

CHAPTER 449—H. F. No. 1462

[Not Coded]

An act to legalize and validate warrants and orders of certain cities of the fourth class and directing the issuing of certificates of indebtedness for such purposes.

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

Section 1. Cities fourth class, validating warrants and orders. In all cases where any city of the fourth class having an assessed valuation of not less than \$14,000,000 and a population of not less than 7,500 by the last special census has, prior to the effective date of this act, issued warrants or orders on its general fund or other funds of the city and upon investigation and by resolution of its governing body has determined that such warrants and orders were issued in payment of valid claims duly allowed for goods and services actually furnished, but that the amount of such warrants and orders exceeds the revenue actually levied and applicable to the payment thereof during the current fiscal year, all proceedings taken preliminary thereto and issuance of such warrants and orders are hereby legalized and validated, and such warrants and orders are declared to be valid and binding general obligations of such city, and should be paid by such city in their entirety.

Sec. 2. Remedial. It is expressly found and determined that this act is remedial in nature, being necessary to protect the financial credit of such cities, and this act shall be in full force and effect from and after its passage and approval.

Sec. 3. Limitations. That any such city be allowed to issue certificates of indebtedness in the year 1957 repayable in 1957, 1958, and 1959 to make prompt payment of these outstanding bills.

Approved April 13, 1957.

CHAPTER 450—H. F. No. 1478

[Not Coded]

An act authorizing the creation of sanitary disposal authorities, and defining the powers and duties of such authorities.

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

Section 1. Sanitary disposal authorities, certain municipalities. Subdivision 1. Two or more villages or cities of the second, third or fourth class, however organized, situated wholly or partly within 25 miles of the city hall of a city of the first class now or hereafter having a population in excess of 500,000, may by resolutions adopted by their respective governing bodies create a sanitary disposal authority.

Subd. 2. **Resolution, creating authority.** Each such resolution shall refer to this act, shall name the authority created thereby, and shall state whether each member of the authority's board of directors shall have one vote or shall have three or more votes, in accordance with section 4, subdivision 3, of this act. The favorable vote of a majority of the members-elect of the governing body shall suffice for the passage of such resolution, but it shall not become effective until the expiration of 30 days after its publication in the official newspaper of the municipality. If prior to the expiration of such 30-day period, a petition signed by a number of the qualified electors of the municipality not less than 10 percent of the number of electors voting at its last regular municipal election is filed in the office of its clerk, requesting that a referendum election be held on such resolution, it shall not become effective until approved by a majority of the electors of the municipality voting on the question at the next regular or special election. The ballot used at such election shall contain the text of such resolution, followed by the question: "Shall the above resolution be approved?" Such election shall be conducted in like manner as other municipal elections within such municipality.

Subd. 3. **Authorities when deemed created.** The authority shall be deemed duly created upon any two or more of such resolutions having become effective. The boundaries of the authority shall include all of the area of the cities and villages adopting such resolutions. Upon any change in the corporate limits of a municipality lying within the boundaries of the authority, the boundaries of the authority shall be deemed to be similarly changed. In the event all of the area of such municipality is annexed by a municipality not within the authority, the boundaries of the authority shall no longer include such area. The name of the authority shall always include the words "Sanitary Disposal Authority," and may be changed from the name first adopted.

Sec. 2. Authorities designated as municipal corporations, powers. Every authority created pursuant to this act shall be a municipal corporation, and shall have perpetual succession, may sue and be sued, may but shall not be required to

use a corporate seal, may acquire such real and personal property as it may require, by purchase, gift, devise, condemnation, lease or otherwise, and may hold, manage, control, sell, convey, lease, or otherwise dispose of such property as its interests require. Any properties, real or personal, acquired, owned, leased, controlled, used or occupied by such authority for the purpose of this act shall be exempt from taxation by the state or any of its political subdivisions.

Sec. 3. Additional powers, administration. Every such authority shall have all the powers necessary and convenient so that it may provide for the sanitary collection of garbage and refuse from dwellings and other buildings and places within its boundaries, and provide also for the sanitary disposal of such garbage and refuse, by contract or otherwise. For purposes of this act, the words "garbage and refuse" shall mean and include all waste matter, garbage, refuse, rubbish, ashes, and trash not disposed of by private or public sewage systems; provided, they shall exclude any matter which the authority may by ordinance determine is not suitable for collection and disposal at its facilities. In addition, every such authority, acting through its board of directors, may :

(a) Employ administrative and other personnel, legal counsel, engineers, architects, accountants, and other qualified persons, who may be paid for their services by monthly salaries, hourly wages, and pension benefits, or by such fees as may be agreed on ;

(b) Cause reports, plans, studies and recommendations to be prepared ;

(c) Assume the assets and liabilities and succeed to all the rights and privileges of any groups or bodies which have engaged in the study of garbage and refuse disposal in all or part of the same suburban area ;

(d) Condemn real property, or lease, purchase and contract for the purchase of real and personal property, within or without its boundaries, by option, contract for deed, conditional sales contract or otherwise ;

(e) Lease, construct, equip and furnish necessary buildings, works, and roads, and maintain the same ;

(f) Adopt, by ordinance, rules and regulations for the collection and disposal of garbage and refuse, which shall be binding on all persons and public or private bodies or corporations within the area to which the authority provides service ;

(g) Impose by ordinance, and collect, rates and charges

for services rendered, including appropriate penalties for delinquencies or violations of its rules and regulations;

(h) Levy taxes as hereinafter prescribed;

(i) Borrow money and issue bonds as hereinafter prescribed;

(j) Procure insurance against liability of the authority or its officers and employees for torts committed within the scope of their official duties, whether governmental or proprietary, and against damage to or destruction of any of its facilities, equipment or other property;

(k) Take possession of any property to be acquired by condemnation at any time after the filing of the report of the commissioners of appraisal;

(l) By its officers and employees, enter upon any public or private property for the purpose of making surveys or examinations necessary for the designing of garbage and refuse disposal facilities and the laying out of collection routes, without interference by any private or public person, corporation or body; provided, if actual damage is done by the making of such surveys or examinations, the authority shall pay the reasonable value of such damage to the owner of the property damaged;

(m) Sell or lease any of its facilities or equipment, or any by-products produced thereby, as may be deemed expedient;

(n) Permit garbage collected from premises outside the limits of the authority to be disposed of at its facilities, as the board may deem desirable or expedient;

(o) Cause audits to be made of its accounts, books, vouchers and funds, by competent public accountants.

Sec. 4. Mayor to be member. Subdivision 1. Upon an authority being created hereunder, the mayor of each municipality within its boundaries shall, with the consent of the governing body thereof, appoint himself or another member of the governing body, or any resident of the municipality, to serve as a member of the board of directors of the authority from the municipality. The mayor and governing body may at any time terminate the appointment of such director and appoint a successor, or fill any vacancy in the office of director from the municipality caused by death, absence, disability or change of residence of the director.

Subd. 2. Board of directors. The powers of the au-

thority shall be exercised by its board of directors, except to the extent to which such board may provide that they may be exercised by a committee of less than all of its members, or by a manager appointed by the board, or by other employees, but the board shall not delegate any of its legislative powers or any of its powers to acquire or dispose of real property or interests therein, levy taxes, borrow money or establish effective service areas, and the board shall always retain the power to review acts of its members, officers and employees in behalf of the authority. The board shall elect at its first meeting and thereafter annually, at the regular meeting to be held in January of each year, a president and vice-president who shall be members of the board, and also a secretary and treasurer, who may, but need not, be members of the board. The offices of secretary and treasurer may be combined in one person. Vacancies in such offices arising from death, disability, absence, change of residence or loss of membership on the board shall be filled by the board for the unexpired term.

Subd. 3. Ordinances, resolutions, adopted by majority. Every ordinance, resolution or motion shall be deemed to have carried if approved by a simple majority of the votes cast at a meeting attended by a quorum of the membership, unless a greater majority is required by the by-laws. A quorum shall be declared to be present whenever a meeting is attended by members who among them hold not less than 50 percent of all the votes held by all the members of the board of directors. The number of votes held by each member shall be either

(1) one vote per member, or

(2) three or more votes per member, computed according to the following formula:

One vote for each 5,000 inhabitants or fraction thereof within the municipality from which the member is elected or appointed, according to the last federal census filed as provided by Minnesota Statutes 1953, Section 600.18;

One vote for each \$2,000,000 of assessed valuation or fraction thereof within such municipality, according to the valuation for the last preceding year; and

One vote for each 15,000 acres or fraction thereof within such municipality.

Subd. 4. Meetings. The president, or in his absence the vice-president, shall preside at all meetings of the board. The secretary shall act as clerk of such meetings, shall give notice thereof, and shall be custodian of all books and records of the authority. The treasurer shall be the custodian of all

moneys received by the authority, shall keep accounts thereof, shall pay out money on orders signed by the president or manager, and shall submit to the board such reports as it may request regarding the financial affairs of the authority.

Subd. 5. By-laws. The board may define its own procedure by the adoption of by-laws, which may also prescribe additional duties and powers of its officers, the procedure for auditing and allowing claims, the date, time and place of regular meetings, and the manner of calling special meetings.

Sec. 5. Contracts, bids, publication. Every contract for the purchase of merchandise, materials or equipment or for any kind of construction work undertaken by the authority which requires the expenditure of \$1,000 or more shall be let to the lowest responsible bidder, after publication of notice at least once in a legal newspaper or trade paper published in a city of the first class which is wholly or partly situated within 25 miles of any portion of the area of the authority. If no responsible bid is received, or if the only bids received are higher than the estimate of cost made by the manager, or the architect or engineer employed by the authority, the authority may

(a) call for new bids, or

(b) without further advertisement for bids, directly purchase the materials for the work and do it by the employment of day labor, or

(c) without further advertisement for bids, contract for the construction work or for the merchandise, materials or equipment.

Sec. 6. Service areas. Subdivision 1. From time to time the authority may, by resolution, declare certain areas within the boundaries of the authority to be "effective service areas," in which the authority will, commencing on a date specified therein which shall be not earlier than 60 days from the date of adoption and publication or posting of the resolution, provide garbage and refuse collection or disposal service or both. Such resolution shall be published in all legal newspapers published in the cities or villages in which all or any part of the effective service area is situated, and if no newspaper is published in one or more of such cities or villages, the resolution shall also be posted in not less than three public and conspicuous places within the effective service area and at the city or village hall of any such municipality or municipalities in which no newspaper is published.

Subd. 2. Service areas, hearings, publication. At the

time of adoption of such resolution, the board shall also fix a date, time and place for hearing thereon, and shall append a notice thereof to the resolution when it is published or posted, as required in subdivision 1. The date of such hearing shall be not earlier than 15 days after such publication or posting. Any interested person may appear and state his views at such hearing. The hearings may be adjourned from time to time and upon conclusion thereof, the resolution shall be confirmed, amended, or rescinded by further resolution of the board; provided, that the described area may not be enlarged nor may the date for commencing service be accelerated, and further provided, that if the resolution provides for garbage collection service in the described area, it may be vetoed and nullified by sole vote of the director appointed from the municipality within which such service is proposed to be furnished.

Subd. 3. Disposal of garbage or refuse. From and after the date specified in such resolution as confirmed or amended, no garbage or refuse collected in such area shall be disposed of or deposited at any other place than at the facilities designated by the authority, and pursuant to rules and regulations of the authority; and if such resolution provides that the authority will furnish garbage collection service within such area, no person or municipality shall carry on, or permit to be carried on, the business of collecting garbage or refuse.

Sec. 7. Statements for services rendered. Subdivision 1. The authority shall periodically send out statements for services rendered. When such services include both collection and disposal, the statements shall be directed to the owners or occupants of the premises served, or if requested by the municipality concerned, statements for the aggregate of services furnished to premises within a city or village may be directed to such city or village. When such services include only disposal, the statements shall be directed to the cities or villages from which the garbage disposed of was collected, or to the person depositing the garbage for disposal.

Subd. 2. Rates, how fixed. All rates and charges shall be fixed by ordinance or resolution by the board of directors, and shall be reasonable, equitable and uniform for all premises within the boundaries of the authority, but they may vary according to the quantity and quality of garbage or refuse, and according to whether the premises are situated in platted or unplatted areas, and (when a statement for garbage collection is directed to a city or village) according to the number of premises served in platted and unplatted areas in the city or village.

Subd. 3. Delinquent bills, penalties. The board may by ordinance or resolution fix the penalties to be charged for delinquency in payment of bills, and may certify to the county auditor the total amount of overdue bills, including penalties for delinquency, and the legal description of the premises served. Each such delinquent amount, including penalties, shall thereupon become a lien upon the real estate to which service was furnished, and shall be spread by the county auditor on the next tax role to be prepared, and collected in the same manner as other special assessments and taxes on such real estate.

Sec. 8. Tax levy. For the purpose of paying any administrative, planning, operating or capital expenses incurred or to be incurred, the authority may, by resolution approved by not less than three-fourths of all the votes held by all the members of the board of directors, levy a tax, which shall never in any year exceed one mill on each dollar of assessed valuation, against all taxable property within the boundaries of the authority, or, at the option of the board of directors, against the taxable property in only one or more cities and villages within the limits of the authority. The authority may, any time after such levy has been made and certified to the county auditor or auditors for spreading on the next tax roll to be prepared, by resolution of its board of directors issue and sell certificates of indebtedness in anticipation of the collection of such levy, but in aggregate amounts such as will not exceed the portion of the levy which is then not collected and not delinquent.

Sec. 9. Bonds, issuance. Subdivision 1. The authority may issue its bonds for the purpose of financing the construction and equipment of garbage collection or disposal facilities, or both, and the improvement thereof, including land acquisition, engineering and legal fees, trucks, tractors and other equipment, and initial administrative, planning and operating expenses, and for the purpose of funding or refunding any of its floating or fixed indebtedness. Such bonds shall be issued in the manner provided in Minnesota Statutes 1953, Chapter 475, as amended, by resolution of the board of directors, without the question of their issuance being submitted to the voters. Such bonds may be made payable:

(a) Wholly from the collections of general ad valorem taxes to be levied on taxable property within the authority, which taxes shall not be subject to any statutory limitations as to rate or amount, and may be levied in addition to the levy permitted by Section 8 of this act;

(b) Wholly from revenues which it is estimated will

be provided by collections of rates and charges imposed by the authority for services rendered, without recourse to any other source of payment; or

(c) Wholly from such revenues but with a pledge of the full faith, credit, and taxing powers of the authority for making good any deficiencies in such revenues.

Subd. 2. In the resolution authorizing the issuance of bonds payable as set forth in (a) of subdivision 1 of this section, it may be provided that the taxes initially levied for their payment, as required by Minnesota Statutes 1953, Section 475.61, as amended, shall be levied against the taxable property situated within only one or more specified municipalities within the authority, but such bonds shall be the general obligations of the authority, and taxes levied to make good any deficiencies in any prior levies may be levied against all taxable property within the authority. The aggregate amount of all bonds so payable shall not exceed five percent of the assessed value of all taxable property within the authority.

Subd. 3. Any resolution authorizing the issuance of bonds payable from revenues, as set forth in (b) and (c) of subdivision 1 of this section, may contain such covenants as the board may deem advisable, including (but not limited to) covenants providing for the rates and charges to be imposed for services, the continued operation of the authority, the creation and maintenance of sinking funds and the accumulation of reserves therein, the conditions under which additional revenue bonds may be issued, the insurance of property of the authority, the manner of sale of its assets, the prohibition of competing enterprises, the furnishing of audits and other information, the appointment of a trustee or receiver upon breach of any covenant, and the particular rights and remedies available to bondholders or a specified percentage of them upon any default or breach of any covenant. Such bonds may be issued without limitation on the amount thereof.

Subd. 4. None of the bonds issued by any authority shall constitute indebtedness for any purpose of the county or counties in which the authority is situated, or of any city, village, school district or other public corporations wholly or partly included within the authority. When lawfully issued, the bonds of any authority may be purchased by the state board of investment for any fund administered by the board, shall be deemed authorized securities within the provisions of Minnesota Statutes 1953, Section 50.14, and shall be deemed and treated as instruments of a public government agency, and as such shall be exempt from taxation, including taxation

by or under any provisions of Minnesota Statutes 1953, Chapter 290, or any act amendatory thereof or supplemental thereto.

Sec. 10. Boundaries may be extended. With the consent of the authority, its boundaries may subsequently be extended to include the territory of any city or village, other than a city of the first class, which is either contiguous to the authority or so situated that it might have joined in its creation, upon adoption of a resolution by the governing body of such city or village as set forth in Section 1 of this act. The mayor and governing body of such city or village shall thereupon have the right to appoint a member of the board of directors the same as other municipal governing bodies within the authority, and the authority may exercise its powers within the territory added, provided, that the authority may first require such city or village to pay or contract to pay over a period of years to the authority its fair share of capital expenditures theretofore incurred by the authority, as may be determined by resolution of the board of directors.

Sec. 11. Withdrawal from authority. Subdivision 1. Any city or village which has joined in the creation of any such authority may withdraw therefrom by adopting a resolution expressing its intention to withdraw, which shall require the approval of not less than four-fifths of all the members-elect of the governing body of such city or village, provided such withdrawal shall not become effective until after the lapse of 90 days following filing of such resolution with the authority, and until after the municipality has paid or contracted to pay over a period of years to the authority an amount to be determined by resolution of the board of directors. Such amount may include, among other things,

(a) the withdrawing municipality's fair share of liabilities then due and owing, of fees for services contracted to be rendered, and of estimated contract liabilities not yet due and owing, and

(b) the amount of expenses which it is estimated the authority will incur because of such withdrawal, on account of the necessity for revision of plans, sale of surplus equipment and otherwise, and

(c) if bonds of the authority are outstanding payable from its net revenues, an amount equivalent to what it is estimated the withdrawing municipality would contribute to the net revenues required to be paid to the holders of such bonds over their stated term.

Subd. 2. Services to cease upon withdrawal. Upon completion of any withdrawal, the authority shall cease to provide any service to or for premises within the territory withdrawn; provided, that despite any such withdrawal, the taxable property in the withdrawing municipality shall continue to be subject to the levy of any taxes required to be made for the payment of bonds of the authority which are primarily or contingently payable from ad valorem tax levies, as if such withdrawal had not taken place.

Subd. 3. Withdrawal not to affect balance of area. Neither the corporate existence or identity of any authority shall be affected by its division into two or more noncontiguous areas as a result of such withdrawal or any other change in boundaries, and its powers and duties shall continue as before except as to the area removed.

Sec. 12. Dissolution, procedure. Any authority created under this act may be dissolved by resolution of its board of directors, which shall provide for the payment of all its liabilities and the sale or other disposition of its assets, by such persons as may be appointed therein; provided, that if any bonds of the authority are outstanding payable solely from its revenues, the authority shall first have made provision for the payment of all such bonds by having deposited, in the bank where such bonds are then payable, a balance sufficient for their payment with interest thereon to maturity or call date. There shall be paid over to the treasurer of the county in which all or the greatest part of the assessed valuation of the authority is situated the sums held in each sinking fund created for the payment of any other outstanding bonds of the authority, and such funds shall be held and administered by said treasurer until such bonds and interest thereon have been fully paid. The county auditor or auditors shall continue to spread each year any taxes theretofore levied by the authority for the maintenance of such sinking funds, until the bonds for which such levies were made have been fully paid with interest. The proceeds of such levies, and any further sums of the authority remaining after payment of its liabilities other than bonded debt, shall be credited and paid into such sinking funds held by said county treasurer. In the event of any anticipated or accumulated deficiency in any such sinking fund, said treasurer shall notify the county auditor or auditors thereof, and they shall extend additional taxes in amount sufficient to make good such deficiency, without order or warrant of any other officer or body being required. In the event that there is a sufficient sum on hand in any sinking fund to pay the bonds for which it was created, with interest thereon to

maturity or call date, the treasurer may cancel the taxes for such fund not then in process of collection.

Sec. 13. Violations, penalties. Any ordinance adopted by the authority may provide that violations thereof shall be misdemeanors and punishable by a fine of not more than \$100 or imprisonment in the county jail for not more than 90 days. All prosecutions for violations of ordinances shall be brought in the municipal court of the municipality in which the main office of the authority is situated, and as nearly as possible in accordance with the provisions of Minnesota Statutes 1953, Sections 412.861 and 412.871.

Sec. 14. Zoning in areas affected. After the authority has purchased, leased, contracted for the purchase of, or filed a petition for the condemnation of, any real property within or without its boundaries, no local government or authority may subject such property to any zoning more restrictive than that previously existing, nor may any local government or authority restrict or control in any way the use by the authority of such property or any other property, vehicles or equipment owned, leased or operated by the authority, except by the exercise of police powers under Minnesota Statutes 1953, Section 169.04.

Sec. 15. Actions, limitations, appeals. Subdivision 1. No one may, directly or collaterally, question

(a) the regularity of adoption of any ordinance or resolution by the authority, or

(b) the right and power of the authority to adopt any ordinance or resolution, or to take the action ordered or proposed thereby, in the manner therein provided, or

(c) the reasonableness of the action ordered or proposed in any ordinance or resolution, or

(d) the truth of the facts found therein, or the reasonableness of the conclusions therein stated, otherwise than by appeal taken therefrom to the district court of the county in which the main office of the authority is situated.

Subd. 2. A copy of such appeal, stating the grounds thereof, shall be filed in such court and served on the secretary of the authority within 20 days after adoption of such resolution or ordinance, or if such resolution is required to be posted or published, within 20 days after such posting or publication. There shall be no pleadings, and trial shall be had without a jury.

Subd. 3. The time for perfecting a further appeal to the supreme court shall be limited to thirty days after the date of filing of the order for judgment by the district court.

Sec. 16. **Collection and disposal.** It is declared that the sanitary collection and disposal of garbage, refuse and rubbish is essential to the health, safety and welfare of the people of this state; that the problems attendant to such sanitary collection and disposal are particularly difficult in suburban municipalities near cities having a population of more than 500,000, because of the concentration in such municipalities of large populations in a generally crowded urban area; that such problems in such suburban areas may often be solved most conveniently and economically by the creation of authorities having the power to deal with them in areas extending beyond the limits of any one municipality; and therefore that the establishment and operation of authorities under the provisions of this act will promote the public health, safety and welfare and serve a public purpose.

Sec. 17. **Invalidity of part of act.** If any provision of this act or the application thereof to any person or circumstances is held to be invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Approved April 13, 1957.

CHAPTER 451—H. F. No. 1528

[Not Coded]

An act relating to certain school districts having a population of less than 3,000 and an assessed valuation exceeding \$5,000,000 but not exceeding \$10,000,000, more than 50 percent of which is the assessed valuation of iron ore therein; authorizing the issuance of bonds for school building purposes and the levy of taxes for the payment thereof.

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

Section 1. **Bonds, issuance for school building purposes, tax levy.** Any school district having a population of less than 3,000 and an assessed valuation exceeding \$5,000,000 but not exceeding \$10,000,000, more than 50 percent of which assessed valuation is the assessed valuation of iron ore therein, may issue its bonds in a sum not exceeding \$825,000 for the