

CHAPTER 444

WATERWORKS, SEWERS, DRAINS, STORM SEWERS

<p>Sec. 444.075 Waterworks systems, main sewers, sewage disposal plants</p> <p>444.15 Frontage water tax upon real estate; assessing, levying, or collecting; limitation</p> <p>444.16 Storm sewer improvement districts; municipality defined</p> <p>444.17 Establishment of district</p>	<p>Sec. 444.18 Authority of council; recovery of cost; improvement procedures</p> <p>444.19 Bonds</p> <p>444.20 Taxes</p> <p>444.21 Dissolution of district</p>
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444.01-444.07 [Repealed, 1949 c 119 s 110]

444.075 WATERWORKS SYSTEMS, MAIN SEWERS, SEWAGE DISPOSAL PLANTS. Subdivision 1. **Authorization.** Any city, except cities of the first class operating under a home rule charter, or any statutory city is hereby authorized and empowered to build, construct, reconstruct, repair, enlarge, improve, or in any other manner obtain waterworks systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a waterworks system, and sewer systems, sewage treatment works, disposal systems, and other facilities for disposing of sewage, industrial waste, or other wastes, all hereinafter called facilities, and to maintain and operate the same inside or outside its corporate limits, and to acquire by gift, purchase, lease, condemnation or otherwise any and all land and easements required for that purpose. The authority hereby granted shall be in addition to all other powers with reference to such facilities otherwise granted by the laws of this state or by the charter of any such city. Counties, except counties in the seven county metropolitan area, shall have the same authority granted to cities by this subdivision except for areas of the county organized into cities and areas of the county incorporated within a sanitary district established by special act of the legislature.

Subd. 2. **Financing.** For the purpose of paying the cost of building, constructing, reconstructing, repairing, enlarging, improving, or in other manner obtaining such facilities or any portion thereof, any such city or county may issue and sell its general obligations, which may be made payable primarily from taxes or from special assessments to be levied to pay the cost of the facilities or from net revenues derived from water or sewer service charges or from any other nontax revenues pledged for their payment under charter or other statutory authority, or from any two or more of such sources; or it may issue special obligations, payable solely from such taxes or special assessments or from such revenues, or from any two or more of such sources. Real estate tax revenues should be used only, and then on a temporary basis, to pay general or special obligations when the other revenues are insufficient to meet the obligations. All such obligations shall be issued and sold in accordance with chapter 475. When special assessments are pledged for the payment of such obligations, they shall be authorized and issued in accordance with the further provisions of chapter 429, or of the municipality's charter if it authorizes such obligations and the governing body determines to proceed thereunder. When net revenues are pledged to the payment of the obligations, together with or apart from taxes and special assessments, such pledge shall be made in accordance with the further provisions of subdivision 3.

Subd. 3. **Charges; net revenues.** For the purpose of paying for the construction, reconstruction, repair, enlargement, improvement, or other obtainment and the maintenance, operation and use of such facilities, the governing body of any such city or county shall have authority to impose just and equitable charges for the use and for the availability of such facilities and for connections therewith and to make contracts for such charges as hereinafter provided. Such charges may be imposed with respect to facilities made available by agreement with other municipalities, counties or private corporations or individuals, as well as those owned and operated by the city or county itself. Charges made for service directly rendered shall be as nearly as possible proportionate to the cost of furnishing the same, and sewer charges may be fixed on the basis of water consumed, or by reference to a

reasonable classification of the types of premises to which service is furnished, or by reference to the quantity, pollution qualities and difficulty of disposal of sewage produced, or on any other equitable basis including, but without limitation, any combination of those referred to above. Minimum charges for the availability of water or sewer service may be imposed for all premises abutting on streets or other places where municipal or county water mains or sewers are located, whether or not connected thereto. Charges for connections to the facilities may in the discretion of the governing body be fixed by reference to the portion of the cost thereof which has been paid by assessment of the premises to be connected, in comparison with other premises, as well as the cost of making or supervising the connection. The governing body may make any such charges a charge against the owner, lessee, occupant or all of them and may provide and covenant for certifying unpaid charges to the county auditor with taxes against the property served for collection as other taxes are collected. The governing body may fix and levy taxes for the payment of reasonable charges to the municipality or county itself for the use and availability of the facilities for fire protection and for maintaining sanitary conditions in public buildings, parks, streets, and other public places. In determining the reasonableness of the charges to be imposed, the governing body may give consideration to all costs of the establishment, operation, maintenance, depreciation and necessary replacements of the system, and of improvements, enlargements and extensions necessary to serve adequately the territory of the city or county including the principal and interest to become due on obligations issued or to be issued therefor. When net revenues have been appropriated to the payment of the cost of the establishment, or of any specified replacement, improvement, enlargement or extension thereof, or to pay the principal and interest due on obligations to be issued for such purpose, no charges imposed to produce net revenues adequate for such purpose shall be deemed unreasonable by virtue of the fact that the project to be financed has not been commenced or completed, if proceedings therefor are taken with reasonable dispatch and the project, when completed, may be expected to make service available to the premises charged which will have a value reasonably commensurate with such charges. All such charges, when collected, and all moneys received from the sale of any facilities or equipment or any by-products thereof, shall be placed in a separate fund, and shall be used first to pay the normal, reasonable and current costs of operating and maintaining the facilities. The net revenues from time to time received in excess of such costs may be pledged by resolutions of the governing body, or may be used though not so pledged, for the payment of principal and interest on obligations issued as provided in subdivision 2, or to pay such portion of said principal and interest as may be directed in such resolutions, and net revenues derived from any facilities of the types listed in subdivision 1, whether or not financed by the issuance of such obligations, may be pledged or used to pay obligations issued for other facilities of any such types. In resolutions authorizing the issuance of either general or special obligations and pledging net revenues thereto, the governing body may make such covenants for the protection of holders of the obligations and taxpayers of the municipality or county as it deems necessary, including, but without limitation, a covenant that the municipality or county will impose and collect charges of the nature herein authorized at the times and in the amounts required to produce, together with any taxes or special assessments designated as a primary source of payment of the obligations, net revenues adequate to pay all principal and interest when due on the obligations and to create and maintain such reserves securing said payments as may be provided in said resolutions. When such a covenant is made it shall be enforceable by appropriate action on the part of any holder of the obligations or any taxpayer of the municipality or county in a court of competent jurisdiction, and the obligations shall be deemed to be payable wholly from the income of the system whose revenues are so pledged, within the meaning of sections 475.51 and 475.58.

Subd. 4. **Levy assessments.** The governing body of any such city or county may also levy assessments against property within the city or county limits benefited by such facilities under the procedure authorized by law or charter with reference to other assessments for benefits of local improvements, may transfer and use for the purposes hereof surplus funds of the city or county not specifically dedicated to any other purpose, and may levy taxes on property within the city or county limits for such purposes within the limitations of section 275.11; except

that of the taxes so levied, including taxes initially levied under section 475.61 for the payment of the bonds issued therefor and interest thereon, an amount equal to 35 percent of the total cost of the construction, reconstruction, repair, enlargement, improvement, or other obtainment of any such facilities, plus an amount sufficient to pay the interest on the bonds issued in an amount equal to 35 percent of the total cost of the construction, reconstruction, repair, enlargement, improvement, or other obtainment of any such facilities, shall not be included in computing the levies subject to the limitations of such section 275.11. Any such city or county may contract with any person, company or corporation for the purposes and under the restrictions set forth in subdivision 5. Any such contract shall be binding upon the parties thereto for the full term agreed upon but in no event more than 30 years, and shall not be changed by either party without the consent of the other party.

Subd. 5. Connection with facilities; charges. Any such city or county is hereby authorized to permit any person, company or corporation located and doing business inside or outside of the city or county limits to connect with such facilities and make use of the same upon such terms and upon the payment of such fees and charges therefor as may be prescribed or contracted for by the city or county, and to contract with any such person, company or corporation for the payment by such person, company or corporation of a part of the cost of construction, maintenance or use of such facilities and to receive from such person, company or corporation doing business inside or outside of the city or county limits payment in cash or installments of such portion of the cost of the construction, maintenance or use thereof as may be agreed upon or contracted for with the city or county and devote the money so received to the purpose of such construction, maintenance or use. The proportionate cost of construction, maintenance or use of such facilities to be paid by such person, company, or corporation may be made payable in installments due at not greater than annual intervals for a period not to exceed 30 years. Any such person, company or corporation which may pay any part of the cost of construction, maintenance or use of such facilities in the manner aforesaid, shall thereafter have the right to use such facilities for the disposal or treatment of his, their or its sewage, industrial waste, or other wastes, by the city or county upon the payment of reasonable charges for the use of such facilities or the charges contracted for in case there is a contract as herein provided. Any such city or county may contract with any other city or county for the joint or cooperative obtainment or use of such facilities without limitation of time.

Subd. 6. [Repealed, 1963 c 696 s 4]

[1949 c 394 s 1-4; 1951 c 366 s 1; 1953 c 195 s 1; 1955 c 296 s 1; 1957 c 608 s 1; 1959 c 294 s 1; 1963 c 696 s 1-3; 1973 c 123 art 5 s 7; 1973 c 702 s 23]

444.08 [Repealed, 1957 c 608 s 2]

444.09 [Repealed, 1973 c 702 s 26]

444.10 [Repealed, 1973 c 702 s 26]

444.11 [Repealed, 1973 c 702 s 26]

444.12 [Repealed, 1973 c 702 s 26]

444.13 [Repealed, 1973 c 702 s 26]

444.14 [Repealed, 1973 c 702 s 26]

444.15 FRONTAGE WATER TAX UPON REAL ESTATE; ASSESSING, LEVYING, OR COLLECTING; LIMITATION. No city within this state shall assess, levy, or collect any frontage tax or assessment upon lots or property abutting or bordering upon any water main or water pipes defraying the expense, in whole or in part, of the construction and maintenance of any system of water-works according to the lineal foot of each frontage for a longer period than five years from and after the first levy of such tax or assessment.

[1899 c. 87]

444.16 STORM SEWER IMPROVEMENT DISTRICTS; MUNICIPALITY DEFINED. For the purposes of Laws 1974, Chapter 206 "municipality" means any city, however organized.

[1973 c 123 art 5 s 7; 1974 c 206 s 1]

444.17 ESTABLISHMENT OF DISTRICT. The council of a municipality may by ordinance adopted by a two thirds vote of all of its members, establish within its corporate limits a storm sewer improvement tax district. The ordinance shall

describe with particularity the territory or area within the municipality to be included within the district. No such ordinance shall be adopted until after a public hearing has been held on the question. A notice of the time, place and purpose of the hearing shall be published for two successive weeks in the official newspaper of the municipality and the last notice shall be at least seven days prior to the day of the hearing. The ordinance when adopted shall be filed with the county auditor and register of deeds.

[1974 c 206 s 2]

444.18 AUTHORITY OF COUNCIL; RECOVERY OF COST; IMPROVEMENT PROCEDURES. Subdivision 1. Following the adoption of an ordinance pursuant to Laws 1974, Chapter 206, the council may acquire, construct, reconstruct, extend, maintain, and otherwise improve storm sewer systems and related facilities within the district. Storm water holding areas and ponds within and without the corporate limits may also be acquired, constructed, maintained, and improved for the benefit of any such district. The cost of the systems and facilities described in this subdivision may be recovered by the tax authorized in section 444.20.

Subd. 2. The procedures of sections 429.031 to 429.081 shall apply when the council of a municipality determines to make an improvement pursuant to this section.

[1974 c 206 s 3]

444.19 BONDS. At any time after a contract for the construction of all or part of an improvement has been entered into or the work has been ordered done by day labor, the council may issue obligations in such amount as it deems necessary to defray in whole or in part the expense incurred and estimated to be incurred in making the improvement, including every item of cost from inception to completion and all fees and expenses incurred in connection with the improvement or the financing thereof. The obligations shall be payable primarily out of the proceeds of the tax levied pursuant to section 444.20. The council may by resolution adopted prior to the sale of obligations pledge the full faith, credit and taxing power of the municipality to assure payment of the principal and interest in the event the proceeds of the tax levy in the district are insufficient to pay such principal and interest. Obligations shall be issued in accordance with chapter 475, except that an election is not required, and the amount of any such obligations is not included in determining the net indebtedness of the municipality under the provisions of any law or charter limiting such indebtedness.

[1974 c 206 s 4]

444.20 TAXES. The council of a municipality may levy on all taxable property within the district such taxes as are necessary to finance the cost of the improvement, including maintenance and to pay the principal and interest on obligations issued pursuant to section 444.19. Such taxes shall be collected and paid over as other taxes, but shall be spread only upon the property described in the ordinance. Such taxes shall be disbursed by the council only for the benefit of district as established by the ordinance.

[1974 c 206 s 5]

444.21 DISSOLUTION OF DISTRICT. Upon the retirement of all obligations issued to finance improvements within the district, the district may be dissolved by following the procedures for establishment of the district set forth in section 444.17.

[1974 c 206 s 6]