

## CHAPTER 380—S.F.No.1982

*An act relating to the Great Lakes basin compact; appointment of the commission members; amending Minnesota Statutes 1969, Section 1.22.*

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

Section 1. Minnesota Statutes 1969, Section 1.22, is amended to read:

**1.22 GREAT LAKES BASIN COMMISSION; MEMBERS.** In pursuance of Article IV of the compact, there shall be five commissioners on the Great Lakes commission from this state who four of whom shall be members of the legislature, two being members of the house of representatives and two being members of the state senate; and one member to be from either the senate or the house and shall be appointed by and serve at the pleasure of the governor. The said house members shall be appointed by the speaker of the house and the members of the senate shall be appointed by the committee on committees. The commissioners so appointed shall exercise all voting rights conferred by the compact on the commissioners from the party state as provided in Article IV, (B and C) of the compact.

Approved May 17, 1971.

## CHAPTER 381—S.F.No.1639

[Not Coded]

*An act relating to the village of Hibbing; amending Laws 1949, Chapter 422, Sections 1, 4 and 5, as amended.*

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

Section 1. Laws 1949, Chapter 422, Section 1, as amended by Laws 1951, Chapter 680, Section 1, is amended to read:

Section 1. **HIBBING, VILLAGE OF; PUBLIC UTILITIES; BONDS.** ~~In any~~ The village of Hibbing now or hereafter having a population of more than 10,000 and in which there exists at the present time or is hereafter established therein a water, light, power and building public utilities commission, hereinafter referred to as the commission, created pursuant to law, and having gross receipts

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~~from operation of public utilities exceeding \$700,000 per annum, the commission in addition to the duties and powers set forth in Minnesota Statutes 1969, Section 412.361, shall have the duties and powers as hereinafter set forth.~~

Sec. 2. Laws 1949, Chapter 422, Section 4, as amended by Laws 1951, Chapter 680, Section 10, is amended to read:

Sec. 4. **RESERVE FOR REPLACEMENT FUND.** It shall be the duty of the commission on or before the 20th day of each month to set aside into a reserve for replacement fund, a sum equal to not less than 10 percent of the gross receipts collected by the commission during the preceding month, provided that such sum shall be so set aside only out of moneys remaining in the water and light fund after payment of all amounts then due for expenses of operation and maintenance of the utilities, and after setting aside all amounts required for the payment and security of any ~~revenue anticipation certificates bonds~~ issued pursuant to section 5 hereof, as provided in the proceedings authorizing the issuance of such ~~certificates bonds~~. This reserve for replacement fund shall be used by the commission only for the purpose of replacing existing buildings, plants, systems, equipment and other fixed assets as carried on the books of the commission. No replacement of any of the foregoing from said fund shall be made if the cost of such replacement is less than \$2,000. The commission is hereby prohibited from using the reserve fund for any other purpose except the commission may resolve to use any part thereof to retire ~~revenue anticipation certificates bonds~~ when and as the same become redeemable by their terms or by the consent of the holders thereof, and any moneys in said reserve fund shall be used to pay principal and interest when due on ~~revenue anticipation certificates bonds~~ to the extent such ~~certificates bonds~~ shall represent cost of replacements, if other moneys then in the Water and Light Fund are insufficient for such purpose. Only buildings that are principally used and necessary in the operation or administration of water, light, power, gas and heating plants may be replaced from this reserve fund and other public buildings of the municipality under the control of the commission shall not in any manner be replaced from said fund. The commission shall have authority to invest and it shall be the duty to invest the reserve fund, operating surpluses and other surpluses in amounts to be determined by the commission in such securities as the state board of investment is permitted to invest in including certificates of indebtedness and duly authorized bonds of the village. All income earned by these securities shall belong to and become a part of the respective fund from which it is earned. When the reserve for replacement fund equals a total of 75 percent of the replacement value of the fixed assets of the commission, it will no longer be necessary to add the monthly sum specified above. When this sum falls below 75 percent of the replacement value of the fixed assets, the commission will thereupon renew the placing into the

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reserve fund of these monthly payments. The commission shall require any bank in which any of its funds are deposited to give bond to the commission as required of banks as depositories of municipal funds, and when such banks shall post securities as provided by law, in lieu of bond, such securities shall be assigned to the secretary of said commission who shall be authorized to receipt for same on behalf of said commission.

Sec. 3. Laws 1949, Chapter 422, Section 5, as amended by Laws 1951, Chapter 680, Section 11, as amended by Laws 1953, Chapter 655, Section 5, is amended to read:

Sec. 5. **ISSUANCE OF BONDS.** Subdivision 1. The commission is hereby authorized to issue revenue ~~anticipation certificates~~ bonds to pay for expansions, extensions, additions, changes, modifications and improvements of any or all of the utility plants and systems under its jurisdiction, and to pay for replacements of parts of any and all of said plants and systems when the reserve for replacement fund is determined by the commission to be inadequate to pay for all replacements immediately required and for anticipated emergencies. ~~Such certificates bonds~~ shall be payable solely from the aggregate of the net revenues derived from the operation of said plants and systems, in excess of the current, reasonable and necessary costs of the operation and maintenance thereof, and the commission shall by resolution make on behalf of the village all such reasonable covenants, consistent with the provisions of this act, concerning the management and handling of the funds of said utilities, the rates and charges for the services and products thereof, the time and manner of payment of such ~~certificates bonds~~, as shall by it be deemed necessary and proper to secure the adequacy of said net revenues for the prompt and full payment of the principal of and interest on said ~~certificates bonds~~. All payments to the replacement fund as provided for in section 4 hereof, as may be deferred as a result of the preceding provision, shall be by the commission expeditiously restored and paid into said fund from future earnings, the commission to so conduct its utilities operations, and if necessary to readjust its rates, as to make this possible. ~~Such revenue anticipation certificates shall be issued only with the approval of the majority of the voters of the municipality voting upon the question of such issuance at any general or special village election; except that such certificates for replacement of the existing plants and systems or any part thereof in an aggregate amount outstanding not exceeding \$250,000 and such certificates for expansion, extension, addition, change, modification or improvement of the existing plants and systems or any part thereof in an aggregate amount outstanding not exceeding \$100,000 may be issued by the commission without the necessity of an election thereon.~~ The determination of the commission shall be conclusive, in favor of the holders of all revenue ~~anticipation certificates bonds~~ at any time outstanding, as to the amount thereof which represents

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replacement, and as to the adequacy or inadequacy of the reserve for replacement fund for any replacements financed by such revenue ~~certificates bonds~~. Nothing herein shall be deemed to prevent the commission from refunding, ~~without prior approval of the voters, of~~ any outstanding revenue ~~anticipation certificates bonds~~, if revenues are insufficient for the payment of interest or principal thereof about to become due, or whenever by so doing a saving can be effected in the interest cost thereof.

Subd. 2. If, with respect to bonds to be issued for the purposes authorized by this section, the commission by resolution establishes a bond reserve equal to not less than the maximum principal and interest to become due in any year and establishes and promises to maintain rates and charges for services and products of the plants and systems under its jurisdiction which will provide net revenues in excess of the current, reasonable and necessary costs of operation and maintenance thereof sufficient to meet current bond and interest payments and maintain the reserve, the commission with the concurrence of the village council of the village of Hibbing may pledge the full faith and credit of the village for the maintenance of the reserve, and the bonds shall be designated as and governed by the provisions applicable to general obligation bonds set forth in Minnesota Statutes, Chapter 475, except such bonds may be sold and issued without approval of the voters of the village.

Sec. 4. Laws 1949, Chapter 422, as amended by Laws 1951, Chapter 680, as amended by Laws 1953, Chapter 655, applied on its effective date and at all times thereafter solely to the village of Hibbing.

Sec. 5. This act shall become effective upon its approval by resolutions adopted by the public utilities commission of the village of Hibbing and the village council of the village of Hibbing, and upon compliance with the provisions of Minnesota Statutes, Section 645.-021.

Approved May 18, 1971.

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## CHAPTER 382—S.F.No.1836

*An act relating to minimum wages; providing for investigations; amending Minnesota Statutes 1969, Section 177.03.*

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