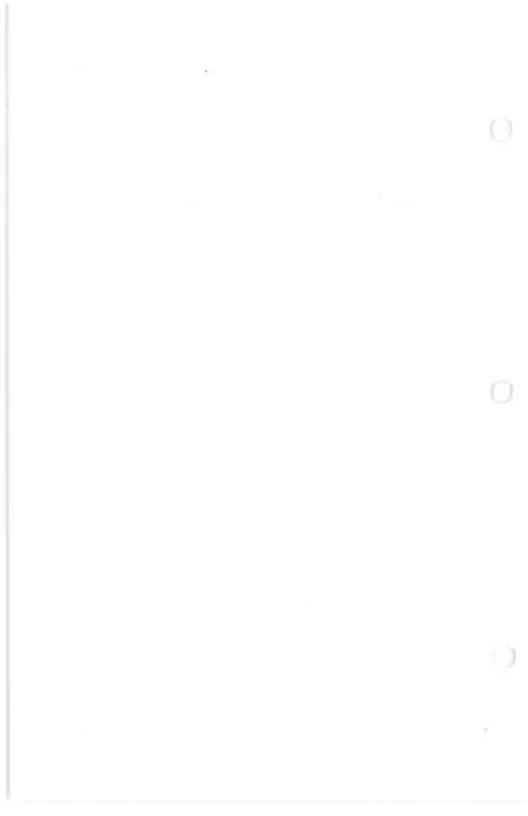
Amended Home Rule Charter Of The City Of Detroit Lakes Minnesota

INCLUDING ADMINISTRATIVE CODE ADOPTED MAY 3, 1983

ORIGINAL CHARTER ADOPTED FEBRUARY 23, 1903, AND AMENDED IN THE FORM OF AN ENTIRELY NEW CHARTER ON APRIL 3, 1959 AND DECEMBER 14, 1982



FOREWORD

The original Charter of the City of Detroit Lakes, Minnesota, was adopted as a Home Rule Charter, pursuant to the provisions of Section 36, Article IV, constitution of the State of Minnesota, and Chapter 351, general laws of the State of Minnesota for the year 1899, at a special election held February 23, 1903. Amendments to this original Charter were adopted at special elections held at various times during the years from 1908 to 1926, inclusive. The last amendment to the original Charter was adopted at a special election held September 7, 1926, and changed the name of the City from Detroit to Detroit Lakes. On January 24, 1959, a Charter Commission submitted an amendment to the original Charter in the form of an entirely new Charter. This amended Home Rule Charter was ratified at a special election held April 3, 1959.

On July 7, 1981, the City Council appointed a Council Committee to recommend an Ordinance to amend the Home Rule Charter.

On August 31, 1982, a public hearing was held on the proposed Ordinance and on September 7, 1982, the City Council gave second reading and passage to Ordinance No. 383.

Ordinance No. 383, amending the Home Rule Charter, was ratified by the electorate at a special City election held on December 14, 1982.

MEMBERS OF THE CHARTER COMMISSION OF 1903 G. C. Nunn A. E. Bowling, Chairman H. A. Bowman, Secretary John H. Smith John K. West Henry Tietgen Casper Wackman Ieff H. Irish Wm. L. Taylor Matt Ketten I. K. Grimsgaard L. C. McKinstry C. F. Snell I. B. Carman George D. Hamilton FIRST OFFICIALS SERVING UNDER THE ORIGINAL CHARTER OF 1903 Mayor E. W. Davis City Clerk.... Chas. G. Sturtevant City Treasurer. W. J. Morrow Aldermen: First Ward Second Ward Third Ward James Hickey Casper Wackman Chas. F. Snell J. T. Reed A. Skeoch, Jr. Frank Johnson O. P. Morton R. W. Moore L. J. Norby FIRST OFFICIALS SERVING UNDER THE **AMENDED CHARTER OF 1959** Mayor A. R. Johnson City Clerk..... Lloyd E. Learned City Treasurer. Arthur O. Oien Aldermen: Second Ward Third Ward First Ward Chester L. Bates Elmer R. Just Raymond J. Brekken Kent M. Freeman Darrell E. Beck Gene Eidenschink R. H. Reese George Moebeck Duane Wething FIRST OFFICIALS SERVING UNDER THE **AMENDED CHARTER OF 1982** Mayor Loren E. Nelson City Administrator Wayne Lance Finance Officer...... Richard Grabow Aldermen: Second Ward Third Ward First Ward Urban J. Benewicz Duane Wething John Hoeglund Leonard M. Heltemes James Thomas Merlin Fernholz At Large Dixie Johnson Larry Buboltz Gene Berg

ORDINANCE NO. 383

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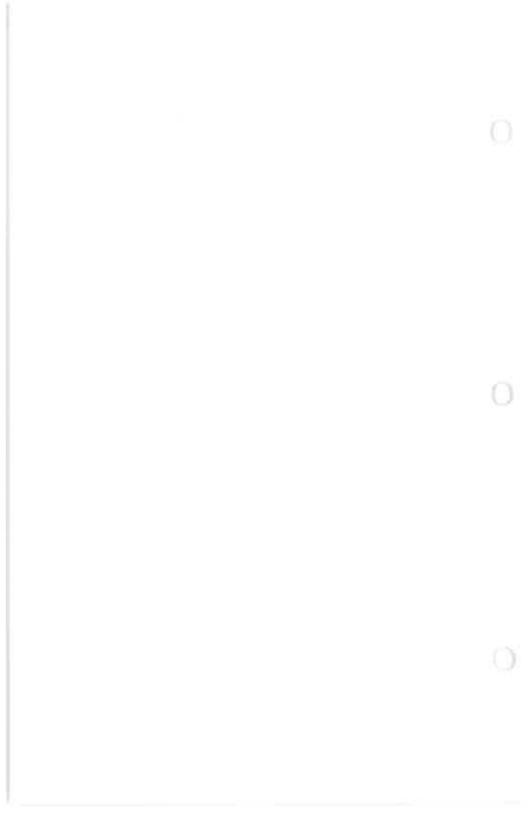


Name, Boundaries, and Powers

Section 1.01. Name and Boundaries. The City of Detroit Lakes, Becker County, Minnesota, shall continue to be a municipal corporation under that name and with the same boundaries as now are or hereafter may be established.

Section 1.02. Ward Boundaries. The City of Detroit Lakes shall continue to be divided into three wards bounded and described as they now are, or as they may be re-arranged.

Section 1.03. Powers of the City. The City shall have all powers which may now or hereafter be possible for a municipal corporation in this state to exercise in harmony with the constitutions of this state and of the United States. It is the intention of this charter to confer upon the City every power which it would have if it were specifically mentioned. The charter shall be construed liberally in favor of the City and the specific mention of particular municipal powers in other sections of this charter does not limit the powers of the City to those thus mentioned. All such powers shall be exercised in the manner prescribed in this charter or by the laws of the State of Minnesota, or if not so prescribed, as shall be provided by Ordinance of the City Council. In its corporate name, it may take and hold, by purchase, condemnation, gift, or devise, and may lease and convey any and all such real, personal, or mixed property within or without its boundaries as its purpose may require or as may be useful or beneficial to its inhabitants, and it may contract with any other governmental unit or agency, private corporation or person for such joint services and utilities as may seem desirable and all other legitimate purposes. Unless granted to some other officer or body. all powers are vested in the City Council.



Form of Government

Section 2.01. Form of Government. The form of government established by this charter is the "Mayor-Council Plan."

Section 2.02. Administrative Code. The existing departments, divisions, and boards of the city government are continued, except as expressly changed by the provisions of this charter until the same shall be changed by the adoption of an Ordinance. Within six months after the adoption of this charter, the City Council shall, by Ordinance, provide a complete plan of organization and management of the city government and create in conformity with the expressed provisions of this charter such departments, divisions, boards, and appointive offices as they may deem desirable, except insofar as such matters are otherwise provided for in this charter.

Section 2.03. Boards and Commissions. Except as otherwise provided by law or this charter, there shall be no separate administrative boards except for the administration of a function jointly with another political subdivision. The Council shall itself be and perform the duties and exercise the powers of such boards and commissions provided for by statute. The Council may establish boards and commissions to advise the Council with respect to any municipal function or activity, to investigate any subject of interest to the City, or to perform quasi-judicial functions.

Section 2.04. Council Composition and Election. The Council shall be composed of the Mayor and nine Aldermen. Two Aldermen shall be elected from each of the three wards of the City. The Mayor and three Aldermen shall be elected by and from the electors of the City at large. The terms of the office of Mayor and Alderman shall be four years and shall begin on the first day of January following the regular municipal election. The Mayor, one Alderman from each ward, and one Alderman at Large shall be elected in the presidential election year. One Alderman from each ward and two Aldermen at Large shall be elected in the off-presidential election year. Members of the present Council shall continue to serve until their current elected and/or appointed terms expire. The ward boundaries in effect on the effective date of this charter shall continue until modified by resolution. The Council shall, from time to

time, modify the ward boundaries to insure compliance with constitutional requirements as to representation.

Section 2.05. Incompatible Offices. No member of the Council shall be appointed to or hold any paid municipal office or be employed by the City.

Section 2.06. Vacancies in the Council. A vacancy in the Council, whether it be in the office of Mayor or Alderman, shall be deemed to exist in case of the failure of any person elected thereto to qualify on or before the date of the second regular meeting of the new Council, or by reason of the death, resignation, removal from office, removal from the City, continuous absence from the City for more than three months, or conviction of a felony of any such person after their qualification. In each case the Council shall by resolution declare such vacancy to exist and shall forthwith appoint an eligible person to fill the same until the next regular municipal election, when the office shall be filled for the unexpired term. In the event an Alderman should change residency from the ward from which elected to another ward within the City, such Alderman shall serve to the next regular election at which time a vacancy shall exist. A change in ward boundaries as herein provided shall not in any way affect the then current term of any Alderman. However, a candidate for election or re-election to the office of Alderman must be a bona fide resident of the ward from which he/she seeks election and meets all other requirements of such candidates.

Section 2.07. The Mayor. The Mayor shall be a member of the Council and preside over its meetings, but shall have no vote, except in case of a tie, when he shall have the power to cast the deciding vote. He shall be the chief executive officer of the City and shall have control of its police force. The members of such police force shall be nominated by the Mayor in accordance with the civil service rules and regulations in effect at the time of appointment. All appointments must be confirmed by the Council. The Mayor shall be recognized as head of the city government for all ceremonial purposes, by the courts for the purpose of serving civil process, and by the governor for purposes of martial law. It shall be the duty of the Mayor to see that the laws of the State, the provisions of the charter and ordinances of the City are duly observed and enforced within the City.

Section 2.08. The Vice-Mayor. At its annual meeting in January, the Council shall choose one of its members as Vice-Mayor. The Vice-Mayor shall perform the duties of the Mayor during his absence or disability. If both the Mayor and Vice-Mayor should be absent or disabled, the Council shall appoint one of its members to act as Vice-Mayor during such absence or disability. The Vice-Mayor and acting Vice-Mayor while so acting shall not vote except as this charter provides for the vote of a Mayor.

Section 2.09. Salaries. The Mayor and Alderman shall receive such compensation as is fixed by the Council in accordance with law. The appointive officers and employees of the City shall receive such salaries or wages as may be fixed by the Council, except as otherwise provided herein.

The City Council, by resolution each year, shall set apart an amount of money from the General Fund for the Mayor's contingent expenses, which shall be paid out by the Treasurer upon the Mayor's warrant and which he may expend for any purpose connected with the proper discharge of the duties of his office.

Section 2.10. Investigation of City Affairs. The Council may make investigations into the affairs of the City and the conduct of any city department, office, or agency and for this purpose may subpoena witnesses, administer oaths, take testimony, and require the production of evidence. The Council shall provide for an audit of the City's accounts at least once a year. At any time the Council may provide for an examination or audit of the records of any city officer or department. The Council may provide for any survey or research study of any subject of municipal concern.

Section 2.11. Administration. Neither the Council nor any of its members shall dictate the appointment or removal of any city employee except department heads, but the Council may express its views and freely discuss with the City Administrator anything pertaining to appointment and removal of officers and employees. Except for the purpose of inquiry and investigation under Section 2.10, the Council and its members shall deal with and control city employees under the jurisdiction of the department heads solely through the City Administrator, and neither the Council nor any Council member shall give orders to any subordinate of the depart-

ment heads either publicly or privately.

Section 2.12. The City Administrator. The Council shall appoint a City Administrator and delegate to that person whatever powers, ministerial or administrative, it deems necessary or proper for the administration of city affairs. The City Administrator shall be designated the City Clerk and/or Treasurer for purposes of carrying out Minnesota Statutes in the absence of such a person. The City Administrator shall be appointed for an indefinite period and may be removed by the Council at any time.

Section 2.13. Appointive Officers. At the first meeting following the adoption of this charter, the City Council shall, by resolution, appoint a City Attorney, a City Engineer, and a Health Officer. The appointments shall be for an indefinite period and may be terminated by the Council at any time. All appointive officers shall perform all duties imposed by law upon their respective offices and all other duties consistent with their respective offices as the Council may direct by ordinance or resolution. The Council shall have the right and power to employ special and additional counsel for special matters or actions of law in which the City is interested.

Section 2.14. Duties of City Clerk. The City Clerk shall have the power to administer oaths and affirmations, take acknowledgements and certify instruments in all cases in which the same are required or sanctioned by law, and the Clerk shall keep the corporate seal of the City and all papers and records thereof except as otherwise provided in this chapter.

Council Procedure

Section 3.01. Council Meetings. The Council shall meet regularly at least once each month at such times and places as it may designate by rule. The Mayor or any three members of the Council may call special meetings of the Council upon at least 48 hours written notice to each member and such reasonable public notice as may be prescribed by Council rule in compliance with state law. Special meetings shall be for the specific purpose or purposes set forth in the notice thereof, and no other action shall be taken at a special meeting. To the extent provided by law, all meetings of the Council and its committees shall be public, and any citizen shall have access to the minutes and records of the Council at all reasonable times. The annual meeting of the Council shall be held on the first Tuesday following the first Monday in January of each year, at which meeting new members shall be seated and the Council organized.

Section 3.02. Secretary of Council. The City Clerk shall act as secretary of the Council. He/she shall keep a journal of Council proceedings and perform such other duties as this charter or the Council may require.

Section 3.03. Rules of Procedure and Quorum. The Council shall determine its own rules and order of business. A majority of all members shall constitute a quorum, but a smaller number may adjourn from time to time. The Council may by rule provide a means by which a majority may compel the attendance of absent members.

Section 3.04. Ordinances and Resolutions. Except as otherwise provided in this charter, all legislation shall be by ordinance or resolution except as otherwise provided by the laws of the state or this charter. The vote of Aldermen on any action taken shall be recorded in accordance with law. Except as otherwise provided in this charter, an affirmative vote of a majority of all the members of the Council shall be required for the adoption of ordinances. Resolutions may be adopted by an affirmative vote of the majority of a quorum, except that every ordinance or resolution involving the appropriation or disposition of public property, the expenditure of public money, levying any tax or assessment, creating any liability, awarding any condemnation of private property, shall require a

two-thirds vote of all members of the Council. The Clerk shall have the supervision of all printing and of publications ordered by the Council and shall cause to be published in the official paper the minutes of all proceedings of the Council. The Clerk shall record and file all ordinances and resolutions in the permanent records of the City.

Section 3.05. Procedure on Ordinances. The enacting clause of every Ordinance shall be: "Be it ordained by the City of Detroit Lakes, as follows:" No Ordinance shall contain more than one subject, which shall be expressed in its title. An Ordinance may not be amended after its first reading so as to change its original purpose.

Section 3.06. Passage of Ordinances. No Ordinance, except an emergency Ordinance, shall be introduced except at a regular meeting, at which meeting it shall have its first reading. Its second reading and passage shall be at a regular meeting or at a special meeting, which shall occur not less than one week after its first reading.

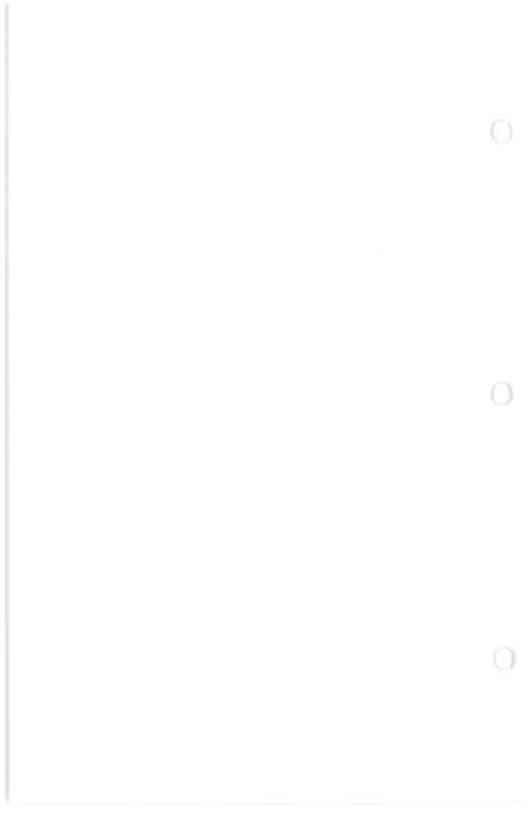
Section 3.07. Emergency Ordinances. An emergency Ordinance is an Ordinance for the immediate preservation of the public peace, health, or safety in which the emergency is defined or declared in a preamble thereto, separately voted upon, and both preamble and Ordinance may be passed only upon the approval of two-thirds of all the members of the Council. An emergency Ordinance must be in writing but may be enacted without previous reading.

Section 3.08. Signing and Publication of Ordinances and Resolutions. Every Ordinance or resolution of the Council shall, before it takes effect, be presented to the Mayor for approval. If he shall approve it, he shall sign the same, but if he disapproves it, he shall return it to the Council with his objection thereto, by depositing the same with the Clerk for presentation to the Council at its next regular meeting or at a special meeting called for that purpose. Upon the return of any Ordinance or resolution by the Mayor, the vote by which the same was passed shall be deemed to have been reconsidered and the question shall again be put upon the passage of the same, notwithstanding the objections of the Mayor and if, upon such submission the Council shall pass the same by a two-thirds vote of all the members of the Council, it shall have the same effect as if

approved by the Mayor, In such a case the vote shall be by yeas and nays and shall be recorded by the Clerk. If an Ordinance or resolution shall not be deposited with the Clerk by the Mayor within five days, Sundays and holidays excluded, after it shall have been presented to him, the same shall have the same effect as if approved by him. Every Ordinance shall be published as provided by Minnesota Statutes (412.191 Subd. 4).

Section 3.09. When Ordinances and Resolutions Take Effect. Every resolution and emergency Ordinance shall take effect immediately upon its passage or at such later date as it specifies. Every other Ordinance shall take effect upon its publication or at such later date as it specifies.

Section 3.10. Amendment and Repeal of Ordinances and Resolutions. Every Ordinance or resolution repealing all or part of a previous Ordinance or resolution shall give the number, if any, and the title of the Ordinance or resolution to be repealed in whole or in part. No Ordinance or resolution shall be amended by reference to the title alone, but such an amending Ordinance or resolution shall set forth in full each section or subdivision to be amended and shall indicate by appropriate type or symbols matter to be omitted or added.



Nominations and Elections

Section 4.01. The Regular Municipal Election. The regular municipal election shall be held on the first Tuesday after the first Monday in November of each even numbered year commencing in 1982, at such place or places as the City Council may designate. The City Clerk shall give at least two weeks published notice of the election, but failure to give such notice shall not invalidate the election.

Section 4.02. Special Elections. The Council may by resolution order a special election and provide all means for holding it. The Clerk shall give at least two weeks published notice of a special election. The procedure at such election shall conform as nearly as possible to that prescribed for other city elections.

Section 4.03. Filing for Office. No earlier than six weeks or later than four weeks before the municipal election, any voter of the City qualified under the state constitution for elective office may, by filing an affidavit and paying a filing fee of \$5.00 to the City Clerk, have his name placed on the municipal election ballot.

Section 4.04. **Procedure at Elections.** Subject to this charter and applicable state laws, the Council may by ordinance further regulate the conduct of municipal elections. Except as otherwise provided by this charter and supplementary ordinances, general state laws on elections shall apply to municipal elections.

Section 4.05. Withdrawal. Any candidate may withdraw not later than twelve o'clock noon of the day following the last day for filing, by filing with the City Clerk a written notice of withdrawal, signed and sworn to by the candidate.

Section 4.06. Canvass of Elections. The Council shall meet and canvass the election returns within five days after any regular or special election, make full declaration of the results as soon as possible, and file a statement thereof with the City Clerk. Such statement shall include the following: (a) the total number of ballots cast; (b) the total number of good ballots cast; (c) the total number of spoiled or defective ballots cast; (d) the vote for each candidate with an indication of those who were elected; (e) the votes on any question submitted, if any; (f) a true copy of the ballots used; (g) the names of the judges and clerks of the election; and (h) such other information

as may seem pertinent. All successful candidates shall forthwith be notified in writing by the City Clerk of their election.

Administration of City Affairs

Section 5.01. **Department Heads.** Unless otherwise provided for in this charter, all administration of city functions and supervision of the city personnel shall be under the control of one of the following department heads:

- 1. City Administrator
- 2. Police Chief
- 3. Liquor Store Manager
- 4. Street Commissioner

Unless otherwise specified in this charter the Police Chief, Liquor Store Manager, and Street Commissioner shall report to the City Administrator.

Except as otherwise provided by law, a department head shall be appointed for an indefinite term and may be removed at any time by vote of two-thirds of all the members of the Council. A department head may demand written charges and a public hearing on the charges before the Council prior to the date when his/her final removal takes effect. After the hearing, if one is demanded, the Council may either reinstate the department head or make his/her removal final. Pending the hearing and removal, the Council may suspend the department head from office. The Council may designate a properly qualified person to perform the duties of a department head during his/her absence or disability or while the office is vacant.

Section 5.02. Powers and Duties of the Department Heads. The department heads, except the Police Chief, shall be responsible to the City Administrator for the administration of the affairs in their respective departments and shall have the following powers and duties:

- They shall have the powers and duties as set forth by Ordinance.
- 2. They shall see that this charter and the laws, ordinances, and resolutions of the City are enforced.
- They shall attend all regular meetings of the Council, but the Council may, in its discretion, excuse a department head from any such meeting.
- 4. They shall perform such other duties as are prescribed by this charter, or may be required by the Council.

Section 5.03. Powers and Duties of the Police Chief. The Police Chief shall be responsible to and under the direct supervision of the Mayor; however, in carrying out the functions and duties of his department, he shall report to and work with the City Administrator. The Police Chief shall have the following powers and duties:

- 1. General supervision of the Police Department.
- 2. See that this charter and laws, ordinances, and resolutions of the City and laws of the State of Minnesota are enforced.
- 3. Attend all regular and special meetings of the Council. He shall act as sergeant at arms at the meetings and maintain order as directed by the Mayor. The Council, in its discretion, may excuse him from attending any meeting.
- 4. Have all powers and duties as set forth by Ordinance.
- Shall perform such other duties prescribed by this charter as may be required by the Council.

Section 5.04. Administrative Organization. The Council may, by ordinance, alter the responsibilities of any department head by establishing, transferring, or abolishing offices and agencies, and prescribing their functions.

Section 5.05. Subordinante Officers. There may be a City Clerk, Finance Officer, and such other subordinate officers as the Council may create by ordinance. The City Clerk and Finance Officer shall be subject to the direction of the City Administrator.

Section 5.06. Purchases and Contracts. The City Administrator shall be the chief purchasing agent of the City. All city purchases shall be made by the City Administrator in accordance with the provisions of state law. All other purchases shall be made and all contracts let by the Council after the recommendation of the City Administrator has first been obtained. Contracts shall be made in compliance with the uniform contracting law. All contracts, bonds, and instruments of any kind to which the City is a party shall be signed by the Mayor and City Administrator or, in his/her absence, the City Clerk, on behalf of the City, and shall be executed in the name of the City. The Council may, by resolution, adopt further regulations for the making of bids and the letting of contracts.

Taxation and Finances

Section 6.01. Council to Control Finances. The Council shall have full authority over the financial affairs of the City. It shall provide for the collection of all revenues and other assets, the auditing and settlement of accounts, and the safekeeping and disbursement of public moneys.

Section 6.02. Fiscal Year. The fiscal year of the City shall be the calendar year.

Section 6.03. System of Taxation. Subject to the state constitution, and except as forbidden by it or by state law, the Council shall have full power to provide for a system of local taxation. This authority includes the power, by resolution, to assess, levy, and collect taxes on all subjects or objects of taxation except as limited or prohibited by the state constitution, by this charter, or by laws imposing restrictions upon the City irrespective of charter provisions.

Section 6.04. Submission of Budget. Annually, the Mayor, three members of the Council appointed by the Council, and the City Administrator shall submit, to the Council their recommended budget in accordance with a budget calendar to be established by Ordinance or, in the absence of such Ordinance, by September 1.

The budget shall provide a complete financial plan for all city funds and activities for the ensuing fiscal year and, except as required by law or charter, shall be in such form as the City Administrator deems desirable or the Council may require. It shall include a summary and show in detail all estimated income and all proposed expenditures, including debt service and comparative figures for the current fiscal year, actual and estimated, and the preceding fiscal year. In addition to showing proposed expenditures for current operations, it shall show proposed capital expenditures to be made during the year and the proposed method of financing each such capital expenditure. The total proposed operating budget to be provided from the property tax shall not exceed the amounts authorized by law and this charter. Consistent with these provisions, the budget shall contain such information and be in the form prescribed by ordinance and by law.

Section 6.05. Council Action on Budget. The budget shall be submitted for consideration during the month of September and at subsequent meetings until a budget is adopted for the ensuing year. The meetings shall be so conducted as to give interested citizens a reasonable opportunity to be heard. The Council may revise the proposed budget but no budget or amendment to the budget shall increase the authorized expenditures to an amount greater than the estimated income and available reserves. The Council shall adopt the budget not later than the 10th day of October by a resolution which shall set forth the total for each budgeted fund and each department with such segregation as to objects and purposes of expenditures as the Council deems necessary for purposes of budget control. The Council shall also adopt a resolution levying the amount of taxes provided in the budget, and the City Clerk shall certify the tax resolution to the County Auditor in accordance with law not later than October 10. Adoption of the budget resolution shall constitute appropriations at the beginning of the fiscal year of the sums fixed in the resolution for the several purposes named.

Section 6.06. Enforcement of the Budget. Each department head shall strictly enforce the provisions of his departmental budget. He shall not authorize any payment or the incurring of any obligation by the City unless an appropriation has been made in the budget resolution and there is a sufficient unexpended balance left after deducting the total past expenditures and encumbrances against the appropriation. No officer or employee of the City shall place any order or make any purchase except for a purpose and to the amount authorized in the budget resolution. Any obligation incurred by any person in the employ of the City for any purpose not authorized in the budget resolution or for any amount in excess of the amount authorized may be a personal obligation upon the person incurring the obligation. No check shall be issued or transfer made to any account other than one owned by the City until the claim to which it relates has been supported by an itemized bill, payroll, or time sheet or other document approved and signed by the responsible city officer who vouches for its correctness and reasonableness. The City Administrator shall regularly report to the Council on the status of the budget and the expenditures from the balances in each account of the budget.

Section 6.07. Alterations in the Budget. After the budget resolution has been adopted, the Council shall not increase the amounts fixed in the resolution beyond the estimated receipts except to the extent that actual receipts exceed the estimate. At any time the Council may, by resolution approved by a majority of its members, reduce the sums appropriated for any purpose by the budget resolution or authorize the transfer of sums from unencumbered balances of appropriations in the budget resolution to other purposes.

Section 6.08. Funds to be Kept. There shall be maintained in the city treasury a General Fund for the payment of such expenses as the Council may deem proper. Into this fund shall be paid all moneys levied for this fund and all moneys not required to be placed in some other fund. There shall also be maintained in the city treasury the following funds established for the purposes as stated:

A Library Fund shall be maintained into which shall be placed or credited all moneys, levied, appropriated, or collected for the maintenance of the city library and out of which shall be paid all expenses or maintenance and operation of the city library.

A Permanent Improvement Fund shall be maintained for the purpose of paying the costs of all real property and all rights therein and all improvements thereon which the City may own or acquire for its various purposes, payment for which is not otherwise provided for by use of other funds, and also for the purpose of paying such portions of the expense of local improvements as shall devolve upon the city.

An Equipment Fund shall be maintained into which shall be placed or credited all moneys levied or appropriated for the purchase of any equipment for the Street/Park Department, Fire Department, and Police Department.

A Bond Emergency Fund shall be created and maintained for the purpose of accumulating money to pay the principal of the bonded indebtedness of the City in the event that the amount in any particular sinking fund is not sufficient and to call bonds in advance of payment date. For this purpose, there may be levied an annual tax to be determined by the City Council, and placed upon the assessed valuation of all taxable property in the City. In addition, there shall be put into this fund twenty-five percent (25%) of all fines, license

fees, and fees for permits. At no time shall the fund balance of this fund be allowed to fall below one hundred and fifty thousand dollars (\$150,000) without approval of two-thirds vote of all members of the Council.

A Wastewater Treatment Fund shall be created and maintained for the repair, maintenance, and operation of the wastewater treatment plant and sanitary sewer lifts and mains, and into this fund shall be placed all moneys collected from sewer rental charges, together with all moneys levied therefor.

A Public Utility Fund shall be created and maintained into which shall be placed or credited all moneys received from the operation of all public utilities, including the receipts from the heat utility, or appropriated by the City Council thereto and from which shall be paid all expenses incurred in the operation of any public utility, including payment of all revenue bonds and certificates chargeable to any public utility, as supervised, controlled, or managed by the Public Utilities Commission, as set forth in Chapter 10.

An Airport Fund shall be established and maintained for the repair, maintenance, and operation of the Detroit Lakes Airport.

A Municipal Liquor Fund shall be established as provided by Ordinance.

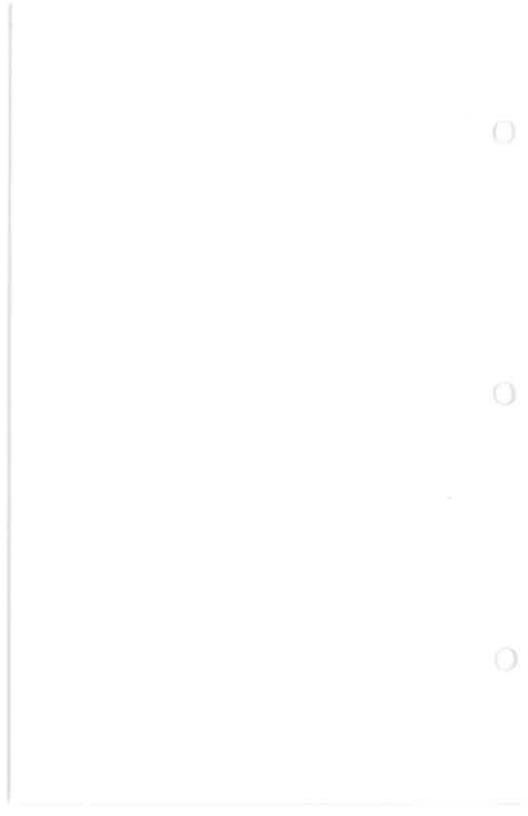
There shall also be maintained in the city treasury such other funds or division of funds as are required by law, ordinance, resolution, or this charter.

Section 6.09. City Indebtedness. Except as provided in Sections 6.10 and 6.11, no obligation shall be issued to pay current expenses, but the Council may issue and sell obligations for any other municipal purpose in accordance with law and within the limitations prescribed by law. Except in the case of obligations for which an election is not required by this charter or by law, no such obligations shall be issued and sold without the approval of the majority of the voters voting on the question at a general or special election.

Section 6.10. Anticipation Certificates. At any time after January 1, the Council may issue certificates of indebtedness in anticipation of state and federal aids and the collection of taxes levied the

previous year for any fund and not yet collected. The total amount of certificates issued against any fund for any year together with interest thereon until maturity shall not exceed the total of state and federal aids and current taxes due to the fund and uncollected at the time of issuance. Such certificates shall be issued on such terms and conditions as the Council may determine, but they shall become due not later than April 1, of the year following their issuance. The proceeds of the tax levied and such state or federal aids as the governing body may have allocated for the fund against which tax anticipation certificates are issued and the full faith and credit of the City shall be irrevocably pledged for the redemption of the certificates.

Section 6.11 Emergency Debt Certificates. If in any year the receipts from taxes or other sources should from some unforeseen cause become insufficient for the ordinary expenses of the City, or if any calamity or other public emergency necessitates the making of extraordinary expenditures, the Council may by ordinance issue on such terms and in such manner as the Council determines emergency debt certificates to run not to exceed five years. A tax sufficient to pay principal and interest on such certificates with the margin required by law shall be levied as required by law. The ordinance authorizing an issue of such emergency debt certificates shall state the nature of the emergency and be approved by at least two-thirds vote of the members of the Council. It may be passed as an emergency ordinance.

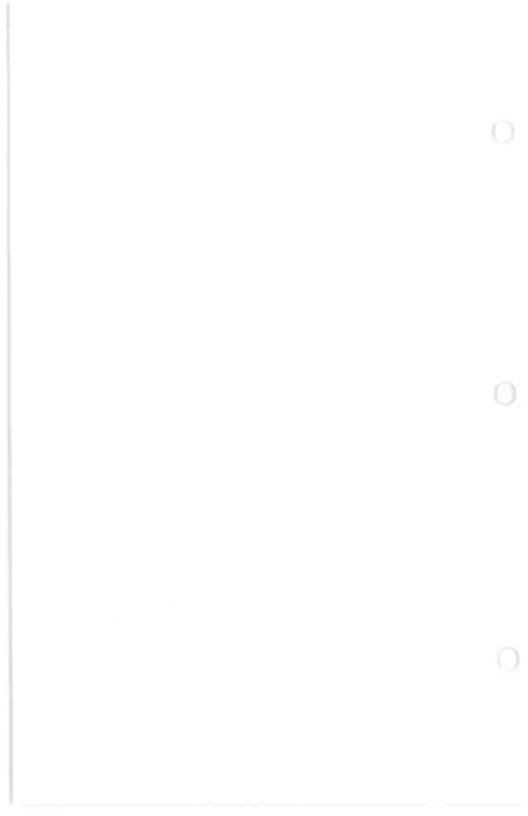


Public Improvements and Special Assessments

Section 7.01. Power to Make Improvements and Levy Assessments. The City shall have the power to make any and every type of public improvement not forbidden by law and to levy special assessments for all or any part of the cost of such improvements as are of a local character, in the manner provided by law.

Section 7.02. Assessments for Services. The Council may provide by ordinance that the cost of sprinkling, snow, or rubbish removal, or of any other service to streets, sidewalks, or other public property, or the cost of any service to other property undertaken by the City may be assessed against the property benefited and collected in the same manner as special assessments.

Section 7.03. Local Improvement Procedure. When the City undertakes any local improvement to which the state local improvement code applies, it shall comply with the provisions of that law. The Council may by ordinance prescribe the procedure to be followed in making any other local improvement and levying assessments therefor.



Eminent Domain

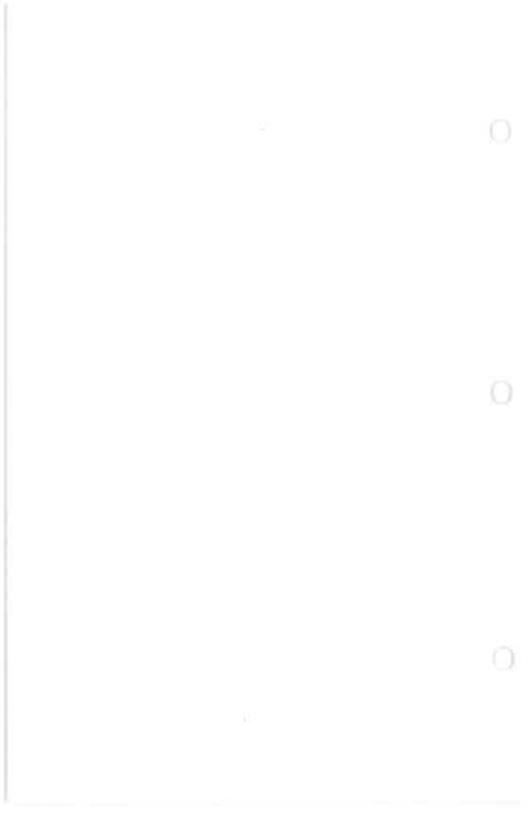
Section 8.01. Acquisition of Property. The City may acquire, by purchase, gift, condemnation, or otherwise, easements or any other property, either within or without its boundaries, that may be needed by the City for any public purpose. In acquiring property by exercising the power of eminent domain, the City shall proceed according to Minnesota Statutes, Chapter 117 or other applicable law.

Section 8.02. Proceedings in Acquiring Property. The necessity for the taking of any property by the City shall be determined by the Council and shall be declared by a resolution which shall describe such property as nearly as may be and state the use to which it is to be devoted. In acquiring property by exercising the power of eminent domain, the City shall proceed according to the laws of this state, except as otherwise provided in this chapter.

Section 8.03. Payment of Award. Whenever an award of damages is confirmed in any proceeding for the taking of property for public use by right of eminent domain, or whenever the court renders final judgment in any appeal from any such award and the time for abandoning such proceedings by the City has expired, the City shall, within 60 days of such final determination, pay the amount of the award or judgment of the court, as the case may be, and if not so paid, judgment therefor may be had against the City.

Section 8.04. City may Abandon Proceedings. The City may, by resolution of the Council at any stage of the condemnation proceedings or at any time within 30 days after final determination thereof, abandon such proceedings as to all or any part of the property sought to be acquired and shall pay all reasonable costs and expenses thereof, including fees of counsel.

Section 8.05. Assessment of Benefits. Whenever the City acquires land or any interest therein by purchase, condemnation, or otherwise, and such acquisition results in an improvement or benefit to other property, the cost thereof or any portion of the cost thereof may be assessed against benefited property as provided by statute, improvement ordinance, or resolution.



Franchises

Section 9.01. Franchises Required. Except as otherwise provided by law, no person, firm, or corporation shall place or maintain any permanent or semi-permanent fixtures in, over, upon, or under any street or public place for the purpose of operating a public utility or for any other purpose, without a franchise therefor from the City. A franchise shall be granted only by ordinance, which shall not be an emergency ordinance. Every ordinance granting a franchise shall contain all the terms and conditions of the franchise. The grantee shall bear the costs of publication of the franchise ordinance and shall make a sufficient deposit with the Clerk to guarantee publication before the ordinance is passed.

Section 9.02. Term. No exclusive or perpetual franchise shall ever be granted. No franchise for a term exceeding twenty years shall be effective until approved by a majority of the electors voting thereon.

Section 9.03. Regulation. Subject to any applicable law, the Council may, by ordinance, reasonably regulate the exercise of any franchise, including the maximum rates charged by the grantee and may impose franchise fees upon the public utility in the manner authorized by law. For the purposes of such regulation, the applicable records of the person, firm, corporation, or other entity holding a franchise shall be available for inspection by the Council, or its agents, at all reasonable times, and the Council may require the franchise holder to provide the City with written reports relative to its operation within the City. In the event of any increase in rates, a franchise holder shall notify the Council, in writing, at least 60 days prior to the proposed effective date of such increase. In the exercise of its regulatory powers the Council may appoint a commission or referee to make investigations, hold hearings, and make findings and recommendations to the Council. No franchise value shall be included in the valuation of the grantee's property for the purpose of rates under any applicable law, ordinance, or regulation, or in proceedings for municipal acquisition of the grantee's property by purchase or eminent domain.

Section 9.04. Renewals or Extensions. Every renewal or modification of a franchise, including an existing franchise, shall be subject to the same limitations and shall be granted in the same manner as a new franchise.

Section 9.05. Lease of Utilities. The Council may, if the public interest will be served thereby, contract with any responsible person, co-partnership, or corporation, for the operation of any utility owned by the City, upon such rentals and conditions as it may deem necessary, but such contracts shall be embodied in and let only by an ordinance approved by a majority of the Council and submitted to the electors at a general or special election and approved by a majority of the electors voting thereon. Such ordinance shall not be an emergency ordinance. In no case shall such contract be for a longer term than ten years.

Public Ownership and Operation of Utilities

Section 10.01. Power of City. The City of Detroit Lakes shall have the power to own and operate water, electric light and power, gas systems or systems for distribution of any other source of energy, sanitary sewer system, garbage and waste collection, disposal system, municipal airport, and any other public utility which may be authorized pursuant to ordinance duly adopted by the Council, and it may furnish water, light, and power, and gas, or any other source of energy for all municipal purposes, and may supply the same to the inhabitants of the City and to such other persons, corporations, or other governmental units as it may deem expedient.

Section 10.02. Public Utilities Department. The public water works, electric light and power system, gas system, and any system supplying any other source of energy owned, operated, or distributed by the City, shall constitute one department in the City known as the "Public Utilities Department." The control, management, and operation of all such public utilities shall be committed to a board known as the "Public Utilities Commission." The City Council may, by ordinance, make the sanitary sewer system, garbage and waste collection, disposal system, or any other public utility from which a revenue is, or may be derived, a part of the Public Utilities Department, or may in the same manner commit the supervision of any such sanitary sewer system, garbage and waste collection and disposal system, and any other public utility in whole or in part to the Public Utilities Department. The Public Utilities Commissioners now holding office under the present city charter shall constitute the Public Utilities Commission under this charter until their successors are appointed and qualified.

Section 10.03. Public Utilities Commission. The Commission shall consist of not less than three nor more than five members as may be determined by the Council and all members thereof shall be residents and qualified electors of the City, except that the City Council at its discretion may appoint one member thereof who is not a resident of the City. Members of the Commission shall continue to be appointed by the City Council as their current terms expire. Such appointments shall be made by the Council by resolution adopted by

a majority vote of all the members of the Council, and such Commissioners, before entering upon the duties of their offices, shall qualify and give such bond as the Council may require. The members of said Commission shall be paid such salary as may be fixed by the City Council, but the compensation of any Commissioner shall not be diminished during the term for which he was appointed. The compensation of the members of the Commission shall be paid out of the Public Utilities Department fund and shall constitute a part of the operating expense of the Public Utilities Department.

Section 10.04. Organization of Commission. The Commission shall organize by electing one of its members President, and designating the City Administrator to act as Recording Secretary, who shall keep a record of the meetings of such Commission. The Commission may employ such help as will enable it to perform its duties under this charter, and may discharge such employees at will. The City Administrator shall also act as an employee of the Commission with such duties and compensation as they shall determine. The City Attorney shall act as attorney for the Commission, but in the event of conflict between the Commission and the City Council, the Commission may by unanimous vote of the Commissioners, employ special counsel to represent it and pay reasonable fees as a part of the operating expense of the Public Utilities Department. The Commission shall require a suitable bond from all employees handling funds and making collections and the premiums for such bond shall be paid from Public Utility funds. The Commission shall prescribe the duties of all employees and shall fix their compensation.

Section 10.05. Power of Commission. Except as otherwise provided in this charter, the Commission shall have control and power over the water, light, power, and gas system, and the distribution of any other source of energy that may be owned or operated by the City of Detroit Lakes, at the time said Commission is created or which may thereafter be acquired, owned, or operated by the City, and shall have such other power and control over sanitary sewage system, garbage and waste collection and disposal system, and any other public utility as may be assigned to it by the City Council. The Commission shall have the supervision of all buildings, structures, machinery, apparatus, equipment, materials, and supplies, and all other property belonging to or pertinent to the Public Utilities

Department or under its control, and except as hereinafter provided, shall have full and exclusive control and power over all moneys, bonds, certificates of indebtedness, warrants, and other securities in any fund of the department, provided, however, that the money of said department shall be held in the City Treasury as a part of the funds of the City of Detroit Lakes and dispensed as authorized by the Commission and City Council. The Commission and its employees may enter upon any premises for the purpose of examining the same and making surveys and it may prosecute any action in the name of the City against any person for the use of water, light, power, gas, or any other public utility, or for injury to any of its property or works entrusted to its care. Without limiting the generality of the foregoing, the Commission shall have the power:

- 1. To provide for regular meetings of the Commission, keep proper minutes thereof, and prescribe its own rules and procedure. The Commission shall meet at least once each month.
- To operate each and all of said utilities and to do all things necessary for the economical management, control, and operation thereof.
- 3. To keep the same in repair, and make necessary replacements, extensions, improvements, changes and additions thereto provided, however, that the Commission shall have no power to make any replacements, extensions, improvements, changes, or additions which require the issuance of bonds by the City to pay for the same in whole or in part, or which are to be paid for in whole or in part by special assessments upon property benefited thereby, or which require the expenditure of more than Ten Thousand Dollars (\$10,000) or the applicable statutory limitation, whichever is greater. In such cases, the Commission shall recommend to the City Council in writing the making of such replacements, extensions, improvements, changes, or additions, whereupon the City Council may in its discretion, proceed to make the same or to order the Commission to make the same and to issue bonds or levy assessments upon benefited property, as the case may be, and to pay for the same in whole or in part. Upon completion of such replacements, extensions, improvements, changes, or additions, the Commission shall have the control and management thereof, as provided herein with reference to any other such

property.

- 4. To buy fuel supplies, equipment, and other materials in such manner as to maintain and operate the services under their control.
- 5. To fix and determine the rates and charges to be made for services furnished by such utilities and to collect the same and all other earnings and revenues of said utilities; provided, however, that whenever any new schedule of rates is adopted for any of the utilities or change or alteration is made in an existing schedule, affecting either a part or all of the patrons of such utility, the Commission shall first cause the schedule, changes, or alterations to be submitted to the City Council for approval and thereafter shall cause public announcement of such new schedule, changes, or alterations to be made in the official newspaper of the City at least ten (10) days before such change becomes effective.
- 6. To prescribe the time and manner for which payment for all services shall be made, and to provide for the discontinuance and termination of such service in case of nonpayment, and in its discretion to require payment in advance for any and all such service. The owner of any property which has upon it any pipes connected with the City's water works and gas systems, or wires and fixtures connected with the City's light and power system to convey light and power thereto, or which property is in any way connected with any source of energy supplied by the City shall, as well as the lessee or occupant of such premises, if any, be liable to the City for the rents or rates for all such service used upon such premises, and such charges shall contitute a lien upon such property and may be recovered in an action against such owner, lessee or occupant, or against any of them, as may be directed or prescribed by such Commission. Nothing herein contained shall be construed to limit the right of the Council to adopt resolutions providing for the certification of any such unpaid charges to the County Auditor for collection in the same manner as taxes on real estate.
- 7. To make and enforce reasonable rules and regulations pertaining to such service and the distribution and use thereof, and the operation of said utilities, and to prescribe penalties for the violation thereof.

General Provisions

Section 11.01. Official Publication. The Council shall annually designate a legal newspaper of general circulation in the City as its official newspaper in which shall be published ordinances and other matters required by law to be so published as well as such other matters as the Council may deem it in the public interest to have published in this manner.

Section 11.02. Oath of Office. Every elected or appointed officer of the City shall, before entering upon the duties of his office, take and subscribe an oath of office in substantially the following form: "I do solemnly swear (or affirm) to support the constitution of the United States and of this state and to discharge faithfully the duties devolving upon me as...(title of office) of the City of Detroit Lakes to the best of my judgment and ability."

Section 11.03. Official Bonds. The City Administrator, the City Clerk, and such other officers or employees of the City as may be specified by ordinance shall each, before entering upon the duties of the respective office or employment, give a corporate surety bond to the City as security for the faithful performance of his official duties and the safekeeping of the public funds. The bonds shall be in such form and amount as the Council determines, may be either individual or blanket bonds in the discretion of the Council, and shall be approved by the City Council and filed with the City Clerk. The provisions of state law relating to official bonds, not inconsistent with this charter, shall be complied with. The premiums on such bonds shall be paid by the City.

Section 11.04. Official Interest in Contracts. Except as otherwise permitted by law, no officer of the City who is authorized to take part in any manner in any contract with the City shall voluntarily have a personal financial interest in or personally benefit from such contract.

Section 11.05. Sale of Real Property. No real property of the City shall be disposed of except by resolution. No sale of property with a value in excess of \$200,000, as determined by the City Council, shall be made unless approved by the voters at a regular or special city election. The cash proceeds of any sale of the property shall be used

to retire any outstanding indebtedness incurred by the City in the acquisition or improvement of the property. The City Council may, by resolution, designate some other public use for any remaining proceeds generated by the sale.

Section 11.06. Vacation of Streets. The Council may by resolution vacate any street, alley, public grounds, public way, or part thereof, within the City. Such vacation may be made only after two weeks published notice and ten days mailed notice to abutting property owners and an opportunity for other affected property owners and public to be heard, and upon such further terms and by such procedure as the Council by resolution may prescribe. A notice of completion of such proceedings shall be filed with the proper county officers in accordance with law.

Section 11.07. City to Succeed to Rights and Obligations of Former Charter. The City shall succeed to all the property, rights, and privileges, and shall be subject to all legal obligations of the City under the former charter.

Section 11.08. Existing Ordinances Continued. All ordinances and regulations of the City in force when this charter takes effect and not inconsistent with this charter are continued in full force and effect until amended or repealed.

Section 11.09. Pending Condemnations, Improvements, and Assessments. Any condemnation, improvement, or assessment proceeding in progress when this charter takes effect shall be continued and completed under the laws under which such proceedings were begun. All assessments made by the City prior to the time when this charter takes effect shall be collected as if this charter had not been adopted.

Section 11.10. Ordinances to Make Effective. The Council shall by ordinance, resolution, or other appropriate action, take such steps as may be necessary to make effective the provisions of this charter,

Section 11.11. Present Officers Continued. The present officers of the City shall continue in their respective offices and functions and shall continue to govern the City under the laws and charter previously in effect until the officers provided for by this charter have been elected and qualify. They shall make such financial and other provisions for the fiscal year as will serve to carry on the government until a government has been set up under this charter, and they shall make provision for the election of the City Council as provided in Chapter 4 of this charter.

Section 11.12. Effective Date. This charter becomes effective on the day after its approval by the voters at the special election called for that purpose.

