ALABAMA COOPERATIVE DISTRICT ACT

Section 11-99B-1 Definitions

Definitions.

When used in this chapter the following words and phrases shall have the following meanings, respectively, unless the context clearly indicates otherwise:

(1) APPLICANT. A natural person who files a written application with the governing body of any county or municipality or public corporation in accordance with the provisions of Section 11-99B-3.

(2) AUTHORIZING RESOLUTION. A resolution, adopted by a governing body in accordance with the provisions of Section 11-99B-3, that authorizes the incorporation of a district.

(3) AUTHORIZING SUBDIVISION. Any county or municipality or public corporation the governing body of which shall have adopted an authorizing resolution.

(4) BOARD. The board of directors of a district.

(5) BONDS. Bonds, notes, and certificates representing an obligation to pay money.

(6) COUNTY. Any county in the state.

(7) DIRECTOR. A member of the board of directors of the district.

(8) DISTRICT. A public corporation organized pursuant to the provisions of this chapter.

(9) GOVERNING BODY. With respect to a county, its county commission, and, with respect to a municipality, its city or town council, board of commissioners, or other like governing body and, with respect to a public corporation, its board of directors.

(10) INCORPORATORS. The persons forming a public corporation organized pursuant to the provisions of this chapter.

(11) MEMBER. Any county, municipality, or public corporation which elects one or more directors to the board of a district.

(12) MUNICIPALITY. Any incorporated city or town of the state.
(13) PERSON. Unless limited to a natural person by the context in which it is used, such term includes a public or private corporation, a municipality, a county or an agency, department or instrumentality of the state, or of a county or municipality.

(14) PRINCIPAL OFFICE. The place at which the certificate of incorporation and amendments thereto, the bylaws, and the minutes of proceedings of the board of a district are kept.

(15) PROPERTY. Real and personal property and interests therein.

(16) PROJECT. Any capital improvement, facility, structure, building, property, or appurtenances thereto of any nature, type, or description which any member is authorized by any law of the state to own, acquire, construct, or finance.

(17) PUBLIC CORPORATION. Any public corporation organized under the laws of the state.

(18) PUBLIC REVENUES. Any one or more of the items of tax proceeds and other revenues that a municipality or county is authorized to pledge for its bonds under the provisions of Section 11-81-16.

(19) STATE. The State of Alabama.

(Act 2000-781, p. 1825, §1.)

Section 11-99B-2 Intent

Section 11-99B-2

Intent.

This chapter is intended to encourage and facilitate cooperative efforts by public entities to provide projects for their own use and for the use and benefit of their citizens and users.

(Act 2000-781, p. 1825, §2.)

Section 11-99B-3 Filing Of Application For Incorporation Of District Adoption Of Resolutions Approving Or Denying Application By Governing Bodies
Section 11-99B-3

Filing of application for incorporation of district; adoption of resolutions approving or denying application by governing bodies.

(a) In order to incorporate a district under this chapter, any number of natural persons, not less than three, shall first file an identical written application with the governing body of each county, municipality, and public corporation proposed to be a member of the proposed district. Such application shall contain:

(1) A statement of each project that the district proposes to acquire or construct.

(2) A general description of the area or areas in which the district proposes to acquire or construct such project or projects, and the name of each county, municipality, and public corporation proposed to be a member of the district.

(3) A proposed total number of directors, which shall be at least equal to the total number of counties and municipalities, and public corporations with the governing bodies of which such application is filed, but in no event less than three, and proposed provisions for the election of each director by one of such governing bodies and for the election of at least one director by each of said governing bodies; and any proposal to give the directors proportional voting power based upon the percentage of indebtedness and operating expenses of the district for which the entities electing the directors will be guarantors, or any other measure for establishing proportional voting power of directors.

(4) The proposed location of the principal office of the district, which shall be within a county with the governing body of which such application is filed or within a county in which is located a municipality or a public corporation with the governing body of which such application is filed.

(5) A statement that each of the applicants is a duly qualified elector of the county or one of the counties with the governing bodies of which such application is filed or a county in which is located a municipality or a public corporation with the governing body of which such application is filed.

(6) A request that each of such governing bodies adopt a resolution declaring that it is wise, expedient, and necessary that the proposed district be formed and authorizing the applicants to proceed to form the proposed district by the filing for record of a certificate of incorporation in accordance with the provisions of Section 11-99B-4.

Such application may also state a proposed plan for apportioning the properties of the district upon its dissolution among its members. Every such application shall be accompanied by such supporting documents or evidence as the applicants may consider appropriate.
(b) As promptly as may be practicable after the filing of the application in accordance with the provisions of subsection (a) each governing body with which the application was filed shall review the contents of the application, and shall adopt a resolution either denying the application or declaring that it is wise, expedient, and necessary that the proposed district be formed and authorizing the applicants to proceed to form the proposed district by the filing for record of a certificate of incorporation in accordance with the provisions of Section 11-99B-4.

(Act 2000-781, p. 1825, §3.)

Section 11-99B-4 Filing Of Certificate Of Incorporation And Copies Of Resolutions Of Governing Bodies With Judge Of Probate Contents And Execution Of Certificate Of Incorporation Notification Of Secretary Of State Of Recordation Of Certificate Of Incorporation By Judge Of Probate

Section 11-99B-4

Filing of certificate of incorporation and copies of resolutions of governing bodies with judge of probate; contents and execution of certificate of incorporation; notification of Secretary of State of recordation of certificate of incorporation by judge of probate.

(a) Following the adoption of an authorizing resolution by that governing body that was the last to adopt an authorizing resolution, but if and only if each other governing body with whom such application was filed has theretofore adopted an authorizing resolution, the applicants shall proceed to incorporate a district by filing for record in the office of the judge of probate of the county in which the principal office of the district is to be located, as specified in the certificate of incorporation provided for in this section, a certificate of incorporation which shall comply with the requirements of this section and which shall be in the form and executed in the manner provided in this section.

(b) The certificate of incorporation of the district shall state:

(1) The names of the persons forming the district and the statement required by Section 11-99B-3(a)(5).

(2) The period for the duration of the district. If the duration is to be perpetual, subject to the provisions of Section 11-99B-15, that fact shall be stated.

(3) The name of each authorizing subdivision, together with the date on which the governing body thereof adopted an authorizing resolution.
(4) The name of the district, and the location of the principal office of the district, which shall be the same as that stated in the application required by Section 11-99B-3.

(5) A general description of the project or projects proposed to be acquired or constructed by the district, and a general description of the proposed location thereof.

(6) The total number of directors and the number of directors which the governing body of each authorizing subdivision shall be entitled to elect; and any provision to give the directors proportional voting power based upon the percentage of indebtedness and operating expenses of the district for which the entities electing the directors will be guarantors, or any other measure for establishing proportional voting power of directors.

(7) The proposed name of the district, which shall include the words "cooperative district."

(8) A plan for apportioning the properties of the district upon its dissolution among its members, but only if such plan was stated in the application filed with the governing bodies of the authorizing subdivisions in accordance with the provisions of Section 11-99B-3.

(9) A statement that the application filed with the governing body of each of the authorizing subdivisions in accordance with Section 11-99B-3 was identical to the copy thereof attached to said certificate of incorporation.

(10) Any other matters relating to the district that the incorporators may choose to insert and that are not inconsistent with this chapter or with the laws of the state.

(c) To the extent that any matter required by the provisions of subsection (b) to be included in the certificate of incorporation of a district is also required or permitted to be included in the application theretofore filed with the authorizing subdivisions in accordance with the provisions of Section 11-99B-3; the provisions of the certificate of incorporation with respect to such matter shall be in strict accordance with the corresponding provisions of such application.

(d) The certificate of incorporation shall be signed and acknowledged by the incorporators before an officer authorized by the laws of the state to take acknowledgments to deeds. When the certificate of incorporation is filed for record, there shall be attached to it (i) a copy of the application as filed with the governing body of each of the authorizing subdivisions in accordance with the provisions of Section 11-99B-3, (ii) a certified copy of the authorizing resolution adopted by the governing body of each authorizing subdivision; and (iii) a certificate by the Secretary of State that the name proposed for the district is not identical to that of any other corporation organized under the laws of the state or so nearly similar thereto as to lead to confusion and uncertainty. Upon the filing for record of the said certificate of incorporation and the documents required by the preceding sentence to be attached thereto, the district shall come into existence and shall constitute a public corporation under the name set forth in
said certificate of incorporation. The judge of probate shall thereupon send a notice to the Secretary of State that the certificate of incorporation of the district has been filed for record.

(Act 2000-781, p. 1825, §4.)

Section 11-99B-5 Authorization And Procedure For Amendment Of Certificate Of Incorporation

Section 11-99B-5

Authorization and procedure for amendment of certificate of incorporation.

(a) The certificate of incorporation of any district may at any time and from time to time be amended in the manner provided in this section.

(b) (1) The board shall first adopt a resolution proposing an amendment to the certificate of incorporation which shall be set forth in full in the said resolution and which amendment may include, without limitation:

a. A change in the name of the district.

b. The addition to the project or projects of the district of a new project or projects and the proposed location thereof.

c. Any matters which might have been included in the original certificate of incorporation, or any change in any such matters.

(2) If any proposed amendment would add any new county, municipality, or public corporation as a member of a district, such proposed amendment shall include, in addition:

a. Provisions for election of at least one director by the governing body of each such new county, municipality, or public corporation.

b. Provisions for any change in the total number of directors that the board deems appropriate; and any provision to give the directors proportional voting power based upon the percentage of indebtedness and operating expenses of the district for which the entities electing the directors will be guarantors, or any other measure for establishing proportional voting power of directors; provided, however, that the total number of directors shall be at least equal to the number of directors immediately before the amendment, plus the number added pursuant to paragraph a. of this subdivision (2).
c. Any provision that the board deems appropriate for apportioning of the properties of the district upon its dissolution among its members.

(c) After the adoption by the board of a resolution proposing an amendment to the certificate of incorporation of the district, the chairman of the board or other chief executive officer of the district and the secretary of the district shall sign and file a written application in the name of and on behalf of the district, under its seal, with the governing body of each member and each additional county, municipality, or public corporation proposed to be added as a member of the district. Such application shall request each governing body with which the application is filed to adopt a resolution approving the proposed amendment and shall be accompanied by a certified copy of the said resolution adopted by the board proposing the said amendment to the certificate of incorporation, together with such documents in support of the application as the said chairman or other chief executive officer may consider appropriate.

(d) As promptly as may be practicable after the filing of the said application with any governing body pursuant to the provisions of subsection (c), that governing body shall review the said application and shall adopt a resolution either denying the said application or authorizing the proposed amendment.

(e) Following the adoption of such a resolution by that governing body that was the last to adopt such a resolution, but if and only if the governing body of each other county, public corporation, and municipality with whom such application was filed has theretofore adopted such a resolution, the chairman of the board or other chief executive officer of the district and the secretary of the district shall sign and file for record in the office of the judge of probate of the county where the certificate of incorporation of the district was filed a certificate in the name of and in behalf of the district, under its seal, reciting the adoption of said respective resolutions by the board and by each of the said governing bodies and setting forth the said proposed amendment. If the proposed amendment provides for a change in the name of the district, there shall be filed, together with the certificate required by the immediately preceding sentence, a certificate of the Secretary of State showing that the proposed new name of the district is not identical to that of any other corporation then in existence and organized under the laws of this state or so nearly similar to that of any other such corporation so as to lead to confusion and uncertainty. Upon the filing for record of each such certificate, the said amendment to the certificate of incorporation shall become effective. If the proposed amendment effects a change in the name of the district, the judge of probate shall promptly send a notice to the Secretary of State, advising him or her of such change.

(Act 2000-781, p. 1825, §5.)
Section 11-99B-6 Board Of Directors

Section 11-99B-6

Board of directors.

(a) Each district shall be governed by a board of directors. All powers of the district shall be exercised by the board or pursuant to its authorization. Subject to the provisions of Sections 11-99B-4 and 11-99B-5, the board shall consist initially of that number of directors, apportioned among and elected by the authorizing subdivisions, as shall be specified in the certificate of incorporation of the district. The initial term of office of each such director shall begin immediately upon his or her election and shall end at 12:01 A.M. on the fourth anniversary date of the filing for record of the certificate of incorporation of the district. Thereafter, the term of office of each such director shall be four years.

(b) If any amendment to the certificate of incorporation of the district shall increase the membership of the board, the board shall thereafter consist of such number of directors, elected by such governing bodies, as may be specified in the said amendment. The initial term of office of each new director added by any such amendment shall begin immediately upon his election after the effective date of the amendment and shall end at 12:01 A.M. on the fourth anniversary date of the filing for record of such amendment. The term of office of each new director added by amendment as aforesaid shall, following the initial term of such new director, be for a period of four years. If at any time there should be a vacancy on the board, a successor director to serve for the unexpired term applicable to such vacancy shall be elected by that governing body which elected the director whose unexpired term he or she is to fill.

(c) Each director of a district elected by a county governing body must be a duly qualified elector of that county from which he or she was elected, and, if elected by a municipality of less than 2,000 inhabitants according to the most recent decennial census, such director must be a duly qualified elector of that county in which such municipality is located, or, if elected by a municipality of 2,000 or more inhabitants according to said census, such director must be a duly qualified elector of the municipality from which he or she was elected. Directors shall be eligible for reelection. Each director shall be reimbursed for expenses actually incurred by him or her in and about the performance of his or her duties. If the certificate of incorporation so provides, directors shall be compensated in such an additional amount as may be prescribed by the governing body of each member, but no officer of any county or municipality shall receive any such additional amount.

(d) Any director may be impeached and removed from office in the same manner and on the same grounds provided by Section 175 of the Constitution of Alabama of 1901, and the general laws of the state for impeachment and removal of the officers mentioned in said Section 175.
(e) If the certificate of incorporation so provides, the directors shall have proportional voting power, based on the measure or measures set out in the certificate of incorporation.

(Act 2000-781, p. 1825, §6.)

Section 11-99B-7 Powers Of District Generally Power Of District To Acquire And Operate Projects Provisions In Schedules Of Rates And Charges Generally

Section 11-99B-7

Powers of district generally; power of district to acquire and operate projects; provisions in schedules of rates and charges generally.

Each district shall have the following powers, together with all powers incidental thereto or necessary to the discharge thereof in corporate form:

(1) To have succession by its corporate name for the duration of time, which may be in perpetuity, subject to the provisions of Section 11-99B-15, specified in its certificate of incorporation.

(2) To sue and to be sued in its own name in civil actions, and to defend civil actions against it; provided, that the district shall be deemed to be a "governmental entity" as defined in Chapter 93 of this title, for the purposes of limiting the damages for which the district and its members may be liable.

(3) To adopt and make use of a corporate seal and to alter the same at pleasure.

(4) To adopt and alter bylaws for the regulation and conduct of its affairs and business.

(5) To acquire, receive, and take, by purchase, gift, lease, devise, or otherwise, and to hold property of every description, whether located in one or more counties or municipalities.

(6) To make, enter into, and execute such licences, contracts, agreements, leases, and other instruments and to take such other actions as may be necessary or convenient to accomplish any purpose for which the district was organized or to exercise any power expressly granted under this section.

(7) To plan, establish, develop, acquire, purchase, lease, construct, reconstruct, enlarge, improve, maintain, equip, and operate a project or projects or any part or combination of any thereof, whether located in one or more counties or municipalities,
and to acquire franchises and easements deemed necessary or desirable in connection therewith.

(8) To sell and issue bonds of the district in order to provide funds for any corporate function, use, or purpose, any such bonds to be payable solely out of the revenues derived from any project or projects of the district, or pursuant to any guarantees by any of its members.

(9) To assume obligations secured by a lien on or payable out of or secured by a pledge of the revenues from any project or any part of any thereof that may be acquired by the district, any obligation so assumed to be payable by the district solely out of the revenues derived from the operation of any project or any thereof of the district.

(10) To pledge for payment of any bonds issued or obligations assumed by the district any revenues from which those bonds or obligations are made payable as provided in this chapter.

(11) To execute and deliver trust indentures in accordance with the provisions of this chapter.

(12) To exercise the power of eminent domain in the manner provided in and subject to the provisions of Title 18; provided, that this subdivision shall not be deemed to authorize the district to acquire, without the consent of the owner or owners thereof, any property or interests therein at the time dedicated to public use.

(13) To appoint, employ, contract with, and provide for the compensation of such officers, employees, and agents, including, but without limitation to, engineers, attorneys, accountants, architects, management consultants, and fiscal advisers as the business of the district may require.

(14) To make and enforce reasonable rules and regulations governing the use of any project owned or controlled by the district.

(15) To provide for such insurance as the board may deem advisable.

(16) To invest any funds of the district that the board may determine are not presently needed in the operation of its properties in any investment which may be made by any of its members.

(17) To cooperate with the United States of America, any agency or instrumentality thereof, the state, any county, municipality, or other political subdivision of the state and any public corporation and to make such contracts with them or any of them, as the board may deem advisable to accomplish the purpose for which the district was established.
(18) To sell and convey any of its properties that may have become obsolete or worn out or that may no longer be needed or useful as a part of any project of the district.

(19) To sell and convey, with or without valuable consideration, any of its projects or any portion thereof to any one or more counties, municipalities, or public corporations which have the corporate power to operate the project or portions thereof so conveyed and the property and income of which are not subject to taxation; provided, that any such sale and conveyance may be made only with the consent of each member of the district, any such consent to be evidenced by a resolution adopted by the governing body of each such member and only if any such conveyance would not constitute a breach of any then outstanding trust indenture or other agreement to which the district is a party.

(20) To enter into a management agreement or agreements with any person for the management by the district of any project or any part thereof upon such terms and conditions as may be mutually agreeable.

(21) To fix and revise from time to time reasonable rentals, licences, rates, fees, and other charges for the use of any project or portion thereof, owned or operated by the district, and to collect all charges made by it.

(22) To require any user of any of its projects or any part thereof to make a reasonable deposit with the district in advance to insure the payment of rentals, licences, rates, fees or charges, or costs of repair to any damage to the project and to be subject to the application to the payment thereof if and when delinquent.

(Act 2000-781, p. 1825, §7.)

Section 11-99B-8 Bonds Of District - Form Terms Denominations Sale Execution And Delivery Refunding Liability Thereon Security For Payment Of Principal And Interest And Payment Thereof Generally Provisions In Trust Indentures Executed As Security For Payment Of Bonds Generally

Section 11-99B-8

Bonds of district - Form, terms, denominations; sale; execution and delivery; refunding; liability thereon; security for payment of principal and interest and payment thereof generally; provisions in trust indentures executed as security for payment of bonds generally.

All bonds issued by the district shall be signed by the chairman of its board or other chief executive officer and attested by its secretary and the seal of the district shall be affixed thereto, and any interest coupons applicable to the bonds of the district shall be signed by the chairman of its board or other chief executive officer.
Any such bonds may be executed and delivered by the district at any time and from
time to time, shall be in such form and denominations and of such tenor and maturities,
shall contain such provisions not inconsistent with the provisions of this chapter, and
shall bear such rate or rates of interest, or no interest, payable and evidenced in such
manner, as may be provided by resolution of its board. Bonds of the district may be sold
at either public or private sale in such manner and at such price or prices and at such
time or times as may be determined by the board to be most advantageous. The
principal of and interest on any bonds issued or obligations assumed by the district may
thereafter at any time, whether before, at, or after maturity of any such principal and
whether at, after, or not exceeding six months prior to the maturity of any such interest,
and from time to time be refunded by the issuance of refunding bonds of the district,
which may be sold by the district at public or private sale at such price or prices as may
be determined by its board to be most advantageous or which may be exchanged for
the bonds or other obligations to be refunded. The district may pay all expenses,
premiums, and commissions which its board may deem necessary and advantageous in
connection with any financing done by it. All bonds issued by the district shall be
construed to be negotiable instruments although payable solely from a specified source.

All obligations created or assumed and all bonds issued or assumed by the district shall
be solely and exclusively an obligation of the district and shall not create an obligation
or debt of any member of the district; provided, that the provisions of this sentence shall
not be construed to release the original obligor from liability on any bond or other
obligation assumed by the district.

Any bonds issued by the district shall be limited or special obligations of the district
payable solely out of the revenues of the district specified in the proceedings authorizing
those bonds or from any guarantees of such bonds. Any such proceedings may provide
that the bonds therein authorized shall be payable solely out of the revenues derived
from the operation or leasing of all projects owned by the district or solely out of the
revenues from the operation or leasing of any one or more of such projects or parts
thereof, regardless of the fact that those bonds may have been issued with respect to or
for the benefit of only one project of the district.

The district may pledge for the payment of any of its bonds the revenues from which
such bonds are payable and may execute and deliver a trust indenture evidencing any
such pledge conveying as security for such bonds the revenues which are so pledged.
Any trust indenture made by the district may contain such agreements as the board may
deem advisable respecting the operation and maintenance of the project and the use of
the revenues subject to such trust indenture and respecting the rights, duties, and
remedies of the parties to any such instrument and the parties for the benefit of whom
such instrument is made; provided, that no such instrument shall be subject to
foreclosure.

(Act 2000-781, p. 1825, §8.)
Section 11-99B-9 Contracts To Secure Payment Of Principal And Interest

Contracts to secure payment of principal and interest.

As security for payment of the principal of and the interest on bonds issued or obligations assumed by it, the district may enter into a contract or contracts binding itself for the proper application of the proceeds of bonds and other funds, for the continued operation and maintenance of any project owned by it or any part or parts thereof, for the imposition and collection of reasonable rates, licences, rentals, fees and charges for and the promulgation of reasonable regulations respecting any such project, for the disposition and application of its gross revenues or any part thereof, and for any other act or series of acts not inconsistent with the provisions of this chapter for the protection of the bonds and other obligations being secured and the assurance that the revenues from such project will be sufficient to operate such project, maintain the same in good repair and in good operating condition, pay the principal of and the interest on any bonds payable from such revenues and maintain such reserves as may be deemed appropriate for the protection of the bonds, the efficient operation of such project, and the making of replacements thereof and capital improvements thereto.

Any contract pursuant to the provisions of this section may be set forth in any resolution of the board authorizing the issuance of bonds or the assumption of obligations or in any trust indenture made by the district under this chapter.

(Act 2000-781, p. 1825, §9.)

Section 11-99B-10 Disposition Of Proceeds From Sale Of Bonds

Disposition of proceeds from sale of bonds.

All moneys derived from the sale of any bonds issued by the district shall be used solely for the purpose or purposes for which the same are authorized and any costs and expenses incidental thereto. Such costs and expenses may include but shall not be limited to:

(1) The fiscal, accounting, engineering, legal, and other expenses incurred in connection with the issuance of the bonds.

(2) Interest on the bonds in the case of bonds issued to pay costs of construction or, if a part only of any series of bonds is issued for construction purposes, interest on that
portion of the bonds of that series that is issued to pay construction costs prior to and during such construction and for not exceeding one year after completion of such construction.

(3) Any premium that it may be necessary to pay in order to redeem or retire the bonds or other obligations to be refunded in the case of bonds issued for the purpose of refunding principal and interest, or either, with respect to bonds issued or obligations assumed by the district.

(Act 2000-781, p. 1825, §10.)

Section 11-99B-11 Establishment And Revision Of Rentals Licenses Rates Fees And Charges For Services Or Facilities Rendered By District

Section 11-99B-11

Establishment and revision of rentals, licenses, rates, fees, and charges for services or facilities rendered by district.

Rates, fees, charges, rentals, and licenses for services rendered by the district or facilities provided by the district from any of its projects shall be so fixed and, from time to time, revised as at all times to provide funds at least sufficient, taking into account other sources for the payment thereof, to:

(1) Pay the cost of operating, maintaining, repairing, replacing, extending, and improving the project or projects of the district.

(2) Pay the principal of and the interest on all bonds issued and obligations assumed by the district that are payable out of the revenues derived from operation of the project or projects of the district as the said principal and interest become due and payable.

(3) Create and maintain such reserves for the foregoing purposes or any of them as may be provided in any trust indenture executed by the district under this chapter or in any resolutions of the board authorizing the issuance of bonds, the assumption of any obligation, or the acquisition of any such project.

(4) Make such annual payments, if any, to the United States of America or any agency or instrumentality thereof, the state, municipalities, counties, departments, authorities, agencies, and political subdivisions of the state and any public corporations organized under the laws of the state as the district may have contracted to make.

(Act 2000-781, p. 1825, §11.)
Section 11-99B-12 Loans Sales Grants Guarantees Contractual Or Lease Obligations Of Money Or Property To District By Counties Municipalities And Public Corporations

Loans, sales, grants, guarantees, contractual or lease obligations of money or property, to district by counties, municipalities, and public corporations.

(a) For the purpose of securing services of or the right to use or the use by its citizens or customers of one or more projects of a district, or aiding or cooperating with the district in the planning, development, undertaking, acquisition, construction, extension, improvement, financing, operation, or protection of a project, any county, municipality, or other political subdivision, public corporation, agency, or instrumentality of this state may, upon such terms and with or without consideration, as it may determine:

(1) Lend or donate money to, guarantee all or any part of the indebtedness or operating expense of, or perform services for the benefit of, the district.

(2) Donate, sell, convey, transfer, lease, or grant to the district, without the necessity of authorization at any election of qualified voters, any property of any kind, including, but without limitation, any project, any interest in any thereof, and any franchise.

(3) Contract with the district or enter into a lease under such terms as may be mutually agreeable, including a contract obligating it to purchase a certain service or product from the district for a stipulated price in a stipulated period of time, or to pay for such service or product whether or not it receives it, or lease all or a part of a project for a stipulated rental for a stipulated period of time, or to pay such rental whether or not the leased facilities are available to it.

(4) Do any and all things, whether or not specifically authorized in this section, not otherwise prohibited by law, that are necessary or convenient to aid and cooperate with the district in the planning, undertaking, acquisition, construction, financing, or operation of its projects.

(5) Pay, or provide for the payment of, the principal of or interest on any then outstanding bonds theretofore issued by the district, whether or not such principal and interest shall have then matured or become due, and any premium that may be payable upon redemption prior to maturity.

(6) Issue its bonds in order to provide moneys to make any loan, donation, or payment authorized in this subsection.

(7) Provide for payment of such bonds of the district by irrevocable trust fund created by agreement with a bank or trust company.
(b) Any bonds issued by a county or a municipality pursuant to authorization in this section may be either general obligations or special obligations payable solely from a specified source or sources, which source or sources may include any public revenues, or portions thereof, which the county or municipality may lawfully use for such purpose. Such county or municipality may pledge for payment of the principal of and interest on any such bonds that are general obligations any public revenues that may lawfully be used for such purpose and may pledge for the benefit of any such special obligations issued by it so much as may be necessary for said payment of the public revenues from which the said special obligations are made payable.

(c) Any such county or municipal bonds shall be in such form or forms and denomination or denominations, may bear no interest or such rate or rates of interest payable and evidenced in such manner and may have such maturities of principal all as may be provided by ordinance or resolution adopted by the governing body of the issuing county or municipality; provided, that:

1. Any such bonds that are payable solely from public revenues of the character referred to in subdivision (4) of Section 11-81-16, shall not have a maturity date later than 50 years after their date.

2. Any such bonds other than those described in subdivision (1) shall not have a maturity later than 30 years after their date. Any bonds issued pursuant to this section shall be made subject to redemption prior to maturity to the extent required by the provisions of Chapter 82 of this title, and any such bonds shall also be subject to, and shall be issued in accordance with, the applicable provisions of Articles 1 and 2 of Chapter 81 of this title, except that the maturities of any bonds issued under this section, the sources of the payment thereof and the pledges that may be made therefor shall be as herein specifically provided.

(d) The proceeds of any bonds issued by a county or a municipality for the purpose referred to in this section may be applied for payment of principal, interest, and redemption premium with respect to the district's bonds to be paid from such proceeds and the expenses of issuing such municipal or county bonds.

(Act 2000-781, p. 1825, §12.)

Section 11-99B-13 Use Of Rights-Of-Way Of Public Roads By District

Section 11-99B-13

Use of rights-of-way of public roads by district.
Each district is hereby authorized to use the rights-of-way of all public roads in the state without securing the prior approval of the state or of its agencies or departments or the governing body of any county and subject only to the necessity of obtaining the municipal consent required by Section 220 of the Constitution of Alabama of 1901; provided, however, that nothing in this section shall be construed to exempt any district from the requirements of Section 23-1-4; provided further, that the said district shall have the duty to restore at its expense all roads, highways, and public rights-of-way in which it may have made excavations or done other work in performing any of its other corporate functions.

(Act 2000-781, p. 1825, §13.)

Section 11-99B-14 Exemption From Taxation Of District And The Property Leases And Bonds Thereof Payment Of Fees Taxes Or Costs To Judge Of Probate For Incorporation

Section 11-99B-14

Exemption from taxation of district and the property, leases, and bonds thereof; payment of fees, taxes, or costs to judge of probate for incorporation.

The property and income of the district, all bonds issued by the district, the income, and profits from such bonds, conveyances by or to the district and leases, mortgages, and deeds of trust by or to the district shall be exempt from all taxation in the state. The district shall be exempt from all taxes levied by any county, municipality, or other political subdivision of the state, including, but without limitation to, license and excise taxes imposed in respect of the privilege of engaging in any of the activities that a district may engage in.

The district shall not be obligated to pay or allow any fees, taxes, or costs to the judge of probate of any county in respect of its incorporation, the amendment of its certificate of incorporation or the recording of any document.

(Act 2000-781, p. 1825, §14.)

Section 11-99B-15 Authorization And Procedure For Dissolution Of District Vesting Of Title To Properties Of District And Apportionment Thereof Upon Dissolution Of District

Section 11-99B-15
Authorization and procedure for dissolution of district; vesting of title to properties of district and apportionment thereof upon dissolution of district.

At any time when the district has no bonds or other obligations outstanding, the board may adopt a resolution, which shall be duly entered upon its minutes, declaring that the district shall be dissolved. Upon the filing for record of a certified copy of the said resolution in the office of the judge of probate of the county in which the district's certificate of incorporation was filed, the district shall thereupon stand dissolved and, in the event it owned any property at the time of its dissolution, the title to all its property shall thereupon pass to and be divided and apportioned among its members, all in such manner and to such extent as may be provided in the district's certificate of incorporation, as last amended; provided, however, that in the absence of a contrary provision in the said certificate of incorporation, as last amended, title to real estate and tangible personal property, other than cash, shall vest in the county or municipality, as the case may be, in which the said real estate or tangible personal property is located and the title to cash on hand and in banks, accounts receivable, choses in action, and other intangible property, other than intangible interest in land, shall vest in all of the counties and municipalities in which any part of a project lies. Each such county and municipality shall have title to said cash and intangible items as a tenant in common thereof, the fractional interest of each such tenant in common in said items being represented by a fraction the numerator of which is an amount equal to the gross revenues derived by the district during its then next preceding complete fiscal year from projects within that county or municipality, as the case may be, and the denominator of which is an amount equal to the gross revenues derived by the district during the same period from all of its projects. For the purposes of this section only, real and tangible personal property, other than cash, located and service rendered wholly within a municipality shall not be deemed to be located or rendered, as the case may be, in a county.

(Act 2000-781, p. 1825, §15.)

Section 11-99B-16 Existence Of District Not To Prevent Subsequent Incorporation Of Another District

Existence of district not to prevent subsequent incorporation of another district.

The existence of one or more districts incorporated under the provisions of this chapter shall not prevent the subsequent incorporation under this chapter of another district or the amendment of the certificate of incorporation of another district pursuant to authority granted by the same county, counties, municipality or municipalities, public corporation or public corporations, or by the same combination thereof, even though the project
described in the certificate of incorporation, as originally filed or amended, of any existing district may include a project proposed by a district that is proposed to be incorporated under this chapter or that proposes to amend its certificate of incorporation under this chapter.

(Act 2000-781, p. 1825, §16.)

Section 11-99B-17 Provisions Of Chapter As To Incorporation Of District Acquisition Of Property Issuance Of Bonds Exclusive Jurisdiction Over And Regulation Of District By State Board Of Health Public Service Commission

Section 11-99B-17

Provisions of chapter as to incorporation of district, acquisition of property, issuance of bonds, exclusive; jurisdiction over and regulation of district, by State Board of Health, Public Service Commission.

Except as expressly otherwise provided in this chapter, no proceeding, notice, or approval shall be required for the incorporation of any district or the amendment of its certificate of incorporation, the acquisition of any property or project, or the issuance of any bonds, or trust indenture; provided, however, that nothing contained in this section shall be construed to exempt any district from the jurisdiction of the State Board of Health.

The district, every project of the district, and the rates, rentals, fees, licenses, and charges thereof shall be exempt from all jurisdiction of and all regulation and supervision by the Public Service Commission and neither a public hearing nor the consent of the State Department of Finance shall be prerequisite to the issuance of bonds by the district.

(Act 2000-781, p. 1825, §17.)

Section 11-99B-18 This Chapter Is Cumulative

Section 11-99B-18

This chapter is cumulative.

This chapter does and shall be construed to provide a complete, additional, and alternative method for the doing of the things authorized thereby and shall be regarded as supplemental and additional to other laws. However, the issuance of bonds of any district under the provisions of this chapter need not comply with the requirements of
any other law of the state generally applicable to the issuance of bonds, notes, and other obligations by other public corporations organized under the laws of the state.

(Act 2000-781, p. 1825, §18.)