

2018 Kansas Statutes

12-3106. Issuance of sewer system revenue bonds; requirements; election. (a) A municipality shall have power to issue revenue bonds from time to time in its discretion to finance the planning, altering, enlarging, extending, improving, developing, and redeveloping, construction and reconstruction of sewer systems under this act. Such bonds shall be made payable, as to both principal and interest, solely from the income, proceeds, revenues, and funds of the municipality derived from or held in connection with its sewer systems: Provided, however, That payment of such bonds, both as to principal and interest, may be further secured by a pledge of any loan, grant or contribution from the federal government.

(b) Bonds issued under this section shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, and shall not be subject to the provisions of any other law relating to the authorization, issuance or sale of bonds. Bonds issued under the provisions of this act are declared to be issued for an essential public and governmental purpose and, together with interest thereon and income therefrom, shall be exempted from all taxes.

(c) Bonds issued under this section shall be authorized by ordinance or resolution of the local governing body and may be issued in one or more series and shall bear such date or dates, be payable upon demand or mature at such time or times, bear interest at such rate or rates, not exceeding the maximum rate of interest prescribed by K.S.A. 10-1009, be in such denomination or denominations, be in such form, have such rank or priority, be executed in such manner, and be subject to such terms of redemption (with or without premium), be secured in such manner, and have such other characteristics as may be provided by such ordinance or resolution issued pursuant thereto: Provided, That no bonds shall be issued under this act until the same have been authorized by a majority of the vote of the electors of such municipality in the manner prescribed by K.S.A. 10-120 or any amendments thereto.

History: L. 1959, ch. 87, § 6; L. 1970, ch. 64, § 23; March 21.