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SENATE BILL NO. 847

AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Senate Committee on Local Government
on January 25, 2011)

(Patron Prior to Substitute—Senator Petersen)

A BILL to amend and reenact §§ 5.5 and 8.8, as severally amended, of Chapter 319 of the Acts of Assembly of 1966, which provided a charter for the City of Fairfax, relating to meetings of the city council and revenue bonds.

Be it enacted by the General Assembly of Virginia:

1. That §§ 5.5 and 8.8, as severally amended, of Chapter 319 of the Acts of Assembly of 1966 are amended and reenacted as follows:

§ 5.5. Induction of Members.

The City Clerk shall administer the oath of office to the duly elected members of the Council and to the Mayor on or before June thirtieth immediately following their election. In the absence of the City Clerk the oath may be administered by any judicial officer having jurisdiction in the City. The Council shall be the judge of the election and qualification of its members. The first meeting of a newly elected Council shall take place in the Council chamber in the City Hall on the ~~first~~ second Tuesday of July following their election, or at the first scheduled regular or special meeting of the City Council in July, whichever occurs first.

§ 8.8. Revenue Bonds.

The City shall have power to construct, acquire, repair, improve, extend and operate water systems, sewer systems, gas systems, electric systems, public parking systems, including both off-street and on-street public parking facilities, and to issue from time to time revenue bonds payable from the revenues derived from such water systems, sewer systems, gas systems, electric systems, public parking systems or any other revenue producing undertakings or enterprises which the City is authorized by this Charter or any other law to construct or acquire (hereinafter referred to as "revenue undertakings"), or any combination of such systems or other revenue undertakings, to finance or refinance the cost or part of the cost of the acquisition, construction, reconstruction, repair, extension or improvement of such systems or other revenue undertakings, or any combination thereof, including the acquisition of any property, real or personal, or mixed, therefor or other costs in connection therewith or the refunding of outstanding revenue bonds issued for such purposes.

(a) Any two or more of such systems or other revenue undertakings may be combined and consolidated into a single revenue undertaking, and may thereafter be operated and maintained as a single revenue undertaking. The revenue bonds authorized herein may be issued to finance any one or more of such revenue undertakings separately, or to finance two or more of such revenue undertakings and regardless of whether or not such revenue undertakings have been combined and consolidated into a single revenue undertaking as provided herein. If the Council deems it advisable, the proceedings authorizing such revenue bonds may provide that the City may thereafter combine the revenue undertakings then being financed or theretofore financed with other revenue undertakings to be subsequently financed by the City and that revenue bonds to be thereafter issued by the City to finance such subsequent revenue undertakings shall be on a parity with the revenue bonds then being issued under such terms, conditions and limitations as shall be provided, and may further provide that the revenues to be derived from the subsequent revenue undertakings shall at the time of the issuance of such parity revenue bonds be also pledged to the holders of any revenue bonds theretofore issued to finance the revenue undertakings which are later combined with such subsequent revenue undertakings.

(b) The City shall also have power to pledge as additional security for such revenue bonds issued under this article any franchise taxes, occupational license taxes, or any other excise taxes or other funds which the City may have available to pledge to the payment of the principal of or interest on such revenue bonds, and for reserves therefor, except moneys derived from ad valorem taxes, or any two or more of such excise taxes or other funds.

(c) The cost of any works, properties, improvements or other purposes financed by the issuance of bonds under this chapter shall include, but not be limited to construction costs, engineering, fiscal or financial and legal expenses, surveys, plans and specifications, interest during construction or acquisition and for one year thereafter, initial reserve funds, discount, if any, on the sale of bonds, acquisition of real or personal property, including franchises, and such other costs as are necessary and incidental to the construction or acquisition of such works, properties, improvements or other purposes and the financing thereof. The City shall have power to retain and enter into agreements with engineers, fiscal agents or financial advisers, attorneys, architects or other consultants or advisers for the planning, supervision and financing of such works, properties, improvements or other purposes upon such terms

60 and conditions as shall be deemed advisable to the Council.

61 (d) Any such revenue bonds ~~shall be authorized, executed and sold in the manner provided in this~~
62 ~~chapter for the issuance, sale and execution of general obligation bonds and, as set forth in this section,~~
63 ~~shall be deemed to be negotiable instruments, and shall be authorized, executed and sold as provided~~
64 ~~under general law, specifically the provisions of the Virginia Public Finance Act of 1991, Chapter 26~~
65 ~~(§ 15.2-2600 et seq.) of Title 15.2 of the Code of Virginia as the same may be superseded or amended.~~
66 ~~Without limiting the foregoing, any referendum requirement contained within this Charter shall not be~~
67 ~~applicable to revenue bonds.~~