

CHAPTER 455

ELECTRICAL

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455.01 CITIES OF THE SECOND OR THIRD CLASS MAY CONSTRUCT OR PURCHASE ELECTRIC LIGHT PLANT. Each city of the second class or the third class in the state is hereby authorized and empowered, by an affirmative vote of two-thirds of all the members of its council, to construct, erect, or purchase an electric light plant to be operated by the city for the lighting of its public streets, alleys, lanes, parks, and public grounds, and for such other municipal purposes and uses requiring light or power, as the council of the city may direct; and for such use and benefit of the inhabitants of the city, and upon such conditions as the council of the city may prescribe from time to time by ordinance.

[1901 c. 199 s. 1] (1325-1)

455.02 BONDS. Each such city is hereby authorized and empowered, by an affirmative vote of two-thirds of all the members of its council, to issue, in addition to all bonds heretofore authorized to be issued by the city, its bonds in an amount to be determined by the council, not exceeding in the aggregate \$40,000, for the purpose of constructing, erecting, or purchasing an electric light plant in the city.

[1901 c. 199 s. 2] (1325-2)

455.03 CONDITIONS FOR BONDS. These bonds shall be for the principal sum of \$1,000 each, and shall be payable at such times and at such place as the council may designate, any provision of any law of this state, whether general or special, governing the city, to the contrary notwithstanding; and the faith and credit of the city issuing the same is hereby irrevocably pledged to the payment of the same. These bonds shall be made payable to bearer, or to the order of the person or corporation to whom they may be delivered, as the council of the city may deem best, shall draw interest payable semiannually at such place as the council may determine, at a rate not exceeding four percent per annum, to be represented by coupons attached to the bonds. These bonds shall be signed by the mayor and attested by the recorder or clerk of the city, and the corporate seal of the city shall be imprinted upon the bonds, and the coupons shall be signed by the recorder or clerk.

[1901 c. 199 s. 3] (1325-3)

455.04 NEGOTIATION OF BONDS. The council shall have authority, by an affirmative vote of two-thirds of all its members, to negotiate the sale of the bonds in such manner as in its judgment shall best subserve the interests of the city, but it shall not negotiate a sale, nor sell these bonds, or any of them, at less than their par value and accrued interest; and neither the bonds, nor the proceeds from the sale thereof, shall be used for any other purpose than that specified in sections 455.01 to 455.03, and such purpose shall be distinctly stated in the resolution or ordinance authorizing their issue.

[1901 c. 199 s. 4] (1325-4)

455.05 ELECTRIC LIGHT AND POWER PLANTS; AUTHORITY; SALE OF ELECTRICITY. Any city of the third class in the state, in addition to all of the powers now possessed by the city, is hereby authorized and empowered, acting by and through its council, city commission, or other governing body, to erect and construct a municipal electric light and power plant or plants within the city, and such transmission and distribution systems as may be required in connection therewith and to operate the same, for the purpose of providing electricity for municipal purposes, and to sell and dispose of electricity for light, heat, and power purposes to private consumers within the city, and to sell and dispose of electricity to private consumers outside of the corporate limits of the city.

[1921 c. 91 s. 1] (1703-1)

455.06 BOND ISSUE. In addition to all other bonds that it is by law authorized to issue, the city may issue its bonds, in an amount not exceeding 15 percent of the assessed valuation of the taxable property of the city according to the last preceding assessment thereof for general taxation, for the purposes stated in section 455.05. The amount of bonds issued by the city under the provisions of sections 455.05 to 455.10 shall be limited only by the provisions of those sections, and the amount of bonds thereby authorized shall not be controlled or limited by the provisions of any general or special law, or the charter of the city. The city is authorized to sell and dispose of these bonds, as therein provided, and use the proceeds thereof for the purpose of erecting and constructing a municipal light and power plant or plants, and for the equipment thereof, and site therefor, and for the purpose of providing transmission and distribution systems for such electrical plant, for the purpose of disposing of electricity furnished by such plants as therein provided for. These bonds shall be of such denominations as the council, city commission, or other governing body, shall determine, shall be payable at such times, not less than 10, nor more than 30, years from date of issue, and at such place as the governing body may designate; shall be made payable to bearer, or to the order of the person or corporation to whom they may be delivered, as such governing body may determine, and shall be payable at such place, and shall bear interest, payable semiannually, at such rate, not exceeding six percent per annum, evidenced by appropriate interest coupons attached to such bonds, as the governing body may determine. These bonds and coupons shall be signed by the mayor, attested by the clerk, or other similar officer of such city, and the corporate seal of the city shall be impressed upon the bonds.

[1921 c. 91 s. 2] (1703-2)

455.07 BOND ISSUE; ELECTION, NOTICE. When the council, city commission, or other governing body, of the city, at any regular or special meeting thereof, shall determine, by resolution duly adopted by not less than two-thirds vote of all members thereof, entered upon the minutes of the proceedings, that it is necessary to construct and operate a municipal light and power plant or plants in the city for these purposes, and that the funds in the treasury of the city available therefor are not sufficient for these purposes, and that it is necessary to issue and negotiate the bonds of the city in an amount determined and stated in the resolution, but not exceeding the maximum amount provided for in sections 455.05 to 455.10, such council, city commission, or other governing body of the city, shall cause the proposition of issuing the bonds in such amount to be submitted to the electors of the city, at a general or special election to be held therein. The resolution shall fix the time of holding the election, and if the same is submitted at a special election, that election shall be held not less than 20 days after the date of the adoption of the resolution, and that notice of the election shall be given, and that the election shall be conducted as provided by the general laws of the state. The notice of the election, whether general or special, at which the proposition is to be submitted to vote, shall contain a statement of the total amount of the principal of the bonds, the denomination or denominations, date, maturity, and interest rate thereof, and the purpose to which it is proposed to put the same. If five-eighths, or more, of the total number of votes cast at the election are in favor of the proposition of issuing and negotiating the bonds, then the same shall be authorized, and the governing body of the city shall be empowered to forthwith adopt a resolution providing for the issuance of these bonds, and shall be authorized to negotiate and sell the same

for not less than par value and accrued interest, upon published notice and competitive bidding, in manner and form as provided for by the general laws of the State of Minnesota.

[1921 c. 91 s. 3] (1703-3)

455.08 BOND ISSUE; ELECTION, BALLOTS, CANVASS. In voting upon the proposition, the ballots used shall have written or printed, or partly written or printed thereon, the words "Bond Ballot," and the proposition submitted to the electors shall be in the form as provided in section 476.06. The voting shall be conducted in the same manner as provided by law for the election of city officers, and shall be counted, returned, and canvassed in the same manner as provided by law for the election of city officers.

[1921 c. 91 s. 4] (1703-4)

455.09 BOND ISSUE; USE OF BONDS OR PROCEEDS. Neither the bonds, nor the proceeds of the sale thereof, shall be used for any other purpose than as specified in sections 455.05 to 455.10, and such purpose shall be again distinctly stated in the resolution of the council, city commission, or other governing body of the city authorizing the issuance thereof.

[1921 c. 91 s. 5] (1703-5)

455.10 BOND ISSUE; LIEN. The principal and interest of any bonds so issued is hereby declared to be a first lien upon the municipal light and power plant or plants so constructed by means of these bonds, or the proceeds of the sale thereof, and the faith and credit of the city issuing the bonds is hereby irrevocably pledged to the payment thereof, any provisions of the law of this state, whether general or special, to the contrary notwithstanding.

[1921 c. 91 s. 6] (1703-6)

455.11 CONDEMNATION OF FLOWAGE RIGHTS FOR POWER DAMS. Any city of the third class now owning and operating a power dam, either within or without its corporate limits, for the purpose of generating electricity for municipal use, is hereby authorized and empowered to acquire necessary flowage rights under the right of eminent domain over and upon any property, including any public easement therein, for the purpose of increasing the height of the dam.

[1927 c. 214] (1703-7)

455.12 [Repealed, 1949 c 119 s 110]

455.13 PURCHASE OF ELECTRICITY. Any city of this state now or hereafter owning an electric light and power plant and now or hereafter having a population of 10,000 or less, shall be authorized and empowered to enter into a contract or contracts for the purchase by the city of electricity for the purpose of operating the electric plant, upon such terms as may be approved by a two-thirds vote of all of the members of the governing body thereof. The contracts shall not be made to run for a period exceeding 15 years.

[1913 c. 103 s. 1] (1764)

455.14 OBLIGATION NOT INDEBTEDNESS. The obligation incurred by any such city in the making of such contracts shall not be considered as a part of its indebtedness under the provisions of its governing charter or of any law of this state fixing a limit of indebtedness for such city.

[1913 c. 103 s. 2] (1765)

455.15 CORPORATIONS TO PROVIDE ELECTRICITY IN CITIES UPON RIVERS. Any city situated upon a river where there may be secured a developed water power conveniently near for utilization in the creation and development of electrical energy to supply the city and any state institution therein with such energy at approximate cost, either alone or in conjunction with an adjacent city, may do so through a public corporation formed at its request as provided in sections 455.16 to 455.22.

[1911 c. 141 s. 1] (1341)

455.16 UNITING WITH ADJACENT CITY; FAILURE TO UNITE. Any city mentioned in section 455.15 which may desire to avail itself of the provisions of sections 455.15 to 455.22 shall proceed as follows.

If there be another city adjacent thereto, it shall be invited by resolution of the legislative branch of the city first mentioned to unite with the latter in securing the organization of the public corporation. If the adjacent city, within 30 days thereafter, shall by resolution accept the invitation, these cities shall, by further resolution of their respective legislative bodies, declare their desire to so secure such water power and to have organized, under sections 455.15 to 455.22, a public

corporation therefor, and shall, by the same resolution, request the respective mayors, or other executive heads (by whatever name known) of these cities, and the president or other executive head of the governing, or managing board, of any state institution (or of the senior state institution, if more than one) in these cities, to proceed to form such corporation under sections 455.15 to 455.22.

If there is no adjacent city, or if there is one and it fails or refuses to unite in the adoption of these resolutions within 30 days, the legislative body of the city which may desire to avail itself of the provisions of sections 455.15 to 455.22 shall by resolution request its mayor, or other executive head, its city engineer, or the head of its engineering department (if known by any other name), and the president, or other executive head, of the governing or managing board of any state institution (or of the senior institution, if more than one) within the city, to proceed to form such a corporation under sections 455.15 to 455.22.

[1911 c. 141 s. 2] (1342)

455.17 CORPORATION, HOW ORGANIZED. The officials designated shall meet upon the call of the mayor (of the larger of the cities if more than one) at his office, and shall proceed to organize themselves into a public corporation under some appropriate name for the objects and purposes stated in section 455.15, and shall unite in a certificate which shall state the name and objects of the corporation, the fact that it is organized under sections 455.15 to 455.22, and that the members of the corporation shall be themselves, during their respective terms of office, and their respective successors in such offices. Such certificate shall be recorded in the office of the secretary of state.

[1911 c. 141 s. 3] (1343)

455.18 OFFICERS AND GOVERNMENT. The corporation when organized shall provide for and elect such officers as it may designate, and may employ a manager and such other agents and servants as may be necessary for the corporate business and may adopt such rules, regulations, and bylaws for the government of the corporation and of its employees as may seem best, but the members of the corporation shall receive no pay or compensation as members, or as officers, but may have their actual expenses.

[1911 c. 141 s. 4] (1344)

455.19 ACQUISITION AND DEVELOPMENT OF WATER POWER. The public corporation when organized shall be authorized and empowered to acquire by lease or otherwise any developed water power within or near the corporate limits of the cities whose officers are, ex officio, members of the corporation; to acquire all necessary lands, rights, and privileges, and to provide itself with a suitable hydro-electric plant, fully equipped with auxiliary power plant necessary to utilize economically the water power, and with the necessary means of distribution of the electrical energy therefrom.

[1911 c. 141 s. 5] (1345)

455.20 DISPOSITION OF ELECTRICAL ENERGY. The electrical energy so developed, shall be disposed of as follows: (1) to the grantor from whom the water power is acquired if the contract therefor so provides; (2) to any state institution in the city, or cities, desiring the same; and (3) any surplus then remaining, in equal shares, to the cities whose officers are members of the corporation, if more than one, otherwise the whole to the single city.

[1911 c. 141 s. 6] (1346)

455.21 RATES. The same rate shall be charged by the corporation to all users of electrical energy so supplied, whether the user is the grantor of the water power, a state institution, or a city, and that rate shall be sufficient to pay and cover the cost of operation, maintenance, interest charges, and the retirement of any indebtedness, and to provide for the renewal of the plant and for a reasonable emergency fund, and no more.

[1911 c. 141 s. 7] (1347)

455.22 ISSUANCE OF BONDS. The corporation shall likewise be authorized to raise money by the sale of its bonds or certificates of indebtedness to carry out the objects and purposes of the corporation, and the indebtedness evidenced thereby shall be a lien upon all the property, rights, and franchises of the corporation.

[1911 c. 141 s. 8] (1348)

455.23 ELECTRIC LIGHT AND POWER PLANTS IN CITIES OF FOURTH CLASS. In any city of the fourth class or borough, howsoever organized, the council, or other governing body thereof, shall have power to erect poles and string

wires and cables thereon within the corporate limits of such city or borough and install in connection therewith such equipment as may be necessary to light the streets of such municipality and furnish electrical current to the inhabitants thereof; and shall have power to connect such a system of poles, wires and cables with an electric light and power plant being maintained and operated without the corporate limits of such city or borough, whether the same is being so maintained and operated as a municipal plant or otherwise, by erecting poles along any public road or highway and extending from such city or borough to such electric light and power plant, subject to the provisions of law relating to the use of public roads, highways, and streets by light and power companies and string along such poles, wires and cables for the transmission of electrical current from such plant to the system of poles, wires and cables erected in such city or borough; and such council may enter into such contract or contracts for and on behalf of its municipality and the inhabitants thereof for furnishing electrical current and power as to it may be deemed advisable and may prescribe the rates to be charged for such current and power.

[1923 c 29 s 1; 1949 c 119 s 111] (1860-1)

455.24 SUBMISSION TO VOTERS. Before incurring any expense under the powers conferred by section 455.23, the approval of the voters of the city or borough shall first be had at a general or special election held therein. If a majority of the voters of the city or borough participating at the election shall vote in favor of the construction of the system of poles, wires and cables herein authorized to be made, the council shall proceed with the construction.

[1923 c 29 s 2; 1949 c 119 s 111] (1860-2)

455.25 BOND ISSUE. The expense incurred in carrying out the provisions of sections 455. 23 to 455.25 may be paid out of any money in the general fund of the city or borough available for the purpose. If there is no money in such fund available, the bonds of the city or borough may be issued under and pursuant to the provisions of chapter 475. The proposition of constructing a system of poles, wires and cables and the proposition to issue bonds therefor may be submitted at the same election.

[1923 c 29 s 3; 1949 c 119 s 111] (1860-3)

455.26 EXTENSION OF ELECTRIC LINES. The council of any city of the fourth class in this state owning and operating an electric light plant, is hereby authorized and empowered to extend the lines, wires, and fixtures of its plant to and into any village lying within three miles of the limits of the city, with the consent of the council or other governing body of the village and to appropriate and expend money therefor.

[1909 c. 218 s. 1] (1761)

455.27 POWERS OF COUNCIL. The council is also authorized and empowered to make contracts and arrangements with any person or village to and in which the electric light line may be so extended, necessary for the proper extension, operation, and maintenance of the line, the collecting of compensation for the light or current, and service that may be furnished thereby, and for the reimbursement of the cost of the extension.

[1909 c. 218 s. 2] (1762)

455.28 USE OF STREETS; CONTRACTS. The council or other governing body of any village to which an electric line may be extended pursuant to sections 455.26 to 455.28 is hereby authorized and empowered to grant to the city making the extension, the right of the use of the streets, alleys, and other public grounds of the village for the erection, operation, and maintenance of the line for that purpose, and to make contracts and arrangements for the lighting of the village thereby and the payment therefor.

[1909 c. 218 s. 3] (1763)

455.29 MUNICIPALITIES MAY EXTEND ELECTRIC SERVICE. The governing body, or the commission or board charged with the operation of the public utilities, if one exists therein, of any municipality in the state now or hereafter owning and operating an electric light and power plant for the purpose of the manufacture and sale of electrical power or for the purchase and redistribution of electrical power, shall, upon a two-thirds vote of the governing body, or the commission or board, in addition to all other powers now possessed by such municipality, have power to sell electricity to customers, singly or collectively, outside of such municipality, within the state but not to exceed a distance of 30 miles from the

corporate limits of the municipality. Before any municipality shall have the power to extend its lines and sell electricity outside of the municipality as provided by sections 455.29 and 455.30, the governing body shall first submit to the voters of the municipality, at a general or special election, the general principle of going outside the municipality and fixing the maximum amount of contemplated expenditures reasonably expected to be made for any and all extensions then or thereafter contemplated. Three weeks' published notice shall be given of such election as required by law, and if a majority of those voting upon the proposition favors the same, except that in the case of villages, a five-eighths vote shall be required, and then the municipality shall thereafter be considered as having chosen to enter the general business of extending its electric light and power facilities beyond the corporate limits of the municipality. It shall not be necessary to submit to a vote of the people the question of any specific enlargement, extension, or improvement of any outside lines; provided the voters of the municipality have generally elected to exercise the privileges afforded by sections 455.29 and 455.30, and, provided, that each and any specific extension, enlargement, or improvement project is within the limit of the maximum expenditure authorized at the election. In cities now or hereafter operating under a home rule charter, where a vote of the people is not now required in order to extend electric light and power lines, no election shall be required under the provisions of any act. At any election held to determine the attitude of the voters upon this principle, the question shall be simply stated upon the ballot provided therefor, and shall be substantially in the following form: "Shall the city (village) of undertake the general proposition of extending its electric light and power lines beyond the limits of the municipality, and limit the maximum expenditures for any and all future extensions to the sum of \$.....?" For this purpose every municipality is authorized and empowered to extend the lines, wires, and fixtures of its plant to such customers and may issue certificates of indebtedness therefor in an amount not to exceed the actual cost of the extensions and for a term not to exceed the reasonable life of the extensions. These certificates of indebtedness shall in no case be made a charge against the municipality, but shall be payable and paid out of current revenues of the plant other than taxes.

[1933 c. 141 s. 1; 1935 c. 316 s. 1] (1867-1)

455.30 NOT TO EXTEND INTO OTHER MUNICIPALITIES. No lines, wires, or fixtures shall be extended by any municipality into the territorial limits of any other city or village without the consent of the council or other governing body of the city or village.

[1933 c. 141 s. 2; 1935 c. 316 s. 2] (1867-2)

455.31 DISPOSAL OF ELECTRICAL ENERGY TO PRIVATE CONSUMERS. Any city of the first class now or hereafter operating a plant for the production and distribution of electrical energy for municipal purposes may dispose of any surplus thereof so produced, to private consumers within the city desiring the same, at such rates and upon such terms as the council, or other governing body, of the city may deem proper.

[1913 c. 127 s. 1] (1483)

455.32 DISPOSITION OF SURPLUS ELECTRICITY TO PRIVATE CONSUMERS OUTSIDE CITY. Any city of the fourth class in this state now or hereafter owning and operating an electric light and power plant for the production and distribution of electricity shall be authorized and empowered to dispose of any surplus electricity so produced to private consumers desiring the same residing outside the corporate limits of the city, at such rates and upon such terms as the council or other governing body of the city may deem proper.

[1915 c. 34 s. 1] (1765-1)

455.33 [Repealed, 1949 c 119 s 110]