110A.30 DEBT.

(a) The district may borrow money and incur indebtedness by issuing its obligations or entering into contracts for any lawful corporate purpose; provided that all such obligations and contracts, whether express or implied, shall be payable solely:

(1) from revenues, income, receipts and profits derived by the district from its operation and management of systems;

(2) from the proceeds of warrants, notes, revenue bonds, debentures, or other evidences of indebtedness issued and sold by the district which are payable solely from such revenues, income, receipts and profits; or

(3) from federal or state grant gifts or other moneys received by the district which are available therefor.

(b) The district may by resolution pledge any such source to the payment of such obligations and contracts and the interest coming due thereon. Any resolution may specify the particular revenues that are pledged and the terms and conditions to be performed by the district and the rights of the holders of district obligations, and may provide for priorities of liens in any revenues as between the holders of district obligations issued at different times or under different resolutions. The district may provide for the refunding of any district obligation through the issuance of other district obligations, entitled to rights and priorities similar in all respects to those held by the obligations that are refunded. All such obligations and refunding obligations shall be issued in accordance with the provisions of chapter 475, except that such obligations may be sold by negotiation.

History: *1978 c 744 s 30*