

13-1258. Same; payment of bonds; rates, fees or charges; covenants, agreements and restrictions. Provisions shall be made, by appropriate enactment by the governing body of such municipalities or, where such water and light plants are under the control and the management of the board of public utilities, by the board, pursuant to the direction of the city, for the payment of the bonds; and it shall be the duty of the governing body of the city or the board, as the case may be, to fix rates, fees, or charges for the use or services rendered by such utility or utilities, which rates, fees or charges shall be sufficient to pay the cost of operation, repair, maintenance, extension, enlargement, alteration, reconstruction and improvement of such utility and pay the principal of, and interest upon, the revenue bonds when due.

The ordinance or resolution of any municipality authorizing the issuance of revenue bonds provided for in this section may contain such other covenants, agreements and restrictions as may be deemed necessary or advisable by the body enacting the ordinance or resolution to insure the payment of the revenue bonds authorized and issued hereunder, but in no event shall the holder of such revenue bonds have a lien upon the tangible property constituting the utility or utilities, nor shall the operation, management, or control of such utility be taken from such municipality or its board.

History: L. 1941, ch. 142, § 7; L. 1951, ch. 156, § 4; L. 1980, ch. 72, § 14; April 14.