thereafter he shall not be entitled to receive or to have any claim to any money which was not paid by reason of said reduction in such monthly payments.

Approved April 20, 1961.

CHAPTER 671—H. F. No. 1488

[Coded]

An act relating to food; exempting from the provisions of the food handler's license law certain persons licensed to sell non-intoxicating malt liquors or intoxicating liquors.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. [31.591] Exclusions from food handler's license law; certain persons selling liquor. The provisions of the Food Handler's License Laws 1959, Chapter 606, Sections 1 to 9, and acts amendatory thereof, shall not apply to persons licensed to sell non-intoxicating malt liquors "on sale" as provided in Minnesota Statutes, Section 340.02, or to persons licensed to sell intoxicating liquors "on sale" or "off sale" as provided in Minnesota Statutes, Section 340.11, provided that these persons have no food service other than prepackaged items.

Approved April 20, 1961.

CHAPTER 672—H. F. No. 1512

[Not Coded]

An act providing for the establishment and administration of a water control and sanitary district comprising the city of Thief River Falls and the towns of North, Rocksbury, and Smiley in Pennington county.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Definitions.** Subdivision 1. The definitions given in this section shall obtain for the purposes of sections 1 to 8 except as otherwise expressly provided or indicated by the context.

- Subd. 2. "District" means a water control and sanitary district created under the provisions of sections 1 to 8.
- Subd. 3. "District court" or "court" means the district court of the judicial district in which the territory of the district proposed or established hereunder is situated.
- Subd. 4. "Board" means the board of directors of a district.
- Subd. 5. "Municipality" means the city of Thief River Falls, the town of North, the town of Rocksbury, or the town of Smiley in Pennington county.

Subd. 6. "Improvement" means:

- (a) Dredging or other improvement of a river channel for water supply, sanitation, sewage disposal, or any other public purpose;
- (b) Constructing, restoring, improving, enlarging, developing, operating, or managing facilities for the storage, control, or conservation of water or the flow or use thereof;
- (c) Reclamation, filling, or other improvement of wet or overflowed lands;
- (d) The doing of any other work or the construction of any other thing or device for the accomplishment of any purpose of this district.
- Subd. 7. "Watershed district" means a watershed district established under the provisions of Minnesota Statutes 1957, Chapter 112, known as the Minnesota Watershed Act, and acts amendatory thereof or supplementary thereto as now in force or hereafter enacted.
- Sec. 2. Territory; purposes. A district may be established under the provisions of sections 1 to 8 for the territory comprising the city of Thief River Falls and the towns of North, Rocksbury, and Smiley in Pennington county for the purposes stated in said provisions. Such a district may be established notwithstanding the inclusion of said territory or any part thereof within the area embraced by a watershed district, a conservancy district, a drainage district, or other public corporation, governmental subdivision, or project; provided, that the establishment, maintenance, and operation of a district hereunder shall not affect the establishment, maintenance, operation, extent, or authority of any such watershed district, conservancy district, drainage dis-

trict, or other public corporation, governmental subdivision, or project, except so far as may be necessary to give effect to the provisions of sections 1 to 8.

- Sec. 3. Establishment of district. Subdivision 1. Petition to district court. A proceeding for the establishment of a district may be initiated by petition to the district court, signed by the authorized officer or officers of all the municipalities embraced by the proposed district pursuant to resolutions of their governing bodies, respectively, and filed with the clerk of the court. The petition shall set forth the following:
- (a) The name proposed for the district to include the words "water control and sanitary district";
- (b) A statement of the facts and circumstances showing the necessity for the district and why the establishment and maintenance thereof would be conducive to the public health and welfare;
- (c) The names of the persons proposed as the first members of the board of directors of the district, subject to the provisions of section 5;
- (d) A request for the establishment of the proposed district.
- Subd. 2. **Procedure on petition.** Upon and after the filing of the petition further proceedings shall be had and action taken as now provided by Minnesota Statutes 1957, Sections 111.04 to 111.07, Section 111.08, Subdivisions 1 and 2, Section 111.09, Subdivision 1, Section 111.10, and Section 111.42, with respect to the establishment of the district and the appointment, organization, and officers of the board of directors, and all of said provisions, so far as they relate to said matters and so far as applicable, shall apply to and govern the corresponding matters with respect to the establishment of a district hereunder, except as otherwise expressly provided.
- Subd. 3. Initial procedural expenses. No bond for expenses connected with the proceedings shall be required of the petitioners. All expenses incident to the preparation and filing of the petition, the hearing and other proceedings thereon, and the organization of the board shall be paid by the city of Thief River Falls, subject to reimbursement therefor out of any available funds of the district, if established.

- Sec. 4. Purposes and powers of district. Subdivision 1. General status, purposes and powers. A district shall be a public corporation and a governmental subdivision of the state. Except as otherwise expressly provided, a district shall have all the purposes and powers now or hereafter prescribed by law for a watershed district and such other powers and purposes as may be prescribed by sections 1 to 8 or otherwise prescribed by law. Except as othwise expressly provided, all the provisions of law applying to watershed districts as now in force or hereafter enacted shall, so far as applicable, apply to and govern a district established hereunder and all the activities, operations, funds, property, and other affairs thereof. Except as otherwise expressly provided, a power or duty vested in or imposed upon a district or any of its officers, agents, or employees shall not be deemed exclusive and shall not supersede or abridge any power or duty vested in or imposed upon any other agency of the state or any governmental subdivision thereof, but shall be supplementary thereto.
- Subd. 2. Authority to sue and contract. A district may sue and be sued and may enter into any contract necessary or proper for the exercise of its powers or the accomplishment of its purposes.
- Subd. 3. Acquisition and disposal of property. A district may acquire by purchase, gift, or lease, any real or personal property within or without the territory of the district and may acquire by condemnation as provided by law any real or personal property within the confines of the city of Thief River Falls and the towns of North, Rocksbury and Smiley in Pennington County which may be necessary for any authorized district purpose, and may lease or rent out or sell or otherwise dispose of any such property so far as not needed for such purposes.
- Subd. 4. Acceptance of gifts, grants, and loans. A district may accept gifts, grants, or loans of money or other property from the United States, the state, or any person, corporation, or other entity for any authorized district purpose, may enter into any agreement required in connection therewith, and may hold, use, and dispose of such money or property in accordance with the terms of the gift, grant, loan, or agreement relating thereto.
- Subd. 5. Cooperation with other agencies. A district may be a party to a joint cooperative project, under-

taking, or other enterprise with any one or more other governmental subdivisions or other public agencies for any authorized district purpose upon such terms as may be agreed upon between the governing bodies or authorities concerned. To that end, without limiting the effect of the foregoing provision or any other provision of sections 1 to 8, a district, with respect to any such purpose, may act under and be subject to the provisions of Minnesota Statutes 1957, Section 471.59, as now in force or hereafter amended, or any other appropriate law in force or hereafter enacted providing for joint cooperative action between governmental subdivisions or other public agencies.

- Sec. 5. Board of directors. Subdivision 1. Membership; appointment. The governing body of a district shall be a board of directors of five members appointed by the district court as provided by the laws referred to in section 3, subdivision 2. Two members of the board shall be voters and residents of the city of Thief River Falls, one shall be a voter and resident of the town of North, one shall be a voter and resident of the town of Rocksbury, and one shall be a voter and resident of the town of Smiley in Pennington county. Whenever a board member is to be appointed for a new term or to fill a vacancy, the governing body of the municipality of which he is to be a resident may submit to the court nominations for the appointment, and the court shall consider the same but shall not be bound thereby.
- Subd. 2. Powers of board. Except as otherwise expressly provided, all the powers of a district shall be exercised by its board. Except as otherwise expressly provided, the board, with respect to the purposes and powers of the district, shall have like powers as are now or hereafter vested by law in the board of managers of a watershed district, and all the provisions of law applying to such a board of managers as now in force or hereafter enacted shall, so far as applicable, and not inconsistent herewith, apply to and govern the board of a district established hereunder. The board shall have power to do and perform all acts and things necessary or proper for the accomplishment of the purposes of the district.
- Sec. 6. Improvement projects. Subdivision 1. Initiation by petition. A project for an improvement to be undertaken by the district may be initiated by petition to the board signed by the authorized officer or officers of any municipality embraced in the district pursuant to resolution

- of the governing body thereof or otherwise signed as provided by Minnesota Statutes 1957, Section 112.48 as amended. No bond shall be required if the petition is signed in behalf of any such municipality. Except as otherwise expressly provided, further proceedings shall be had and action taken on the petition as prescribed by the provisions of Minnesota Statutes 1957, Chapter 112 as amended, relating to projects or improvements, as now in force or hereafter enacted.
- Subd. 2. Initiation by the board. The board may, without a petition or proceedings thereon, initiate and undertake any operation or project for any authorized district purpose for which funds are or may be made available and may thereupon proceed as provided by Minnesota Statutes 1957, Section 429.041, as now in force or hereafter amended, or as otherwise authorized or permitted by law.
- Assessments. Except as otherwise pressly provided, the board may cause benefits and damages to property resulting from any improvement project initiated by petition to be assessed as provided by the applicable provisions of Minnesota Statutes 1957, Chapter 112 as amended, as now in force or hereafter amended, or as provided by the applicable provisions of Minnesota Statutes 1957, Section 429.051 as amended by Laws 1959, Chapter 490, to Section 429.081, as now in force or hereafter amended. All powers and duties vested in or imposed upon the governing bodies of governmental subdivisions or their officers or in or upon the courts by said provisions shall be exercised and performed by the board and the corresponding officers of the district or by the court, as the case may require. In all such cases benefits may be assessed or damages awarded upon property actually affected by an improvement whether the property abuts thereon or not.
- Subd. 4. Assessments may be made as provided by subdivision 3 against any municipality or governmental subdivision on account of benefits to its property, works, installations, facilities, or utilities resulting from any improvement, or on account of public benefits otherwise resulting from any improvement. In case of any such assessment, the governing body of the municipality or governmental subdivision affected shall, if other funds are not available for payment of the assessment, levy a tax against all taxable property within its jurisdiction sufficient to make timely payment of such assessment or the installments thereof, which tax shall be in addition to all other tax levies auth-

orized by law and shall not be subject to any limitation prescribed by law.

- Sec. 7. Funds. Subdivision 1. General provisions. The district shall be subject to and shall have the benefit of all the provisions of law relating to the funds of a watershed district, so far as applicable, except as otherwise expressly provided. All powers and duties vested in or imposed upon the board of managers or the officers of a watershed district by said provisions shall be exercised and performed by the board or the corresponding officers of the district established hereunder, as the case may require.
- Subd. 2. Contributions from constituent municipalities; The board may at any time prepare a budget or other statement showing the cost of administration or maintenance of the district for any period or the cost of any district operation, project, or improvement, or the cost of acquisition of any real or personal property required for any----authorized district purpose, may make a proposal for apportionment of such cost among the municipalities embraced within the district upon such basis in relation to benefits derived therefrom as the board deems just and equitable, and may, so far as payment thereof is not otherwise provided for, request payment according to such proposal from the respective municipalities concerned. Thereupon the governing body of each such municipality may provide for payment of the amount requested or such part thereof as it deems fair and reasonable. Such payments may be made out of the general revenue funds or any other available funds of the respective municipalities, and the governing bodies thereof may levy taxes to provide funds therefor, subject to applicable limits.
- Subd. 3. Status of district for borrowing purposes. A district shall be deemed to be a municipality for the purpose of borrowing money and issuing bonds or other obligations under the provisions of Minnesota Statutes 1957, Sections 429.091 and 429.101 and Chapter 475, as now in force or hereafter amended, and a district shall be subject to and have the benefit of all of said provisions except as otherwise expressly provided. All powers and duties vested in or imposed upon the governing body or the officers of a municipality by said provisions shall be exercised and performed by the board or the corresponding officers of a district, as the case may require.
 - Subd. 4. General borrowing power. The board may

authorize the borrowing of money for any district purpose and provide for the repayment thereof so far as funds may lawfully be made available therefor, subject to the limitation of net debt prescribed by Minnesota Statutes 1957, Section 475.53, as now in force or hereafter amended.

- Subd. 5. Bonds. The board may authorize the issuance of bonds or obligations of the district to provide funds for any improvement project or for the acquistion of any real property for any district purpose, or for refunding any prior bonds or obligations issued for any such purpose, and may pledge the proceeds of any assessments or any other available funds or income of the district to the payment of such bonds or obligations and interest thereon or expenses incident thereto. Except as otherwise expressly provided, all the provisions of Minnesota Statutes 1957, Sections 429.091 and 429.101, and Chapter 475, as now in force or hereafter amended, so far as applicable, shall apply to and govern the issuance and repayment of bonds or other obligations of the district and all matters relating thereto, as the case may require.
- Sec. 8. Appeals. An appeal from any assessment made in connection with any district improvement project may be taken as provided by the laws governing the assessment procedure followed in the case. An appeal from any other order or decision of the board may be taken as provided by the laws governing appeals from orders of the board of managers of a watershed district in like cases.
- Sec. 9. Approval. This action shall become effective only after its approval by majority vote of the governing body of the city of Thief River Falls and a majority vote of the board of supervisors of North, Rocksbury and Smiley in Pennington County and upon compliance with the provisions of Laws 1959, Chapter 368.

Approved April 20, 1961.

CHAPTER 673—H. F. No. 1513

An act relating to sinking funds and the levy of taxes for payment of municipal obligations; amending Minnesota Statutes 1957, Section 475.61, Subdivision 1.

Be it enacted by the Legislature of the State of Minnesota: