

19-3815b. Same; revenue bonds, when; resolution; revenue fund, use; surplus; application of certain statutes. When the board of directors, after filing an approval of the engineer's report, shall determine that the proposed work or any part thereof should be done and the cost defrayed by issuing revenue bonds, and the work is of a kind for which such bonds may be issued, as hereinbefore provided, the board shall adopt the resolution, which resolution shall be entered in its journal, declaring such work necessary to be done and authorizing issuance of revenue bonds to pay all costs thereof, including legal, engineering, and other special costs. Such resolution shall specify the amount of bonds necessary to be issued, the rate of interest the same shall bear, the time when payable, and the purpose for which the proceeds are to be expended; thereafter, such bonds may be issued and sold, and the proceeds thereof used in payment of the cost of the proposed work.

Revenue from the operation of any utility or facility financed in whole or in part by revenue bonds authorized by this act shall be paid into the treasury of the industrial district and kept in a separate fund, and shall be used only for the purpose of paying the cost of operation, maintenance, alteration, reconstruction, repair, improvement, extension, and enlargement of such facility, providing an adequate depreciation fund and paying the principal of, and interest upon, the revenue bonds, and paying the principal of, and interest upon, any and all existing revenue and general obligation bonds or other liens or indebtedness against such utility or facility, provided all prior revenue and obligation bonds issued against such utility or facility shall have preference in the order issued in payment over subsequent bonds issued under this act. Any surplus may be used to pay the principal of, or interest upon, any general obligation bonds subsequently issued. All of the provisions of K.S.A. 10-1205 to 10-1208, both sections inclusive, and any amendments thereto, shall apply to the revenue bonds issued pursuant to this act.

History: L. 1961, ch. 161, § 6; April 12.