

**CONNEXUS ENERGY ELECTRIC FRANCHISE FEE**

**ORDINANCE NO. 13-23  
CITY OF RAMSEY  
ANOKA COUNTY  
STATE OF MINNESOTA**

**AN ORDINANCE MODIFYING THE ELECTRIC FRANCHISE FEE ON CONNEXUS ENERGY FOR PROVIDING ELECTRIC SERVICE WITHIN THE CITY OF RAMSEY.**

**THE CITY COUNCIL OF THE CITY OF RAMSEY, ANOKA COUNTY, MINNESOTA, ORDAINS:**

**SECTION 1.** The City of Ramsey Code of Ordinances is hereby amended as follows:

Subdivision 1. Purpose. The Ramsey City Council has determined that it is in the best interest of the City to impose a franchise fee on those public utility companies that provide natural gas and electric services within the City of Ramsey. All franchise fee revenues generated through this ordinance shall be collected in lieu of special assessments for street maintenance projects, and shall be dedicated only to long-term street maintenance program projects including pavement preservation and street reconstruction projects.

(a) Pursuant to City Ordinance No. 13-20, a Franchise Agreement between the City and Connexus Energy, the City has the right to impose a franchise fee on Connexus Energy in amount and fee design as authorized in Section 9.1 of the Connexus Energy Franchise.

(b) Pursuant to City Ordinance No. 13-20, the City exercised its right to impose a franchise fee on Connexus Energy. This includes the right to modify the fee amount with the consent of Connexus Energy as to amount and notice period, to which Connexus Energy has consented.

Subd. 2. Franchise Fee Statement. Pursuant to Ordinance No. 13-20, the franchise fee imposed on Connexus Energy under its Electric Franchise is hereby amended. The amended fee schedule is attached hereto and made a part of this ordinance, commencing with the Connexus Energy's March 2014 billing month.

Subd. 3. Payment and Fee Design. The franchise fee shall be payable to the City in accordance with the terms set forth in Section 9.4 of the Franchise.

- a) This fee is an account based fee and not a meter based fee. An account includes all electric meters located on a single property or premises that have the same address and property owner.
- b) Properties with a single address and owner shall pay the largest fee that applies to any one of their meters.
- d) Separately metered space rented to tenants other than the owner shall pay a fee for each tenant meter.

e) The City Administrator, or his designee, is authorized to determine the appropriate implementation of this Section 3.2. Appeals from decisions of the staff may be taken to the City Council.

Subd. 4. Record Support for Payment. Connexus Energy shall make each payment when due and, if requested by the City, shall provide at the time of each payment a statement summarizing how the franchise fee payment was determined, including information showing any adjustments to the total surcharge billed in the period for which the payment is being made to account for any uncollectibles, refunds or error corrections.

Subd. 5. Enforcement. Any dispute, including enforcement of a default regarding this ordinance will be resolved in accordance with Section 2.5 the Franchise Agreement.

Subd. 6. Effective Date of Franchise Fee. Notwithstanding the effective date of this ordinance and notwithstanding any contrary provisions in the Franchise, the effective date of the fee collected under Subdivision 2 of this ordinance is the later of ten (10) days after the publication or after the sending of written notice enclosing a copy of this adopted ordinance upon Connexus Energy by certified mail.

Subd. 7. Fee Review. The City Council may review this Ordinance from time to time to determine whether to continue, terminate or modify the fee. If the Council deems it to be in the City's best interest to continue the fee in its current form, no Council action is necessary. If the Council deems it to be in the City's best interest to terminate or modify the fee, the Council shall give Connexus at least sixty (60) days written notice prior to the proposed change.

Subd. 8. The City recognizes that Connexus Energy will surcharge its customers in the City the amount of the fee.

Subd. 9. Rebate Program. The City will rebate the lesser annual amount paid for franchise fees versus special assessments over the remaining term of the special assessments, regardless if the assessment was pre-paid or is currently being paid through property taxes. Rebates will be in the form of a credit to the fourth quarter municipal utility bill of qualifying property addresses. This rebate program applies strictly to qualifying property addresses during the effective term of their current assessment or this ordinance, whichever expires first.

**SECTION 2.** This ordinance takes effect as provided by City Charter. This ordinance shall terminate 5 years from the date passed and adopted by the City. If the termination date falls within the middle of a 3 month collection period, the ordinance shall terminate at the end of the collection period.

EXHIBIT A

CONNEXUS ENERGY ELECTRIC FRANCHISE  
FEE SCHEDULE

<u>Class</u>	<u>Fee or % Per Month</u>
Residential	\$8.00
Small Commercial/Industrial (Non Demand)	\$8.00
General Commercial/Industrial (Demand)	\$8.00
Large Commercial/Industrial (> 1 MW Demand)	\$8.00
Outdoor Advertising (Billboards), Non-Metered Cable/TV/Phone	\$8.00
Irrigation services, Lift Station services, Siren services	\$8.00
Street Lights	\$8.00
Wells & Pumps (city well)	\$8.00

FRANCHISE FEES ARE TO BE COLLECTED BY THE UTILITY IN THE AMOUNTS SET FORTH IN THE ABOVE SCHEDULE, AND SUBMITTED TO THE CITY ON A QUARTERLY BASIS AS FOLLOWS:

January through March collections due by April 30.  
April through June collections due by July 31.  
July through September collections due by October 31.  
October through December collections due by January 31.

**PASSED and ADOPTED** by the Ramsey City Council this 12<sup>th</sup> day of November, 2013.

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Mayor

ATTEST:

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City Clerk

Introduction date: October 8, 2013  
Continuation date: October 22, 2013  
Posting dates: October 22, 2013 – November 12, 2013  
Adoption date: November 12, 2013  
Publication date: November 15, 2013  
Effective date: February 28, 2014

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