



Ohio Revised Code

Section 6119.14 Securing bonds and notes by trust agreements.

Effective: November 19, 1971

Legislation: Senate Bill 166

In the discretion of a regional water and sewer district, any water resource revenue bonds or notes or water resource revenue refunding bonds or notes issued under Chapter 6119. of the Revised Code may be secured by a trust agreement between the district and a corporate trustee, which trustee may be any trust company or bank having the powers of a trust company within or without the state.

Any such trust agreement may pledge or assign revenues of the district to be received, but shall not convey or mortgage any water resource project or any part thereof. Any such trust agreement or any resolution providing for the issuance of such bonds or notes may contain such provisions for protecting and enforcing the rights and remedies of the bondholders or noteholders as are reasonable and proper and not in violation of law, including covenants setting forth the duties of the district in relation to the acquisition of property, the construction, improvement, maintenance, repair, operation, and insurance of the water resource project or projects in connection with which such bonds or notes are authorized, the rentals or other charges to be imposed for the use or services of any water resource project, the custody, safeguarding, and application of all moneys, and provisions for the employment of consulting engineers in connection with the construction or operation of such water resource project or projects. Any bank or trust company incorporated under the laws of this state which may act as depository of the proceeds of bonds or notes or of revenues may furnish such indemnifying bonds or may pledge such securities as are required by the district. Any such trust agreement may set forth the rights and remedies of the bondholders and noteholders and of the trustee, and may restrict the individual right of action by bondholders and noteholders as is customary in trust agreements or trust indentures securing similar bonds or notes. Such trust agreement may contain such other provisions as the district considers reasonable and proper for the security of the bondholders or noteholders. All expenses incurred in carrying out the provisions of any such trust agreement may be treated as a part of the cost of the operation of the water resource project or projects. Any such trust agreement or resolution may provide the method whereby the general administrative overhead expenses of the district shall be allocated among the several projects acquired or constructed by it as a factor of the operation expense of each such project.