

CHAPTER 444

WATERWORKS, SEWERS, DRAINS, STORM SEWERS

<p>Sec. 444.075 Waterworks systems, main sewers, sewage disposal plants 444.09 Storm sewer mains; bonds for 444.10 Tax levy for interest and sinking fund 444.11 Sale of bonds</p>	<p>Sec. 444.12 Use of proceeds of sale of bonds 444.13 Charter provisions for elections 444.14 Powers granted are additional 444.15 Frontage water tax upon real estate; assessing, levying, or collecting; limitation</p>
--	--

444.01-444.07 [Repealed, 1949 c 119 s 110]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 village 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 sewers, sewage treatment plants, systems, and other facilities for disposing of sewage or industrial waste, 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.

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 village 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 non-tax 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. 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 village 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 or private corporations or individuals, as well as those owned and operated by the city or village 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 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 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 village, 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 as it deems necessary, including, but without limitation, a covenant that the municipality 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 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 Minnesota Statutes, Sections 475.51 and 475.58.

Subd. 4. Levy assessments. The governing body of any such city or village may also levy assessments against property within the city or village 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 village not specifically dedicated to any other purpose, and may levy taxes on property within the city or village 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

MINNESOTA STATUTES 1967

4407

WATERWORKS, SEWERS, DRAINS, STORM SEWERS 444.10

city or village 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 village is hereby authorized to permit any person, company or corporation located and doing business inside or outside of the city or village 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 village, 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 village 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 village 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 or industrial waste by the city or village 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 village may contract with any other city or village 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]

444.08 [Repealed, 1957 c 608 s 2]

444.09 STORM SEWER MAINS; BONDS FOR. The governing body of any city of the fourth class in the state operating under a home rule charter pursuant to the provisions of the Constitution of the State of Minnesota, Article 4, Section 36, after an affirmative vote of a majority of the electors thereof, voting at an election called for such purpose, is hereby authorized and empowered, for the purposes herein designated, to issue the negotiable bonds of such city to an amount in the aggregate not exceeding \$25,000; these bonds to be made in such denomination and payable at such places and at such times, not exceeding 30 years from the date thereof, as may be deemed best, and to bear interest at the rate not to exceed six per cent per annum, payable semiannually, with interest coupons attached, payable at such place or places as shall be designated therein and such governing body is further authorized to negotiate and sell such bonds from time to time to the highest bidder therefor and upon the best terms that can be obtained for these bonds.

No such bonds shall be sold for less amount than the par value thereof and accrued interest thereon.

Such bonds shall be issued and sold in accordance with the particular method prescribed by the charter of the city so issuing such bonds.

The bonds authorized by sections 444.09 to 444.14, or any portion thereof, may be issued and sold by any such city notwithstanding any limitations contained in the charter of such city or in any law of this state prescribing or fixing any limit upon the bonded indebtedness of such city.

[1925 c. 51 s. 1] (1760-1)

444.10 TAX LEVY FOR INTEREST AND SINKING FUND. The full faith and credit of any such city shall at all times be pledged for the payment of any bonds issued under sections 444.09 to 444.14 and for the payment of the current interest thereon, and the governing body of such city shall each year include in the tax levy a sufficient amount for the payment of such interest as it accrues, and for the accumulation of a sinking fund for the redemption of such bonds at their maturity.

[1925 c. 51 s. 2] (1760-2)

444.11 SALE OF BONDS. All bonds issued under the authority of sections 444.09 to 444.14 shall be sealed with the seal of the city issuing the same and signed by the mayor and attested by the city clerk, except that the signatures to the coupons, attached to such bonds, if any, may be lithographed thereon. The sale of such bonds shall be in such manner and in such proportions of the whole amount authorized by sections 444.09 to 444.14 and at such times as may be determined by the governing body of such city.

[1925 c. 51 s. 3] (1760-3)

444.12 USE OF PROCEEDS OF SALE OF BONDS. The proceeds of any and all bonds issued and sold under authority of sections 444.09 to 444.14 shall be used only for the purpose of constructing a storm sewer main for the use of such city and to take care of the overflow of any lake partially within the limits of such city, and the outlet for which lake flows through such city.

[1925 c. 51 s. 4] (1760-4)

444.13 CHARTER PROVISIONS FOR ELECTIONS. Nothing contained in sections 444.09 to 444.14 shall be construed to repeal or modify the provisions of any charter adopted pursuant to the Constitution of the State of Minnesota, Article 4, Section 36, requiring the question of the issuance of bonds to be submitted to the vote of electors.

[1925 c. 51 s. 5] (1760-5)

444.14 POWERS GRANTED ARE ADDITIONAL. The powers granted in sections 444.09 to 444.13 are in addition to all existing powers of such cities.

[1925 c. 51 s. 6] (1760-6)

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]