

property is located at a price to be determined by a board of three appraisers an appraiser to be selected by the adjutant general, the commissioner of administration, and the commissioner of finance. The money received shall must be credited to the general fund and is appropriated to the adjutant general to be used: (1) as a contribution for the construction or acquisition of an armory, armories, or armory facilities to replace the one sold; or (2) for the maintenance, operation, repair, rehabilitation, or improvement of existing armory facilities. The money may also be transferred to the Minnesota state armory commission: (1) for the replacement of an armory, armories, or armory facilities constructed or acquired by the commission; or (2) for the maintenance, operation, repair, rehabilitation, or improvement of facilities owned by the commission. If the money received is not expended for the purposes stated in this subdivision within ten years after the old armory has been sold, the appropriation to the adjutant general as provided in this subdivision shall lapse lapses. In the event that both the municipality and the county desire to purchase the armory, the municipality shall must be given first priority to purchase the armory.

If the municipality or county shall does not purchase such the property after a reasonable opportunity, the adjutant general may sell and convey the same it to any person after a public sale thereof at public sale, and in the same manner as certain state property is sold at public sale under the provisions of chapter 16B of the property by first advertising for bids or proposals for three consecutive weeks in a newspaper of general circulation in the area that the property is located and accepting the proposal most favorable to the department. The adjutant general may reject all proposals. The proceeds of the sale must be credited as provided in this subdivision. The adjutant general may lease any such armory remaining unsold to the municipality for public purposes at an annual rental which shall not be less than ten percent of the appraised value of the property.

Presented to the governor March 1, 1996

Signed by the governor March 4, 1996, 11:20 a.m.

## CHAPTER 300—S.F.No. 2009

*An act relating to electric utilities; allowing the city of Willmar to enter into a joint venture with the Kandiyohi cooperative electric power association for the provision of electric power.*

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

### Section 1. JOINT VENTURE.

Subdivision 1. AUTHORIZATION. The city of Willmar is authorized to allow the Willmar municipal utilities commission to enter into a joint venture with the Kandiyohi cooperative electric power association for the provision of utility services within the boundaries of each utility's exclusive electric service territory, as shown on the map of service territories maintained by the department of public service. The terms and conditions of the joint venture are subject to ratification by both the municipal utilities commission of the city of Willmar and the board of the Kandiyohi cooperative electric power

New language is indicated by underline, deletions by strikeout.

association and may include the formation of a corporate entity with an administrative and governance structure independent of the two utilities. A corporate entity formed under this section shall be subject to all laws and rules applicable to municipal utilities and cooperative electric associations.

**Subd. 2. POWERS.** (a) The joint venture formed under this section, if any, shall have such powers, privileges, responsibilities, and duties of the separate utilities entering into the joint venture as the joint venture agreement may provide, except that, upon formation of the joint venture, neither the joint venture nor the Willmar municipal utilities commission shall have the power of eminent domain or the authority under section 216B.44 to enlarge the service territory served by the joint venture.

(b) Such powers include, but are not limited to, the authority to:

(1) finance, own, construct, and operate facilities necessary for the provision of electric power to wholesale or retail customers, including generation, transmission, and distribution facilities;

(2) combine service territories, in whole or in part, upon notice and hearing to do so with the public utilities commission;

(3) serve customers in the two utilities' service territories or in the combined service territory;

(4) combine, share, or employ administrative, managerial, operational, or other staff which combining or sharing will not degrade safety, reliability, or customer service standards;

(5) provide for joint administrative functions, such as meter reading and billing;

(6) purchase or sell power at wholesale for resale to customers;

(7) provide energy conservation programs, other utility programs, and public interest programs, such as cold weather shutoff protection, and energy conservation spending programs as required by law and rule; and

(8) participate as the parties deem necessary in the provision of wholesale electric power with other municipal utilities, rural electric cooperative utilities, investor-owned utilities, or other entities, public or private.

**Subd. 3. MONITOR AND REPORT.** The Kandiyohi cooperative electric power association and the Willmar municipal utilities commission shall monitor the progress and operation of the joint venture, and shall issue a report to the public utilities commission and legislative committees with jurisdiction over utility regulation and operation outlining the progress of the joint venture. The report required by this subdivision must be submitted not later than January 1, 1998.

Presented to the governor March 1, 1996

Signed by the governor March 4, 1996, 11:28 a.m.

New language is indicated by underline, deletions by ~~strikeout~~.