

CHAPTER 425—H. F. No. 898.

An act authorizing cities of the fourth class, however organized, villages and boroughs to lay water mains and their appurtenances, including service connections, and to assess the cost of such improvement upon abutting property.

Be it enacted by the Legislature of the State of Minnesota :

Section 1. Power of council in cities of the fourth class and in villages and boroughs.—In any city of the fourth class, organized under the general laws or a special or home rule charter, or in any village or borough of this state, the Council shall have power to lay water mains and appurtenances required in connection therewith, such as valves and hydrants and also service connections, along any street or public alley in such city, village or borough for the purpose of supplying water to the inhabitants thereof. By the word "Council," as used in this Act, is meant the governing body, by the word "Mayor," the chief executive officer, and by the word "Clerk," the officer who performs the functions thereof, of such municipality, by whatever title they may be respectively denominated.

Sec. 2. Improvements may be assessed upon the abutting property on the basis of benefits.—The cost of any such improvement, including the cost of engineering, interest during construction and necessary incidental expenses, may be assessed against property abutting upon the street or public alley in which such water mains, appurtenances and service connections are laid, upon the basis of benefits to such property, but the Council may pay the cost of laying such mains across street and alley intersections and one-half of the cost of laying such mains in any street or public alley opposite any public park or municipal property and the cost of fire hydrants and their connections to the mains, and may also pay such portion of the cost of laying such mains between street intersections or between street and alley intersections, as the council may determine.

Sec. 3. Majority vote of council to govern.—No action shall be taken for the making of any such improvement, except upon the adoption of a resolution to that effect and determining the necessity of the work in question by a majority vote of the Council after a meeting at which all property owners whose property may be assessed therefor have been notified to be present, by a notice of such meeting published for at least two weeks, in the official newspaper. The last of such publications shall be not less than three days before the meeting at which such resolution is adopted.

Sec. 4. Plans, specifications, and advertisements—Awarding of contract.—Whenever the Council of any such municipality shall determine to make any such improvements, it may cause plans and specifications thereof to be made and filed with the clerk of such

municipality and may advertise for bids for the construction of such improvement in the official paper and such other paper or papers and for such length of time as it may deem advisable. Such advertisement shall specify the work to be done, shall call for such bids on the basis of cash payment for such work and shall state the time when the bids will be opened and considered by the Council, and that no bids will be considered unless sealed and filed with the clerk and accompanied by a cash deposit or certified check payable to the clerk, for such percentage of the amount of such bid as the Council may specify.

Sec. 5. Letting contract.—In letting contracts for any such work, it shall be the duty of the Council to require the execution of a written contract and a bond in such sum as it may require, conditioned for the faithful performance of the contract, and for saving the municipality harmless from any and all liability in the prosecution and completing of the work, and conditioned further for the payment for all material used and labor performed thereon. The Council, if a contract is awarded, may award the same to the lowest responsible bidder. If any bidder to whom such contract is awarded shall fail to enter promptly into such written contract and to furnish such bond, then such defaulting bidder shall forfeit to the municipality the amount of his cash deposit or certified check, and the Council may thereupon award the contract to the next lowest responsible bidder; provided, the Council shall have the right to reject all bids; and provided further, that whenever it shall appear to the Council that the cost of the entire work projected shall be less than five hundred dollars, then the Council may directly purchase the materials therefor and cause the work to be done by day labor. The Council may have the work supervised by the municipality's engineer or other person, and in case of improper construction or unreasonable delay in the prosecution of the work by the contractor, it may order and cause the suspension of the work at any time and relet the contract therefor, or order a reconstruction of any portion of the work improperly done and where the work to be done shall call for an expenditure of less than five hundred dollars to complete the work or the reconstruction necessary, the Council may do it by the employment of day labor.

Sec. 6. Retained percentage.—In case the Contractor shall properly perform his contract, the Council may, from time to time during the progress, and before the completion of the work, in its discretion, pay to such Contractor eighty-five per cent (85%) of the amount earned thereunder, which shall be determined by the estimate of the engineer or other competent person selected by the Council to supervise the work.

Sec. 7. Assessments.—After a contract is let or work ordered done by day labor, as herein provided, the Clerk, with the assistance of the engineer or superintendent of the work, shall forthwith

calculate the amount proper and necessary to be especially assessed for such improvement against every assessable lot, piece or parcel of land within the district affected, without regard to cash valuation, in accordance with the provisions of Section 2 hereof. The proposed assessment so made shall be filed with the Clerk, for public inspection. Thereupon the Clerk, under the direction of the Council, shall cause notice of the time and place when and where the Council will pass upon such proposed assessment. Such notice shall be published in the official paper at least one week prior to the hearing on such proposed assessment. Such hearing may be had at a regular or special, or adjourned regular or special, meeting of the Council. The Council shall hear and pass upon all objections, if any, and may amend the proposed assessment as to any lot or lots; and upon the adoption of such assessment by resolution of the Council, the same shall become and constitute the special assessments against the lots, pieces and parcels of land therein described. Such assessment, together with the interest accruing on the total amount thereof, at the rate of six per cent per annum, from the adoption of the same to the first day of June, following, shall be a lien upon the property described therein, and all thereof, which lien shall be concurrent with that of the general taxes assessed against such properties. The amount of such assessment and accrued interest shall be payable in equal annual installments, extending over such period, not exceeding twenty years, as the Council may determine by resolution. The first of said installments shall be payable on or before the first day of June following the adoption of the assessment, and all deferred payments shall bear interest at the rate of six per cent per annum from the first day of June, following the adoption of the assessment. It shall be the duty of the Clerk, immediately after the adoption of such assessment by the Council, to transmit a certified duplicate thereof to the County Auditor, by whom the same shall be extended on the proper tax lists, and such assessment shall be collected, accounted for, and paid over in the same manner as other municipal taxes, **PROVIDED**, that the owner of any lot, piece or parcel of land so assessed may, at any time, pay the whole of such assessment, or any installment thereof, with accrued interest.

Sec. 8. Counties and school districts liable for assessments.—It shall be the duty of County Boards and the proper School District officials to pay any assessments levied hereunder against property owned by such Counties or School Districts. In default of such payment, the amount of such unpaid assessments may be recovered in a civil action, brought by the City, Village or Borough against the County or School District owning the property so assessed.

Sec. 9. Corrections.—In case of errors or omissions in such assessment with respect to total cost of improvement or otherwise.

the Council shall have power to, and shall, make supplemental assessments to provide for and correct such errors or omissions.

Sec. 10. Certificates of indebtedness.—After a contract or contracts for the making of any such improvement shall have been entered into by any city of the fourth class, or any village or borough, it may, acting, through its Council, issue its certificates of indebtedness in such amount as may be necessary to defray in whole or in part the expense incurred or to be incurred in making any such improvement. The word “expense” shall be construed to mean and cover every item of cost of such improvement from its inception to its completion, and all fees and expenses incurred or to be incurred in pursuance thereof. Such certificates shall be payable in annual installments as near equal in amount as conveniently may be, over a period not exceeding twenty (20) years from their date, shall bear interest at a rate not to exceed six (6) per cent, payable annually, or semi-annually, which interest may be evidenced by appropriate coupons and shall be in such form and denominations, all as the Council shall by resolution determine, and shall be signed by the mayor and countersigned by the clerk. A separate special assessment fund shall be provided for each improvement and the proceeds from the sale of any certificate issued on its account shall be placed in such fund. The Council shall provide moneys for the payment of the principal and interest of said certificates, as they severally mature, which moneys shall be placed in such fund and into such fund shall also be paid all moneys received from the payment of any liens created under the provisions of this act. And the Council shall pay the principal and interest of any such certificates out of any funds in the treasury when the moneys on hand in the appropriate special assessment fund are insufficient to meet the payment of the principal or interest when the same matures, but the fund from which such moneys have been taken or used for the payment of such principal or interest shall be replenished with interest at the rate of six per cent per annum from the collection of unpaid assessments on account of such improvements.

The amount of any such certificates at any time outstanding shall not be included in determining any such municipality's net indebtedness, under the provisions of any applicable law.

Sec. 11. Reassessment.—In all cases where any assessment or any part thereof as to any lot, lots or parcels of land assessed under any of the provisions of this act, for any reason whatever, is set aside, the Council may cause a reassessment or a new assessment to defray the expenses of such improvement to be made.

Sec. 12. Objections.—The party desiring to object to the assessment, or his duly authorized agent or attorney, shall, on or before the date of hearing upon such assessment, file with the clerk

a written statement of the objections and all objections not specified therein shall be deemed waived.

Sec. 13. **Appeals.**—Within ten days after the adoption of the assessment, any person aggrieved who appeared and filed objections thereto, may appeal to the district court by serving a notice upon the chief executive officer of the municipality, which notice shall be filed with the clerk of the district court, within ten days after service thereof. The clerk shall furnish appellant a certified copy of his objections filed therein, and the assessment roll or part complained of, and all papers necessary to present the appeal. The appeal shall be placed upon the calendar of the next general term commencing more than five days after the date of serving the notice, and shall be tried as other appeals in such cases. If appellant does not prevail upon the appeal, the costs incurred, if not paid, shall be included in the special assessment.

Sec. 14. This act shall take effect and be in force from and after its passage.

Approved April 21, 1921.

CHAPTER 426—S. F. No. 326.

An act to amend Section 1, of Chapter 429, of the General Laws of Minnesota for 1917, as amended by Section 2, of Chapter 105, of the General Laws of Minnesota for 1919, relating to the prevention of fraud in the sale and disposition of stocks, bonds or other securities sold or offered for sale within the State of Minnesota.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **State Securities Commission created—Commissions—Salary.**—That Section 1, of chapter 429, of the General Laws of Minnesota for 1917, as amended by section 2, of chapter 105, of the General Laws of Minnesota for 1919, be and the same is hereby amended so as to read as follows:

“Section 1. There is hereby created a commission to be known as the state securities commission, hereafter referred to as the ‘commission,’ whose duty it shall be to administer and provide for the enforcement of all the provisions of this act, which shall consist of three commissioners, all of whom shall be appointed by the governor. The commissioners above provided for shall be appointed by and with the advice and consent of the Senate, one of said commissioners to be appointed for a term ending June 30, 1923, one for a term ending June 30, 1925 and one for a term ending June 30, 1927, each of said periods and terms of office to begin upon qualification of the person appointed therefor. Upon the expiration of the terms of the three commissioners first to be appointed