

## 2023 Kansas Statutes

**13-1275. Transfer of ownership and control over certain township water systems to certain cities; conditions; powers and obligations of city or board of public utilities.** Whenever 65% or more of the customers of any publicly owned township water system of any township located, in whole or in part, within three miles of the limits of any city of the first class located in the same county as such township have been annexed and taken into such city and, at the time of such annexation, township water system revenue bonds have been issued and are outstanding and unpaid in a total principal amount of \$700,000 or more, such bonds being a first and prior lien on the earnings and income derived from the operation of the water system, the control and ownership of such system shall be transferred to and shall thereupon vest in such city of the first class and if such city has a board of public utilities, such system shall be for the use and benefit of such board and for those persons now or hereafter being served by such system. The board of public utilities shall be responsible for the maintenance, operation, improvement and extension of such system. Such city or if the city has a board of public utilities, then such board of public utilities shall by resolution obligate itself to pay and shall assume the entire revenue bonded indebtedness, together with interest charges and other debt service costs, and all other outstanding obligations, of any such township water system. Such city or board of public utilities, as the case may be, shall by resolution further obligate and commit itself to pay off all such revenue water system bonds as the same mature and become payable and any interest due on such revenue bonds and to maintain at all times a sufficient revenue bond reserve fund, for the payment of both principal and interest on such bonds, all in strict conformity with the tenor of such revenue bonds and the resolution of any such township board heretofore adopted and authorizing the issuance of a series or several series of water system revenue bonds by any such township board. Such city or its board of public utilities shall be authorized to establish such rates for customers residing in any such township outside of the corporate limits of the city which are fair and equitable and sufficient to pay the percentage or pro rata amount of the annual revenue bond and debt service costs, including interest and principal, applicable to that portion of the utility system lying outside of the corporate limits of the city. Prior to the date the interest becomes due on such revenue bonds and prior to the date of the annual maturity of those revenue bonds which becomes due each year, such city or its board of public utilities, as the case may be, shall pay over to the state treasurer a sum equal to and sufficient to pay the total revenue bond and debt service cost, including interest and principal.

**History:** L. 1967, ch. 109, § 1; L. 1983, ch. 49, § 60; May 12.