

42-709. Provision for preliminary expenses. When a board of directors of any district shall have been elected and qualified, such boards shall have the power and authority to issue and sell negotiable evidences of debt to be designated as irrigation district warrants, in such denominations as the board may fix for the purpose of financing the preliminary work of the board and its engineers, attorneys, agents and employees and such other incidental expenses as may be required for the purpose of formulating and investigating any plan of development in such district and otherwise carry out the purposes of this act and may pledge and agree that the ad valorem taxes first collected by the district shall be used in the payment of such warrants together with interest thereon, if not to exceed the maximum rate of interest prescribed by K.S.A. 10-1009 for which the board may annually levy and collect a general tax not exceeding two mills on the dollar on all taxable property within the district. Said warrants if issued, shall not be sold for less than par and accrued interest and the proceeds of the sale shall be deposited in the same manner authorized herein for proceeds from the sale of bonds and shall only be withdrawn for the limited purposes herein set up.

Any money or surplus not required for the purposes set out in this section shall be used to redeem and buy such warrants and surplus upon resolution of board of directors, may be transferred to the general fund of said district. This section shall be construed as providing temporary and necessary means to finance preliminary expenses of such district, as an exception to the provisions of chapter 319 [*], Laws of Kansas, 1933, and after the completion of works and the receipts of revenue to be derived out of rentals and charges for water or other services, facilities or income of the district, such assessments shall no longer be made and the provisions of chapter 319 [*] of the Session Laws of Kansas, 1933, shall have full force and effect.

History: L. 1941, ch. 262, § 9; L. 1970, ch. 64, § 75; March 21.

* "Chapter 319," see ch. 10, art. 11.