

313A.7 Resolution of public interest and necessity revenue bonds.

Whenever the department deems it to be in the best interest of the primary highway system that any new toll bridge be constructed upon any public highway and across any navigable river between this state and an adjoining state, the department shall adopt a resolution declaring that the public interest and necessity require the construction of such toll bridge and authorizing the issuance of revenue bonds in an amount sufficient for the purpose of obtaining funds for such construction. The issuance of bonds as provided in this chapter for the construction, purchase, or acquisition of more than one toll bridge may, at the discretion of the department, be included in the same authority and issue or issues of bonds, and the department is hereby authorized to pledge the gross revenues derived from the operation of any such toll bridge under its control and jurisdiction to pay the principal of and interest on bonds issued to pay the cost of purchasing, acquiring, or constructing any such toll bridge financed under the provisions of this chapter. The department is hereby granted wide discretion, in connection with the financing of the cost of any toll bridge, to pledge the gross revenues of a single toll bridge for the payment of bonds and interest thereon issued to pay the cost of such bridge and to pledge the gross revenues of two or more toll bridges to pay bonds issued to pay the cost of one or more toll bridges and interest thereon as long as the several bridges included herein are not more than ten miles apart.

In addition, if the department in its discretion determines that the construction of a toll bridge cannot be financed entirely through revenue bonds and that the construction of such toll bridge is necessary, the department may advance funds from the primary highway fund to pay for that part of the construction cost, including the cost of approaches and all incidental costs, which is not paid out of the proceeds of revenue bonds. However, said funds advanced from the primary highway fund shall be used only to pay the construction cost, including the cost of approaches and all incidental costs, with respect to that part of the bridge which is or will be located within the state of Iowa. After all revenue bonds and interest thereon issued and sold pursuant to this chapter and payable from the tolls and revenues of said bridge have been fully paid and redeemed or funds sufficient to pay said bonds and interest, including premium, if any, have been set aside and pledged for that purpose, then such amount advanced from the primary road fund shall be repaid to the primary road fund from the tolls and revenues of said bridge before said bridge is made a toll free bridge under the provisions of this chapter.

[C71, 73, 75, 77, 79, 81, § 313A.7]