



Manual of Assessment Standards

Adopted by

CITY COUNCIL
OF
MANKATO, MINNESOTA

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Prepared by

The **Construction Services** Department

Introduction

This is a manual of existing and suggested assessment procedures. The special assessment is a device employed primarily by municipal governments as a means to finance specific improvements desired by a neighborhood or area. The use of the special assessment dates back to colonial times, and during the past four decades the use of special assessments has grown to a point where they comprise an essential and considerable portion of municipal finance.

It is important to recognize that although special assessments are billed to the property owner along with real estate taxes, there is a distinct difference between taxes and special assessments. Real estate taxes are a function of the real estate as determined by the county assessor, while special assessments are a direct function of the enhancement of value or the benefit which a specific improvement gives the property.

Once initiated by petition of property owners or the City Council, and thereafter determined that certain facilities are necessary and desirable, the general success and acceptance of the special assessment as a means of financing facilities is dependent upon equitable and consistent methods of levying costs of specific improvements. State statutes and the courts have extended wide latitudes of authority to municipal councils for determining assessment methods and policies. It is therefore possible that assessment methods and policies may vary from one municipality to another, and the resulting lack of uniform methods and policies on a statewide -- or at least area-wide -- basis tends to create confusion among citizens.

In view of the foregoing, it has been deemed desirable to set forth the general assessment methods and policies practiced in the city of Mankato. It is emphasized that the following summarization is general in nature and that certain circumstances may justify deviations from stated policy, as determined by City Council.

The procedures have been updated from the 1971 version to reflect a very active State Legislature which is annually changing MSA 429 statutes. The city of Mankato reacts to court-induced refinements to the methods as case law is developed.

Prices increase annually to compensate for increases in construction costs. Some modifications have also been made to simplify assessment computations and improve service.

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Assessment Definitions

Sanitary trunk sewer: A large diameter sewer pipe, pumping station, meter station and appurtenances. The sanitary trunk sewer is designed to serve as a collector for the lateral sewers.

Sanitary lateral sewer: A smaller diameter pipe extending off a trunk sewer. A sanitary lateral sewer is designed to serve individual building sites.

Watermain feeder: A large diameter pressure pipe designed to deliver high volumes of water to a system of smaller watermains, including all appurtenances necessary for its operation.

Watermain branch: A smaller diameter pressure pipe designed to deliver municipal water to building sites.

Storm trunk drain: A relatively large diameter (18-inch or larger) stormwater collector. The storm trunk is designed to serve a collector for large drainage basins or districts.

Storm lateral drain: A smaller diameter pipe extending from a respective storm trunk. A storm lateral is designed to serve a relatively small drainage area.

Permanent street improvement: Upgrading of a street by placing bituminous or concrete surfaces on a recommended, designed base and including curb and gutter.

Building site: An area of land on which a building exists, or an area of land not less than the square feet required by the city building code on which a building could be constructed.

Frontage road: A local road or street auxiliary to, and located on the side of, an arterial highway for service to abutting property and adjacent areas for control of access.

Front footage: The shortest dimension of existing or potential sites abutting the street.

Side footage: The longest dimension of existing or potential corner building sites abutting the street.

Lot area: Minimum size of a lot required for improvement purpose that exists or is created in conformance with ordinances of the city of Mankato.

Holding basin or pond: A man-made or modified natural basin which serves to provide water quality treatment and flood control to prevent damage or impairment to any natural drainage way, body of water or constructed stormwater facility.

Homestead property: Property that meets the requirements of Minnesota Statue 273.124 and has been classified as Homestead by the Blue Earth County Assessor.

Non- Homestead property: All property not meeting the definition of Homestead Property.

SECTION 1 – STANDARD PROCEDURE

A. Initiation of petition and the administration of required forms for council action

By petition: Petitions for improvement can be obtained at city hall. Petitions circulated by the affected property owners require 35 percent of the property, figured on frontage of the real property abutting on the improvement, or in the case of storm drain, sanitary sewer, and watermain, by 35 percent of the area intended to be served by the improvement, to be adopted by ordinary means.

Petitions will be received until the 15th day of September, except under special consideration by the council, for construction the following year. Any petitions received after the 15th day of September will be considered on the basis of the availability of personnel to do the necessary surveying, design, and preparation of the contract documents. All petitions not given special consideration will be acted upon for construction the following year.

Before the city is able to bond an improvement project, it must guarantee a minimum 20 percent of the total cost of the improvement, unless a special election is held. This is accomplished by assessments to property owners.

By council action: If the council determines an improvement is in the best interest of the city, it can, without petition, order the improvement.

100 percent signed petition: When a petition is signed by 100 percent of the property owners affected by an improvement, the council may order the improvement without holding an improvement hearing. This will be accomplished by a Special Resolution.

Improvement feasibility public hearing by ordinary petition: After a petition has been filed, its adequacy determined, and the city engineer reported it is a feasible improvement, a public hearing will be held at a regular council meeting and all persons interested will have the opportunity to present testimony with regards to the improvement. Property owners benefiting and being assessed for the improvement shall be given mailed notice of such hearing. The notice will be mailed and published not less than 10 days prior to the meeting.

After receiving all testimony, the council will determine whether to proceed with the improvement. A simple majority of affirmative votes will authorize the preparation of necessary construction documents, direct the city manager to advertise for bids, and set the date of assessment hearing.

Without petition: The council may request the city engineer report on the feasibility of an improvement for which a petition has not been filed, or if the petition does not meet the 35 percent requirements. Upon accepting the report, the council will set a date of public hearing at a regular council meeting. Benefiting and assessable property owners shall be given mailed and published notice not less than 10 days prior to the hearing. All interested persons will be given the opportunity to present testimony to the council.

After hearing all testimony, the council will determine whether to proceed with the improvement. A four-fifths (4/5) majority of the council is necessary to order the project. Authorization to prepare construction documents, advertise for bids, and set date of assessment hearing follows.

Special assessment public hearing: When directed to proceed by council, the city clerk, with the assistance of the city engineer, shall prepare a list of properties benefiting by the improvement. The list shall contain the name of the owner of the property, a description of the property, and the amount to be assessed to the property for the benefit derived from the improvement. The amount of the special assessment may be based upon the final costs of an improvement when it has been completed, or upon an estimated amount determined by the city engineer, when construction is not completed.

A Notice of Hearing, both mailed and published, shall be given to all owners liable to be assessed two weeks prior to the hearing. All interested persons will have the opportunity to present testimony as to calculation of the assessment and as to the benefit derived from the improvement.

Assessments adopted based upon estimated quantities and costs shall be reviewed upon substantial completion. Those requiring adjustments, in terms of costs, will have the opportunity through the normal hearing notice and procedure to present testimony to the council regarding the amount of change to the assessment.

Proposed assessments are placed on file for public inspection at the office of the city clerk. Written or oral objections are considered at the council meeting. If an owner has an objection to the proposed assessment, they must either present a written objection, signed by an owner and filed with the city clerk, and/or appear at the hearing and personally object to the proposed assessment before the council.

No appeal to district court may be taken as to the amount of the assessment adopted unless a written objection has been presented to the city by filing it with the city clerk before the meeting, or presenting a written object at the meeting, unless such failure to object is due to reasonable cause.

While oral objections at the meeting will be considered, an owner must also object in writing in order to preserve the right to appeal the amount of a special assessment to district court. Appeal to district court may be made by serving notice upon the mayor or city clerk within 30 days after the adoption of the assessment and filing such notice with the district court within 10 days after service upon the mayor or city clerk.

The owner of any property so assessed may, at any time prior to certification of the assessment to the county auditor, pay the whole of the assessment against any parcel, with interest accrued from the date of billing to the date of payment, to the city treasurer at city hall. Assessments paid within 30 days of billing shall bear no interest. Partial prepayment of special assessments is not an authorized option.

Assessments shall be payable in equal annual installments extending over a period of ten years (five years for minor street resurfacing improvements), the first said installment to be payable on or before the first Monday in January of the year following the adoption of the assessment roll. Any deferred installments shall bear interest at the rate established by the sale of an improvement bond containing said improvement, per annum for one year on all unpaid installments.

On any property parcel, the owner may submit a request to have the payment for permanent street reconstruction, sidewalk, and alley improvement, with a total assessed amount over \$5000, extended. If the principal amount collectable equals \$5000, or the total assessed amount exceeds 10 percent of the improved value of the lot and buildings according to the assessor's market value for the property for the current year, whichever is greater, the payment schedule shall be extended to a 15-year equal annual payment basis. This request shall be in writing and filed with the City Council prior to or at the date of the public hearing on that final assessment. Interest in accordance with MSA 475.55 subd. 3, 4, and 7 provides that special assessments pledged to the payment of obligations may bear interest at the rate the council determines by resolution.

The interest rate usually will be determined using the rate for the specific bond issue or the Bond Buyer's Index if the bonds are unsold at the time of interest determination. The State Commissioner of Finance shall determine the most recently published yield for the Bond Buyer's Index of 20 Municipals. This rate plus one percent, rounded to the next highest percent per annum, shall be the rate for the next succeeding month. The Commissioner of Finance publishes the rate in the State Register each month.

The owner of any property so assessed may at any time prior to certification of the assessment to the county auditor, pay the whole of the assessment against any parcel with interest accrued to the date of payment to the city treasurer, and they may at any time thereafter pay to the county treasurer the entire amount of the assessment remaining unpaid with the interest accrued to December 31st of the year in which such payment is made. Assessments paid within thirty days from the date of the billing of the final assessment shall bear no interest.

SECTION II – LIFE EXPECTANCY OF IMPROVEMENTS

A. New improvements

Public improvements shall be judged to have a normal usable life expectancy. For the purpose of this policy statement, the life expectancy will be as follows, predicted upon the principles set forth:

Surface improvements

Grading and base construction: 15 years

Concrete curb and gutter: 30 years

Bituminous street overlay or concrete rehabilitation: 7 years

Residential or collector bituminous street surfacing (5 to 7 ton): 15 years

Arterial streets asphaltic concrete or concrete (9 or 10 ton): 20 years

Alleys: Same as streets

Road surface treatment for dust control: One application of dust inhibitor to the surface of the roadway, including blading, compaction, or reworking the surface which, if done, will be an addition to the unit cost for surface treatment.

Subsurface improvements

Watermain: 40 years

Sanitary sewer: 40 years

Storm drains: 40 years

B. Existing improvements

When any existing improvement is ordered to be renewed or replaced, the assessments to be levied will be the proportionate share of the costs based on the ratio of the age of the improvement to the adjudged usable life expectancy as listed above.

In order to warrant the project for that period of life expectancy, the city must have certain controls over the quality of material and workmanship, as well as design standards. All projects shall meet the minimum criteria and standards established by the city of Mankato. To ensure this control, the City Council has adopted respective specifications and criteria recommended by the city engineer as a threshold level of acceptance prior to any acceptance or final payment.

SECTION III – WORK BY OTHERS

A. Work by private developers

Construction documents (drawings and specifications)

A private developer may have his drawings prepared by other than the city engineering department under the following conditions: All drawings, specifications, and related documents required shall be prepared by a Professional Engineer registered in the state of Minnesota. The engineering department must be kept informed of developer's timetable for design, bid letting, and construction schedule.

Permits, licenses, and easements shall be secured and paid for by the developer.

The EJCDC 2013 Standard General Conditions of the Construction shall apply, except in the case of building construction where current year AIA documents will apply. Approved city specifications and contract documents may be requested from the engineering department to ensure compliance with city requirements for street and utility construction, and modified by developer's Professional Engineer for the specific project.

Life expectancy of improvements

In order to warrant the construction for the life expectancy shown above, the city will provide inspection of all phases of construction, as set forth in the city's approved contract documents.

City assistance to developers

The city will perform construction surveys, staking, and other engineering services when requested by the contractor or developer. The city will also assist the contractor in interpretation of the contract documents, ordinances, codes, and other items necessary to meet the criteria and requirements established by the city.

The city and its representatives shall at all times have access to the work in order to complete the services described, and the developer or contractor shall give the city timely notice of readiness for inspections or other work to be rendered.

The developer shall be charged for these services at a rate of 16 percent if city-designed (10 percent) and financed (6 percent), or as agreed upon in Subdivider's Agreement for the improvement. The value of the services shall be on a percent basis, determined and agreed upon by the developer and the city before the project is started, as indicated in Method of Determining Assessments.

Upon satisfactory completion of sanitary sewer, storm drain, watermain, curb and gutter, roadway base, surfacing, and sidewalk by the developer, the city will accept said improvements by resolution or agreement, and thereafter maintain said improvements subject to a one-year warranty to the city.

B. Work by property owners

In conjunction with an assessment project

Property owners may choose to perform certain work themselves. This will be allowed only under the following conditions:

- Written request must be made within two weeks after the public improvement hearing on the project and before the contract has been awarded to the contractor.
- All work and materials must conform to established standards, specifications, and criteria of the city of Mankato and the state of Minnesota Plumbing Code.

- Work must be coordinated with contractor's operation. The only items of work that may be performed by property owner are:
 - Sidewalk removal and/or replacement
 - Utility services
 - Driveway paving
 - Sod on approved boulevard restoration
- Obtain current building or plumbing permit as required

Backflow prevention and clear water separation

This work will be allowed only under the following conditions:

- Written request by the property owner pursuant to an order by the plumbing inspector.
- Work and material must conform to established standards, specifications, and criteria of the city.
- Work under this provision must be deemed necessary to backflow correction and prevention, or clear water separation, by the plumbing inspector.
- A \$500 minimum cost is required for the assessment process. Project costs of \$500-\$2000 may be assessed for ten years; project costs over \$5000 may be assessed for up to fifteen years.

SECTION IV – GENERAL ASSESSMENT STANDARDS

A. Project cost

The project cost of an improvement shall include the costs of all necessary construction work required to accomplish the improvement, plus engineering, legal, administrative, financing, and contingent costs.

B. Deferred benefit costs

The City Council may defer any assessment against benefited property to:

- a specific year,
- until the platting of the property, or
- construction of improvements as established by the council by resolution.

If the project is to be bonded pursuant to MN Statutes Chapter 429, no more than 80 percent of the principal amount to be bonded may be deferred, and all assessments must be paid in full within 30 years of the date of assessment.

When assessments are deferred, interest shall be due annually at the rate established by the City Council, unless the council by resolution defers such interest with the principal, at which time it shall be added to the principal. The council may also, by resolution, forgive interest during the period of deferment. All deferments and their terms and conditions must be established at the date of the final adoption of the assessment roll.

Assessments on benefited property

May be deferred pursuant to MSA 273.111 subd. 11 (Green Acres) as it applies to the current year.

Senior citizens, disabled, or military deferral

Property owners 65 years of age or older, an owner determined to be handicapped by resolution of the City Council, or a member of the Minnesota National Guard or other military reserves who is ordered into active military service as defined in Section 190.05, subd. 5b or 5c, as stated in the person's military

orders, for whom it would be a hardship to make the payments, may apply for deferral of special assessments against homestead property.

The application for deferral shall be made with the county auditor. Pursuant to resolutions adopted by the City Council of the city of Mankato, the provisions of Minnesota Statutes 435.193 to 435.195 have been implemented to provide for such deferral of special assessments on homestead property owned by persons 65 years of age or older, disabled, or in active military service.

The city clerk shall transmit a certified duplicate of the assessment with each annual installment, including interest, set forth separately to the county auditor to be extended on the proper tax lists of the county, and such assessments shall be collected and paid over in the same manner as other municipal taxes.

Property benefited by assessment project for water, sanitary sewer, or storm drain

If located outside the corporate limits, owners shall be included in the notice of preliminary hearing. They should be included on the assessment roll as “Property to be Assessed on Annexation.” Upon annexation, such property shall be assessed pursuant to MSA 429.051.

C. City share

Where the project costs of an improvement are not entirely attributable to the need for service to the area served by the improvement, or where unusual conditions beyond the control of the property owners in the area served by the improvement would result in an inequitable distribution of special assessments, the city, through the use of other funds, may pay such “city share” which in the opinion of the city council represents the excess cost not directly attributable to the area served.

D. Assessment for improvements

Surface improvement assessments shall be levied against abutting properties within the benefited areas based on the property frontage.

Subsurface improvement assessments shall be levied equally against each benefited property owner, based on area or number of hookups. The entire cost of the improvement will be levied over the benefited area.

E. Sidewalks

The City Council has declared that safe sidewalks are a necessary and essential component of the city and are a direct benefit to the adjacent property owners. The cost of sidewalk construction will be assessed on the same formula used for reconstructed streets.

Construction shall consist of grading, base, drainage, special retaining walls, pedestrian ramps, and surfacing with concrete.

Assessment costs for sidewalks shall be based on the construction cost average of the last three years, using the model block sidewalk quantities to construct a typical sidewalk. The cost is based on a 5-foot width. The City Council shall review the annual cost of constructing a model block sidewalk and set the rate for the coming year. The city share shall include one-half of the required width, plus extra width or strength when deemed necessary by the City Council, and any extraordinary cost of providing drainage or other city-determined features. One-half of the cost of this type of construction shall be levied against the abutting property.

The city shall pay the construction cost for extra width or strength if, and when, it is deemed that it is in the best interest of the city to provide those additional features.

If the property owners request or require additional width, strength, or type of surfacing, the cost of such construction shall be borne by the property owners. The costs shall be assessed against the abutting property in proportion to the standard frontage.

Sidewalks rated adequate on any project and not programmed for removal and assessment will not be assessed against the property owner if the removal and replacement was due to the replacement of condemned utility services or grade conditions beyond the owners' responsibility.

F. Driveway pavement

The City Council has declared that driveway pavement is of benefit only to the affected property and, as such, all costs of driveway construction will be borne by the benefiting property.

G. Dust control (by petition)

The City Council has determined that dust control is a temporary measure to alleviate the problem of dust on unsurfaced streets or alleys prior to construction of permanent surfacing. It has further been determined that this operation should be discouraged and the maximum application times during one year shall be set at three.

Where the city approves a request for road surface treatment, the cost shall be billed against the abutting property in proportion to the footage, similar to a street or alley assessment procedure. After two applications and before a third will be approved, a sufficient petition for permanent street construction must be submitted to the City Council, or the permanent street construction must have been ordered by the City Council.

Where the city engineer recommends or approves a request for dust control treatment, the cost shall be assessed against the abutting property as a surface improvement. In no case shall dust control projects cover less than one block.

H. Private developer project

The entire cost of the project shall be assessed against the properties served, with the exception that in a residential area the city share shall be equal to the increased cost for constructing a street to arterial or collector standards, or of oversizing of utilities as required by the city.

Where developers have dedicated land for park, drainage basins, or other public facilities, such lands shall be treated as assessable, similar to other owned property.

I. Government-owned properties

City and other levels of government-owned properties will be regarded the same as privately owned property when computing assessments. The city's share for these lands will be included in the city's share of the improvement and all other government properties will be billed by resolution passed by the City Council.

J. Frontage roads

Because frontage roads along highways or other arterial streets are deemed to be of benefit only to properties served, the entire cost of any such improvement shall be 100 percent assessable to the benefited properties.

K. Alleys

An alley shall be assessed as a surface improvement, with the frontage on the alley treated as the primary frontage.

SECTION V – METHOD OF DETERMINING ASSESSMENTS

A. Sanitary sewers

The City Engineer shall design and construct sanitary sewer to a site upon petition by the developer or as directed by the City Council. The developer shall then design, construct and pay for sanitary sewer within the site. All sanitary sewers shall be constructed to city specifications. The city will furnish inspection for sanitary sewers within the site and be responsible to ensure conformance to city specifications prior to acceptance of the work. All work must be warranted for a period of one year by the contractor and backed by a performance bond.

Trunk Sewers

A trunk sewer is a sewer capable of conveying greater than 400 gallons per minute of sewer when constructed at minimum grade. The required capacity of the trunk sewer is calculated by determining the area that can be reasonable serviced by the improvement. This service area will be dependent on the depth of the sewer, downstream capacity of the sanitary sewer system, and practical construction constraints that may exist in extension of this sanitary sewer. The sanitary sewer shall be designed using the appropriate flow as determined by the anticipated land use as defined in the most recent adopted land use plan for the proposed service area. The pipe shall be designed using current standards (such as 10 States Standards) and sound engineering principles and judgement.

Branch Sewer

A branch sewer is a sewer capable of conveying less than 400 gallons per minute of sewer when constructed at minimum grade. The design of this sewer shall be the minimum diameter and grade that will be allow by applicable design standards to be utilized for the extension of sanitary sewer.

Lateral Sewer

A lateral sewer or end service is a pipe that conveys sanitary sewer from an individual building in to a branch sewer. The design of a lateral sewer shall be per applicable design standard or code.

A connection fee shall be charged for the extension of each branch or trunk sewer that is extended to or into the project site. The connection fee will be per each Residential Equivalent Unit that will be serviced by the extension of trunk or branch sewer into the project site. The connection fee rate shall be set annually by the City Council. The

connection fee is comprised of two parts. The first part is the cost of collection and transmission, the second part is the cost of treatment. The connection fee is found in the most current version of the *City of Mankato Fees*.

A Residential Equivalent Unit (REU) is equal to 210 gallons per day, or a single family home in the R-1 district. REU determination for non-single family home properties shall be determined according to Appendix A in the Manual of Assessment Standards, current adopted version.

B. Watermain

The City Engineer shall design and construct watermain to a site upon petition by the developer or as directed by the City Council. The developer shall then design, construct and pay for watermain within the site. All watermains shall be constructed to city specifications. The city will furnish inspection for watermains within the site and be responsible to ensure conformance to city specifications prior to acceptance of the work. All work must be warranted for a period of one year by the contractor and backed by a performance bond.

Watermain Feeders

A watermain feeder is a pipe that is 12-inches or greater in diameter and designed to provide high volume service for consumption or fire suppression. A watermain feeder may also be designed as a express transmission line with limited domestic or consumption connections.

Watermain Branch

A watermain branch is a pipe that is less than 12-inches in diameter and designed to provide service to water customers not requiring the volume of that can be supplied from a watermain feeder. Watermain branches shall be a minimum of 8-inches in diameter except where it has been determined the satisfaction of the City Engineer that a smaller watermain is beneficial to the system.

A connection fee shall be charged for the extension of each watermain feeder or branch that is extended to or into the project Site. The connection fee will be per each Residential Equivalent Unit that will be serviced by the extension of watermain feeder or branch into the project site. The connection fee is comprised of two parts. The first part is the cost of collection and transmission, the second part is the cost of treatment. The connection fee is found in the most current version of the *City of Mankato Fees*.

A Residential Equivalent Unit (REU) is equal to 210 gallons per day, or a single family home in the R-1 district. REU determination for non-single family home properties shall be determined according to Appendix A in the Manual of Assessment Standards, current adopted version.

When any properties or subdivision, or any part thereof, is annexed to the city and the city receives a valid petition from the property owners, or it is deemed necessary by the City Council to service these areas with a watermain branch and services, the assessment shall be levied as follows:

All properties and subdivisions, or any part thereof, which are developed at the time of annexation, shall be assessed as like properties within the city, except where they are presently being served with private water systems approved by the city. 50 percent of the assessment for watermains will be levied upon completion of the project and 50 percent

of the assessment shall be deferred for ten years or until the property requires water service.

C. Storm drain system

The city will design and construct storm drains from the site upon petition by the developer. Streets will not be constructed until complete storm drainage is petitioned and installed. The developer will be assessed a portion of the cost of the drain per city policy. The developer shall then design, construct, and pay for storm drains within the site. All storm drains shall be constructed to city specifications.

The city will furnish inspection for storm drains constructed within the site, be responsible for conformance to the specifications, and accept the work. All work must be warranted for a period of one year by the contractor and backed by a performance bond.

Storm drain assessments will be calculated by using only that area contributing to the storm system construction. Portions of properties not in the district, as defined, will not be assessed as part of the contributing area. All storm drainage areas will be defined by the city engineer before the assessment is prepared.

Drainage improvements made to upgrade outlets for stormwater management or stormwater quality enhancement during the life expectancy of the facility shall not be assessed to the contributing area.

Improvements made to benefit specific changed conditions in the watershed contributing area shall be assessed to that benefiting area.

D. Streets

Grading

The developer shall pay for all necessary grading and construction of the street between property lines. The engineering department will determine the amount and type of base required, both for curb and gutter and for the roadway. The city will furnish inspection for all street construction, be responsible for conformance to the specifications, and accept the work.

Curb and gutter

Curb and gutter are required in all subdivisions. The developer shall design, construct, and pay for curb and gutter, and construct according to city specifications.

Permanent street reconstruction

This type of construction shall consist of grading, base, drainage, curb and gutter, street hard surfacing of bituminous or concrete, sidewalk, lighting, sodding, signing, etc.

Two-thirds of the cost of construction for the minimum width residential street shall be levied against the abutting property. This minimum width street shall be no less than 30 feet wide, have geotextile, 6 inches of sand base, 12 inches of aggregate-base, 4 inches of bituminous surface, and curb and gutter with drainage lines.

The city shall pay the construction cost for intersections and for extra width or strength, if and when it is deemed that it is in the best interest of the city to provide these additional features. If the property owner requests or requires additional width or strength, or different type of surfacing, the cost of such construction shall be borne by the property owner.

The cost shall be assessed against the abutting property in proportion to the footage except in cases of corner lots and cul-de-sacs.

Each benefited property owner will be assessed one-third of the cost for construction of residential streets. Assessments will be determined by averaging the unit prices of all components of work and material necessary for making the improvement, plus 16 percent of the project cost for engineering, legal, administration, and bonding contingencies.

The city share will include the additional one-third of required width, intersections, and extra width or strength when required or deemed necessary by the City Council to be in the best interest of the city to provide these additional features. If the property owner requires or requests additional strength or width and the city concurs, these additional features shall be construed to be a direct benefit to abutting properties and shall be assessed against these properties.

Assessments for homestead property will be levied to a maximum amount of 8% of the Estimated Market Value Total as established by the Blue Earth County Assessor at the time of the Preliminary Assessment Roll preparation.

SECTION VII of the City's Manual of Assessment Standards lists various assessment rates per front foot of calculated frontage abutting the improvement. A property classified as homestead is the owner's primary residence. Non-homestead properties consisting of rentals with 4 units or less or a residential home not the owner's primary residence shall be assessed at the lesser (homestead) frontage rate because they receive a similar benefit to homestead property and use. All other non-homestead properties shall be assessed at the higher (non-homestead) frontage rate.

Current costs for the model block

Construction costs for bituminous paved streets 32 feet wide are based on the construction cost average of the last three years using the model block quantities to construct that street, and includes the model drainage system.

1. These figures do not include tree removal, sidewalks, private storm drain connections, or driveways.
2. Regrading, subbase, base, curb and gutter, bituminous surface, and lateral storm drain construction are included.
3. It is understood that the city share for total street projects will exceed 40 percent because the city is paying for complete intersection construction in addition to one-third of the remaining portion.

Frontage determinations

1. Rectangular interior lots: The frontage shall be the dimension of the side of the lot abutting the improvement.
2. Irregularly shaped interior lots: The frontage shall be the width of the lot measured 40 feet from the property line abutting the improvement.
3. Corner lots abutting improvement on two sides: The shortest frontage (dimension) abutting an improvement shall be totally assessed against the benefiting property. The longest frontage (dimension) of a property abutting an improvement shall be assessed on the basis of one-third of the dimension up to 120 feet, plus all frontage in excess of 120 feet.
4. Corner lots abutting improvement on three sides: The shortest frontage (dimension) abutting an improvement shall be totally assessed against the benefiting property. The longest frontage (dimension) of a property abutting an improvement shall be assessed on the basis of one-third of the dimension, up to 120 feet, plus all frontage in excess of 120 feet. One-half of the footage will be assessed to the benefiting property in the event of improvements to the rear street.

5. Corner lot on a property not previously situated on a corner: Side yard assessments shall not apply and cost of development of new roadway to standards shall be allocated to owners benefiting from the access. This side yard exception will not apply on situations where the newly created corner lot will take access from the street under construction. Elimination of the right of access to the new right-of-way will be recorded on the deed.

Repair or resurfacing (bituminous overlay or concrete pavement rehabilitation)

When deemed by the City Council to be in the best interest of the city and the most economical method of providing adequate streets in previously developed areas of multiple ownership, the existing roadway will be repaired or resurfaced by overlay rehabilitation. The method of assessment will be determined as follows:

- For purposes of arriving at the cost for repair and resurfacing projects, the annual bid prices for curb and gutter, bituminous material, concrete pavement, grinding, concrete pavement patching, joint repair, drainage and utility items, and sodding, will be used.
- The benefited property owners will be assessed two-thirds of the cost for repairing or replacing curb and gutter, resurfacing, catch basins, storm drainage, sanitary sewers, and other utility appurtenances, sidewalks, driveway aprons, necessary sodding, seeding, and planting.
- City costs shall include base construction or replacement, subsurface drainage where required, and intersections. If the benefited property owner chooses, or is ordered to replace, existing service connections at their expense during this construction, all necessary backfilling and associated construction costs will be absorbed by the city.
- The repayment period of special assessments levied by minor street resurfacing (overlay) projects shall be over a five-year period at equal payments, with annual interest rate of eight percent.
- Replacement of deteriorated and/or displaced curb and gutter, as determined by a city representative, in conjunction with a minor street resurfacing project, shall be assessed to the abutting property at a standard rate. This rate shall be reviewed and determined as 50 percent of the annual bid price for curb and gutter construction.

The assessment rate for repair and resurfacing shall apply to bituminous pavement and concrete pavements at the same rate as established annually.

Street resurfacing projects will be assessed at the standard frontage rate as established for the current year.

E. Sidewalks

Sidewalks shall be assessed to all properties on permanent street reconstruction projects or repair or resurfacing (bituminous overlay or concrete rehabilitation) projects. Sidewalks shall be located and constructed as part of those projects as indicated in the Sidewalk Ordinance.

Sidewalks shall be assessed at the standard sidewalk assessment rate, established annually and by resolution and reflected in Section VII - Current Rates.

A property owner may choose to upgrade, repair, or install sidewalk in the standard location as it abuts his property. The project will be inspected, issued a building permit, and approved by the city building official or the city engineer (or designee), who will then issue a payment voucher to reimburse the property owner at the above-described sidewalk differential rate, thereby reimbursing the owner for that allocated share of the expenditure.

F. Alleys

Alleys are considered to be of significant benefit to the adjacent property. Construction shall consist of grading, base, drainage, and hard surfacing such as bituminous or concrete. Assessment costs for alleys are based on the construction cost average of the last three years using the model block alley quantities to construct that alley, including model drainage. The cost is based on a residential alley width of 15 feet (12 feet paved, 3 feet shaped). Two-thirds of the cost of this type of construction shall be levied against the abutting property.

The city shall pay the construction cost for extra width or strength if and when it is deemed that it is in the best interest of the city to provide those additional features.

If the property owners request or require additional width, strength, or type of surfacing, the cost of such construction shall be borne by the property owners. The costs shall be assessed against the abutting property in proportion of frontage. The City Council shall review the annual cost of constructing that model block alley and set the rate for the coming year. The city share shall include the one-third of the required width of the alley, extra width or strength when deemed necessary by the City Council, and any extraordinary cost of providing drainage.

G. Improvements in developed areas not served by adequate facilities

When an assessment project is ordered by the City Council and constructed in areas containing houses and/or businesses not previously serviced by city facilities, the following policy shall apply.

Sanitary sewer and water

The total cost of these utilities will be assessed against the benefited property. Any cost associated with oversizing, additional depth, or appurtenances placed to accommodate future expansion of the utility will be paid from Utility Funds.

Street, curb and gutter, storm drainage

The total cost for surfacing, curb and gutter, sidewalk, storm drainage, lighting, and other associated project costs shall be assessed in the same manner as Section V/C, D, E and F.

H. Improvements in recently annexed areas

When any properties or subdivision, or any part thereof, is annexed to the city and the city receives a valid petition from the property owners, or it is deemed necessary by the City Council to service these areas, the assessment shall be levied as follows:

Sanitary sewer and on-site systems

All properties and subdivisions, or any parts thereof which are developed at the time of annexation, shall be assessed as like properties within the city, except that where they are presently being served with private sewer treatment systems approved by the city, in which case 50 percent of the assessment for lateral sewers will be levied upon completion of the project and 50 percent of the assessment shall be deferred for ten years or until the property requires sanitary sewer service.

Watermains and private systems

All properties and subdivisions, or any parts thereof which are developed at the time of annexation, shall be assessed as like properties within the city, except that where they are presently being served with

private water systems or shared wells approved by the city, 50 percent of the assessment for watermain will be levied upon completion of the project and 50 percent of the assessment shall be deferred for ten years or until the property requires water service.

Street and drainage improvements

All lots, regardless of land use, abutting an existing traveled roadway will be assessed according to the current adopted assessment rate as established by the City Council (for major street reconstruction) for other lots abutting traveled streets within the city. The total cost for surfacing, curb and gutter, sidewalks, storm drainage, lighting, and other associated project costs, shall be assessed in the same manner as Section V/ C, D, E and F.

Extended payment schedule

On any property parcel defined in Section V/G and H, the owner may submit a request to have the payment extended for sanitary sewer, watermain, storm drainage, or permanent street construction or reconstruction, sidewalk, and alley improvement, with a total assessed amount over \$5000. If the principal amount collectable equals \$5000, or the total assessed amount exceeds 10 percent of the improved value of the lot and buildings according to the assessor's market value for the property for the current year, whichever is greater, the payment schedule shall be extended to 15 years of equal annual payments. This request shall be in writing and filed with the City Council prior to, or at the date of, the public hearing on that final assessment.

I. Benefit Appraisals

Prior to the final assessment hearing, the City will conduct a special benefit analysis for all parcels proposed to be assessed with the improvement. The analysis will utilize a qualified and licensed appraiser to interpret the increase in market value as a result of the improvement for each parcel. The final amount assessed against each parcel will be the lesser of the special benefit analysis or the calculated assessment as described in this manual

SECTION VI – CONSTRUCTION

A. By day labor

Day labor includes force account using total cost of city personnel, materials, and equipment, and that obtained through seasonal supply bids, proper negotiations, quote, or specific contract. The labor and equipment costs necessary to perform the items of construction or reconstruction will be those charged by the Division of Streets to other divisions and individuals for similar work and equipment. All of these prices will be those currently used based on the current or preceding year costs.

B. By contract

The city may contract all or part of an improvement and allocate the cost accordingly to the project.

SECTION VII – CURRENT RATES

As found in the current City of Mankato Fee Schedule

APPENDIX A – REU EQUIVALENTS

Adopted from MCES SAC Criteria for Commercial Properties, January 1, 2017

Facility	Parameter	REU
Animal Clinic (humane societies, animal research, boarding, etc.); remainder use other criteria	*17 fixture units	1
Animal Grooming ; remainder use other criteria	4 stations	1
Animal Washing	1 tub	1
Archery (6 feet/lane); for remainder use other criteria	6 lanes	1
Arena (bleachers 18 inches/person); remainder use other criteria	110 seats	1
Assisted Living (see formula below to determine the number of residents)		
No washer/dryer in each unit	3 residents	1
Washer/dryer in each unit	2.5 residents	1
Calculate the number of residents as follows:	-	-
Number of efficiency units x 1.0 resident/unit		
+ Number of one-bedroom units x 1.5 residents/unit		
+ Number of two-bedroom units x 2.0 residents/unit		
+ Number of two-bedroom units x 2.0 residents/unit		
+ Number of three-bedroom units x 3.0 residents/unit		
<u>Total number of residents for SAC calculation</u>		
Auditorium (7 square feet/person)	110 seats	1
Automobile Service ; remainder use other criteria	-	-
Fast service (less than 4 hours/car)	2 service bays	1
Major service (more than 4 hours/car)	14 service bays	1
Car dealership (charges for office, retail, etc. are separate at established rates)	2 service bays	1
Fast service (number of service bays x 30%)	2 service bays	1
Major service (Number of service bays x 70%)	14 service bays	1
Bank (exclude bank vault)	2,400 square feet	1
Banquet Room (15 square feet/person)	-	-
Food catered	2,060 square feet	1
Food catered with dishwashing	1,180 square feet	1
Food catered with liquor	1,028 square feet	1
Food catered with dishwashing and liquor	750 square feet	1

Food preparation and dishwashing	825 square feet	1
Food preparation with dishwashing and liquor	590 square feet	1
Bar (no food service)	23 seats	1
Non-Fixed Seating (lineal feet of the bar @ 1.5 feet per seat)	23 seats	1
Barber (See Beauty Salon)	-	-
Batting Cage (10 feet/lane-pitching; 15 feet/lane-batting); for remainder use other criteria	6 lanes	1
Beauty Salon	-	-
Hair Cutting (1-3 Cutting or Styling Stations per Washing Station)	4 cutting stations	1
Hair Cutting (3+ Cutting or Styling Stations per Washing Station)	6 cutting stations	1
Hair Cutting (No Washing Stations)	8 cutting stations	1
Manicure	9 stations	1
Massage	5 beds	1
Pedicure/Facial/Treatment	7 stations	1
Shower	*17 fixture units	1
Body Shop (major service – more than 4 hours/car; vehicle washing additional)	14 service bays	1
Bowling Alley (for remainder use other criteria)	3 alleys	1
Cafeteria (maximum number of meals prepared in 24 hours x 3 gallons/meal)	210 gallons	1
Camp (number of gallons x occupant or Site)	210 gallons	-
Travel trailer parks	-	-
With water and sewer hookup (number Sites x 100 gallons/Site)	210 gallons	1
With central toilet and showers (number of Sites x 75 gallons/Site)	210 gallons	1
Sanitary dump (Sites without hookup; number of Sites x 10 gallons/Site)	210 gallons	1
Car Detailing (see also Car Wash for vehicle washing bays)	14 employees	1
Car Wash	-	-
Self-Serve; Other Car Wash Bays	1 Bay	3
Automatic (Roll-over, Conveyor/Pull-Through)	Contact City of Manakto	-
Church (for sanctuary, nave, chancel; 7 square feet/person seating area; sacristy and ambulatory at no charge); for remainder use other criteria	275 seats	1
Shower (if lockers use Locker Room criteria)	*17 fixture units	1
Ablution Room (# of people in sanctuary x 1.5 gallons/person)	210 gallons	1
Clinic ; SAC is the greater of Clinic or Office/Meeting; remainder use other criteria	-	-
Clinic	*17 fixture units	1
Office	2,400 square feet	1

Meeting Room (Conference)	1,650 square feet	1
Sterilizer, X-ray Film Processor, Dental Clinic Vacuum (if connected to sanitary sewer, need spec sheet of device and maximum duration/day)	210 gallons	1
Whirlpool, therapy (number of gallons to fill x 8 fills/day)	210 gallons	1
Coffee Shop (no food handled by employees)	23 seats	1
Condominiums	1 unit	1
Convention Center (15 square feet/person)	14 people	1
Correction Facility (prison)	3 inmates	1
Court Room	1,650 square feet	1
Daycare Facilities (Includes child and adult care; excludes home businesses)	620 square feet	1
Health Club, Bowling Alley, etc.	2,400 square feet	1
Dialysis Center	Contact City of Manakto	-
Dorm Room	5 beds	1
Dry Cleaner (retail)	3,000 square feet	1
Exercise Area/Gym ; for remainder use other criteria	-	-
No Showers	2,060 square feet	1
1-4 Showers	1,030 square feet	1
5+ Showers	700 square feet	1
Exhibit Hall (gross square feet x 45% usable space @ 7 square feet/person)	64 people	1
Funeral Home (charge for the viewing areas only: i.e., chapel); for remainder use other criteria	770 square feet	1
Shower	*17 fixture units	1
Apartment	1 Apartment	1
Game Room (billiards, video, pinball games and outdoor game areas)	-	-
With bar	590 square feet	1
Without bar	2,060 square feet	1
Greenhouse	-	-
Area not open to the public	15,000 square feet	1
Area open to the public	5,000 square feet	1
General retail area	3,000 square feet	1
Group Home	-	-
Secondary treatment (residents leave during the day)	5 beds	1
Primary treatment (residents stay all day)	3 beds	1
Guest Room (in an Apartment or Condominium complex)	-	-

Washer/dryer (100% of current SAC rate)	1 unit	1
No washer/dryer (80% of current SAC rate)	1 unit	1
No kitchen, washer/dryer (50% of current SAC rate)	1 unit	1
Handball and Racquetball Court	1 court	2
Hangars (Corporate)	Contact City of Manakto	-
Hangars (Private Aircraft)	1 Hangar	1
Plane/Vehicle Washing (3.5 gallons per minute x 20 minutes x # of Bays)	210 gallons	1
Hospital (licensed beds or baby cribs)	1 bed	1
Outpatient clinic	*17 fixture units	1
Sterilizer (4 hours x gallons per minute x 60 minutes)	210 gallons	1
X-ray film processor (4 hours x gallons per minute x 60 minutes)	210 gallons	1
Ice Arena	-	-
Shower (if lockers use Locker Room criteria)	*17 fixture units	1
Team Room (plumbing fixture units)	*17 fixture units	1
Bleachers	110 seats	1
Ice resurfacer (if discharge goes to the sanitary sewer)	1 resurfacer	4
Laundromat (required water volume for cycle time x 8 cycles/day x # of washers)	210 gallons	1
Learning/Tutoring Room (for remainder use other criteria)	-	-
Less than 4 hours on busiest day of operation	1,080 square feet	1
More than 4 hours on busiest day of operation	540 square feet	1
Library (subtract book storage areas, file areas; charge for common plumbing fixture units in public areas)	*17 fixture units	1
Reception, book checkout, office	2,400 square feet	1
Meeting room, board room	1,650 square feet	1
Loading Dock	7,000 square feet	1
Locker Room (if showers available; if Showers are a greater SAC count, use Shower)	14 lockers/hooks	1
Manufacturing (for remainder use other criteria) (i.e. Office criteria)	7,000 square feet	1
Shower (if lockers use Locker Room criteria)	*17 fixture units	1
Process Discharge	Contact City of Manakto	-
Areas Open to Public; see other criteria	-	-
Massage Room	5 stations	1
Meals to Go (prepared bulk meals)	-	-
# meals prepared in one day x 1.5 gallons/meal (no dishwashing)	210 gallons	1
Apartment	1 Apartment	1

Public Area	*17 fixture units	1
Mobile Home	1 unit	1
Motel and Hotel (assume 2 people/room; no charge for pools, saunas, whirlpools, game rooms, or exercise rooms used exclusively by guests)	2 rooms	1
Breakfast only (complimentary)	45 seats	1
Cocktail hour (complimentary)	55 seats	1
Kitchenette (number of kitchenettes x 10 gallons/day)	210 gallons	1
Museum	2,400 square feet	1
Nursing Home	2 beds	1
Office	-	-
General office (deduct mechanical rooms, elevator shafts, stairwells, and restroom areas)	2,400 square feet	1
Shower (if lockers use Locker Room criteria)	*17 fixture units	1
Meeting Room (conference room) Office conversions to Meeting Rooms smaller than 2600 square feet do not need a SAC Determination	1,650 square feet	1
Dental and Doctor's office, see Hospital, Outpatient Clinic	-	-
Liquor License (see Banquet Room for the space covered under the liquor license)	-	-
Vehicle Washing	Contact City of Manakto	-
Park Shelter	*17 fixture units	1
Park Public Building (see specific criteria for each use);	*17 fixture units	-
Private Vehicle Storage and Maintenance Bays	7,000 square feet	1
Vehicle Wash (3.5 gallons/minute x 15 minutes x # of bays)	274 gallons	1
Restaurant	-	-
Fixed Seating (actual number of seats)	10 seats	1
Non-Fixed Seating (the greater of the square feet of dining area @ 15 square feet/seal or number of seats shown on the plan)	10 seats	1
Outdoor patios and sidewalk seating are counted same as inside seating.	-	-
Drive-in	9 parking spaces	1
Take-out (no seating)	3,000 square feet	1
Retail Store (deduct mechanical rooms, elevator shafts, stairwells, escalators, restrooms and unfinished storage areas) (for remainder use other criteria) (i.e. Gas Pumping)	3,000 square feet	1

Shower (if lockers are included use Locker Room criteria)	*17 fixture units	1
RV Dumping Station (not in association with camp grounds)	1 station	1
School (teacher offices are included in the per student criteria; admin areas use separate criteria; music rooms are excluded in K-12 Schools without shower facilities)	-	-
K-12 Schools (without shower facilities)	540 square feet	1
Library	1,650 square feet	1
K-12 Schools (with shower facilities)	420 square feet	1
Lab (includes computer, music, art and science)	700 square feet	1
Gym (if permanent bleachers)	110 seats	1
Library	1,650 square feet	1
College/technical/vocational	540 square feet	1
Lecture hall (no fixed seats)	270 square feet	1
Lecture hall (fixed seats)	18 seats	1
Lab	900 square feet	1
Gym (if permanent bleachers)	110 seats	1
Dorm rooms (on and off campus)	5 beds	1
Library (see Library criteria)	-	-
Liquor License (see Banquet Room for the building with the largest combined area used for banquets)	-	-
Music School (number of practice rooms x 2 people/room)	18 students	1
Nursery school (see Daycare)	-	-
House of worship nursery (used during worship service only; not daily parochial school)	1,650 square feet	1
Service Station	-	-
Gas pumping	1 Gas Station	1
Convenience center	3,000 square feet	1
Service bays	2 bays	1
Car Wash	Contact City of Manakto	-
Shop/Storage	7,000 square feet	1
Shower (if lockers are a greater SAC count, use Locker Room criteria)	*17 fixture units	1

Swimming Pool (For non-Residential, swimming pool area only) No charge when used for private Residential, townhouse, Apartments, Condominiums, hotels, or motels used exclusively by residents of complex unless there is a separate sewer connection then use Fixture Units; See Section 5.2.1.7 for discount on outdoor pool	900 square feet	1
Tanning Room	3,000 square feet	1
Theater	64 seats	1
Treatment Center (includes nursing care; inpatient only)	2 beds	1
Vehicle Garage	*17 fixture units	1
Employees stationed in garage	14 employees	1
Vehicle drivers (per day)	28 drivers	1
Vehicle washing wash bay	1 bay	3
Shower (if lockers use Locker Room criteria)	*17 fixture units	1
Warehouse (for remainder use other criteria (i.e. Office, Meeting Room criteria)	7,000 square feet	1
Office/warehouse (speculative – each tenant finish will need a Determination completed)	-	-
Minimum 30% office	2,400 square feet	1
Maximum 70% warehouse	7,000 square feet	1
Shower (if lockers use Locker Room criteria)	*17 fixture units	1
Yard Storage	15,000 square feet	1
*Asterisks in Appendix A denote facilities whose Determinations are based on fixture units, as described below:		
Drinking Fountain	1	
Floor Drain (1 f.u. per inch drain)	-	
2” waste	2	
3” waste	3	
4” waste	4	
Trench Drain (per each 6-foot section)	2	
Sinks	-	
Exam Room; Bathroom (per sink)	1	
Breakroom (per sink)	2	
Procedure; Others (per basin)	2	
Surgeon (per basin)	3	
Janitor; Service	3	
Urinal	3	

Water Closet	6	
Bath Tub	17	
Shower	-	
Stall (Public/Multi-User)	17	
Stall (Private/Single-User)	2	
Gang Shower Head	1 per head	