

# WEST VIRGINIA CODE: §18-2-16A

## **§18-2-16a. Construction of buildings and recreational facilities at state camp and conference center; charges for use; financing by revenue bonds or notes permissible; trustee for holders of bonds or notes; contents of trust agreement.**

The West Virginia Board of Education is hereby authorized to construct, erect, acquire and improve dining halls, cottages, and other buildings or recreational facilities it considers necessary and beneficial for the proper conduct and management of the camp and conference center and may charge such rates, fees, rentals and other charges for the use of the buildings and recreational facilities as it determines necessary and advisable.

The construction, erection, acquisition and improvement of dining halls, cottages and other buildings or recreational facilities may be financed by the issuance of revenue bonds or notes of the State of West Virginia payable solely from the revenues derived from the operation of the camp and conference center notwithstanding any of the provisions of section sixteen of this article.

The revenue bonds or notes shall be authorized by resolution of the West Virginia Board of Education, hereinafter referred to in this section as the "board", and the revenue bonds or notes shall not constitute a debt of the State of West Virginia within the meaning of any of its statutes or Constitution.

The principal of and interest on the bonds or notes shall be payable solely from the special fund provided for in this section for such payment. The board shall pledge the moneys in the special fund, except that part of the proceeds of sale of any bonds or notes to be used to pay the cost of a project, for the payment of the principal of and interest on bonds or notes issued pursuant to this section. The pledge shall apply equally and ratably to separate series of bonds or notes or upon such priorities as the board determines. The bonds or notes shall be authorized by resolution of the board which shall recite an estimate of the cost of the project, and shall provide for the issuance of bonds or notes in an amount sufficient, when sold as provided in this section, to produce such cost, less the amount of any funds, grant or grants, gift or gifts, contribution or contributions received, or in the opinion of the board expected to be received from any source. The acceptance by the board of any and all funds, grants, gifts and contributions, whether in money or in land, labor or materials, is hereby expressly authorized. All bonds or notes shall have and are hereby declared to have all the qualities of negotiable instruments. The bonds or notes shall bear interest at not more than twelve percent per annum, payable semiannually, and shall mature in not more than forty years from their date or dates of issuance, and may be made redeemable at the option of the board, at such price and under such terms and conditions, as the board may fix prior to the issuance of the bonds or notes. The board shall determine the form of the bonds or notes, including coupons, if any, to be attached thereto to evidence the right of interest payments, which bonds or notes shall be signed by the chairman and secretary of the board, under the great seal of the state, attested by the Secretary of State, and the coupons, if any, attached

thereto shall bear the facsimile signature of the chairman of the board. In case any of the officers whose signatures appear on the bonds or notes or coupons issued as authorized under this section shall cease to be such officers before the delivery of the bonds or notes, the signatures are nevertheless valid and sufficient for all purposes the same as if they had remained in office until such delivery. The board shall fix the denominations of the bonds or notes, the principal and interest of which shall be payable at the Office of the Treasurer of the State of West Virginia at the state Capitol, or at the option of the holder, at some bank or trust company within or without the State of West Virginia to be named in the bonds or notes, in such medium as may be determined by the board. The bonds or notes and interest thereon are exempt from taxation by the State of West Virginia, or any county or municipality in the state. The board may provide for the registration of the bonds or notes in the name of the owners as to principal alone, and as to both principal and interest under such terms and conditions as the board may determine, and shall sell the bonds or notes in such manner as it may determine to be for the best interest of the state and the board, taking into consideration the financial responsibility of the purchaser, and the terms and conditions of the purchase, and especially the availability of the proceeds of the bonds or notes when required for payment of the cost of the project, the sale to be made at a price not lower than a price which, computed upon standard tables of bond values, will show a net return of not more than thirteen percent per annum to the purchaser upon the amount paid therefor. The proceeds of the bonds or notes shall be used solely for the payment of the cost of the project for which bonds or notes were issued, and shall be deposited and checked out in the same manner as provided by article six, chapter five of this code, and under such further restrictions, if any, as the board may provide. If the proceeds of bonds or notes issued for a project or a specific group of projects exceeds the cost of the project or projects, the surplus shall be paid into the fund provided for in this section for payment of the principal and interest of the bonds or notes. The fund may be used for the purchase of any of the outstanding bonds or notes payable from the fund at the market price, but at not exceeding the price, if any, at which the bonds or notes are in the same year redeemable. All bonds or notes redeemed or purchased shall forthwith be canceled, and shall not again be issued. Prior to the preparation of definitive bonds or notes, the board may, under like restrictions, issue temporary bonds or notes with or without coupons, exchangeable for definitive bonds or notes upon the issuance of the latter. Notwithstanding the provisions of sections nine and ten, article six, chapter twelve of this code, revenue bonds or notes issued under the authority granted in this section are eligible as investments for the workers' compensation fund, teachers retirement fund, division of public safety death, disability and retirement fund, West Virginia Public Employees Retirement System and as security for the deposit of all public funds. The revenue bonds or notes may be issued without any other proceedings or the happening of any other conditions or things than those proceedings, conditions and things which are specified and required by this article, or by the Constitution of the State. For all projects authorized under the provisions of this section, the aggregate amount of all issues of bonds or notes outstanding at one time shall not exceed \$2,500,000 including the renegotiation, reissuance or refinancing of any bonds or notes.

Notwithstanding anything in this section to the contrary, the board is authorized to issue

bonds or notes or otherwise finance or refinance the projects in this section, including the costs of issuance and sale of the bonds or notes or financing, all necessary financial and legal expenses and creation of debt service reserve funds in an amount not to exceed \$2,500,000.

The board may enter into an agreement or agreements with any trust company, or with any bank having the powers of a trust company, whether within or outside of the state, as trustee for the holders of bonds or notes issued under this section, setting forth in the agreement the duties of the state and of the board in respect of the acquisition, construction, improvement, maintenance, operation, repair and insurance of the project, the conservation and application of all moneys, the insurance of moneys on hand or on deposit, and the rights and remedies of the trustee and the holders of the bonds or notes, as may be agreed upon with the original purchasers of the bonds or notes. The agreement or agreements shall include provisions restricting the individual right of action of bondholders or noteholders as is customary in trust agreements respecting bonds or notes and debentures of corporations, protecting and enforcing the rights and remedies of the trustee and the bondholders or noteholders, and provide for approval by the original purchasers of the bonds or notes of the appointment of consulting architects, and of the security given by those who contract to construct the project, and by any bank or trust company in which the proceeds of bonds or notes or rentals shall be deposited, and for approval by the consulting architects of all contracts for construction. All expenses incurred in carrying out the agreement may be treated as a part of the cost of maintenance, operation and repairs of the project.