

nicipal corporations or political subdivisions to which assignments of such leases are made are entitled to collect from the lessees named in said leases an annual rental of 6% upon the appraised value of the lands covered by said leases made at the time of the execution of said leases.

Respectfully,  
GILBERT BETTMAN,  
*Attorney General.*

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2661.

DISAPPROVAL, BONDS OF VILLAGE OF CEDARVILLE, GREENE  
COUNTY, OHIO—\$7,500.00.

COLUMBUS, OHIO, December 10, 1930.

Re: Bonds of Village of Cedarville, Greene County, Ohio, \$7,500.00.

*Retirement Board, State Teachers Retirement System, Columbus, Ohio.*

GENTLEMEN:—The transcript relative to the above issue of bonds discloses that these bonds have been authorized for the purpose of paying the city portion of the cost of acquiring and constructing a municipal waterworks for supplying water to the corporation and the inhabitants thereof. The total cost of such improvement appears to have been estimated to be \$57,500, \$50,000 of which has been sought to be raised by the levy of special assessments. My Opinion No. 2647, rendered under date of December 9, 1930, to the Industrial Commission, held that these assessments in the amount of \$50,000 were invalid and that the bonds issued in anticipation of the collection thereof were not valid and binding obligations of the municipality. The transcript and financial statement submitted does not disclose that the municipality has available the balance of the required cost of this improvement in the amount of \$50,000 and the question therefore becomes one of whether or not bonds may be authorized for the purpose of paying a small portion of the cost of constructing or acquiring a waterworks when there are no other available funds to enable the municipality to carry out its proposed purpose.

Section 2293-2, General Code, being part of the Uniform Bond Act, provides that "The taxing authority of any subdivision shall have power to issue the bonds of such subdivision for the purpose of acquiring or constructing any permanent improvement which such subdivision is authorized to acquire or construct." Municipalities are authorized under paragraph 7 of Section 3939, General Code, also a part of the Uniform Bond Act, "To construct or acquire a waterworks for supplying water to the corporation and the inhabitants thereof and to extend the waterworks system outside of the corporation limits." It is my view that this issue to pay the city portion of the cost of constructing a waterworks is not an issue for the acquisition or construction of a waterworks within the meaning of the applicable provisions of the Uniform Bond Act, particularly under the circumstances hereinabove set forth with reference to the situation existing as to the special assessments heretofore levied.

There is a further question that may be raised with reference to this issue which is whether or not a municipality may be said to have the power to acquire or construct a portion of a waterworks. The case of *State, ex rel. Stanton vs. Andrews, et al.*, 105

O. S. 489, while not directly in point, is worthy of consideration in connection with this question.

In view of the foregoing, I advise you not to purchase these bonds.

Respectfully,

GILBERT BETTMAN,  
*Attorney General.*

2662.

APPROVAL, BONDS OF PATASKALA VILLAGE SCHOOL DISTRICT,  
LICKING COUNTY, OHIO—\$50,000.00.

COLUMBUS, OHIO, December 10, 1930.

*Retirement Board, State Teachers Retirement System, Columbus, Ohio.*

2663.

APPROVAL, CONTRACT BETWEEN STATE OF OHIO AND THE ART METAL CONSTRUCTION COMPANY OF JAMESTOWN, NEW YORK, FOR BOOK STACK ROOM EQUIPMENT IN LIBRARY BUILDING AT THE OHIO UNIVERSITY, ATHENS, OHIO, AT AN EXPENDITURE OF \$29,736.00—SURETY BOND EXECUTED BY THE AETNA CASUALTY AND SURETY COMPANY OF HARTFORD, CONNECTICUT.

COLUMBUS, OHIO, December 11, 1930.

HON. ALBERT T. CONNAR, *Superintendent of Public Works, Columbus, Ohio.*

DEAR SIR:—You have submitted for my approval a contract between the State of Ohio, acting by the Department of Public Works for the Board of Trustees of Ohio University, Athens, Ohio, and The Art Metal Construction Company, of Jamestown, New York. This contract covers the construction and completion of contract for book stack room equipment to be installed in a building known as a Library Building at the Ohio University, Athens, Ohio, as set forth in Item No. 19, Item No. 24 (Alternate No. 1), Item No. 25 (Alternate No. 2) and Addendum No. 7 of the Form of Proposal dated May 26, 1930. Said contract calls for an expenditure of twenty-nine thousand seven hundred and thirty-six dollars (\$29,736.00).

You have submitted the certificate of the Director of Finance to the effect that there are unencumbered balances legally appropriated in a sum sufficient to cover the obligations of the contract. You have also furnished evidence showing that the Controlling Board has approved the expenditure as required by Section 11 of House Bill No. 510 of the 88.h General Assembly. In addition, you have submitted a contract bond, upon which the Aetna Casualty and Surety Company of Hartford, Connecticut, appears as surety, in an amount sufficient to cover the contract price.

You have further submitted evidence indicating that plans were properly prepared and approved, notice to bidders was properly given, bids tabulated as required by law and the contract duly awarded. Also it appears that the laws relating to the status