure thereof as an
301 execution for unpaid ad valorem taxes of the State of Georgia or the County of Jefferson;
302 provided, however, that no such lien shall exist as to third parties until execution therefor
303 shall have been issued by the Superior Court of Jefferson County. In the event that
304 sewerage service is discontinued pursuant to this section, the appropriate health
305 authorities shall be immediately notified;

306 (20) To acquire insurance for its property, its authority members, and its officers and
307 employees, including, but not limited to, fire, wind, storm, extended coverage insurance,
308 and vehicular liability insurance; all other types of liability insurance; and casualty
309 insurance, fidelity insurance, comprehensive insurance, public officials liability
310 insurance, general public liability insurance covering all hazards, group life insurance,

311 group accident insurance, group health insurance, group hospitalization insurance, group
312 medical insurance, or any combination thereof; together with any and all other types of
313 insurance on its property, officers, authority members, and employees as the authority in
314 its judgment and discretion deems meet and proper in the conduct of its business; and on
315 such terms and conditions and in such amounts as the authority deems appropriate in its
316 judgment and discretion; and with the payment of premiums and charges therefor;
317 together with any other costs incident thereto, to be paid in whole or in part by the
318 authority and out of the general funds of the authority as the authority may determine;
319 (21) To have all powers and authorities set forth under Code Section 36-82-62 of the
320 O.C.G.A., et. seq., and as subsequently amended; and
321 (22) To do all things necessary or convenient to carry out the powers expressly given in
322 this Act.

323 SECTION 5.

324 Financing powers.

325 The authority, or any authority or body which has or which may in the future succeed to the
326 powers, duties, and liabilities vested in the authority created in this Act, shall have power and
327 is authorized to borrow money for the purpose of paying all or any part of the cost of the
328 project, as defined in this Act, of any one or more projects and to provide by resolution for
329 the issuance of negotiable revenue bonds for that purpose. The principal and interest of such
330 revenue bonds shall be payable solely from the special fund provided in this section for such
331 payment. The bonds of each issue shall be dated, shall mature at such time or times not
332 exceeding 40 years from their date or dates, shall bear interest at such rate or rates not to
333 exceed the maximum bond limit prescribed in Chapter 82 of Title 36 of the O.C.G.A., the
334 "Revenue Bond Law," as now or hereafter amended, and shall be payable in such medium
335 of payment as to both principal and interest as may be determined by the authority and may
336 be made redeemable before maturity, at the option of the authority, at such price or prices
337 and under such terms and conditions as may be fixed by the authority in the resolution
338 providing for the issuance of the bonds. Any bonds issued by the authority shall be exempt
339 from all laws of the State of Georgia governing usury or prescribing or limiting interest rates
340 to be borne by bonds or other obligations.

341 **SECTION 6.**

342 Revenue bonds; form; denominations; registration; place of payment.

343 The authority shall determine the form of the bonds, including any interest coupons to be
344 attached thereto, and shall fix the denomination or denominations of the bonds and the place
345 or places of payment of principal and interest thereof, which may be at any bank or trust
346 company inside or outside this state. The bonds may be issued in coupon or registered form,
347 or both, as the authority may determine, and provision may be made for the registration of
348 any coupon bond as to principal alone and also as to both the principal and interest.

349 **SECTION 7.**

350 Revenue bonds; signatures; seal.

351 All such bonds shall bear the manual or facsimile signature of the chairperson of the
352 authority and the attesting manual or facsimile signature of the secretary of the authority, and
353 the official seal of the authority or a facsimile thereof shall be affixed thereto, and any
354 coupons attached thereto shall bear the facsimile signatures of the chairperson and the
355 secretary of the authority. Any coupon may bear the facsimile signatures of such persons,
356 and any bond may be signed, sealed, and attested on behalf of the authority by such person
357 as at the actual time of the execution of such bonds shall be duly authorized or hold the
358 proper office, although at the date of such bonds, such person shall not have been so
359 authorized or shall not have held such office. In case any officer whose signature shall
360 appear on any bonds or whose signature shall appear on any coupon shall cease to be such
361 officer before delivery of such bonds, such signature shall nevertheless be valid and
362 sufficient for all purposes the same as if such officer had remained in office until such
363 delivery.

364 **SECTION 8.**

365 Revenue bonds; negotiability; exemption from taxation.

366 All revenue bonds issued under the provisions of this Act shall have and are declared to have
367 all the qualities and incidents of negotiable instruments under the laws of this state. Such
368 bonds are declared to be issued for an essential public and governmental purpose, and said
369 bonds and the income therefrom shall be exempt from all taxation within this state.

370 **SECTION 9.**

371 Revenue bonds; sale; price.

372 The authority may sell such bonds in such manner and for such price as it may determine to
373 be for the best interests of the authority.

374 **SECTION 10.**

375 Revenue bonds; proceeds of bonds.

376 The proceeds of such bonds shall be used solely for the payment of the costs of the project
377 or projects, and, unless otherwise provided in the resolution authorizing the issuance of the
378 bonds or in any trust indenture, additional bonds may in like manner be issued to provide the
379 amount of any deficit which, unless otherwise provided for in the resolution authorizing the
380 issuance of the bonds or in any trust indenture, shall be deemed to be of the same issue and
381 shall be entitled to payment from the same fund without preference or priority of the bonds
382 first issued for the same purpose. If the proceeds of the bonds of any issue shall exceed the
383 amount required for the purpose for which such bonds are issued, the surplus shall be paid
384 into the fund provided for in this Act to be used for paying the principal of and the interest
385 on such bonds.

386 **SECTION 11.**

387 Revenue bonds; interim receipts and certificates or temporary bonds.

388 Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue
389 interim receipts, interim certificates, or temporary bonds, with or without coupons,
390 exchangeable for definite bonds upon the issuance of the latter.

391 **SECTION 12.**

392 Revenue bonds; replacement of lost or mutilated bonds.

393 The authority may also provide for the replacement of any bond which shall become
394 mutilated or be destroyed or lost.

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SECTION 13.

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Revenue bonds; conditions precedent to issue; object of issue.

397 Such revenue bonds may be issued without any other proceedings or the happening of any

398 other conditions or things than those proceedings, conditions, and things which are specified

399 or required by this Act. In the discretion of the authority, revenue bonds of a single issue

400 may be issued for the purpose of any particular project. Any resolution providing for the

401 issuance of revenue bonds under the provisions of this Act shall become effective

402 immediately upon its passage and need not be published or posted, and any such resolutions

403 may be passed at any regular, special, or adjourned meeting of the authority by a majority

404 of the quorum as provided in this Act.

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SECTION 14.

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Revenue bonds; credit not pledged; special power of contract.

407 Revenue bonds issued under the provisions of this Act shall not be deemed to constitute a

408 debt of Jefferson County or a pledge of the faith and credit of the county, but the bonds shall

409 be payable solely from the fund provided for in this Act, and the issuance of such revenue

410 bonds shall not directly, indirectly, or contingently obligate the county to levy or to pledge

411 any form of taxation whatever therefor or to make any appropriation for their payment, and

412 all such bonds shall contain recitals on their face covering substantially the foregoing

413 provisions of this section; provided, however, that the governing authority of Jefferson

414 County is authorized to contract with the authority for any of the undertakings authorized in

415 this Act. Such county may in connection therewith, jointly or severally, use any funds from

416 any lawful source or from the proceeds of the issue and sale of bonds for such purpose.

417

SECTION 15.

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Revenue bonds; trust indenture as security.

419 In the discretion of the authority, any issue of such revenue bonds may be secured by a trust

420 indenture by and between the authority and a corporate trustee, which may be any trust

421 company or bank having the powers of a trust company inside or outside this state. Such

422 trust indenture may pledge or assign fees, tolls, revenues, and earnings to be received by the

423 authority. Either the resolution providing for the issuance of the revenue bonds or such trust

424 indenture may contain such provisions for protecting and enforcing the rights and remedies

425 of the bondholders as may be reasonable and proper and not in violation of law, including

426 covenants setting forth the duties of the authority in relation to the acquisition of property;

427 the construction of the project; the maintenance, operation, repair, and insurance of the
 428 project; and the custody, safeguarding, and application of all moneys, and may also provide
 429 that any project shall be constructed and paid for under the supervision and approval of
 430 consulting engineers or architects employed or designated by the authority and may also
 431 contain provisions concerning the conditions, if any, upon which additional revenue bonds
 432 may be issued. It shall be lawful for any bank or trust company incorporated under the laws
 433 of this state to act as such depository and to furnish such indemnifying bonds or pledge such
 434 securities as may be required by the authority. Such indenture may set forth the rights and
 435 remedies of the bondholders and of the trustee and may restrict the individual right of action
 436 of bondholders as is customary in trust indentures securing bonds and debentures of
 437 corporations. In addition to the foregoing, such trust indenture may contain such other
 438 provisions as the authority may deem reasonable and proper for the security of bondholders.
 439 All expenses incurred in carrying out such trust indenture may be treated as a part of the cost
 440 of maintenance, operation, and repair of the project affected by such indenture.

441 **SECTION 16.**

442 Revenue bonds; to whom proceeds of bonds shall be paid.

443 The authority shall, in the resolution providing for the issuance of revenue bonds or in any
 444 trust indenture, provide for the payment of the proceeds of the sale of the bonds to any officer
 445 or person or any agency, bank, or trust company acting as trustee of such funds and shall
 446 hold and apply the same to the purposes provided for in this Act, subject to such regulations
 447 as this Act and such resolution or trust indenture may provide.

448 **SECTION 17.**

449 Revenue bonds; sinking fund.

450 The revenues, fees, tolls, charges, and earnings derived from any particular project or
 451 projects, regardless of whether or not such fees, tolls, charges, earnings, and revenues were
 452 produced by a particular project for which bonds have been issued unless otherwise pledged
 453 and allocated, may be pledged and allocated by the authority to the payment of the principal
 454 and interest on revenue bonds of the authority as the resolution authorizing the issuance of
 455 the bonds or in the trust instrument may provide. Such funds so pledged from whatever
 456 source received, which pledge may include funds received from one or more or all sources,
 457 shall be set aside at regular intervals as may be provided in the resolution or trust indenture
 458 into a sinking fund, which sinking fund shall be pledged to and charged with the payment of:
 459 (1) The interest upon the revenue bond as such interest shall fall due;

- 460 (2) The principal of the revenue bonds as the same shall fall due;
461 (3) Any premium upon the revenue bonds acquired by redemption, payment, or
462 otherwise;
463 (4) The necessary charges of the paying agent or agents for paying principal and interest;
464 and
465 (5) Any investment fees or charges.

466 The use and disposition of such sinking fund shall be subject to such regulations as may be
467 provided in the resolution authorizing the issuance of the revenue bonds or in the trust
468 indenture, but, except as may otherwise be provided in such resolution or trust indenture,
469 such sinking fund shall be maintained as a trust account for the benefit of all revenue bonds
470 without distinction or priority of one over another. Subject to the provisions of the resolution
471 authorizing the issuance of the bonds or in the trust indenture, any surplus moneys in the
472 sinking fund may be applied to the purchase or redemption of bonds, and any such bonds so
473 purchased or redeemed shall forthwith be canceled and shall not be reissued, printed, and
474 delivered.

475 **SECTION 18.**

476 Revenue bonds; remedies of bondholders.

477 Any holder of revenue bonds issued under the provisions of this Act or of any of the coupons
478 appertaining thereto, and the trustee under the trust indenture, if any, except to the extent the
479 rights given by this Act may be restricted by resolution passed before the issuance of the
480 bonds or by the trust indenture, may, either at law or in equity, by suit, action, mandamus,
481 or other proceedings, protect and enforce any and all rights under the laws of the State of
482 Georgia or granted by this Act or under such resolution or trust indenture and may enforce
483 and compel performance of all duties required by this Act or by such resolution or trust
484 indenture to be performed by the authority or any officer thereof, including the fixing,
485 charging, and collecting of revenues, fees, tolls, fines, and other charges for the use of the
486 facilities and services furnished.

487 **SECTION 19.**

488 Revenue bonds; refunding bonds.

489 The authority is authorized to provide by resolution for the issuance of bonds of the authority
490 for the purpose of funding or refunding any revenue bonds issued under the provisions of this
491 Act and then outstanding, together with the accrued interest thereon and the premium, if any.
492 The issuance of such funding or refunding bonds, the maturities and all other details thereof,

493 the rights of the holders thereof, and the duties of the authority in respect to the same shall
494 be governed by the foregoing provisions of this Act insofar as the same may be applicable.

495 **SECTION 20.**

496 Revenue bonds; jurisdiction and venue.

497 Any action to protect or enforce any rights under the provisions of this Act or any suit or
498 action against such authority shall be brought in the Superior Court of Jefferson County,
499 Georgia, and any action pertaining to validation of bonds issued under the provisions of this
500 Act shall likewise be brought in said court which shall have exclusive, original jurisdiction
501 of such actions.

502 **SECTION 21.**

503 Revenue bonds; validation.

504 Bonds of the authority shall be confirmed and validated in accordance with the procedure of
505 Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the "Revenue Bond Law."

506 **SECTION 22.**

507 Revenue bonds; interest of bondholders protected.

508 (a) While any of the bonds issued by the authority remain outstanding, the powers, duties,
509 or existence of said authority or its officers, employees, or agents shall not be diminished or
510 impaired in any manner that will affect adversely the interests and rights of the holders of
511 such bonds. No other entity, department, agency, or authority shall be created which will
512 compete with the authority to such an extent as to affect adversely the interest and rights of
513 the holders of such bonds, nor will the state itself so compete with the authority.

514 (b) The provisions of this Act shall be for the benefit of the authority and the holders of any
515 such bonds and, upon the issuance of bonds under the provisions of this Act, shall constitute
516 a contract with the holders of such bonds.

517 **SECTION 23.**

518 Moneys received considered trust funds.

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

522 **SECTION 24.**

523 Tort immunity.

524 To the extent permitted by law, the authority shall have the same immunity and exemption
525 from liability for torts and negligence as Jefferson County, and the officers, agents, and
526 employees of the authority when in the performance of the work of the authority shall have
527 the same immunity and exemption from liability for torts and negligence as the officers,
528 agent, and employees of Jefferson County when in performance of their public duties or
529 work of the bounty.

530 **SECTION 25.**

531 Rules and regulations for operation of projects.

532 It shall be the duty of the authority to prescribe rules and regulations for the operation of the
533 project or projects acquired or constructed under the provisions of this Act, including the
534 basis on which said public service or public services and facilities shall be furnished.

535 **SECTION 26.**

536 Powers declared supplemental and additional.

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

541 **SECTION 27.**

542 Liberal construction of Act.

543 This Act, being for the welfare of various political subdivisions of the State of Georgia and
544 its inhabitants, shall be liberally construed to effect the purposes thereof.

545 **SECTION 28.**

546 Effect of partial invalidity of Act.

547 The provisions of this Act are severable, and if any of its provisions shall be held
548 unconstitutional by any court of any competent jurisdiction, the decision of such court shall
549 not affect or impair any of the remaining provisions.

550 **SECTION 29.**

551 Effective date.

552 This Act shall become effective upon its approval by the Governor or upon its becoming law
553 without such approval.

554 **SECTION 30.**

555 Repealer.

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