

96.640 Election by voters on question of constructing, purchasing, or condemning electric plant, or issuing bonds therefor.

- (1) Before any municipality shall have authority to (a) construct or cause to be constructed an electric plant, (b) acquire an electric plant by purchase, (c) institute condemnation proceedings for acquiring by eminent domain an electric plant, or (d) issue revenue bonds for the construction, purchase, or acquisition of an electric plant, the question shall be submitted to the qualified voters of the municipality as hereinafter in this section provided.
- (2) Before any municipality shall be authorized or empowered to purchase or establish and thereafter operate an electric plant, or to issue bonds therefor, the legislative body of such municipality shall pass an ordinance declaring it desirable that the municipality shall purchase or construct and operate a municipal electric plant, and if it is proposed to construct such electric plant, the board shall cause an engineer or engineers duly qualified and licensed under the laws of this Commonwealth (a) to prepare the necessary and proper plans and specifications for the construction of the electric plant, (b) select the location therefor, (c) determine the size, type and method of construction thereof, (d) make the necessary estimates of the cost of construction and of the acquisition of the land and rights of way, and (e) a survey of all lands, structures, rights of way, franchises and easements, the acquisition of which is deemed necessary by said engineers and the board for the construction and operation of such municipal electric plant, all of which shall be approved by the board; and, Provided further, That the question of whether or not revenue bonds shall be issued to provide for the payment of the cost thereof shall be submitted to the qualified voters of such municipality at the next regular November election to be held in said municipality if the ordinance is certified to the county clerk not later than the second Tuesday in August preceding the next regular election. The mayor shall certify such ordinance to the county clerk, who shall have prepared to be placed before the voters in the general November election, the question: "Are you in favor of the city constructing and operating a municipal electric plant in accordance with the plans and specifications adopted by the Electric Plant Board of ... (here insert name of municipality) and the issuance of revenue bonds in the maximum amount of \$... (here insert maximum total face amount of bonds estimated by the board to be necessary to pay the cost of such plant, based upon the estimate hereinabove provided)." The voters shall respond to the question by voting "Yes" or "No".
- (3) The mayor of such municipality shall advertise such election and the object thereof by publication pursuant to KRS Chapter 424, and also by printed handbills posted in not less than four (4) conspicuous places in each voting precinct in the municipality and at the courthouse door. All legal voters of such municipality shall be privileged to vote at such election. The city shall have no authority to construct a municipal electric plant, or to issue revenue bonds unless a majority of all the qualified voters voting in said election on this question vote in favor thereof.
- (4) Any contract of a municipality for the purchase of an electric plant shall be conditioned upon the approval of the qualified voters of the municipality at an

election held at the time and in the manner provided in subsections (2) and (3) of this section, except that the clerk shall have prepared to be placed before the voters the following question: "Are you in favor of the City of purchasing from (insert the name of owner or owners) an electric plant at the price of \$.... (herein insert the amount of the agreed purchase price) and the issuance of revenue bonds in the amount of \$.... (herein insert total face amount of bonds required to pay the agreed purchase price)." The voters shall respond to the question by voting "Yes" or "No".

- (5) Before any municipality shall be authorized or empowered to institute condemnation or eminent domain proceedings to acquire an electric plant, the legislative body of such city shall pass an ordinance declaring it desirable that the municipality shall acquire by condemnation an electric plant, and shall describe in the ordinance the property which it deems necessary to be acquired, and there shall be submitted, in the manner provided in subsections (2) and (3) of this section, to the qualified voters of the municipality at the next regular November election, the following question: "Are you in favor of the City of (here insert name of city) acquiring an electric plant by the exercise of the power of eminent domain and the issuance of revenue bonds in an amount sufficient to pay the entire damages and costs of such acquisition." The voters shall respond to the question by voting "Yes" or "No".
- (6) No municipality or board shall have authority to purchase, construct, or acquire, or to institute condemnation proceedings for acquiring an electric plant, or to issue revenue bonds or other obligations or evidences of indebtedness for the payment of the costs thereof unless a majority of all the qualified voters voting in said election on the question vote in favor thereof. Elections held pursuant to the provisions of KRS 96.550 to 96.900 shall be governed by the laws of this state relative to elections to the extent that such laws are not inconsistent herewith.

Effective: July 15, 1996

History: Amended 1996 Ky. Acts ch. 195, sec. 48, effective July 15, 1996. -- Amended 1982 Ky. Acts ch. 360, sec. 29, effective July 15, 1982. -- Amended 1978 Ky. Acts ch. 384, sec. 222, effective June 17, 1978. -- Amended 1966 Ky. Acts ch. 239, sec. 95. -- Created 1942 Ky. Acts ch. 18, sec. 5.