

House Bill 1288 (AS PASSED HOUSE AND SENATE)

By: Representative Powell of the 29th

A BILL TO BE ENTITLED
AN ACT

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

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

25 **SECTION 1.**

26 Short title.

27 This Act shall be known and may be cited as the "Hart County Water and Sewer Authority
28 Act."

29 **SECTION 2.**

30 Hart County Water and Sewer Authority.

31 (a) There is created a body corporate and politic, to be known as the "Hart County Water and
32 Sewer Authority," which shall be deemed to be a political subdivision of the State of Georgia
33 and a public corporation and by that name, style, and title such body may contract and be
34 contracted with, sue and be sued, implead and be impleaded, and complain and defend in all
35 courts of law and equity. The authority shall have perpetual existence. It is the intent of the
36 General Assembly that the authority shall be the primary supplier of water and sewer utilities
37 and services in the unincorporated areas of Hart County and may, by contract, provide
38 services to other areas or jurisdictions in a manner which will best utilize available resources
39 and efficiently and economically provide such services. The Hart County Water and Sewer
40 Authority shall be the successor to the Hart County Water and Sewer Utility Authority and
41 shall have all of the powers, duties, responsibilities, obligations, and authority as such
42 previous authority.

43 (b) The authority shall consist of five members who shall be appointed by the Board of
44 Commissioners of Hart County. The members of the Hart County Water and Sewer Utility
45 Authority in office on the effective date of this Act shall be the initial members of the Hart
46 County Water and Sewer Authority and serve out the terms to which they were previously
47 appointed and until their respective successors are selected and qualified. For the purpose
48 of appointing successors, there shall be five seats on the authority to be designated as Seat 1,
49 Seat 2, Seat 3, Seat 4, and Seat 5, and the Board of Commissioners of Hart County shall
50 designate the seat to which each member is appointed at the time of the appointment.
51 Successors shall be appointed by the Board of Commissioners of Hart County in the month
52 of February immediately preceding the expiration of the members' terms of office on
53 March 1, in even-numbered years and such successors shall take office on the second day of
54 March following their appointment. The members appointed to Seat 1, Seat 3, and Seat 5
55 in 2010 shall serve terms of four years each and until their respective successors are duly
56 appointed and qualified. The members appointed to Seat 2 and Seat 4 in 2012 shall serve
57 terms of four years each and until their respective successors are duly appointed and
58 qualified. Following such terms of office, the terms of all members shall be four years and

59 until their respective successors are appointed and qualified. Members of the authority may
60 be selected and appointed to succeed themselves. Immediately after such appointments, the
61 members of such authority shall enter upon their duties. The members of the authority shall
62 be entitled as compensation for their services an amount to be set by the board of
63 commissioners not to exceed \$1,200.00 per year, payable in equal monthly payments. The
64 authority shall have the power to establish bylaws and to promulgate and adopt rules and
65 regulations necessary or desirable for the management and operation of the authority.

66 (c) To be eligible for appointment as a member of the authority, a person shall be at
67 least 21 years of age and a resident of Hart County for at least one year prior to the date of
68 appointment.

69 (d) The members of the authority shall elect one of their number as chairperson. Also, the
70 members of the authority shall elect one of their number as vice chairperson and shall also
71 elect a secretary, who need not be a member of the authority, and may also elect a treasurer,
72 who need not be a member of the authority. The secretary may also serve as treasurer. If the
73 secretary or treasurer is not a member of the authority, such officer shall have no voting
74 rights. Each of such officers shall serve for a period of one year and until their successors
75 are duly elected and qualified. The county attorney for Hart County may serve as the
76 attorney for the authority.

77 (e) Three members of the authority shall constitute a quorum. No vacancy on the authority
78 shall impair the right of the quorum to exercise all of the rights and perform all of the duties
79 of the authority.

80 (f) In the event of a vacancy by reason of death, disqualification, resignation, or other
81 reason, the Board of Commissioners of Hart County shall select and appoint a qualified
82 person to fill the unexpired term of the member whose position has been vacated. A vacancy
83 shall exist in the office of any member of the authority who is convicted of a felony or who
84 enters a plea of nolo contendere thereto, who is convicted of a crime involving moral
85 turpitude or enters a plea of nolo contendere thereto, who moves his or her residence from
86 Hart County, who is convicted of any act of misfeasance, malfeasance, or nonfeasance of
87 duties as a member of the authority, or who fails to attend any regular or special meeting of
88 the authority for a period of six months without excuse approved by a resolution of the
89 authority.

90 (g) There shall be an annual audit of the authority to be conducted by a certified public
91 accountant selected by the Board of Commissioners of Hart County.

SECTION 3.

Definitions.

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

95 (1) "Authority" means the Hart County Water and Sewer Authority created by this Act.

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

108 (3) "Project" means the acquisition, construction, and equipping of water facilities for
109 obtaining one or more sources of water supply, the treatment of water, and the
110 distribution and sale of water to users and consumers, including, but not limited to, the
111 State of Georgia and counties and municipalities for the purpose of resale, inside and
112 outside the territorial boundaries of Hart County, and the operation, maintenance,
113 additions, improvements, and extension of such facilities so as to assure an adequate
114 water utility system deemed by the authority necessary or convenient for the efficient
115 operation of such type of undertaking. The word "project" shall also mean and include
116 the acquisition, construction, and equipping of all necessary and usual facilities useful
117 and necessary for the gathering of waste matter of every type, including both individual
118 and industrial, and the treatment of sewage of any and every type, including, but not
119 limited to, the acquisition and construction of treatment plants, ponds, and lagoons, inside
120 and outside the territorial boundaries of Hart County, and the operation, maintenance,
121 additions, improvements, and extensions of such facilities so as to assure an adequate
122 sewerage system deemed by the authority necessary or convenient for the efficient
123 operation of a sanitary and storm sewer system. Such water facilities and such sewerage
124 facilities, at the discretion of the authority, may be combined at any time into a water and
125 sewerage system as one revenue producing undertaking and operated and maintained as
126 such.

127 (4) "Revenue bonds" and "bonds" means revenue bonds as defined and provided in
 128 Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the "Revenue Bond Law," and such
 129 type of obligations may be issued by the authority as authorized under said "Revenue
 130 Bond Law" and any amendments thereto and, in addition, shall also mean obligations of
 131 the authority the issuance of which are specifically provided for in this Act.

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

138 **SECTION 4.**

139 Powers.

140 The authority shall have the power:

- 141 (1) To have a seal and alter the same at its pleasure;
- 142 (2) To acquire by purchase, lease, or otherwise, and to hold, lease, and dispose of real
 143 and personal property of every kind and character for its corporate purposes;
- 144 (3) To acquire in its own name by purchase, on such terms and conditions and in such
 145 manner as it may deem proper, or by condemnation in accordance with the provisions of
 146 any and all existing laws applicable to the condemnation of property for public use, real
 147 property or rights or easements therein, or franchises necessary or convenient for its
 148 corporate purposes, and to use the same so long as its corporate existence shall continue,
 149 and to lease or make contracts with respect to the use of or dispose of the same in any
 150 manner it deems to the best advantage of the authority, the authority being under no
 151 obligation to accept and pay for any property condemned under this Act except from the
 152 funds provided under the authority of this Act, and in any proceedings to condemn, such
 153 orders may be made by the court having jurisdiction of the suit, action, or proceedings
 154 as may be just to the authority and to the owners of the property to be condemned, and
 155 no property shall be acquired under the provisions of this Act upon which any lien or
 156 other encumbrance exists, unless at the time such property is so acquired a sufficient sum
 157 of money be deposited in trust to pay and redeem the fair value of such lien or
 158 encumbrance;
- 159 (4) To appoint, select, and employ officers, agents, and employees, including
 160 engineering, architectural and construction experts, fiscal agents, and attorneys, and fix
 161 their respective compensations;

162 (5) To make contracts and leases and to execute all instruments necessary or convenient,
163 including contracts for construction of projects and leases of projects or contracts with
164 respect to the use of projects which it causes to be constructed, erected, or acquired. Any
165 and all persons, firms, and corporations and any and all political subdivisions,
166 departments, institutions, or agencies of the state and public authorities are authorized to
167 enter into contracts, leases, or agreements with the authority upon such terms and for such
168 purposes as they deem advisable; and without limiting the generality of the foregoing,
169 authority is specifically granted to municipal corporations, counties, and other political
170 subdivisions and to the authority to enter into contracts, lease agreements, or other
171 undertakings relating to the furnishing of water and related services and facilities by the
172 authority to such municipal corporations, counties, and political subdivisions or for the
173 purchase of water by the authority therefrom for a term not exceeding fifty years, and also
174 to enter into contracts, lease agreements, or other undertakings relative to the gathering
175 of waste matter and the treatment of waste matter and sewage by the authority for such
176 municipal corporations, counties, and political subdivisions or by such municipal
177 corporations, counties, or political subdivisions for the authority. Likewise, without
178 limiting the generality of the above and foregoing the same authority above granted to
179 municipal corporations, counties, and political subdivisions and to the authority relative
180 to entering into contracts, lease agreements, or other undertakings, is authorized between
181 the authority and private corporations, both inside and outside the State of Georgia, and
182 the authority and public bodies including counties and cities outside the State of Georgia;

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

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

193 (8) To accept loans, grants, or both, of money or materials or property of any kind from
194 the State of Georgia or any agency or instrumentality or political subdivision thereof,
195 upon such terms and conditions as the State of Georgia or such agency or instrumentality
196 or political subdivision may require;

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

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

204 (11) To do all things necessary or convenient to carry out the powers expressly given in
 205 this Act.

206 **SECTION 5.**

207 Revenue bonds.

208 The authority, or any authority or body which has or which may in the future succeed to the
 209 powers, duties, and liabilities vested in the authority created by this Act, shall have power
 210 and is authorized to provide by resolution for the issuance of negotiable revenue bonds of the
 211 authority for the purpose of paying all or any part of the cost as defined in this Act of any one
 212 or more projects. The principal of and interest on such revenue bonds shall be payable solely
 213 from the special fund provided for such payment. The bonds of each issue shall be dated,
 214 shall bear interest at such rate or rates per annum, payable at such time or times, shall mature
 215 at such time or times not exceeding 40 years from their date or dates, shall be payable in such
 216 medium of payment as to both principal and interest as may be determined by the authority,
 217 and may be redeemable before maturity, at the option of the authority, at such price or prices
 218 and under such terms and conditions as may be fixed by the authority in the resolution for
 219 the issuance of bonds.

220 **SECTION 6.**

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

222 The authority shall determine the form of the bonds, including any interest coupons to be
 223 attached thereto, and shall fix the denomination or denominations of the bonds and the place
 224 or places of payment of principal and interest thereon, which may be at any bank or trust
 225 company inside or outside this state. The bonds may be issued in coupon or registered form,
 226 or both, as the authority may determine, and provision may be made for the registration of
 227 any coupon bond as to principal alone and also as to both principal and interest.

228

SECTION 7.

229

Same; signatures; seal.

230 In case any officer whose signature shall appear on any bonds or whose facsimile signature
231 shall appear on any coupon shall cease to be such officer before the delivery of such bonds,
232 such signature shall nevertheless be valid and sufficient for all purposes the same as if such
233 officer had remained in office until such delivery. All such bonds shall be signed by the
234 chairman of the authority and the official seal of the authority shall be affixed thereto and
235 attested by the secretary of the authority and any coupons attached thereto shall bear the
236 facsimile signatures of the chairman and secretary of the authority. Any coupon may bear
237 the facsimile signatures of such persons and any bond may be signed, sealed, and attested on
238 behalf of the authority by such persons as at the actual time of the execution of such bonds
239 shall be duly authorized or hold the proper office, although at the date of such bonds such
240 person may not have been so authorized or shall not have held such office.

241

SECTION 8.

242

Same; negotiability; exemption from taxation.

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

247

SECTION 9.

248

Same; sale; price; proceeds.

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

253

SECTION 10.

254

Same; interim receipts and certificates or temporary bonds.

255 Prior to the preparation of any definitive bonds, the authority may, under like restrictions,
256 issue interim receipts, interim certificates, or temporary bonds, with or without coupons,
257 exchangeable for definitive bonds under the issuance of the latter.

258 **SECTION 11.**

259 Same; replacement of lost or mutilated bonds.

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

262 **SECTION 12.**

263 Same; conditions precedent to issuance.

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

272 **SECTION 13.**

273 Credit not pledged.

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

281 **SECTION 14.**

282 Trust indenture as security.

283 In the discretion of the authority, any issuance of such revenue bonds may be secured by a
284 trust indenture by and between the authority and a corporate trustee, which may be any trust
285 company or bank having the powers of a trust company inside or outside the state. Such trust
286 indenture may pledge or assign fees, tolls, revenues, and earnings to be received by the
287 authority. Either the resolution providing for the issuance of revenue bonds or such trust

288 indenture may contain such provisions for the protecting and enforcing the rights and
289 remedies of the bond holders as may be reasonable and proper and not in violation of law,
290 including covenants setting forth the duties of the authority in relation to the acquisition of
291 property; the construction of the project; the maintenance, operation, repair, and insuring of
292 the project; and the custody, safeguarding, and application of all moneys, and may also
293 provide that any project shall be constructed and paid for under the supervision and approval
294 of consulting engineers or architects employed or designated by the authority, and
295 satisfactory to the original purchasers of the bonds issued therefor, and may also require that
296 the security given by contractors and by any depository of the proceeds of the bonds or
297 revenues or other moneys be satisfactory to such purchasers, and may also contain provisions
298 concerning the conditions, if any, upon which additional revenue bonds may be issued. It
299 shall be lawful for any bank or trust company incorporated under the laws of this state to act
300 as such depository and to furnish such indemnifying bonds or pledge such securities as may
301 be required by the authority. Such indenture may set forth the rights and remedies of the
302 bondholders and of the trustee, and may restrict the individual right of action of bondholders
303 as is customary in trust indentures securing bonds and debentures of corporations. In
304 addition to the foregoing, such trust indenture may contain such other provisions as the
305 authority may deem reasonable and proper for the security of the bondholders. All expenses
306 incurred in carrying out such trust indenture may be treated as a part of the cost of
307 maintenance, operation, and repair of the project affected by such indenture.

308 **SECTION 15.**

309 To whom proceeds of bonds shall be paid.

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

315 **SECTION 16.**

316 Sinking fund.

317 The revenues, fees, tolls, and earnings derived from any particular project or projects,
318 regardless of whether or not such fees, earnings, and revenues were produced by a particular
319 project for which bonds have been issued unless otherwise pledged and allocated, may be
320 pledged and allocated by the authority to the payment of the principal and interest on revenue

321 bonds of the authority as the resolution authorizing the issuance of the bonds or in the trust
322 instrument may provide, and such funds so pledged from whatever source received, which
323 said pledge may include funds received from one or more or all sources, shall be set aside
324 at regular intervals as may be provided in the resolution or trust indenture into a sinking fund,
325 which said sinking fund shall be pledged to and charged with the payment of:

- 326 (1) The interest upon such revenue bonds as such interest shall fall due;
327 (2) The principal of the bonds as the same shall fall due;
328 (3) The necessary charges of paying agent for paying principal and interest and other
329 investment charges; and
330 (4) Any premium upon bonds retired by call or purchase as provided in this Act.

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

339 **SECTION 17.**

340 Remedies of bondholders.

341 Any holder of revenue bonds issued under the provisions of this Act or any of the coupons
342 appertaining thereto, and the trustee under the trust indenture, if any, except to the extent the
343 rights given in this Act may be restricted by resolution passed before the issuance of the
344 bonds or by the trust indenture, may, either at law or in equity, by suit, action, mandamus,
345 or other proceedings, protect and enforce any and all rights under the laws of the State of
346 Georgia or granted under this Act or under such resolution or trust indenture, and may
347 enforce and compel performance of all duties required by this Act or by such resolution or
348 trust indenture to be performed by the authority or any officer thereof, including the fixing,
349 charging, and collecting of revenues, fees, tolls, and other charges for the use of the facilities
350 and services furnished.

351 **SECTION 18.**

352 Refunding bonds.

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

359 **SECTION 19.**

360 Validation.

361 Bonds of the authority shall be confirmed and validated in accordance with the procedure of
362 Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the "Revenue Bond Law," as amended.
363 The petition for validation shall also make party defendant to such action the State of
364 Georgia or any municipality, county, authority, political subdivision, or instrumentality of
365 the State of Georgia which has contracted with the authority for the services and facilities of
366 the project for which bonds are to be issued and sought to be validated and the state or such
367 municipality, county, authority, political subdivision, or instrumentality shall be required to
368 show cause, if any exists, why such contract or contracts and the terms and conditions thereof
369 should not be inquired into by the court and the contract or contracts adjudicated as a part of
370 the basis for the security for the payment of any such bonds of the authority. The bonds
371 when validated, and the judgment of validation, shall be final and conclusive with respect to
372 such bonds and the security for the payment thereof and interest thereon and against the
373 authority issuing the same, and the state and any municipality, county, authority, political
374 subdivision, or instrumentality if a party to the validation proceedings, contracting with the
375 Hart County Water and Sewer Authority.

376 **SECTION 20.**

377 Venue and jurisdiction.

378 Any action to protect or enforce any rights under the provisions of this Act or any suit or
379 action against such authority shall be brought in the Superior Court of Hart County, Georgia,
380 and any action pertaining to validation of any bonds issued under the provisions of this Act
381 shall likewise be brought in such court which shall have exclusive, original jurisdiction of
382 such actions.

383

SECTION 21.

384

Interest of bond holders protected.

385 While any of the bonds issued by the authority remain outstanding, the powers, duties, or
386 existence of such authority or its officers, employees, or agents shall not be diminished or
387 impaired in any manner that will affect adversely the interests and rights of the holders of
388 such bonds, and no other entity, department, agency, or authority will be created which will
389 compete with the authority to such an extent as to affect adversely the interest and rights of
390 the holders of such bond, nor with the state itself so compete with the authority. The
391 provisions of this Act shall be for the benefit of the authority and the holders of any such
392 bonds, and upon the issuance of bonds under the provisions of this Act shall constitute a
393 contract with the holders of such bonds.

394

SECTION 22.

395

Moneys received considered trust funds.

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

399

SECTION 23.

400

Purpose of the authority.

401 (a) Without limiting the generality of any provision of this Act, the general purpose of the
402 authority is declared to be that of acquiring an adequate source or sources of water supply,
403 treatment of such water, and thereafter the distribution of the same to the various
404 municipalities and citizens in Hart County and environs, including adjoining counties and
405 municipalities located therein, and further for the general purpose of gathering and treatment
406 of waste, both individual and industrial; but such general purpose shall not restrict the
407 authority from selling and delivering water directly to consumers in those areas where water
408 distribution systems do not now exist or furnishing sewer facilities to such customers, and
409 areas where neither any county, municipality, or public authority deems it desirable or
410 feasible to furnish water or sewerage services in such locality.

411 (b) The authority shall have the authority, where it deems it feasible, to sell its products and
412 services to customers, governmental agencies, or governmental instrumentalities of adjoining
413 states, providing the laws of the adjoining states do not prohibit or tax said activity.

414 (c) The authority shall not have the authority to construct water lines for the distribution of
415 water directly to customers within any municipality without first obtaining the express
416 written consent of the appropriate governing bodies of said municipality, and likewise, the
417 authority shall not have the authority to construct sewer lines for the collection of waste and
418 sewage directly to customers within any municipality without first obtaining the express
419 written consent of the appropriate governing body of said municipality.

420 **SECTION 24.**

421 Rates, charges and revenues; use.

422 The authority is authorized to prescribe and fix rates and to revise same from time to time
423 and to collect fees, tolls, and charges for the services, facilities, and commodities furnished,
424 and in anticipation of the collection of the revenues of such undertaking or project, to issue
425 revenue bonds as provided by this Act to finance, in whole or in part, the cost of the
426 acquisition, construction, reconstruction, improvement, betterment, or extension of a water
427 system, a sewerage system, or a combined water and sewerage system, and to pledge to the
428 punctual payment of such bonds and interest thereon, all or any part of the revenues of such
429 undertaking or project, including the revenues of improvements, betterments, or extensions
430 thereto thereafter made.

431 **SECTION 25.**

432 Rules and regulations for operation of projects.

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

437 **SECTION 26.**

438 Tort immunity.

439 The authority shall have the same immunity and exemption from liability for torts and
440 negligence as Hart County; and the officers, agents, and employees of the authority when in
441 the performance of the work of the authority shall have the same immunity and exemption
442 from liability for torts and negligence as the officers, agents, and employees of Hart County
443 when in the performance of their public duties or work of the county.

444 **SECTION 27.**

445 Tax-exempt status of authority.

446 The properties of the authority, both real and personal, are declared to be public properties
 447 used for the benefit and welfare of the people of this state and not for purposes of private or
 448 corporate benefit and income, and such properties and the authority shall be exempt from all
 449 taxes and special assessments of any city, county, or the state or any political subdivision
 450 thereof.

451 **SECTION 28.**

452 Powers declared supplemental and additional.

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

457 **SECTION 29.**

458 Effect on other governments.

459 This Act shall not and does not in any way take from Hart County or any municipality
 460 located in Hart County or any adjoining county the authority to own, operate, and maintain
 461 a water system, a sewerage system, or a combined water and sewerage system, or to issue
 462 revenue bonds.

463 **SECTION 30.**

464 Liberal construction of Act.

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

467 **SECTION 31.**

468 Severability; effect of partial invalidity of Act.

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

472

SECTION 32.

473

Repeal of previous Act.

474 An Act to create the Hart County Water and Sewer Utility Authority, approved May 4, 1992

475 (Ga. L. 1992, p. 6828), and all amendatory Acts thereto are hereby expressly repealed.

476

Repeal.

477

SECTION 33.

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