

96.690 Form and terms of bonds -- Sale -- Bonds for improvement -- Refunding or additional bonds -- Negotiability -- Interest rate.

- (1) Bonds issued pursuant to KRS 96.550 to 96.900 may be issued in one (1) or more series, may bear a date or dates, may mature at a time or times, not exceeding forty (40) years from their respective dates, may be in a denomination or denominations, may be in a form, either coupon or registered, may carry registration and conversion privileges, may be executed in a manner, may be payable in such medium of payment, at such place or places, may be sold or hypothecated in blocks, may be subject to the terms of repurchase or redemption of all or any of the bonds before maturity in a manner and at a price or prices as may be fixed by the board prior to the sale of the bonds.
- (2) The board at any time may issue and sell revenue bonds to finance improvements or issue and sell refunding bonds for the purpose of providing funds for the payment of any outstanding bonds issued in accordance with the provisions of KRS 96.550 to 96.900. The new bonds shall be issued, sold, and secured in accordance with the provisions of KRS 96.550 to 96.900 for the issuance of the original revenue bonds, except no election shall be necessary or required to ascertain the will of the voters of the city. Should the board find that the bonds originally authorized will be insufficient to accomplish the purpose desired, additional bonds may be authorized and issued, subject to the same procedure and conditions as original revenue bonds.
- (3) All revenue bonds issued pursuant to the provisions of KRS 96.550 to 96.900 in the hands of bona fide holders shall have all the qualities and incidents of negotiable instruments under the law merchant. Except as provided in subsection (5) of this section, all bonds shall be sold to the highest responsible bidder at a time and place as has been fixed by the board in the notice of the sale of the bonds, which notice has been advertised by publication pursuant to KRS Chapter 424. The board shall receive written, sealed, competitive bids, which shall be publicly opened and read at the time and place specified in the notice of sale. The board may reject all bids and readvertise. Notwithstanding any law to the contrary, bonds may be issued bearing interest at a rate or rates and may be sold at a price equal to, less than or greater than, the aggregate principal amount of the bonds, as is satisfactory to and acceptable by the board. "Highest responsible bidder" as used in this section means the responsible bidder whose bid generates the lowest net interest costs for the issue.
- (4) After revenue bonds have been offered for sale by the board, as in this section provided, if no bid satisfactory or acceptable to the board is received, the board may sell, issue, and deliver the bonds to any federal governmental agency or other responsible purchaser at private sale upon terms, not in conflict with the provisions of KRS 96.550 to 96.900, as may be agreed upon between the board and the federal governmental agency or other responsible purchaser at private sale; but the net interest cost paid on the bond shall not be greater than that received from the highest responsible bidder.
- (5) Notwithstanding any law to the contrary, bonds of an issue, or bonds of two (2) or more issues consolidated for the purposes of sale, which equal or exceed

ten million dollars (\$10,000,000) in the aggregate principal amount may be sold at public sale in compliance with KRS 424.360 or at private sale without compliance with KRS 424.360, and bonds for the purpose of raising funds for the completion of any project for which a previous bond issue, or issues consolidated for the purposes of sale, equaled or exceeded ten million dollars (\$10,000,000) in the aggregate principal amount may likewise be sold at a public sale in compliance with KRS 424.360 or a private sale without compliance with KRS 424.360.

Effective: July 15, 1996

History: Amended 1996 Ky. Acts ch. 274, sec. 23, effective July 15, 1996. -- Amended 1980 Ky. Acts ch. 164, sec. 1, effective July 15, 1980. -- Amended 1966 Ky. Acts ch. 239, sec. 96. -- Created 1942 Ky. Acts ch. 18, sec. 10.