

Senate Bill 215

By: Senator Harbison of the 15th

AS PASSED SENATE

**A BILL TO BE ENTITLED
AN ACT**

1 To create the Schley 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 and the collection, treatment and disposal
6 of sewage waste and related facilities and the sale of sewage treatment services to
7 individuals, private concerns, municipal corporations, and governmental units; to provide for
8 the appointment of members of the board; to provide for organization and rules; to provide
9 for powers and duties; to provide for financing of projects; to provide for revenue bonds; to
10 provide for trust indentures and sinking funds; to provide for jurisdiction, venue, and
11 remedies; to provide for validation; to provide for certain trust funds; to provide for audits;
12 to provide for immunity; to provide for rules and regulations; to provide for construction; to
13 provide for the sale or exchange of property; to provide for supplemental powers; to provide
14 for other related matters; to provide for an effective date; to repeal conflicting laws; and for
15 other purposes.

16 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

17 **SECTION 1.**

18 Short title.

19 This Act shall be known and may be cited as the "Schley County Utilities Authority Act."

20 **SECTION 2.**

21 Definitions.

22 As used in this Act, the term:

- 23 (1) "Authority" means the Schley County Utilities Authority created by Section 3 of this
24 Act.
- 25 (2) "Board" means the members of the authority that are appointed to manage the
26 operation of the authority.
- 27 (3) "Cost of the project" means the cost of construction; the cost of all lands, properties,
28 rights, easements, and franchises acquired; the cost of all machinery and equipment,
29 financing charges, and interest prior to and during construction and for one year after
30 completion of construction; the cost of engineering, architectural, fiscal, and legal
31 expenses and of plans and specifications and of any other expenses necessary or
32 incidental to determining the feasibility or practicability of the project; administrative
33 expenses and such other expenses as may be necessary or incident to the financing
34 authorized by this Act; and the cost of the construction of any project, the placing of the
35 same in operation, and the condemnation of property necessary for each construction and
36 operation. Any obligation or expense incurred for any of the foregoing purposes shall be
37 regarded as a part of the cost of the project and may be paid or reimbursed as such out of
38 the proceeds of revenue bonds issued under the provisions of this Act for such project.
- 39 (4) "Project" or "projects" means any of the following individually or collectively:
- 40 (A) "Sewerage project" means the acquisition, construction, and equipping of sewerage
41 facilities useful and necessary for the gathering of waste matter and the treatment of
42 sewage of any and every type, including, but not limited to, the acquisition and
43 construction of treatment plants, ponds, and lagoons inside and outside the territorial
44 boundaries of Schley County; additions and improvements to and extensions of such
45 facilities and the operation and maintenance of the same so as to assure an adequate
46 sewerage system; and the sale of sewage collection and treatment services to users and
47 customers, including, but not limited to, this state, counties, municipalities, and other
48 entities for the purpose of providing sewage collection and treatment services, inside
49 or outside the territorial boundaries of Schley County.
- 50 (B) "Water project" means the acquisition, construction, and equipping of water
51 facilities for obtaining one or more sources of water supply, watershed projects, works
52 of improvements for watersheds, projects for watershed protection and flood control
53 and prevention, recreational facilities developed in connection therewith, the treatment
54 of water, and the distribution and sale of water to users and consumers, including, but
55 not limited to, this state, counties, municipalities, and other entities, inside and outside
56 the territorial boundaries of Schley County.
- 57 Said projects shall include all works, plants, systems, instrumentalities, and
58 appurtenances thereto; all properties, lands, easements, and rights in land; and water
59 rights, contract rights, and franchise rights associated with any of said projects.

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

62 (A) "Sewer service" means the distribution, sale, and making contracts for sewage and
63 sewage treatment services to users and customers in the authority's area of operation,
64 including, but not limited to, this state, counties, and municipalities, inside or outside
65 the territorial boundaries of Schley County, insofar as said services are not in conflict
66 with regulations by the Georgia Public Service Commission.

67 (B) "Water service" means the distribution, sale and, making contracts for water
68 services to users and customers in the authority's area of operation, including, but not
69 limited to, this state, counties, and municipalities, inside or outside the territorial
70 boundaries of Schley County, insofar as said services are not in conflict with
71 regulations by the Georgia Public Service Commission.

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

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

84 **SECTION 3.**

85 **Creation of the authority; membership; governance.**

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

93 (b) The authority shall consist of five members, each of whom shall reside in Schley County,
94 shall be over the age of 21 years, shall not have been convicted of a felony, a misdemeanor

95 of a high and aggravated nature, or a crime of moral turpitude, and shall not hold any other
 96 appointed or elected position in Schley County or a municipality thereof; provided, however,
 97 that two members may be members of the Board of Commissioners of Schley County.

98 (c) The Board of Commissioners of Schley County shall appoint the members of the
 99 authority. The Board of Commissioners of Schley County shall appoint three of the initial
 100 members for initial terms of four years and two of the initial members for initial terms of two
 101 years. Subsequent appointments shall be made for terms of office of four years and such
 102 members shall serve until the successor is appointed and qualified. Vacancies on the
 103 authority's board shall be filled for an unexpired term by the Board of Commissioners of
 104 Schley County.

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

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

110 (f) The members of the authority shall receive such compensation, if any, as determined by
 111 the Board of Commissioners of Schley County; provided, however, that any such
 112 compensation for any particular board member shall not be reduced during such board
 113 member's term of office.

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

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

119 (i) The authority shall be subject to all the provisions of Chapters 14 and 18 of Title 50 of
 120 the O.C.G.A., the open meetings and open records laws of this state.

121 (j) The authority shall have perpetual existence.

122 **SECTION 4.**

123 Powers.

124 The authority shall have the following powers:

- 125 (1) To have a seal and alter the same at its pleasure;
- 126 (2) To acquire by purchase, lease, gift, or otherwise and to own, hold, operate, lease,
 127 maintain, and dispose of real and personal property of every kind and character for its
 128 corporate purposes;

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

140 (4) To enter into an agreement with any and all persons, firms, corporations, counties,
141 municipalities, and state or federal governments, and with any political subdivision
142 thereof, with respect to acquiring a source of water supply; providing public services;
143 preparing engineering data, plans, and specifications for said public services; extending
144 said public service lines and facilities; apportioning the costs of constructing, extending,
145 and maintaining the public services; providing for the testing and inspection of facilities
146 constructed; providing for rates to be charged for said public services; keeping of
147 permanent records; apportioning or designating the responsibility for any functions
148 normally maintained by said public service systems; providing for the ownership of the
149 various facilities constructed or acquired; and providing for such other matters or
150 contingencies as might be necessary or desirable in order to secure for Schley County a
151 satisfactory and reliable public services system at the most reasonable cost possible;

152 (5) To appoint, select, and employ such officers, agents, and employees as necessary in
153 the judgment of the authority to accomplish the purposes of the authority. The authority
154 shall have the power to fix their respective compensation. The authority shall require
155 bond of any person handling funds of the authority;

156 (6) To make and execute contracts, leases, and instruments which shall be necessary or
157 convenient, including contracts for acquisition and construction of projects and leases of
158 projects or contracts with respect to the use of projects which it causes to be constructed
159 or acquired. Any and all persons, firms, and corporations and any and all consolidated
160 governments, political subdivisions, departments, institutions, agencies of the state, all
161 special districts, municipal corporations, the federal government, and all of their
162 respective agencies and political subdivisions are authorized to enter into contracts,
163 leases, or agreements with the authority upon such terms and for such purposes as they
164 deem advisable. Without limiting the generality of the foregoing provisions of this
165 subsection, authorization is specifically granted to consolidated governments, municipal

166 corporations, and counties and to the authority to enter into contracts, lease agreements,
167 franchising agreements, or other undertakings relative to the furnishing of said public
168 services and facilities by the authority to such consolidated governments, municipal
169 corporations, special districts, counties, and federal government and all of their respective
170 agencies and political subdivisions for a term not exceeding 50 years. As to any
171 consolidated government, political subdivision, department, institution, special district,
172 federal government, this state, or any of their respective agencies which shall enter into
173 an agreement under the provisions of this paragraph or in paragraph (4) of this section,
174 the obligation to perform and fulfill such agreement shall constitute a general obligation
175 of such entity for which its full faith and credit shall be pledged;

176 (7) To construct, erect, acquire, own, repair, remodel, maintain, add to, extend, improve,
177 equip, operate, and manage its public services; with the cost of such public services and
178 projects to be paid in whole or in part from the proceeds of revenue bonds of the authority
179 or from such proceeds and any grant from the United States of America or any agency
180 or instrumentality thereof or from the state or any agency or instrumentality thereof;

181 (8) To provide standards, regulations, and other requirements for the construction of
182 projects by persons and entities other than the authority and to condition that authority's
183 approval of subdivisions and other developments upon compliance with such standards;

184 (9) To require, as a condition for the authority's approval of any subdivision development
185 or other development of real property in the unincorporated area of Schley County, that
186 all internal water and sewerage systems constructed in such development be deeded to
187 the authority and connected to and served by the water and sewerage facilities of the
188 authority where such connections are feasible;

189 (10) To require that all persons and entities using public services in the unincorporated
190 area of Schley County be required to connect to the water and sewerage systems owned
191 and operated by the authority under such terms, conditions, and circumstances as
192 provided by the authority;

193 (11) To accept loans and grants of money or materials or property of any kind from the
194 United States of America or any agency or instrumentality thereof, upon such terms and
195 conditions as the United States of America or such agency or instrumentality may
196 impose;

197 (12) To accept loans and grants of money or materials or property of any kind from the
198 state or any agency or instrumentality or political subdivision thereof, upon such terms
199 and conditions as the state or such agency or instrumentality or political subdivision may
200 impose;

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

- 203 (14) To exercise any power usually possessed by private corporations performing similar
204 functions;
- 205 (15) To issue negotiable revenue bonds, payable solely from funds pledged for the
206 purpose, and to provide for the payment of the same and for rights of the holders thereof;
- 207 (16) To sue and be sued;
- 208 (17) To sell or exchange its property at private sale if the authority obtains at least two
209 certified appraisals, as defined in Code Section 43-39A-2 of the O.C.G.A., of the property
210 and disposes of such property for at least the average of those appraisal prices for the
211 property;
- 212 (18) The authority and any trustee acting under any trust indenture are specifically
213 authorized to sell, lease, grant, exchange, or otherwise dispose of any surplus property,
214 both real and personal, or interest therein not required in the normal operation of and
215 usable in the furtherance of the purpose for which the authority was created, under such
216 terms, notices, and conditions as may be established by the authority, except as such right
217 and power may be limited as provided elsewhere in this Act;
- 218 (19) Except as otherwise provided in this Act, the authority may exercise any of its
219 powers or provide any of its services inside of any local government within Schley
220 County when authorized by contract with the governing authority thereof;
- 221 (20) To make and enforce rules and regulations for the management and operation of its
222 public service systems which now exist and as hereafter added to, extended, or improved
223 by any project or projects constructed after the provisions of this Act;
- 224 (21) To prescribe, fix, and collect rates, fees, tolls, or charges of the authority and to
225 revise from time to time and collect such rates, fees, tolls, or charges for said public
226 services, facilities, or commodities furnished; and in anticipation of the collection of the
227 revenues and income of such undertakings or projects, to issue revenue bonds as provided
228 in this Act to finance in whole or in part the acquisition, construction, reconstruction,
229 improvement, betterment, or extension of its public services systems and projects; and
230 to pledge to the punctual payment of the bonds and interest thereon all or any part of the
231 revenues of such undertaking or project, including the revenues of improvements,
232 betterments, or extensions thereto; and to classify and differentiate such rates, fees, tolls,
233 or charges in any reasonable manner, including, but not limited to, small, intermediate,
234 and large consumers and industrial, commercial, and residential consumers.
235 Additionally, and not in limitation of any of the foregoing, the authority, in fixing said
236 public services rates, shall be fully authorized and empowered to comply with any state
237 or federal Acts and any lawful regulations adopted pursuant to any such Act. As a
238 limitation of the power of the authority, however, if at any time there are issued and
239 outstanding revenue bonds for the payment of which the revenues of the authority are

240 pledged, the authority shall make no decrease in rates or fees for said public services
241 which will in any way impair the obligations contained in the revenue bonds;

242 (22) To adopt rules and regulations providing for the suspension of service to delinquent
243 customers. The authority, through its general manager, or such other employees as the
244 authority designates, shall have the right and power to issue executions for any past due
245 charges, which executions shall be a lien upon and against the land and other properties
246 of the assessed party, which lien shall be of equal priority, rank, and dignity, having the
247 same attributes, rights, and powers, as to collection and foreclosure thereof as an
248 execution for unpaid ad valorem taxes of the County of Schley; provided, however, that
249 no such lien shall exist as to third parties until execution therefor shall have been issued
250 by the Superior Court of Schley County. In the event that sewerage service is
251 discontinued pursuant to this section, the appropriate health authorities shall be
252 immediately notified;

253 (23) To acquire insurance for its property, its authority members, and its officers and
254 employees on such terms and conditions and in such amounts as the authority deems
255 appropriate in its judgment and discretion with the payment of premiums and charges
256 therefor, together with any other costs incident thereto, to be paid in whole or in part by
257 the authority and out of the general funds of the authority as the authority may determine;

258 (24) To have all powers and authorities set forth under Code Section 36-82-62 of the
259 O.C.G.A., et seq., and as subsequently amended; and

260 (25) To do all things necessary or convenient to carry out the powers expressly given in
261 this Act.

262 **SECTION 5.**

263 Financing powers.

264 The authority, or any authority or body which has or which may in the future succeed to the
265 powers, duties, and liabilities vested in the authority created in this Act, shall have power and
266 is authorized to borrow money for the purpose of paying all or any part of the cost of the
267 project, as defined in this Act, of any one or more projects and to provide by resolution for
268 the issuance of negotiable revenue bonds for that purpose. The principal and interest of such
269 revenue bonds shall be payable solely from the special fund provided in this section for such
270 payment. The bonds of each issue shall be dated, shall mature at such time or times not
271 exceeding 40 years from their date or dates, shall bear interest at such rate or rates not to
272 exceed the maximum bond limit prescribed in Chapter 82 of Title 36 of the O.C.G.A., the
273 "Revenue Bond Law," as now or hereafter amended, and shall be payable in such medium
274 of payment as to both principal and interest as may be determined by the authority and may

275 be made redeemable before maturity, at the option of the authority, at such price or prices
276 and under such terms and conditions as may be fixed by the authority in the resolution
277 providing for the issuance of the bonds. Any bonds issued by the authority shall be exempt
278 from all laws of this state governing usury or prescribing or limiting interest rates to be borne
279 by bonds or other obligations.

280 **SECTION 6.**

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

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

288 **SECTION 7.**

289 Revenue bonds; signatures; seal.

290 All such bonds shall bear the manual or facsimile signature of the chairperson of the
291 authority and the attesting manual or facsimile signature of the secretary of the authority, and
292 the official seal of the authority or a facsimile thereof shall be affixed thereto, and any
293 coupons attached thereto shall bear the facsimile signatures of the chairperson and the
294 secretary of the authority. Any coupon may bear the facsimile signatures of such persons,
295 and any bond may be signed, sealed, and attested on behalf of the authority by such person
296 as at the actual time of the execution of such bonds shall be duly authorized or hold the
297 proper office, although at the date of such bonds, such person shall not have been so
298 authorized or shall not have held such office. In case any officer whose signature shall
299 appear on any bonds or whose signature shall appear on any coupon shall cease to be such
300 officer before delivery of such bonds, such signature shall nevertheless be valid and
301 sufficient for all purposes the same as if such officer had remained in office until such
302 delivery.

303 **SECTION 8.**

304 Revenue bonds; negotiability; exemption from taxation.

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

309 **SECTION 9.**

310 Revenue bonds; sale; price.

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

313 **SECTION 10.**

314 Revenue bonds; proceeds of bonds.

315 The proceeds of such bonds shall be used solely for the payment of the costs of the project
316 or projects, and, unless otherwise provided in the resolution authorizing the issuance of the
317 bonds or in any trust indenture, additional bonds may in like manner be issued to provide the
318 amount of any deficit which, unless otherwise provided for in the resolution authorizing the
319 issuance of the bonds or in any trust indenture, shall be deemed to be of the same issue and
320 shall be entitled to payment from the same fund without preference or priority of the bonds
321 first issued for the same purpose. If the proceeds of the bonds of any issue shall exceed the
322 amount required for the purpose for which such bonds are issued, the surplus shall be paid
323 into the fund provided for in this Act to be used for paying the principal of and the interest
324 on such bonds.

325 **SECTION 11.**

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

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

330 **SECTION 12.**

331 Revenue bonds; replacement of lost or mutilated bonds.

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

334 **SECTION 13.**

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

336 Such revenue bonds may be issued without any other proceedings or the happening of any
337 other conditions or things than those proceedings, conditions, and things which are specified
338 or required by this Act. In the discretion of the authority, revenue bonds of a single issue
339 may be issued for the purpose of any particular project. Any resolution providing for the
340 issuance of revenue bonds under the provisions of this Act shall become effective
341 immediately upon its passage and need not be published or posted, and any such resolutions
342 may be passed at any regular, special, or adjourned meeting of the authority by a majority
343 of the quorum as provided in this Act.

344 **SECTION 14.**

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

346 Revenue bonds issued under the provisions of this Act shall not be deemed to constitute a
347 debt of Schley County or a pledge of the faith and credit of the county, but the bonds shall
348 be payable solely from the fund provided for in this Act, and the issuance of such revenue
349 bonds shall not directly, indirectly, or contingently obligate the county to levy or to pledge
350 any form of taxation whatever therefor or to make any appropriation for their payment, and
351 all such bonds shall contain recitals on their face covering substantially the foregoing
352 provisions of this section; provided, however, that the governing authority of Schley County
353 is authorized to contract with the authority for any of the undertakings authorized in this Act.
354 Such county may in connection therewith, jointly or severally, use any funds from any lawful
355 source or from the proceeds of the issue and sale of bonds for such purpose.

356 **SECTION 15.**

357 Revenue bonds; trust indenture as security.

358 In the discretion of the authority, any issue of such revenue bonds may be secured by a trust
359 indenture by and between the authority and a corporate trustee, which may be any trust

360 company or bank having the powers of a trust company inside or outside this state. Such
361 trust indenture may pledge or assign fees, tolls, revenues, and earnings to be received by the
362 authority. Either the resolution providing for the issuance of the revenue bonds or such trust
363 indenture may contain such provisions for protecting and enforcing the rights and remedies
364 of the bondholders as may be reasonable and proper and not in violation of law, including
365 covenants setting forth the duties of the authority in relation to the acquisition of property;
366 the construction of the project; the maintenance, operation, repair, and insurance of the
367 project; and the custody, safeguarding, and application of all moneys, and may also provide
368 that any project shall be constructed and paid for under the supervision and approval of
369 consulting engineers or architects employed or designated by the authority and may also
370 contain provisions concerning the conditions, if any, upon which additional revenue bonds
371 may be issued. It shall be lawful for any bank or trust company incorporated under the laws
372 of this state to act as such depository and to furnish such indemnifying bonds or pledge such
373 securities as may be required by the authority. Such indenture may set forth the rights and
374 remedies of the bondholders and of the trustee and may restrict the individual right of action
375 of bondholders as is customary in trust indentures securing bonds and debentures of
376 corporations. In addition to the foregoing, such trust indenture may contain such other
377 provisions as the authority may deem reasonable and proper for the security of bondholders.
378 All expenses incurred in carrying out such trust indenture may be treated as a part of the cost
379 of maintenance, operation, and repair of the project affected by such indenture.

380 **SECTION 16.**

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

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

387 **SECTION 17.**

388 Revenue bonds; sinking fund.

389 The revenues, fees, tolls, charges, and earnings derived from any particular project or
390 projects, regardless of whether or not such fees, tolls, charges, earnings, and revenues were
391 produced by a particular project for which bonds have been issued unless otherwise pledged
392 and allocated, may be pledged and allocated by the authority to the payment of the principal

393 and interest on revenue bonds of the authority as the resolution authorizing the issuance of
 394 the bonds or in the trust instrument may provide. Such funds so pledged from whatever
 395 source received, which pledge may include funds received from one or more or all sources,
 396 shall be set aside at regular intervals as may be provided in the resolution or trust indenture
 397 into a sinking fund, which sinking fund shall be pledged to and charged with the payment of:

- 398 (1) The interest upon the revenue bond as such interest shall fall due;
- 399 (2) The principal of the revenue bonds as the same shall fall due;
- 400 (3) Any premium upon the revenue bonds acquired by redemption, payment, or
 401 otherwise;
- 402 (4) The necessary charges of the paying agent or agents for paying principal and interest;
 403 and
- 404 (5) Any investment fees or charges.

405 The use and disposition of such sinking fund shall be subject to such regulations as may be
 406 provided in the resolution authorizing the issuance of the revenue bonds or in the trust
 407 indenture, but, except as may otherwise be provided in such resolution or trust indenture,
 408 such sinking fund shall be maintained as a trust account for the benefit of all revenue bonds
 409 without distinction or priority of one over another. Subject to the provisions of the resolution
 410 authorizing the issuance of the bonds or in the trust indenture, any surplus moneys in the
 411 sinking fund may be applied to the purchase or redemption of bonds, and any such bonds so
 412 purchased or redeemed shall forthwith be canceled and shall not be reissued, printed, and
 413 delivered.

414 **SECTION 18.**

415 Revenue bonds; remedies of bondholders.

416 Any holder of revenue bonds issued under the provisions of this Act or of any of the coupons
 417 appertaining thereto, and the trustee under the trust indenture, if any, except to the extent the
 418 rights given by this Act may be restricted by resolution passed before the issuance of the
 419 bonds or by the trust indenture, may, either at law or in equity, by suit, action, mandamus,
 420 or other proceedings, protect and enforce any and all rights under the laws of this state or
 421 granted by this Act or under such resolution or trust indenture and may enforce and compel
 422 performance of all duties required by this Act or by such resolution or trust indenture to be
 423 performed by the authority or any officer thereof, including the fixing, charging, and
 424 collecting of revenues, fees, tolls, fines, and other charges for the use of the facilities and
 425 services furnished.

426 **SECTION 19.**

427 Revenue bonds; refunding bonds.

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

434 **SECTION 20.**

435 Revenue bonds; jurisdiction and venue.

436 Any action to protect or enforce any rights under the provisions of this Act or any suit or
437 action against such authority shall be brought in the Superior Court of Schley County,
438 Georgia, and any action pertaining to validation of bonds issued under the provisions of this
439 Act shall likewise be brought in said court which shall have exclusive, original jurisdiction
440 of such actions.

441 **SECTION 21.**

442 Revenue bonds; validation.

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

445 **SECTION 22.**

446 Revenue bonds; interest of bondholders protected.

447 (a) While any of the bonds issued by the authority remain outstanding, the powers, duties,
448 or existence of said authority or its officers, employees, or agents shall not be diminished or
449 impaired in any manner that will affect adversely the interests and rights of the holders of
450 such bonds. No other entity, department, agency, or authority shall be created which will
451 compete with the authority to such an extent as to affect adversely the interest and rights of
452 the holders of such bonds, nor will the state itself so compete with the authority.
453 (b) The provisions of this Act shall be for the benefit of the authority and the holders of any
454 such bonds and, upon the issuance of bonds under the provisions of this Act, shall constitute
455 a contract with the holders of such bonds.

456 **SECTION 23.**

457 Moneys received considered trust funds.

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

461 **SECTION 24.**

462 Tort immunity.

463 To the extent permitted by law, the authority shall have the same immunity and exemption
464 from liability for torts and negligence as Schley County, and the officers, agents, and
465 employees of the authority when in the performance of the work of the authority shall have
466 the same immunity and exemption from liability for torts and negligence as the officers,
467 agent, and employees of Schley County when in performance of their public duties or work
468 of the county.

469 **SECTION 25.**

470 Rules and regulations for operation of projects.

471 It shall be the duty of the authority to prescribe rules and regulations for its own government
472 and for the operation of the project or projects acquired or constructed under the provisions
473 of this Act, including the basis on which said public service or public services and facilities
474 shall be furnished.

475 **SECTION 26.**

476 Powers declared supplemental and additional.

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

481 **SECTION 27.**

482 Liberal construction of Act.

483 This Act shall be liberally construed to effect the purposes thereof.

484

SECTION 28.

485

Effect of partial invalidity of Act.

486

487

488

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

489

SECTION 29.

490

Effective date.

491

492

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

493

SECTION 30.

494

Repealer.

495

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