A BILL TO BE ENTITLED
AN ACT

To create the Tri-County Natural Gas Authority; to provide for a short title; to confer powers and impose duties on the authority; to provide for definitions; to provide for the membership and the appointment of members of the authority and their terms of office, qualifications, duties, powers, and compensation; to provide for vacancies, organization, meetings, and expenses; to provide for activation of the authority; to provide for the transfer of property and employees to the authority; to authorize the issuance of revenue bonds of the authority; to provide for moneys received and trust funds; to fix and provide the venue and jurisdiction of actions relating to any provisions of this Act; to provide for tax exemption, rates, charges, and revenues; to provide for tort immunity; to provide contracting requirements; to provide for supplemental powers; to deny taxing powers; to provide for construction of act and severability; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Short title.

This Act shall be known and may be cited as the "Tri-County Natural Gas Authority Act."

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SECTION 2.

Tri-County Natural Gas Authority; creation.

There is hereby created a public body corporate and politic to be known as the "Tri-County Natural Gas Authority," which shall be deemed to be a political subdivision of the state and a public corporation, and by that name, style, and title such body may contract and be contracted with, sue and be sued, implead and be impleaded, and complain and defend in all courts of law and equity. The authority shall have perpetual existence. All property owned by such corporation shall be public property held and owned for governmental purposes and shall be exempt from taxation as provided by law.

SECTION 3.

Definitions.

As used in this Act, the following words and terms shall have the following meanings unless a different meaning clearly appears from the context:

(1) "Authority" shall mean the Tri-County Natural Gas Authority created in this Act.

(2) "Cities" shall mean both the City of Greensboro and the City of Union Point.

(3) "City" shall mean the City of Greensboro or the City of Union Point, depending on the context.

(4) "Cost of the project" shall include the cost of construction, the cost of all lands, properties, rights, easements, and franchises acquired, the cost of buildings, improvements, materials, labor, and services contracted for, the cost of all machinery and equipment, financing charges, interest prior to and during construction and for one year after the completion of construction, engineering, architectural, fiscal, accounting, inspection, and legal expenses, cost of plans and specifications, and other expenses necessary or incident to determining the feasibility or practicability of the project,
administrative expenses, and such other expenses as may be necessary or incident to the
financing herein authorized, the acquisition, construction, renovation, reconstruction, or
remodeling of any project, the placing of the same in operation, and the condemnation
of property necessary for such 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 any funds of the authority,
including proceeds of any revenue bonds issued under the provisions of this Act for any
such project or projects and the proceeds of the sale of any contracts, lease agreements,
or installment sale agreements or the amounts payable thereunder, either directly or by
the creation of interests therein.

(5) "Project" means and includes the planning, design, acquisition, construction, and
management of natural gas supply and distribution facilities; the acquisition of personal
and real property necessary to carry out the authority's function to provide natural gas to
the customers in its territory; and the management, operation, maintenance, additions,
improvements, and extensions of such facilities so as to assure adequate natural gas
distribution systems deemed by the authority to be necessary or convenient for the
efficient operation of such undertaking.

(6) "Revenue bond" shall mean bonds issued by the authority pursuant to the Revenue
Bond Law.

(7) "Revenue Bond Law" shall mean Article 3 of Chapter 82 of Title 36 of the O.C.G.A.

(8) "Service Delivery Area" means area is that in which the cities are on the effective
date of this Act, or the authority in the future is, authorized to provide natural gas utility
service according to the relevant county-wide safety plans for the counties in which the
cities are authorized to operate on the effective date of this Act.

(9) "Superintendent" shall mean the person employed by the authority to manage the
day-to-day operations of the authority, including the supervision and direction of its
employees.
SECTION 4.

Board.

The authority shall be governed by a board that shall consist of four members, composed as follows:

1. The Mayor of the City of Greensboro;
2. The Mayor of the City of Union Point;
3. A member of the City Council of Greensboro appointed by the Mayor of Greensboro;
4. The Mayor pro tem of the City of Union Point.

Members are eligible to succeed themselves and shall hold office until their successors are appointed. Immediately after their appointment, the members of the authority shall enter upon their duties. Three members of the authority shall constitute a quorum, and no vacancy on the authority shall impair the right of the quorum to exercise all the rights and perform all the duties of the authority and, in every instance, a majority vote of a quorum shall authorize any legal act of the authority, including all things necessary to authorize and issue revenue bonds. Unless otherwise provided by an intergovernmental agreement between the cities, the members shall elect from among themselves a chairperson. The chairperson shall be entitled to make and second motions and vote on any matter. Where provided by an intergovernmental agreement between the cities, the members of the authority may be entitled to compensation for their services. Any change in name or composition of the authority shall in no way affect the vested rights of any person under the provisions of this Act or impair the obligations of any contracts existing under this Act.
SECTION 5.

General powers.

The authority shall have the power:

1. To provide natural gas services within the service delivery area in the same manner as such services are provided by the cities on the effective date of this Act.
2. To hold, own, and convey real and personal property;
3. To sue and be sued;
4. To have and to use a seal and to alter the same at pleasure;
5. To acquire, construct, purchase, own, equip, operate, extend, improve, lease, and sell any project as hereinafter defined;
6. To acquire in its own name by purchase on such terms and conditions and in such manner as it may deem proper;
7. To accept gifts and bequests for its corporate purposes;
8. To appoint, select, and employ officers, agents, and employees, including the superintendent, engineering, architectural, and construction experts, fiscal agents, and attorneys, and to fix their compensation;
9. To make and execute with public and private persons and corporations contracts, lease agreements, rental agreements, installment sale agreements, and other instruments relating to its projects and incident to the exercise of the powers of the authority, including contracts for constructing, renting, leasing, and selling its projects for the benefit of the cities;
10. To sell or assign its rights under its contracts, lease agreements, or installment sale agreements or its right to receive payments thereunder, either directly or through trust or custodial arrangements whereby interests are created in such contracts, lease agreements, or installment sale agreements or the payments to be received thereunder through the
issuance of trust certificates, certificates of participation, custodial receipts, or other similar instruments;

(11) To accept loans and grants of money or property of any kind from the United States, the State of Georgia, or any political subdivision of the State of Georgia;

(12) To borrow money for any of its corporate purposes and to issue revenue bonds payable solely from funds or revenues of the authority pledged for that purpose and to pledge and assign any of its revenues, income, rent, charges, and fees to provide for the payment of the same and to provide for the rights of the holders of such revenue bonds;

(13) To make such rules and regulations governing its employees and property as it may in its discretion deem proper; and

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

SECTION 6.

Activation by intergovernmental agreement.

(a) The authority shall be inactive until, the cities enter into an intergovernmental agreement, pursuant to Article IX, Section III, Paragraph I of the Constitution of Georgia, that provides for the particulars of the operation of the authority. Such agreement shall include, but need not be limited to, provisions governing revenue and expense sharing. The cities may freely amend any such agreement entered into pursuant to this section as permitted by law.

(b) Until such time as an agreement as provided for in subsection (a) of this section is executed, the authority shall be inactive, and the authority shall only become active upon the execution of such agreement. Such agreement may designate a certain time and date for the authority to become active.
(c) The failure of the cities to execute such agreement shall in no way void or nullify this Act. Instead, the failure of the cities to execute such an agreement shall merely render the authority inactive until such an agreement is executed.

SECTION 7.
Transfer of property and employees.

(a) Upon activation of the authority as provided for in Section 6 of this Act, each city, either jointly or independently, may enter into an intergovernmental agreement, pursuant to Article IX, Section III, Paragraph I of the Constitution of Georgia, which may provide for those city employees, if any, who will be employed the authority, and that such employees shall cease to be employed by that city and shall become employees of the authority. Such agreement or agreements may provide for the transfer of title of the city's or cities' natural gas distribution facilities, vehicles, and equipment to the authority.

(b) Nothing herein shall require any such agreement; and the cities at their discretion may retain any employees, and then allow such employees to work for authority under contract.

(c) If the authority shall deem it expedient to construct any project on real property which is subject to the control of one of the cities, such city may convey such real property to the authority for such consideration as may be agreed upon by the authority and the city, taking into consideration the public benefit to be derived from such conveyance.
SECTION 8.
Revenue bonds.

The authority shall have power and is authorized, pursuant to the Revenue Bond Law, to provide by resolution for the issuance of revenue bonds of the authority for the purpose of paying all or any part of the costs of a project and for the purpose of refunding revenue bonds or other obligations previously issued. Revenue bonds shall be undertaken, issued, priced, validated, sold, paid, redeemed, refunded, secured, and replaced in accordance with the provisions of the Revenue Bond Law. The principal of and interest on such revenue bonds shall be payable solely from such part of the revenues and earnings of such project or projects as may be designated in the resolution of the authority authorizing the issuance of such revenue bonds.

SECTION 9.
Revenue bonds; conditions precedent to issuance.

The authority shall adopt a resolution authorizing the issuance of the revenue bonds. In the resolution, the authority shall determine that the project financed with the proceeds of such revenue bonds is self-liquidating. Revenue bonds may be issued without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions, and things which are specified or required by this Act. Any resolution providing for the issuance of revenue bonds under the provisions of this Act shall become effective immediately upon its passage and need not be published or posted, and any such resolution may be passed at any regular, special, or adjourned meeting of the authority by a majority of its members present and voting.
SECTION 10.
Credit not pledged.

Revenue bonds of the authority shall not be deemed to constitute a debt of the City of Greensboro, the City of Union Point, the State of Georgia, or any other county or municipality of the State of Georgia, nor a pledge of the faith and credit of this state or such municipalities, but such revenue bonds shall be payable solely from the fund hereinafter provided for. The issuance of such revenue bonds shall not directly, indirectly, or contingently obligate this state or such county to levy or pledge any form of taxation whatsoever for payment of such revenue bonds or to make any appropriation for their payment, and all such revenue bonds shall contain recitals on their face covering substantially such foregoing provisions of this section. Notwithstanding the foregoing provisions, this Act shall not affect the ability of the authority and any political subdivision to enter into an intergovernmental contract pursuant to which the political subdivision agrees to pay amounts sufficient to pay operating charges and other costs of the authority or any project including, without limitation, the principal of and interest on revenue bonds in consideration for services or facilities of the authority.

SECTION 11.
Revenue bonds; trust indenture as security.

In the discretion of the authority, any issuance of revenue bonds may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without this state. Either the resolution providing for the issuance of the revenue bonds or such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including
covenants setting forth the duties of the authority in relation to the acquisition and
collection of the project, the maintenance, operation, repair, and insuring of the project,
and the custody, safeguarding, and application of all money.

SECTION 12.

Trust indenture as security; remedies of bondholders.

Any holder of revenue bonds and the trustee under the trust indenture, if any, except to the
extent that the rights given herein may be restricted by resolution passed before the issuance
of the revenue bonds or by the trust indenture, may, either at law or in equity, by suit, action,
mandamus, or other proceedings, protect and enforce any and all rights it may have under
the laws of the state, including specifically, but without limitation, the Revenue Bond Law,
or granted hereunder or under such resolution or trust indenture and may enforce and compel
performance of all duties required by this Act or by such resolution or trust indenture to be
performed by the authority or any officer thereof, including the fixing, charging, and
collecting of revenues, fees, tolls, fines, and other charges for the use of the facilities and
services furnished.

SECTION 13.

To whom proceeds of bonds shall be paid.

In the resolution providing for the issuance of revenue bonds or in the trust indenture, the
authority shall provide for the payment of the proceeds of the sale of the revenue bonds to
any officer or person who, or any agency, bank, or trust company which, shall act as trustee
of such funds and shall hold and apply the same to the purposes thereof, subject to such
regulations as this Act and such resolution or trust indenture may provide.
SECTION 14.
Sinking fund.

The money received pursuant to an intergovernmental contract and the revenues, fees, tolls, fines, charges, and earnings derived from any particular project or projects, regardless of whether or not such revenues, fees, tolls, fines, charges, and earnings were produced by a particular project for which revenue bonds have been issued, unless otherwise pledged and allocated, may be pledged and allocated by the authority to the payment of the principal and interest on revenue bonds of the authority as the resolution authorizing the issuance of the revenue bonds or the trust indenture may provide. Such funds so pledged from whatever source received may be set aside at regular intervals as may be provided in the resolution or trust indenture into a sinking fund, which sinking fund shall be pledged to and charged with the payment of:

1. The interest upon such revenue bonds as the same shall fall due;
2. The principal or purchase price of such revenue bonds as the same shall fall due;
3. Any premium upon such revenue bonds as the same shall fall due;
4. The purchase of such revenue bonds in the open market; and
5. The necessary charges of the paying agent for paying principal and interest.

The use and disposition of such sinking fund shall be subject to such regulations as may be provided in the resolution authorizing the issuance of the revenue bonds or in the trust indenture, but, except as may otherwise be provided in such resolution or trust indenture, such sinking fund shall be maintained as a trust account for the benefit of all revenue bonds without distinction or priority of one over another.
SECTION 15.

Interest of bondholders protected.

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

SECTION 16.

Money received considered trust funds.

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

SECTION 17.

Venue; jurisdiction; service.

The principal office of the authority shall be in Greene County, Georgia, and unless otherwise provided in general law, the venue of any action against it shall be in Greene County. Any action pertaining to the validation of any bonds issued under the provisions of this Act and the validation of any contract entered into by the authority shall be brought in
the Superior Court of Greene County, and such court shall have exclusive original
jurisdiction of such actions. Service upon the authority of any process, subpoena, or
summons shall be effected by serving the same personally upon any member of the authority.

SECTION 18.
Rates, charges, and revenues of projects.

The authority is hereby authorized to prescribe, fix, and collect rates, fees, tolls, rents, and
charges and to revise, from time to time, and collect such revised rates, fees, tolls, rents, and
charges for the services, facilities, or commodities furnished, including leases, concessions,
or subleases of its projects, and to determine the price and terms at and under which its
projects may be sold. The authority shall be exempt from regulation by the Georgia Public
Service Commission to the same extent as a municipality and will be treated in all respects
like a municipality for purposes of law or regulation related directly to natural gas
distribution facilities and service.

SECTION 19.
Tax exemption.

The income of the authority, the properties of the authority, both real and personal, and all
revenue bonds, certificates of participation, notes, and other forms of obligations issued by
the authority shall be exempt from all state and local taxes and special assessments of any
kind to the extent permitted by and in accordance with the general laws of the state.
SECTION 20.

Immunity from tort actions.

To the extent permitted by law, the authority shall have the same immunity and exemption from liability for torts and negligence as a municipality; and the officers, agents, and employees of the authority when in the performance of the work of the authority shall have the same immunity and exemption from liability for torts and negligence as the officers, agents, and employees of a municipality when in the performance of their public duties or work of the municipality.

SECTION 21.

Contracts.

The authority may be sued the same as any private corporations on any contractual obligation of the authority, so long as the contractual obligation is set forth in a writing, approved by the board of the authority during a meeting, and entered into the minutes of the board.

SECTION 22.

Property not subject to levy and sale.

The property of the authority shall not be subject to levy and sale under legal process.
SECTION 23.

Powers declared supplemental and additional.

This Act shall be deemed to provide an additional and alternative method of carrying out the duties authorized hereby, shall be regarded as supplemental and additional to powers conferred to the cities by other laws, and shall not be regarded as being in derogation of any powers now existing.

SECTION 24.

Authority without taxing power.

The authority shall not have the power to levy, impose, or collect any tax on any person or property.

SECTION 25.

Liberal construction of Act.

This Act shall be liberally construed to effect the purposes hereof.

SECTION 26.

Severability; effect of partial invalidity of Act.

The provisions of this Act are severable, and if any of its provisions shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.
SECTION 27.

General repealer.

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