

## **Virginia Naval Museum Authority**

Created: 1975 Acts of Assembly, c. 488.

Amended: 1980 Acts of Assembly, c. 334  
Amended (§ 2).

§ 1. Short Title.--This may be cited as the "Virginia Naval Museum Authority Act". (1975, c. 488)

§ 2. Virginia Naval Museum Authority.--There is hereby created and constituted a political subdivision of the Commonwealth to be known as the Virginia Naval Museum Authority. The exercise by the Authority of the powers conferred by this act in the construction, operation and maintenance of a project authorized by this act shall be deemed and held to be the performance of an essential governmental function.

The Authority shall consist of the nine members, three of whom shall be appointed by the Speaker of the House of Delegates from the membership of the House of Delegates, two of whom shall be appointed by the Committee on Privileges and Elections of the Senate from the membership of the Senate, and four of whom shall be appointed by the Governor. At least three of those appointed by the Governor shall be residents of the city of Newport News. All vacancies in the membership of the Authority, whether caused by expiration of term of office, death, resignation, or otherwise, shall be filled in the same manner in which the position was originally filled. The legislative members of the Authority shall serve for terms concurrent with the terms for which they have been elected to office. The terms of those members appointed by the Governor shall be for four years each. Any member of the Authority may be appointed to succeed himself. All members, duly appointed, shall hold office until his or her successor shall be appointed and duly qualified. Any member, appointed to fill an unexpired term, shall serve only for the term of the member he or she replaced.

The members shall elect a chairman and vice-chairman of the Authority to serve for such terms as the membership shall decide. The Authority shall also elect a secretary and treasurer who does not necessarily have to be a member of the Authority and, if not a member, he or she shall have no voting rights and shall be elected to serve for such term as may be determined by the Authority. If a member of the Authority is elected to serve as secretary and treasurer he or she shall be elected in the same manner and for the same term as the chairman and vice-chairman. No member of the Authority shall hold more than one office except that of secretary and treasurer. Five members of the Authority eligible to vote shall constitute a quorum. A majority of the quorum is empowered to exercise all the rights and perform all the duties of the Authority and no vacancy on the Authority shall impair the right of the quorum to act. The members of the Authority shall serve without compensation except that they shall be reimbursed for actual expenses incurred in the performance of their duties. The Authority shall make rules and regulations for its own government. It shall have perpetual existence. The Authority shall meet as soon as possible after the effective date of this act, and thereafter as often as

necessary to perform its purpose as defined under this act, but shall in no event meet less than once in a twelve month period. (1975, c. 488; 1980, c. 334)

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

(a) The word "Authority" shall mean the Virginia Naval Museum Authority created in § 2 of this act.

(b) The word "project" shall be deemed to mean and include the acquisition, reconditioning, equipping, maintenance, operation, transporting and berthing of the heavy cruiser Newport News, or other suitable vessel, and the selection and improvement of an appropriate viewing site within the Commonwealth, and the usual and convenient facilities appertaining to such undertakings, and extensions and improvements of such facilities, acquiring the necessary property therefor, both real and personal, and the lease and sale of any part or all of such facilities, including real and personal property, so as to assure the efficient and proper development, maintenance and operation of such facilities and areas, deemed by the Authority to be necessary, convenient or desirable.

(c) The term "cost of the project" shall embrace the cost of acquisition, transporting, construction, the cost of all lands, properties, rights, easements and franchises acquired and the cost of all conveyances in fee simple of the Authority's title thereto and leases thereof, the cost of preparing the land, including the installation of storm and sanitary sewers, the cost of all machinery, equipment and furnishings related to the operation of any project, financing charges, interest prior to and during acquisition and construction, and for six months after completion of construction, cost engineering, architectural, fiscal and legal expenses, and other expenses necessary or incident to determining the feasibility or practicability of the project, administrative expenses and such other expenses as may be necessary or incident to the financing herein authorized, and the cost of placing any project in operation. Any obligation or expense incurred for any of the foregoing purposes shall be regarded as a part of the "cost of the project" and may be paid or reimbursed as such out of any funds of the Authority, including the proceeds of any revenue bonds issued under the provisions of this act for any such project or projects.

(d) The word "bonds" or the words "revenue bonds" shall mean revenue bonds or revenue refunding bonds of the Authority issued under the provisions of this act.

(e) The word "owner" shall include all individuals, copartnerships, associations or corporations and also municipalities, political subdivisions and all public agencies and instrumentalities having any title or interest in any property, rights, easements and interests authorized to be acquired by this act.

(f) Any project shall be deemed "self-liquidating" if, in the judgment of the Authority, the revenues and earnings to be derived by the Authority therefrom and all properties used, leased and sold in connection therewith will be sufficient to pay the principal and interest of the revenue bonds which may be issued to finance, in whole or in part, the cost of such project or projects. (1975, c. 488)

§ 4. Powers.--The Authority shall have powers:

(a) To have a seal and alter the same at pleasure;

(b) To acquire by gift, purchase, lease or otherwise, and to hold, lease and dispose of real and personal property of every kind and character for its corporate purposes;

(c) To appoint, select and employ officers, agents and employees, including engineering, architectural and construction experts, fiscal agents and attorneys, and fix their respective compensations;

(d) To make contracts, leases and to execute all instruments necessary or convenient, including contracts for construction of projects and leases of projects or contracts with respect to the use of projects which it causes to be erected or acquired, and to dispose by conveyance of its title in fee simple of real and personal property of every kind and character, and any and all persons, firms and corporations, all cities, towns and counties, and any and all political subdivisions, departments, institutions or agencies of the State are hereby authorized to enter into contracts, leases or agreements with the Authority upon such terms and for such purposes as they deem advisable;

(e) To construct, erect, acquire, own, repair, remodel, maintain, add to, extend, improve, equip, furnish, operate and manage projects, as hereinabove defined, the cost of any such project to be paid in whole or in part from the proceeds of revenue bonds or other funds of the Authority or from such proceeds or other funds made available to the Authority;

(f) To accept loans and/or grants of money or materials or property of any kind from the United States of America or any agency or instrumentality thereof, upon such terms and conditions as the United States of America or such agency or instrumentality, may impose;

(g) To accept loans and/or grants of money or materials or property of any kind from the State of Virginia or any agency or instrumentality or political subdivision thereof, upon such terms and conditions as the State of Virginia or such agency or instrumentality or political subdivision may impose;

(h) To borrow money for any of its corporate purposes and to execute evidences of such indebtedness and to secure the same and to issue negotiable revenue bonds payable solely from funds pledged for that purpose, and to provide for the payment of the same and for the rights of the holders thereof;

(i) To exercise any power usually possessed by private corporations performing similar functions, which is not in conflict with the Constitution and laws of this State;

(j) The Authority and any trustee acting under any trust indenture, are specifically authorized from time to time to sell, lease, grant, exchange or otherwise dispose of any surplus property, both real and personal, or interest therein not required in the normal operation of and usable in the furtherance of the purpose for which the Authority was created, except as such right and power may be limited as provided in § 10 hereof;

(k) To do all things necessary or convenient to carry out the powers expressly given in this act. (1975, c. 488)

§ 5. Acquisition of Property.--(a) The Authority is hereby authorized and empowered to acquire by purchase solely from funds provided under the provisions of this act, such lands, structures, property, rights, rights-of-way, franchises, easements and other interests in lands as it may deem necessary or convenient for the construction and operation of the project, upon such terms and at such prices as may be considered by it to be reasonable and can be agreed upon between it and the owner thereof.

All public agencies and the commissions of the Commonwealth, with the approval of the Governor, notwithstanding any contrary provisions of law, are hereby authorized and empowered to donate funds and to lease, lend, grant or convey to the

Authority at its request upon such terms and conditions as may be mutually agreed upon, without the necessity for any advertisement, order of court or other action or formality, any real property which may be necessary or convenient to the effectuation of the authorized purposes of the Authority, including public highways and other real property already devoted to public use. (1975, c. 488)

§ 6. Revenue Bonds.--The Authority is hereby authorized to provide by resolution for the issuance, at one time or from time to time, of revenue bonds of the Authority for the purpose of paying all or any part of the cost of the project. The principal of and the interest on such bonds shall be payable solely from the funds herein provided for such payment. The bonds of each issue shall be dated, shall mature at such time or times not exceeding forty years from their date or dates, as may be determined by the Authority, and may be made redeemable before maturity, at the option of the Authority, at such price or prices and under such terms and conditions as may be fixed by the Authority prior to the issuance of the bonds. The Authority shall determine the form and the manner of execution of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bond and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the Commonwealth. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the 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. Notwithstanding any other provision of this act or any recitals in any bonds issued under the provisions of this act, all such bonds shall be deemed to be negotiable instruments under the laws of the Commonwealth. The bonds may be issued in coupon or in registered form, or both, as the Authority may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of registered and coupon bonds. The Authority may sell such bonds in such manner, either at public or negotiated sale, and for such price, as it may determine will best effect the purposes of this act.

The proceeds of the bonds shall be used solely for the payment of the cost of the project, and shall be disbursed in such manner and under such restrictions, if any, as the Authority may provide in the resolution authorizing the issuance of such bonds or in the trust agreement hereinafter mentioned securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than such cost, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the resolution authorizing the issuance of such bonds or in the trust agreement 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 first issued. If the proceeds of the bonds of any issue shall exceed such cost, the surplus shall be deposited to the credit of the sinking fund for such bonds.

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 act 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 than those proceedings, conditions or things which are specifically required by this act. (1975, c. 488)

§ 7. Trust Agreement.--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 resolution providing for the issuance of such bonds may pledge or assign the tolls and other revenues to be received, but shall not convey or mortgage the project or any part thereof. Such trust agreement or resolution providing for the issuance of such bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders 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 project, the rates of toll or other charges to be charged, and the custody, safeguarding and application of all moneys. It shall be lawful for any bank or trust company incorporated under the laws of the Commonwealth 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 bondholders and of the trustee, and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the Authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be treated as a part of the cost of the operation of the project. (1975, c. 488)

§ 8. Revenues.--The Authority is hereby authorized to fix, revise, charge and collect tolls or other charges for the use of and admission to the project and to contract with any person, partnership, association or corporation desiring the use of any part thereof, including the right-of-way adjoining the project for placing thereon telephone, telegraph, electric light or power lines, and to fix the terms, conditions, rents and rates of charges for such use. Such tolls or other charges shall be so fixed and adjusted in respect of the aggregate of tolls or other charges from the project as to provide a fund sufficient with other revenues, if any, to pay (a) the cost of maintaining, repairing and operating such project and (b) the principal of and interest on such bonds as the same shall become due and payable, and to create reserves for such purposes. The tolls and all other revenues derived from the project, except such part thereof as may be necessary to pay such cost of maintenance, repair and operation and to provide such reserves therefor as may be provided for in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be set aside at such regular intervals as may be provided in such resolution or such 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 tolls and other revenues or other moneys 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 resolution or 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 resolution authorizing the issuance of such bonds or of such trust agreement. Except as may otherwise be provided in such resolution or such trust agreement, such sinking fund shall be a fund for all such bonds without distinction or priority of one over another. (1975, c. 488)

§ 9. Trust Funds.--All moneys received pursuant to the provisions of this act, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this act. The Authority shall, in the resolution authorizing the bonds or in the trust agreement securing such bonds, provide for the payment of the proceeds of the sale of the bonds and the revenues to be received by a trustee, which shall be any trust company or bank having the powers of a trust company within or without the Commonwealth, which shall act as trustee of the funds, and hold and apply the same to the purposes of this act, subject to such regulations as this act and such resolution or trust agreement may provide. The trustee may invest and reinvest such funds in such securities as may be provided in the resolution authorizing the bonds or in the trust agreement securing such bonds. (1975, c. 488)

§ 10. Remedies.--Any holder of bonds issued under the provisions of this act or of any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights herein given, may be restricted by such trust agreement, may either at law or in equity, by suit, action, injunction, mandamus or other proceedings, protect and enforce any and all rights under the laws of the Commonwealth or granted by this act or under such trust agreement or the resolution authorizing the issuance of such bonds and may enforce and compel the performance of all duties required by this act or by such agreement or resolution to be performed by the Authority or by any officer or agent thereof including the fixing, charging and collection of tolls or other charges. (1975, c. 488)

§ 11. Exemption from Taxation.--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, and as the operation and maintenance of the project by the Authority will constitute the performance of essential governmental functions, the Authority shall not be required to pay any taxes or assessments upon the project or any property acquired or used by the Authority under the provisions of this act or upon the income therefrom; and the bonds 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. (1975, c. 488)

§ 12. Revenue Refunding Bonds.--The Authority is hereby authorized to provide by resolution for the issuance of its revenue refunding bonds for the purpose of refunding any bonds then outstanding which shall have been issued under the provisions of this act, including the payment of any redemption premium thereon and any interest accrued to or

to accrue to the date of redemption of such bonds, and, if deemed advisable by the Authority, for the additional purpose of constructing improvements, extensions or enlargements of the project. The issuance of such bonds, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties and obligations of the Authority in respect of the same, shall be governed by the provisions of this act insofar as the same may be applicable. (1975, c. 488)

§ 13. Purpose of the Authority.--Without limiting the generality of any provisions of this act, the general purpose of the Authority is declared to be that of acquiring, transporting, reconditioning, equipping, maintaining and operating the heavy cruiser Newport News, or other suitable vessel, and the selection, improvement and construction of a suitable viewing site within the Commonwealth, and acquiring, constructing, equipping, maintaining and operating parking facilities and parking areas in connection therewith; and the usual and convenient facilities appertaining to such undertakings; the extension and improvement of such facilities; acquiring the necessary property therefor, both real and personal, with the right to contract for the use of or to lease or sell any or all of such facilities, including real property, and to do any and all things deemed by the Authority necessary, convenient and desirable for and incident to the efficient and proper development and operation of such types of undertakings. (1975, c. 488)

§ 14. Rules and Regulations for Operation of Projects.--It shall be the duty of the Authority to prescribe rules and regulations for the operation of the project or projects constructed under the provisions of this act. (1975, c. 488)

§ 15. Powers Declared Supplemental and Additional.--The foregoing sections of this act shall be deemed to provide an additional and alternative method for the doing of the things authorized thereby and shall be regarded as supplemental and additional to powers conferred by other laws, and shall not be regarded as in derogation of any powers now existing. (1975, c. 488)

§ 16. Act Liberally Construed.--This act, being necessary for the welfare of the Commonwealth and its inhabitants, shall be liberally construed to effect the purposes thereof. (1975, c. 488)

§ 17. Constitutional Construction.--The provisions of this act are severable and if any of its provisions shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions of this act. It is hereby declared to be the legislative intent that this act would have been adopted had such unconstitutional provisions not been included therein. (1975, c. 488)

§ 18. Inconsistent Laws Inapplicable.--All other general or special laws inconsistent with any provision of this act are hereby declared to be inapplicable to the provisions of this act. (1975, c. 488)