***Special Assessment Policy***
***City of Pelican Rapids***
***UEI No. 507.017***
***June 29, 2011***

## *I. Purpose and Scope:*

The purpose of this Special Assessment Policy is to set forth the policy and procedure for the determination of benefit and the assessment of cost of the various public improvements, which are constructed and installed by the City of Pelican Rapids.

This Assessment Policy is designed to serve only as a general guide for the City in allocating benefits to properties for the purpose of defraying the cost of installing public facilities. The City reserves the right to vary from this Policy if the Policy acts to create obvious inequities, or where the assignment of benefit to a particular property is difficult because of an extreme and unusual situation, or if such variance is deemed to be in the best interests of the City of Pelican Rapids.

## *II. Cost Sharing and Assessment Units: New Construction*

For new construction projects, assessable and City costs, along with assessable units for various items, shall be in accordance with the tables below:

*Cost Sharing*

| Item | Assessable | City |
|---|---|---|
| Sanitary Sewer | 100% | 0% |
| Sewer Services | 100% | 0% |
| Water Main | 100% | 0% |
| Water Services | 100% | 0% |
| Streets | 100% | 0% |
| Curb and Gutter | 20% | 80% |
| Storm Sewer | 20% | 80% |
| Driveway Aprons | 100% | 0% |
| Sidewalk (Residential) | 100% | 0% |
| Sidewalk (Commercial) | 100% | 0% |
| Sidewalk District | 0% | 100% |
| Pump Station/Forcemain | 100% | 0% |

*Assessment Units*

| Item | Units |
|---|---|
| Sanitary Sewer | Linear Feet |
| Sewer Services | Each |
| Water Main | Linear Feet |
| Water Services | Each |
| Street | Linear Feet |
| Curb and Gutter | Linear Feet |
| Storm Sewer | Linear Feet |
| Driveway Aprons | Sq. Yard |
| Sidewalk | Sq. Foot |
| Pump Station/Forcemain | Sq. Foot |

## III. *Cost Sharing and Assessment Units: Reconstruction*

For reconstruction projects, assessable and City costs, along with assessable units for various items, shall be in accordance with the tables below:

*Cost Sharing*

| Item | Assessable | City |
|---|---|---|
| Sanitary Sewer | 0% | 100% |
| Sewer Services | 100% | 0% |
| Water Main | 0% | 100% |
| Water Services | 100% | 0% |
| Streets | 40% | 60% |
| Curb and Gutter | 20% | 80% |
| Storm Sewer | 20% | 80% |
| Driveway Aprons | 100% | 0% |
| Sidewalk (Residential) | 50% | 50% |
| Sidewalk (Commercial) | 100% | 0% |
| Sidewalk District | 0% | 100% |
| Pump Station/Forcemain | 0% | 100% |

*Assessment Units*

| Item | Units |
|---|---|
| Sanitary Sewer | Not Assessed |
| Sewer Services | Each |
| Water Main | Not Assessed |
| Water Services | Each |
| Street | Linear Feet |
| Curb and Gutter | Linear Feet |
| Storm Sewer | Linear Feet |
| Driveway Aprons | Sq. Yard |
| Sidewalk | Sq. Foot |
| Pump Station/Forcemain | Not Assessed |

If a street is constructed to a higher design standard (arterial or collector design standard) in lieu of residential standards within a residential area, the increased cost for constructing a street to a design standard higher than required to serve the area shall be considered City cost.

In the event oversized or trunk lines (larger than 8 inch sanitary sewer and larger than 6 inch water) are necessary to provide adequate service or capacity for areas beyond the specific project area, the oversizing or trunk line additional costs shall be considered City cost.

If benefits of a street with higher design standards or oversized or trunk utility lines is directly, wholly, or partially applicable to a specific user or property, the City may assess all or a portion of the cost of said higher design standards or oversized and trunk utility lines to the benefitted property.

## IV. Assessment Methodology:

### A. Sanitary Sewer and Water Main: New Construction Only

#### 1. Rectangular Interior Parcel

- Assessable footage shall be the width of the parcel abutting the improvement.

#### 2. Irregularly Shaped Interior Parcel

- Assessable footage shall be the average width of the parcel.

### 3. Rectangular Corner Parcel

- Assessable footage shall be equal to the dimension of the smaller of the two sides (width), even if utility main line pipe is installed only on the longer of the two sides (length) or on both sides.

- If utility piping is installed on the long side and the length exceeds 150 feet, the entire excess over 150 feet shall be assessed in full in addition to the width.

- For square corner parcels, the street name included in the parcel's address shall be considered the width.

### 4. Irregular Shaped Corner Parcel

- Assessable footage shall be equal to the average width (smaller of the two sides), even if the utility main line is installed on the longer of the two sides (length) or on both sides.

- If utility piping is installed along the long side and the average length exceeds 150 feet, the entire excess over 150 feet shall be assessed in full in addition to the average width.

### 5. Interior Parcel Abutting Two Parallel Streets

- Assessable footage shall be the width of the parcel.

- A parcel shall be assessed at the time the utility main line from which the parcel's service lateral is connected to is installed.

## B. Utility Services (Sewer and Water)

- Each new water or sewer service lateral shall be assessed to the parcel it serves.

## C. Street, Curb and Gutter, and Storm Sewer

### 1. Rectangular Interior Parcel

- Assessable footage shall be the width of the parcel abutting the improvement.

### 2. Irregularly Shaped Interior Parcel

- Assessable footage shall be the average width of the parcel.

### 3. Rectangular Corner Parcel

- Assessable footage shall be the equal to the dimension of the smaller of the two sides (width) and/or one-third of the dimension of the longer of the two sides (length).
- If the length exceeds 150 feet, the entire excess over 150 feet shall be assessed in full.
- For square corner parcels, the street name included in the parcel's address shall be considered the width.

### 4. Irregular Shaped Corner Parcel

- Assessable footage shall be equal to the average width (smaller of the two sides) and/or one-third of the average length (longer of the two sides).
- If the average length exceeds 150 feet, the entire excess over 150 feet shall be assessed in full.

### 5. Parcel Abutting Two Parallel Streets

- Assessable footage shall be the width of the "front" side and/or one-half of the width of the "back" side.
- The street name in the parcel's address shall be considered the "front" side.

## D. Driveway Aprons

- Each square yard of concrete driveway apron shall be assessed to the parcel on which it was installed.

## E. Sidewalk

- The assessable area of sidewalk for a parcel shall be the assessable footage multiplied by the sidewalk width.
- The assessable footage shall be determined utilizing the same methodology used for determining street assessable footage as discussed in Section IV.C.

### F. Sanitary Sewer Pump Station and Forcemain: New Construction Only

- Sanitary sewer pump stations and forcemains shall be assessed 100% of the improvement costs to all benefitted properties on a square foot basis

- The assessable cost per square foot assessment rate shall be determined by dividing the total costs associated with the installation of the pump station and/or forcemain divided by the estimated square feet of ultimate serviceable area including developed and undeveloped properties

- Assessments to properties within a pump station and/or forcemain serviceable area shall commence upon municipal sanitary sewer service being provided to said properties

**Note: In cases of new subdivision construction where the City Council determines that the assessable costs would be more equitably distributed (including those instances where agreement can be reached between the City and the developer of a subdivision), the assessable unit may be the "lot" (i.e., a uniform "per lot" assessment).**

## V. Eligible Costs and Assessment Rates:

### A. Eligible Costs

- Total project improvement costs utilized to determine assessment cost sharing and rate information shall include:

  - Contracted construction costs;

  - The cost of labor and material furnished by the City if not included in the contracted construction costs;

  - The cost for engineering, legal, fiscal, and administrative services provided by City staff and other parties;

  - Costs related to acquiring property or right-of-way required by the improvement;

  - Interest costs incurred by the City between the time money is borrowed for the improvement and special assessments are levied for collection;

  - Any other costs which in the opinion of the City should be included as part of the total project cost.

### B. Assessment Rates

- Assessment rates for various assessable items shall be equal to the assessable cost of the project divided by the assessable units benefited by the improvement.

## VI. Service Life of Improvements:

### A. Surface Improvements:

1. Grading and base construction – 20 years
2. Sidewalks – 20 years
3. Concrete curb or curb and gutter – 20 years
4. High type residential, or collector, bituminous street pavement (hot mix) – 20 years
5. Bituminous overlay – 10 years

### B. Subsurface Improvements:

1. Water Mains – 40 years
2. Sanitary sewers – 40 years
3. Storm sewers – 40 years
4. Sewer and water service – 40 years

When any existing improvement is ordered to be renewed or replaced, before the life expectancy of the improvement has expired, the cost will be prorated based on the life of the improvement as defined in this policy.