

74.290 Issuance of bonds for additions.

- (1) For the purpose of defraying the cost of constructing or acquiring any additions, extensions, and necessary appurtenances under KRS 74.280, the water district may borrow money and issue negotiable bonds. Before any bonds are issued an ordinance shall be enacted by the commission specifying the amount of the bonds and the rate of interest they are to bear, and reciting that the proposed additions, extensions, or necessary appurtenances that are to be constructed or acquired are to be made pursuant to the provisions of KRS 74.280 to 74.310.
- (2) All bonds issued under this section shall bear interest at a rate or rates or method of determining rates payable at least annually, and shall be executed in a manner, and be payable at times not exceeding fifty (50) years from the date of issue, and at a place, as the commission shall determine.
- (3) All bonds shall be negotiable and shall not be subject to taxation. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be an officer before delivery of the bonds, his signature or countersignature shall nevertheless be valid the same as if he had remained in office until delivery. The bonds shall be sold in a manner as the commission shall deem for the best interest of the water district, or the contract for the acquisition of any additions, extensions, and appurtenances to the waterworks may provide that payment shall be made in bonds. The bonds shall be payable solely from the revenues of the waterworks and shall not constitute an indebtedness of the water district within the meaning of the Constitution. It shall be plainly stated on the face of each bond that it has been issued under the provisions of KRS 74.280 to 74.310 and that it does not constitute an indebtedness of the water district within the meaning of the Constitution.
- (4) If the commission finds that the bonds authorized will be insufficient to accomplish the purpose desired, additional bonds may be authorized and issued subject to the limitations prescribed for the original bonds.

Effective: July 15, 1996

History: Amended 1996 Ky. Acts ch. 274, sec. 8, effective July 15, 1996. -- Amended 1968 Ky. Acts ch. 110, sec. 6. -- Amended 1966 Ky. Acts ch. 70, sec. 7. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 938g-28 (1933 Supp.).