

March 17, 1967

Passed on File

*Journal 3/27, Page 417
" 5/15, Page 517*

Senate File 594

By BRILES

Passed Senate, Date 5-11-67 Passed House, Date 6-1-67

Vote: Ayes 46 Nays 0 Vote: Ayes 96 Nays 1

Approved June 16, 1967

A BILL FOR

An Act to legalize and validate the proceedings of the town council of the town of Prescott, in Adams county, Iowa, authorizing and providing for the establishment and erection of a municipal gasworks for said town and the issuance, sale and delivery of gas revenue bonds of said town to pay the cost thereof, including the establishment of rates for gas service, and declaring the bonds issued, sold, and delivered pursuant to said proceedings to be enforceable obligations of said town.

WHEREAS, it appears from the records of the town council of the town of Prescott, in Adams county, Iowa, that at a special election held in said town on November 23, 1965 the proposition of establishing and erecting a municipal gasworks for said town at a cost of not to exceed sixty-five thousand (65,000) dollars to be paid solely out of the net earnings of such municipal gasworks was approved by more than a majority of the total number of votes cast for and against said proposition at said election; and

WHEREAS, in reliance upon said election the town council of said town of Prescott thereafter authorized and provided for the construction of said municipal gasworks, the issuance, sale, and delivery of gas revenue bonds in the amount of sixty-five thousand (65,000) dollars to pay the cost of establishing and erecting said municipal gasworks, such bonds being payable as to both principal and interest solely out of the net earnings of such municipal gasworks, and the establishment of rates for gas service furnished customers by and through said municipal gasworks in order to provide revenues to pay said bonds and the interest thereon; and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of said election and proceedings and provisions made for the construction of said municipal gasworks, the issuance, sale, and delivery of said bonds and the establishment of said rates for gas service, and it is deemed advisable to put such doubts and all others that might arise concerning same 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 the town
- 2 council of the town of Prescott, in Adams county, Iowa, prelimi-

3 nary to and in connection with the election held in said town on
4 November 23, 1965 on the proposition of establishing and erecting
5 a municipal gasworks and authorizing and providing for the con-
6 struction of said municipal gasworks, the issuance, sale, and
7 delivery of gas revenue bonds of said town in the amount of sixty-
8 five thousand (65,000) dollars to pay the cost of establishing and
9 erecting said municipal gasworks and the establishment of rates for
10 gas service furnished by and through said municipal gasworks in
11 order to provide revenues to pay said bonds and the interest thereon
12 are hereby legalized, validated, and confirmed, and said gas revenue
13 bonds issued, sold, and delivered pursuant to and in accordance with
14 said proceedings are hereby declared to be legal and to constitute
15 valid and binding obligations of said town payable only from such
16 revenues, but said bonds shall not be a corporate indebtedness of
17 said town, nor shall said town be authorized to levy ad valorem
18 taxes to pay either principal thereof or interest thereon.

1 Sec. 2. This Act being of immediate importance shall be in full
2 force and effect from and after its passage and publication in the
3 Adams County Free-Press, a newspaper published at Corning, Iowa, and
4 in the Creston News-Advertiser, a newspaper published at Creston,
5 Iowa, without expense to the state.