

February 21, 1949.  
Passed on File.

**Senate File 374**  
By FOSTER.

Referred to .....  
Passed Senate, Date.....  
Vote: Ayes..... Nays.....  
Passed House, Date .....  
Vote: Ayes..... Nays.....  
Approved .....

## A BILL FOR

An Act to legalize and validate proceedings taken by the Town Council of the Town of Winfield, Henry County, Iowa for the construction of extensions and improvements to its municipal water works and to authorize the issuance and exchange of municipal water works revenue bonds to defray the cost thereof and pledging the net future revenues to pay said bonds and the principal and interest thereon and to legalize and validate said bonds and the issuance and exchange thereof.

WHEREAS, During the years 1947 and 1948 the Town Council of the Town of Winfield, Henry County, Iowa, constructed extensions and improvements to the Municipal Water Works of said Town by digging a deep well and providing a new pump for same, to meet increased needs of the community for water and entered into contracts for materials and labor and incidental costs thereof, and has issued warrants in payment thereof, and

WHEREAS, Such extensions and improvements were undertaken and made and said warrants were issued and financed and to be paid out of the future earnings of the Municipal Water Works of said Town, and

WHEREAS, The People's State Bank and the Farmers National Bank, both of Winfield, Iowa, agreed with the Town Council of the Town of Winfield, Iowa, to finance said warrants so issued and to be paid out of the future earnings of the Municipal Water Works of said Town on an interest rate of two (2) per cent, on the misapprehension that all legal requirements incident to the said extensions and improvements of said Municipal Water Works and the issuance

of said warrants had been complied with, and

WHEREAS, There are now outstanding warrants so issued in the principal amount of \$20,659.89, and

WHEREAS, the Town Council of the Town of Winfield, Iowa, did not comply with the legal requirements incident to said extensions and improvements of said Municipal Water Works and payment therefor, and

WHEREAS, It is desired and desirable to defray the cost of said extensions and improvements of said Municipal Water works and to issue water works revenue bonds payable only out of the net earnings of said water works and to exchange said bonds so issued for the outstanding warrants, and

WHEREAS, Doubts have arisen concerning the validity and legal sufficiency of the said Municipal Water Works Bonds to be issued, the proceedings and contracts, notice given and publication or omissions thereof, the warrants issued in payment thereof, and concerning the provisions pledging the net earnings of said utility, and

WHEREAS, It is deemed advisable to put said doubts and all others that might arise forever at rest, now therefore,

*Be It Enacted by the General Assembly of the State of Iowa:*

1 Section 1. That all proceedings heretofore taken by  
2 The Town Council of the Town of Winfield Iowa, in connection  
3 with the extensions and improvements of the Municipal Water  
4 Works and contracts therefor, referred to in the preamble  
5 hereof, are hereby legalized, validated and confirmed.

1 Sec. 2. That the Town Council of the Town of Winfield,  
2 Iowa, be and it is hereby authorized to issue Municipal  
3 Water Works Revenue Bonds of said Town in the amount of  
4 not to exceed twenty-one thousand dollars (\$21,000.)  
5 pledging the net future earnings of said utility to pay the  
6 principal and interest on said bonds, and to exchange said

7 bonds so issued for the outstanding warrants now held by  
8 the People's State Bank of Winfield, Iowa, and by the  
9 Farmers National Bank of Winfield, Iowa, and by the holders  
10 by transfer from said named banks, and that said bonds so  
11 issued are hereby declared to be authorized and legalized and  
12 validated and to be legal and to constitute valid and binding  
13 obligations of the Municipal Water Works of said Town  
14 according to their tenor.

1 Sec. 3. This Act being deemed of immediate importance  
2 shall take effect and be in force from and after its publication  
3 in the Winfield Beacon a newspaper published in Winfield,  
4 Iowa, and in the Mt. Pleasant News, a newspaper published in  
5 Mt. Pleasant, Iowa, said publications to be without cost  
6 to the State of Iowa.