

CHAPTER 473C

METROPOLITAN WASTE CONTROL

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473C.01 LEGISLATIVE PURPOSE AND POLICY. The legislature determines that in the metropolitan area there are serious problems of water pollution and disposal of sewage, which cannot be effectively or economically dealt with by existing local government units in the area under existing laws. The legislature therefore declares that for the protection of the public health, safety, and welfare of the area, for the preservation and best use of waters and other natural resources of the state in the area, for the prevention, control and abatement of water pollution in the area, and for the efficient and economic collection, treatment and disposal of sewage it is necessary to assign to the metropolitan council the responsibility of carrying on a continuous, long range program of planning with respect thereto and to establish a waste control commission, which, together with the council, can take over, acquire, construct, operate, and maintain all interceptors and treatment works necessary for the collection, treatment and disposal of sewage in the metropolitan area.

[1969 c 449 s 1; 1974 c 422 art 2 s 7]

473C.02 DEFINITIONS. Subdivision 1. The terms defined in this section shall have the meanings given them unless otherwise provided or indicated by the context.

Subd. 2. "Metropolitan area" means the area over which the metropolitan council has jurisdiction, including the area in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Subd. 3. "Metropolitan council" or "council" means the metropolitan council established by section 473B.02.

Subd. 4. "Waste control commission" or "commission" means the administrative board established as provided in section 473C.03.

Subd. 5. "Person" means any individual, partnership, corporation, or other organization or entity, public or private.

Subd. 6. "Local government unit" or "government unit" means any municipal or public corporation or governmental subdivision or agency located in whole or in part in the metropolitan area, authorized by law to provide for the collection and disposal of sewage.

Subd. 7. "Acquisition" and "betterment" shall have the meanings given to them in chapter 475.

Subd. 8. "Agency" means the Minnesota pollution control agency established by section 116.02.

Subd. 9. "Sewage" means all liquid or water-carried waste products from whatever source derived, together with such ground water infiltration and surface water as may be present.

Subd. 10. "Pollution," "sewer system," "treatment works," "disposal system," and "waters of the state" shall have the meanings given them in section 115.01.

Subd. 11. "Interceptor" means any sewer and necessary appurtenances thereto, including but not limited to mains, pumping stations, and sewage flow regulating and measuring stations, which is designed or used to conduct sewage originating in more than one local government unit, or which is designed or used to conduct all or substantially all of the sewage originating in a single local government unit from a point of collection in that unit to an interceptor or treatment works outside that unit.

Subd. 12. "Metropolitan disposal system" means any or all of the interceptors or treatment works owned or operated by the commission.

[1969 c 449 s 2; 1974 c 422 art 2 s 7]

X **473C.03 METROPOLITAN WASTE CONTROL COMMISSION.** Subdivision 1. **Establishment; appointments.** A metropolitan waste control commission is established and shall be organized, structured and administered as provided in Laws 1974, Chapter 422, Article 1, Sections 1 to 14.

Subd. 2. [Repealed, 1974 c 422 art 2 s 8]

Subd. 3. [Repealed, 1974 c 422 art 2 s 8]

Subd. 4. [Repealed, 1974 c 422 art 2 s 8]

Subd. 5. [Repealed, 1974 c 422 art 2 s 8]

Subd. 6. [Repealed, 1974 c 422 art 2 s 8]

Subd. 7. [Repealed, 1974 c 422 art 2 s 8]

Subd. 8. [Repealed, 1974 c 422 art 2 s 8]

Subd. 9. [Repealed, 1974 c 422 art 2 s 8]

[1969 c 449 s 3; 1974 c 422 art 2 s 2]

473C.04 [Repealed, 1974 c 422 art 2 s 8]

X **473C.05 WASTE CONTROL FUNCTION.** Subdivision 1. **Duty of commission; acquisition of existing facilities; new facilities.** At any time after January 1, 1970 the waste control commission shall assume ownership of all existing interceptors and treatment works which will be needed to implement the council's comprehensive plan for the collection, treatment, and disposal of sewage in the metropolitan area, in the manner and subject to the conditions prescribed in subdivisions 2 and 4, and shall thereafter acquire, construct, equip, operate and maintain all additional interceptors and treatment works which will be needed for such purpose. The commission shall assume ownership of all treatment works owned by a local government unit if any part of such treatment works will be needed for such purpose.

Subd. 2. **Method of acquisition; existing debt.** The commission, with the approval of the council, may require any local government unit to transfer to the commission, all of its right, title and interest in any interceptors or treatment works and all necessary appurtenances thereto owned by such local government unit which will be needed for the purpose stated in subdivision 1. Appropriate instruments of conveyance for all such property shall be executed and delivered to the commission by the proper officers of each local government unit concerned. All persons regularly employed by a local government unit to operate and maintain any treatment works so transferred to the commission, on the date on which the transfer becomes effective, shall be employees of the commission, in the same manner and with the same options and rights as are reserved to employees of sanitary districts and joint commissions under subdivision 3. The commission, upon assuming ownership of any such interceptors or treatment works, shall become obligated to pay to such local government unit amounts sufficient to pay when due all remaining principal of and interest on bonds issued by such local government unit for the acquisition or betterment of the interceptors or treatment works taken over. Such amounts may be offset against any amount to be paid to the commission by the local government unit as provided in section 473C.08.

Subd. 3. **Existing sanitary districts and joint waste control.** Effective January 1, 1971, the corporate existence of the Minneapolis-St. Paul Sanitary District, the North Suburban Sanitary Sewer District, and any joint commission created by agreement among local government units pursuant to section 471.59, to provide interceptors and treatment works for such local government units, shall terminate. All persons regularly employed by such sanitary districts and joint commissions on that date or on any earlier date on which the waste control commission pursuant to subdivisions 1 and 2 assumes ownership and control of any interceptors or treatment works owned or operated by such sanitary districts and joint commissions, shall be employees of the commission, and may at their option become members of the Minnesota state retirement system or may continue as members of a public retirement association under chapter 422 or any other law, to which they belonged before such date, and shall retain all pension rights which they may have under such latter laws, and all other rights to which they are entitled by contract or law. The waste control commission shall make the employer's contributions to pension funds of its employees. Such employees shall perform such duties as may be prescribed by the commission. On January 1, 1971, or such earlier date, all funds of such sanitary districts and joint commissions then on hand, and all subsequent collections of taxes,

special assessments or service charges levied or imposed by or for such sanitary districts or joint commissions shall be transferred to the waste control commission. The local government units otherwise entitled to such cash, taxes, assessments or service charges shall be credited with such amounts, and such credits shall be offset against any amounts to be paid by them to the waste control commission as provided in section 473C.08. On January 1, 1971, or such earlier date, the waste control commission shall succeed to and become vested with all right, title and interest in and to any property, real or personal, owned or operated by such sanitary districts and joint commissions; and prior to that date the proper officers of such sanitary districts and joint commissions shall execute and deliver to the commission all deeds, conveyances, bills of sale, and other documents or instruments required to vest in the commission good and marketable title to all such real or personal property. On January 1, 1971, or such earlier date, the waste control commission shall become obligated to pay or assume all bonded or other debt and contract obligations incurred by such sanitary districts and joint commissions, or incurred by local government units for the acquisition or betterment of any interceptors or treatment works owned or operated by such sanitary districts or joint commissions.

Subd. 4. Current value of existing facilities. When the commission assumes the ownership of any existing interceptors or treatment works as provided in subdivision 2 or 3, the local government unit or units which paid part or all of the cost of such facility, directly or pursuant to contracts for reimbursement of costs, shall be entitled to receive a credit against amounts to be allocated to them under section 473C.08, which may be spread over such period not exceeding 30 years as the commission shall determine, and an additional credit equal to interest on the unused credit balance from time to time at the rate of four percent per annum. The amount of such credit shall equal the current value of the facility computed by the commission in the manner provided in this subdivision at the time the commission acquires it. The original cost of a facility shall be computed as the total actual costs of constructing it, including engineering, legal, and administrative costs, less any part of it paid from federal or state fund and less the principal amount of any then outstanding bonds which were issued to finance its construction. The original cost shall be multiplied by a factor equal to a current cost index divided by the same cost index at the time of construction, to determine replacement cost. The cost indices used shall be the Engineering News Record Construction Cost Indices for facilities or parts thereof completed before 1930, and the United States Public Health Service Federal Water Pollution Control Values for Sewer and Treatment Plant Construction, as applied to facilities or parts thereof completed in or after 1930. The current value of the facility shall be the replacement cost depreciated by 2.50 percent per annum from the date of construction of treatment works and 1.25 percent per annum from the date of construction of interceptors; and decreased further by a reasonable allowance for obsolescence if the commission determines that the facility or any part thereof will not be useful for commission purposes for at least the remaining period required to depreciate it fully, assuming no salvage value. The current value of each such facility shall be credited to each local government unit in proportion to the amount of the construction cost paid by that unit, as determined by the commission, taking into account reimbursements previously made under contracts between any of the local government units. The commission shall prepare an itemized statement of the amount of credit each local government unit is entitled to receive under this subdivision, and the years and amounts of installments of principal and interest thereon, and shall cause it to be mailed or delivered to the governing body of each local government unit concerned. The amount of the annual credits of principal and interest made under this subdivision to each local government unit shall be paid for as current costs of operation and maintenance of the facilities for which the credits were made. All credits allowed under this subdivision shall be used to finance current costs allocated to the local government unit by the commission or for other sewer costs, and the credits shall not be considered as proceeds from the sale of municipal property so as to permit their use for other purposes.

Subd. 5. Contracts between local government units. On January 1, 1971, or on such earlier date or dates as the council shall by resolution determine, all contracts between or among local government units requiring payments by a local government unit to any other local government unit, for the use of a disposal system, or as reimbursement of capital costs of a disposal system, are terminated.

[1969 c 449 s 5; 1973 c 465 s 1; 1974 c 422 art 2 s 7]

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473C.06 MUNICIPAL PLANS AND PROGRAMS. Subdivision 1. [Repealed, 1974 c 422 art 2 s 8]

Subd. 2. [Repealed, 1974 c 422 art 2 s 8]

X Subd. 3. **Municipal plans and programs.** As soon as practicable after the adoption of the first policy plan by the council as provided in section 473B.06, subdivision 5a, and before undertaking the construction of any extensions or additions to its disposal system or the substantial alteration or improvement of its existing disposal system, each local government unit shall adopt a similar policy plan for the collection, treatment and disposal of sewage for which the local government unit is responsible, coordinated with the council's plan, and may revise the same as often as it deems necessary. Each such plan shall be submitted forthwith to the waste control commission for review and shall be subject to the approval of the commission as to those features affecting the commission's responsibilities as determined by the commission. Any such features disapproved by the commission shall be modified in accordance with the commission's recommendations. No construction of new sewers or other disposal facilities, and no substantial alteration or improvement of any existing sewers or other disposal facilities involving such features, shall be undertaken by any local government unit unless its governing body shall first find the same to be in accordance with its comprehensive plan and program as approved by the commission. At the time each local government unit makes application to the agency for a permit to alter or improve its disposal system it shall file with the commission a copy of the application together with design data and a location map of the project.

[1969 c 449 s 6; 1974 c 422 art 2 s 3]

X **473C.07 SEWAGE COLLECTION AND DISPOSAL; POWERS.** Subdivision 1. **Identification of powers.** In addition to all other powers conferred upon or delegated to the board hereunder, it shall have the powers specified in this section.

Subd. 2. **Right to discharge treated sewage.** The commission shall have the right to discharge the effluent from any treatment works operated by it into any waters of the state in accordance with any effluent or water quality standards lawfully adopted by the agency.

Subd. 3. **Connections with metropolitan system.** The commission may require any person or local government unit in the metropolitan area to provide for the discharge of its sewage, directly or indirectly, into the metropolitan disposal system, or to connect any disposal system or part thereof with the metropolitan disposal system wherever reasonable opportunity therefor is provided; may regulate the manner in which such connections are made; may require any person or local government unit discharging sewage into the metropolitan disposal system to provide preliminary treatment therefor; may prohibit the discharge into the metropolitan disposal system of any substance which it determines will or may be harmful to the system or any persons operating it; and may require any local government unit to discontinue the acquisition, betterment, or operation of any facility for its disposal system wherever and so far as adequate service is or will be provided by the metropolitan disposal system.

[1969 c 449 s 7; 1974 c 422 art 2 s 7]

X **473C.08 ALLOCATION OF CURRENT COSTS.** Subdivision 1. **Current costs defined.** The estimated costs of operation, maintenance, and debt service of the metropolitan disposal system to be paid by the commission in each fiscal year, and the costs of acquisition and betterment of the system which are to be paid during the year from funds other than bond proceeds, including all expenses incurred by the council pursuant to sections 473C.01 to 473C.17, are referred to in this section as current costs, and shall be allocated in the budget for that year to the respective local government units in the metropolitan area as provided in subdivisions 2 to 6.

Subd. 2. **Allocation of metropolitan treatment works costs; adjusted volume.** Except as provided in subdivision 3, the current costs of all treatment works in the metropolitan disposal system shall be allocated among and paid by all local government units which will discharge sewage, directly or indirectly, into the metropolitan disposal system during the budget year, in proportion to the total volume estimated to be so discharged by each local government unit, adjusted as follows:

(a) Increased or decreased, as the case may be, to the extent the commission determines, on the basis of such historical and reasonably projected data as may be available, that the sewage discharged by one unit will require more or less treatment to produce a suitable effluent than that discharged by others;

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(b) Decreased by any amount of surface water estimated by the commission to be discharged by a local government unit from a combined storm and sanitary sewer system;

(c) Increased by that volume of normal sanitary sewage which is equivalent for treatment purposes to the volume of surface water referred to in (b) above, as determined by the commission from available engineering data; and

(d) Increased or decreased, as the case may be, by the amount of any substantial and demonstrable error in a previous estimate.

Subd. 3. Allocation of metropolitan treatment works costs; reserved capacity. In preparing each budget the commission shall estimate the current costs of acquisition, betterment, and debt service, only, of each treatment works in the metropolitan disposal system which will not be used to total capacity during the budget year, and the percentage of such capacity which will not be used, and shall deduct the same percentage of such costs from the current costs allocated under subdivision 2. The total amount so deducted with respect to all treatment works in the system shall be allocated among and paid by the respective local government units in the metropolitan area for which capacity unused each year is reserved for future use, in proportion to the amounts of such capacity reserved for each of them.

Subd. 4. Allocation of service area interceptor costs; volume and reserved capacity. Except as provided in subdivision 5, the current costs of all interceptors in each sewer service area established pursuant to subdivision 7 shall be allocated among and paid by all local government units in the sewer service area which will discharge sewage into them, directly or indirectly, during the budget year, in proportion to the volume estimated to be so discharged by each local government unit, adjusted as provided in subdivision 2, clauses (b) and (d), after deduction and allocation of current costs of acquisition, betterment, and debt service, only, for estimated unused capacity in the service area interceptors among local government units in the service area for which unused capacity therein has been reserved, in the same manner as that provided in subdivision 3.

Subd. 5. Allocation of metropolitan interceptor costs; assessed value and population. When the council determines that a particular interceptor or some part thereof is of substantial benefit to the metropolitan area as a whole, each year the commission shall deduct all of the current costs thereof allocable to such benefit from the current costs to be allocated under subdivision 4. The total amount so deducted shall be allocated among and paid by all local government units in the metropolitan area which will discharge sewage, directly or indirectly, into the metropolitan disposal system in the next budget year, as follows: (a) one-half in the proportion that the assessed value of all taxable property within each such local government unit in the metropolitan area bears to the assessed value of the taxable property in all such local government units, as last finally equalized before October 1 in the year in which the budget is adopted; and (b) one-half in the proportion that the population of each such local government unit in the metropolitan area bears to the total population in all such local government units, as estimated by the council from the most recent data available to it.

Subd. 6. Deferment of payments. The council may by resolution provide for the deferment of payment of all or part of the current costs of acquisition, betterment, and debt service of estimated unused capacity which are allocated by the commission to a local government unit in any year pursuant to subdivisions 3 and 4, repayable at such time or times as the council shall specify in the resolution, with interest at the approximate average annual rate borne by council bonds outstanding at the time of the deferment, as determined by the council. Such costs may be deferred only when the council determines that a substantial portion of the territory of a local government unit has not been connected to the metropolitan disposal system, and that the amount of such costs or some portion thereof is disproportionate to the available economic resources of the unit at the time. Such deferred costs shall be allocated to and paid by all local government units in the metropolitan area which will discharge sewage, directly or indirectly, into the metropolitan disposal system in the budget year for which the deferment is granted, in the same manner and proportions as current costs are allocated under subdivision 5. When such deferred costs are repaid they shall be applied in reduction of the total amount of costs thereafter allocated to each of the local government units to which such deferred costs were allocated in the year of deferment, in proportion to their allocations thereof that year.

Subd. 7. **Establishment of service areas.** The commission with the approval of the council, after public hearing, shall by resolution establish sewer service areas, designated by name or number, each comprising that part of the metropolitan area primarily served or to be served by a particular interceptor or group of interceptors, or part thereof, situated within the sewer service area. At least 60 days before the hearing on the establishment of each service area, notice shall be published in a newspaper or newspapers having general circulation in the metropolitan area and in the service area and mailed to the governing body of each local government unit situated wholly or partly within the service area, stating the date, time, and place of the hearing and the local government units to be included in whole or in part, and describing in a general way the interceptors, existing or proposed, which will serve the area. Any hearing or adjourned hearing may be adjourned to a time and place stated at the hearing or adjourned hearing, or to a time and place stated in a notice mailed at least three days in advance to the governing bodies of all local government units in the proposed service area. No error or omission in the description in any notice of a service area or the interceptors designated therefor shall invalidate the establishment of the area as defined in the resolution approved by the council.

Subd. 8. **Alternative methods of allocating costs.** When it shall appear that the costs established pursuant to the provisions of subdivisions 1 to 7 shall result in an increased cost to a municipality or service area which is now being serviced by the facilities of the Minneapolis-St. Paul Sanitary District or by the facilities of any other municipality or sewer district is unreasonable or inequitable, the commission is hereby authorized and directed to adopt such other means and methods of allocating costs, as to each of them, as may be fair, reasonable and equitable.

Subd. 9. **Sewer service area advisory boards.** Whenever the commission establishes a sewer service area pursuant to subdivision 7, the government units located in whole or in part in such area may establish a sewer service area advisory board for such area, comprising not more than five members, one each to be appointed by each of the five most populous municipalities in such area as determined by the most recent decennial or special federal census. The advisory board shall meet with the waste control commission member or members representing such area, not less often than quarterly, to consult with such members concerning the acquisition, betterment, operation and maintenance of interceptors and treatment works in the service area, and the allocation of costs therefor.

[1969 c 449 s 8; 1974 c 422 art 2 s 7]

X **473C.081 FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS OF 1972; SYSTEM OF CHARGES.** Each local government unit shall adopt a system of charges for the use and availability of the metropolitan disposal system which will assure that each recipient of waste treatment services within or served by the unit will pay its proportionate share of the current costs allocated to the unit by the commission under section 473C.08, as required by the federal water pollution control act amendments of 1972, and any regulations issued pursuant thereto. Each system of charges shall be adopted as soon as possible and shall be submitted to the commission not later than January 1, 1974. The commission shall review each system of charges to determine whether it complies with the federal law and regulations. If it determines that a system of charges does not comply, the adopting unit shall be notified and shall change its system to comply, and shall submit the changes to the commission for review. All subsequent changes in a system of charges proposed by a local government unit shall also be submitted to the commission for review. Each local government unit may appeal the determination of the commission to the council for review and determination.

[1973 c 236 s 1; 1974 c 422 art 2 s 7]

X **473C.09 PAYMENTS TO COMMISSION.** Subdivision 1. **Amounts due commission, when payable.** Charges payable to the commission by local government units may be made payable at such times during each year as the commission determines, but such dates shall be fixed with reference to the dates on which tax, assessment, and revenue collections become available to the government units required to pay such charges.

Subd. 2. **Component municipalities, obligations to commission.** Each government unit shall pay to the commission all sums charged to it as provided in section

473C.08, at the times and in the manner determined by the commission. The governing body of each such government unit shall take all action that may be necessary to provide the funds required for such payments and to make the same when due.

Subd. 3. Powers of government units. To accomplish any duty imposed on it by the council or commission, the governing body of every government unit in the metropolitan area may exercise the powers granted any municipality by chapters 117, 412, 429, 475, sections 115.46, 444.075 and 471.59.

Subd. 4. Deficiency tax levies. If the governing body of any local government unit fails to meet any payment to the commission hereunder when due, the metropolitan council may certify to the auditor of the county in which the government unit is located the amount required for payment of such amount with interest at six percent per annum. The auditor shall levy and extend such amount as a tax upon all taxable property in the government unit for the next calendar year, free from any existing limitations imposed by law or charter. Such tax shall be collected in the same manner as the general taxes of the government unit, and the proceeds thereof, when collected, shall be paid by the county treasurer to the treasurer of the commission and credited to the government unit for which the tax was levied.

[1969 c 449 s 9; 1974 c 422 art 2 s 7]

X **473C.10 WASTE CONTROL COMMISSION BUDGET.** The waste control commission shall prepare, submit to the council and adopt a budget at the time and in the manner provided in and otherwise comply with section 473B.063.

[1969 c 449 s 10; 1974 c 422 art 2 s 4]

X **473C.11 TAX LEVIES.** The council shall have power to levy taxes for debt service of the metropolitan disposal system upon all taxable property within the metropolitan area, without limitation of rate or amount and without affecting the amount or rate of taxes which may be levied by the council for other purposes or by any local government unit in the area. The council shall also have power to levy taxes as provided in section 473C.09. Each of the county auditors shall annually assess and extend upon the tax rolls in his county the portion of the taxes levied by the council in each year which is certified to him by the council. Each county treasurer shall collect and make settlement of such taxes with the treasurer of the commission in the same manner as with other political subdivisions.

[1969 c 449 s 11; 1974 c 422 art 2 s 7]

X **473C.12 DEBT OBLIGATIONS. Subdivision 1. Certificates of indebtedness.** At any time or times after approval of an annual budget, and in anticipation of the collection of tax and other revenues appropriated in the budget, the council may by resolution authorize the issuance, negotiation, and sale, in such form and manner and upon such terms as it may determine, of general obligation certificates of indebtedness in aggregate principal amounts not exceeding 50 percent of the total amount of such appropriations, and maturing not later than April 1 following the close of the budget year. All receipts of tax and other revenues included in the budget, after the expenditure of appropriated funds, shall be irrevocably appropriated to a special fund to pay the principal of and the interest on the certificates when due. If for some reason the anticipated revenues are insufficient to pay the certificates and interest thereon when due, the council shall levy a tax in the amount of the deficiency on all taxable property in the metropolitan area, and shall appropriate this amount to the special fund, to be credited thereto from the first tax and other revenues received in the following budget year.

Subd. 2. Emergency certificates of indebtedness. If in any budget year the receipts of tax and other revenues should from some unforeseen cause become insufficient to pay the commission's current expenses, or if any calamity or other public emergency should subject it to the necessity of making extraordinary expenditures, the council may make an emergency appropriation of an amount sufficient to meet the deficiency and may authorize the issuance, negotiation, and sale of certificates of indebtedness in this amount in the same manner and upon the same conditions as provided in subdivision 1, except that the council shall forthwith levy on all taxable property in the metropolitan area a tax sufficient to pay the certificates and interest thereon, and shall appropriate all collections of such tax to a special fund created for that purpose. The certificates may mature not later than April in the year following the year in which the tax is collectible.

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Subd. 3. General obligation bonds. The council may by resolution authorize the issuance of general obligation bonds for the acquisition or betterment of any interceptors or treatment works determined to be necessary or desirable for the metropolitan disposal system, or for the refunding of outstanding bonds, certificates of indebtedness, or judgments. The council shall provide for the issuance and sale and for the security of such bonds in the manner provided in chapter 475, and shall have the same powers and duties as a municipality issuing bonds under that law, except that no election shall be required and the net debt limitations in chapter 475 shall not apply to such bonds. The council may also pledge for the payment of such bonds any revenues receivable under section 473C.08.

[1969 c 449 s 12; 1974 c 422 art 2 s 7]

X **473C.13 DEPOSITORIES.** The commission shall from time to time designate one or more national or state banks, or trust companies authorized to do a banking business, as official depositories for moneys of the commission, and thereupon shall require the treasurer to deposit all or a part of such moneys in such institutions. Such designation shall be in writing and shall set forth all the terms and conditions upon which the deposits are made, and shall be signed by the chairman and treasurer, and made a part of the minutes of the commission. Any bank or trust company so designated shall qualify as a depository by furnishing a corporate surety bond or collateral in the amounts required by section 118.01. However, no bond or collateral shall be required to secure any deposit insofar as it is insured under federal law.

[1969 c 449 s 13; 1974 c 422 art 2 s 7]

X **473C.14 MONEYS, ACCOUNTS AND INVESTMENTS.** Subdivision 1. All moneys received by the commission shall be deposited or invested by the treasurer and disposed of as the commission may direct in accordance with its budget; provided that any moneys that have been pledged or dedicated by the metropolitan council to the payment of obligations or interest thereon or expenses incident thereto, or for any other specific purpose authorized by law, shall be paid by the treasurer into the fund to which they have been pledged.

Subd. 2. The commission's treasurer shall establish such funds and accounts as may be necessary or convenient to handle the receipts and disbursements of the commission in an orderly fashion.

Subd. 3. The moneys on hand in said funds and accounts may be deposited in the official depositories of the commission or invested as hereinafter provided. The amount thereof not currently needed or required by law to be kept in cash on deposit may be invested in obligations authorized for the investment of municipal sinking funds by section 475.66. Such moneys may also be held under certificates of deposit issued by any official depository of the board.

Subd. 4. The use of proceeds of all bonds issued by the council for the acquisition and betterment of interceptors or treatment works, and the use, other than investment, of all moneys on hand in any sinking fund or funds of the council, shall be governed by the provisions of chapter 475, and the provisions of resolutions authorizing the issuance of such bonds. Such bond proceeds when received shall be transferred to the treasurer of the commission for safe-keeping, investment and payment of capital costs.

Subd. 5. The state auditor shall audit the books and accounts of the commission at least once each year. The commission shall pay to the state the total cost and expenses of such examination, including the salaries paid to the auditors while actually engaged in making such audit. The revolving fund of the state auditor shall be credited with all collections made for any such audit. The council may also require the commission to have an independent audit made by a certified public accountant to be paid for by the commission, and may examine the commission's books and accounts at any time.

[1969 c 449 s 14; 1973 c 492 s 7; 1974 c 422 art 2 s 7]

X **473C.15 GENERAL POWERS OF COUNCIL AND COMMISSION.** Subdivision 1. The metropolitan council and the commission shall each have all powers which may be necessary or convenient to discharge the duties imposed upon them by law. Such powers shall include those hereinafter specified, but the express grant or enumeration of powers shall not be deemed to limit the generality or scope of the grant of power contained in this subdivision. The exercise of any of its powers by the com-

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mission shall be consistent with the exercise by the metropolitan council of any of its powers. The council may delegate to the commission any powers conferred on the council under sections 473C.03 to 473C.16.

Subd. 2. The council or the commission may sue or be sued.

Subd. 3. The council or the commission may enter into any contract necessary or proper for the exercise of its powers or the accomplishment of its purposes.

Subd. 4. The commission shall have the power to adopt rules and regulations relating to the operation of any interceptors or treatment works operated by it, and may provide penalties for the violation thereof not exceeding the maximum which may be specified for a misdemeanor. Any rule or regulation prescribing a penalty for violation shall be published at least once in a newspaper having general circulation in the metropolitan area.

Subd. 5. The council or commission with the consent of the council may accept gifts, may apply for and accept grants or loans of money or other property from the United States, the state, or any person for any of its purposes, including any grant available under the federal water pollution act amendments of 1972, whether for construction, research or pilot project implementation, may enter into any agreement required in connection therewith, and may hold, use, and dispose of such money or property in accordance with the terms of the gift, grant, loan or agreement relating thereto. The commission with the consent of the council shall have all powers necessary to comply with the federal water pollution control act amendments of 1972 and any grant offered to it thereunder including, but not limited to, the power to enter into such contracts with, or to impose such charges upon, persons using the metropolitan disposal system as it shall determine to be necessary for the recovery of treatment works and interceptor costs paid with federal grant funds. Insofar as possible these costs shall be recovered by local government units on behalf of the commission.

Subd. 6. The council or commission may act under the provisions of section 471.59, or any other appropriate law providing for joint or cooperative action between government units.

Subd. 7. The commission may conduct research studies and programs, collect and analyze data, prepare reports, maps, charts, and tables, and conduct all necessary hearings and investigations in connection with the design, construction and operation of the metropolitan disposal system; and may advise and assist the metropolitan council and other government units on system planning matters within the scope of its powers, duties, and objectives.

Subd. 8. The commission may employ on such terms as it deems advisable, persons or firms performing engineering, legal or other services of a professional nature; require any employee to obtain and file with it an individual bond or fidelity insurance policy; and procure insurance in such amounts as it deems necessary against liability of the commission or its officers and employees or both, for personal injury or death and property damage or destruction, with the force and effect stated in chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property as it deems necessary.

Subd. 9. The commission may acquire by purchase, lease, condemnation, gift, or grant, any real or personal property including positive and negative easements and water and air rights, and it may construct, enlarge, improve, replace, repair, maintain, and operate any interceptor or treatment works determined to be necessary or convenient for the collection and disposal of sewage in the metropolitan area. Any local government unit and the commissioners of highways and natural resources are authorized to convey to or permit the use of any such facilities owned or controlled by it by the council or the commission, subject to the rights of the holders of any bonds issued with respect thereto, with or without compensation, without an election or approval by any other government agency. All powers conferred by this subdivision may be exercised both within or without the metropolitan area as may be necessary for the exercise by the council or commission of its powers or the accomplishment of its purposes. The commission may hold such property for its purposes, and may lease any such property so far as not needed for its purposes, upon such terms and in such manner as it shall deem advisable. Unless otherwise provided, the right to acquire lands and property rights by condemnation shall be exercised in accordance with chapter 117, and shall apply to any property

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or interest therein owned by any local government unit; provided, that no such property devoted to an actual public use at the time, or held to be devoted to such use within a reasonable time, shall be so acquired unless a court of competent jurisdiction shall determine that the use proposed by the commission is paramount to such use. Except in case of property in actual public use, the commission may take possession of any property for which condemnation proceedings have been commenced at any time after the issuance of a court order appointing commissioners for its condemnation.

Subd. 10. The commission may construct or maintain its systems or facilities in, along, on, under, over, or through public streets, bridges, viaducts, and other public rights of way without first obtaining a franchise from any local government unit having jurisdiction over them; but such facilities shall be constructed and maintained in accordance with the ordinances and resolutions of any such government unit relating to construction, installation, and maintenance of similar facilities in such public properties and shall not obstruct the public use of such rights of way.

Subd. 11. The commission may sell or otherwise dispose of any real or personal property acquired by it which is no longer required for accomplishment of its purposes. Such property may be sold in the manner provided by section 458.196, insofar as practical. The commission may give such notice of sale as it shall deem appropriate. When the commission determines that any property or any interceptor or treatment works or any part thereof which has been acquired from a local government unit without compensation is no longer required, but is required as a local facility by the government unit from which it was acquired, the commission may by resolution transfer it to such government unit.

Subd. 12. The commission may contract with the United States or any agency thereof, any state or agency thereof, or any local government unit or governmental agency or subdivision, for the joint use of any facility owned by the commission or such entity, for the operation by such entity of any system or facility of the commission, or for the performance on the commission's behalf of any service, on such terms as may be agreed upon by the contracting parties.

[1969 c 449 s 15; 1969 c 1129 art 3 s 1; 1973 c 35 s 80; 1973 c 236 s 2; 1974 c 422 art 2 s 7]

473C.16 CONTRACTS FOR CONSTRUCTION MATERIALS, SUPPLIES, AND EQUIPMENT. Subdivision 1. No contract for any construction work, or for the purchase of materials, supplies, or equipment, costing more than \$5,000 shall be made by the commission without publishing once in a legal newspaper or trade paper published in a city of the first class not less than two weeks before the last day for submission of bids, notice that bids or proposals will be received. Such notice shall state the nature of the work or purchase and the terms and conditions upon which the contract is to be awarded, and a time and place where such bids will be received, opened, and read publicly. After such bids have been duly received, opened, read publicly, and recorded, the commission shall award such contract to the lowest responsible bidder or it may reject all bids and readvertise. Each contract shall be duly executed in writing and the party to whom the contract is awarded shall give sufficient bond or security to the commission for the faithful performance of the contract as required by law. The commission shall have the right to set qualifications and specifications and* to require bids to meet all such qualifications and specifications before being accepted. If the commission by an affirmative vote of two-thirds of its members declares that an emergency exists requiring the immediate purchase of materials or supplies at a cost in excess of \$5,000 or in making emergency repairs, it shall not be necessary to advertise for bids.

Subd. 2. The administrator may, without prior approval of the commission and without advertising for bids, enter into any contract of the type referred to in subdivision 1 which is not in excess of \$5,000.

Subd. 3. The commission shall prepare and submit to the council for review and comment, plans and specifications for the acquisition or betterment of interceptors or treatment works authorized by the council's policy plan and the commission's development program, and after review and comment by the council, and approval by the agency if required, may advertise for bids for all work and materials called for by such plans and specifications, and award a contract to the lowest responsible bidder.

[1969 c 449 s 16; 1974 c 422 art 2 s 5, 7]

473C.17 PROPERTY EXEMPT FROM TAXATION. Any properties, real or

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personal, owned, leased, controlled, used, or occupied by the waste control commission for any purpose referred to in section 473C.01 are declared to be acquired, owned, leased, controlled, used and occupied for public, governmental, and municipal purposes, and shall be exempt from taxation by the state or any political subdivision of the state, provided that such properties shall be subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from such improvement. No possible use of any such properties in any manner different from their use as part of the metropolitan disposal system at the time shall be considered in determining the special benefit received by such properties. All such assessments shall be subject to final confirmation by the metropolitan council, whose determination of the benefits shall be conclusive upon the political subdivision levying the assessment. All bonds, certificates of indebtedness or other obligations of the council, and the interest thereon, shall be exempt from taxation by the state or any political subdivision of the state.

[1969 c 449 s 17; 1974 c 422 art 2 s 7]

✕ **473C.18 RELATION TO EXISTING LAWS.** The provisions of sections 473C.01 to 473C.17 and Laws 1974, Chapter 422, Article 1, shall be given full effect notwithstanding the provisions of any law not consistent therewith. The powers conferred on the council and the commission under sections 473C.01 to 473C.17 shall in no way diminish or supersede the powers conferred on the agency by chapters 115 and 116.

[1969 c 449 s 18; 1974 c 422 art 2 s 6]