§ 1080. Bonds. 1. The authority shall have power and is hereby authorized from time to time to issue its negotiable bonds in conformity with applicable provisions of the uniform commercial code. Such bonds shall be authorized by resolution of the authority and shall bear such date or dates, mature at such time or times in not exceeding forty years from their respective date or dates, subject to such option or options of redemption, as may be provided in the resolution authorizing such bonds, at par or at a price not exceeding one hundred five per centum of their face value, together with accrued interest, bear interest at such rate or rates that the cost to maturity of the money for any issue of such bonds shall not exceed six per centum per annum, payable annually or semi-annually, be in such denominations, and in such form, either coupon or registered, and be executed in such manner, and be payable in such medium of payment, at such place or places, and be subject to such terms and conditions as such resolution or resolutions may provide.

2. All bonds of the authority shall be sold at public sale upon sealed bids to the bidder who shall offer the lowest interest cost to the authority to be determined by the authority. The notice of sale shall be published at least once not less than ten nor more than forty days before the date of sale in a newspaper designated by the authority and shall call for the receipt of sealed bids and shall fix the date, time and place of sale.

3. Notwithstanding the foregoing provisions requiring public sale, any bonds of the authority may be sold by the authority within two years of the effective date of this title at private sale at such price or prices as the authority shall determine not exceeding the interest cost herein provided, and the authority also may sell at private sale for such price or prices as the authority shall determine not exceeding the interest cost herein provided, any bonds authorized for the purpose of paying the cost of acquiring by condemnation a privately owned public water supply and distribution system provided such bonds are sold within one year of the date of completion of such condemnation and the proceedings for such condemnation were commenced prior to or not more than two years from the effective date of this title.

4. Any bonds of the authority, whether sold at public or private sale, shall be sold for a price not less than ninety-six per centum of the par value thereof, plus accrued interest provided always that the interest cost to maturity of the money for any issue of such bonds shall not exceed six per centum per annum. Such bonds may be issued for any corporate purpose of the authority.

5. Any resolution or resolutions authorizing any bonds may contain provisions, which shall be a part of the contract with the holders of the bonds, as to (a) pledging the revenue or water rents charged by the authority to secure the payment of the bonds;

(b) the setting aside of reserves or sinking funds, and the regulation and disposition thereof;

(c) limitations on the right of the authority to restrict and regulate the use of water and to alter or reduce rates or charges for the use of water;

(d) limitations on the issuance of additional bonds;

(e) the application of funds and the safeguarding of funds on hand or on deposit, including the requiring of the giving of security for deposit of such funds by depository banks or trust companies. Unless otherwise provided in said resolution, all deposits of funds of the authority shall be secured in the manner provided by law for securing deposits of county moneys. All banks and trust companies are authorized to give such security for such deposits;

(f) defining the acts or omissions to act which shall constitute a default in the obligations and duties of the authority to the bondholders and providing the rights and remedies of the bondholders in the event of such default, including as a matter of right the appointment of a receiver; provided, however, that such rights and remedies shall be not inconsistent with the general laws of this state.

6. The authority shall have power from time to time whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds then outstanding and partly for any of its corporate purposes. Refunding bonds may be delivered by the authority to the purchasers thereof at any time prior to the date of maturity or

redemption date of the bonds proposed to be refunded, if the authority shall determine that such action shall be financially sound and advantageous to the authority. The rate or rates of interest of the refunding bonds shall not be limited by the rate or rates of interest borne by any of the bonds to be refunded by such bonds, but all of the provisions of this section with reference to the sale of bonds of the authority, and the interest cost of the money raised by the sale thereof, shall apply to such refunding bonds.

7. Except as may be otherwise expressly provided by the authority, every issue of bonds by the authority shall be general obligations payable out of any moneys, earnings or revenues of the authority, subject only to any agreements with the holders of particular bonds pledging any particular moneys, earnings or revenues.

8. Neither the members of the authority nor any person executing the bonds shall be personally liable on the bonds or be subject to any personal liability or accountability by reason of the issuance thereof. The authority shall have power, out of any funds available therefor, to purchase (as distinguished from the power of redemption hereinabove provided) any bonds issued by it at a price of not more than the principal amount thereof or the redemption price at which the bonds may be redeemed at the next ensuing redemption date and accrued interest. All bonds so purchased shall be cancelled.

9. Any provision of the uniform commercial code to the contrary notwithstanding, any pledge of or other security interest in revenues, moneys, accounts, contract rights, general intangibles or other personal property made or created by the authority shall be valid, binding and perfected from the time when such pledge is made or other security interest attaches without any physical delivery of the collateral or further act, and the lien of any such pledge or other security interest shall be valid, binding and perfected against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether or not such parties have notice thereof. No instrument by which such a pledge or security interest is created nor any financing statement need be recorded or filed.