

TITLE 42
IRRIGATION AND DRAINAGE -- WATER RIGHTS AND RECLAMATION

CHAPTER 30
DRAINAGE DISTRICT REFUNDING BONDS

42-3001. ISSUANCE AUTHORIZED. The board of commissioners of any drainage district organized under the laws of the state of Idaho may issue negotiable coupon bonds, to be denominated refunding bonds, for the purpose of refunding any of the bonded indebtedness of the district, whether due or not due, on which has or may hereafter become payable at the option of the district or by consent of the bondholders, or by any lawful means, whether such bonded indebtedness be now existing or may hereafter be created, and there shall not be funds in the treasury of such district available for the payment or redemption of such bonds and the accrued and unpaid interest thereon.

[(42-3001) 1925, ch. 21, sec. 1, p. 29; I.C.A., sec. 41-2601.]

42-3002. OPTIONAL PROCEDURE. Whenever any drainage district has issued bonds and the same are outstanding and unpaid, and the same have been outstanding and unpaid for more than three (3) years, the district may, in the manner hereafter provided, issue and sell bonds for the purpose of paying and redeeming such outstanding bonds, and may call and pay said bonds, or at its option, may authorize the issue of sufficient bonds to pay and redeem the whole of such outstanding bonds, but may issue and sell the same in such amounts from year to year, as will pay and redeem the outstanding bonds falling due each year, and may continue to issue and sell such refunding bonds until the whole of the outstanding bond issue, which has been refunded, is paid and redeemed.

[(42-3002) 1925, ch. 21, sec. 2, p. 29; I.C.A., sec. 41-2602.]

42-3003. RESOLUTION SPECIFYING TERMS AND CONDITIONS. Whenever the board of commissioners shall deem it expedient to issue refunding bonds under the provisions of this chapter, they shall by resolution duly adopted and entered upon the minutes of the district specify, the amount and date of the bonds to be refunded, the amount of the refunding bonds proposed to be issued, shall designate the denomination or denominations thereof, fix the date of issue, the rate of interest, which shall not exceed six per cent (6%) per annum.

[(42-3003) 1925, ch. 21, sec. 3, p. 29; I.C.A., sec. 41-2603.]

42-3004. CONFIRMATION PROCEEDINGS -- PETITION. The board of drainage commissioners shall file in the district court of the county in which the greater portion of their lands are situated, a petition, praying that the proceedings aforesaid may be examined, approved and confirmed, and that they may be authorized and directed to execute and negotiate the said refunding bonds. The petition shall state generally that the drainage district is duly organized; that an assessment roll has theretofore been duly prepared, approved and confirmed by the court; the aggregate amount of the assessments contained therein; the amount and date of the bonds outstanding which it is sought to refund; that the same are valid and binding obligations of the dis-

trict, and that it will be of benefit to the district, or the property owners therein that said bonds be refunded, together with the proceedings had and taken by the commissioners toward the issuance of said refunding bonds, and said petition need not state any further facts.

[(42-3004) 1925, ch. 21, sec. 4, p. 29; I.C.A., sec. 41-2604.]

42-3005. CONFIRMATION PROCEEDINGS -- TIME AND NOTICE OF HEARING -- PRACTICE. Upon the filing of said petition, the court or judge shall fix a time for the hearing thereof, and shall order the clerk of the court to give and publish a notice of the filing of said petition. The notice shall be given and published in a newspaper in the county in which the proceeding is filed, for three (3) successive weeks. The notice shall state the time and place fixed for the hearing of the petition, and that the proceeding is brought to procure an order, approving and authorizing the sale of refunding bonds of said district, and giving the amount of said bonds, and that any person interested in the subject matter of said petition may, on or before the day fixed for the hearing thereof, file objections thereto. None of the pleadings in said matter need be sworn to. Every material statement of the petition not controverted at such hearing, must be taken as true, and every person or party failing to file objections shall be deemed to have admitted all the allegations of the petition.

[(42-3005) 1925, ch. 21, sec. 5, p. 29; I.C.A., sec. 41-2605.]

42-3006. CONFIRMATION PROCEEDINGS -- HEARING -- DECREE. Upon the hearing of such petition, the court shall examine all of the proceedings set up in the petition, and all objections thereto, and may ratify, approve and confirm or dismiss the same. The court shall disregard every error, irregularity or omission which does not affect the substantial rights of any party, and if the court shall find that the assessments imposed by the assessment roll are final and conclusive, and adequate security for retiring and paying off said refunding bonds, and that it will be of benefit to the district or the property owners therein that said refunding bonds be issued, it shall issue its order or decree, approving and confirming such proceedings, reciting therein that the lien of the assessment roll theretofore prepared, approved and confirmed shall not be deemed to have been lost or waived but shall remain in full force and effect for the purpose of retiring and paying off said refunding bonds, in like manner as the original bond issue and shall direct the commissioners to execute and negotiate said refunding bonds as in this chapter provided.

[(42-3006) 1925, ch. 21, sec. 6, p. 29; I.C.A., sec. 41-2606.]

42-3007. EXCHANGE OF BONDS -- APPLICATION OF PROCEEDS OF SALE -- EFFECT OF DECREE. All or any part of such refunding bonds may be exchanged, dollar for dollar, for the bonds to be refunded, or they may be sold, at not less than their par value, as directed by the board of commissioners and the proceeds thereof shall be applied only to the purposes for which said refunding bonds are issued. The authority vested in the board of commissioners by the judgment and decree as in this chapter provided shall be and remain effective until all of the bonded indebtedness so authorized to be refunded has been paid, redeemed or refunded.

[(42-3007) 1925, ch. 21, sec. 7, p. 29; I.C.A., sec. 41-2607.]

42-3008. APPLICATION OF DRAINAGE DISTRICT LAW. The laws of the state of Idaho as they now exist, or as they may hereafter be amended or enacted in relation to drainage districts providing the form of bond to be issued, the issuance, registration and sale thereof, the levies to pay interest thereon and to create a sinking fund for the payment and redemption thereof, and for collection of such levies and for the calling and payment of said bonds shall govern and apply to the refunding bonds issued under the provisions of this chapter, when not in conflict herewith.

[(42-3008) 1925, ch. 21, sec. 8, p. 29; I.C.A., sec. 41-2608.]

42-3009. ASSESSMENT ROLL UNDER FORMER BOND ISSUE -- CONTINUANCE IN EFFECT. The assessment roll or rolls of any drainage district which has been authorized and filed as provided by law, and upon which any original bond issue was made, shall continue in full force and effect, and the assessment or assessments contained therein shall be a lien upon all of the property of such drainage district as contained in such assessment roll or rolls and subject to levies for the payment of the principal and interest of said refunding bonds as the same fall due, in like manner, and to the same extent, as to the original bond issue or any issue refunded.

[(42-3009) 1925, ch. 21, sec. 9, p. 29; I.C.A., sec. 41-2609.]