

**BYLAWS OF  
DULUTH/NORTH SHORE SANITARY DISTRICT**

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**BYLAWS  
OF  
DULUTH/NORTH SHORE SANITARY DISTRICT**

**PREAMBLE**

These Bylaws are enacted, approved and adopted by the Board of Managers (the "Board") of the Duluth/North Shore Sanitary District (the "District") which was created pursuant to Minnesota Statutes, Sections 115.18 to 115.37, as amended from time to time (the "Act"). It is the intent and desire of the Board that the Act be referenced to determine the basic purposes of the Board and the District. These Bylaws are adopted for the purpose of outlining the operational procedures to be followed by the Board, its officers and employees in carrying out the purposes set forth in the Act. If at any time a conflict should arise between the provisions of these Bylaws and the provisions and directives of the Act, the provisions and directives of the Act will in all cases be controlling.

**ARTICLE I  
GENERAL**

1.1 NAME AND STATUS.

a. *Name.* The District is known as the Duluth/North Shore Sanitary District and is referred to in these Bylaws as the "District".

b. *Status.* Pursuant to Minnesota Statutes, Section 115.25, subdivision 1, the District is a public corporation and a governmental subdivision of the State of Minnesota.

1.2 MAILING ADDRESS. The mailing address of the District is and will be located at:

P.O. Box 16027  
St. Louis Park, MN 55416

The Board may designate other locations for the transaction of business from time to time. (02/09/05; 02/08/06; 1/10/07; 1/19/10).

1.3 TERRITORIAL UNITS. The District is comprised of three (3) defined territorial units (the "Territorial Units"), one of each of which is contained within the jurisdictional limits of the City of Duluth, the Town of Duluth and the Town of Lakewood, all in St. Louis County, Minnesota, as delineated in the map attached to these Bylaws as Attachment A, further identified as "Boundary Plan Duluth/North Shore Sanitary District." (Town of Duluth Board of Supervisors, the Town of Lakewood Board of Supervisors and the Duluth City Council are referred to in these Bylaws as the "Governing Bodies." Town of Duluth, the Town of Lakewood and the City of Duluth are referred to in these Bylaws as the "Governmental Subdivisions.") (9/5/00)

1.4 CENTRAL RELATED GOVERNING BODY; ELECTING BODY. The Minnesota Pollution Control Agency (referred to in these Bylaws as the "Agency") has

designated the City of Duluth, Minnesota as the central related governing body for purposes of Minnesota Statutes, Section 115.23 (referred to in these Bylaws as the “Central Related Governing Body”). The president of the Central Related Governing Body serves as the chair and the clerk of the Central Related Governing Body serves as the secretary for purposes of a joint meeting of the Governing Bodies held to conduct an election. (A joint meeting of the Governing Bodies held to conduct an election is referred to in these Bylaws as the “Electing Body.”)

1.5 OFFICIAL NEWSPAPER. The official newspaper of the District is the Duluth News Tribune.

1.6 OFFICIAL SEAL. The Board has not adopted an official seal.

## ARTICLE II BOARD OF MANAGERS

2.1 NUMBER, QUALIFICATIONS AND REPRESENTATION.

a. *Number and Qualifications.* Pursuant to Minnesota Statutes, Section 115.23, subdivision 1, the governing body of the District is a five member Board of Managers (the “Board”). Each member of the Board must be a voter residing in the District. A member of the Board may, but need not be, an officer, member of any of the Governing Bodies, or employee of the Town of Duluth, the City of Duluth, or the Town of Lakewood.

b. *Representation.* The Board shall make its best efforts to ensure that each Territorial Unit continues to maintain representation on the Board at all times and that there are two members from the City of Duluth, two members from the Town of Duluth and one member from the Town of Lakewood. (7/19/11)

2.2 TERM OF OFFICE.

a. *Terms of First Board Members.* Pursuant to Minnesota Statutes, Section 115.23, subdivision 2, the terms of the first Board members elected after creation of the District must be arranged and determined by the Electing Body to expire on the first business day in January as follows:

i. the terms of two members in the second calendar year after the year in which the members were elected;

ii. the terms of the two other members in the third calendar year after the year in which the members were elected;

iii. the term of the remaining member in the fourth calendar year after the year in which the member was elected.

b. *Subsequent Board Members.* Thereafter, Board members will be elected successively for regular terms beginning on expiration of the preceding terms and expiring on the first business day in January of the third calendar year thereafter. Each Board member serves until a successor is elected and has qualified pursuant to Section 115.23, Laws of Minnesota.

2.3 NOMINATIONS. Nominations for Board members may be made in the following manner:

a. *Petition.* Pursuant to Minnesota Statutes, Section 115.23, subdivision 5, nominations for Board members may be made by petitions, each signed by ten (10) or more voters residing and owning land in the District, filed with the clerk of the Central Related Governing Body before the election meeting. No person may sign more than one petition. The Electing Body must give due consideration to all nominations but is not be limited thereto.

b. *Selection by Governing Bodies.* The Governing Bodies may identify and select proposed Board members by resolution.

2.4 ELECTIONS.

a. *Conduct of Elections.* Members of the Board will subsequently be elected by one of the following methods:

i. The Governing Bodies may meet in joint session in the District to elect the Board member or members by majority vote of the members present. Upon completion of the election, the chair and secretary of the Electing Body must certify the results and furnish certificates of election according to the procedure set forth in Section 2.5 below.

ii. The Governing Bodies may elect a Board member or members by resolutions adopted by all of them separately, concurring in the election of the same person or persons. A majority vote of all the members of each of the Governing Bodies is required for the adoption of the resolutions. The clerks of the other Governing Bodies must transmit certified copies of the resolutions to the clerk of the Central Related Governing Body. Upon receipt of concurring resolutions from all of the Governing Bodies, the chair and secretary of the Electing Body must certify the results and furnish certificates of election according to the procedure set forth in Section 2.5 below.

b. *Timing of Elections.* The election of Board members must be made in November or December each year with the term to begin on January 1 of the following year.

2.5 NOTICES; CERTIFICATES OF ELECTION; OATHS OF OFFICE.

a. *Notice of Election Meeting.* The clerk of the Central Related Governing Body must give at least ten days' notice of the meeting at which an election is to be held. The notice of election must be given by mail to the clerks of all the other Governing Bodies, who must immediately transmit the notice to all the members of the Governing Bodies.

b. *Certification of Results of Election.* Pursuant to Minnesota Statutes, Section 115.24, subdivision 3, the chair and secretary of the Electing Body must certify the results of each election to Minnesota Secretary of State, the secretary of the Agency, the St. Louis County Auditor and the clerk of each of the Governing Bodies.

c. *Certificates of Election.* The chair and secretary of the Electing Body must make and transmit to each Board member elected a certificate of the Board member's election.

d. *Oaths of Office.* Each Board member must take and subscribe the oath defined in the Constitution of the State of Minnesota, Article V, Section 6.

## 2.6 VACANCIES.

a. *Vacancies Must be Filled.* Pursuant to Minnesota Statutes, Section 115.23, subdivision 8, any vacancy in the membership of the Board must be filled for the unexpired term in like manner as provided for the regular election of Board members.

b. *Declaration of Vacancies.* Vacancies on the Board by reason of death, disability, failure to reside in the District, resignation or otherwise, must be declared to exist and must be filled by the Board.

c. *Appointment to fill Vacancies.* The members appointed to fill vacancies serve until members to fill out the remainder of such terms are elected at the next succeeding District election.

## ARTICLE III MEETINGS OF THE BOARD

3.1 MEETINGS MUST BE OPEN. Except as provided in Minnesota Statutes, Section 13D.04, all meetings of the Board must be open to the public. The Board must keep minutes of its proceedings as a public record.

3.2 ANNUAL MEETING. The Board must hold an annual meeting on or as soon as practicable after the first business day in January of each year, to elect the officers to serve until the first business day in January of the following year. Each officer serves until a successor is elected and has qualified. At the annual meeting, the Board will also review the membership and duties of any standing and temporary committees created under Section 9.1 of these Bylaws and make such changes as it deems advisable. (7/19/11)

3.3 REGULAR MEETINGS. The regular meetings of the Board will be held at the date, time and location established by the Board from time to time. Notice of any change in meeting date, time or location must be given in accordance with the requirements for special meetings, Section 3.4 below.

## 3.4 SPECIAL MEETINGS.

a. *How Called.* Special meetings may be held at any time subject to the call of the Chair or of any two Board members.



b. *Notice to Board Members.* Special meetings are called by written notice, sent by regular mail or electronic transmission, to each member of the Board at least three (3) business days prior to the meeting, or upon such other notice as the Board may by resolution provide.<sup>1</sup>

c. *Notice to Public.* Pursuant to Minnesota Statutes, Section 13D.04, the following notices must be given for a special meeting:

i. The Board must post written notice of the date, time, place, and purpose of the meeting on the principal bulletin board of the District, or if the District has no principal bulletin board, on the door of its usual meeting room.

ii. The notice must also be mailed or otherwise delivered to each person who has filed a written request for notice of special meetings with the Board. This notice must be posted and mailed or delivered at least three business days before the date of the meeting.

iii. As an alternative to mailing or otherwise delivering notice to persons who have filed a written request for notice of special meetings, the Board may publish the notice once, at least three days before the meeting, in the official newspaper of the District.

3.5 EMERGENCY MEETINGS. An “emergency” meeting is a special meeting of the Board called because of circumstances that, in the judgment of the Board, require immediate consideration by the Board. Pursuant to Minnesota Statutes, Section 13D.04, the following notices must be given for an emergency meeting:

a. *Notice to News Media.* The Board must make good faith efforts to provide notice of the meeting to each news medium that has filed a written request for notice (if the request includes the news medium's telephone number) as soon as reasonably practicable after notice has been given to the Board members..

b. *Manner of Notice.* Notice of the emergency meeting may be given by telephone or by any other method used to notify the members of the Board.

c. *Content of Notice.* The notice must include the subject of the meeting. If matters not directly related to the emergency are discussed or acted upon at an emergency meeting, the minutes of the meeting must include a specific description of the matters.

d. *Posted or Published Notice not Required.* Posted or published notice of an emergency meeting is not be required, but may be given.

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<sup>1</sup> “Business days” as used herein means Monday through Saturday, inclusive, but does not include the following holidays: New Years Day, January 1; Washington and Lincoln’s birthdays, the 3rd Monday in February; Martin Luther King’s birthday, the third Monday in January; Memorial Day, the last Monday in May; Independence Day, July 4; Labor Day, the first Monday in September; Columbus Day, the second Monday in October; Veteran’s Day, the fourth Monday in October; Thanksgiving Day, the fourth Thursday in November; and Christmas Day, December 25; provided, when New Years Day, January 1; or Independence Day, July 4; or Christmas Day, December 25; falls on a Sunday, the following days are holidays, and, provided, when New Years Day, January 1; or Independence Day, July 4; or Christmas Day, December 25; falls on a Saturday, the preceding day is a holiday.

3.6 COMPENSATION. Members of the Board must serve without compensation, but may be paid their actual expenses while engaged in performing the duties of their office or otherwise engaged in the business of the District.

## ARTICLE IV OFFICERS

### 4.1 OFFICERS.

a. *Officers.* Pursuant to Minnesota Statutes, Section 115.24, subdivision 2, the officers of the District are a Chair and one or more Vice-Chairs (who shall be designated in order, first and second) who must be members of the Board, and a Secretary and a Treasurer, who may but need not be members of the Board. (2/19/2013)

b. *When Elected.* The Board must elect the officers at the annual meeting for terms expiring on the first business day in January next following.

c. *Term.* Each officer serves until a successor is elected and has qualified.

d. *Offices may be Combined.* The offices of Secretary and Treasurer may be combined.

e. *Powers and Duties.* Except as otherwise provided, the Chair, Vice-Chair, Secretary, and Treasurer of the District have like powers and duties, respectively, as the mayor, acting mayor, clerk, and treasurer of a statutory city.

### 4.2 CHAIR.

a. *Presiding Officer.* The Chair presides at all meetings of the Board, except as otherwise authorized by resolution of the Board.

b. *Recommendations.* At each meeting, the Chair may submit recommendations and information concerning the business, affairs and policies of the Board.

4.3 VICE-CHAIR. A Vice-Chair performs the duties of the Chair in the absence or incapacity of the Chair, and in the case of the resignation or death of the Chair, a Vice Chair performs the Chair's duties until such time as a new Chair is elected or appointed.

### 4.4 TREASURER.

a. *Custody of District Funds.* The Treasurer has the care and custody of all funds of the District and must deposit same in the name of the District in such depository as the Board may direct, subject to the requirements of these Bylaws.

b. *Orders and Checks.* Except as may otherwise be provided in these Bylaws, the Treasurer and one other officer of the District must (i) sign all orders and checks for the payment or withdrawal of funds and (ii) pay out and disburse the District's funds or open banking accounts, pursuant to the direction of the Board. (2/19/2013)

c. *Record Keeping and Reporting.* The Treasurer keeps regular books of accounts showing all receipts and disbursements and renders to the Board an account of the transactions and the current financial standing of the Board in the forms and at the times required by Article VIII of these Bylaws.

#### 4.5 SECRETARY.

a. *Record Keeping.* The Secretary keeps the records of the Board, acts as secretary of the meetings of the Board, records all votes, keeps a record of the proceedings to be kept for such purpose, and performs duties incident to the office.

b. *Notices.* The Secretary must notify the Minnesota Secretary of State, the secretary of the Agency, the Saint Louis County Auditor, and the clerk of each of the Governing Bodies of the locations and post office addresses of the meeting place and offices of the District and any changes therein.

### ARTICLE V POWERS OF THE BOARD

#### 5.1 GENERAL.

a. *Exercised by Board.* Pursuant to Minnesota Statutes, Section 115.25, subdivision 4, all powers of the District are exercised by its Board, except so far as approval of any action by popular vote or by any other authority may be expressly required by law.

b. *Statutory Powers.* Pursuant to Minnesota Statutes, Section 115.32, subdivision 1, the Board has charge and control of all the funds, property, and affairs of the District. With respect thereto, the Board has the powers and duties provided by law for a statutory city council with respect to similar statutory city matters, except as otherwise provided. Except as otherwise provided, the exercise of the powers and the performance of the duties of the Board and officers of the District and all other activities, transactions, and procedures of the District or any of its officers, agents, or employees, respectively, are governed by the provisions of law relating to similar matters in a statutory city, so far as applicable, with like force and effect.

5.2 BOARD ACTIONS. Pursuant to Minnesota Statutes, Section 115.32, subdivision 2, the Board may enact ordinances, prescribe regulations, adopt resolutions, and take other appropriate action relating to any matter within the powers and purposes of the District, and may do and perform all other acts and things necessary or proper for the effectuation of said powers and the accomplishment of said purposes.

**ARTICLE VI  
DISTRICT EMPLOYEES**

6.1 UTILITY SUPERINTENDENT.

a. *Appointment of Utility Superintendent.* The District may employ a utility superintendent which may be a natural person or business entity whose duties are set forth in this Section.

b. *Duties.* The utility superintendent must:

i. Communicate with the Board, state and federal agencies to allow proper planning of all matters pertaining to public health and safety of the residents of the District.

ii. Maintain the sewer collection system for the District.

iii. Maintain adequate records of all tests and parameters as set by local, state and federal regulatory agencies and report any concerns relating to public health or environmental quality to the Board.

iv. Have and maintain at all times a valid Minnesota driver's license.

v. Maintain a safe working environment and observe and enforce appropriate safety precautions in the exercise of the duties of the position and by those supervised.

vi. Make those tests and observations required for the proper operation of the system and to satisfy the appropriate reporting agency regulations.

vii. Have the ability to interpret laboratory tests and apply their results to the operational control of the treatment plan.

viii. Notify the Board as to the need for tools, parts, and supplies.

ix. Become fully acquainted with the system and plant and the treatment process used and take advantage of relevant training offered by the regulatory agency, manufacturer-supplier, or post secondary educational institutions located in the area.

x. Maintain small auxiliary-powered equipment and tools associated with the different categories of the system operation, including electrical pumps, emergency gen-set (generator) and tools of sufficient power to accomplish preventative and corrective maintenance.

6.2 OTHER POSITIONS. The Board may, by resolution, create such other positions as it deems necessary and may further establish the position description by resolution.

**ARTICLE VII  
SURETY BONDS**

7.1 **COVERAGE.** The following officers and employees of the Board must be covered by surety bonds in the following amounts:

- a. Chair - \$10,000.00
- b. Vice-Chair - \$10,000.00
- c. Treasurer - \$10,000.00
- d. Secretary - \$10,000.00

7.2 **BOND REQUIREMENTS AMENDMENT.** The Board may, by resolution, establish surety bond requirements for other employees in the amounts it deems advisable and may increase the amount of surety bond required in Section 7.1 by resolution. However, any decrease in the amount of bonds required in Section 7.1 must be provided for by an appropriate amendment to these Bylaws.

**ARTICLE VIII  
FINANCIAL MATTERS**

8.1. **GENERAL.** The Board has complete authority over all financial affairs of the District and is responsible for determining all expenses of the District, auditing and settlement of accounts, and in the collection, safekeeping and disbursements of all public monies coming into its possession.

8.2. **DISBURSEMENTS.**

a. *Authorization and Payment.*

i. All disbursements over \$500.00 must be duly authorized by the Board. Board authorization must indicate the account out of which the disbursement is to be made.

ii. No checks may be issued until there is an amount of money to the credit of the fund out of which the voucher is to be paid which is sufficient to pay the voucher and all then outstanding vouchers against and encumbrances upon such fund.

b. *Violations.* Any check for the payment of money violating any provision of this Section will be void and any officer of the Board violating any provision of this Section will be personally responsible for the amount of any payment is made contrary to the provisions hereof.

c. *Claims.* All claims against the District must be accompanied by an itemized, verified statement, payroll, or time sheet, signed by the officer who has personal knowledge of the facts of the claim and vouches for the correctness and the reasonableness of the claim.

d. *Additional Requirements.* The Board, by resolution may make further regulations for the safekeeping and disbursement of District funds.

### 8.3. BUDGET.

a. *Committee.* The Board shall, each year appoint members to a committee for the purpose of developing the budget for the following fiscal year (the "Budget Committee"). The Budget Committee is responsible for preparing the budget for the Board for the following fiscal year, and for such other duties as may be prescribed by the Board.

b. *Committee Duties.* Not later than the first meeting in August of each year, the Budget Committee will prepare and submit to the Board a budget for the ensuing fiscal year. The budget must be based upon detailed estimates and must present the following information:

i. An itemized statement of the appropriations recommended by the Budget Committee for current expenses and for permanent improvements for the ensuing fiscal year, with comparative statements of the appropriations and expenditures for the current and past preceding fiscal year.

ii. Such other information as may be required by the Board.

c. *Consideration by Board.* The budget must be the principal item of business at the first regular meeting of the Board in August and of all subsequent regular meetings until passed and adopted.

d. *Public Meeting Optional.* All interested residents of the District must have a reasonable opportunity to be heard at any meeting at which the budget is considered. Prior to the adoption of the budget, the Board may hold a public meeting at which time interested residents of the District may be heard. The meeting may be held in conjunction with a regular or special meeting of the Board.

8.4 DEPOSITORY AND INVESTMENTS. Minnesota Statutes, Chapter 118A governs all depositories and investment of District funds.

8.5 DEPOSIT OF FUNDS REQUIRED. Pursuant to Minnesota Statutes, Section 115. 35, the proceeds of all tax levies, assessments, service, use, or rental charges, and other income of the District must be deposited in the District treasury and held and disposed of as the Board may direct for District purposes, subject to any pledges or dedications made by the Board for the use of particular funds for the payment of bonds or interest thereon or expenses incident thereto or for other specific purposes.

8.6 FISCAL YEAR. The fiscal year of the District is the same as the calendar year.

8.7 ACCOUNTING METHODS. The Board may prescribe and enforce such accounting methods, forms, blanks, and other devices as are consistent with the law and the standards of the Governmental Accounting Standards Board.

8.8 FINANCIAL STATEMENTS. The Treasurer or other qualified person acting on behalf of or at the direction of the Treasurer must submit to the Board a statement each month showing the amount of money in the Board Treasury, the status of the District funds, the amount expended or chargeable against each of the annual budget allowances and the balance left in each fund and such other information relative to the finances of the District as the Board may require.

8.9 AUDIT. The books of the Board must be audited regularly at least once each year by either (i) a reliable firm of certified public accountants employed by the Board or (ii) the Office of the State Auditor.

## **ARTICLE IX COMMITTEES**

9.1 COMMITTEES APPOINTED. Standing or temporary committees may be appointed by the Board from time to time, the membership and duties of which shall be reviewed as provided in Section 3.1 of these Bylaws. (7/19/11)

9.2 DUTIES OF COMMITTEES. The Board may invest the committees with the duties it deems necessary and may subject the committees to conditions prescribed by the Board. (7/19/11)

9.3 COMMITTEE REPORTS. All committees must report to the Board at the time or times the Board designates. If the Board does not designate a time to report, all committees appointed must report to the Board at the next regular meeting of the Board following the committee's appointment.

## **ARTICLE X EXECUTION OF DOCUMENTS**

Unless otherwise provided in law, these Bylaws, or a resolution of the Board, all contracts, bonds, certificates of indebtedness and all instruments of every kind to which the Board is a party, must be executed in the name of the Board by the Chair and countersigned by the Secretary.

## **ARTICLE XI POWERS OF THE DISTRICT**

11.1 POWERS. The District has the powers and purposes prescribed by Minnesota Statutes, Sections 115.18 through 115.37, as amended from time to time.

11.2 POLLUTION PREVENTION. Pursuant to Minnesota Statutes, Section 115.26, subdivision 1, the District may construct, install, improve, maintain, and operate any system, works, or facilities within or without the District required to control and prevent pollution of any waters of the state within its territory.

11.3 SEWAGE DISPOSAL. Pursuant to Minnesota Statutes, Section 115.26, subdivision 1, the District may construct, install, improve, maintain, and operate any system, works, or facilities within or without the District required to provide for, regulate, and control the

disposal of sewage, industrial waste and other waste originating within its territory. The District may require any person upon whose premises there is any source of sewage, industrial waste, or other waste within the District to connect the same with the disposal system, works, or facilities of the District whenever reasonable opportunity therefor is provided.

11.4 AVAILABLE BUT NOT EXERCISED POWERS. Pursuant to Minnesota Statutes, Sections 115.18 through 115.37, the District has the following powers which it is not at this time exercising:

a. *Garbage Disposal.* Pursuant to Minnesota Statutes, Section 115.26, subdivision 3, the District may construct, install, improve, maintain, and operate any system, works, or facilities within or without the District required to provide for, regulate, and control the disposal of garbage or refuse originating within the District, and may require any person upon whose premises any garbage or refuse is produced or accumulated to dispose thereof through the system, works, or facilities of the District whenever reasonable opportunity is provided.

b. *Water Supply.* Pursuant to Minnesota Statutes, Section 115.26, subdivision 4, the District may procure supplies of water so far as necessary for any purpose under this Article, and may construct, install, improve, maintain, and operate any system, works, or facilities required thereof within or without the District.

11.5 EXCESS CAPACITY. Pursuant to Minnesota Statutes, Section 115.27, subdivision 3, the District may extend any part of its system, works or facilities and permit the use thereof by persons or governmental subdivisions or other public agencies outside the District, so far as the capacity thereof exceeds the needs of the District, upon such terms as the Board may prescribe.

**ARTICLE XII  
ANNEXATION, DETACHMENT, AND DISSOLUTION**

Annexation to, detachment from and dissolution of the District is governed by Minnesota Statutes, Section 115.21.

**ARTICLE XIII  
TAX LEVIES, ASSESSMENTS AND SERVICE CHARGES**

13.1 TAXES. Pursuant to Minnesota Statutes, Section 115.33, subdivision 1, the Board may levy taxes for any District purpose on all taxable property within the District.

13.2 TAXING SUBDISTRICT. Pursuant to Minnesota Statutes, Section 115.33, subdivision 2, in the case where a particular area within the District, but not the entire District, is benefitted by a system, works, or facilities of the District, the Board after holding a public hearing as provided by law for levying assessments on benefitted property, may by ordinance establish such area as a taxing subdistrict, to be designated by number, and may levy special taxes on all the taxable property therein, to be accounted for separately and used only for the purpose of paying the cost of construction, improvement, acquisition, maintenance, or operation of such system, works, or facilities, or paying the principal and interest on bonds issued to



provide funds therefor and expense incident thereto. Such hearing may be held jointly with a hearing for the purpose for levying assessments on benefitted property within the proposed taxing subdistrict.

13.3 SPECIAL ASSESSMENTS. Pursuant to Minnesota Statutes, Section 115.33, subdivision 3, the Board must levy assessments on benefitted property to provide funds for payment of the cost of construction, improvement, or acquisition of any system, works, or facilities designed or used for any District purpose or for payment of the principal of and interest on any bonds issued therefor and expenses incident thereto.

13.4 SERVICE CHARGES. Pursuant to Minnesota Statutes, Section 115.33, subdivision 4, the Board must prescribe service, use, or rental charges for persons or premises connecting with or making use of any system, works, or facilities of the District; prescribe the method of payment and collection of such charges; and provide for the collection thereof for the District by any public agency.

#### **ARTICLE XIV BORROWING POWERS; BONDS**

14.1 BORROWING. Pursuant to Minnesota Statutes, Section 115.34, subdivision 1, the Board may authorize the borrowing of money for any District purpose and provide for the repayment thereof, subject to Minnesota Statutes, Chapter 475. The taxes initially levied by the District in accordance with Minnesota Statutes, Section 475.61 for the payment of its bonds, upon property within each municipality included in the District, must be included in computing the levy of such municipality.

14.2 BONDS. Pursuant to Minnesota Statutes, Section 115.34, subdivision 2, the Board may authorize the issuance of bonds or obligations of the District to provide funds for the construction, improvement, or acquisition of any system, works, or facilities for any District purpose, or for refunding any prior bonds or obligations issued for any such purpose, and may pledge the full faith and credit of the District or the proceeds of tax levies or assessments or service, use, or rental charges, or any combination thereof, to the payment of such bonds or obligations and interest thereon or expenses incident thereto. An election or vote of the people of the District is required to authorize the issuance of any such bonds or obligations.

#### **ARTICLE XV DISTRICT ORDINANCES**

15.1 EFFECT. Pursuant to Minnesota Statutes, Section 115.36, in any case where an ordinance is enacted or a regulation adopted by the Board relating to the same subject matter and applicable in the same area as an existing ordinance or regulation of any one of the Governmental Subdivisions, the District ordinance or regulation, to the extent of its application, supersedes the ordinance or regulation of the applicable Governmental Subdivision. In any case where an area within the District is served for any District purpose by a system, works, or facilities of the District, no system, works, or facilities may be constructed, maintained, or operated for the same purpose in the same area by any of the Governmental Subdivisions or other public agency unless approved by the Board.

15.2 ADOPTION OF ORDINANCES. Ordinances of the District are adopted as follows:

a. *Introduction.* All proposed ordinances must be introduced at regular meetings of the Board. No proposed ordinance may be introduced at a special or emergency meeting of the Board. Every proposed ordinance must be in writing. A proposed ordinance must contain only one subject which must be clearly expressed in the title thereof.

b. *Passage.* Every ordinance must be passed by a majority vote of the Board, taken by yeas and nays. It must then be signed by the Chair and attested by the Secretary.

c. *Designation.* The style of all ordinances must be The Board of Managers of the Duluth/North Shore Sanitary District ordains as follows:

d. *Posting and Publication.* Every ordinance must be either posted on the District's web site on the Internet or published once in the official newspaper of the District unless, in the case of publication only, the Board decides by a four-fifths vote that publishing its title and a summary of it clearly tells the public of its intent and effect. The text of the ordinance, if published, must be in body type no smaller than brevier or 8 point type.

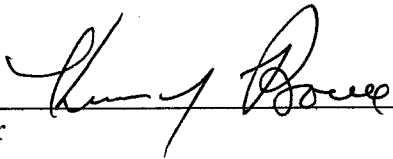
e. *Publication of Summary Ordinance.* In the event the Board determines to publish a summary of an ordinance, the Board must approve the words in the summary. A notice must be published with the summary stating the location or locations and times that a printed copy of the whole ordinance is available for inspection by any person. The publishing of the title and summary is legally the same as publishing the whole ordinance.

15.3 ARREST AND PROSECUTION. Pursuant to Minnesota Statutes, Section 115.32, subdivision 3, violations of District ordinances will be prosecuted before the St. Louis County District Court. Any peace officer may make arrests for violations committed anywhere within the District in the same manner as violations of city ordinances or statutory misdemeanors.

## ARTICLE XVI AMENDMENT AND REVOCATION

These Bylaws may be amended or revoked by resolution approved by four-fifths (4/5) of the members of the Board. These Bylaws will be deemed amended upon amendment by the legislature of Minnesota Statutes, Sections 115.18 to 115.37.

These Bylaws were originally adopted on June 6, 2000 and amended on September 5, 2000, December 5, 2000, May 4, 2004, February 9, 2005, February 8, 2006, January 10, 2007, July 21, 2009, January 19, 2010, July 19, 2011 and February 19, 2013.

  
Chair

ATTEST:

  
Secretary

**ATTACHMENT A  
BOUNDARY PLAN  
DULUTH/NORTH SHORE SANITARY DISTRICT**