

be used by such person, firm, corporation or caterer notwithstanding the fact that such person, firm, corporation or caterer may hold "on sale" licenses in their own right.

Sec. 2. This act shall become effective only after its approval by a majority of the governing body of the city of St. Paul, and upon compliance with Minnesota Statutes, Section 645.021.

Approved April 9, 1974.

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**CHAPTER 399—S.F.No.3210**

*An act relating to taxation; extending option to employ certified assessor; amending Minnesota Statutes, 1973 Supplement, Section 270.493.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes, 1973 Supplement, Section 270.493, is amended to read:

**270.493 TAXATION; CERTIFIED ASSESSOR; EMPLOYMENT; CERTAIN TOWNSHIPS AND CITIES OPTION TO CONTINUE EXISTING SYSTEM.** Notwithstanding the provisions of section 270.49, any township in this state and any city of the fourth class within a county whose population exceeds 650,000 which failed to certify by resolution to the commissioner of ~~taxation-revenue~~ its intention to employ or continue to employ a certified assessor on or before April 1, 1972, may if done prior to December 1, 1974, hire a certified assessor in which case the assessment function will be returned to the local assessor by the county assessor.

Sec. 2. This act is effective the day following its final enactment.

Approved April 5, 1974.

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**CHAPTER 400—S.F.No.3246**  
[Not Coded]

*An act relating to local government in Chisago and Pine county and the towns of Moose Lake in Carlton county and Windemere in Pine county; authorizing the county boards of Chisago and Pine counties to issue obligations and levy special assessments for improvements to bodies of water; authorizing the county board of Chisago county to establish water or sewer or combined water and sewer systems within cities; providing for the creation of a sewer district and a sanitary sewer board to administer the district; providing for the collection, treatment, and disposal of sewage in the Moose Lake and Windemere area.*

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

**Section 1. CHISAGO AND PINE COUNTIES; MOOSE LAKE AND WINDEMERE, TOWNS OF; WATER AND SEWAGE SYSTEMS.** The county boards of Chisago county and Pine county, in order to implement the powers granted under Minnesota Statutes, 1973 Supplement, Section 378.31, may issue obligations and levy special assessments against property within the limits of their respective counties benefited by facilities constructed pursuant to that section in the manner provided by Minnesota Statutes, Chapter 429.

Sec. 2. In Chisago county, the authority of the county board to establish water or sewer or combined water and sewer systems pursuant to Minnesota Statutes, 1973 Supplement, Section 444.075, shall extend to areas of the county organized into cities when requested by resolution of the governing body of the affected city or when ordered by the Minnesota pollution control agency after notice and hearing. For the purpose of any petition filed or special assessment levied with respect to any system, the entire area to be served within any city shall be treated as if it were owned by a single person, and the governing body shall exercise all the rights and be subject to all the duties of an owner of the area, and shall have power to provide for the payment of all special assessments and other charges imposed upon the area with respect to the system by the appropriation of money, the collection of service charges, or the levy of taxes, which shall be deemed special levies within the meaning of Minnesota Statutes, Section 275.50, Subdivision 5, and shall be subject to no limitation of rate or amount.

Sec. 3. **DEFINITIONS.** Subdivision 1. For the purposes of sections 3 to 19 the terms defined in this section have the meanings given them.

Subd. 2. "Moose Lake and Windemere area sanitary sewer district" and "district" mean the area over which the sanitary sewer board has jurisdiction which shall include all of the town of Moose Lake in Carlton county and the town of Windemere in Pine county.

Subd. 3. "Sanitary sewer board" or "board" means the sanitary sewer board established for the Moose Lake and Windemere area sanitary sewer district as provided in section 2.

Subd. 4. "Person" means any individual, partnership, corporation, cooperative or other organization or entity, public or private.

Subd. 5. "Local government unit" or "government unit" means the town of Moose Lake and the town of Windemere.

Subd. 6. "Acquisition" and "betterment" shall have the meanings given to them in Minnesota Statutes, Chapter 475.

Subd. 7. "Agency" means the Minnesota pollution control agency

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created and established by Minnesota Statutes, Chapter 116.

Subd. 8. "Sewage" means all liquid or water-carried waste products from whatever sources derived, together with such ground water infiltration and surface water as may be present.

Subd. 9. "Pollution of water" and "sewer system" shall have the meanings given them in Minnesota Statutes, Section 115.01.

Subd. 10. "Treatment works" and "disposal system" shall have the meanings given them in Minnesota Statutes, Section 115.01.

Subd. 11. "Interceptor" means any sewer and necessary appurtenances thereto, including but not limited to, mains, pumping stations, and sewage flow regulating and measuring stations, which is designed for or used to conduct sewage originating in more than one local government unit, or which is designed or used to conduct all or substantially all the sewage originating in a single local government unit from a point of collection in that unit to an interceptor or treatment works outside that unit, or which is determined by the board to be a major collector of sewage used or designed to serve a substantial area in the district.

Subd. 12. "District disposal system" means any and all of the interceptors or treatment works owned, constructed or operated by the board unless designated by the board as local sanitary sewer facilities.

Subd. 13. "Municipality" means any city or town.

Subd. 14. "Total costs of acquisition and betterment" and "costs of acquisition and betterment" mean all acquisition and betterment expenses which are permitted to be financed out of bond proceeds issued in accordance with section 13, whether or not the expenses are in fact financed out of the bond proceeds.

Subd. 15. "Current costs of acquisition, betterment and debt service" means interest and principal estimated to be due during the budget year on bonds issued to finance said acquisition and betterment and all other costs of acquisition and betterment estimated to be paid during the year from funds other than bond proceeds and federal or state grants.

**Sec. 4. SANITARY SEWER BOARD.** Subdivision 1. **ESTABLISHMENT.** A sewer district is established for the towns of Moose Lake in Carlton county and Windemere in Pine county, to be known as the Moose Lake and Windemere area sanitary sewer district. The sewer district shall be under the control and management of a sanitary sewer board. The board is established as a public corporation and political subdivision of the state with perpetual succession and all the rights, powers, privileges, immunities, and duties which may be validly granted to or imposed upon a municipal corporation, as provided in

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this act.

**Subd. 2. MEMBERS AND SELECTION.** The board shall be composed of five members selected as follows: The town boards of the government units shall meet jointly to appoint the members of the board and each town board member shall have one vote. The town boards at the joint meeting shall also designate the term of the first board members according to subdivision 5.

**Subd. 3. TIME LIMITS FOR SELECTION.** The board members shall be selected as provided in subdivision 2 within 60 days after this act becomes effective. The successor to each board member shall be selected at any time within 60 days before the expiration of his term in the same manner as his predecessor was selected. Any vacancy on the board shall be filled within 60 days after it occurs.

**Subd. 4. VACANCIES.** If the office of any board member becomes vacant, the vacancy shall be filled for the unexpired term in like manner as provided for selection of the member who vacated the office. The office shall be deemed vacant under the conditions specified in Minnesota Statutes, Section 351.02.

**Subd. 5. TERMS OF OFFICE.** The term of each of the first board members shall expire on January 1 in a calendar year to be determined in accordance with subdivision 2 by the governing body selecting the member, provided that the term shall not expire any later than January 1, 1978. Succeeding terms of all board members shall be for one, two, three or four years to be determined in accordance with subdivision 2, except that each member shall serve until his successor has been duly selected and qualified.

**Subd. 6. REMOVAL.** A board member may be removed by the unanimous vote of the governing body appointing him, with or without cause, or by the governor for malfeasance or nonfeasance in the performance of his official duties as provided by Minnesota Statutes, Sections 351.03 and 351.04.

**Subd. 7. QUALIFICATIONS.** Each board member shall be a resident of the district and may but need not be an elected public official.

**Subd. 8. CERTIFICATES OF SELECTION; OATH OF OFFICE.** A certificate of selection of every board member selected under subdivision 2 stating the term for which he was selected, shall be made by the respective town clerks. The certificates, with the approval appended by other authority, if required, shall be filed with the secretary of state. Counterparts thereof shall be furnished to the board member and the secretary of the board. Each member shall qualify by taking and subscribing the oath of office prescribed by the Minnesota Constitution, Article 5, Section 8. The oath, duly certified by the official administering the same, shall be filed with the secretary of state and the secretary of the board.

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Subd. 9. **BOARD MEMBERS' COMPENSATION.** Each board member, except the chairman, shall be paid a per diem compensation of \$35 for meetings and for other services as are specifically authorized by the board, not to exceed \$1,000 in any one year. The chairman shall be paid a per diem compensation of \$45 for meetings and for such other services as are specifically authorized by the board, not to exceed \$1,500 in any one year. All members of the board shall be reimbursed for all reasonable expenses incurred in the performance of their duties as determined by the board.

Sec. 5. **GENERAL PROVISIONS FOR ORGANIZATION AND OPERATION OF BOARD.** Subdivision 1. **ORGANIZATION; OFFICERS; MEETINGS; SEAL.** After the selection and qualification of all board members, they shall meet to organize the board at the call of any two board members, upon seven days notice by registered mail to the remaining board members, at a time and place within the district specified in the notice. A majority of the members shall constitute a quorum at that meeting and all other meetings of the board, but a lesser number may meet and adjourn from time to time and compel the attendance of absent members. At the first meeting the board shall select its officers as hereinafter provided and conduct such other organizational business as may be necessary. Thereafter the board shall meet regularly at such time and place as the board shall by resolution designate. Special meetings may be held at any time upon call of the chairman or any two members, upon written notice sent by mail to each member at least three days prior to the meeting, or upon such other notice as the board by resolution may provide, or without notice if each member is present or files with the secretary a written consent to the meeting either before or after the meeting. Except as otherwise provided in this act, any action within the authority of the board may be taken by the affirmative vote of a majority of the board and may be taken by regular or adjourned regular meeting or at a duly held special meeting, but in any case only if a quorum is present. All meetings of the board shall be open to the public. The board may adopt a seal, which shall be officially and judicially noticed, to authenticate instruments executed by its authority, but omission of the seal shall not affect the validity of any instrument.

Subd. 2. **CHAIRMAN.** The board shall elect a chairman from its membership. The term of the first chairman of the board shall expire on January 1, 1976, and the terms of successor chairmen shall expire on January 1 of each succeeding year. The chairman shall preside at all meetings of the board, if present, and shall perform all other duties and functions usually incumbent upon such an officer, and all administrative functions assigned to him by the board. The board shall elect a vice chairman from its membership to act for the chairman during his temporary absence or disability.

Subd. 3. **SECRETARY AND TREASURER.** The board shall select a person or persons who may but need not be a member or members of the board, to act as its secretary and treasurer. The secretary and

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treasurer shall hold office at the pleasure of the board, subject to the terms of any contract of employment which the board may enter into with the secretary or treasurer. The secretary shall record the minutes of all meetings of the board, and shall be custodian of all books and records of the board except such as the board shall entrust to the custody of a designated employee. The treasurer shall be the custodian of all moneys received by the board except such as the board shall entrust to the custody of a designated employee. The board may appoint a deputy to perform any and all functions of either the secretary or the treasurer. No secretary or treasurer who is not a member of the board or a deputy of either shall have any right to vote.

**Subd. 4. EXECUTIVE DIRECTOR.** The board shall appoint an executive director who shall be selected solely upon the basis of his training, experience and other qualifications and who shall serve at the pleasure of the board and at a compensation to be determined by the board. The executive director need not be a resident of the district. He may also be selected by the board to serve as either secretary or treasurer, or both, of the board. As executive director, he shall attend all meetings of the board, but shall not vote, and shall have the following powers and duties:

(a) He shall see that all resolutions, rules, regulations, or orders of the board are enforced.

(b) He shall appoint and remove, upon the basis of merit and fitness, all subordinate officers and regular employees of the board except the secretary and the treasurer and their deputies.

(c) He shall present to the board plans, studies and other reports prepared for board purposes and recommend to the board for adoption such measures as he deems necessary to enforce or carry out the powers and duties of the board, or the efficient administration of the affairs of the board.

(d) He shall keep the board fully advised as to its financial condition, and he shall prepare and submit to the board, and to the governing bodies of the local government units, the board's annual budget and other financial information as the board may request.

(e) He shall recommend to the board for adoption such rules and regulations as he deems necessary for the efficient operation of the district disposal system.

(f) He shall perform such other duties as may be prescribed by the board.

**Subd. 5. PUBLIC EMPLOYEES.** The executive director and all persons employed by him shall be public employees, and shall have all the rights and duties conferred on public employees under Minnesota Statutes, Sections 179.61 to 179.76. The board may elect to have em-

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ployees become members of either the public employees retirement association or the Minnesota state retirement system. The compensation and conditions of employment of the employees shall not be governed by any rule applicable to state employees in the classified service nor to any of the provisions of Minnesota Statutes, Chapter 15A, unless the board so provides.

**Subd. 6. PROCEDURES.** The board shall adopt resolutions or by-laws establishing procedures for board action, personnel administration, keeping records, approving claims, authorizing or making disbursements, safekeeping funds, and audit of all financial operations of the board.

**Subd. 7. SURETY BONDS AND INSURANCE.** The board may procure surety bonds for its officers and employees and in amounts as are deemed necessary to assure proper performance of their duties and proper accounting for funds in their custody. It may procure insurance against risks to property and liability of the board and its officers, agents, and employees for personal injuries or death and property damage and destruction and in amounts as may be deemed necessary or desirable, with the force and effect stated in Minnesota Statutes, Chapter 466.

**Sec. 6. GENERAL POWERS OF BOARD.** Subdivision 1. The board shall have all powers which may be necessary or convenient to discharge the duties imposed upon it by law. The powers shall include those herein specified, but the express grant or enumeration of powers shall not be deemed to limit the generality or scope of the grant of power contained in this subdivision.

**Subd. 2.** The board may sue or be sued.

**Subd. 3.** The board may enter into any contract necessary or proper for the exercise of its powers or the accomplishment of its purposes.

**Subd. 4.** The board may adopt rules and regulations relating to the board's responsibilities and may provide penalties for the violation thereof not exceeding the maximum which may be specified for a misdemeanor, and the cost of prosecution may be added to the penalties imposed. Any rule or regulation prescribing a penalty for violation shall be published at least once in a newspaper having general circulation in the district. The violations may be prosecuted before any court in the district having jurisdiction of misdemeanors, and every court having misdemeanor jurisdiction shall have jurisdiction of the violations. Any constable or other peace officer of any government unit in the district may make arrests for violations committed anywhere in the district in like manner and with like effect as for violations of city ordinances or for statutory misdemeanors. All fines collected in cases arising under this subdivision shall be deposited in the treasury of the board, or may be allocated between the board and the government unit

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in which such prosecution occurs on such basis as the board and the government unit agree.

Subd. 5. The board may accept gifts, apply for and accept grants or loans of money or other property from the United States, the state, or any person for any of its purposes, enter into any agreement required in connection herewith, and hold, use and dispose of such money or property in accordance with the terms of the gift, grant, loan or agreement relating thereto; and, with respect to any loans or grants of funds or real or personal property or other assistance from any state or federal government or any agency or instrumentality thereof, the board may contract to do and perform all acts and things required as a condition or consideration thereof pursuant to state or federal law or regulations, whether or not included among the powers expressly granted to the board in this act.

Subd. 6. The board may act under the provisions of Minnesota Statutes, Section 471.59, or any other appropriate law providing for joint or cooperative action between governmental units.

Subd. 7. The board may conduct research studies and programs, collect and analyze data, prepare reports, maps, charts, and tables, and conduct all necessary hearings and investigations in connection with the design, construction and operation of the district disposal system.

Subd. 8. The board may employ on terms as it deems advisable, persons or firms performing engineering, legal or other services of a professional nature; require any employee to obtain and file with it an individual bond or fidelity insurance policy; and procure insurance in amounts as it deems necessary against liability of the board or its officers or both, for personal injury or death and property damage or destruction, with the force and effect stated in Minnesota Statutes, Chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property as it deems necessary.

Subd. 9. The board may acquire by purchase, lease, condemnation, gift, or grant, any real or personal property including positive and negative easements and water and air rights, and it may construct, enlarge, improve, replace, repair, maintain, and operate any interceptor, treatment works, or water facility determined to be necessary or convenient for the collection and disposal of sewage in the district. Any local government unit and the commissioners of highways and natural resources are authorized to convey to or permit the use of any of the abovementioned facilities owned or controlled by it, by the board, subject to the rights of the holders of any bonds issued with respect thereto, with or without compensation, without an election or approval by any other government unit or agency. All powers conferred by this subdivision may be exercised both within or without the district as may be necessary for the exercise by the board of its powers or the accomplishment of its purposes. The board may hold, lease, convey or otherwise dispose of the abovementioned property for its purposes

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upon terms and in a manner as it deems advisable. Unless otherwise provided, the right to acquire lands and property rights by condemnation shall be exercised in accordance with Minnesota Statutes, Sections 117.01 to 117.202, and shall apply to any property or interest therein owned by any local government unit; provided, that no property devoted to an actual public use at the time, or held to be devoted to such use within a reasonable time, shall be so acquired unless a court of competent jurisdiction shall determine that the use proposed by the board is paramount to the existing use. Except in case of property in actual public use, the board may take possession of any property on which condemnation proceedings have been commenced at any time after the issuance of a court order appointing commissioners for its condemnation.

Subd. 10. The board may construct or maintain its systems or facilities in, along, on, under, over, or through public waters, streets, bridges, viaducts, and other public rights of way without first obtaining a franchise from a county or municipality having jurisdiction over them; but the facilities shall be constructed and maintained in accordance with the ordinances and resolutions of the county or municipality relating to construction, installation, and maintenance of similar facilities on public properties and shall not unnecessarily obstruct the public use of such rights of way.

Subd. 11. The board may sell, lease or otherwise dispose of any real or personal property acquired by it which is no longer required for accomplishment of its purposes. The property may be sold in the manner provided by Minnesota Statutes, Section 458.196, insofar as practical. The board may give notice of sale as it shall deem appropriate. When the board determines that any property or any part of the district disposal system which has been acquired from a local government unit without compensation is no longer required but is required as a local facility by the government unit from which it was acquired, the board may by resolution transfer it to such government unit.

Subd. 12. The board may contract with the United States or any agency thereof, any state or agency thereof, or any regional public planning body in the state with jurisdiction over any part of the district, or any other municipal or public corporation, or governmental subdivision or agency or political subdivision in any state, for the joint use of any facility owned by the board or such entity, for the operation by such entity of any system or facility of the board, or for the performance on the board's behalf of any service, including but not limited to planning, on terms as may be agreed upon by the contracting parties. Unless designated by the board as a local sanitary sewer facility, any treatment works or interceptor jointly used, or operated on behalf of the board, as provided in this subdivision, shall be deemed to be operated by the board for purposes of including said facilities in the district disposal system.

**Sec. 7. COMPREHENSIVE PLAN. Subdivision 1. BOARD PLAN**

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**AND PROGRAM.** The board shall adopt a comprehensive plan for the collection, treatment and disposal of sewage in the district for a designated period the board deems proper and reasonable. The board shall prepare and adopt subsequent comprehensive plans for the collection, treatment and disposal of sewage in the district for each succeeding designated period as the board deems proper and reasonable. The first plan, as modified by the board, and any subsequent plan shall take into account the preservation and best and most economic use of water and other natural resources in the area; the preservation, use and potential for use of lands adjoining waters of the state to be used for the disposal of sewage; and the impact such a disposal system will have on present and future land use in the area affected thereby. The plans shall include the general location of needed interceptors and treatment works, a description of the area that is to be served by the various interceptors and treatment works, a long range capital improvements program and any other details as the board shall deem appropriate. In developing the plans, the board shall consult with persons designated for the purpose by governing bodies of any government unit within the district to represent the entities and shall consider the data, resources and input offered to the board by the entities and any planning agency acting on behalf of one or more of the entities. Each plan, when adopted, shall be followed in the district and may be revised as often as the board deems necessary.

Subd. 2. **COMPREHENSIVE PLANS; HEARING.** Before adopting any subsequent comprehensive plan the board shall hold a public hearing on the proposed plan at such time and place in the district as it shall determine. The hearing may be continued from time to time. Not less than 45 days before the hearing, the board shall publish notice thereof in a newspaper or newspapers having general circulation in the district, stating the date, time and place of the hearing, and the place where the proposed plan may be examined by any interested person. At the hearing, all interested persons shall be permitted to present their views on the plan.

Subd. 3. **GOVERNMENT UNIT PLANS AND PROGRAMS; COORDINATION WITH BOARD'S RESPONSIBILITIES.** Once the board's plan is adopted, no construction project involving the construction of new sewers or other disposal facilities shall be undertaken by the local government unit unless its governing body shall first find the project to be in accordance with the government unit's comprehensive plan and program as approved by the board. Prior to approval by the board of the comprehensive plan and program of any local government unit in the district, no sanitary sewer construction project shall be undertaken by the government unit unless approval of the project is first secured from the board as to those features of the project affecting the board's responsibilities as determined by the board.

Sec. 8. **SEWAGE COLLECTION AND DISPOSAL; POWERS.** Subdivision 1. **POWERS.** In addition to all other powers conferred upon the board in this act, it shall have the powers specified in this section.

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**Subd. 2. DISCHARGE OF TREATED SEWAGE.** The board shall have the right to discharge the effluent from any treatment works operated by it into any waters of the state, subject to approval of the agency if required and in accordance with any effluent or water quality standards lawfully adopted by the agency, any interstate agency or any federal agency having jurisdiction.

**Subd. 3. UTILIZATION OF DISTRICT SYSTEM.** The board may require any person or local government unit to provide for the discharge of any sewage, directly or indirectly, into the district disposal system, or to connect any disposal system or a part thereof with the district disposal system wherever reasonable opportunity therefore is provided; may regulate the manner in which such connections are made; may require any person or local government unit discharging sewage into the disposal system to provide preliminary treatment therefor; may prohibit the discharge into the district disposal system of any substance which it determines will or may be harmful to the system or any persons operating it; and may require any local government unit to discontinue the acquisition, betterment, or operation of any facility for the unit's disposal system wherever and so far as adequate service is or will be provided by the district disposal system.

**Subd. 4. SYSTEM OF COST RECOVERY TO COMPLY WITH APPLICABLE REGULATIONS.** Any charges, connection fees or other cost recovery techniques imposed on persons discharging sewage directly or indirectly into the district disposal system shall comply with applicable state and federal law, including but not limited to state and federal regulations governing grant applications.

**Sec. 9. BUDGET.** The board shall prepare and adopt, on or before October 1, 1974 and on or before October 1, 1975, and each year thereafter, a budget showing for the following calendar year or other fiscal year determined by the board, sometimes referred to in this act as the budget year, estimated receipts of money from all sources, including but not limited to payments by each local government unit, federal or state grants, taxes on property, and funds on hand at the beginning of the year, and estimated expenditures for:

(1) costs of operation, administration and maintenance of the district disposal system;

(2) cost of acquisition and betterment of the district disposal system; and

(3) debt service, including principal and interest, on general obligation bonds and certificates issued pursuant to section 13, and any money judgments entered by a court of competent jurisdiction. Expenditures within these general categories, and any other categories as the board may from time to time determine, shall be itemized in detail as the board shall prescribe. The board and its officers, agents and employees shall not spend money for any purpose other than debt service

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without having set forth the expense in the budget nor in excess of the amount set forth in the budget therefor, and no obligation to make an expenditure of the abovementioned type shall be enforceable except as the obligation of the person or persons incurring it; provided that the board may amend the budget at any time by transferring from one purpose to another any sums except money for debt service and bond proceeds or by increasing expenditures in any amount by which cash receipts during the budget year actually exceed the total amounts designated in the original budget. The creation of any obligation pursuant to section 13 or the receipt of any federal or state grant is a sufficient budget designation of the proceeds for the purpose for which it is authorized, and of the tax or other revenue pledged to pay the obligation and interest on it, whether or not specifically included in any annual budget.

**Sec. 10. ALLOCATION OF COSTS. Subdivision 1. DEFINITION OF CURRENT COSTS.** The estimated cost of administration, operation, maintenance and debt service of the district disposal system to be paid by the board in each fiscal year and the estimated costs of acquisition and betterment of the system which are to be paid during the year from funds other than state or federal grants and bond proceeds and all other previously unallocated payments made by the board pursuant to this act to be allocated in the fiscal year are referred to as current costs and shall be allocated by the board as hereinafter provided in the budget for such year.

**Subd. 2. METHOD OF ALLOCATION OF CURRENT COSTS.** All current costs shall be allocated in the district on an equitable basis as the board may from time to time determine by resolution to be in the best interests of the district. The adoption or revision of any method of allocation used by the board shall be by the affirmative vote of at least two thirds the members of the board.

**Sec. 11. TAX LEVIES.** To accomplish any duty imposed on it the board may, in addition to the powers granted in this act and in any other law or charter, exercise the powers granted any municipality by Minnesota Statutes, Chapters 117, 412, 429, 475, Sections 115.46, 444.075 and 471.59 with respect to the area in the district. In addition, the board may levy taxes upon all taxable property in the district for all or a part of the amount payable to the board, pursuant to section 10, to be assessed and extended as a tax upon such taxable property by the county auditor for the next calendar year, free from any limitation of rate or amount imposed by law or charter. The tax shall be collected and remitted in the same manner as other general taxes.

**Sec. 12. PUBLIC HEARING AND SPECIAL ASSESSMENTS. Subdivision 1. PUBLIC HEARING REQUIREMENT ON SPECIFIC PROJECT.** Before the board orders any project involving the acquisition or betterment of any interceptor or treatment works, all or a part of the cost of which will be allocated pursuant to section 10, as current costs, the board shall hold a public hearing on the proposed project

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following two publications in a newspaper or newspapers having general circulation in the district, stating the time and place of the hearing, the general nature and location of the project, the estimated total cost of acquisition and betterment, that portion of costs estimated to be paid out of federal and state grants, and that portion of costs estimated to be allocated. The two publications shall be a week apart and the hearing shall be at least three days after the last publication. Not less than 45 days before the hearing, notice thereof shall also be mailed to each clerk of all local government units in the district, but failure to give mailed notice or any defects in the notice shall not invalidate the proceedings. The project may include all or part of one or more interceptors or treatment works. No hearing shall be held on any project unless the project is within the area covered by the comprehensive plan adopted by the board pursuant to section 7 except that the hearing may be held simultaneously with a hearing on a comprehensive plan. A hearing is not required with respect to a project, no part of the costs of which are to be allocated as the current costs of acquisition, betterment and debt service.

**Subd. 2. NOTICE TO BENEFITTED PROPERTY OWNERS.** If the board proposes to assess against benefitted property within the district all or any part of the allocable costs of the project as provided in subdivision 5, the board shall, not less than ten days prior to the hearing provided for in subdivision 1 cause mailed notice thereof to be given to the owner of each parcel within the area proposed to be specially assessed and shall also give one week's published notice of the hearing. The notice of hearing shall contain the same information provided in the notice published by the board pursuant to subdivision 1, and in addition, a description of the area proposed to be assessed. For the purpose of giving mailed notice, owners shall be those shown to be on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer; but other appropriate records may be used for this purpose. However, as to properties which are tax exempt or subject to taxation on a gross earnings basis and are not listed on the records of the county auditor or the county treasurer, the owners thereof shall be ascertained by any practicable means and mailed notice shall be given them as herein provided. Failure to give mailed notice or any defects in the notice shall not invalidate the proceedings of the board.

**Subd. 3. BOARD PROCEEDINGS PERTAINING TO HEARING.** Prior to adoption of the resolution calling for a hearing brought pursuant to this section the board shall secure from the district engineer or some other competent person of the board's selection a report advising it in a preliminary way as to whether the proposed project is feasible and as to whether it should best be made as proposed or in connection with some other project and the estimated costs of the project as recommended; but no error or omission in the report shall invalidate the proceeding. The board may also take such other steps prior to the hearing, as will in its judgment provide helpful information in determining the desirability and feasibility of the project, including but

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not limited to preparation of plans and specifications and advertisement for bids thereon. The hearing may be adjourned from time to time and a resolution ordering the project may be adopted at any time within six months after the date of hearing. In ordering the project the board may reduce but not increase the extent of the project as stated in the notice of hearing and shall find that the project as ordered is in accordance with the comprehensive plan and program adopted by the board pursuant to section 7.

**Subd. 4. EMERGENCY ACTION.** If the board by resolution adopted by the affirmative vote of not less than two thirds of its members determines that an emergency exists requiring the immediate purchase of materials or supplies or the making of emergency repairs, it may order the purchase of such supplies and materials and the making of such repairs prior to any hearing required under this section, provided that the board shall set as early a date as practicable for such hearing at the time it declares such emergency. All other provisions of this section shall be followed in giving notice of and conducting such hearing. Nothing herein shall be construed as preventing the board or its agents from purchasing maintenance supplies or incurring maintenance costs without regard to the requirements of this section.

**Subd. 5. POWER OF THE BOARD TO SPECIALLY ASSESS.** The board may specially assess all or any part of the costs of acquisition and betterment as herein provided, of any project ordered pursuant to this section. The special assessments shall be levied in accordance with the provisions of Minnesota Statutes, Sections 429.051 to 429.081, except as otherwise provided in this subdivision. No other provisions of Minnesota Statutes, Chapter 429 shall apply. For purposes of levying the special assessments, the hearing on the project required in subdivision 1 shall serve as the hearing on the making of the original improvement provided for by Minnesota Statutes, Section 429.051. The area assessed may be less than but may not exceed the area proposed to be assessed as stated in the notice of hearing on the project provided for in subdivision 2.

**Sec. 13. BONDS, CERTIFICATES AND OTHER OBLIGATIONS.**  
**Subdivision 1. BUDGET ANTICIPATION CERTIFICATES OF INDEBTEDNESS.** At any time after adoption of its annual budget and in anticipation of the collection of tax and other revenues estimated and set forth by the board in the budget, except in the case of:

(a) Deficiency taxes levied pursuant to this subdivision, and

(b) Taxes levied for the payment of certificates issued pursuant to subdivision 2, the board may, by resolution, authorize the issuance, negotiation and sale, in accordance with subdivision 4 in the form and manner and upon terms as it may determine; of its negotiable general obligation certificates of indebtedness in aggregate principal amounts not exceeding 50 percent of the total amount of tax collections and other revenues and maturing not later than three months after the

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close of the budget year in which issued. The proceeds of the sale of the certificates shall be used solely for the purposes for which the tax collections and other revenues are to be expended pursuant to the budget.

All the tax collections and other revenues included in the budget for the budget year, after the expenditure of the tax collections and other revenues in accordance with the budget, shall be irrevocably pledged and appropriated to a special fund to pay the principal and interest on the certificates when due. If for any reason the tax collections and other revenues are insufficient to pay the certificates and interest when due, the board shall levy a tax in the amount of the deficiency on all taxable property in the district and shall appropriate this amount when received to the special fund.

**Subd. 2. EMERGENCY CERTIFICATES OF INDEBTEDNESS.** If in any budget year the receipts of tax and other revenues should for some unforeseen cause become insufficient to pay the board's current expenses, or if any calamity or other public emergency should subject it to the necessity of making extraordinary expenditures, the board may by resolution authorize the issuance, negotiation, and sale, in accordance with subdivision 4 in the form and manner and upon such terms and conditions as it may determine, of its negotiable general obligation certificates of indebtedness in an amount sufficient to meet the deficiency, and the board shall forthwith levy on all taxable property in the district a tax sufficient to pay the certificates and interest thereon and shall appropriate all collections of the tax to a special fund created for the payment of the certificates and the interest thereon. Certificates issued under this subdivision shall mature not later than April 1 in the year following the year in which such tax is collectible.

**Subd. 3. GENERAL OBLIGATION BONDS.** The board may by resolution authorize the issuance of general obligation bonds for the acquisition or betterment of any part of the district disposal system, including but without limitation the payment of interest during construction and for a reasonable period thereafter, or for the refunding of outstanding bonds, certificates of indebtedness, or judgments. The board shall pledge its full faith and credit and taxing power for the payment of the bonds and shall provide for the issuance and sale and for the security of the bonds in the manner provided in Minnesota Statutes, Chapter 475, and shall have the same powers and duties as a municipality issuing bonds under that law, except that no election shall be required and the debt limitations of Minnesota Statutes, Chapter 475, shall not apply to the bonds. The board may also pledge for the payment of such bonds and deduct from the amount of any tax levy required under Minnesota Statutes, Section 475.61, Subdivision 1, and any revenues receivable under any state and federal grants anticipated by the board and may covenant to refund such bonds if and when and to the extent that for any reason such revenues, together with other funds properly available and appropriated for such purpose, are not sufficient to pay all principal and interest due or about to become due

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thereon, provided that such revenues have not been anticipated by the issuance of certificates under subdivision 1.

**Subd. 4. MANNER OF SALE AND ISSUANCE OF CERTIFICATES.** Certificates issued under subdivisions 1 and 2 may be issued and sold by negotiation, without public sale, and may be sold at a price equal to the percentage of the par value thereof, plus accrued interest, and bearing interest at a rate as may be determined by the board. No election shall be required to authorize the issuance of the certificates. The certificates shall bear the same rate of interest after maturity as before and the full faith and credit and taxing power of the board shall be pledged to the payment of such certificates.

**Sec. 14. DEPOSITORIES.** The board shall from time to time designate one or more national or state banks, or trust companies authorized to do a banking business, as official depositories for money of the board, and thereupon shall require the treasurer to deposit all or a part of the money in such institutions. The designation shall be in writing and shall set forth all the terms and conditions upon which the deposits are made, and shall be signed by the chairman and treasurer, and made a part of the minutes of the board. A bank or trust company so designated shall qualify as a depository by furnishing a corporate surety bond or collateral in the amounts required by Minnesota Statutes, Section 118.01. However, no bond or collateral shall be required to secure any deposit insofar as it is insured under federal law.

**Sec. 15. MONEYS, ACCOUNTS AND INVESTMENTS.** Subdivision 1. **RECEIPT AND APPLICATION.** All money received by the board shall be deposited or invested by the treasurer and disposed of as the board may direct in accordance with its budget; provided that any moneys that have been pledged or dedicated by the board to the payment of obligations or interest thereon or expenses incident thereto, or for any other specific purpose authorized by law, shall be paid by the treasurer into the fund to which they have been pledged.

**Subd. 2. FUNDS AND ACCOUNTS.** The board's treasurer shall establish funds and accounts as may be necessary or convenient to handle the receipts and disbursements of the board in an orderly fashion.

**Subd. 3. DEPOSIT AND INVESTMENT.** The money on hand in said funds and accounts may be deposited in the official depositories of the board or invested as hereinafter provided. The amount thereof not currently needed or required by law to be kept in cash on deposit may be invested in obligations authorized for the investment of municipal sinking funds by Minnesota Statutes, Section 475.66. Such moneys may also be held under certificates of deposit issued by any official depository of the board.

**Subd. 4. BOND PROCEEDS.** The use of proceeds of all bonds issued by the board for the acquisition and betterment of the district dis-

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posal system, and the use, other than investment, of all money on hand in any sinking fund or funds of the board, shall be governed by the provisions of Minnesota Statutes, Chapter 475, the provisions of this act, and the provisions of resolutions authorizing the issuance of such bonds. The bond proceeds when received shall be transferred to the treasurer of the board for safekeeping, investment and payment of the costs for which they were issued.

**Subd. 5. AUDIT.** The board shall provide for and pay the cost of an independent annual audit of its official books and records by the state auditor or a public accountant authorized to perform such a function under Minnesota Statutes, Section 214.33.

**Sec. 16. SERVICE CONTRACTS WITH GOVERNMENTAL ENTITIES OUTSIDE THE JURISDICTION OF THE BOARD.** The board may contract with the United States or any agency thereof, any state or any agency thereof, or any municipal or public corporation, governmental subdivision or agency or political subdivision in any state, outside the jurisdiction of the board, for furnishing to the abovementioned entities services, including but not limited to planning for and the acquisition, betterment, operation, administration and maintenance of any or all interceptors, treatment works and local sanitary sewer facilities, provided that the board may further include as one of the terms of the contract that the entity also pay to the board an amount as may be agreed upon as a reasonable estimate of the proportionate share properly allocable to the entity of costs of acquisition, betterment and debt service previously allocated in the district. When payments are made by entities to the board, they shall be applied in reduction of the total amount of costs thereafter allocated in the district, on an equitable basis as the board deems to be in the best interests of the district, applying so far as practicable and appropriate the criteria set forth in section 10, subdivision 2. Any municipality in the state of Minnesota may enter into such contract and perform all acts and things required as a condition or consideration therefor consistent with the purposes of this act, whether or not included among the powers otherwise granted to such municipality by law or charter.

**Sec. 17. CONTRACTS FOR CONSTRUCTION, MATERIALS, SUPPLIES, AND EQUIPMENT.** Subdivision 1. **PLANS AND SPECIFICATIONS.** When the board orders a project involving the acquisition or betterment of a part of the district disposal system, it shall cause plans and specifications of the project to be made, or if previously made, to be modified, if necessary, and to be approved by the agency if required, and after any required approval by the agency, one or more contracts for work and materials called for by the plans and specification may be awarded as provided in this section.

**Subd. 2. CONTRACTS IN EXCESS OF \$5,000.** No contract for any construction work, or for the purchase of materials, supplies, or equipment, estimated to cost more than \$5,000 shall be made by the board without publishing once in a newspaper having general circula-

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tion in the district and once in a trade paper or legal newspaper published in any city of the first class, not less than 14 days before the last day for submission of bids, notice that bids or proposals will be received. The notice shall state the nature of the work or purchase, the terms and conditions upon which the contract is to be awarded, and the time and place where such bids will be received, opened, and read publicly. After the bids have been duly received, opened, read publicly, and recorded, the board shall within a reasonable time award such contract to the lowest responsible bidder or it may reject all bids and readvertise. Each contract shall be duly executed in writing and the party to whom the contract is awarded shall give sufficient bond or security to the board for the faithful performance of the contract as required by law. If the board by an affirmative vote of not less than two thirds of its members declares that an emergency exists requiring the immediate purchase of materials or supplies or in making emergency repairs, at a cost estimated to be in excess of \$5,000, it shall not be necessary to advertise for bids.

**Subd. 3. CONTRACTS OR PURCHASES FOR \$5,000 OR LESS.**

The board may, without advertising for bids, enter into any contract or purchase any materials, supplies or equipment of the type referred to in subdivision 2 the cost of which is estimated to be \$5,000 or less, or it may in the alternative authorize the executive director to enter into a contract on behalf of the board for such work or to make such purchases without prior approval of the board and without advertising for bids.

**Subd. 4. UNIFORM MUNICIPAL CONTRACTING LAW.** Except as otherwise provided in this section, Minnesota Statutes, Section 471.345 shall apply.

**Sec. 18. PROPERTY EXEMPT FROM TAXATION.** Any properties, real or personal, owned, leased, controlled, used, or occupied by the sanitary sewer board for any purpose under this act are declared to be acquired, owned, leased, controlled, used and occupied for public, governmental, and municipal purposes, and shall be exempt from taxation by the state or any political subdivision of the state, provided that the properties shall be subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from the improvement. No possible use of any properties in any manner different from their use as part of a disposal system at the time shall be considered in determining the special benefit received by the properties. All assessments shall be subject to final approval by the board, whose determination of the benefits shall be conclusive upon the political subdivision levying the assessment. All bonds, certificates of indebtedness or other obligations of the board, and the interest thereon, shall be exempt from taxation by the state or any political subdivision of the state.

**Sec. 19. RELATION TO EXISTING LAWS.** The provisions of this

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act shall be given full effect notwithstanding the provisions of any law or charter inconsistent therewith. The powers conferred on the board under this act shall in no way diminish or supersede the powers conferred on the agency by Minnesota Statutes, Chapters 115 and 116.

Sec. 20. Subdivision 1. This act is effective as to the county of Chisago when approved by the county board and upon compliance with Minnesota Statutes, Section 645.021.

Subd. 2. This act is effective as to the county of Pine when approved by the county board and upon compliance with Minnesota Statutes, Section 645.021.

Subd. 3. This act is effective as to the towns of Moose Lake and Windemere when approved by the town boards of each town and upon compliance with Minnesota Statutes, Section 645.021.

Approved April 9, 1974.

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**CHAPTER 401—S.F.No.3271**  
[Not Coded]

*An act relating to the county of Wright; authorizing the county of Wright to appropriate money in a limited amount to the Minnesota Pioneer Travel Park.*

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:**

**Section 1. WRIGHT COUNTY; MINNESOTA PIONEER TRAVEL PARK; APPROPRIATION.** The board of county commissioners of the county of Wright may appropriate up to \$9,500 to the Minnesota Pioneer Travel Park. This sum shall not be exceeded by the county board, including previous appropriations made for this purpose.

Sec. 2. This act shall be effective upon approval by the board of county commissioners of Wright county, and upon compliance with the provisions of Minnesota Statutes, Section 645.021.

Approved April 9, 1974.

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**CHAPTER 402—S.F.No.3280**  
[Not Coded]

*An act relating to economic development; appropriating money for the promotion of Minnesota agriculture.*

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MIN-**

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