

96.537 City operated natural gas distribution system -- Bonds -- Negotiated sale.

The legislative body of any city operating a municipal system for the acquisition and distribution of natural gas may, by ordinance, authorize the issuance of revenue bonds to pay all or any part of the costs of any project for the improvement or extension of the system, or for obtaining new sources of supply. The revenue bonds may be sold and issued in the manner provided for the sale and issuance of revenue bonds under the provisions of KRS 58.010 to 58.140, 58.150, 58.155, and 58.180, including by negotiated sale, or, upon a determination of a legislative body, acting upon the advice of the city attorney or city solicitor, that the proposed bonds will be industrial development bonds within the meaning of federal statutes, the revenue bonds, whether or not exempt from federal income taxation, may be sold in any manner provided for the sale of industrial building revenue bonds under the terms of KRS 103.200 to 103.285, inclusive; provided, however, that the contract with the private corporation which is deemed to give rise to the federal classification of industrial development bonds need not take the form of a lease agreement, and no request in writing from any contracting private corporation shall be required for any negotiated sale, and provided, further, that in the event of a negotiated sale, a report of negotiations shall be made to a consultant who shall be employed by the city to make a recommendation to the legislative body on the adequacy of such negotiations and of the terms of sale in the light of market conditions. The provisions of KRS 424.360 shall not apply to any negotiated sale under this section.

Effective: July 14, 2000

History: Amended 2000 Ky. Acts ch. 286, sec. 1, effective July 14, 2000. -- Created 1976 Ky. Acts ch. 64, sec. 1, effective March 18, 1976.