

330A.9 Purposes and powers bonds and notes.

1. The bonds issued by an authority pursuant to this chapter shall be authorized by resolution of the board and shall be either term or serial bonds, shall bear such date or dates, mature at such time or times, not exceeding forty years from their respective dates, bear interest at such rate or rates, not exceeding that permitted by chapter 74A payable semiannually, be in such denominations, be in such form, either coupon or fully registered, shall carry such registration, exchangeability and interchangeability privileges, be payable in such medium of payment and at such place or places, within or without the state, be subject to such terms of redemption and be entitled to such priorities on the revenues, rates, fees, rentals, or other charges or receipts of the authority as the resolution or any subsequent resolution may provide. The bonds shall be executed either by manual or facsimile signature by the officers as an authority shall determine, provided that the bonds shall bear at least one signature which is manually executed thereon, and the coupons attached to the bonds shall bear the facsimile signature or signatures of the officer or officers as shall be designated by an authority and the bonds shall have the seal of the authority, affixed, imprinted, reproduced, or lithographed thereon, all as may be prescribed in the resolution or resolutions. The bonds may be sold at public or private sale at the price or prices as the authority shall determine to be in the best interests of the authority. However, the net interest cost shall not exceed that permitted by chapter 74A. Pending the preparation of definitive bonds, interim certificates or temporary bonds may be issued to the purchaser or purchasers of the bonds, and may contain terms and conditions as the authority may determine.

2. An authority shall have the power, at any time and from time to time after the issuance of bonds shall have been authorized, to borrow money for the purposes for which the bonds are to be issued in anticipation of the receipt of the proceeds of the sale of the bonds and within the authorized maximum amount of the bond issue. Any loan shall be paid within three years after the date of the initial loan. Bond anticipation notes shall be issued for all moneys borrowed under this section, and the notes may be renewed from time to time, but all renewal notes shall mature within the time above limited for the payment of the initial loan. The notes shall be authorized by resolution of the board and shall be in such denomination or denominations, shall bear interest at such rate or rates not exceeding the maximum rate permitted by the resolution authorizing the issuance of the bonds, shall be in such form and shall be executed in such manner, all as the authority shall prescribe. The notes may be sold at public or private sale or, if the notes shall be renewal notes, they may be exchanged for notes then outstanding on such terms as the board shall determine. The board may, in its discretion, retire the notes from the revenues derived from its aviation facilities or from other moneys of the authority which are lawfully available or from a combination of each, in lieu of retiring them by means of bond proceeds. However, before the retirement of the notes by any means other than the issuance of bonds it shall amend or repeal the resolution authorizing the issuance of the bonds, in anticipation of the proceeds of the sale of which the notes were issued, so as to reduce the authorized amount of the bond issue by the amount of the notes retired. The amendatory or repealing resolution takes effect upon its passage.

3. Any such resolution or resolutions authorizing any bonds hereunder may contain provisions which shall be part of the contract with the holders of such bonds, as to:

a. The pledging of all or any part of the revenues, rates, fees, rentals, or other charges or receipts of an authority derived by an authority from all or any of its aviation facilities.

b. The construction, improvement, operation, extensions, enlargement, maintenance, repair, or lease of such aviation facilities and the duties of an authority with reference thereto.

c. Limitations on the purposes to which the proceeds of the bonds, then or thereafter to be issued, or of any loan or grant by the federal government or the state government or the county or any municipality therein, may be applied.

d. The fixing, charging, establishing, and collecting of rates, fees, rentals, or other charges for use of the services and facilities of the aviation facilities of an authority, or any part thereof.

e. The setting aside of reserves or sinking funds or repair and replacement funds or other funds and the regulation and disposition thereof.

f. Limitations on the issuance of additional bonds.

g. The terms and provisions of any deed of trust, mortgage, or indenture securing the bonds or under which the same may be issued.

h. Any other or additional agreements with the holders of the bonds as are customary and proper and which in the judgment of an authority will make said bonds more marketable.

4. An authority may enter into any deeds of trust, mortgages, indentures, or other agreements, with any bank or trust company or any other lender within or without the state as security for such bonds, and may assign and pledge all or any of the revenues, rates, fees, rentals, or other charges or receipts of an authority thereunder. Such deeds of trust, mortgages, indentures, or other agreements, may contain such provisions as may be customary in such instruments, or, as an authority may authorize, including, but without limitation, provisions as to:

a. The construction, improvement, operation, leasing, maintenance, and repair of the aviation facilities and duties of an authority with reference thereto.

b. The application of funds and the safeguarding and investment of funds on hand or on deposit.

c. The appointment of consulting engineers or architects and approval thereof by the holders of the bonds.

d. The rights and remedies of said trustee and the holders of the bonds.

e. The terms and provisions of the bonds or the resolution authorizing the issuance of the same.

Any of the bonds issued pursuant to this chapter are, and are hereby declared to be, negotiable instruments, and shall have all the qualities and incidents of negotiable instruments.

[C71, 73, 75, 77, 79, 81, § 330A.9]

93 Acts, ch 118, § 1