

## CHAPTER 182—S.F.No. 350

*An act relating to the environment; adding a purpose for expenditure from the metropolitan landfill contingency action trust fund; authorizing the city of Hopkins to issue bonds to pay for environmental response costs at a landfill; authorizing the city to impose a landfill cleanup assessment against property; authorizing a service charge; appropriating money; amending Minnesota Statutes 1990, section 473.845, subdivision 3.*

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

Section 1. Minnesota Statutes 1990, section 473.845, subdivision 3, is amended to read:

Subd. 3. **EXPENDITURES FROM THE FUND.** Money in the fund may only be appropriated to the agency for expenditure for:

(1) reasonable and necessary expenses for closure and postclosure care of a mixed municipal solid waste disposal facility in the metropolitan area for a 20-year period after closure, if the agency determines that the operator or owner will not take the necessary actions requested by the agency for closure and postclosure in the manner and within the time requested;

(2) reasonable and necessary response and postclosure costs at a mixed municipal solid waste disposal facility in the metropolitan area that has been closed for 20 years in compliance with the closure and postclosure rules of the agency; ~~or~~

(3) reasonable and necessary response costs resulting from county actions required under section 473.833, subdivision 2a, when those actions are done under the supervision of the agency; ~~or~~

(4) reimbursement to a local government unit for costs incurred over \$400,000 under a work plan approved by the commissioner of the agency to remediate methane at a closed disposal facility owned by the local government unit.

Sec. 2. **DEFINITIONS.**

For the purposes of this act, the following terms have the meaning given them.

(a) "City" means the city of Hopkins.

(b) "Landfill" means the landfill site owned by the city in the northwest quarter of the southwest quarter of Section 25, Township 117, North Range 22 West, Hennepin county.

(c) "Release" has the meaning given it in Minnesota Statutes, section 115B.02, subdivision 15.

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(d) "Response" has the meaning given it in Minnesota Statutes, section 115B.02, subdivision 18.

**Sec. 3. BONDS; LOANS.**

Subdivision 1. BONDS. (a) The city may issue bonds as provided in this subdivision after making the findings in this paragraph. The city must find:

(1) costs have been or will be incurred to respond to releases from the landfill, including methane releases and releases into the groundwater;

(2) other responsible parties have not provided funds to cover the costs of responding to the releases;

(3) the public health and welfare or the environment will be endangered by allowing the releases to continue;

(4) the response is consistent with orders and directives from the commissioner of the Minnesota pollution control agency; and

(5) the issuance of bonds is deemed necessary by the city to pay for response costs.

(b) The city may authorize by resolution the issuance of bonds in an aggregate amount up to \$5,000,000, subject to the reduction provided in section 7. The proceeds of the bonds may be used to pay any costs incurred or to be incurred by the city to respond to releases, to conduct closure and postclosure care, to remediate the landfill and any immediately adjacent property, and to refund outstanding bonds issued for these purposes.

(c) The city may pledge to the payment of the bonds and the interest on the bonds, its full faith, credit, and taxing powers, or the revenues from the landfill cleanup assessment and the service charge authorized by this act.

(d) The proceeds of the bonds may be used in part to establish a reserve as a further security for the payment of their principal and interest when due and to pay credit enhancement fees.

(e) Bonds issued under this section may be sold at public or private sale upon conditions that the city determines. An election is not required to authorize the issuance of bonds under this section and bonds or obligations issued under this act shall not be included in computing the net debt of the city under Minnesota Statutes, chapter 475. Expenses for response costs that are payable through the bonding authority granted in this act are not current expenses of the city under Minnesota Statutes, section 475.52. Except as otherwise provided in this section, the bonds must be issued and sold as provided in Minnesota Statutes, chapter 475.

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Subd. 2. LOANS IN ANTICIPATION OF BONDS. After authorizing bonds in accordance with this act, the city may borrow to provide money immediately that is required for the bond purpose. The city shall decide the terms of the loans by resolution. The loans must be evidenced by negotiable notes due in not more than 24 months from the date of the loan payable to the order of the lender or to bearer, to be repaid with interest from the proceeds of the bonds when the bonds are issued and delivered to the bond purchasers. The city may enter into loan and related agreements, both before and after issuing the obligations, with persons, firms, public or private corporations, federal or state agencies, and governmental units under terms and conditions the city considers appropriate. A governmental unit in the state may make or purchase the loans. Minnesota Statutes, chapter 475, does not apply to the loans and the loans may be made without advertisement.

#### Sec. 4. REVENUE MECHANISMS.

Subdivision 1. AUTHORITY. (a) The city may, by ordinance, impose the landfill cleanup assessment as provided in subdivision 2 to pay the costs specified in this subdivision. If revenue from the landfill cleanup assessment is insufficient for payment of those costs, the city may levy a service charge as provided in subdivision 3 for the remaining amount necessary.

The costs which can be paid from the assessment authorized in subdivision 2 and the service charge authorized in subdivision 3 include:

(1) the costs of principal and interest on bonds or other obligations issued under section 3 until the bonds or other obligations are repaid; and

(2) the costs incurred or to be incurred to respond to releases, closure, and postclosure care of the landfill until June 30, 1996.

(b) The city shall not budget more than \$400,000 per year from the combination of assessments and service charges. Any amount received in excess of \$400,000 in one year shall be subtracted from the total of the assessments and service charges allowed to be imposed for the next year.

(c) After June 30, 1996, the city shall not budget from the total of the assessments and service charges more than the annual amount needed to pay principal and interest on the bonds issued under section 3. The city's authority to impose assessments and service charges under this act expires on final payment of the principal and interest on the bonds, except that any funds remaining may be placed in the general fund of the city.

Subd. 2. LANDFILL CLEANUP ASSESSMENT. (a) The city may impose an assessment against the property classes established by the city under paragraph (b). The landfill cleanup assessment must be determined by the city and certified to the county auditor by January 1 of each year. The assessment must be extended on the assessment rolls of the county for the year in which the

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assessment is filed, and shall be enforced and collected in the same manner provided for real estate taxes. The assessments, if not paid, become delinquent in January of the following year and are subject to the same penalties and at the same rate of interest as delinquent real estate taxes. Assessments imposed under this subdivision are exempt from the determination of the city's levy limitation under Minnesota Statutes, chapter 275.

(b) For the purposes of this subdivision, the city shall classify, by ordinance, real property within the corporate limits of the city according to the type of solid waste generation on or from the property. Property exempt from taxation by the state and political subdivisions and other governmental units must also be included in the classification. Classifications must include, but are not limited to, commercial, industrial, single family residential, and multifamily residential property. Rates and charges for the assessment may take into account the character, kind, and quality of the service and of the solid waste, the method of disposition, the number of people served at each place of collection, and all other factors that enter into the cost of solid waste generation.

Subd. 3. SERVICE CHARGE. The city may levy a service charge computed upon the net tax capacity of all the taxable property in the city, not to exceed the remaining amount necessary as provided in subdivision 1. Service charges based on the net tax capacity may be payable and collected at the same time and in the same manner as provided for payment and collection of ad valorem taxes. Service charges imposed under this act are not included in computations under Minnesota Statutes, section 469.177, chapter 473F, or any other law that applies to general ad valorem levies.

#### **Sec. 5. DOES NOT AFFECT LIABILITY.**

This act does not affect the liability of persons for costs or damages associated with releases from the landfill and does not affect the city's right to pursue responsible parties or indemnification from any party for costs or damage associated with the landfill.

This act does not affect the city's liability under Minnesota Statutes, section 115B.04, subdivision 4.

#### **Sec. 6. COST RECOVERY; USE OF PROCEEDS.**

The city shall seek reimbursement of the costs covered by this act under any applicable insurance contract and shall seek to recover its costs from persons liable for releases from the landfill. The city shall take all reasonable actions in seeking reimbursements of any costs incurred to remediate methane at the landfill.

The city must first use amounts recovered under this section to reimburse the metropolitan landfill contingency action trust fund for any appropriation made from it to the city under this act, and the city for the first \$400,000 paid by the city for methane remediation at the landfill. The remaining amount

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recovered must first be used to pay the administrative and legal expenses of the city that are incurred under the act. The city must then use the remaining amount recovered to pay principal and interest on the bonds issued under section 3. If any excess remains after the bonds have been retired, the city must use it to reduce property taxes.

#### Sec. 7. APPROPRIATION.

\$1,300,000 is appropriated from the metropolitan landfill contingency action trust fund to the commissioner of the pollution control agency to be available until June 30, 1993, for the purpose of reimbursing the city for costs incurred over \$400,000 under a work plan approved by the commissioner to remediate methane at the landfill.

The maximum amount for which the city may bond under section 3, subdivision 1, paragraph (b), is reduced by the amount of the appropriation in this section.

#### Sec. 8. EFFECTIVE DATE.

This act is effective the day following final enactment, except that if the service charges are imposed in section 4, subdivision 3, they cannot be levied on property before the 1991 levy, payable in 1992.

Presented to the governor May 21, 1991

Signed by the governor May 24, 1991, 5:30 p.m.

### CHAPTER 183—H.F.No. 1179

*An act relating to metropolitan government; providing for legislative review of metropolitan agency budgets; directing the metropolitan council to conduct a study; proposing coding for new law in Minnesota Statutes, chapter 473.*

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

#### Section 1. FULLY DEVELOPED AREA; STUDY.

The metropolitan council must conduct a study of the development patterns and needs in the council-defined fully developed area. The council must direct its staff to:

(1) examine both the development patterns and the migration patterns in the fully developed area that have occurred in the last 20 years with special attention to household composition;

(2) compare the relative public costs of redevelopment in the fully developed area with the costs of development within the council-defined developing

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