

15-809. Sale of electric light, waterworks or gas system; election; application of proceeds. Any city of the third class which owns an electric light or waterworks plant, electric transmission line, or water, gas or electric distribution system may sell the same except that the sale shall not be made until the proposition of whether to sell has been submitted to a vote of the qualified electors of the city. If a majority of the qualified electors who vote in the election vote in favor of the sale, the governing body may dispose of the plant, transmission line or distribution system, according to the proposition voted on at the election. The proposition submitted to the electors shall contain a statement of the proposed sale price and the name of the purchaser.

When the governing body decides to put the proposition to a vote, it shall pass an ordinance calling an election to be held within 40 days after the passage of the ordinance. The mayor shall cause a notice of the election to be published once a week for two consecutive weeks, the first publication to be not less than 21 days preceding the election. The notice shall state the purpose of the election, giving the sale price and the name of the purchaser, the date of the election, and the places of voting. The proposed purchaser shall bear all the expenses of the election.

All sales shall be for cash, and the proceeds of the sale shall be applied upon the payment of any outstanding bonds or obligations incurred in the purchase, erection or improvement of the property sold. The excess, if any, shall be paid into the general fund of the city. If the city is unable to purchase the unmatured bonds issued for the purchase, erection or improvement of the property sold, the governing body may invest the money necessary to take up such bonds at maturity in investments authorized by K.S.A. 12-1675, and amendments thereto, in the manner prescribed therein or in any municipal bonds of this state, which shall become due prior to the due date of the bonds issued for the purchase, erection or improvement of the property sold, or in government bonds or federal landbank bonds. The purchase price and proceeding of the sale shall be filed with the state corporation commission.

History: L. 1923, ch. 102, § 1; R.S. 1923, § 15-809; L. 1929, ch. 135, § 1; L. 1931, ch. 135, § 1; L. 1939, ch. 141, § 1; L. 1951, ch. 189, § 1; L. 1977, ch. 54, § 20; L. 1981, ch. 173, § 53; L. 2009, ch. 74, § 1; Apr. 23.