LOCAL AND SPECIAL ACTS AND RESOLUTIONS OF THE GENERAL ASSEMBLY OF THE STATE OF GEORGIA 1965 [VOLUME 2]

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Sequential Number: 054

Short Title: METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY ACT OF 1965.
Law Number: No. 78
Origin: (Senate Bill No. 102).

Full Title: An Act to create the Metropolitan Atlanta Rapid Transit Authority; to provide for a short title; to provide for definitions; to provide for legislative findings and declaration of policy; to provide for creation and organization; to provide for an interim study commission; to provide for a board of directors; to provide for purposes; to provide for general powers; to provide for fares, rates, rentals and charges; to provide for revenue bonds; to provide for equipment trust certificates; to provide for the power of eminent domain; to provide for removal and relocation of utility structures, etc.; to provide for competitive bidding on contracts, etc.; to provide for conflict of interests; to provide for financial accounts, audits and reports; to provide for budgets and budgeting procedures; to provide for an engineering survey; to provide for insurance on leased property; to provide for rules and regulations; to provide for bargaining; to provide for the printing and distribution of reports and documents; to provide for tax and regulatory exemptions; to provide for tort liability and insurance; to provide that the Authority shall have no power to impose any tax; to provide for local government participation; to provide for other matters relative to the foregoing and relative to the general purpose of this Act; to provide for severability; to repeal conflicting laws; and for other purposes.

Be it enacted by the General Assembly of Georgia:

Section 1. Short Title. This Act shall be known, and may be cited, as the "Metropolitan Atlanta Rapid Transit Authority Act of 1965."

Section 2. Definitions. The following words and terms shall have the meaning indicated unless the context shall clearly indicate a different meaning:

- (a) Authority. The Metropolitan Atlanta Rapid Transit Authority created by section 4.

- (b) Interim Study Commission. The temporary governing body of the Authority as provided in section 5.
• (c) Board. The Board of Directors and governing body of the Authority as provided in section 6.
• (d) Metropolitan Area. The territory comprising the counties of Fulton, DeKalb, Cobb, Clayton and Gwinnett, including the City of Atlanta, but excluding the territory of any local government which may decline membership on the Board as hereinafter provided.
• (e) Local Government. Any one of the counties of Fulton, DeKalb, Cobb, Clayton, or Gwinnett, or the City of Atlanta, which is a part of the metropolitan area, as a political subdivision of this State.
• (f) Local Governing Body. The board of county commissioners, the mayor and board of aldermen, or similar official governing body of the local governments within the metropolitan area.
• (g) Transportation System. All property, real or personal, useful for the public transportation of passengers for hire, including but not limited to power plants, substations, terminals, garages, bridges, tunnels, subways, elevated rails, aerial structures, monorails, rail motive power, trains, railroad passenger cars and equipment, belt conveyors, inclines, car barns, street cars, buses, rails, lines, poles, wires, stations, concessions, off-street parking and other facilities for the comfort, safety and convenience of transit passengers, rights and licenses therefor, and rights to provide group and party services.
• (h) Transportation Project. Any unit, structure, facility or undertaking in any combination which may be a component part of a transportation system.
• (i) Rapid Transit System and Project. A transportation system the primary function of which is to provide a mass transportation service principally by the use of high speed vehicles traveling on rights-of-way fully protected from other vehicular and pedestrian traffic, a secondary function of which is to provide a feeder-type mass transportation service therefor, and an incidental function of which is to provide facilities necessary thereto and other facilities for the comfort, safety and convenience of its passengers. A rapid transit project is any transportation project which may contribute to the development or operation of a rapid transit system.
• (j) Cost of a Rapid Transit System or Project. According to accepted principles of accounting, the total cost, paid or incurred, to study, plan, design, finance, acquire, construct or otherwise develop the component parts of a rapid transit system or project to a normal operating or revenue producing conditions, including the capitalization of expenses, direct and indirect, paid or incurred, in connection therewith.
• (k) Federal Government. The United States of America, or any department, agency or instrumentality thereof.

Section 3. Legislative Findings and Declaration of Policy. The territory comprising the counties of Fulton, DeKalb, Cobb, Clayton, and Gwinnett, including the City of Atlanta, has developed, and continues to develop, phenomenally into a metropolitan area with a common
interest in the cultural, social and economic well-being of the people therein and the
development of the educational, commercial and industrial resources thereof. There exists in this
metropolitan area serious traffic conditions and congestions and serious mass transportation
problems which impede, and will increasingly impede, the development of these common
interests toward their fullest potential. Concerted governmental action is needed to alleviate such
traffic conditions and congestion, supply deficiencies in mass transportation, coordinate and
balance the transportation facilities operating therein, and otherwise provide a sounder basis for
the development of traffic patterns and control. The development of a rapid transit system
through a joint instrumentality of the local governments within the metropolitan area is a
reasonable approach to the aforesaid needs and problems. The cultural, social and economic
well-being of the people in the metropolitan area and the development of the educational,
commercial, and industrial resources thereof are matters of public interest and concern
throughout

the State. Accordingly, it is the public policy of this State, as a matter of public health, safety,
convenience and welfare, to promote the establishment of such a joint instrumentality, encourage
participation therein by the local governments involved, facilitate the accomplishment of its
purposes and bring about solutions for the aforesaid needs and problems.

Section 4. Creation and Organization. There is hereby created a public body corporate to be
known as the Metropolitan Atlanta Rapid Transit Authority as a joint public instrumentality of
the City of Atlanta and the counties of Fulton, DeKalb, Cobb, Clayton and Gwinnett for the
purposes hereinafter provided.

Section 5. Interim Study Commission.

- (a) There is hereby created the Interim Study Commission of the Metropolitan Atlanta
  Rapid Transit Authority which shall be the governing body of the Authority until the
  activation of the Board of Directors of the Authority as hereinafter provided. The Interim
  Study Commission shall be composed of eleven members. Four members shall be
  residents of the City of Atlanta to be nominated by the Mayor and elected by the Board of
  Aldermen; two members shall be residents of DeKalb County to be appointed by the
  local governing body thereof; two members shall be residents of Fulton County to be
  appointed by the local governing body thereof; one member shall be a resident of Cobb
  County to be appointed by the local governing body thereof; one member shall be a
  resident of Clayton County to be appointed by the local governing body thereof; and one
  member shall be a resident of Gwinnett County to be appointed by the local governing
  body thereof. Each member shall serve from the time of his appointment until the
  expiration of the Interim Study Commission as hereinafter provided.

- (b) For the purposes set forth in section 7, the Interim Study Commission may exercise
  the powers of the Authority prescribed in section 8 (e), 8 (f) and 8 (k), the power to
  perform any duty imposed on the Board, the power to
appoint, select and employ officers, agents, and employees, including engineering, architectural and construction experts, fiscal agents and attorneys, which may be necessary for the exercise of the aforesaid powers, and allow them suitable compensation, and the power to contract for, purchase or otherwise acquire the services, supplies and equipment which may be necessary for the exercise of the aforesaid powers. The intent is that for the purposes of the Authority, the Interim Study Commission shall function as its governing body in the same way that the Board might function under this Act were it duly activated except that the Interim Study Commission shall be limited in the exercise of the powers of the Authority to those set forth above. As to the exercise of such powers, and as to the organization of the Interim Study Commission, the qualification of its members and their duties, as a body and as individual members, all the provisions of this Act relating to the Board and its members shall apply thereto to the extent necessary to place the Interim Study Commission in the same position as the Board except that the Interim Study Commission shall be limited in the exercise of the powers of the Authority to those set forth above.

- (c) The local governing body of each local government in the metropolitan area is authorized to make such appropriation of public funds to the Authority to defray the expenses incurred by the Interim Study Commission as it may deem appropriate. The authority herein granted shall be subject to and limited by any local act heretofore or hereafter enacted more particularly applicable to the local governing body of any local government.
- (d) When the Board of Directors of the Authority is duly activated as hereinafter provided, the Interim Study Commission shall by operation of law cease to exist and simultaneously therewith the Board of Directors shall become the governing body of the Authority with the capacity to exercise all powers granted to the Authority under this Act and there shall be no lapse in the continuity of the government of the Authority or its affairs.

Section 6. Board of Directors.

- (a) The Board of Directors of the Authority shall be composed of eleven members. Four members shall be residents of the City of Atlanta to be nominated by the Mayor and elected by the Board of Aldermen; two members shall be residents of DeKalb County to be appointed by the local governing body thereof; two members shall be residents of Fulton County to be appointed by the local governing body thereof; one member shall be a resident of Cobb County to be appointed by the local governing body thereof; one member shall be a resident of Clayton County to be appointed by the local governing
body thereof; and one member shall be a resident of Gwinnett County to be appointed by
the local governing body thereof. Initially, one member appointed by the local governing
body of the City of Atlanta and one member appointed by the local governing body of
Fulton County shall be appointed for terms of one year; one member appointed by the
local governing body of the City of Atlanta, one member appointed by the local
governing body of DeKalb County, and one member appointed by the local governing
body of Gwinnett County shall be appointed for terms of two years; one member
appointed by the local governing body of the City of Atlanta, one member appointed by
the local governing body of Fulton County, and one member appointed by the local
governing body of Clayton County shall be appointed for terms of three years; and one
member appointed by the local governing body of the City of Atlanta, one member
appointed by the local governing body of DeKalb County, and one member appointed by
the local governing body of Cobb County shall be appointed for terms of four years; all
initial terms shall be deemed to have commenced as of January 1, 1966. After the initial
terms have expired, appointments shall be for terms of four years except that a vacancy
caused otherwise than by expiration shall be filled for the unexpired portion thereof by
the local governing body which made the original appointment to the vacant position, or
its successor in office. A member of the Board may be appointed to succeed himself.

- (b) Prior to making any appointment to the membership of the Board, each local
governing body shall submit to the

qualified voters thereof in a referendum the question whether it should participate further
in the Authority or not. Such referendum shall be held during the calendar year 1965, in
accordance with the procedures prescribed in section 24 (g) insofar as applicable. If a
majority of those voting in such referendum vote in favor of further participation in the
Authority, the local governing body thereof shall forthwith appoint its members to the
Board of the Authority. If a majority of those voting in such referendum vote against
further participation in the Authority, the local governing body shall not participate
further in the Authority and will be deemed to have declined membership on the Board.
In this event the definition of the metropolitan area in section 2 (d) shall be adjusted, the
total membership of the Board as prescribed in section 6 (a) shall be reduced accordingly,
no provision of this Act shall thereafter be applicable to such local governing body, its
local government or the territory thereof, and this Act shall thereafter be read as if every
reference to the name thereof had been deleted.

[Sidenote: Referendum.]

- (c) Appointments to the Board shall be made by the local governing bodies in the
metropolitan area prior to January 1, 1966. On January 3, 1966, persons duly appointed
as members of the Board shall meet at the State Capitol in a joint meeting with the
Interim Study Commission. The Interim Study Commission shall first meet and verify the
appointive credentials of each person who presents himself as a member of the Board.
The Chairman of the Interim Study Commission shall then act as temporary Chairman of
the Board, call to order the first meeting of the Board, declare the Board as duly constituted and activated and preside over the election by the Board of its first Chairman. Thereupon the Interim Study Commission shall stand dissolved and the transfer of the government of the Authority shall simultaneously pass to the Board as contemplated in Section 5 (d).

- (d) No person shall be appointed as a member of the Board who holds any other public office or public employment except an office in the reserves of the armed forces of the United States or the National Guard; any member who accepts or enters upon any other public office or public employment shall be disqualified thereby to serve as a member.

- (e) A local governing body may remove any member of the Board appointed by it for cause. No member shall be thus removed unless he has been given a copy of the charges against him and an opportunity to be publicly heard in his own defense in person or by counsel with at least ten days' written notice. A member removed from office shall have the right to a judicial review of his removal by an appeal to the superior court of the county of the local governing body which appointed him, but only on the ground of error of law or abuse of discretion. In case of abandonment of his office, conviction of a crime involving moral turpitude or a plea of nolo contendere thereto, removal from office, or disqualification under subsection (d) hereof, the office of a member shall be vacant upon the declaration of the Board. A member shall be deemed to have abandoned his office upon failure to attend any regular or special meeting of the Board for a period of four months without excuse approved by a resolution of the Board, or upon removal of his residence from the territory of the local governing body which appointed him.

- (f) Each member of the Board shall be paid by the Authority the sum of fifty dollars for each official meeting of the Board he attends, but he shall not be paid more than five hundred dollars for meetings attended in any one calendar month. A member of the Board shall also be reimbursed for actual expenses incurred by him in the performance of his duties as authorized by the Board. A Board member shall not be allowed employee benefits authorized under Section 8 (b).

- (g) The Board shall elect one of its members as chairman and another as vice-chairman for terms to expire on December 31 of each year to preside at meetings and perform such other duties as the Board may prescribe. The presiding officer of the Board may continue to vote as any other member, notwithstanding his duties as presiding officer, if he so desires.
• (h) The Board shall hold at least one meeting each month. The Secretary of the Board shall give written notice to each member of the Board at least two days prior to any called meeting that may be scheduled, and said Secretary shall be informed of the call of such meeting sufficiently in advance so as to provide for his giving notice as above. One more than a majority of the total membership of the Board, as it may exist at the time, shall constitute a quorum. A majority of the quorum present at a meeting may exercise all the powers and perform all the duties of the Board, except as otherwise hereinafter provided or as limited by its by-laws, and no vacancy on the original membership of the Board, or thereafter, shall impair the power of the Board to act. All meetings of the Board, its Executive Committee, or any committee appointed by the Board, at which any official business is transacted, shall be open to the public, and the minutes thereof, and the documents and reports made a part of such minutes or referred to therein, shall be public records and open to public inspection in accordance with reasonable rules and regulations prescribed by the Board. The Board shall furnish certified copies of such public records upon written request and upon payment of a reasonable charge therefor.

• (i) Notwithstanding any other provisions of this Act, the following actions by the Board shall require the affirmative vote of one more than a majority of the total membership of the Board as it may exist at the time:
  o (1) The issuance and sale of revenue bonds as contemplated in section 10 or equipment trust certificates as contemplated in section 11.
  o (2) The purchase or lease of any privately owned system of transportation of passengers for hire in its entirety, or any substantial part thereof, as contemplated in section 8 (c) or 8 (d). Any such purchase or lease shall be made only upon a showing that the acquisition of said public or private system of transportation is essential to the development of a means of rapid transit for the metropolitan areas.
  o (3) The award of any contract for construction, alterations, supplies, equipment, repairs, maintenance or services other than professional services, or for the purchase, sale or lease of any property involving $5,000 or more.
  o (4) The grant of any concession as contemplated in section 14 (f).
  o (5) The award of any contract for the management of any Authority-owned property or facility as contemplated in section 14 (h).

• (j) The Board shall appoint and employ, as needed, a general manager, a secretary, a treasurer, and a general counsel, none of whom may be members of the Board or a relative of a member of the Board, and delegate to them such authority as it may deem appropriate. It may make such by-laws or rules and regulations as it may deem appropriate for its own government, not inconsistent with this Act, including the establishment of an Executive Committee to exercise such authority as its by-laws may prescribe.
• (k) The treasurer of the Authority and such other officers and employees of the Authority and such members of the Board as the Board may determine shall execute corporate surety bonds, conditioned upon the faithful performance of their respective duties. A blanket form of surety bond may be used for this purpose. Neither the obligation of the principal or the surety shall extend to any loss sustained by the insolvency, failure or closing of any depository which has been approved as a depository for public funds.

Section 7. Purposes.

The Authority shall exist for purposes of planning, designing, leasing (as lessee), purchasing, acquiring, holding, owning, constructing, improving, equipping, financing, maintaining and administering a rapid transit system within the metropolitan area, and operating same, or contracting therefor, or leasing (as lessor) same for operation by private parties.

Section 8. General powers.

The Authority shall have all powers necessary or convenient to accomplish the aforesaid purposes including, by

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way of illustration and not specification, the following:

• (a) The powers, privileges and immunities authorized by law for private corporations and for instrumentalities of government. The Authority may sue or be sued in its corporate name but no execution shall be levied on any property of the Authority prior to ninety (90) days from the date of a final judgment against the Authority. The Board may adopt and use a common seal for the Authority and change it at its pleasure.
• (b) The power to appoint, select and employ officers, agents and employees, including engineering, architectural and construction experts, fiscal agents and attorneys, allow them suitable compensation and make provisions for group insurance, retirement or other employee benefit arrangements.
• (c) The power to acquire, lease (as lessee), purchase, hold, own and use any franchise, property, real or personal, tangible or intangible, or any interest therein, and to sell, lease (as lessor), transfer, or dispose thereof whenever same is no longer required for purposes of the Authority, or exchange same for other property or rights which are useful for its purposes.
• (d) The power to acquire by gift, purchase, lease (as lessee), or otherwise, or to construct, improve, maintain, repair, operate or administer any component parts of a rapid transit system, together as a system, or singly, or in groupings, as rapid transit projects, or to contract for the maintenance, operation or administration thereof or to lease (as lessor) same for maintenance, operation or administration by private parties.
• (e) The power to develop data, plans and information and develop and carry out mass transportation demonstration projects, including the development, testing and demonstration of new facilities, equipment, techniques and methods, and the
improvement and utilization of transportation services and facilities, and any other means of developing, utilizing or improving mass transportation in urban areas. Also, in other respects, the power to conduct engineering, financial and economic studies, to make plans, designs and tests related to rapid transit projects. In connection therewith the Authority may enter in a reasonable manner upon any lands, waters or premises for the purpose of making reasonable surveys, soundings, drillings and examinations and such entries shall not be deemed a trespass except that the Authority shall be liable for any actual and consequential damages resulting from such entries. In the event the Authority refuses to pay such damages within sixty days after written demand has been made by the person entitled to such damages and a finding has been made that such refusal was in bad faith, the Authority shall be liable to pay, in addition to the actual and consequential damages, all reasonable attorneys fees for the prosecution of the case against the Authority. The amount of such reasonable attorneys fees shall be determined by the trial jury and shall be included in any judgment which has been rendered in such action; provided, however, such attorneys fees shall be fixed on the basis of competent, expert evidence as to the reasonable value of such services, based on the time spent and legal and factual issues involved, in accordance with prevailing fees in the locality where such suit is pending, and provided further that the trial court shall have the discretion, if its finds such jury verdict fixing attorneys fees to be greatly excessive or inadequate, to review and amend such portion of the verdict fixing attorneys fees without the necessity of disapproving the entire verdict. The limitations contained in this section in reference to the amount of attorneys fees are not controlling as to fees which may be agreed upon by the plaintiff and his attorney for the services for such attorney in the action against the Authority.

- (f) The power to cooperate, participate and coordinate with the Federal Government, or the State of Georgia, or any agency or instrumentality thereof, or any municipal or county governing body within the metropolitan area or any agency, instrumentality thereof, or the Atlanta Regional Metropolitan Planning Commission (1960 Ga. L. p. 3102, as amended), or any similar joint agency, in the execution of any studies, plans or projects designed for the coordination of its rapid transit system with other transportation in the metropolitan area and with any comprehensive planning and development of the metropolitan area.
(g) The power to acquire property, both real and personal, or rights of easement therein, or franchises necessary or convenient for the purposes of the Authority, by gifts, purchase, lease (as lessee) or contract.

(h) The power to make and execute all contracts and other instruments necessary or convenient to the exercise of the powers of the Authority, including the power to contract for managerial and operating services.

(i) The power to enter into contracts with the State of Georgia, its agencies and instrumentalities, and, particularly with the local governments within the metropolitan area, for public transportation services to be rendered by the Authority or its rapid transit system, and for any other purposes incidental to the establishment and maintenance of its rapid transit system, or any part or project thereof, and the usual facilities related thereto.

(j) The power to contract with any public utility, railroad or transportation company for the joint use of property or rights, or for the establishment of through routes, joint fares or transfer of passengers.

(k) The power to apply for and accept grants or other assistance from the Federal Government or from any source whatever, to act as agent for the Federal Government, and to enter into contracts, loans, leases or other transactions with the Federal Government.

(l) The power to borrow money from private lenders, or from the Federal Government, or to the extent otherwise authorized by law, from the State of Georgia or any local government within the metropolitan area, in such amounts as may be necessary for the purposes of the Authority and, in connection therewith to issue negotiable notes, bonds, refunding bonds and other evidences of indebtedness or obligations of the Authority, and to secure the payment thereof, or any part thereof, by pledge of its revenues, rentals, and receipts, and to make such agreements with the purchasers or holders thereof, or with others in connection therewith, whether issued or to be issued as the Board may deem advisable. But the Authority shall have no power in any manner to pledge the property, credit or taxing power of any local government, nor shall any of its obligations be deemed to be obligations of any local government, nor shall any local government be liable for the payment of principal or interest on such obligations.

(m) The power to fix, alter, charge and collect fares, rates, rentals and other charges for its facilities by zones or otherwise at reasonable rates to be determined exclusively by the Board, subject to judicial review as hereinafter provided.

(n) The power to make agreements with the Federal Government, the State of Georgia, any agency, instrumentality or political subdivision thereof, for payments to the Authority in lieu of fares for the transportation of personnel or other persons for whom such department, agency, instrumentality or political subdivisions desires such transportation.
(o) The power to contract for, or to provide and maintain, with respect to the facilities and property owned, leased, operated or under the control of the Authority, and within the territory thereof, a security force to protect persons and property, dispense unlawful or dangerous assemblages and assemblages which obstruct full and free passage, control pedestrian and vehicular traffic, and otherwise preserve and protect the public peace, health and safety. For these purposes a member of such force shall be a peace officer and, as such, he shall have authority equivalent to the authority of a policeman of the city or county in which he is discharging his duties.

(p) The Authority shall have no power to operate taxicabs, or facilities designed exclusively for the transportation of property for hire, nor shall it engage in other activities commonly regarded as private enterprise, except to develop a rapid transit system, provide concessions, off-street parking and other facilities for the comfort, safety and convenience of transit passengers, and otherwise accomplish the purposes and policies expressed and contemplated in this Act.

Section 9. Fares, Rates, Rentals and Charges.

(a) The Board shall fix such fares, rates, rentals and charges in such amounts as shall be sufficient in the aggregate (when added to any other grants or funds available to the Authority) to provide funds for the payment of the interest on and principal of all bonds, certificates and other obligations payable from said revenues and to meet all other encumbrances upon such revenues as provided by any agreement executed by the Authority in connection with the issuance of bonds or certificates under this Act, and for the payment of all operating costs and expenses which shall be incurred by the Authority, including provisions for appropriate reserves.

(b) The term "charges" shall include revenues from contracts with the local governments within the metropolitan area under which the Authority has agreed to render for them the public transportation service as contemplated in Section 24 hereof.

(c) The Board shall determine by itself exclusively after public hearings as hereinafter provided, the routes, types of construction, equipment, facilities, and the scope and standards of service to be operated by the Authority, the scheduled services to be made available to the public and the amounts to be charged therefor. Before making any determinations as to scheduled services or amounts to be charged therefor, the Board shall first hold at least one public hearing after giving notice of the time and place by twice advertising on different days in the newspaper having the largest circulation in the metropolitan area not more than ten days nor less than five days prior to the hearing. As to all other matters, the Board may hold such public hearings as it may deem appropriate, and as to all public hearings, it may prescribe reasonable rules and regulations to govern such hearings not inconsistent with this
Act. Any person aggrieved by any determination of the Board as to any charge or scheduled service, or any change in any charge or scheduled service, except charges payable under contracts between local governments and the Authority as contemplated in Section 24, may challenge same by a petition in equity filed within 30 days of the determination complained of in any superior court of any county of the metropolitan area in which the charge or scheduled service may be applicable; provided, however, that the grounds of such challenge shall be restricted to abuse of discretion on the part of the Board or lack of authority under the law; otherwise, all determinations by the Board shall be final. Whenever two or more legal actions are brought against the same determination of the Board in different superior courts, exclusive jurisdiction thereof shall be vested in the first such court to docket such a petition and all other petitions may be refiled in the superior court having such exclusive jurisdiction.

- (d) Prior to determining the basic routes over which the Authority shall operate its system and stations connected therewith, the Board shall consult with the local governing body of the territory involved, and, additionally, shall hold at least one public hearing within the territory of each local government within the metropolitan area at which the local governing body, or its representative, and the public may be heard.
- (e) The function of the Board under subsection (c) and (d) shall not be delegated or exercised by any other person or body under any circumstances.

Section 10. Revenue Bonds.

- (a) In borrowing money, as authorized in section 8 (1), the Board may, in a single issue, or in various issues from time to time, issue negotiable revenue bonds of the Authority for the purpose of paying all or a part of the cost of a rapid transit project or projects.
- (b) Such bonds may be issued without any other proceeding, or the happening of any other conditions or events, than those proceeding, conditions, or events which are required by this Act. In the discretion of the Board, bonds of a single issue may be issued for the purpose of a particular rapid transit project. Any resolution authorizing the issuance of bonds under the provisions of this Act may be made effective immediately upon its passage and need not be published or posted, and any such resolution may be passed at any regular or special meeting of the Board. However, the by-laws of the Board shall provide for advance written notice to members of the Board of any proposed resolution for the issuance of any bonds hereunder and for waivers thereof before action thereon.
- (c) The principal of and interest on such bonds shall be payable solely from the special debt retirement fund hereinafter established for this purpose in subsection (m) hereof.
• (d) The bonds of each issue shall be dated, shall bear interest payable semi-annually at a rate not exceeding six percent per annum, and shall mature in such amounts and at such times as the Board may deem appropriate but not exceeding forty years from the date thereof. The bonds may be in coupon or registered form, or both, as the Board may determine, and the Board may make provision for the registration of any coupon bond as to principal alone and also as to both principal and interest.

• (e) The Board may prescribe the form of the bonds and any coupons which may be used in conjunction therewith; it may determine the denominations of the bonds, the terms and conditions of their redemption before maturity, the medium of payment both as to principal and interest and the place of payment of principal and interest, which may be at any bank or trust company within or without the State.

• (f) All such bonds shall bear the manual or facsimile signature of the chairman or vice-chairman of the Board, attested by the secretary or treasurer thereof, and bear the official seal of the Authority. Any coupons attached thereto shall bear the facsimile signature of the secretary or treasurer of the Board. When bonds or coupons bear the manual or facsimile signature of an officer of the Authority, such signature shall remain valid and effective for its original intent and purpose notwithstanding that prior to delivery the signer thereof may have ceased to hold the office indicated.

• (g) All bonds issued under the provisions of this Act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the laws of this State. Such bonds are hereby declared to be issued for an essential public and governmental purpose, and said bonds and the interest thereon shall be exempt from all taxation within the State.

• (h) All bonds of the Authority shall be sold by public competitive bidding at par plus accrued interest to the date of delivery; provided, however, the Authority may obligate itself to deliver any given issue of bonds to the purchasers thereof within any reasonable period of time after the date of sale and may pay as a penalty for delay in such delivery such reasonable sums as may be agreed upon in advance in writing with the purchaser or purchasers of such bonds. All bonds of the Authority shall be advertised and offered prior to the fixing of the interest rates thereon, and bids thereon shall be competitive as to the interest rate offered by each bidder; provided, on any issue the Authority may make rules limiting the number of divisions into which the bonds of various maturity dates may be divided, and the number and percentage spreads of the different interest rates which may be bid to apply such divisions of the bonds and provided further, the Authority may require reasonable security for the performance of the contract of purchase of any successful bidder at any public competitive bidding held. The advertising of bond issues of the Authority and invitations to bid shall be as customarily done in the handling of governmental bond issues and section 14(b) as to these matters shall not necessarily apply. The Authority may negotiate the sale of its bonds to the Federal Government.
• (i) The proceeds of such bonds shall be used solely for the payment of the cost of a rapid transit project or rapid transit projects. If the proceeds of a bond issue are not sufficient to cover the cost thereof, unless otherwise provided in the resolution authorizing the issuance of the bonds, or in any trust indenture pertaining thereto, additional bonds may in like manner be issued to provide the amount of the deficiency. Unless otherwise provided in the resolution authorizing the issuance of the bonds, or in any trust indenture pertaining thereto, such additional bonds shall be deemed to be of the same issue and to be paid from the same fund, without preference or priority, as the bonds first issued for the same purpose. If the proceeds of the bonds of any issue shall exceed the amount required for the purpose for which such bonds were originally issued, the surplus shall be paid into such fund as may be provided in the resolution authorizing the issuance of the bonds or in any trust indenture pertaining thereto or at the specific direction of the Board may be used for any other rapid transit project or projects.

• (j) Prior to the preparation of definitive bonds the Board may issue interim receipts, interim certificates, or temporary bonds exchangeable for definitive bonds upon the issuance of the latter.

• (k) In the discretion of the Board any issue of such revenue bonds may be secured by a trust indenture by and between the Authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the State. Such trust indenture may pledge or assign fares, fees, rentals, charges, revenues and earnings of the Authority, including the proceeds derived from the sale of any surplus property of the Authority. Either the resolution authorizing the issuance of the bonds or any trust indenture pertaining thereto may contain reasonable provisions for protecting and enforcing the rights and remedies of the bondholders, including covenants concerning the duties of the Authority in relation to the acquisition of property, the construction of the project, the maintenance, operation, repair and insurance of the property, and the custody, safeguarding and application of all monies, including the proceeds derived from the sale of property of the Authority, both real and personal, and may also provide that any project shall be constructed and paid for under the supervision and approval of consulting engineers or architects employed or designated by the Board and satisfactory to the original purchasers of the bonds issued therefor, and may also require that the security given by contractors and by any depository of the proceeds of the bonds or revenues or other monies be satisfactory to such purchasers, and may also contain provisions concerning the conditions, if any, upon which additional revenue bonds may be issued. It shall be lawful for any bank or trust
company incorporated under the laws of this State to act as such depository and to furnish such indemnifying bonds or pledge such securities as may be required by the Board. Such indenture may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action of bondholders as is customary in trust indentures securing bonds and debentures of corporations. In addition to the foregoing, such trust indenture may contain such other provisions as the Board may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out such trust indenture may be treated as a part of the cost of maintenance, operation and repair of the project affected by such indenture.

- (l) The Board shall, in the resolution authorizing the issuance of bonds or in any trust indenture pertaining thereto, provide for the payment of the proceeds of the sale of the bonds to any bank or trust company which, shall act as trustee of such funds and shall hold and apply the same to the purposes hereof, subject to such regulations as this Act and such resolution or trust indenture may provide.
- (m) The fares, fees, rentals, charges, revenues, and earnings of the Authority, monies derived from the sale of any surplus property of the Authority, and gifts, grants, and contributions from any source whatever, unless otherwise pledged and allocated, may be pledged and allocated by the Board to the payment of the principal of and interest on bonds of the Authority as the resolution authorizing the issuance of bonds, or any trust instrument pertaining thereto, may provide, and such funds so pledged, from whatever source received, including funds received from one or more or all sources, shall be set aside at regular intervals as may be provided in the resolution or trust indenture, into a special debt retirement fund which shall be pledged to and charged with the payments of (1) the interest on such bonds as such interest shall fall due, (2) the principal of the bonds as same shall fall due, (3) the necessary charges of paying agent or agents for paying principal and interest, and (4) any premium upon bonds retired by call or purchase as hereinafter provided. The use and disposition of such special debt retirement fund shall be subject to such regulations as may be provided in the resolution authorizing the issuance of the bonds or in any trust indenture, pertaining thereto, but, except as may otherwise be provided in such resolution or trust indenture, such fund shall be for the benefit of all bonds without distinction or priority of one over another. Subject to the provisions of the resolution authorizing the issuance of the bonds or in any trust indenture, surplus monies in the special debt retirement fund may be applied to the purchase or redemption of bonds and any such bonds so purchased or redeemed shall forthwith be cancelled and shall not again be issued.
- (n) Any holder of bonds issued under the provisions of this Act or any of the coupons appertaining thereto, and the trustee under the trust indenture, if any, except to the extent the rights herein given may be restricted by resolution passed before the issuance of the
bonds or by any trust indenture, may, either at law or in equity, by suit, action, mandamus, or other proceedings, protect and enforce any and all rights under the laws of the State of Georgia or granted hereunder or under such resolution or trust indenture, and may enforce and compel performance, of all duties required by this Act or by such resolution or trust indenture, to be performed by the Authority, or any officer thereof, including the fixing, charging and collecting of fares, fees, rentals, revenues, and other charges for the use of the facilities and services furnished and, in the event of a default of the Authority upon the principal and interest obligations of any bond issue, shall be subrogated to each and every right, specifically including the contract rights of collecting fares, fees, rentals, revenues and other charges against the City of Atlanta and the counties of Fulton, DeKalb, Cobb, Clayton and Gwinnett.

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- (o) The Board is hereby authorized to provide by resolution for the issue of refunding bonds of the Authority for the purpose of refunding any bonds issued under the provisions of this Act and then outstanding, together with accrued interest thereon. The issuance of such refunding bonds, the maturities and all other details thereof, the rights of the holders thereof and the duties of the Authority in respect to the same, shall be governed by the foregoing provisions of this Act insofar as the same may be applicable.

- (p) Bonds of the Authority shall be confirmed and validated, insofar as applicable, in accordance with the procedure of the Revenue Bond Law (Ga. L. 1937, p. 761, et. seq. as amended). The petition for validation shall also make party defendant to such action any municipality, county authority, subdivision or instrumentality of the State of Georgia, if subject to be sued, which has contracted with the Authority for the services and facilities of the project for which bonds are to be issued and sought to be validated and such municipality, county, authority, subdivision, or instrumentality shall be required to show cause, if any, why such contract or contracts and the terms and conditions thereof should not be inquired into by the court and the validity of the terms thereof to be determined and the contract or contracts adjudicated as security for the payment of any such bonds of the Authority. The judgment of validation shall be final and conclusive with respect to such bonds, and the security therefor, against the Authority, and against any municipality, county, authority, subdivision or instrumentality of the State of Georgia, if a party to the validation proceedings, contracting with the Authority.

- (q) While any of the bonds issued by the Authority remain outstanding, the powers, duties or existence of said Authority, or of its officers, employees or agents, shall not be diminished or impaired in any manner that will affect adversely the interest and the rights of the holders of such bonds, and no other entity, department, agency or authority will be created which will compete with the Authority to such an extent as to affect adversely the interest and rights of the holders of such bonds. The provisions of this Act shall be for the benefit of the Authority and the holders
of any such bonds, and upon the issuance of bonds under the provisions hereof, shall constitute a contract with the holders of such bonds.

- (r) All monies received pursuant to the authority of this Act, whether as proceeds from the sale of bonds, as grants or other contributions, revenues, income, fees and earnings, shall be deemed to be trust funds to be held and applied solely as provided in this Act.
- (s) Bonds issued hereunder shall not be deemed to constitute a debt of any local government in the metropolitan area. Such bonds shall be payable solely from the special debt retirement fund hereinbefore established therefor and the issuance of such bonds shall not directly or indirectly or contingently obligate any local government in the metropolitan area to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment, and all such bonds shall contain recitals on their face covering substantially the import of this subsection.
- (t) Any action to protect or enforce any rights under the provisions of this Act or any suit or action against such Authority, except as provided in section 9 (c), shall be brought in the Superior Court of Fulton County, Georgia, and any action pertaining to validation of any bonds issued under the provisions of this Act shall likewise be brought in said court, which shall have exclusive, original jurisdiction of such actions.
- (u) The Authority may invest and reinvest any idle monies, including funds held in reserve or debt retirement funds not required for immediate disbursement, in bonds or notes of the United States or unconditionally guaranteed by the United States or in bonds or notes of the State of Georgia or unconditionally guaranteed by the State of Georgia, and reconvert same when their proceeds are necessary for disbursement.
- (v) The Board may by appropriate action prescribe the circumstances, not inconsistent with law, under which a bond or certificate will be considered as mutilated, destroyed

Section 11. Equipment Trust Certificates. The Board shall have continuing power to purchase equipment, and in connection therewith execute agreements, leases or equipment trust certificates in the form customarily used and appropriate to effect such purchases. The Board may issue equipment trust certificates in a manner similar to that provided for bonds under section 10. All money required to be paid by the Authority under the provisions of such agreements, leases and equipment trust certificates shall be payable solely from the fares, fees, rentals, charges, revenues and earnings of the Authority, monies derived from the sale of any surplus property of the Authority and gifts, grants and contributions from any source whatever. Payment for such equipment or rentals therefor, may be made in installments; the deferred installments may be evidenced by equipment trust certificates payable solely from the aforesaid
revenues or receipts, and title to such equipment may or may not vest in the Authority until the equipment trust certificates are paid.

Section 12. Power of Eminent Domain. The Authority shall have no power of eminent domain, but the City of Atlanta and the counties of Fulton, DeKalb, Cobb, Clayton and Gwinnett may, for purposes of the Authority, exercise the broadest power of eminent domain available to them or any agency or joint agency thereof, under any statute, and convey to the Authority any property so acquired upon payment or credit for the total cost of any acquisition hereunder. However, no local governing body shall exercise any power of eminent domain hereunder with respect to property located beyond its territorial limits.

Section 13. Removal and Relocation of Utility Structures, Etc. (a) The Authority shall have the power to require any public utility, railroad or other public service corporation owning or operating any installations, structures, equipment, apparatus, appliances or facilities in, upon, under, over, across or along any ways on which the Authority has the right to own, construct, operate or maintain its rapid transit system, to remove or relocate such installation, structures, equipment, apparatus, appliances or facilities from their locations. If the owner or operator thereof fails or refuses to remove or relocate them, the Authority may proceed to do so. The Authority may provide the necessary new locations, and for that purpose the power of eminent domain as provided in section 12 may be exercised provided the new locations shall not be in, on or above, a public way; the Authority may also acquire the necessary new locations by purchase or otherwise. The Authority shall reimburse the public utility, railroad or other public service corporation, for the cost of relocations which shall be the entire amount paid or incurred by the utility properly attributable thereto after deducting the cost of any increase in the service capacity of the new installations, structures, equipment, apparatus, appliances or facilities and any salvage value derived from the old installations, structures, equipment, apparatus, or appliances.

(b) The Authority shall have the power to prepare plans for and assist in the relocation of persons (including individuals, families, business concerns, nonprofit organizations and others) displaced by operations of the Authority in carrying out a rapid transit project, and to make relocation payments to or with respect to such persons including the making of such payments financed by the Federal Government.

Section 14. Competitive Bidding on Contracts, Etc.

- (a) Except in the acquisition of unique property which for any reason is unobtainable in the open market, and except as hereinafter otherwise provided, competitive bids shall be secured before any acquisition or disposition of properties by contract or otherwise is made by the Authority, or before any contract is awarded for construction, alterations, supplies, equipment, repairs or maintenance, or for rendering any services to the Authority; acquisitions shall be made from, and contracts awarded to, the lowest
responsible bidder, and dispositions of property shall be made to the highest responsible bidder. No acquisition of any unique property unobtainable in the open market shall be made without the express approval of the Board where the amount involved is $5,000 or more. Nothing in this section shall apply to contracts for professional services or the personal services of employees.

- (b) All such acquisitions, dispositions and contracts involving $5,000 or more shall be awarded only after advertising in the local newspaper of the largest circulation in the metropolitan area at least once a week in the two weeks prior to the bid opening. Bids shall be publicly opened and read aloud at a date, time and place designated in the invitation to bid. Invitations to bid shall be sent at least one week prior to the bid opening to at least three potential bidders who are qualified technically and financially to submit bids, or, in lieu thereof, a memorandum shall be kept on file showing that less than three potential bidders so qualified exist in the market area within which it is practicable to obtain bids.

- (c) Except as otherwise provided in this section, written price quotations from at least three qualified and responsible vendors, or vendees as the case may be, shall be obtained for all acquisitions, dispositions and contracts involving less than $5,000 and over $1,000, or, in lieu thereof, a memorandum approved by the Board shall be kept on file showing that less than three vendors or vendees, as the case may be, so qualified exist in the market area within which it is practicable to obtain quotations. Acquisitions shall be made from, and contracts awarded to, the lowest responsible quotation, and dispositions of property shall be made to the highest responsible quotation.

- (d) Acquisitions, dispositions and contracts involving $1,000 or less may be negotiated with or without competitive bidding under sound procurement procedures as promulgated and established by the Board.

- (e) Competitive bidding requirements may be waived if it is determined by the general manager, or in such other manner as the Board may by regulation provide, that an emergency directly and immediately affecting customer service or public health, safety or welfare requires immediate delivery of supplies, materials, equipment or services; provided, however, that a record explaining the emergency shall be submitted to the Board at its next regular meeting and thereafter kept on file.

- (f) All concessions granted by the Authority for the sale of products or the rendition of services for a consideration on Authority property shall be awarded only pursuant to
written specifications after competitive bidding and to the highest responsible bidder in a manner similar to that required in subsection (b).

- **(g)** Contracts for the sale, lease or other disposition of real property owned by the Authority shall be awarded only after competitive bidding and to the highest responsible bidder in a manner similar to that required in subsection (b).
- **(h)** Contracts for the management of Authority-owned property or facilities may be negotiated.
- **(i)** Requirements of the Authority shall not be split into parts for the purpose of avoiding the provisions of this section.
- **(j)** The Authority shall have the right to reject any or all bids or quotations, or parts of any or all bids or quotations, whenever in the opinion of the Board such rejection is necessary for the protection of the interests of the Authority. In every such case a record shall be made setting forth the reason for such rejection which record shall thereafter be kept on file.

**Section 15. Conflict of Interests.**

- **(a)** Every member of the Board and every employee of the Authority who knowingly has any interest direct or indirect in any contract to which the Authority is or is about to become a party, or in any other business of the Authority, or in any firm or corporation doing business with the Authority, shall make full disclosure of such interest to the Board and, if a Board member, to his appointing authority.

Failure to disclose such an interest shall constitute cause for which a Board member may be removed by the appointing power, or an employee discharged or otherwise disciplined at the discretion of the Board.

- **(b)** Provisions of the act of the General Assembly approved March 10, 1964 (1964 Ga. L. p. 261), as amended, regulating the conduct of officers, employees and agents of political subdivisions, municipal and other public corporations and other public organizations, shall be applicable to the conduct of its Board members, officers, employees and agents of the Authority.
- **(c)** Any contract or transaction of the Authority involving a conflict of interest not disclosed under subsection (a) hereof, or a violation of the act of the General Assembly approved March 10, 1964, (1964 Ga. L. p. 261), as amended, or a violation of any other provision of law applicable to the Authority, its Board members, officers, or employees regulating conflicts of interest, shall be voidable by the Board.

**Section 16. Financial Accounts, Audits, Reports.** (a) The Board shall make provision for a system of financial accounting and controls, audits and reports. All accounting systems and records, auditing procedures and standards, and financial reporting shall conform to generally accepted principles of governmental accounting. Copies of each financial report required under
this section shall be furnished to each local governing body of each local government in the
metropolitan area. All financial records, reports and documents of the Authority shall be public
records and open to public inspection under reasonable regulations prescribed by the Board.

(b) The Board shall adopt a fiscal year, establish a system of accounting and financial control,
designate the necessary funds for complete accountability and specify the basis of accounting for
each such fund. The Board shall cause to be prepared a financial report on all funds at least
quarterly and a comprehensive report on the fiscal operations and conditions of the Authority
annually.

(c) On or before the last day of the first month of its fiscal year the Board shall annually employ
a firm of independent certified public accountants licensed to practice in this State as auditors to
make a continuous audit of the financial books, records, and accounts of the Authority. Such
auditors shall have no personal interest directly or indirectly in the fiscal affairs of the Authority
and shall be experienced and qualified in the accounting and auditing of public bodies. A
contract of employment shall be executed with such auditors prescribing their duties, the period
to be covered, the professional fees to be paid, the responsibilities of the Authority and other
appropriate matters. The contract shall be awarded upon the basis of professional competence in
the field of accounting and auditing for public bodies and subject to the rules of ethics of the
American Institute of Certified Public Accountants. Such auditors shall be paid out of the general
operating funds of the Authority.

(d) Upon employment such auditors shall perform a complete independent audit for the fiscal
year. In such audit they shall point out any irregularities found to exist and report the results of
their examination, including their unqualified opinion on the presentation of the financial
position of the various funds and the results of the Authority's financial operations. If such
auditors are unable to express an unqualified opinion they shall so state and shall further detail
reasons for their qualifications or disclaimer of opinion including recommendations necessary to
make possible future unqualified opinions. Such auditors shall review and make
recommendations in separate opinions in such matters as they may deem appropriate for
improvements in records, system procedures, internal control methods, equipment use,
organization, administration, insurance coverage and other matters of financial control and
relevancy. They shall also be available for continuous financial consultation and shall perform
special examinations, studies, management reviews, system design and installation as the Board
may direct. The Board may also provide for the independent auditing of any facility of the
Authority leased or contracted out to private parties or local governments.
Section 17. Budgets and Budgeting Procedures. (a) The Board shall make provisions for an annual operating budget and an annual capital improvements budget. Every budget, proposed or as finally adopted, shall conform to generally accepted budgetary standards of public bodies. Copies of each budget, proposed or as finally adopted, shall be furnished to each local governing body of each local government in the metropolitan area. In addition to the procedures herein prescribed the Board may adopt such budgetary procedures as it may deem appropriate.

(b) On or before the last day of the tenth month of the fiscal year the Board shall propose an annual operating budget for the ensuing fiscal year and hold a public hearing thereon. After such public hearing the Board shall review its proposed budget, and, on or before the last day of the fiscal year, it shall adopt an annual operating budget for the ensuing fiscal year. In the annual operating budget each operating fund shall be set forth separately and show an estimate of the fund balance to be available at the beginning of the year, an estimate of anticipated credits during the year according to source, an estimate of anticipated charges, including capital outlay or debt service properly to be financed from anticipated revenues, and comparative data on the last two completed fiscal years and similar data, actual or estimated, for the current year. In no event shall a budget be approved which provides for deficit financing with respect to any operating fund.

(c) At the time and in the manner prescribed in subsection (b), insofar as applicable, the Board shall propose and adopt an annual capital improvements budget. The proposed capital improvements budget shall show all capital improvement projects in process of completion, those to be undertaken during the ensuing fiscal year and those anticipated to be undertaken during the ensuing ten years. The proposed budget shall also show the proposed method of financing each proposed project and the effect thereof on the debt structure of the Authority. After a public hearing the Board shall review its proposed budget and on or before the last day of the fiscal year it shall adopt an annual capital improvements budget for the ensuing fiscal year.

Section 18. Engineering Survey. At least every three years, the Board shall employ a firm of qualified independent engineers to survey the condition of the Authority's facilities and operations from an engineering standpoint and make a report thereof and any recommendations for improvement in its physical facilities and operating procedures. Copies of such report shall be furnished to each local governing body of each local government in the metropolitan area.

Section 19. Insurance on Leased Property. All contracts for the lease of Authority property shall require the lessee to procure, maintain and pay for insurance to reasonably protect the Authority's liability related thereto, and further to insure the leased property in the Authority's
name for its full value against all reasonable and insurable risks. Such contracts shall contain a clause whereby the lessee agrees to indemnify and hold the Authority harmless for the negligence of lessee, his employees and agents.

Section 20. Rules and Regulations; Miscellaneous. (a) The Board may promulgate reasonable rules and regulations, not inconsistent with law, for the control and management of its operations, properties, employees and patrons.

(b) The Board may provide for the recognition of authorized representatives of the employees of the Authority and for bargaining with its employees through such agents in the same manner and to the same extent as if they were the employees of any privately owned transportation system.

(c) All provisions of general law applicable to the records and documents of counties and municipalities and public access thereto shall be fully applicable to the records and
documents of the Authority. The Board shall make reasonable rules and regulations concerning access to its records and documents and may charge reasonable fees for copies on certifications thereof.

(d) As to copies of financial reports and documents under Section 16, budget reports and documents under section 17, engineering reports and documents under section 18, and proposed rapid transit contracts under section 24, the Board may provide for the printing and distribution of a reasonable supply thereof to the public and may, in its discretion, require payment of a reasonable charge therefor.

Section 21. Tax and Regulatory Exemptions. (a) The property of the Authority, both real and personal, its acts, activities and income shall be exempt from any tax or tax obligation. In the event of any lease of Authority property, or any other arrangement which amounts to a leasehold interest, to a private party, this exemption shall not apply to the value of such leasehold interest, nor shall it apply to the income of the lessee. Otherwise, however, and for purposes of taxation, when property of the Authority is leased to private parties to be employed solely for purposes of the Authority, the acts and activities of the lessee shall be considered as the acts and activities of the Authority and the exemption hereunder shall apply to such acts and activities.

(b) The Authority shall also be exempt from any regulation by the Public Service Commission of this State, except that when any proposed action of the Authority, or any local government on behalf of the Authority, may place a public utility, railroad or public service corporation in violation of the requirements of the Commission, or create the need for collaboration with respect to compliance with the requirements of the Commission, the Authority shall obtain the Commission's cooperation and approval of the proposed action. In such matters and particularly with respect to the matters contemplated in section 8 (j), the Commission shall cooperate with the Authority to accomplish the purposes and policies of this Act.
Section 22. Tort Liability; Insurance. The Authority shall not enjoy governmental immunity from tort liability, but shall be liable therefor as any private corporation except that no execution shall be levied on any property of the Authority prior to ninety (90) days from the date of a final judgment against the Authority. The Authority shall contract for adequate insurance, indemnification or similar protection against any loss, liability or other risk, hazard or responsibility to which it may be exposed or which it may accept on account of its property, personnel, or operations.

Section 23. Taxing Power Denied. The Authority shall have no power to impose any tax on any subject of taxation within the metropolitan area for any purpose whatsoever.

Section 24. Local Government Participation. (a) Provision for a rapid transit system within the metropolitan area is declared for the purposes of this Act to be an essential governmental function and a public purpose of the City of Atlanta and the counties of Fulton, DeKalb, Cobb, Clayton and Gwinnett.

(b) The Board and each local governing body of the counties of Fulton, DeKalb, Cobb, Clayton, and Gwinnett, and of the City of Atlanta may negotiate and determine the extent of financial participation and the time or times such financial participation may be required with respect to each of the local governments in order to finance provision for a rapid transit system through the joint instrumentality of the Authority. If such determination contemplates a contractual obligation on the part of a local government to make payments to the Authority over a period of time exceeding one year or a contractual obligation on the part of a local government to issue any bonds or other evidences of indebtedness, such determination shall take the form of a proposed rapid transit contract to be executed between the Authority and the local government. Notwithstanding any other provision of this Act, no contract on the part of any local government to make payments of any kind to the Authority shall become final except by the action of the local governing body thereof;

the negotiation, determination and proposed rapid transit contract contemplated under this subsection shall not be construed to constitute a final contract or obligation, but the final execution of a rapid transit contract shall be completed in every instance in the manner contemplated in subsections (c), (d), (e), or (h) hereof.

(c) As a method of financing the participation required of it, in its entirety or any part thereof, under such a proposed rapid transit contract, a local government may, in the manner prescribed by law and subject to the limitations prescribed by law, issue general obligation bonds, pay over the proceeds thereof to the Authority and thereby complete the execution of the proposed rapid
transit contract under which the Authority shall agree to perform for it the aforesaid governmental function and provide the necessary transportation services and facilities.

(d) As an alternative method of financing the participation required of it under such a proposed rapid transit contract, a local government may contract with the Authority by which the Authority may perform for such local government the aforesaid governmental function and obligate itself to pay on a periodic basis for the public transportation services and facilities contracted for, including the payment of the principal of, and interest on, any obligations issued by the Authority for the purpose of financing the cost of any rapid transit project or projects and this may include amounts necessary to establish and maintain reasonable reserves in connection therewith.

(e) When there is a proposed rapid transit contract to be executed between the Authority and a local government under subsection (d), the local governing body may proceed on its own resolution to complete the execution of the contract if it determines that the participation required thereunder may reasonably be financed without the levy of any new or increased tax on the property situated within its territory. In this event, the resolution of the local governing body that the participation required thereunder may reasonably be financed without the levy of any new or increased tax on the property situated within its territory shall be conclusive of that fact. The Authority under this subsection shall be subject to and limited by any local act heretofore or hereafter enacted, more particularly applicable to the local governing body of any local government.

(f) Otherwise when there is a proposed rapid transit contract to be executed between the Authority and a local government under subsection (d), the local governing body shall call an election and shall submit to the qualified voters thereof, in a referendum as hereinafter provided, the question whether or not the local government should so obligate itself to the extent of the dollar amount or amounts involved therein.

(g) The procedure for holding the referendum called for in subsection (f) shall be as follows: The local governing body shall cause to be published in a newspaper having general circulation throughout the territory of the local government involved, once each week for three weeks immediately preceding the week during which the referendum is to be held, a notice to the electors thereof that on the day named therein an election will be held to determine the question whether or not the local government shall obligate itself to the Authority to the extent of the dollar amount or amounts involved in the proposed rapid transit contract. Such notice shall specify the extent of the total dollar amount or amounts involved under the proposed rapid transit contract. Such special election shall be held at all the election districts within the territorial limits of the local government involved except that an election called by the local governing body of any county within the metropolitan area shall not be held in any part thereof which is within the territorial limits of the City of Atlanta. The ballot submitting the question shall be in a form determined by the local governing body, and the form of the ballot shall be published as a part of
the aforesaid notice. Each election held under the provisions of this subsection (including one
held within the territorial limits of the City of Atlanta) is hereby declared to be a county election
and shall be governed by and conducted in accordance with the provisions of the Georgia
Election Code. The board of registrars of each county shall provide the necessary lists for
conducting any such election held within its county. After consolidation, the ordinary shall
transmit the returns of such an election to the local governing authority calling the election, or its
delegate, who shall officially declare the result. The expense of such an election held within the
territorial limits of the City of Atlanta shall be paid by the City of Atlanta.

(h) If a majority of those voting in said election vote in favor of the proposition submitted then
the local governing body shall thereby be authorized to complete the execution of a rapid transit
contract, or contracts, wherein the total dollar amounts thereof do not exceed the total dollar
amounts involved in the proposition submitted.

(i) A local government may elect any method provided in this section to finance the participation
required of it in whole or in part, and the election of one method shall not preclude the election
of another method with respect thereto or with respect to any additional or supplementary
participation determined to be necessary.

(j) When the Authority and a local government have completed the execution of a rapid transit
contract in full compliance with the requirements of this Act, such contract shall constitute an
obligation on the part of the local government for the payment of which its good faith and credit
are pledged, but on no other way can the good faith and credit of any local government be
pledged with respect to a rapid transit contract.

(k) Any local government may use public funds to provide for a rapid transit system within the
metropolitan area and may levy any taxes authorized to it by law to the extent necessary to fulfill
the obligations incurred in contracts with the Authority; provided that no local county
government shall have the power to levy any tax on any subject of taxation situated within the
territorial limits of the City of Atlanta when the City of Atlanta has a contract with the Authority
and is itself using its public funds or levying a tax for that purpose.

(l) Any local government may transfer to the Authority any property or facilities, or render any
services, with or

without consideration, which may be useful to the establishment, operation or administration of
the rapid transit system contemplated hereunder, and may contract with the Authority for any
other purpose incidental to the establishment, operation or administration of such system, or any
part or project thereof or the usual facilities related thereto.
Section 25. Severability. In the event any section, subsection, sentence, clause, or phrase of this Act shall be declared or adjudged invalid or unconstitutional, such adjudication shall in no manner affect the other sections, subsections, sentences, clauses, or phrases of this Act, which shall remain of full force and effect, as if the section, subsection, sentence, clause, or phrase so declared or adjudged invalid or unconstitutional was not originally a part hereof. The General Assembly hereby declares that it would have passed the remaining parts of this Act if it had known that such part or parts hereof would be declared or adjudged invalid or unconstitutional.

Section 26. All laws or parts of laws in conflict with this Act are hereby repealed.

Approval Date: Approved March 10, 1965.