

80-1607. Election to pledge payment or to refund revenue bonds; general obligation bonds. The township board of any township maintaining and operating or proposing to maintain and operate a water system under the provisions of K.S.A. 80-1601 to 80-1605, inclusive, may submit to a vote of the qualified voters of such township at any general election or at a special election called for that purpose the proposition of whether or not the full faith and credit of such township shall be pledged to the payment of principal of and interest on bonds issued to pay the cost of constructing a water system or making extensions, repairs or improvements thereto, or for the purpose of redeeming, refunding and paying off water system revenue bonds of the township previously issued under said acts: *Provided, however,* That said bonds shall be authorized by a majority vote cast at an election held on the proposition, such election to be held as now provided by law for the issuance of general obligation bonds of municipalities: *Provided further,* That if said proposition to be submitted to the voters be on the proposition of issuing refunding bonds to redeem, refund and pay off outstanding revenue bonds of the township, then, before an election shall be called, the township board shall make a finding that the existing revenue bonds of such township can be refunded by general obligation bonds of such township bearing a reduced interest rate.

If any such proposition shall receive a majority of the votes cast on said proposition at said election, the township board shall issue general obligation bonds of the township to the payment of which the full faith and credit of the township shall be pledged, after first pledging the net revenue of the water system to the payment of the principal on and interest of said bonds. All such bonds shall mature within a maximum period of thirty (30) years from the date of issue and shall bear interest at a rate not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009 and the provisions of K.S.A. 10-112 and 10-113 shall not apply thereto.

History: L. 1939, ch. 343, § 1; L. 1939, ch. 344, §1; L. 1970, ch. 64, § 95; March 21.