

Peninsula Ports Authority of Virginia

Created: 1952 Acts of Assembly, c. 46 as Newport News Port and Industrial Authority.

Amended: 1956 Acts of Assembly, Extra Session, c. 42
Amended (§§ 1, 2; changed name to Peninsula Port and Industrial Authority)

1964 Acts of Assembly, c. 39
Amended (§§ 1 through 4, 9, 10 through 16, 18, 19; changed name to Peninsula Ports Authority of Virginia)

1973 Acts of Assembly, c. 185
Amended (§ 5)

1974 Acts of Assembly, c. 495
Amended (§§ 3, 6, 12, 14)

1977 Acts of Assembly, c. 68
Amended (§ 2)

1978 Acts of Assembly, c. 86
Amended (§ 6)

1984 Acts of Assembly, c. 249
Amended (§§ 2, 6, 8, 9, 11, 12, 14, 15)

1998 Acts of Assembly, c. 211
Amended (§§ 2, 4)

2000 Acts of Assembly, c. 670, 698
Amended (§ 4)

2005 Acts of Assembly, c. 493, 529
Amended (§ 4)

2008 Acts of Assembly, c. 724
Added (§ 20).

Additional

References: 1977 Acts of Assembly, c. 599
Port Unification Contract.

§ 1. The creation and organization of the Peninsula Port and Industrial Authority by the city of Newport News and the city of Hampton and all actions and proceedings by said cities relating to said Authority are hereby ratified, validated and confirmed. The Authority shall be known hereafter as the Peninsula Ports Authority of Virginia and shall exercise such powers as are authorized by this act or as this act may be amended from time to time. (1952, c. 46; 1956, Extra Session, c. 42; 1964, c. 39)

§ 2. The Authority may exercise its powers within the boundaries of the Cities of Hampton, Newport News, Poquoson, and Williamsburg and the Counties of Gloucester,

James City and York and in the waters adjacent thereto and, in addition, may finance Authority Facilities without the boundaries of such cities and counties, and in connection with such financing of Authority Facilities, may acquire, construct, improve, maintain, equip and furnish such Authority Facilities, to the same extent and subject to the same restrictions imposed by Chapter 3 of the Acts of Assembly of 1981, (adding the second paragraph to § 15.2-4905 of the Code of Virginia), as amended or hereafter amended, on industrial development authorities created pursuant to Chapter 33 of Title 15.2 of the Code of Virginia. (1952, c. 46; 1956, Extra Session, c. 42; 1964, c. 39; 1977, c. 68; 1984, c. 249; 1998, c. 211)

§ 3. As used in this act, the following words and terms shall have the following meanings:

(a) “Authority” shall mean the Peninsula Ports Authority of Virginia, a body politic and corporate and a political subdivision of the State of Virginia, created and operating under this act, or if said Authority shall be abolished, the board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers given by this act shall be given by law;

(b) “Authority Facilities” shall mean any or all harbor, seaport, industrial and other facilities, as described in § 6 of this act, now existing or hereafter acquired or constructed by the Authority under this act, together with any or all buildings, improvements, additions, extensions, replacements, appurtenances, lands, rights in land, water rights, franchises, machinery, equipment, furnishings, landscaping, utilities, approaches, roadways and other facilities necessary or desirable in connection therewith or incidental thereto, acquired or constructed by the Authority;

(c) “bond resolution” shall mean the resolution or resolutions of the commission of the Authority authorizing and providing for the issuance of revenue bonds under this act;

(d) “bonds” or “revenue bonds” shall embrace notes, bonds and other obligations authorized to be issued by the Authority under this act;

(e) “city of Newport News” shall mean the Consolidated City of Newport News, Virginia;

(f) “cost” shall mean and shall include, as applied to Authority Facilities, the cost of construction, the cost of acquisition of all lands, structures, rights of way, franchises, easements and other property rights and interests, the cost of demolishing, removing or relocating any buildings or structures on lands acquired, including the cost of acquiring any lands to which such buildings or structures may be moved or relocated, the cost of all labor, materials, machinery and equipment, financing charges, interest on all bonds prior to and during construction and, if deemed advisable by the Authority, for a period not exceeding one year after completion of such construction, cost of engineering, financial and legal services, plans, specifications, studies, surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of constructing the Authority Facilities, administrative expenses, provisions for working capital, reserves for interest and for extensions, enlargements, additions and improvements, and such other expenses as may be necessary or incident to the construction of the Authority Facilities, the financing of such construction and the placing of the Authority Facilities in operation. Any obligation or expense incurred by the State or any agency thereof, with the approval of the Authority, for studies, surveys,

borings, preparation of plans and specifications or other work or materials in connection with the construction of the Authority Facilities may be regarded as a part of the cost of the Authority Facilities and may be reimbursed to the State or such agency out of the proceeds of the revenue bonds issued for such Authority Facilities as hereinafter authorized;

(g) "Port Facilities" shall mean any or all of the Authority Facilities, as described above, exclusive of the facilities within the purview of § 6(f) of this act;

(h) "revenues" shall mean any or all fees, tolls, rates, rentals and receipts derived by the Authority from, and all other moneys and income of whatsoever kind or character obtained by the Authority in connection with, the ownership or operation of the Authority Facilities;

(i) "State" shall mean the State or Commonwealth of Virginia; and

(j) "trust agreement" shall mean any trust agreement under which bonds authorized under this act may be secured.

For the purpose of this act the references to the city of Newport News in §§ 5 and 7 shall be deemed to include the city of Hampton. (1952, c. 46; 1964, c. 39; 1974, c. 495)

§ 4. The Authority shall be governed by a commission composed of seven commissioners. All powers and duties of the Authority shall be exercised and performed by the commission. Each member of the commission shall be appointed for a term of one year and until his successor shall be duly appointed and qualified, except that the two incumbent members whose terms expire on February 29, 2000, shall not continue in office after February 29, 2000, and that any person appointed to fill a vacancy shall serve only for the unexpired term. Members of the commission may be appointed for no more than ten successive one-year terms. All members of the commission shall be residents of or persons whose principal place of business is located in the City of Hampton, the City of Newport News, the City of Poquoson, the City of Williamsburg, the County of Gloucester, the County of James City, or the County of York and shall be appointed by the council of the City of Newport News, and shall have been appointed as Peninsula representatives of the executive committee of the Hampton Roads Economic Development Alliance. Any member who shall cease to reside or no longer has a principal place of business within such city or county or shall cease to be a member of the executive committee of the Hampton Roads Economic Development Alliance shall thereupon be disqualified from holding office as a member of the commission. Each member of the commission shall, before entering upon the discharge of his duties, take and subscribe the oath of office required by Article II § 7 of the Constitution of Virginia.

A majority of members of the commission shall constitute a quorum and the affirmative vote of four members shall be necessary for any action taken by the commission. No vacancy in the membership of the commission shall impair the right of a quorum to exercise all the powers and perform all the duties of the commission. (1952, c. 46; 1964, c. 39; 1998, c. 211; 2000, c. 670, 698; 2005, c. 493, 529)

§ 5. The commissioners shall elect from their membership a chairman and vice-chairman, and from their membership or not, as they desire, a secretary and a treasurer or secretary-treasurer. The commission shall meet at least quarterly and at such other times as may be required. The commissioners shall receive no salary but shall be reimbursed for necessary traveling and other expenses incurred in the performance of their duties. The commission shall keep detailed minutes of its proceedings, which shall be open to

public inspection at all times. It shall keep suitable records of all its financial transactions and shall arrange to have the same audited annually. Copies of each such audit shall be furnished to the council of the city of Newport News and shall be open to public inspection. (1952, c. 46; 1973, c. 185)

§ 6. The Authority shall have the following powers:

(a) To contract and be contracted with; to sue and to be sued; and to adopt and use a corporate seal, and to alter the same at pleasure;

(b) To acquire, hold and dispose of personal property necessary for its purposes;

(c) To acquire by purchase, exchange, gift, lease or otherwise, real property, or rights, easements or estates therein necessary for its purposes; and to sell, exchange, donate, convey, lease and dispose of the same, or any portion thereof or interest therein;

(d) To acquire, lease, construct, maintain, operate and sell landings, wharves, docks and piers, and the approaches to and appurtenances thereof, tracks, spurs, crossings, switchings, terminals, warehouses and terminal facilities of every kind and description necessary or useful in the transportation and storage of goods, wares and merchandise, to perform any and all services at said facilities in connection with the receipt, delivery, shipment and transfer in transit, weighing, marking, tagging, ventilating, fumigating, refrigerating, icing, storing and handling of goods, wares, and merchandise, to prescribe and collect charges from vessels coming into or using any landings, wharves, docks and piers, operated and maintained by the Authority and from persons using any of its other facilities, and to lease or sell any and all of such facilities or any concessions properly incident thereto for the maintenance and operation of any or all thereof on such terms and conditions as it may deem proper;

(e) To maintain and operate a free port under such terms and conditions as may be prescribed by law;

(f) To acquire, construct and/or equip for sale or lease, on such terms and conditions as it may deem proper, factories or manufacturing facilities of any kind and description and approaches to and appurtenances thereof and without limitation any other facilities as defined by the Industrial Development and Revenue Bond Act (Chapter 33 of Title 15.1, § 15.1-1373 et seq. of the Code of Virginia) as amended and as may hereafter be amended, all for the purposes set forth herein or in the Industrial Development and Revenue Bond Act, as amended and as hereafter amended, except that no approval of a local governing body shall be required where any facility is located or to be located within the cities of Hampton or Newport News or partly in both;

(g) To fix and charge tolls, fees and any other charges for the use of, or for services rendered by, any of the facilities it is authorized hereunder to maintain and operate;

(h) To employ a director and such other agents and employees as may be necessary, to serve at the pleasure of the commission, and to fix their compensation and prescribe their duties;

(i) To do all other acts and things which may be reasonably necessary and convenient to carry out its purposes and powers;

(j) To lease to others any or all of its facilities and to charge and collect rent therefor and to terminate any such lease upon the failure of the lessee to comply with any of the obligations thereof; and to include in any such lease, if desired, a provision that the lessee thereof shall have options to renew such lease or to purchase any or all of the

leased facilities, or that upon payment of all of the indebtedness of the Authority it may lease or convey any or all of its facilities to the lessee thereof with or without consideration;

(k) To sell, exchange, donate, and convey any or all of its facilities or properties whenever the commission shall find any such action to be in furtherance of the purposes for which the Authority was organized;

(l) To issue its bonds for the purpose of carrying out any of its powers including specifically, but without intending to limit any power conferred by this section or this chapter, the issuance of bonds to provide long-term financing of any pollution control facility, whether any such facility was constructed prior to or after the enactment hereof or the receipt of a commitment from an Authority to undertake financing pursuant hereto, unless the major part of the proceeds of such bonds will be used to redeem any prior long-term financing of such facility other than financings pursuant to this chapter or any similar law;

(m) As security for the payment of the principal of and interest on any bonds so issued and any agreements made in connection therewith, to mortgage and pledge any or all of its facilities or any part or parts thereof, whether then owned or therefor acquired, and to pledge the revenues therefrom or from any part thereof;

(n) To employ and pay compensation to such employees and agents, including attorneys, as the board of directors shall deem necessary in carrying on the business of the Authority;

(o) To exercise all powers expressly given the Authority by the governing bodies of the municipalities which established the Authority and to establish bylaws and make all rules and regulations, not inconsistent with the provisions of this chapter, deemed expedient for the management of the Authority's affairs;

(p) To appoint an industrial advisory committee to advise the Authority consisting of such number of persons as it may deem advisable; however, such persons shall not receive any compensation for their services, but may be reimbursed for necessary traveling and other expenses incurred while on the business of the Authority; and

(q) To borrow money and to accept contributions, grants and other financial assistance from the United States of America and agencies or instrumentalities thereof, the Commonwealth, or any political subdivision, agency, or public instrumentality of the Commonwealth, for or in aid of the construction, acquisition, ownership, maintenance or repair of the Authority facilities or for the payment of principal of any bond of the Authority, interest thereon, or other cost incident thereto, and to this end the Authority shall have the power to comply with such conditions and to execute such agreements, trust indentures, and other legal instruments as may be necessary, convenient or desirable and to agree to such terms and conditions as may be imposed. The Authority shall not have power to operate any facility as a business other than as lessor; provided, however, that the Authority shall have the power to apply for, establish, operate and maintain a foreign-trade zone in accordance with the provisions of Chapter 14 (§ 62.1-159 et seq.) of Title 62.1. (1952, c. 46; 1974, c. 495; 1978, c. 86; 1984, c. 249)

§ 7. The Authority shall foster and stimulate the commerce of the port of Newport News and the shipment of freight through such port, and may investigate and handle matters pertaining to all transportation rate structures affecting the commerce of the port.

To this end, the Authority may appoint a Port Advisory Committee to advise it, consisting of such number of persons as it may deem advisable; such persons shall not receive any compensation for their services, but may be reimbursed their necessary traveling and other expenses incurred while on business of the Authority. The Authority may accept, and expend for the purposes stated above, money from any public or private source, and may accept, maintain, operate and use, or sell, any property conveyed to it for purposes. (1952, c. 46)

§ 8. The Authority may foster and stimulate the development of industry and trade in the area within its jurisdiction. To this end, the Authority may appoint an Industrial Advisory Committee to advise it, consisting of such number of persons as it may deem advisable; such persons shall not receive any compensation for their services, but may be reimbursed their necessary traveling and other expenses incurred while on business of the Authority. The Authority may accept, and expend for the purposes stated above, money from any public or private source, and may accept, maintain, operate and use, or sell or lease any property conveyed to it for such purposes. (1952, c. 46; 1984, c. 249)

§ 9. (a) The Authority is authorized to sell, lease to others or otherwise dispose of, or grant concessions or rights in, all or any part of the Authority Facilities, in the exercise of its powers and the performance of its duties under this act, and is authorized to lease to a lessee or lessees all or any part of the Authority Facilities for such period or periods of years, with or without options of renewal or options to purchase, in such manner, upon such terms and conditions and at such prices or rentals as the Authority shall determine to be in the public interest.

(b) The Authority is authorized to protect and promote the health and welfare of the inhabitants of the Commonwealth by (i) assisting in the acquisition, construction, equipping, expansion, enlargement and improvement of educational facilities qualifying as Authority Facilities, medical facilities and facilities for the residence or care of the aged in order to provide modern and efficient facilities and services to the inhabitants of the Commonwealth for education, medical care and care of the aged in accordance with their special needs and (ii) assisting in the refinancing of such educational facilities, medical facilities and facilities for the residence or care of the aged owned and operated by charitable not-for-profit organizations (which shall be deemed to include nonstock corporations not organized or conducted for pecuniary profit but which may charge persons for education, care, treatment or other services provided) in order to reduce the costs to residents of the Commonwealth of utilizing such facilities, all for the benefit of the inhabitants of the Commonwealth and for the promotion of their health and welfare. It is not intended hereby that the Authority shall itself be authorized to operate any such educational facility, medical facility or facility for the residence or care of the aged.

(c) The Commonwealth of Virginia hereby consents to the use by the Authority, in the performance of its duties hereunder, of all lands lying under the waters of the Commonwealth which are deemed by the Authority to be necessary for the construction or operation of any Authority Facilities. But such use shall in no way hinder or prevent any deepening and widening of the channel in the James River which may hereafter be authorized or undertaken. (1952, c. 46; 1964, c. 39; 1984, c. 249)

§ 10. The cities of Newport News and Hampton are each empowered to convey to the Authority any and all port facilities of whatsoever kind or character owned by it and

any other property owned by it useful or convenient in the exercise of the powers and functions of the Authority under this act, and are further authorized to provide advances and donations of funds to assist the Authority in the performance of its functions under this act. Any such conveyance, advance or donation shall be made upon such terms and conditions, with or without consideration and at such time or times and in such manner, as the respective city may determine. (1952, c. 46; 1964, c. 39)

§ 11. The improvement and development of Port Facilities for the purpose of increasing trade and commerce beneficial to the economy, prosperity and welfare of the Commonwealth conform to the overall state policy of promoting the development and operation of adequate, modern and efficient seaports and harbors through such aids and other encouragement as may be authorized by the General Assembly. To promote and encourage the acquisition, construction, operation and maintenance of Port Facilities and to enable the Authority to sell its bonds for paying the cost of such Port Facilities, the Authority is authorized to pledge for the payment of such bonds, in addition to other revenues, moneys from time to time (i) appropriated to or for the use of the Authority by the General Assembly and available for such purpose and (ii) paid to the Authority by the City of Newport News or the City of Hampton or both cities as provided in this section. Notwithstanding any charter or statutory provision to the contrary, the Cities of Newport News and Hampton are, or either of them is, authorized to pay to the Authority for each fiscal year during which any of such bonds are outstanding an amount not exceeding the Bond Requirement Deficiency, as hereinafter defined, incurred in such fiscal year and the City of Newport News and the City of Hampton, or either of them, and the Authority are empowered to enter into any contract or contracts, for such period of years as they determine to be necessary, providing for such payments and further providing that in consideration of the assumption by the City of Newport News or the City of Hampton, or both cities, as the case may be, of such contingent liability to make such payments the Authority may convey to the respective city or cities, when all bonds of the Authority payable from any revenues of such Port Facilities, including interest thereon, shall have been paid or sufficient funds for such payment shall have been deposited in trust therefor, title to such Port Facilities of the Authority, subject to any leasehold interests, licenses, liens or other lawful encumbrances thereon. The term "Bond Requirement Deficiency" as used in this act means for any fiscal year an amount equal to one-half of the total amount required for such fiscal year to provide for payment of principal of and interest on, and for amortization and reserves for, the bonds of the Authority that are issued under this act to pay the cost of such Port Facilities, less the amount of any funds appropriated by the General Assembly to or for the use of the Authority for such fiscal year and available for such purpose.

Any liability to make any payment assumed by the City of Newport News or the City of Hampton under any such contract or contracts, being contingent upon the existence of a Bond Requirement Deficiency caused by inadequate appropriations to or for the use of the Authority by the General Assembly, shall not constitute or create an obligation or an indebtedness within the meaning of any constitutional, statutory or charter limitations upon obligations or debts of such city, and the execution of any such contract or contracts by the City of Newport News or the City of Hampton shall not be deemed to create any obligation or debt contrary to any such limitations. (1952, c. 46; 1964, c. 39; 1984, c. 249)

§ 12. (a) through (e) Repealed.

(f) The Authority shall have the power to issue bonds from time to time in its discretion, for any of its purposes, including the payment of all or any part of the cost of Authority Facilities and including the payment or retirement of bonds previously issued by it. All bonds issued by the Authority shall be payable solely from the revenues and receipts derived from the leasing or sale by the Authority of its facilities or any part thereof or from other funds provided for such payment and the Authority may issue such types of bonds as it may determine, including (without limiting the generality of the foregoing) bonds payable, both as to principal and interest: (i) from its revenues and receipts generally; (ii) exclusively from the revenues and receipts of a particular facility; or (iii) exclusively from the revenues and receipts of certain designated facilities whether or not they are financed in whole or in part from the proceeds of such bonds. Unless otherwise provided in the proceeding authorizing the issuance of the bonds, or in the trust indenture securing the same, all bonds shall be payable solely and exclusively from the revenues and receipts of a particular facility. Bonds may be executed and delivered by the Authority at any time and from time to time, may be in such form and denominations and of such terms and maturities, may be in registered or bearer form either as to principal or interest or both, may be payable in such installments and at such time or times not exceeding forty (40) years from the date thereof, may be payable at such place or places whether within or without the Commonwealth, may bear interest at such rate or rates (which may change, within specified limits, pursuant to provisions or procedures approved by the board of directors), may be payable at such time or times and at such place or places, may be evidenced in such manner, and may contain such provisions not inconsistent herewith, all as shall be provided and specified by the board of directors in authorizing each particular bond issue. If deemed advisable by the commissioners, there may be retained in the proceedings under which any bonds of the Authority are authorized to be issued an option to redeem all or any part thereof as may be specified in such proceedings, at such price or prices and after such notice or notices and on such terms and conditions as may be set forth in such proceedings and as may be briefly recited on the face of the bonds, but nothing herein contained shall be construed to confer on the Authority any right or option to redeem any bonds except as may be provided in the proceedings under which they shall be issued. Any bonds of the Authority may be sold at public or private sale in such manner and from time to time as may be determined by the board of directors of the Authority to be most advantageous, and the Authority may pay all costs, premiums and commissions which its commissioners may deem necessary or advantageous in connection with the issuance thereof. Issuance by the Authority of one or more series of bonds for one or more purposes shall not preclude it from issuing other bonds in connection with the same facility or any other facility, but the proceedings whereunder any subsequent bonds may be issued shall recognize and protect any prior pledge or mortgage made for any prior issue of bonds. Any bonds of the Authority at any time outstanding may from time to time be refunded by the Authority by the issuance of its refunding bonds in such amount as the commissioners may deem necessary, but not exceeding an amount sufficient to refund principal of the bonds so to be refunded, together with any unpaid interest thereon and any costs, premiums or commissions necessary to be paid in connection therewith. Any such refunding may be effected whether the bonds to be refunded shall have then matured or shall thereafter

mature, either by sale of the refunding bonds and the application of the proceeds thereof to the payment of the bonds to be refunded thereby, or by the exchange of the refunding bonds for the bonds to be refunded thereby, with the consent of the holders of the bonds so to be refunded, and regardless of whether or not the bonds to be refunded were issued in connection with the same facilities or separate facilities, and regardless of whether or not the bonds proposed to be refunded shall be payable on the same date or on different dates, or shall be due serially or otherwise.

(g) All bonds shall be signed by the chairman or vice chairman of the Authority or shall bear his facsimile signature, and the corporate seal of the Authority or a facsimile thereof shall be impressed or imprinted thereon and attested by the signature of the secretary (or the secretary-treasurer) or the assistant secretary (or assistant secretary-treasurer) of the Authority or shall bear his facsimile signature, and any coupons attached thereto shall bear the facsimile signature or said chairman. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be an officer before delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. When the signatures of both the chairman or the vice-chairman and the secretary (or the secretary-treasurer) or the assistant secretary (or the assistant secretary-treasurer) are facsimiles, the bonds must be authenticated by a corporate trustee or other authenticating agent approved by the Authority.

(h) If the proceeds derived from a particular bond issue, due to error of estimates or otherwise, shall be less than the cost of the Authority Facilities for which such bonds were issued, additional bonds may in like manner be issued to provide the amount of such deficit, and unless otherwise provided in the proceedings authorizing the issuance of the bonds of such issue or in the trust indenture securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds of the first issue. If the proceeds of the bonds of any issue shall exceed such cost, the surplus may be deposited to the credit of the sinking fund for such bonds or may be applied to the payment of the cost of any additions, improvements or enlargements of the Authority Facilities for which such bonds shall have been issued.

(i) Prior to the preparation of definitive bonds, the Authority may, under like restrictions, issue interim receipts or temporary bonds with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The Authority may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Bonds may be issued under the provisions of this chapter without obtaining the consent of any department, division, commission, board, bureau or agency of the Commonwealth, and without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions or things which are specifically required by this chapter; provided, however, that nothing contained in this chapter shall be construed as affecting the powers and duties now conferred by law upon the State Corporation Commission.

(j) All bonds issued under the provisions of this chapter shall have and are hereby declared to have all the qualities and incidents of and shall be and are hereby made negotiable instruments under the Uniform Commercial Code of Virginia, subject only to provisions respecting registration of the bonds.

(k) In addition to all other powers granted to the Authority by this chapter, the Authority is authorized to provide for the issuance, from time to time, of notes or other obligations of the Authority for any of its authorized purposes. All of the provisions of this chapter which relate to bonds or revenue bonds shall apply to such notes or other obligations insofar as such provisions may be appropriate. (1952, c. 46; 1964, c. 39; 1974, c. 495; 1984, c. 249)

§ 13. Revenue bonds issued under the provisions of this act shall not be deemed to constitute a debt or a pledge of the faith and credit of the State but shall be payable solely from the funds provided therefor as herein authorized. All such revenue bonds shall contain on the face thereof a statement to the effect that neither the State nor the Authority shall be obligated to pay the same or the interest thereon except from the revenues and moneys pledged therefor and that neither the faith, and credit nor the taxing power of the State is pledged to the payment of the principal of or the interest on such bonds.

All expenses incurred in carrying out the provisions of this act shall be payable solely from funds of the Authority and no liability or obligation shall be incurred by the Authority hereunder beyond the extent to which moneys shall be available to the Authority. (1952, c. 46; 1964, c. 39)

§ 14. (a) In the discretion of the Authority any bonds issued under the provisions of this act may be secured by a trust agreement 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 Commonwealth. Such trust agreement or the bond resolution providing for the issuance of such bonds may pledge or assign the revenues of the Authority Facilities (or any part thereof). Such trust agreement or bond resolution may contain such provisions for protecting and enforcing the rights and remedies of the holders of the bonds as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the Authority in relation to the acquisition of property and the construction, improvement, maintenance, repair, operation and insurance of the Authority Facilities, the rates to be charged, the custody, safeguarding and application of all moneys and conditions or limitations with respect to the issuance of additional bonds. It shall be lawful for any national bank with its main office in the Commonwealth or any bank or trust company incorporated under the laws of the Commonwealth or another state which may act as depository of the proceeds of bonds or of revenues to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority. Any such trust agreement may set forth the rights and remedies of the holders of the bonds and of the trustee, and may restrict the individual right of action by such bondholders. In addition to the foregoing, any such trust agreement or bond resolution may contain such other provisions as the Authority may deem reasonable and proper for the security of the holders of bonds. All expenses incurred in carrying out the provisions of such trust agreement or bond resolution may be treated as part of the cost of the operation of the Authority Facilities.

(b) All moneys received pursuant to the provisions of this act, whether as proceeds from the sale of bonds, revenues or other moneys made available hereunder shall be deemed to be trust funds to be held and applied solely as provided in this act. The Authority may provide in the bond resolution or in the trust agreement for the payment of the proceeds derived from the sale of the bonds and the revenues to be

received to a trustee, which shall be any trust company or bank having the powers of a trust company within or without the Commonwealth, that shall act as trustee of such funds and hold and apply the same to the purposes of this act, subject to such requirements as may be provided in this act, the bond resolution or the trust agreement. The trustee may invest and reinvest such funds, pending their disbursement for the Authority Facilities, in securities that are legal investments under the laws of the Commonwealth for funds held by fiduciaries or are otherwise approved by the Authority. (1952, c. 46; 1964, c. 39; 1974, c. 495; 1984, c. 249)

§ 15. (a) The exercise of the powers granted by this act shall be in all respects for the benefit of the inhabitants of the Commonwealth, for the increase of their commerce, and for the promotion of their safety, health, welfare, convenience and prosperity. The bonds, notes or other obligations issued under the provisions of this act, their transfer and the income therefrom including any profit made on the sale thereof, shall at all times be free and exempt from taxation by the Commonwealth and by any municipality, county or other political subdivision thereof. Bonds issued by the Authority under the provisions of this act are hereby made securities in which all public officers and public bodies of the Commonwealth and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or obligations is now or may hereafter be authorized by law.

(b) As the operation and maintenance of Port Facilities will constitute the performance of essential governmental functions, no taxes or assessments shall be levied by the Commonwealth or by any county, city, political subdivision, district or other agency or instrumentality of the Commonwealth upon any Port Facilities or upon any leasehold or other interest or property acquired or used in connection with, or any income derived from, the operation and maintenance of any Port Facilities by the Authority or any lessee or other holder of any right to or interest in the Port Facilities pursuant to any contract with the Authority.

(c) The operation and maintenance of Authority Facilities within the meaning of § 6(f) of this act constitute the performance of essential governmental functions and are for a public purpose promoting the industry and economy of the State Commonwealth and thereby providing employment, stimulating business, increasing tax revenues, contributing to the general welfare of the State Commonwealth and promoting the health, welfare and education of the inhabitants of the Commonwealth. No taxes or assessments shall be levied by the Commonwealth or by any county, city, political subdivision, district or other agency or instrumentality of the State Commonwealth upon Authority Facilities within the meaning of § 6(f) or upon any leasehold or other interest or property acquired or used in connection with, or any income derived from, the operation and maintenance of any such facilities by the Authority or any lessee or other holder of any right to or interest in such facilities pursuant to any contract with the Authority. The Authority is authorized to agree to make and may make, out of any revenues or other funds available therefor, payments in lieu of taxes or assessments to the City of Newport

News, the City of Hampton or any other political subdivision of the State Commonwealth. (1952, c. 46; 1964, c. 39; 1984, c. 249)

§ 16. In order to secure the payment of such bonds the Authority shall have power by provisions included in any bond resolution or trust agreement:

(a) to pledge all or any part of the gross or net revenues of the Authority Facilities (or any part thereof) and to pledge all or any part of any other moneys then or thereafter available to the Authority;

(b) to covenant against pledging all or any part of such revenues and other moneys or against permitting or suffering any lien on such revenues or moneys or against the Authority Facilities; to covenant with respect to limitations on its right to sell, lease or otherwise dispose of any Authority Facilities (or any part thereof) or any other property; and to covenant as to what other or additional bonds or obligations may be issued by it;

(c) to covenant as to the bonds to be issued and as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof; to covenant against extending the time for the payment of its bonds or interest thereon; and to redeem the bonds, covenant for their redemption and provide the terms and conditions thereof;

(d) to covenant as to the rents and fees to be charged in the operation of any Authority Facilities, the amount to be raised each year or other period of time by rates, fees, rents, tolls, charges and other revenues and as to the use and disposition to be made thereof; to create or to authorize the creation of special funds for moneys held for acquisition, construction or operating cost, payment of the bonds and interest thereon, reserves, or other purposes, and to covenant as to the use and disposition of the moneys held in such funds;

(e) to prescribe the procedure, if any, by which the terms of any contract with the holders of the bonds may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given;

(f) to covenant as to the use of any or all of its real or personal property; and to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon and the use and disposition of insurance moneys;

(g) to covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition or obligation; and to covenant and prescribe as to events of default and conditions upon which any or all of its bonds or obligations shall become or may be declared due before maturity and as to the terms and conditions upon which such declaration and its consequences may be waived;

(h) to vest in a trustee or trustees or the holders of bonds or any proportion of them the right to enforce the payment of the bonds or any covenant securing or relating to the bonds; to vest in a trustee or trustees the right, in the event of a default by the Authority, to take possession and use, operate and manage any facility or part thereof, and to collect and use the rents and revenues arising therefrom and to dispose of such moneys in accordance with the agreement of the Authority with said trustee; to provide for the powers and duties of a trustee or trustees or the holders of bonds or any proportion of them who may enforce any covenant or rights securing or relating to the bonds; and

(i) to exercise all or any part or combination of the powers herein granted; to make covenants other than and in addition to the covenants herein expressly authorized, of like or different character; to make such covenants and to do any and all such acts and

things as may be necessary or convenient or desirable in order to secure its bonds or, in the absolute discretion of said Authority, as will tend to make the bonds more marketable notwithstanding that such covenants, acts or things may not be enumerated herein. (1952, c. 46; 1964, c. 39)

§ 17. An obligee of the Authority shall have the right in addition to all other rights which may be conferred on such obligee, subject to any contractual restrictions binding upon such obligee:

(a) By mandamus, suit, action or proceeding at law or in equity to compel the Authority and the commissioners, officers, agents or employees thereof to perform each and every term, provision and covenant contained in any contract of the Authority with or for the benefit of such obligee, and to require the carrying out of any or all such covenants or agreements of the Authority and the fulfillment of all duties imposed upon the Authority by this chapter.

(b) By suit, action or proceedings in equity, to enjoin any acts or things which may be unlawful, or the violation of any, of the rights of such obligee of the Authority. (1952, c. 46)

§ 18. The Authority is hereby authorized to establish, maintain, revise, charge and collect such rates, fees, rents, tolls or other charges for the use, services and facilities of the Authority Facilities and to contract with any person, partnership, association or corporation desiring the of any part thereof, and to fix the terms, conditions, rates, fees, rents, tolls and charges for such use. Such rates, fees, rents, tolls and charges shall be so fixed and adjusted so that the revenues of the Authority Facilities, including moneys to be provided by the State, the city of Newport News, the city of Hampton or any other public agency or donor shall be sufficient to pay (a) the cost to the Authority of maintaining, repairing and operating the Authority Facilities and (b) the principal of and the interest on such bonds as the same shall become due and payable, and to create reserves for such purposes. Such rates, fees, rents, tolls and charges shall not be subject to supervision or regulation by any commission, board, bureau or agency of the State or of any municipality, county, or other political subdivision of the State. The revenues derived from or in connection with the ownership or operation of the Authority Facilities, except such part thereof as may be necessary to pay the cost of maintenance, repair and operation thereof and to provide such reserves thereof as may be required under the bond resolution or the trust agreement, shall be set aside at such regular intervals as may be provided in the bond resolution or the trust agreement in a sinking fund which is hereby pledged to, and charged with, the payment of the principal of and the interest on such bonds as the same shall become due and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made. The revenues so pledged and thereafter received by the Authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof. Neither the bond resolution nor any trust agreement by which a pledge is created need be filed or recorded except in the records of the Authority. The use and disposition of moneys to the credit of such sinking fund shall be subject to the provisions of the bond resolution or the trust agreement. Such sinking fund shall be a fund for all such bonds without distinction

or priority of one over another or with such distinctions and priorities among such bonds as may be provided in the bond resolution or the trust agreement. A reserve may be accumulated and maintained out of the revenues and other moneys available to the Authority for extraordinary repairs and expenses and for such other purposes as may be provided in the bond resolution or trust agreement. Subject to such provisions and restrictions as may be set forth in the bonds resolution or trust agreement the Authority shall have exclusive control of the revenues derived from or in connection with the Authority Facilities and the right to use such revenues in the exercise of its powers and duties et forth in this act. (1952, c. 46; 1964, c. 39)

§ 19. In addition to other powers conferred by this act, the Authority shall have the following additional authority and powers:

(a) to borrow money and to accept contributions, grants and other financial assistance from the United States of America and agencies or instrumentalities thereof, the State, the cities of Newport News and Hampton, or any other political subdivision, agency or public instrumentality of the State, for or in aid of the construction, acquisition, operation, maintenance or repair of the Authority Facilities or for the payment of principal of or interest on any revenue bonds of the Authority, and to this end the Authority shall have the power to comply with such conditions and to execute such agreements, trust agreements and other legal instruments as may be necessary, convenient or desirable and to agree to such terms and conditions as may be imposed;

(b) to exercise the powers vested under this act free of the jurisdiction or control of any other State agency or instrumentality empowered to exercise powers and duties relating to harbors, seaports or port facilities; and

(c) to use, apply and expend funds appropriated by the General Assembly in conformity with the requirements of the respective appropriation; provided, however, that no such appropriated funds shall be used, applied or expended in connection with any property or facilities other than property or facilities owned by the State or the Authority or in which the Authority has a leasehold interest extending at least to the final maturity date of any bonds of the Authority then outstanding.

Any provision of this act which is found to be in conflict with any other statute or city charter shall be controlling and shall supersede such other statute or charter to the extent of such conflict. (1952, c. 46; 1964, c. 39)

§ 20. Whenever the commission of the Authority declares and finds that the purposes for which the Authority was created have been completed or are impractical or impossible, or that substantially all of its functions have been taken over or are being undertaken by one or more political subdivisions and that the Authority should be dissolved, it shall adopt and file with the governing body of the City of Newport News a resolution declaring such findings. If the governing body of the City of Newport News concurs with such declaration and findings that the Authority should be dissolved, it shall so resolve and the Authority shall stand dissolved.

Notwithstanding the provisions of the preceding paragraph, the Authority shall continue in existence and shall not be dissolved unless all of the Authority's obligations have been paid or have been assumed by one or more political subdivisions, or by an authority created thereby, or cash or United States government securities have been deposited for their payment. (2008, c. 724)