

House Bill 875

By: Representatives Nix of the 69th, Collins of the 68th, Cooke of the 18th, and Smith of the 70th

A BILL TO BE ENTITLED
AN ACT

1 To amend an Act to create the Carroll County Water Authority, approved April 6, 1967 (Ga.
2 L. 1967, p. 2861), as amended, particularly by an Act approved March 21, 1968 (Ga. L.
3 1968, p. 2368), an Act approved March 27, 1972 (Ga. L. 1972, p. 2655), an Act approved
4 March 27, 1995 (Ga. L. 1995, p. 3606), and an Act approved April 13, 2001 (Ga. L. 2001,
5 p. 4380), so as to increase the annual compensation cap for authority members; to revise
6 certain definitions; to bring antiquated provisions related to revenue bonds in line with
7 current state revenue bond laws; to increase the maximum allowable interest rate on revenue
8 bonds issued by the authority; to authorize certain out-of-state transactions; to provide for
9 related matters; to repeal conflicting laws; and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 An Act to create the Carroll County Water Authority, approved April 6, 1967 (Ga. L. 1967,
13 p. 2861), as amended, particularly by an Act approved March 21, 1968 (Ga. L. 1968,
14 p. 2368), an Act approved March 27, 1972 (Ga. L. 1972, p. 2655), an Act approved
15 March 27, 1995 (Ga. L. 1995, p. 3606), and an Act approved April 13, 2001 (Ga. L. 2001,
16 p. 4380), is amended by revising subsection (d) of Section 2 as follows:

17 "(d) The members of the authority shall be entitled to compensation for their services, out
18 of authority funds, at the rate of \$100.00 for each meeting they attend, not to exceed a total
19 of \$3,000.00 for each member in any calendar year."

20 **SECTION 2.**

21 Said Act is further amended by revising subsections (b), (d), and (e) of Section 3 as follows:

22 "(b) The word 'project' shall be deemed to mean and include the acquisition and
23 construction of all necessary and usual water facilities useful and necessary for the
24 obtaining of one or more sources of water supply, the treatment of water and the
25 distribution and sale of water to users and consumers, including counties and

26 municipalities, for the purpose of resale, within the territorial boundaries of Carroll County,
 27 and the operation, maintenance, additions, improvements, and extensions of such facilities
 28 so as to assure an adequate water utility system deemed by the authority necessary or
 29 convenient for the efficient operation of such type of undertaking; the acquisition and
 30 construction of all necessary and usual facilities useful and necessary for the gathering of
 31 waste matter, individual and industrial, the treatment of such waste including the
 32 acquisition and construction of treatment plants, lagoons, without and within the territorial
 33 boundaries of Carroll County, and the operation, maintenance, additions, improvements,
 34 and extensions of such facilities deemed necessary by the authority to be necessary or
 35 convenient for the efficient operation of a sanitary sewer system."

36 "(d) 'Revenue bonds' and 'bonds' mean revenue bonds as defined and provided for in
 37 Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, as now or
 38 hereafter amended, known as the 'Revenue Bond Law,' and such type of obligations may
 39 be issued by the authority as authorized under said Revenue Bond Law and any
 40 amendments thereto and, in addition, shall also mean obligations of the authority, the
 41 issuance of which are hereinafter specifically provided for in this Act. Nothing in this Act
 42 shall prohibit the issuing of other debt instruments permitted by law.

43 (e) Any project shall be deemed to be 'self-liquidating' if, in the sole judgment of the
 44 authority, the revenues and earnings to be derived by the authority therefrom, including,
 45 but not limited to, any contractual payments, and all properties used, leased and sold in
 46 connection therewith, together with any grants, will be sufficient to pay the principal and
 47 interest of the revenue bonds which may be issued for the cost of such project or projects."

48 **SECTION 3.**

49 Said Act is further amended by revising Section 5 as follows:

50 "SECTION 5.

51 Revenue bonds.

52 The authority, or any authority or body which has or which may in the future succeed to
 53 the powers, duties, and liabilities vested in the authority created hereby, shall have power
 54 and is authorized to provide by resolution for the issuance of negotiable revenue bonds of
 55 the authority for the purpose of paying all or any part of the cost as herein defined of any
 56 one or more projects. The principal of and interest on such revenue bonds shall be payable
 57 solely from the special funds hereby provided for such payment. The bonds of each issue
 58 shall be dated, may bear interest at such rate or rates not exceeding 9 percent per annum,
 59 payable at such time or times, shall mature at such time or times not exceeding 40 years

60 from their date or dates, shall be payable in such medium of payment as to both principal
61 and interest as may be determined by the authority, and may be redeemable before
62 maturity, at the option of the authority, at such price or prices and under such terms and
63 conditions as may be fixed by the authority in the resolution for the issuance of bonds."

64 **SECTION 4.**

65 Said Act is further amended by revising Section 9 as follows:

66 "SECTION 9.

67 Same; sale; price; proceeds.

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

72 **SECTION 5.**

73 Said Act is further amended by revising Section 21 as follows:

74 "SECTION 21.

75 Same; validation.

76 Bonds of the authority shall be confirmed and validated in accordance with the procedures
77 of Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, the
78 'Revenue Bond Law,' as amended. Any petition for validation shall make party defendant
79 to such action the authority and any municipality, county, authority, subdivision, or
80 instrumentality of the State of Georgia which has contracted with the authority for the
81 services and facilities of the water or sewerage system for which bonds are to be issued and
82 sought to be validated; and such municipality, county, authority, subdivision, or
83 instrumentality shall be required to show cause, if any, why such contract or contracts and
84 the terms and conditions thereof should not be inquired into by the court and the validity
85 of the terms thereof be determined and the contract or contracts adjudicated as security for
86 the payment of any such bonds of the authority. The judgment of validation shall be final
87 and conclusive with respect to such bonds against the authority issuing the same and any
88 municipality, county, authority, subdivision, or instrumentality contracting with the
89 authority."

90 **SECTION 6.**

91 Said Act is further amended by revising Section 24 as follows:

92 "SECTION 24.

93 Purpose of the authority.

94 (a) Without limiting the generality of any provision of this Act, the general purpose of the
 95 authority is declared to be that of acquiring an adequate source or sources of water supply,
 96 treatment of such water, and thereafter the distribution of the same to the various
 97 municipalities and citizens in Carroll County and environs, including adjoining counties
 98 and municipalities located therein, and further for the general purpose of gathering and
 99 treatment of waste, both individual and industrial; but such general purpose shall not
 100 restrict the authority from selling and delivering water directly to consumers in those areas
 101 where there does not now exist water distribution systems or furnishing sewer facilities to
 102 such customers and areas where such systems do not exist.

103 (b) The authority shall also have the authority, where it deems it feasible, to buy or sell its
 104 products and services to customers, governmental agencies, or governmental
 105 instrumentalities of adjoining states, providing the laws of the United States or the
 106 adjoining states do not prohibit or tax said activity."

107 **SECTION 7.**

108 Said Act is further amended by revising Section 30 as follows:

109 "SECTION 30.

110 Effect on other governments; repeal.

111 This Act shall not and does not in any way take from Carroll County or any municipality
 112 located therein or any adjoining county, the authority to own, operate, and maintain a water
 113 system, a sewerage system, or a combined water and sewerage system or to issue revenue
 114 bonds as is provided by the 'Revenue Bond Law,' Article 3 of Chapter 82 of Title 36 of the
 115 Official Code of Georgia Annotated. All laws and parts of laws in conflict with this Act
 116 are hereby repealed."

117 **SECTION 8.**

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