

82a-637. Rural water districts; transfer of assets, properties, funds and records of certain districts to city or board of public utilities of city; agreements between district and city or board of utilities; outstanding indebtedness and obligations; water service and rates; approval of U.S. secretary of agriculture. Whenever a rural water district is created under the provisions of K.S.A. 82a-612 *et seq.*, and acts amendatory thereof, and all or part of such district lies within a three mile radius of a city of the first class, and such district does not qualify for additional loans in order to increase its facilities sufficiently to enable it to provide adequate water service for development of the area within such district, then said district may upon a petition signed by two-thirds of the participating members of the district, as determined by an enumeration taken and verified for this purpose by a qualified elector residing within the district or, upon a vote, in person or by proxy, of more than one-half of the participating members of said district at a special meeting called for such purpose by the board of directors of the district, approve the transfer of all physical assets and properties, funds and records of said district to the city lying within the prescribed radius, or to the board of public utilities of such city, upon agreement executed between said city or board of public utilities, as the case may be, and the governing body of the water district for payment or satisfaction of all outstanding indebtedness and obligations of said rural water district, and further agreement for the payment of not less than 20% of the determined amount of the outstanding debts and obligations of the district at the time of the execution of the agreement; and such agreement shall also provide that water services to the water users in the water district shall be at rates which are at not more than the prevailing rates at the time of such agreement.

Such agreement and transfer of assets and properties of the district shall be subject to the approval of the secretary of agriculture of the United States or his or her duly authorized representative; and no transfer of assets or properties shall be made until such approval has been received.

At any time after the participating members of the district have approved such transfer of assets and properties as herein provided for by petition or election, and after an agreement is executed as authorized herein, and upon payment of the twenty percent (20%) of the outstanding indebtedness and debts as required, the board of directors of the water district shall transfer the physical assets and properties to the municipality or board of public utilities, together with all records, maps, plans and files in connection therewith and thereafter the governing body of the city or the board of public utilities, as the case may be, shall operate such properties as a part of the municipal functions of the city, subject to the terms of the agreement entered into.

History: L. 1969, ch. 107, § 1; April 15.