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**CHAPTER 113—S.F.No.923**

*An act relating to the city of Duluth; authorizing the issuance of bonds in connection with the municipal steam utility plant; authorizing the governing body to transfer money from the steam division account of the public utility fund to the general fund; authorizing the governing body to delegate the power to make certain purchases for the municipal steam utility to a private management organization.*

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

Section 1. Notwithstanding any contrary provision of law or charter, the city of Duluth may issue, by ordinance, bonds to acquire, construct, extend, improve, and maintain the municipal steam utility plant, to reimburse to the general fund of the city the amount expended for the acquisition of the property and facilities of the Duluth Steam Corporation, plus interest at the rate of six percent from the date of acquisition, to establish a reserve for bond payments, to provide for payment of interest during construction and for a reasonable time thereafter, to provide working capital, and for any other purpose authorized by Minnesota Statutes, Chapter 475, or the charter of the city of Duluth. The governing body may issue bonds as authorized in Ordinance No. 8404 of the city of Duluth, adopted June 19, 1978, and as authorized by further ordinance duly adopted. The city shall pledge, to the amounts required for the payment of principal and interest on the bonds and the maintenance of the reserve, any and all net revenues to be derived from the operation of the municipal steam utility plant in excess of normal, reasonable and current costs of operation, administration and maintenance. The city may secure the payment of the bonds by pledging the full faith and credit of the city for payment. Except as otherwise provided in this section, the issuance of the bonds shall be governed by the provisions of Minnesota Statutes, Chapter 475. The amount of all bonds issued under this act shall not be included in the net indebtedness of the city or in any computation of the outstanding indebtedness of the city for the purposes of determining the limit of the city's net indebtedness.

Sec. 2. The governing body of the city of Duluth may transfer by ordinance from the steam division account of the public utility fund of the city to the general fund of the city any money therein which is not pledged to or needed for the payment of any bonds issued for the municipal steam utility, and the interest on them, and which is not then needed for the acquisition, construction, extension, operation, maintenance, and repair of the steam utility. There shall not be so transferred from the steam division account of the public utility fund in any calendar year an amount which exceeds two percent of the gross operating revenue of the steam utility during the immediately preceding calendar year but an amount not to exceed \$55,500 may be transferred from the steam division account of the public utility fund to the general fund during calendar year 1979. The amount of any transfer hereunder shall be an operating cost of the municipal steam utility.

Sec. 3. Notwithstanding any contrary provision of law or charter, the governing body of the city of Duluth may contract with a private management organization for the management, operation, and maintenance of the municipal steam utility and delegate to a

**Changes or additions indicated by underline deletions by ~~strikeout~~**

private management organization the authority to contract for the purchase of materials and supplies and the performance of maintenance necessary for it, subject only to the provisions of Minnesota Statutes, Section 471.345.

Sec. 4. This act shall be effective upon approval by a majority of the governing body of the city of Duluth and compliance with the provisions of Minnesota Statutes, Section 645.021.

Approved May 21, 1979.

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#### CHAPTER 114—S.F.No.947

*An act relating to the city of Duluth; fixing the expiration of a city sales tax; removing a report requirement; amending Laws 1977, Chapter 438, Section 2; repealing Laws 1977, Chapter 438, Section 1, Subdivision 3.*

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

Section 1. Laws 1977, Chapter 438, Section 2, is amended to read:

Sec. 2. ~~This act shall become effective only after its approval by the city council of the city of Duluth; and upon compliance with Minnesota Statutes, Section 645.021 and Laws 1977, Chapter 438 shall be in effect only to July 1, 1979~~ December 31, 1980.

Sec. 2. Laws 1977, Chapter 438, Section 1, Subdivision 3, is repealed.

Sec. 3. This act is effective upon approval by the city council of Duluth and compliance with Minnesota Statutes, Section 645.021.

Approved May 21, 1979.

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#### CHAPTER 115—S.F.No.1040

*An act relating to insurance; authorizing use of facsimile signatures on certain insurance policies; amending Minnesota Statutes 1978, Sections 60A.08, Subdivision 5; and 65A.01, by adding a subdivision.*

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

Section 1. Minnesota Statutes 1978, Section 60A.08, Subdivision 5, is amended to read:

Subd. 5. **SIGNATURES REQUIRED.** All ~~its~~ insurance policies shall be signed by the secretary or an assistant secretary, and by ~~its~~ the president or vice-president, or in **Changes or additions indicated by underline deletions by strikeout**