

HOUSE RESEARCH

Bill Summary

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Overview

This bill establishes the Central Lakes Regional Sanitary District in Douglas County to replace an existing joint powers board. The district is established for the townships of Carlos, Brandon, La Grand, Leaf Valley, Miltona, and Moe, and authorizes later additions or withdrawals. The bill is modeled after other special laws for regional sanitary districts.

Section

- 1** **Definitions.** Defines for the purposes of this bill the following terms: acquisition and betterment; agency (Minnesota pollution control agency); agricultural property; current costs of acquisition, betterment, and debt service; district disposal system; Central Lakes Region Sanitary District or District; interceptor; local government unit or government unit; local sanitary sewer facilities; municipality (statutory city or town in the district); person; pollution and sewer system; sanitary sewer board or board; sewage; total costs of acquisition and betterment and costs of acquisition and betterment; treatment works and disposal system.
- 2** **Sanitary sewer board.** Establishes the Central Lakes Region Sanitary District as a public corporation and political subdivision. Provides for the appointment and qualifications of the board members. Provides for terms of office, filling vacancies, removing members, oath of office, and compensation.
- 3** **General provision for organization and operation of board.** Specifies how meetings may be called, what constitutes a quorum. Provides for selection of officers, regular meetings, special meetings, vote required to act. Requires meetings to be open to the public. Provides

for the members to select a chair from among themselves. Specifies the term and duties of the chair. Provides for the secretary and treasurer of the board, specifies duties. Provides that the general manager and other district employees are public employees. Requires the board to adopt resolutions or bylaws governing board actions, personnel administration, finances, etc. Permits the board to obtain surety bonds for its officers and employees, and to procure property and liability insurance.

- 4 **Comprehensive plan.** Requires the board to adopt a comprehensive plan for the collection, treatment, and disposal of sewage in the district. Specifies the contents of the plan. Requires a public hearing on the proposed plan prior to adoption of the plan. Requires district board approval of local new or substantially altered or improved sewers or disposal facilities to the extent they affect the board's responsibilities.
- 5 **Sewer service function.** Provides for the district board to assume ownership of all existing interceptors and treatment works, and to build others, needed to implement the board's comprehensive plan. Provides for transfer and payment between the local governments and the board. Provides for assumption of existing debt. Terminates the existing joint powers board by December 31, 2004. Permits the board to cancel existing contracts between local governments related to the disposal system.
- 6 **Sewage collection and disposal; powers.** Permits the discharge of treated water into the waters of the state. Permits the board to require persons in the district to connect to and discharge into the system. Permits the board to regulate connections to and discharges into the system.
- 7 **Budget.** Requires the board to adopt an annual budget and specifies the contents of the budget. Requires truth-in-taxation notice and hearing.
- 8 **Allocation of costs.** Provides for current costs (the costs of administration, operation, maintenance, debt service and costs of acquisition and betterment of the system to be paid during year and not with debt) to be allocated among the local governments or users equitably and by resolution of the board.
- 9 **Government units; payments to board.** Requires local governments in the district to pay the board as required by the board. Gives the board the powers of a statutory city, and the powers of a municipality with regard to eminent domain, special assessments for local improvements, public indebtedness, taxation for a disposal system, municipal waterworks, sewers, drains, and storm sewers, and joint powers. Permits the board to levy taxes in the district for payment of current costs, free from any limit.
- 10 **Public hearing and special assessments.** Requires public notice and hearing before projects are begun. Requires notice to benefited properties of proposed assessments. Requires a project feasibility report before the hearing is held. Permits the board to take emergency action. Permits the board to specially assess part or all of a proposed project.
- 11 **Initial costs.** Provides for local governments to help defray the start up costs and payment of debt upon acquiring existing systems. Permits the board to impose a property tax levy for these costs.
- 12 **Bonds certificates and other obligations.** Permits the board to issue short-term debt and debt for emergency situations. Authorizes general obligation bonding for the disposal system without an election.
- 13 **Tax levies.** Permits the board to levy to pay debt and as otherwise authorized in the bill.
- 14 **Depositories.** Requires the board to designate one or more banks or trust companies as the official depository of money for the board.

- 15 Money; accounts and investments.** Directs how money must be handled and accounted for. Requires an audit of the district's books and records.
- 16 General powers of the board.** Provides the board with all powers necessary or convenient to discharge its duties, including but not limited to those listed in this section relating to lawsuits; contracts; adopting rules and setting penalties; accepting gifts, grants, or loans; entering into joint powers agreements; study and investigation; procurement of professional services; acquiring and disposing property; use of rights of way; and agreements with other local governments, the state or federal government.
- 17 Local facilities.** Describes the responsibilities of local governments and the board for local sanitary sewer facilities. Provides for allocation of current costs.
- 18 Service contracts with governments outside district.** Permits the board to furnish services to other governmental entities outside the district under contract.
- 19 Construction, materials, supplies, equipment; contracts.** Requires Minnesota pollution control agency approval for acquisition and betterment projects. Permits contracts and purchases without advertising for bids.
- 20 Annexation, withdrawal of territory.** Permits any city or town in Douglas county to join the district. Permits a city or town to withdraw from the district with two-years' notice.
- 21 Property exempt from taxation.** Exempts the district's property from state or local taxes, but requires the district to pay special assessments.
- 22 Relation to existing law.** Provides for this act to prevail over other law, but not the powers of the pollution control agency.
- 23 Application; effective date; local approval; opt in or out.** Act applies to townships of Brandon, Carlos, LaGrand, Leaf Valley, Miliona, and Moe, in Douglas county. Effective January 1, 2004, only if at least four of the townships approve the act, and then effective only to those that approve it. If all six approve it before then, then it is effective at time approval is completed.