

CHARTER
OF THE
CITY OF LAKE CITY
MINNESOTA

**CHARTER
OF THE CITY OF
LAKE CITY, MN**

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CHARTER
OF THE
CITY OF LAKE CITY

CHAPTER 1

Name, Boundaries, Powers and General Provisions

Section 1.01. Name and Boundaries. The City of Lake City, in the Counties of Wabasha and Goodhue, State of Minnesota, shall, upon the taking effect of this Charter, continue to be a municipal corporation, under the name and style of the City of Lake City with the same boundaries as now are or hereafter may be established.

Section 1.02. Powers of the City. The City shall have all powers which it 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 to not limit the powers of the City to those thus mentioned. Unless granted to some other officer or body, all powers are vested in the City Council.

Section 1.03. Charter Effective. This Charter shall take effect 30 days from and after its adoption by the voters, or as otherwise provided by law.

CHAPTER 2

Form of Government

Section 2.01. Form of Government. The form of government established by this Charter is the “Mayor-Council Plan”. The Council shall exercise the legislative power of the City and determine all matters of policy.

Section 2.02. Charter Commission. The Charter Commission authorized by Minnesota Statutes Chapter 410 shall be composed of 11 qualified voters of the City of Lake City, except that no member of the City Council or its Mayor can serve on the Charter Commission. No member of the Charter Commission shall serve on any other board or commission of the City.

Section 2.03. Other Boards and Commissions.

(a) The Council shall create a Marina Board to exercise powers and duties relating to marina and waterfront matters; a Utility Board to exercise powers and duties relating to water, sewer, storm water and electricity; and may create by ordinance if it deems necessary, such other 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.

(b) All board and commission members shall be residents and qualified electors of the City of Lake City except as to those appointed as advisory members of boards and commissions.

(c) The powers and duties of all boards and commissions shall be determined by ordinance. The Council shall itself be and perform the duties and exercise the powers of such boards and commissions provided for by statute unless it otherwise so provides by ordinance.

(d) Each board and commission shall consist of not less than three or more than 15 members who shall each serve for the term of three years.

(e) No board or commission member shall serve as a member of more than one board or commission at the same time. No board or commission member shall serve more than three full consecutive terms and no board or commission member shall have entitlement to the second or third full consecutive term. No person shall be reappointed to a board or commission on which he or she has served three full consecutive terms during the three years immediately thereafter following.

(f) Any board or commission member may be removed from office for cause shown by vote of not less than five members of the Council.

(g) The Mayor shall appoint new members to boards and commissions, subject to the confirmation by a majority of the Council. Members of the City Council and residents of the City of Lake City, may make such recommendations to the Mayor of new persons for appointment to serve on boards and commissions. Existing board and commission members may be reappointed by the majority vote of the Council.

(h) The Mayor, with the approval of a majority of the full City Council, may reduce the term of a board and commission member so as to provide for a reasonable staggering of terms of the members of a board or commission.

Section 2.04. Elective Officers. The Council shall be composed of a Mayor and six Council persons, who shall be qualified electors of the City and who shall be elected at large. The Mayor and Council persons shall hold office for the term of four years, commencing on the first Monday in January following the year in which they were elected and qualified, and until their successors are elected and qualified.

Section 2.05. Incompatible Offices. No member of the Council shall hold any other paid municipal office or permanent full time or part time employment under the City until one year after the expiration of the member's term as Mayor or Council person. No former member shall be appointed to any paid appointive office or employment under the City which office or employment was created or the compensation of which was increased during the member's term as Mayor or Council person until one year after the expiration of the member's term as Mayor or Council person.

Section 2.06. Vacancies in the Council. A vacancy in the Council shall be deemed to exist on the happening of any of the following events:

- (a) The death of the Mayor or Council person. If the death occurs before the person qualifies for office or before the time when by law the person is to take office, the vacancy shall be deemed to take place at the time when the term of office would have begun had the person lived;
- (b) The resignation of the Mayor or Council person;
- (c) The removal of the Mayor or Council person;
- (d) The Mayor or Council person's ceasing to be an inhabitant of the City;
- (e) The Mayor or Council person's conviction of any felony or of any offense involving a violation of the official oath;
- (f) The Mayor or Council member's refusal or neglect to take the oath of office, or to give or renew the official bond, or to deposit or file such oath or bond within the time prescribed;
- (g) The decision of a court or authority with jurisdiction declaring the Mayor's or Council person's election or appointment void;
- (h) The Mayor or Council person's inability to serve in the office or attend Council meetings for a 90 day period because of illness;
- (i) The Mayor or Council person's absence from or refusal to attend Council meetings for a 90 day period; or
- (j) The Mayor or Council person no longer qualifies for office.

In each case, the Council shall by resolution declare such vacancy to exist and shall appoint an eligible person to fill the office until the next regular city election is held. In the case of a tie vote in the Council for a vacancy in the position of Council member, the Mayor shall make the appointment. In the case of a tie vote in the Council for a vacancy in the position of Mayor, the president pro tem shall make the appointment. If the vacancy occurs before the first day to file

affidavits of candidacy for the next regular City election and more than two years remain in the unexpired term, a special election shall be held at or before the next regular City election to fill the unexpired portion of the term. If the vacancy occurs on or after the first day to file affidavits of candidacy for the regular City election or when less than two years remain in the unexpired term, there need not be a special election to fill the vacancy and the appointed person shall serve until the qualification of a successor.

Section 2.07. The Mayor. The Mayor shall be the presiding officer of the Council except that the Council shall choose from its members a president pro tem who shall hold office at the pleasure of the Council and shall serve as president in the Mayor's absence and as Mayor in case of the Mayor's disability or absence from the City or as otherwise provided by this Charter. The Mayor shall have a vote as a member of the Council. The Mayor shall exercise all powers and perform all duties conferred and imposed upon the Mayor by this Charter, the Ordinances of the City, and the laws of the State. The Mayor shall be recognized as the official head of the City for all ceremonial purposes, by the courts for the purpose of serving civil process, and by the governor for the purposes of martial law. In time of public danger or emergency the Mayor may, with the consent of the Council, or as may be provided for in and consistent with the City Emergency Plan as provided for in the City Municipal Code, take command of the police, maintain order and enforce the law. The Mayor shall from time to time give the Council such information and recommend such measures as the Mayor may deem advantageous to the City.

Section 2.08. Salaries. The Mayor and Council persons shall receive such compensation as is fixed by the Council in accordance with law. Unless otherwise provided by ordinance, all officers and employees of the City shall receive such salaries or wages as may be fixed by the Council.

Section 2.09. Investigation of City Affairs. The Council, as a body, may make or order 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. Unless otherwise permitted by this Charter, or Minnesota Law, an individual member of the City Council, without the direction or order of the Council, shall not direct or interfere with the affairs or conduct of any City employee, department, office or agency. The Council shall provide for an audit of the City's accounts at least once a year by a state department in charge of such work or by a certified public accountant or in accordance with Minnesota law. At any time the Council may provide for an examination or audit of the accounts of any City officer or agency and it may provide for any survey or research study on any subject of municipal concern.

Section 2.10. Censure of the Mayor or any other Member of the City Council. On a motion of the City Council approved by not less than two-thirds of the full City Council, the City Council may censure a member of the Council for behavior it has determined is inappropriate or disrespectful toward the Council as a whole, or any member thereof, including the office of City Council member, a member of City staff, a City consultant, or a member of the public.

CHAPTER 3

Procedure of Council

Section 3.01. Council Meetings. At the first meeting in January following a regular municipal election, the Council shall meet at the usual place and time for the holding of Council meetings. At this time the newly elected members of the Council shall assume their duties. Thereafter the Council shall meet at such times each month as may be prescribed by ordinance or resolution. The Mayor or any three members of the Council may call special meetings or emergency meetings of the Council upon such notice as required by Minnesota Statutes Chapter 13D. To the extent provided by Minnesota law, all meetings of the Council shall be open to the public and the public shall have access to the minutes and records thereof at all reasonable times, and for a reasonable charge, may receive copies thereof.

Section 3.02. Secretary of Council. The City Clerk or the Clerk's designee when approved by the Council, shall act as secretary of the Council. The clerk shall keep a journal of the Council proceedings and such other records and perform such other duties as this Charter or the Council may require. The Council shall choose such other officers and employees as may be necessary to serve at its meeting.

Section 3.03. Rules of Procedure and Quorum. The Council shall determine its own rules and order of business. A majority of all members serving shall constitute a quorum to do business.

Section 3.04. Ordinances, Resolutions and Motions. Except as in this Charter otherwise provided, all legislation shall be by ordinance. The yes and no vote on ordinances, resolutions and motions shall be recorded unless the vote is unanimous. An affirmative vote of a majority of the members of the Council present shall be required for the passage of all ordinances, resolutions, and motions except as otherwise provided in this Charter.

Section 3.05. Procedure on Ordinances. Every proposed ordinance shall be presented in writing. No ordinance shall contain more than one subject which shall be clearly expressed in its title. The enacting clause shall be, "THE CITY OF LAKE CITY ORDAINS". Every proposed ordinance, except an emergency ordinance shall receive two separate readings, one at each of any two regular, special, or emergency Council meetings, previous to passage. With the exception of emergency ordinances, at least 10 calendar days shall elapse between the introduction and the final passage. The second reading may occur at the same meeting as the one in which the enactment occurs. The Council may, by majority vote, choose to waive the readings of the ordinance or read the summary of the ordinance. Complete copies of the proposed ordinance must be available at City Hall, the City of Lake City Public Library, and the City of Lake City website.

Section 3.06. Emergency Ordinances. An emergency ordinance is an ordinance necessary for the immediate preservation of the public peace, health, safety or welfare in which the emergency is defined and declared in a preamble, and is adopted by a vote of at least five members of the Council. No prosecution for a violation of an emergency ordinance shall be

based upon the provisions of any emergency ordinance until 24 hours after the ordinance has been filed with the City Clerk and posted in three places as determined by Council policy, or until the ordinance has been published, unless the person charged with violation had actual notice of the passage of the ordinance prior to the act or omission complained of. No emergency ordinance shall be effective for a period in excess of 120 days from the date of adoption.

Section 3.07. Procedure on Resolutions. Every resolution presented shall be read or summarized before a vote is taken thereon.

Section 3.08. Signing and Publication of Ordinances and Resolutions. Every ordinance or resolution passed by the Council shall be signed by the Mayor or in the Mayor's absence, the president pro-tem and one other Council member, attested by the City Clerk and filed and preserved. Every Ordinance shall be published at least once after passage in the official newspaper. The ordinance may be published in its summary form as approved by the Council. To the extent and in the manner provided by law, an ordinance may incorporate by reference a Statute of Minnesota, a State administrative rule or a regulation, a code, or ordinance or part thereof without publishing the material referred to in full.

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 may specify. Every other ordinance shall take effect after publication or at such later date as is fixed therein. Every ordinance and resolution adopted by the voters of the City shall take effect immediately upon its adoption or at such later time as is fixed therein.

Section 3.10. Summary Publication of Ordinances. In the case of lengthy ordinances, or ordinances that include charts or maps, if the Council determines that publication of the title and a summary of the ordinance would clearly inform the public of the intent and effect of the ordinance, the Council may, by a majority vote of its members, direct only the title of the ordinance and a summary be published, with notice that a printed copy of the ordinance is available at City Hall, the City of Lake City Public Library, and the City of Lake City website. Prior to publication of the title and summary, the Council shall approve the text of the summary and determine that it clearly informs the public of the intent and effect of the ordinance, and shall further state that the complete text of the ordinance is on file at the office of the City Clerk. The publishing of the title and summary shall be deemed to fulfill all legal publication requirements as completely as if the entire ordinance had been published. A copy of the publication shall be attached to and filed with the ordinance for reference.

Section 3.11. Amendment and Repeal of Ordinances and Resolutions. Except as provided in Section 3.06, every ordinance or resolution repealing a previous ordinance or resolution or section or subdivision thereof, 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 symbol the matter to be omitted or added.

Section 3.12. Revision and Codification of Ordinances. The City may revise, rearrange

and codify its ordinances with such additions and deletions as may be deemed necessary by the Council. Such codification shall be published in book, pamphlet or continuously revised loose-leaf form and copies shall be made available by the Council at the office of the City Clerk, the City website and the City of Lake City Public Library for general distribution to the public for a reasonable charge. Incorporation in such a code shall be a sufficient publication of any ordinance provision not previously published if a notice is placed in the official newspaper for at least two successive weeks that copies of the codification are available at City Hall, the City of Lake City Public Library, and the City of Lake City website.

CHAPTER 4

Nominations and Elections

Section 4.01. The Regular Municipal Election. A regular municipal election shall be held as required by Minnesota law, at such place or places as the City Council may designate.

Section 4.02. Primary Election. There shall be a primary election for the office of Mayor and City Council, consistent with the purposes and procedures therefor, established by Minnesota law.

Section 4.03. Special Elections. The Council may, by resolution, order a special election which shall be held as required by Minnesota law.

Section 4.04. Procedure at Elections. Subject to the provisions of this Charter and Minnesota law, the Council may by ordinance further regulate the conduct of municipal elections. Except as otherwise provided in this Charter or in ordinances adopted pursuant thereto, the general laws of the State of Minnesota pertaining to elections shall apply to municipal elections.

CHAPTER 5

Initiative and Referendum

Section 5.01. Powers Reserved by the People. The qualified electors of the City of Lake City reserve to themselves the power, in accordance with the provisions of this Charter, to initiate and adopt ordinances and to require an ordinance, when passed by the Council, to be referred to the electors for approval or disapproval. These powers shall be called the Initiative and the Referendum.

Section 5.02. Further Regulations. The Council may provide by ordinance such further regulations for the Initiative and Referendum, not inconsistent with this Charter, as it deems necessary.

Section 5.03. Petitions. An Initiative or Referendum shall be initiated by a petition signed by qualified voters of the City equal in number to 15 percent of those who voted at the last preceding regular municipal election. Each petition shall be sponsored by a committee of five qualified voters of the City. A petition may consist of one or more papers, but each paper circulated separately shall contain as its heading or attached to it, the statement required by Section 5.06 or 5.07, as the case may be. Each petitioner shall sign his or her name and give his or her street address. Each separate page of the petition shall have appended to it a certificate, verified by oath, that each signature is the genuine signature of the person whose name it purports to be. The person making the certificate shall be a resident of the City. Any person whose name appears on a petition may withdraw his or her name by a statement in writing, filed with the City Clerk before the clerk advises the Council regarding the sufficiency of the petition.

Section 5.04. Determination of Sufficiency. Immediately upon receipt of the petition, the City Clerk shall examine the petition as to its sufficiency and report to the Council within 20 days thereof. Upon receiving the report of the City Clerk, the Council shall determine by resolution the sufficiency of the petition.

Section 5.05. Disposition of Insufficient Petition. If the Council determines that the petition is insufficient or irregular, the City Clerk shall deliver a copy of the petition, together with a written statement of its defects, to the sponsoring committee. The Committee shall have 30 days in which to file additional signature papers and to correct the petition in all particulars. If at the end of that period the Council finds that the petition is still insufficient or irregular, the City Clerk shall file the petition in his/her office and notify the sponsoring committee. The final findings by the Council that the petition is insufficient or irregular shall not prejudice the filing of a new petition for the same purpose, nor shall it prevent the Council from referring the ordinance to the voters at the next regular or special election if it deems advisable.

Section 5.06. Initiative. Ordinances that are legislative in character and do not involve administrative or quasi-judicial acts of the City (which specifically excludes, but is not limited to, ordinances relating to the budget or capital program, the appropriation of money, the levy of

taxes, the salaries of City officers or employees, or the conveyance or the sale of land) may be proposed by a petition. The petition must include the exact text of the proposed ordinance. A description of the proposed ordinance must appear on each signature page of the petition. If the Council passes the proposed ordinance with amendments and the majority of the sponsoring committee does not disapprove the amended form by a statement filed with the City Clerk within 10 days of its passage by the Council, the ordinance need not be submitted to the voters. If the Council fails to enact the ordinance in an acceptable form within 60 days after the final determination of sufficiency of the petition, the ordinance shall be placed on the ballot at the next election occurring in the City, or at a special election called for that purpose within 90 days of the Determination of Sufficiency of the Petition if a regular election is not scheduled within six months of the Determination. If a majority of the voters voting thereon favors the ordinance, it shall go into effect immediately or on the date specified therein; if a majority of the electors voting thereon vote against the ordinance, it shall be considered defeated.

Section 5.07. Referendum. Any ordinance that would be subject to the Initiative Procedure as set forth in this Charter, may be subjected to Referendum by a petition, which shall state at the head of each page or on an attached paper, a description of the ordinance. If the ordinance is not thereafter entirely repealed, it shall be placed on the ballot at the next election occurring in the City, or at a special election called for that purpose, within 90 days of the Determination of Sufficiency of the Petition if a regular election is not scheduled within six months of the Determination. If a majority of the voters voting thereon favors the ordinance, it shall remain in effect; if a majority of the electors voting thereon vote against the ordinance, it shall be considered repealed upon certification of the election results. If a petition is filed, the ordinance shall remain in effect during the period necessary to effect the procedures stated herein, but shall be repealed if a majority of the voters voting on the ordinance vote against the same.

CHAPTER 6

Administration of City Affairs

Section 6.01. General Council Powers. In addition to the authority and responsibility herein granted, the Council shall have all those powers granted to it by the Constitution and laws of the State of Minnesota. The Council may delegate such administrative and ministerial authority and responsibility by ordinance as it deems necessary and advisable to those departments, divisions, bureaus, boards and officers as herein authorized.

Section 6.02. Departments of Administration. The Council may create such departments, committees, and task forces for the administration of the City's affairs as it may deem necessary, and from time to time alter their powers and organization by ordinance. It may prepare a complete administrative code for the City and enact it in the form of an ordinance, which may be amended from time to time by ordinance.

Section 6.03. Subordinate Officers. There shall be a City Administrator, City Clerk, Finance Director/Treasurer and such other officers having those responsibilities and duties as prescribed and created by the Council by ordinance or policy. The City Administrator shall oversee the administration of all City affairs consistent with the policies, ordinances and direction of the City Council. The City Clerk shall have such duties in connection with the keeping of the public records, and the general administration of the City's affairs as the Council may prescribe. The City Clerk may be designated to act as secretary of the Council. The City Finance Director/Treasurer shall have the duties in connection with the custody and disbursement of the public funds and shall also serve as the treasurer of the City. The Council may by ordinance abolish offices which have been created by ordinance, and it may combine the duties of various offices as it may see fit. The Council may appoint such employees and agents as it may be deemed necessary for the proper operation of City affairs.

Section 6.04. Purchases and Contracts. Unless otherwise provided by ordinance all purchases shall be made and all contracts shall be let by the Council. The Council may by ordinance delegate purchasing and contract powers to boards, commissions and officers as it deems necessary and advisable. All contracts, bonds and instruments of any kind to which the City is a party shall be signed by the Mayor and the City Clerk on behalf of the City and shall be executed in the name of the City.

CHAPTER 7

Taxation and Finances

Section 7.01. 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 7.02. Fiscal Years. The fiscal year of the City shall be the calendar year unless otherwise established by Ordinance.

Section 7.03. System of Taxation. Subject to the state constitution, and except as forbidden by it or by state law, the Council shall have the full power to provide by ordinance for a system of local taxation. This authority shall include but not be limited to, the power by ordinance to assess, levy, and collect taxes on all subjects or objects of taxation except as limited or prohibited by the state constitution, this Charter, or other laws imposing restrictions upon the City irrespective of Charter provisions.

Section 7.04. Submission of Budget. Annually the Finance Director shall prepare and submit to the Council estimates for the annual budget in accordance with a budget calendar to be established by the City Council. The budget shall provide a complete financial plan for all City funds and activities for the ensuing fiscal year, and except as requested by law and Charter, shall be in such form as 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. For each utility operated by the City, the budget shall show anticipated net surplus or deficit and the proposed method of its disposition; and subsidiary budgets for each such utility giving income and expenditure information shall be included or attached as appendices. The total proposed expenditure shall not exceed the total estimated income and available reserves, and the portion of the operating budget to be provided from the property tax shall not exceed the amounts authorized by law and Charter. Consistent with these provisions, the budget shall contain such information and be in the form prescribed by ordinance and by law.

Section 7.05. Council Action on Budget. A budget meeting shall be so conducted as to give interested citizens a reasonable opportunity to be heard. The Council may revise the proposed budget but no amendment to the budget shall increase the authorized expenditures to an amount greater than the estimated income. The Council shall adopt the budget 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 clerk shall certify the tax resolution to the county auditor in accordance with law. 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 7.06. Enforcement of the Budget. The Finance Director/Treasurer shall enforce strictly the provisions of the budget. The Finance Director/Treasurer 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 official 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 shall 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 timesheet or other document approved and signed by the responsible City official who vouches for its correctness and reasonableness.

Section 7.07. Alterations in Budget. 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 7.08. Funds. There shall be maintained in the City treasury a general fund and such other funds as may be required by statute, ordinance, or resolution. The Council may, by ordinance or resolution, make inter-fund loans, except from trust and agency funds, or as may be prohibited by state law as it may deem necessary and appropriate.

Section 7.09. City Indebtedness. Except as provided in Section 7.10 and 7.11, 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 obligation 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 7.10. Tax Anticipation Certificates. At any time after January 1st, the Council may issue certificates of indebtedness in anticipation of 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 current taxes for the fund 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 1st of the year following their issuance. The proceeds of the tax levied for the fund against which tax anticipation certificates are issued in the full faith and credit of the City shall be irrevocably pledged for the redemption of the certificates.

Section 7.11. Emergency Debt Certificates. If in any year the receipts from taxes or other sources should from some unforeseen cause, become insufficient for the ordinary expense of the City or if any calamity or other public emergency necessitates the making of extra ordinary 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 three 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 five members of the Council. It may be passed as an emergency ordinance.

CHAPTER 8

Public Improvements and Special Assessments

Section 8.01. 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 the law and to levy special assessments to pay all or any part of the cost of such improvements as are of a local character. The total assessment for any local improvement may not exceed the cost of the improvement, including all costs and expenses connected therewith, with interest. No assessment shall exceed the special benefit to the property.

Section 8.02. Assessments for Services or Elimination of Nuisances. The Council may assess the cost of any City services provided to streets, sidewalks or other public or private property, or the elimination of nuisances or any other exercise of the City's police power against the benefited property and collect the assessment in the same manner as a special assessment, or otherwise provided for by Minnesota law.

Section 8.03. Local Improvement Procedure. When the City undertakes any local improvement subject to Minnesota law, it shall comply with the provisions of that law. The Council may by resolution prescribe the procedure to be followed in making any other local improvements and levying assessments therefor.

CHAPTER 9

Eminent Domain

Section 9.01. Power to Acquire Property. The City may acquire by purchase, gift, devise, or condemnation, any property, either within or without its corporate boundaries which may be needed by the City for any public use or purpose. Easements for slopes, fills, sewers, building lines, poles, wires, pipes, and conduits for water, gas, heat, and power may be acquired by gift, devise, purchase, or condemnation in the manner provided by law.

Section 9.02. 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 legally describe the property 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 9.03. 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 of judgment of the court, as the case may be; and if not paid, judgment therefor may be had against the City.

Section 9.04. 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.

CHAPTER 10

Franchises

Section 10.01. 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 City Clerk to guarantee publication before the ordinance is passed.

Section 10.02. 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 10.03. Public Hearing. Before any franchise ordinance is adopted or any rates, fares, or prices to be charged by a public utility are fixed by the Council, the Council shall hold a public hearing on the matter. Notice of such hearing shall be published at least once in the official newspaper not less than ten days prior to the date of the hearing. Amendments to ordinances that extend franchise fees shall not require a public hearing.

Section 10.04. Power of Regulation Reserved. Subject to any applicable law, the Council may by ordinance reasonably regulate and control the exercise of any franchise, including the maximum rates, fares, or prices to be charged by the grantee. No franchise value shall be included in the valuation of the grantee's property in regulating utility rates, fares, or prices under any applicable law, ordinance or regulation, or in proceedings for municipal acquisition of the grantee's property by purchase or eminent domain.

Section 10.05. Renewals or Extensions. Every extension, renewal, or modification of any existing franchise or of any franchise granted hereafter, shall be subject to the same limitations and shall be granted in the same manner as a new franchise.

CHAPTER 11

Public Ownership and Operation of Utilities

Section 11.01. Acquisition and Operation of Utilities. The City may own and operate any gas, water, heat, power, light, telephone or other public utility for supplying its own needs for utility service or for supplying utility service to private consumers or other governmental units. It may construct all facilities reasonably needed for that purpose and may acquire any existing utility properties so needed. The City shall not acquire or construct any public utility unless the proposition to acquire or to construct it has been incorporated in an ordinance and adopted by the Council. Such ordinance shall not be an emergency ordinance. All public utilities owned by the City shall be under the supervision of the Council and the Utility Board.

Section 11.02. Rates and Regulations. The Council may, by ordinance, set rates, fares and prices for municipal utilities, but such rates, fares and prices shall be just and reasonable. In like manner, the Council may prescribe the time and manner in which payments for all such services shall be made, and may make such other regulations as may be necessary, and prescribe penalties for violation of such regulations.

Section 11.03. Purchase in Bulk. The Council may, in lieu of providing for the local production of utilities, purchase the same in bulk and resell them to local consumers at such rates as it may set.

Section 11.04. Lease of Plant. The Council may, if the public interests 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 contract shall be embodied in and let only by an ordinance approved by five members of the Council. Such ordinance shall not be an emergency ordinance. In no case shall such contract be for a longer term than 10 years.

Section 11.05. Public Utility; Hold; Sold. No public utility owned by the City shall be sold or otherwise disposed of by the City unless the full terms of the proposition of sale or other disposition are embodied in an ordinance approved by a majority of the electors voting thereon at a general or special election. In the case of a water works or light plant, any sale, lease, or abandonment shall be subject, in addition, to the requirements of state law.

CHAPTER 12

Miscellaneous and Transitory Provisions

Section 12.01. Official Publications. 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 12.02. Oath of Office. Every elected or appointed official of the City shall, before entering upon the duties of his/her office, take and subscribe an oath of office in substantially the following form: I do solemnly swear (or affirm) to support the Constitution and the Laws of the United States and the State of Minnesota and the Charter, Ordinances and Policies of the City of Lake City, and to discharge faithfully the duties devolving upon me as (title of office) of the City of Lake City, to the best of my judgment and ability.

Section 12.03. City Officers not to be interested 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 such contract or personally benefit financially therefrom.

Section 12.04. Official Bonds. The City Clerk, City Finance Director/Treasurer, and such other officers or employees of the City as may be provided for by ordinance, shall each, before entering upon the duties of his/her respective office or employment, give a corporate surety bond to the City in such form and in such amount as may be fixed by the Council as security for the faithful performance of his/her official duties and the safekeeping of the public funds. Such bonds may be either individual or blanket bonds in the discretion of the Council. They shall be approved by the City Council, and approved as to form by the City Attorney, and filed with the City Clerk. The provisions of the laws of the state 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 12.05. Sales of Real Property. No real property of the City shall be disposed of except by ordinance. The proceeds of any sale of such property shall be used as far as possible to retire any outstanding indebtedness incurred by the City in the purchase, construction or improvement of this or other property used for the same public purpose. If there is no such outstanding indebtedness, the Council may by resolution designate some other public use for the proceeds.

Section 12.06. Voter Approval for Sale of Real Property. That property owned by the City of Lake City, or that property in which the City has exclusive control of the surface, that is located North and Easterly of the following described line:

From the most Northerly boundary of the City of Lake City at its intersection with the most Northerly boundary of U.S. Highway #61; thence along the most Northerly boundary of said Highway #61 to Park Street; thence along the most Northerly boundary

of Park Street to Chestnut Street; thence along the most Westerly boundary of Chestnut Street to Franklin Street; thence along the most Northerly boundary of Franklin Street to Marion Street; thence along the most Westerly boundary of Marion Street to U.S. Highway #61; thence along the most Northerly boundary of said Highway to Iowa Street; thence along the most Westerly boundary of Iowa Street to Oak Street; thence along the most Northerly boundary of Oak Street to Highway 61; thence along the most Northerly boundary of said Highway to its intersection with the CP Railroad Right-of-Way; thence along the most Northerly boundary of said Railroad to the most Southerly boundary of the City of Lake City and there terminating;

shall not be sold, vacated, or leased for more than a term of five years, or otherwise disposed of, without approval of a majority of the voters of the City of Lake City, voting at a general or special election to approve such sale, vacation or lease.

Section 12.07. Vacation of Streets. The Council may, by ordinance approved by at least five members of the Council, vacate any street or alley or part thereof within the City. Such vacation may be made only after published notice and an opportunity for affected property owners and public to be heard, and upon such further terms and by such procedure as the Council by ordinance or this Charter may prescribe. A notice of completion of such proceedings shall be filed with the proper county officers in accordance with law.

Section 12.08. City to Succeed to Rights and Obligations of Former City. 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 12.09. Existing Ordinances Continued. All ordinances and regulations of the City in force when this Charter takes effect, and not inconsistent with the provision thereof, are hereby continued in full force and effect until amended or repealed.

Section 12.10. Pending Condemnations and Assessments. Any condemnation 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 and the lien thereof enforced in the same manner as if this Charter had not been adopted.

Section 12.11. Ordinances to Make Charter Effective. The Council shall by ordinance make such regulations as may be necessary to carry out and make effective the provisions of this Charter.

Section 12.12. Civil Penalties.

(a) The Council can establish a procedure by ordinance to impose civil penalties for each violation of a City ordinance. This procedure must provide an opportunity for the accused to be heard by a neutral party, which can be the Council, any member or committee thereof, or a member of City staff who is not directly responsible for the investigation or enforcement of the violation.

(b) The Council can provide by ordinance that civil penalties the City imposes as a result of property-related violations, be assessed against property which was the subject matter, or related to the subject matter of the penalties, or property which was the location of an activity, proposed use, delivery of City service or other circumstances which resulted in the penalties. The Ordinance must provide that the City first attempt to obtain voluntary payment of the penalties. The ordinance must also require the City to give notice and opportunity to be heard to the property owner listed on the official tax records before the assessments are imposed. The assessments must be collected like special assessments.