

CHAPTER 2

OPERATIONS AND ADMINISTRATION

Section 200 - Meetings

200.01. Public Meetings. All Council meetings, including special, emergency, adjourned meetings and meetings of Council Committees, shall be conducted in accordance with Minnesota Law. Notice of such meetings shall also be in accordance with Minnesota Law.

200.02. City Council Meetings.

Subd. 1. Organizational Meeting. The first meeting of the Council after the regular municipal election shall be held on the evening of the first regularly scheduled Council meeting in January at 5:00 P.M. in the Council Chambers.

Subd. 2. Regular Meetings. All regular meetings of the Council, other than the organizational meeting, shall be held in the Council Chambers on two days per month at a time adopted by Resolution of the Council. All regular meetings shall be held in the City Hall unless the Council decides otherwise at a prior meeting, or meeting in the City Hall is impossible. *(Section 200.02, Subd. 2 amended per Ordinance 03-19 dated 10-20-03.)*

Subd. 3. Special Meetings. A special meeting may be called by the Mayor or any three (3) Councilmembers pursuant to Section 3.02 of the Charter. Written notice of one day shall be personally delivered to each Councilmember or left at his or her personal place of abode or business prior to a special meeting. The notice shall contain a statement of the business for which the meeting was called. No other business shall be transacted at a special meeting.

Subd. 4. Emergency Meetings. When circumstances arise that, in the judgment of the City Council, require immediate Council consideration, the City Council may convene an emergency meeting.

Subd. 5. Adjournment. Any meeting of the City Council may be adjourned when less than a quorum of the Councilmembers are present pursuant to section 3.01 of the Charter. All business transacted at such later adjourned meeting shall have the same validity as if done at a regular meeting.

200.03. Council Meeting Procedure.

Subd. 1. Organizational Meeting. At the organizational meeting the Council shall be organized and newly elected or re-elected officers shall take and subscribe the oath of office in the form stated in the Charter. At such meeting the Council shall also determine the category or categories of claims to be allowed on the basis of checks or order checks bearing the declaration required by Statute.

Subd. 2. Regular Meetings. The Clerk-Administrator shall prepare the following items: (1) an agenda for the forthcoming meeting; (2) a report from the Clerk-Administrator on

administrative activities of the preceding month; (3) a compiled list of all claimants (including those to be paid on the basis of the check or order-check declaration) who have filed verified accounts claiming payment for goods or services rendered the City during the preceding month, such list to be called the "Claim Report" and bearing headings "claimant", "purpose", and "amount"; and, (4) a copy of all minutes to be considered. The Clerk-Administrator shall forthwith cause to be delivered to the Mayor, each member of the Council, and the City Attorney copies of all said documents. (*Section 200.03, Subd. 2 amended per Ordinance 99-08 dated 9-21-99.*)

Subd. 3. Special and Emergency Meetings. Special and Emergency meetings shall be conducted according to the order of business disclosed in the notice of the meetings. No other business shall be transacted at such meetings except such as is designated in such notice.

200.04. Order of Business at Meetings. The order of business at regular meetings shall be as follows:

1. Call to Order.
2. Roll Call.
3. Determination of a Quorum.
4. Pledge of Allegiance.
5. Meeting Opened to the Public. The presiding officer shall limit the time allowed. Persons speaking shall give their name, address, and state their business. (*Section 200.04 amended per Ordinance 01-04 dated 6-4-01.*)
6. Approval of Minutes. (Actual reading may be waived if each member of the Council was furnished with a copy thereof as herein before set forth.)
7. Licenses and Permits.
8. Correspondence.
9. Public Hearings. (*Section 200.04 amended per Ordinance 01-04 dated 6-4-01.*)
10. Public Comments. (Meeting opened in the order stated in the agenda to persons requesting to appear before the Council. The presiding officer may advise any person appearing as to the amount of time allowed prior to his speaking, or later limit such time. Persons speaking shall give their name, address, and state their business.)
11. Reports of Staff Members.
12. Reports from Boards and Commissions.
13. Reports from Standing Committees of the Council.
14. Consent Agenda.
15. Old Business.
16. New Business.
17. Transfer of Funds and Other Budgetary Matters.
18. Payment of Claims and Approval for Payment of Claims and Appropriations.
19. Report of Clerk-Administrator.
20. Adjournment.

(*Section 200.04 amended per Ordinance 03-19 dated 10-20-03.*)

Matters inappropriate for consideration at a meeting, or not in the order specified, shall not be considered except: (1) with the unanimous consent of the members of the Council; (2) scheduled public hearings or bid lettings at the time stated in the notice; or (3) new business or amendments that were not presented at the last council meeting or previous work session, unless by

unanimous consent of the members of the Council. (*Section 200.04 amended per Ordinance 01-04 dated 6-4-01.*) All claims for payment and requests to appear before the Council must be made and filed with the Clerk-Administrator at or before 12:00 o'clock noon on the Friday preceding the regular Council meeting at which the appearance is to be made or the claim to be considered.

200.05. Procedural Rules.

Subd. 1. Quorum. No meeting of the Council or any Council Committee shall be convened unless at least a quorum of the Council or the Committee is present. A group less than a quorum may adjourn a meeting. A quorum shall be a majority of all the Councilmembers elected for Council meetings. A quorum shall be a simple majority of the Councilmembers appointed to a committee for committee meetings.

Subd. 2. Procedure. The presiding officer shall preserve order, enforce the rules or procedure herein prescribed, and determine without debate, subject to final decision of the Council on appeal, all questions of procedure and order. Except as otherwise provided by the Charter, by statute, or by these rules, the proceedings at any meeting shall be conducted in accordance with Roberts Rules of Order, Revised.

Subd. 3. Appeal of Ruling Procedure. Any member may appeal to the Council a ruling of the presiding officer. If the appeal is seconded, the member may speak once solely on the question involved and the presiding officer may explain the ruling, but no other Councilmember shall participate in the discussion. The appeal shall be sustained if it is approved by a majority of the members present and voting.

Subd. 4. Suspension or Amendment of the Rules. These rules may be suspended only by a two-thirds vote of the members present and voting.

Subd. 5. Minutes. The minutes of each Council meeting shall be kept by the Clerk-Administrator, or in the Clerk-Administrator's absence, by the Deputy Clerk. In the absence of both, the presiding officer shall appoint a secretary pro tem. Ordinances, resolutions and claims need not be recorded in full in the minutes if they appear in other permanent records of the Clerk-Administrator and can be accurately identified from the description given in the minutes. Approval of the minutes shall be considered by the Council at the next regular Council meeting. Additions and corrections may be made at that time by a vote of the Council.

Subd. 6. Voting. The votes of the Councilmembers at any meeting shall be taken in a manner which complies with section 3.06 of the Charter. All ordinances shall be enacted by roll call vote and any member of the Council may ask for a roll call on any resolution or motion. Any ordinance may be enacted by majority vote except as otherwise provided for in the Charter.

200.06. Council to Set City Personnel Rules and Regulations. The Council may establish personnel rules setting forth the rights, duties and responsibilities of City employees. Such rules may from time to time be amended.

Section 210 - The Mayor and Councilmembers

210.01. The Mayor. The Mayor of the City of Blue Earth shall be the presiding officer at all City Council meetings and shall choose a Vice Mayor from the members of the Council to serve as the Mayor in his or her disability or absence from the City. The Mayor shall also have a vote as member of the City Council. *(Section 210.01 amended per Ordinance 99-08 dated 9-21-99 and Ordinance 00-09 dated 6-6-00.)*

210.02. The Councilmembers. There shall be a City Council of seven (7) members consisting of the Mayor and six (6) Councilmembers, two (2) from each of the three (3) wards in the City of Blue Earth pursuant to section 2.02 of the Charter. Each Councilmember will be entitled to one (1) vote at Council meetings. *(Section 210.02 amended per Ordinance 99-08 dated 9-21-99.)*

(Section 210.03 added and subsequent Sections renumber per Ordinance 99-08 dated 9-21-99.)

210.03. Compensation of Elected City Officials.

Subd. 1. Mayors Compensation. The Mayors compensation rate is \$250.00 per month in 2009 and thereafter. *(Section 210.03 Subd. 1 amended per Ordinance 04-09 dated 6-21-04 and Ordinance 08-04 dated 6-30-08.)*

Subd. 2. Council Compensation. Councilmembers compensation rate is \$225.00 per month and thereafter. *(Section 210.03 Subd. 2 amended per Ordinance 04-09 dated 6-21-04 and Ordinance 08-04 dated 6-30-08.)*

Subd. 3. Compensation Based on Attendance. A Councilmember's compensation shall be reduced by forty-eight dollars (\$48) per meeting for any unexcused absences from a regular council meeting. An unexcused absence is when a Councilmember does not notify City Hall in advance of the regular council meeting that they are unable to attend or will be late for a meeting. A Councilmember is allowed four (4) excused absences per year. Any absences from a regular council meeting in excess of four excused absences are unexcused.

Subd. 4. Expense and Mileage Reimbursement. The Mayor and Councilmembers shall be reimbursed for mileage and other out-of-pocket expenses for City business subject to approval by the City Council. *(Section 210.03 Subd. 4 amended per Ordinance 04-09 dated 6-21-04.)*

Subd. 5. Payment Schedule. The Mayor and Councilmembers shall be paid one-twelfth (1/12) of their compensation rate once each month for the previous month's service. *(Section 210.03 amended per Ordinance 00-16 dated 11-06-00.)*

210.04. Terms of Office. The Mayor of the City of Blue Earth shall hold office for a term of four (4) years and until his or her successor qualifies for office. Each Councilmember of the City of Blue Earth shall serve for a term of four (4) years and until his or her successor qualifies for office. *(Section 210.04 amended per Ordinance 06-06 dated 3-20-06.)*

210.05. Elections. Elections shall be held on the first Tuesday following the first Monday of November in each even-numbered year beginning in November of 1998. The Mayor and three (3) Councilmembers, one (1) from each ward, shall be elected at each election.

210.06. Polling Location. The City of Blue Earth shall have one combined polling location for wards 1, 2, and 3. The polling place shall be at the Blue Earth Area School, Elementary Multi-Purpose Room located at the intersection of Sixth Street and Galbraith Street in the City of Blue Earth.

210.07. Facsimile Signatures. The Mayor and Clerk-Administrator are hereby authorized to request a depository of City funds to honor an order for payment when such instrument bears a facsimile of their signatures, and to charge the same to the account designated thereon or upon which it is drawn, as effectively as though it were their manually written signature. Such authority is granted only for the purpose of permitting such officers an economy of time and effort.

210.08. Interim Emergency Succession.

Subd. 1. Purpose. Due to the existing possibility of a nuclear attack, an act of war or a natural disaster requiring a declaration of a state of emergency, it is found urgent and necessary to insure the continuity of duly elected and lawful leadership of the City, for the continuity of the government and the emergency interim succession of key governmental officials by providing a method for temporary emergency appointments to their offices.

Subd. 2. Succession to Local Offices. In the event of an act of war, a nuclear attack upon the United States or a natural disaster affecting the vicinity of the City, the Mayor, Council and Clerk-Administrator shall be forthwith notified by any one of said persons and by any means available to gather at the City Hall. In the event that safety or convenience dictate, an alternative place of meeting may be designated. Those gathered shall proceed as follows:

A. By majority vote of those persons present, regardless of number, they shall elect a Chairman and Secretary to preside and keep minutes, respectively.

B. They shall review and record the specific facts relating to the act of war, nuclear attack or natural disaster and injuries to persons or damage to property already done, or the imminence thereof.

C. They may, based on such facts, declare a state of emergency.

D. By majority vote of those persons present, regardless of number, they shall fill all positions on the Council, (including the office of Mayor) of those persons upon whom notice could not be served or who are unable to be present.

Subd. 3. Duties and Term of Successor. An emergency interim successor shall exercise that office until the duly elected or appointed officer resumes the office or the successor is designated as required by law.

210.09. Disbursement of Funds and Allowance of Accounts. All disbursements shall be made by order signed by the Mayor and Clerk-Administrator which shall specify the purpose for which the disbursement is made and indicate that it is to be paid out of the proper fund. No disbursement of City funds, including funds of any municipal liquor dispensary operated by the city, shall be made except when issued for the payment of judgments, salaries and wages previously fixed by the Council or by statute, principal and interest on obligations, rent and other fixed charges, the exact amount of which has been previously determined by contract authorized by the Council, and except as otherwise provided for by, statute without first being duly audited and allowed by the Council. (*Section 210.09, originally 210.08, amended per Ordinance 99-08*)

dated 9-21-99.)

Section 220 - Clerk-Administrator

220.01. Position Created. There is hereby created the position of Clerk-Administrator as authorized by law and Charter.

220.02. Chief Administrative Officer. The Clerk-Administrator shall be the chief administrative officer of the City and pursuant to this position shall perform the duties set forth in this Section and all others as may be assigned to him or her by the Council which are not inconsistent with Minnesota Statutes. The Clerk-Administrator shall also perform all the statutory duties of the City Clerk. When referred to in this Section, the Council shall consist of the Mayor and six (6) Councilmembers as defined by Charter. *(Section 220.02 amended per Ordinance 99-08 dated 9-21-99.)*

220.03. Appointment and Removal. The Clerk-Administrator shall be appointed by the Mayor and confirmed by the Council and shall serve at the pleasure of the Council, except that if requested, the Council shall grant the Clerk-Administrator a public hearing within thirty (30) days following notice of his or her removal. The Council shall also provide written notice of any charges alleged as reasons for termination to the Clerk-Administrator at least ten (10) days prior to the requested public hearing. During the interim, the Council may suspend the Clerk-Administrator from duty but shall continue his or her salary.

220.04. Selection. The Clerk-Administrator shall be selected solely on the basis of his or her executive and administrative qualifications with special reference to his or her actual experience in, or his or her knowledge of accepted practices in respect to the duties of his or her office as described hereinafter.

220.05. Responsibilities. The Clerk-Administrator shall be responsible to the Council for the proper administration of those affairs of the City, assigned to his or her office, and to that end shall have the power and shall be required to:

Subd. 1. Supervision of City Departments and Offices. The Clerk-Administrator shall supervise the administration of all departments and offices of the City. Such supervision shall include the making of ministerial decisions affecting such departments and offices and recommending procedures to the Council for adoption. The Clerk-Administrator shall appoint and remove, upon the basis of merit and fitness, all employees except department heads, City Attorney, and City Engineer. Appointment or dismissal of department heads shall be subject to ratification by a majority vote of the Council. The City Attorney shall be consulted with and the Council notified prior to a dismissal. The Clerk-Administrator will not appoint any individual who is a parent, spouse, child, or sibling of any City official or employee without the approval of the Council.

(Section 220.05, Subd. 1 amended per Ordinance 04-10 dated 7-6-04.)

Subd. 2. Develop Administrative Rules. Develop and issue all administrative rules, regulations and procedures necessary to insure the proper functioning of all departments and offices within his or her jurisdiction. Such rules, regulations and procedures shall be consistent with Minnesota Statutes, the City Code and Council policies. Said rules, regulations and proce-

dures shall be effective upon issuance and shall continue to be in effect until rescinded by the Clerk-Administrator or the express action of the Council.

Subd. 3. Coordinate Activities of City. Coordinate the activities of and serve as an advisor to all elected and appointed officials of the City, including, but not limited to, the Library Board, Planning Commission, Housing and Redevelopment Authority, Fire and Police Departments. *(Section 220.05, Subd. 3 amended per Ordinance 00-09 dated 6-6-00.)*

Subd. 4. Prepare Budget. Prepare the budget annually and submit it to the Council together with a message describing the important features of the budget and keep the Council advised of the financial condition and future needs of the City, and make recommendations as he or she may deem desirable. He or she shall supervise the purchase of all materials and equipment for which funds are provided in the budget and as directed by the Council.

Subd. 5. Attend City Meetings. Attend all meetings of the Council and other official bodies as directed and to take part in the discussion of all matters coming before the Council. The Clerk-Administrator shall also represent the City at all official or semi-official functions as may be directed by the Council.

Subd. 6. Enforce City Laws. In cooperation with the Mayor and the Council, shall see that all laws and ordinances are duly enforced, and investigate all complaints in relation to matters concerning the administration of departments and offices within his or her jurisdiction and whenever necessary shall make recommendations to the Council for improvement of services.

Subd. 7. Purchase City Materials. Purchase or supervise the purchase of all materials, supplies and equipment for which funds are provided in the budget necessary for operation or maintenance of City services for amounts up to \$10,000.00, receive estimates or sealed bids for purchases or contracts in excess of and including \$10,000.00 and present them to the Council for official action, and advise the Council on the advantages or disadvantages of contract and bid proposals. The Clerk-Administrator may issue such rules governing purchasing procedures within the administrative organization as the Council shall approve. *(Section 220.05, Subd. 7 amended per Ordinance 00-11 dated 8-15-00.)*

Subd. 8. Other. Perform such other duties as may be required by the Council and consistent with Minnesota Statutes and the City Code.

220.06. Bond. The Clerk-Administrator shall furnish a surety bond to be approved by the Council, said bond to be conditioned upon faithful performance of his or her duties. The premium of the bond shall be paid by the City.

(Section 220.07 Deputy City Clerk removed in its entirety per Ordinance 04-10 dated 7-6-04.)

Section 230 - Public Hearings and Appeals

230.01. Public Hearings. Unless otherwise provided for in this Code, by Charter, or by law, every public hearing by Charter, this Code, state statute, ordinance, or resolution to be held on any legislative or administrative matter, shall be conducted in accordance with this Section.

230.02. Right to an Administrative Appeal. If any person shall be aggrieved by any administrative decision of the Clerk-Administrator or any other City official, or any Board or Commission not having within its structure an appellate procedure, such aggrieved person is entitled to a full hearing before the Council upon serving a written request therefor upon the Mayor and Clerk-Administrator at least five (5) days prior to any regular Council meeting. Such request shall contain a general statement setting forth the administrative decision to be challenged by the appellant. At such hearing the appellant may present any evidence he or she deems pertinent to the appeal, but the City shall not be required to keep a verbatim record of the proceedings. The Mayor, or other officer presiding at the hearing, may, in the interest of justice or to comply with time requirements and on his or her own motion or the motion of the appellant, the Clerk-Administrator, or a member of the Council, adjourn the hearing to a more convenient time or place, but such time or place shall be fixed and determined before adjournment so as to avoid the necessity for formal notice of reconvening.

230.03. Rule of Procedure for Hearings and Appeals. The Council may adopt by resolution certain written rules of procedure to be followed in all administrative appeals and other hearings to be held before the Council or other bodies authorized to hold hearings and determine questions therein presented. Such rules of procedure shall be effective thirty (30) days after adoption and shall be for the purpose of establishing and maintaining order and decorum in the proceedings.

Subd. 1. Notice. The Council shall, unless otherwise provided by law, give at least twenty (20) days written notice to each appellant and respondent, with a brief statement as to the general nature of the decision appealed from, in all cases of appeal. As to other hearings, such notice as required by law shall be given.

Subd. 2. Presiding Officer. The Mayor shall be the presiding officer at all hearings, including appeals, provided that he or she may, in his or her discretion, designate another Council member to preside.

Subd. 3. Order of Presentation. The evidence and witnesses for the proponent or appellant shall be presented first, and for contestant or respondent shall be presented thereafter.

Subd. 4. Witnesses and Evidence. All witnesses shall be heard and evidence presented on both sides of any matter heard before the Council. Upon written demand served upon the Clerk-Administrator at least five (5) days prior to the date for hearing, either side may demand that all witnesses be sworn. In the event of such demand, the oath shall be administered by a person authorized by State law to administer oaths, who shall be present at the instance and request of the Council. (*Section 230.03, Subd. 4 amended per Ordinance 99-08 dated 9-21-99.*)

Subd. 5. Closing Statements or Final Argument. The contestant or respondent shall make the first closing statement or final argument, and the proponent or appellant shall follow. Responses may be heard if the presiding officer, in his or her discretion, elects to hear them.

Subd. 6. Record and Findings. In all cases deemed necessary or desirable, findings of fact and a decision shall be made in writing and a copy thereof served upon both parties.

230.04. Applications and Other Filings. Unless otherwise specifically provided by the City Code, all applications and filing of other documents shall be at the administrative offices of the City.

Section 240 - City Departments

240.01. Departments Generally.

Subd. 1. Control. All Departments of the City are under the overall control of the Clerk-Administrator. Heads of all Departments are responsible to the Clerk-Administrator and subject to his or her supervision and direction, except as otherwise provided herein.

Subd. 2. Appointment. All department heads and employees shall be appointed by the Council. All appointments shall be for an indeterminate term and subject to any applicable Civil Service Regulations in effect in the City.

Subd. 3. Compensation. All wage and salary scales shall be fixed and determined by the Council.

Subd. 4. Table of Organization and Lines of Responsibility. The Council may by resolution adopt, amend, and from time to time revise, a Table of Organization and define lines of responsibility and authority for the efficient governmental organization of the City.

Subd. 5. Budgetary Information. The heads of all departments shall, by a deadline set by the Clerk-Administrator, file with the Clerk-Administrator the projected financial needs of his or her department for the ensuing year. Such projections shall include information as to maintenance and operation of equipment, new equipment, personnel, and such other information as may be requested by the Clerk-Administrator.

240.02. Police Department.

Subd. 1. Duties of Police. The Chief of Police and all members of the Police Department, in addition to powers granted by the Charter, shall have the powers and authority of police or peace officers generally, and shall perform such duties as are required of them by the City Council or by law. (*Section 240.02, Subd. 1 amended per Ordinance 00-09 dated 6-6-00.*)

Subd. 2. Chief of Police. The Chief of Police shall have general superintendence of the Police Department and custody of all property used and maintained for the purposes of said department. It is the duty of the Chief of Police, on or before the tenth day in each month, to file with the Clerk-Administrator a report as to all arrests made by, and other activities of his or her department during the previous month. (*Section 240.02, Subd. 2 amended per Ordinance 99-08 dated 9-21-99 and Ordinance 00-09 dated 6-6-00.*)

240.03. Fire Department.

Subd. 1. Establishment and Composition. A Fire Department is hereby established. The size and composition shall be established by resolution of the Council, which may be changed from time to time by a subsequent resolution. The Council shall also establish, and from time to time revise and amend, written rules and regulations of the Department including, but not limited to, its internal structural organization and compensation, a copy of which shall be distributed to each of its members whenever established, revised or amended.

Subd. 2. Fire Chief. The Chief of the Fire Department shall have general supervision of the Fire Department and the custody of all property used and maintained for the purposes of said department. He or she shall see that the same are kept in proper order and that all rules and

regulations and all provisions of the laws of the State and ordinances of the City relative to a Fire Department and to prevention and extinguishment of fires are duly observed. He or she shall supervise the preservation of all property endangered by fire and shall control and direct all persons engaged in preserving such property. In case of the absence or disability of the Chief for any cause, the Assistant Chief shall exercise all powers, perform all the duties and be subject to all the responsibilities of the Chief. It is the duty of the Chief of the Fire Department, on or before the tenth day in each month, to file with the Clerk-Administrator a report as to all fires occurring during the previous month stating the probable cause thereof and estimated damages; such reports shall also state the other activities of the Department. The Chief of the Fire Department shall also make and file such other reports as may be requested by the Council. *(Section 240.03, Subd. 2 amended per Ordinance 99-08 dated 9-21-99.)*

240.04. Legal Department. A Legal Department is hereby established. The Council shall appoint a City Attorney, who shall be head of the Legal Department, together with such assistants as may be necessary who shall serve at the pleasure of the Council. The City Attorney shall perform such duties as are required of him or her by law or referred to him or her by the Council. It shall be the official duty of the City Attorney to act as “Revisor of Ordinances”.

240.05. Engineering Department. An Engineering Department is hereby established. The activities of this department shall be under the general supervision of the Consulting Engineer of the City on such basis as the Council may, from time to time, determine.

240.06. Public Works Department. A Public Works Department is hereby established. A member of the Public Works Department shall be its supervisor. All street maintenance and repair, making of sewage system connections, waste water treatment facilities, lift station maintenance and operation, and the maintenance of all city park facilities, municipal grounds and municipal buildings shall be under this department.

240.07. Building Department. A Building Department is hereby established. The Department shall be charged with the administration and enforcement of the Minnesota State Building Code, as adopted in Chapter 9 of this Code. The Department shall be under the general supervision and direction of a Building Inspector, to be appointed by the City Council. *(Section 240.07 amended per Ordinance 99-08 dated 9-21-99.)*

240.08. Additional Departments. The Council may by resolution establish such additional Departments as it deems necessary or desirable. Any resolution establishing such additional Departments shall set forth the purpose for which it is established, lines of authority, and such other matters, including financing, as the Council may deem appropriate.

Section 250 - City Boards and Commissions

250.01. Boards and Commissions Generally. All Board and Commission appointments authorized by ordinance or resolution shall be made by the Mayor, and such appointment confirmed by the Council prior to the expiration of the existing term. The term of each appointee shall be established and stated at the time of his or her appointment, and terms of present Board and Commission members may be re-established and changed so as to give effect to this Section. New appointees shall assume office on the first day of the first month following their appointment and qualification, or on the first day of the first month following the expiration of the prior term and qualification, whichever shall occur last. All vacancies shall be filled in the same manner as for an expired term, but the appointment shall be effective immediately when made and only for the unexpired term. No appointed Board or Commission member shall be an employee of the City, but an ex officio member may be so employed. All appointed Board and Commission members shall serve without remuneration, but may be reimbursed for out-of-pocket expenses incurred in the performance of their duties when such expenses have been authorized by the Council before they were incurred. The Chairman and Secretary shall be chosen from and by the Board or Commission membership annually to serve for one (1) year, provided that no Chairman shall be elected who has not completed at least one (1) year as a member of the Board or Commission. Any Board or Commission member may be removed by the Council for misfeasance, malfeasance or nonfeasance in office and his or her position filled as any other vacancy. Each Board and Commission shall hold its regular meetings at a time established and approved by the Council. Except as otherwise provided, this Section shall apply to all Boards and Commissions. (*Section 250.01 amended per Ordinance 99-08 dated 9-21-99.*)

250.02. Library Board.

Subd. 1. Establishment and Composition. A Library Board composed of seven members is hereby established for the purpose of advising the Council as to management and operation of the City Library. Board members shall serve staggered three (3) year terms. No member shall be eligible to serve more than three consecutive three (3) year terms. (*Section 250.02, Subd. 1 amended per Ordinance 99-08 dated 9-21-99.*)

Subd. 2. Duties. The Library Board shall adopt bylaws and regulations for the government of the library and for the conduct of its business as may be expedient and conformable to law. It shall have exclusive control of the expenditures of all money collected for and placed to the credit of the library fund and the construction, maintenance, and use of all library buildings and grounds. With the approval of the Council, the Library Board may purchase land and erect library buildings thereon. The City Council shall have all authority over hiring, termination and compensation of employees of the library. (*Section 250.02, Subd. 2 amended per Ordinance 04-22 dated 12-6-04.*)

Subd. 3. Annual Report. The Library Board shall report to the Council all amounts received, the amounts expended, the number of library materials on hand, purchased and loaned and other information it deems advisable as soon as possible following the end of the fiscal year.

250.03. Planning Commission.

Subd. 1. Establishment and Composition. A Planning Commission is hereby established. The Commission shall be composed of seven (7) members who shall serve six (6) year terms. Six (6) of the seven members shall be citizens appointed by the City Council, and one (1) member shall be a councilperson appointed by the Mayor. Except in cases of vacancies, one (1) member shall be appointed each year and take office January first. Each year the Council shall designate a member to serve as the Commission's Chairperson and Vice-chairperson. The Clerk-Administrator shall serve as a non-voting secretary for the commission and shall report to the Council the Commission's findings and recommendations. In the case of vacancies, the City Council shall fill the vacancy by appointment to serve the remaining term of the member. *(Section 250.03, Subd. 1 amended per Ordinance 06-03 dated 1-23-06.)*

Subd. 2. Powers and Duties. The Planning Commission shall have all of the powers and duties defined or granted in the Statutes and the City Code relating to planning, zoning and subdivision regulation, and shall act in an advisory capacity to the Council in all such areas.

250.04. Board of Zoning Adjustments and Appeals.

Subd. 1. Establishment and Composition. A Board of Zoning Adjustments and Appeals is hereby established. The Board shall be composed of the members of the Council.

Subd. 2. Powers and Duties. It is the duty of the Board of Zoning Adjustments and Appeals to hear and decide appeals from any decision of the Zoning Administrator, to interpret the meaning of the Zoning Chapter of the City Code in cases of ambiguity, to make rulings with respect to the application thereof, and to review and decide applications for variances from the provisions of the Zoning Chapter and applications for conditional use permits and to take final action thereon. *(Section 250.04, Subd. 2 amended per Ordinance 99-08 dated 9-21-99.)*

250.05 Board of Building Appeals. A Board of Building Appeals is hereby established consisting of three (3) members. The Vice Mayor and the Chairman of the Planning Commission shall be members. The third member shall be a person from the local community who is qualified by experience and training to determine matters pertaining to building construction and who shall be appointed by the Council for each individual appeal. The Building Inspector shall be an ex officio member and shall act as secretary of such Board. The Board shall be appointed as other Boards and Commissions of the City and shall hold office at the pleasure of the City Council. The Board shall adopt reasonable rules and regulations for conducting any investigation that may be necessary and shall render all decisions and findings in writing to the Building Inspector with a duplicate copy to the appellant and may recommend to the Council such new legislation as is consistent therewith.

250.06. Economic Development Authority.

Subd. 1. Establishment and Authority. The Council hereby finds that it is in the best interests of the City to establish the Authority pursuant to State law and declares that Authority to be so established as a public body corporate and political subdivision of the State of Minnesota.

Subd. 2. Commissioners. The Authority shall consist of seven (7) commissioners of whom two (2) shall be members of the City Council. Members shall be appointed by resolution

of the City Council for staggered six (6) year terms in accordance with Minnesota Law.

Subd. 3. Powers. The Authority shall have all the powers of an economic development authority under Minnesota Statutes, except as otherwise provided in this Subsection. The powers of the Authority are limited as follows:

A. The Authority must transfer any portion of the reserves generated by the activities that the Council may determine is not necessary for the successful operation of the Authority to the debt service fund of the City to be used solely to reduce tax levies for bonded indebtedness by the City.

B. The sale of all bonds or obligations issued by the Authority must be approved by the City Council before their issuance.

C. The Authority must follow the budget process for City departments as provided by the City and as implemented by the Council and the Mayor of the City.

D. All official actions of the Authority must be consistent with the City's comprehensive plan and any official controls implementing said comprehensive plan.

E. The Authority must submit all planned activities for influencing the action of any other governmental agency, subdivision or body to the Council for approval.

F. The Authority must submit its administrative structure and management practices to the Council for approval.

Subd. 4. Annual Budget. Pursuant to Minn. Stat. Section 469.100, Subdivision 2, the Authority shall send to the Council on or before September 1 of each year an annual budget of the Authority, including a detailed written estimate of the amount of money that the Authority expects to need from the City to do Authority business during the next fiscal year. (*Section 250.06, Subd. 4 amended per Ordinance 06-05 dated 2-21-06.*)

Subd. 5. Annual Report. Pursuant to Minn. Stat. Section 469.100, Subdivision 4, the Authority shall make a written report to the Council on the first scheduled meeting in March of each year including a detailed account of the Authority's activities and or its receipts and expenditures during the preceding calendar year. (*Section 250.06, Subd. 5 amended per Ordinance 99-08 dated 9-21-99 and Ordinance 06-05 dated 2-21-06.*)

Subd. 6. Modifications. This Section may be modified only by written resolution of the Council adopted after notice and public hearing as required by Section 469.093 of the Minnesota Statutes.

250.07. Blue Earth Airport Advisory Commission.

Subd. 1. Establishment and Composition. An Airport Advisory Commission is hereby established for the use of advising the Council as to the management and operation of the Blue Earth Municipal Airport. The Commission shall be composed of seven (7) members who shall serve staggered terms as follows: Four existing members shall be appointed to serve four-year terms, and three existing members shall be appointed to serve two-year terms effective January 1, 2004. All future terms of office will be four-year terms. The Clerk-Administrator shall serve as non-voting secretary to the Commission and shall report to the Council the Commission's findings and recommendations. (*Section 250.07 Subd. 1 amended per Ordinance 04-14 dated 8-23-04.*)

Subd. 2. Duties. The duties of the Airport Advisory Commission are as follows:

A. To advise the Council as to the management, operation, and development of the Blue Earth Municipal Airport.

B. To hold any such meetings as may be necessary for the conduct of its business and to furnish the Council with a true and correct copy of all the minutes of its proceedings.

C. To act in an advisory capacity to the council in areas which the Council may direct.

250.08. Joint Airport Zoning Board.

Subd. 1. Establishment and Composition. A Joint Airport Zoning Board is hereby established between the City of Blue Earth, Minnesota and Faribault County, Minnesota, pursuant to Minnesota Statutes, Section 360.063. The Board shall consist of two (2) representatives of the City and two (2) representatives of the County who shall serve indefinite terms at the pleasure of their respective appointing authority. The appointing authority for the City of Blue Earth shall be the City Council.

Subd. 2. Powers. The Joint Airport Zoning Board shall have the power to adopt, amend, administer, and enforce airport zoning regulations as specified in Minnesota Statutes, Section 360.063.

Subd. 3. Airport Zoning Regulations Adopted. The zoning regulations adopted by the Joint Airport Zoning Board, and any amendments made thereto, are hereby adopted and made part of the City Code as if set out in full herein.

(The original Section 250.09 was deleted and subsequent Sections renumbered per Ordinance 99-08 dated 9-21-99.)

250.09. Housing and Redevelopment Authority.

Subd. 1. Establishment and Composition. An authority to be known as the “Housing and Redevelopment Authority of the City of Blue Earth” (hereinafter “Authority”) is hereby established. The Authority shall consist of six (6) members, known as Commissioners, who shall be appointed by the Mayor and confirmed by the City Council. The Commissioners shall serve staggered five (5) year terms. *(Section 250.09, Subd. 1 amended per Ordinance 02-03 dated 9-3-02. Section 250.09, Subd. 1 amended per Ordinance 06-13 dated 8-21-06.)*

Subd. 2. Powers of the Authority. The Housing and Redevelopment Authority shall have all authority and powers granted to such authorities by the laws of the State of Minnesota. The Authority shall also serve as an advisory body to the Council on any housing or other issue that the Council deems appropriate.

(Section 250.09, originally 250.10, amended per Ordinance 99-08 dated 9-21-99.)

250.10. Senior Center Board.

Subd. 1. Establishment and Composition. A Senior Center Board is hereby established. The Board shall consist of six (6) at large members serving staggered three (3) year terms with at least one (1) new member appointed each year. A representative of the nutrition program, a representative of the senior club and all paid staff of the Senior Center shall serve as ex-officio members to the Senior Center Board with no voting privileges. All members of the Board shall be appointed by the Mayor and approved by the Council. All appointments shall be recommended to the Mayor by the President of the Board. The Council shall also appoint a

Councilmember to serve as a liaison between the Board and the Council. (*Section 250.10, Subd. 1, originally 250.11, Subd. 1, amended per Ordinance 99-08 dated 9-21-99. Section 250.10, Subd. 1 amended per Ordinance 00-02 dated 2-15-00.*)

Subd. 2. Powers of the Senior Center Board. The Senior Center Board shall have the power to determine the rules, by-laws and regulations for the use of the Senior Center, subject to the approval of the Council. The Board shall also have the authority to spend any funds specified within the annual Senior Center Budget authorized by the Council. The Board shall also advise the Council on any matter concerning the Senior Center or any other issue in which Council deems advice of the Board is appropriate.

250.11. Fitness Center Board.

Subd. 1. Establishment and Composition. The management of the Fitness Center is hereby vested in a Board consisting of nine (9) members subject to the mandates of the City Council. Seven (7) members of the Board shall be members of the general community, appointed by the Mayor and approved by the Council. One (1) member shall be a member of the City Council. The final member shall be appointed by the Faribault County Fair Board. All members shall serve staggered three (3) year terms with three (3) new members being appointed each year.

Subd. 2. Powers and Duties. The Fitness Center Board of Directors shall have all the power necessary to maintain, operate, staff, equip, repair, and make improvements to the facilities of the Fitness Center, subject to Council approval. The Board shall have the power to expend funds made available in the Fitness Center annual budget authorized by the Council. The Board shall also serve an advisory role to the Council in any matter which concerns the Fitness Center or any other issue for which the Council deems advice of the Board is appropriate. (*Section 250.11, Subd. 2, originally 250.12, Subd. 2, amended per Ordinance 99-08 dated 9-21-99.*)

250.12. Joint Fire Service Advisory Board.

Subd. 1. Establishment and Composition. A Joint Fire Service Advisory Board is hereby established to advise the Fire Department in the providing of service in the townships of Blue Earth, Jo Davies, Pilot Grove, Prescott, Verona and the City of Blue Earth. The Board shall consist of six (6) members. Each Township shall be represented by one (1) member appointed by their respective governing body. The City of Blue Earth shall be represented by a City Councilmember as a member of the Board. The Clerk-Administrator of the City shall serve as secretary to the Board. The Fire Chief of the City of Blue Earth shall be an ex-officio member of the Board. All members shall serve at the pleasure of their appointing authority. (*Section 250.12, Subd. 1 amended per Ordinance 99-08 dated 9-21-99.*)

Subd. 2. Powers and Duties. The Board shall advise the City Council in regards to what shall be considered fair compensation for services rendered in fighting fires outside the City. The Board shall also advise the City Council concerning any resolution authorizing the extension of fire services outside the City pursuant Minnesota Statutes, Sections 438.08 and 438.09. The Board shall also advise the City Council regarding the appropriation of funds to defray the expenses of members of the fire department in attending the state convention of the Minnesota

State Fire Association, the Minnesota State Fire School and any meeting of the regional firefighter's association pursuant to Minnesota Statutes, Section 438.11. The Board shall not have any powers relating to any volunteer firefighter's relief association.

(Section 250.14 added and subsequent Sections renumbered per Ordinance 99-08 dated 9-21-99.)

250.13. Joint Planning Boards.

Subd. 1. Blue Earth Township Board. A Joint Planning Board between the City of Blue Earth, The County of Faribault and the Township of Blue Earth is hereby established pursuant to Minnesota Statutes, section 462.3585. The Board shall consist of three members, one representative from each of the governmental units comprising the Board. The representative for the City of Blue Earth shall be the Mayor. The Clerk-Administrator shall serve as the administrative staff for the Board.

Subd. 2. Blue Earth Township Board Powers. The Board shall serve as the governing body and board of appeals and adjustments for purposes of Minnesota Statutes 462.351 to 462.364 within the two mile area of its jurisdiction as established in Minnesota Statutes, section 462.3585.

Subd. 3. Jo Davies Township Board. A Joint Planning Board between the City of Blue Earth, The County of Faribault and the Township of Jo Davies is hereby established pursuant to Minnesota Statutes, section 462.3585. The Board shall consist of three members, one representative from each of the governmental units comprising the Board. The representative for the City of Blue Earth shall be the City Zoning Administrator as appointed by the Mayor. The Clerk-Administrator shall serve as the administrative staff for the Board.

Subd. 4. Jo Davies Township Board Powers. The Board shall serve as the governing body and board of appeals and adjustments for purposes of Minnesota Statutes 462.351 to 462.364 within the two mile area of its jurisdiction as established in Minnesota Statutes, section 462.3585.

250.14. Additional Boards, Commissions or Authorities. The Council may by resolution establish such additional Boards, Commissions or Authorities as it deems necessary or desirable. Any resolution establishing such additional Board, Commission or Authority, shall set forth the purpose for which it is established, lines of authority, and such other matters, including financing, as the Council may deem appropriate.

Section 260 - Abandoned and Excess Property

260.01. Disposal of Abandoned, Junk and Unauthorized Motor Vehicles. Abandoned, junk and unauthorized vehicles shall be disposed of by the City in accordance with the provisions of Subsection 520.05 of this Code.

260.02. Disposal of Unclaimed Property.

Subd. 1. Definition. The term “abandoned property” means tangible or intangible property that has lawfully come into the possession of the City in the course of municipal operations, remains unclaimed by the owner, and has been in the possession of the City for at least sixty (60) days and has been declared such by a resolution of the Council.

Subd. 2. Preliminary Notice. If the Clerk-Administrator knows the identity and whereabouts of the owner, he or she shall serve written notice upon him or her at least thirty (30) days prior to a declaration of abandonment by the Council. If the City acquired possession from a prior holder, the identity and whereabouts of whom are known by the Clerk-Administrator, notice shall also be served upon him or her. Such notice shall describe the property and state that unless it is claimed and proof of ownership, or entitlement to possession established, the matter of declaring it abandoned property will be brought to the attention of the Council after the expiration of thirty (30) days from the date of such notice. (*Section 260.02, Subd. 2 amended per Ordinance 99-08 dated 9-21-99.*)

Subd. 3. Notice and Sale. Upon adoption of a resolution declaring certain property to be abandoned property, the Clerk-Administrator shall publish a notice thereof describing the same, together with the names (if known) and addresses (if known) of prior owners and holders thereof, and including a brief description of such property. The text of such notice shall also state the time, place and manner of sale of all such property, except cash and negotiables. Such notice shall be published once at least ten (10) days prior to sale. Sale shall be made to the highest bidder at public auction or sale conducted in the manner directed by the Council in its resolution declaring property abandoned and stated in the notice.

Subd. 4. Fund and Claims Thereon. All proceeds from such sale shall be paid into the General Fund of the City and expenses thereof paid therefrom. The former owner, if he or she makes claim within six (6) months from the date of publication of the notice herein provided, and upon application and satisfactory proof of ownership, may be paid the amount of cash or negotiables or, in the case of property sold, the amount received therefor, less a pro rata share of the expenses of storage, publication of notice, and sale expenses, but without interest. Such payment shall be also made from the General Fund.

260.03. Disposal of Excess Property.

Subd. 1. Declaration of Surplus and Authorizing the Sale of Property. The Clerk-Administrator may, from time to time, recommend to the Council that certain personal property (chattels) owned by the City is no longer needed for a municipal purpose and should be sold. By action of the Council, said property shall be declared surplus, the value estimated and the Clerk-Administrator authorized to dispose of said property in the manner stated herein.

Subd. 2. Surplus Property With a Total Estimated Value of Less Than \$10,000. The

Clerk-Administrator shall offer for public sale, to the highest bidder, surplus property with a total estimated value of from \$500.00 to \$10,000.00. Notice of such public sale shall be given stating time and place of sale and generally describing the property to be sold at least ten (10) days prior to the date of sale either by publication once in the official newspaper, or by posting in a conspicuous place in the City Hall at the Clerk-Administrator's option. Such sale shall be by auction.

Subd. 3. Surplus Property With a Total Estimated Value Over \$10,000.00. The Clerk-Administrator shall offer for public sale, to the highest bidder, surplus property worth a total estimated value over \$10,000.00. Notice of such public sale shall be given stating time and place of sale and generally describing property to be sold at least ten (10) days prior to the date of sale by publication once in the official newspaper. Such sale shall be to the person submitting the highest sealed bid.

Subd. 4. Receipts From Sales of Surplus Property. All receipts from sales of surplus property under this Section shall be placed in the General Fund. (*Section 260.03, Subd. 2 and following amended per Ordinance 00-12 dated 8-15-00.*)

260.04. Persons Who May Not Purchase - Exception.

Subd. 1. City Employees. No employee of the City who is a member of the administrative staff, department head, a member of the Council, or an advisor serving the City in a professional capacity, may be a purchaser of property under this Section. Other City employees may be purchasers, if they are not directly involved in the sale, if they are the highest bidder, and if at least one (1) week's published or posted notice of sale is given.

Subd. 2. Unlawful Act. It is unlawful for any person to be a purchaser of property under this Section if such purchase is prohibited by the terms of this Section.

Section 270 - Franchises

270.01. Definition. The term “franchise” as used in this Section shall be construed to mean any special privileges granted to any person in, over, upon, or under any of the streets or public places of the City, whether such privilege has heretofore been granted by it or by the State of Minnesota, or shall hereafter be granted by the City, by the State Legislature or any other authority.

270.02. Franchise Ordinances. The Council may grant franchises by ordinance. No exclusive franchise or privilege shall be granted, unless the proposed grant be first submitted to the voters of the city, and be approved by a majority of those voting thereon. No such franchise shall be granted for a period of more than twenty-five (25) years. Franchise rights shall always be subject to the superior right of the public to the use of streets and public places. All persons desiring to make any burdensome use of the streets or public places, inconsistent with the public's right in such places, or desiring the privilege of placing in, over, upon, or under any street or public place any permanent or semi-permanent fixtures for the purpose of constructing or operating railways, telegraphing, or transmitting electricity, or transporting by pneumatic tubes, or for furnishing to the City or its inhabitants or any portion thereof, transportation facilities, water, light, heat, power, gas, or any other such utility, or for any other purpose, shall be required to obtain a franchise before proceeding to make such use of the streets or public places or before proceeding to place such fixtures in such places.

270.03. Power of Regulation Reserved. The City shall have the right and power to regulate and control the use of City owned land the exercise by any person, of any franchise however acquired, and whether such franchise has been heretofore granted by it or by the State Legislature or any other authority.

270.04. Conditions in Every Franchise. All conditions specified in this Subsection shall be a part of every franchise even though they may not be expressly contained in the franchise.

Subd. 1. Performance. The grantee shall be subject to and will perform on its part all the terms of this Section and will comply with all pertinent provisions of any City Charter and the City Code, as the same may from time to time be amended.

Subd. 2. Fixing Fares. The grantee shall in no case claim or pretend to exercise any power to fix fares, rates, and charges; but that such fares, rates, and charges shall at all times be just, fair and reasonable for the services rendered and shall in all cases be fixed and from time to time changed, unless regulated by an agency of the State of Minnesota, in the manner following:

A. A reasonable rate shall be construed to be one which will, with efficient management, normally yield above all operating expenses and depreciation, a fair return upon all money invested.

B. If possible maximum rates and charges shall be arrived at by direct negotiation with the Council.

C. If direct negotiations fail to produce agreement, the Council shall, not less than thirty (30) days before the expiration of any existing rate schedule or agreement, appoint an expert as its representative, the franchisee shall likewise appoint an expert as its representative

and the two of them shall appoint a third person, preferably an expert, and the three of them shall constitute a board of arbitration. The board shall report its findings as soon as possible and the rates and charges it shall agree upon by majority vote shall be legal and binding, subject only to review by a court of competent jurisdiction upon application of one of the parties.

Subd. 3. Public service systems. The Council shall have the right to require reasonable extensions of any public service system from time to time, and to make such rules and regulations as may be required to secure adequate and proper service and to provide sufficient accommodations for the public.

Subd. 4. Stock. The grantee shall not issue any capital stock on account of the franchise or the value thereof, and that the grantee shall have no right to receive upon condemnation proceedings brought by the City to acquire the public utility exercising such franchise, any return on account of the franchise or its value.

Subd. 5. No Sales and Leases of Franchises. No sale or lease of said franchise shall be effective until the assignee or lessee shall have filed with the City an instrument, duly executed, reciting the facts of such sale or lease, accepting the terms of the franchise, and agreeing to perform all the conditions required of the grantee thereunder.

Subd. 6. Franchise Superstructures. Every grant in said franchise contained of permission for the erection of poles, masts, or other fixtures in the streets and for the attachment of wires thereto, or for the laying of tracks in, or of pipes or conduits under the streets or public places, or for the placing in the streets or other public places of any permanent or semi-permanent fixtures whatsoever, shall be subject to the conditions that the Council shall have the power to require such alterations therein, or relocation or rerouting thereof, as the Council may at any time deem necessary for the safety, health, or convenience of the public, and particularly that it shall have the power to require the removal of poles, masts, and other fixtures bearing wires and the placing underground of all facilities for whatsoever purpose used.

Subd. 7. Franchise Buyouts. Every franchise shall contain a provision granting the City the right to acquire the same in accordance with statute.

Subd. 8. Franchise Fees. The franchisee may be obligated by the City to pay the City fees to raise revenue or defray increased costs accruing as a result of utility operations, or both, including, but not limited to, a sum of money based upon gross operating revenues or gross earnings from its operations in the City.

270.05. Further Provisions of Franchises. The enumeration and specification of particular matters which must be included in every franchise or renewal or extension thereof, shall not be construed as impairing the right of the City to insert in any such franchise or renewal or extension thereof such other and further conditions and restrictions as the Council may deem proper to protect the City's interests, nor shall anything contained in this Section limit any right or power possessed by the City over existing franchises.

270.06. Franchise Agreements in Effect. All current franchise agreements entered into by the City are listed in Appendix F to this Code found in Chapter 20 of this Code. (*Section 270.06 amended per Ordinance 99-08 dated 9-21-99.*)

SECTION 280 - DEFERMENT OF SPECIAL ASSESSMENTS

SUBSECTION 280.01 - DEFERMENTS FOR PERSONS AGE 65 OR OLDER

Subd. 1. The Council may defer the payment of any special assessment on homestead property owned by a person who is 65 years of age or older, or who is retired by virtue of permanent and total disability, and the City Clerk is hereby authorized to record the deferment of special assessments where the following conditions are met:

1. The applicant must apply for the deferment not later than 90 days after the assessment is adopted by the City Council.
2. The applicant must be 65 years of age or older or retired by virtue of permanent and total disability.
3. The applicant must be the owner of the property.
4. The applicant must occupy the property as his principal place of residence.
5. The average annual payment for assessments levied against the subject property exceed one percent of the adjusted gross income of the applicant as evidenced by the applicant's most recent federal income tax return. The average annual payment of an assessment shall be the total cost of the assessment divided by the number of years over which it is spread.

Subd. 2. The deferment shall be granted for as long a period of time as the hardship exists and the conditions aforementioned have been met. However, it shall be the duty of the applicant to notify the City Clerk of any change in his status that would affect eligibility for deferment.

Subd. 3. The entire amount of deferred special assessments shall be due within sixty (60) days after loss of eligibility by the applicant. If the special assessment is not paid within the sixty (60) days, the City Clerk shall add thereto interest at a per annum interest rate of two percent (2%) above the bond interest rate and the total amount of principal and interest shall be certified to the County Auditor for collection with taxes the following year. Should the applicant demonstrate, to the satisfaction of the Council, that full repayment of the deferred special assessment would cause the applicant particular undue financial hardship, the Council may order that the applicant pay within sixty days a sum equal to the number of installments of deferred special assessments outstanding and unpaid to date, including principal and interest, with the balance thereafter paid according to the terms and conditions of the original special assessments or the Council may continue the deferment of the assessment on the basis of exceptional and unusual circumstances of the owner not covered by the deferment guidelines herein as long as said determination to continue the deferment is made in a nondiscriminatory manner and the Council makes written findings as to the reasons for its determination to continue the deferment for said owner.

Subd. 4. The option to defer the payment of special assessments shall terminate and all amounts accumulated plus applicable interest shall become due upon the occurrence of any one of the following:

1. The death of the owner when there is no spouse who is eligible for

deferment.

2. The sale, transfer or subdivision of all or any part of the property.
3. Loss of homestead status on the property,
4. Determination by the Council for any reason that immediate or partial payment would impose no hardship.

SUBSECTION 280.02 - DEFERMENTS FOR NATIONAL GUARD OR RESERVE MEMBERS ON ACTIVE DUTY STATUS

Subd. 1. The Council may defer any special assessment on homestead property owned by a person who is a member of the Minnesota National Guard or other military reserves who is ordered into active military service for whom it would be a hardship to make payments for the term of their tour of active duty in the military of the United States of America.

Subd. 2. The option to defer a special assessment on homestead property owned by an active duty member of the Minnesota National Guard or other military reserves branch of the United States Military shall terminate and all amounts accumulated plus applicable interest shall become due upon occurrence of one of the following:

1. The sale, transfer or subdivision of any or all of the property.
2. The return to inactive military duty status by the applicant.
3. The loss of homestead status of the property.

Subd. 3. The entire amount of deferred special assessments shall be due within sixty (60) days after loss of eligibility by the applicant. If the special assessment is not paid within the sixty (60) days, the City Clerk shall add thereto interest at a per annum interest rate of two percent (2%) above the bond interest rate and the total amount of principal and interest shall be certified to the County Auditor for collection with taxes the following year. Should the applicant demonstrate, to the satisfaction of the Council, that full repayment of the deferred special assessment would cause the applicant particular undue financial hardship, the Council may order that the applicant pay within sixty days a sum equal to the number of installments of deferred special assessments outstanding and unpaid to date, including principal and interest, with the balance thereafter paid according to the terms and conditions of the original special assessments or the Council may continue the deferment of the assessment on the basis of exceptional and unusual circumstances of the owner not covered by the deferment guidelines herein as long as said determination to continue the deferment is made in a nondiscriminatory manner and the Council makes written findings as to the reasons for its determination to continue the deferment for said owner. (*Section 280 added per Ordinance 08-05 dated 8-4-08.*)