

In anticipation of the Charter Commission meeting, my state of mind is to advocate a provision to Charter Chap. 7:

Section 7.13 Franchise Fee Bill of Rights.

Regardless of any State of Minnesota permissions, City of Ramsey shall not use a franchise fee as a revenue generation process.

That as a starting point of what I believe to be good policy, with, however, a willingness to consider:

Section 7.13 Franchise Fee Bill of Rights.

Regardless of any State of Minnesota permissions, City of Ramsey shall not use a franchise fee as a revenue generation process, unless and until levy limits have been reached in taxing property to support the general fund and a deficit exists between general fund revenue and necessary expenditures. If ever imposed, franchise fee revenue generation shall not be structured in a way proportionately more onerous on the poor and those facing hardship than on those of greater means and greater capacity to pay.

Those two alternatives do express what I believe to be good policy, with the latter being more permissive toward government flexibility than the former. A third alternative, taking account of how a PUC regulated utility might be constrained by PUC rules/orders/policy whereas a cooperative is not, there is this third possibility:

Section 7.13 Franchise Fee Bill of Rights.

Regardless of any State of Minnesota permissions, City of Ramsey shall not use a franchise fee as a revenue generation process, unless and until levy limits have been reached in taxing property to support the general fund and a deficit exists between general fund revenue and necessary expenditures. If ever imposed, franchise fee revenue generation shall not be structured in a way proportionately more onerous on the poor and those facing hardship than on those of greater means and greater capacity to pay. Accordingly, in negotiation of franchise grants to energy providers City representatives in negotiation shall mandate as a contract condition of a franchise grant that disproportionate impact on the poor and destitute shall not happen in any franchise fee pass-through from the franchisee to the energy-consuming public.

In that fashion, the City would have flexibility to structure its fee to the franchisee in any manner convenient, so long as fair to the destitute, with the utility then also obligated to assure fairness.

That would be my starting point for discussion of Charter language about City of Ramsey and franchise fee use/non-use.