ENROLLED

HOUSE BILL No. 283

(By Mr. Amos)

PASSED March 3, 1955

In Effect 90 Days from Passage

Filed in the Office of the Secretary of State
MAR 9, 1955

D. PITT O'BRIEN
SECRETARY OF STATE
ENROLLED

House Bill No. 223
(By Mr. Burke)

[Passed March 3, 1955: in effect ninety days from passage.]

AN ACT to amend and reenact section one, chapter twenty-five, acts of the Legislature of West Virginia, first extraordinary session, one thousand nine hundred thirty-three, as amended, and to further amend said chapter twenty-five by adding thereto three new sections, to be designated sections twenty-two-e, twenty-two-f and twenty-two-g, all relating to municipal sewerage systems, so as to provide for the acquisition, construction, extension and improvement of municipal sewerage systems and the issuance of revenue bonds in connection therewith and providing for the rights and remedies of the holders of said bonds.

Be it enacted by the Legislature of West Virginia:

That section one, chapter twenty-five, acts of the Legislature of West Virginia, first extraordinary session, one thou-
sand nine hundred thirty three, as amended, be amended and reenacted, and that said chapter twenty-five be further amended by adding thereto three new sections, to be designated sections twenty-two-e, twenty-two-f and twenty-two-g, all to read as follows:

Section 1. Acquisition, Operation, Etc.; Issuance of Bonds.—Any municipal corporation and/or sanitary district in the state of West Virginia is hereby authorized and empowered to own, acquire, construct, equip, operate and maintain within and/or without the corporate limits of such municipal corporations, a sewage collection system and/or a sewage treatment plant or plants, intercepting sewers, outfall sewers, force mains, pumping stations, ejector stations, and all other appurtenances necessary or useful and convenient for the collection and/or treatment, purification and disposal, in a sanitary manner, of the liquid and solid waste, sewage, night soil and industrial waste of such municipal corporation and/or sanitary district, and shall have authority to acquire by gift, grant, purchase, condemnation, or otherwise, all necessary lands, rights-of-way and property therefor, within and/or with-
out the corporate limits of such municipal corporation
and/or sanitary district, and to issue revenue bonds to pay
the cost of such works and property, any such munici-
pality may serve and supply the facilities of such sewer-
age system within the corporate limits of such munici-
pality and within the area extending twenty miles beyond
the corporate limits of such municipality: Provided, how-
ever, That such municipality shall not serve or supply
the facilities of such sewerage system within the corpor-
ate limits of any other municipality without the consent
of the governing body thereof. No obligations shall be
incurred by any such municipality and/or sanitary dis-
trict in such construction or acquisition except such as
is payable solely from the funds provided under the au-
thority of this article.

Sec. 22-e. Operating Contract.—Any such municipality
may enter into contracts or agreements with any persons,
firms or corporations for the operation and management
of the facilities and properties of said sewerage system.
or any part thereof, for such period of time and under
such terms and conditions as shall be agreed upon be-
between such municipality and such persons, firms or corporations. Such municipality shall have power to provide in the resolution authorizing the issuance of bonds hereunder, or in any trust indenture, securing such bonds, that such contracts or agreements shall be valid and binding upon the municipality as long as any of said bonds, or interest thereon, are outstanding and unpaid.

Sec. 22-f. Exemption From Taxation.—Said bonds and the interest thereon, together with all properties and facilities of said municipality owned or used in connection with sewerage system, and all the moneys, revenues and other income of such municipality derived from such sewerage system shall be exempt from all taxation by the state of West Virginia or any county, municipality, political subdivision or agency thereof.

Sec. 22-g. Covenants With Bond Holders.—Any resolution authorizing the issuance of bonds hereunder, or any trust indenture with any bank or trust company within or without the state, for the security of said bonds, may contain covenants with the holders of such bonds as to:

(a) The purpose or purposes to which the proceeds of
sale of such bonds, or the revenues derived from said
sewerage system, may be applied and the securing, use
and disposition thereof, including, if deemed desirable,
the appointment of a trustee or depositary for any of
such funds;
(b) The pledging of all or any part of the revenues
derived from the ownership, operation or control of such
sewerage systems, including any part thereof heretofore
or hereafter constructed or acquired or derived from any
other sources, to the payment of the principal of or inter-
est thereon of bonds issued hereunder and for such reserve
or other funds as may be deemed necessary or desirable;
(c) The fixing, establishing and collecting of such fees,
rentals or other charges for the use of the services and fa-
cilities of such sewerage system, including the parts there-
of heretofore or hereafter constructed or acquired and the
revision of same from time to time, as will always provide
revenues at least sufficient to provide for all expenses of
operation, maintenance and repair of such sewerage sys-
tem, the payment of the principal of and interest on all
bonds or other obligations payable from the revenues of
such sewerage system, and all reserve and other funds
required by the terms of the ordinance authorizing the
issuance of such bonds;
(d) The transfer from the general funds of the mu-
nicipality to the account or accounts of such sewerage
system of an amount equal to the cost of furnishing the
municipality or any of its departments, boards or agencies
with the services and facilities of such sewerage system;
(e) Limitations or restrictions upon the issuance of
additional bonds or other obligations payable from the
revenue of such sewerage system, and the rank or priority,
as to lien and source and security for payment from the
revenues of such sewerage system, between bonds payable
from such revenues;
(f) The manner and terms upon which all bonds and
other obligations issued hereunder may be declared im-
mediately due and payable upon the happening of a de-
fault in the payment of the principal of or interest there-
on, or in the performance of any covenant or agreement
with bondholders, and the manner and terms upon which
such defaults may be declared cured and the acceleration
of the maturity of such bonds rescinded and repealed;
(g) Budgets for the annual operation, maintenance
and repair of such sewerage system and restrictions and
limitations upon expenditures for such purposes, and the
manner of adoption, modification, repeal or amendment
thereof, including the approval of such budgets by con-
sulting engineers designated by holders of bonds issued
hereunder;
(h) The amounts of insurance to be maintained upon
such sewerage system, or any part thereof, and the use
and disposition of the proceeds of any insurance;
(i) The keeping of books of account, relating to such
undertakings and the audit and inspection thereof, and
the furnishing to the holders of bonds issued hereunder
or their representatives, reports prepared, certified, or
approved by accountants designated or approved by the
holders of bonds issued hereunder;
(j) Such other additional covenants as shall be deemed
necessary or desirable for the security of the holders of
bonds issued hereunder, notwithstanding that such other
covenants are not expressly enumerated hereunder, it being the intention hereof to grant to such municipalities the power to make any and all covenants or agreements necessary in order to secure greater marketability for bonds issued hereunder as fully and to the same extent as such covenants or agreements could be made by a private corporation rendering similar services and facilities and to grant such municipalities full and complete power to enter into any contracts, covenants or agreements with holders of bonds issued hereunder not inconsistent with the constitution of the state of West Virginia.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the House of Delegates

Takes effect 90 days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within approved this the 8th day of March, 1955.

William C. Marland
Governor

Filed in the Office of the Secretary of State of West Virginia

MAR 9 1955
D. Pitt O'Brien
SECRETARY OF STATE