

February 14, 1951.
Passed on File.

Senate File 338
By WALTER.

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

A BILL FOR

An Act to legalize and validate the proceedings of the Council of the town of Albion, Marshall county, Iowa, in calling and holding an election on the proposition to establish a waterworks system in said town and on the proposition to incur an indebtedness for the construction of said waterworks system and for the issuance of waterworks bonds in payment of such indebtedness and proceedings for the levy and collection of annual taxes to pay the same, and to legalize and validate the proceedings for the issuance, sale and delivery of such bonds and waterworks revenue bonds issued in payment for the construction of such waterworks system, and the provisions for payment thereof.

Whereas, the town of Albion, Marshall county, Iowa did heretofore, by resolution, and in response to a petition of qualified electors, authorize and submit at its regular election March 27, 1950, two (2) separate propositions, one (1) for the establishment of a waterworks system for said town at a cost not to exceed thirty-four thousand dollars (\$34,000.00) and another to incur and contract indebtedness for such purpose not exceeding fourteen thousand dollars (\$14,000.00) and to issue general obligation waterworks bonds in the amount of fourteen thousand dollars (\$14,000.00) and levy an annual tax for twenty (20) years not exceeding ten (10) mills upon the taxable property to pay said bonds and interest, and at such election more than sixty percent (60%) of the votes cast for and against said propositions were in favor thereof, and

Whereas, for the purpose of paying the remaining cost of construction of said waterworks system, and in reliance upon the said election the council of said town authorized and

provided for the issuance, sale and delivery of twenty thousand dollars (\$20,000.00) in waterworks revenue bonds of said town to make the total authorized cost of thirty-four thousand dollars (\$34,000.00), such waterworks revenue bonds to be payable, both as to principal and interest from future net revenues of said waterworks, and

Whereas, such general obligation waterworks bonds in the amount of fourteen thousand dollars (\$14,000.00) and such waterworks revenue bonds in the amount of twenty thousand dollars (\$20,000.00) have been sold and their issuance and delivery authorized by said town council, and

Whereas, doubts have arisen as to the legal sufficiency of the petition of electors for such waterworks election, for creation of such indebtedness and the issuance of general obligation waterworks bonds and the authority to levy and collect annual taxes to pay the principal and interest thereon as the same mature, and doubts have arisen as to the authority for the issuance and sale of the twenty thousand dollars (\$20,000.00) in waterworks revenue bonds for payment of the remaining cost of the waterworks system of said town although included in and not in excess of the amount authorized for the establishment thereof and to pledge the said system and its future net earnings in payment of said waterworks revenue bonds as the same mature with interest thereon, and it is deemed advisable to put such doubts, and all others, forever at rest and to cure any irregularities or insufficiencies that might have arisen, or may arise relative thereto.

Now, therefore,

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

- 1 Section 1. That all proceedings heretofore taken by the
- 2 council of the town of Albion, in Marshall county, Iowa, in
- 3 declaring the sufficiency of the elector's petition and in
- 4 holding an election for the establishment of a waterworks
- 5 system in said town at a cost not to exceed thirty-four thousand
- 6 dollars (\$34,000.00) and to incur and contract indebtedness not

7 exceeding fourteen thousand dollars (\$14,000.00), and in
8 authorizing and providing for the sale, issuance and delivery
9 of fourteen thousand dollars (\$14,000.00) waterworks bonds
10 by the town of Albion, Iowa, and providing for the levy and
11 collection of annual taxes to pay principal and interest of
12 said bonds, are hereby legalized, validated and confirmed
13 and the said waterworks bonds, sold, issued and delivered
14 pursuant to and in accordance with said proceedings are hereby
15 declared to be legal and to constitute valid and binding
16 obligations of said town.

1 Sec. 2. That all proceedings heretofore taken by the
2 council of the town of Albion, in Marshall county, Iowa, in
3 authorizing and providing for the sale, issuance and delivery
4 of twenty thousand dollars (\$20,000.00), waterworks revenue
5 bonds by the town of Albion, Iowa, and providing for the payment
6 of principal and interest on said bonds from future net
7 earnings of the waterworks system of said town are hereby
8 legalized, validated and confirmed and said waterworks revenue
9 bonds, sold, issued and delivered pursuant to and in accordance
10 with such proceedings are hereby declared to be legal and to
11 constitute valid and binding obligations of said town,
12 payable only from such future net earnings but said bonds
13 shall not be a corporate indebtedness of said town nor shall
14 said town be authorized to levy and collect ad valorem taxes
15 to pay either principal or interest thereon.

1 Sec. 3. This Act being deemed of immediate importance

2 it shall take effect from and after its publication in the
3 Marshalltown Times Republican, a newspaper published at
4 Marshalltown, Iowa and in the State Center Enterprise, a
5 newspaper published at State Center, Iowa, all without expense
6 to the state of Iowa.