

2018 Kansas Statutes

12-2709. Common water supply; general obligation and revenue bonds, conditions and restrictions. (a) All general obligation bonds issued pursuant to this act shall be issued, registered, sold, delivered and retired in accordance with the provisions of the general bond law except as in this act otherwise provided. Revenue bonds issued under this act are hereby made a lien on all reimbursements received by the issuing municipality from the revenues derived from the operation of the common water supply and waterworks system. The governing body of a municipality may pledge all or part of the revenues derived or to be derived from any other waterworks system or water line owned by it to retirement of revenue bonds issued by such municipality hereunder and may also use such revenues for the payment of debt service on general obligation bonds issued by such municipality hereunder. Revenue bonds issued under the provisions of this act shall mature not later than 40 years after the date of issuance. The bonds shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto. No other statute limiting the amount of bonded indebtedness of any municipality shall apply to bonds issued under the authority conferred by this act, and bonds issued under the authority of this act shall not be considered in determining the total bonded indebtedness of a municipality for the purpose of applying any statute limiting the amount of bonded indebtedness of such municipality.

(b) Any township which issues or which has issued revenue bonds pursuant to the provisions of this act for the purpose of providing a common supply of water or for extending or improving an existing common supply of water, may also issue general obligation bonds or revenue bonds for the purpose of constructing extensions and improvements to the water distribution system of the township in the manner provided in this act.

In the event the township has issued revenue bonds pursuant to article 16, chapter 80 of the Kansas Statutes Annotated, or any other law of this state, which are then outstanding and for the payment of which the revenues of the water system of the township or any part thereof have been pledged, it may, if the governing body deems it necessary, refund the outstanding bonds in the manner provided by and subject to the provisions of K.S.A. 10-116a, and amendments thereto. Any bonds authorized to be issued for any purpose under this act may be combined into one issue of bonds. The township may pledge all or any part of the revenues derived from its waterworks system, including its common water supply and its distribution system, to pay the interest on and principal of bonds issued as herein provided. The resolution authorizing the issuance of such revenue bonds may contain such other covenants, agreements and restrictions as may be deemed necessary or advisable by the governing body of such township in order to insure the payment of the same.

History: L. 1955, ch. 87, § 9; L. 1970, ch. 64, § 20; L. 1977, ch. 58, § 7; L. 1978, ch. 99, § 14; L. 1983, ch. 49, § 52; May 12.