

November 16, 2015

The Honorable John C. Hoffman  
Chief Judge Tenth Judicial District  
Washington County Government Center  
14949 – 62<sup>nd</sup> Street North  
Stillwater, MN 55082-3802

**Re: City of Ramsey, Anoka County, Minnesota, Charter Commission Annual Report**

Dear Judge Hoffman:

In accordance with Minnesota Statutes 410.05, the following is an annual report reflecting the activities of the City of Ramsey Charter Commission during the year 2014.

Members of the Charter Commission for year 2014 were as follows: Mark Anderson, Susan E. Anderson, Jim Bendtsen, Benjamin Deemer, Joseph Field (Chair), John Niederhaus, Harry Niska (Vice-Chair), Chad Sivertson and Eric Zaetsch.

The Charter Commission met on January 27, 2014, and reviewed a draft Council ordinance proposing an amendment to the City's Charter, Chapter 7, the taxation chapter. This was continued discussion from 2013. The City Council and the Charter Commission had been exchanging proposals for an amendment to the City Charter that addresses franchise fees. Such fees were proposed by the Council as a means to fund a long-term road maintenance policy. The Charter Commission considered the Council's proposed amendment language and then requested feedback on three options: (1) to proceed straight to the voters with the original amendment proposed by the Charter Commission; (2) the alternative City Council language, plus adding the Charter Commission amendment to go into effect at the end of the initial five-year term; or (3) the alternative City Council language, plus adding the Charter Commission amendment to go into effect at a point something less than five years. Those options were presented to the City Council for discussion at a work session on February 11, 2014. The Council discussed the Commission's options at length and consensus was to address the Commission's concerns about the use of franchise fees by requiring a Council supermajority to both enact and renew or extend a franchise fee ordinance. The Charter Commission expressed their main concern was that franchise fees should not be implemented to raise general revenue. The language suggested was that any franchise fees imposed under applicable state statutes must be limited to defraying increased municipal costs accruing as a result of utility operations and may not be used to raise general revenue.

The Commission met on April 23, 2014, and approved the 2013 year-end summary letter to the Chief Judge of the Tenth District. The Commission then proceeded to review the draft ordinance proposing an amendment to the City's Charter, Chapter 7. Following discussion, a motion was approved to recommend the amendment suggested by the Council as proposed for Section 7.2.3.4 with an additional amendment changing the revenue rate from 20 percent to 15 percent with an additional one-to-one match for the general fund dedicated to long-term street maintenance projects, giving the City Attorney the ability to fine tune this language. A second motion was approved to recommend amendment of Section 7.3.2.6 changing the supermajority requirement for renewal of the franchise fee after the five year sunset from five of seven to six of seven Councilmembers, clarifying the language in 7.3.2.2 to distinguish the sunset renewal from the annual adjustment, giving the City Attorney the ability to fine tune the language. This language was presented to the City Council on June 10, 2014. A City Council motion to introduce the ordinance failed. There was a lack of consensus with respect to moving forward with franchise fees and under what restrictions. Without unanimous approval by the Council, a Charter amendment would require voter approval.

The Charter Commission met on June 25, 2014, to consider whether the Commission wished to pursue a Charter amendment concerning franchise fees in light of the City Council's decision not to approve the proposed Charter amendment ordinance. Following a lengthy discussion, the Charter Commission voted to postpone indefinitely the consideration of a proposed franchise fee amendment to the City Charter.

The Charter Commission also discussed an amendment to Charter Section 8.4.5 – Council Petitions to Council Initiated Improvements. The purpose of the discussion was to consider the impact of existing Charter language concerning counter-petitions to Council initiated improvements and possible changes to that language. By the time the Council holds the assessment hearing, the City has already invested considerable funds and effort in engineering work and in producing the required feasibility study. A successful petition against the improvement means those funds and effort are wasted. The Council wished to modify the Charter so as to reduce the possibility of spending funds unnecessarily. Following discussion, the Charter Commission voted to recommend the City Council amend Section 8.4.5 of the City Charter to increase the percentage from 50% to 60% of petitioning property owners required for Council-initiated local improvements. The Council adopted such Ordinance on August 11, 2014.

The Charter Commission held no other meetings in 2014.

Very truly yours,

On behalf of the Ramsey City Charter Commission

Jo Ann M. Thieling, CMC  
City Clerk