



Ohio Revised Code

Section 6119.12 Water resource revenue bonds and notes.

Effective: November 19, 1971

Legislation: Senate Bill 166 - 109th General Assembly

A regional water and sewer district may, from time to time, issue water resource revenue bonds and notes of the district in such principal amount as, in the opinion of the board of trustees of the district, are necessary for the purpose of paying any part of the cost of one or more water resource projects or parts thereof. The district may, from time to time, issue renewal notes, issue bonds to pay such notes and, whenever it considers refunding expedient, refund any bonds by the issuance of water resource revenue refunding bonds of the district, whether the bonds to be refunded have or have not matured, and issue bonds partly to refund bonds then outstanding and partly for any other authorized purpose. The refunding bonds shall be sold and the proceeds applied, to the extent necessary, to the purchase, redemption, or payment of the bonds to be refunded. Except as may otherwise be expressly provided by the district, every issue of its water resource revenue bonds or notes shall be obligations of the district payable out of the revenues of the district, which are pledged for such payment, without preference or priority of the first bonds issued, subject only to any agreements with the holders of particular bonds or notes pledging any particular revenues; provided that, if special assessments levied by the district pursuant to Chapter 6119. of the Revised Code are pledged to secure the payment of any issue of such bonds or notes, the board may covenant with the holders of such bonds or notes to limit the total principal amount of the financing anticipated to be paid from such assessments to any principal amount less than one hundred per cent of such assessments. Such pledge shall be valid and binding from the time the pledge is made, the revenues so pledged and thereafter received by the district shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge is valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the district, irrespective of whether such parties have notice thereof, except as provided in section 319.61 of the Revised Code with respect to special assessments. Neither the resolution nor any trust agreement by which a pledge is created need be filed or recorded except in the records of the district and except as provided in section 319.61 of the Revised Code with respect to special assessments.

Whether or not the district bonds or notes are of such form and character as to be negotiable instruments, the bonds or notes shall have all the qualities and incidents of negotiable instruments,



subject only to the provisions of the bonds or notes for registration.

The water resource revenue bonds and notes shall be authorized by resolution of the board of trustees of the district, shall bear such date or dates, and shall mature at such time or times, in the case of any such note or any renewals thereof not exceeding five years from the date of issue of such original note, and in the case of any such bonds not exceeding forty years from the date of issue, as such resolution or resolutions may provide. The water resource revenue bonds and notes shall bear interest at such rate or rates, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption as the board may authorize. The water resource revenue bonds and notes of the district may be sold by the district, at public or private sale, at or not less than such price or prices as the board determines. The bonds and notes shall be executed by two officers of the district as provided in the resolution authorizing the same, either or both of whom may use a facsimile signature, the official seal of the district or a facsimile thereof may be affixed thereto or printed thereon as provided in such resolution, and attested, manually or by facsimile signature, by the secretary of the district, and any coupons attached thereto shall bear the signature or facsimile signature of one officer of the district as provided in the authorizing resolution. In case any officer whose signature, or a facsimile of whose signature, appears on any bonds, notes, or coupons ceases to be such officer before delivery of bonds or notes, such signature or facsimile is nevertheless sufficient for all purposes the same as if he had remained in office until such delivery, and, in case the seal of the district has been changed after a facsimile has been imprinted on such bonds or notes, such facsimile seal will continue to be sufficient for all purposes.

Any resolution or resolutions authorizing any water resource revenue bonds or notes or any issue thereof may contain provisions, subject to such agreements with bondholders or noteholders as may then exist, which provisions shall be a part of the contract with the holders thereof, as to: pledging all or any part of the revenues of the district to secure the payment of the water resource revenue bonds or notes or of any issue thereof; the use and disposition of revenues of the district; a covenant to fix, alter, and collect rentals and other charges so that pledged revenues will be sufficient to pay costs of operation, maintenance, and repairs, pay principal of and interest on bonds or notes secured by the pledge of such revenues, and provide such reserves as may be required by the applicable resolution or trust agreement; the setting aside of reserve funds, sinking funds, replacement and improvement funds, or other special funds and the regulation and disposition thereof; the crediting of the proceeds



of the sale of bonds or notes to and among the funds referred to or provided for in the resolution authorizing the issuance of the bonds or notes; the use, lease, sale, or other disposition of any water resource project or any other assets of the district; limitations on the purpose to which the proceeds of sale of bonds or notes may be applied and pledging such proceeds to secure the payment of the bonds or notes or of any issue thereof; as to notes issued in anticipation of the issuance of water resource revenue bonds, the agreement of the district to do all things necessary for the authorization, issuance, and sale of such bonds in such amounts as may be necessary for the timely retirement of such notes; limitations on the issuance of additional bonds or notes; the terms upon which additional bonds or notes may be issued and secured; the refunding of outstanding bonds or notes; the procedure, if any, by which the terms of any contract with bondholders or noteholders may be amended or abrogated, the amount of bonds or notes the holders of which must consent thereto, and the manner in which such consent may be given; limitations on the amount of moneys to be expended by the authority for operating, administrative, or other expenses of the district; securing any bonds or notes by a trust agreement in accordance with section 6119.14 of the Revised Code; and any other matters, of like or different character, which in any way affect the security or protection of the bonds or notes.

Neither the members of the board of trustees of the district nor any person executing the bonds or notes shall be liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.