

Hutchinson Charter Commission Meeting Minutes
June 11, 2001

Members Present: Chuck Carlson, Steve Auger, Linda Remucal, Mike Cannon, Virgil Voigt, Phil Graves, Ron McGraw, and Roger Peterson

Members Absent: Walt Clay, Carl Bretzke, Don Glas, and Jean Peterson

Others Present: Mayor Marlin Torgerson, City Administrator Gary Plotz, City Attorney Marc Sebor, and Brenda Ewing, Recorder

Chair Chuck Carlson called the meeting to order at 4:15 p.m. in the City Center Staff Conference Room.

The Commission discussed the scheduling of the next meeting. **The Commission will meet at 4:00 p.m. on Monday, June 25, 2001, in the Staff Conference Room at City Center.**

A motion was made by Mike Cannon, second by Steve Auger, to approve the minutes of the May 21, 2001, meeting as presented. The motion carried unanimously.

Attorney Richard Schieffer was unable to attend the meeting. The draft of the Charter containing the proposed changes recommended at the May 21 meeting of the Commission was, therefore, not available for review.

The Commission resumed the review of the Charter language with Chapter 4, Nominations and Elections.

CHAPTER 4

4.01 – This section was changed or amended with the vote at the general election in 2000.

4.03 – Absentee ballots are required to be available at least 30 days prior to an election. The current wording is inconsistent with this requirement. The Commission recommended to change the wording to *“no earlier than 60 and no later than 45 days prior to the election of such other time periods mandated by law.”*

The filing fee of \$5.00 is minimal. The commission discussed what is an appropriate fee and what should actually be charged. The commission discussed what the fee is applied to – administrative costs, ballots, etc. It was recommended that the filing fee be raised to \$20.00.

The consensus of the commission was also to add the following language - *“Absentee ballots will be available 30 days prior to the election.”*

CHAPTER 5 – no changes recommended to any sections in Chapter 5

CHAPTER 6

Section 6.01 – There was some discussion as to the length of the term of the appointment of the City Administrator. The administrator is appointed on an annual basis by the City Council. It was discussed that the wording may be changed to read that the administrator will be appointed for one year rather than an “indefinite term” as the current language reads. The commission directed legal counsel to review this language and suggest appropriate amendment language for this section.

Section 6.02

Subd. 2. It was the recommendation of the commission to add the authority to transfer employees to the duties of the City Administrator. Change the language to read, “The City Administrator shall appoint, and may suspend, *transfer*, and remove, upon the basis of merit...”.

Subd. 3 – Change the reference to Burns Manor to “*Hutchinson Area Health Care*”.

Section 6.04 – There was discussion as to who is a subordinate officer to the City Administrator. All may not be directors and this may be a reason why the term, director, is not used. There was additional discussion as to the use of the term “officer”. It was recommended to strike the term officer and refer to these individuals as “*subordinates*”.

Section 6.05 – The Commission discussed the City Administrator’s responsibilities is regards to City purchases. This section may need to be reviewed regarding the practicality of the administrator approving “all city purchases”.

The meeting was suspended at approximately 4:45 p.m. due to severe weather. The Commission will meet again at 4:00 p.m. on June 25 as previously noted.

Hutchinson Charter Commission Meeting Minutes June 25, 2001

Members Present: Chuck Carlson, Chair, Jean Peterson, Linda Remucal, Don Glas, Steve Auger, Walt Clay, Phil Graves, Mike Cannon, Ron McGraw, and Virgil Voigt

Members Absent: Carl Bretzke and Roger Peterson

Others Present: Gary Plotz, City Administrator; Dick Schieffer, City Attorney; Ken Merrill, Finance Director; Brenda Ewing, Recorder; and Melissa Starke, observer

Chair Carlson called the meeting to order at 4:10 p.m.

Move by Clay, second by Auger to approve the minutes as presented. Motion passed unanimously.

Attorney Schieffer presented a draft update to the Charter and suggested that the Commission take the draft under consideration for discussion at the next meeting.

Mr. Graves commented on the Charter language and how the City, HAHC and Hutchinson Utilities are currently operating and how this compares to the charter language. He proposed that the current operations be documented and then cross-referenced with state law/statutes for accuracy and what practices are required by law. It was proposed that a sub-committee of Mr. Graves, Gary Plotz, City Administrator and legal counsel meet separately to discuss this issue and to make recommendations to the full commission. Mr. Graves will act as the HAHC representative to this group and not as a member of the Charter Commission during these discussions.

Mr. Schieffer commented that this is an acceptable committee make-up and would not violate any open meeting laws.

It was the consensus of the Commission to direct the committee of Mr. Graves, Mr. Plotz, and legal counsel to diagram how the City is currently operating and to report back to the commission with their findings. There was also discussion regarding the Hutchinson Utilities operation and how it relates to the Charter. The commission discussed the appropriateness of inviting the Utilities Commission representatives and the City Council representatives to a meeting to discuss issues relevant to each group.

It was reiterated that the Mayor has requested that the Charter review process be completed by August 2001.

Chair Carlson asked for volunteers to serve on a sub-committee to meet with representatives of the Hutchinson Utilities Commission. Chair Carlson asked Mr. McGraw and Mr. Voigt to serve on the committee. Mr. Auger also volunteered to serve. The three were directed to meet with representative of the Utilities Commission and to discuss the Charter and how it relates to the Utilities Operation.

Mr. Schieffer noted that these meetings are required to be public and be on the City calendar for posting. The sub-committee will notify City Staff of meeting dates, times and locations.

The Commission set the next meeting for Monday, July 16, 2001, 4:00 p.m. at City Center.

The Commission resumed their review of the Charter with Chapter 7, Taxation and Finance.

CHAPTER 7

7.01 - Mr. Clay inquired how often the City solicits bids for audit services. Mr. Plotz noted this was last reviewed approximately 5 years ago. Mr. Plotz stated that local firms are eligible to submit a proposal for audit services.

Ken Merrill, Finance Director, joined the meeting at 4:40 p.m.

The Commission discussed the timing of the submission of the Hutchinson Area Health Care (HAHC) and Hutchinson Utilities budgets to the City Council for review. It is not the understanding that the City Council “approves” these budgets. It is perceived as more of an “awareness issue” for the City Council. The City has deadlines for budget approval that are tied to the taxation requirements.

Mr. Plotz suggested that the Utilities be required to submit a budget to the City Council for review by a certain date on an annual basis. This relates to the financial transfers from the Utilities to the City.

Mr. Clay inquired if there is a formula in place to determine the amount of the transfer. Mr. Plotz responded that other municipalities do this, but the City does not have a designated formula in place at this time. This issue has been considered by the Council, but no decision has been made to date on how to determine the transfer amount.

Mr. Clay inquired if this could be an issue the Charter subcommittee could approach with the Utilities’ representatives. It was also discussed if this is an appropriate issue to be included in a charter document. Mr. Plotz noted that it is addressed in a number of City charters of which he is aware.

It was questioned if the City would be liable in the event something catastrophic would happen to the Utilities. Mr. Schieffer answered that they would not as the City owns the utility. There was discussion as to what would happen if another electric utility would seek to do business in the City and would request franchises.

7.05 - It was discussed if the Capital Improvements Plan (CIP) should be submitted to the Council prior to the June 1 deadline that is noted. Mr. Merrill updated the Commission on the City efforts to have the revised CIP in place and submitted by June 1. The City is currently not meeting this deadline.

The Commission unanimously voted to retain the June 1 deadline in the Charter language.

7.06 - Mr. Plotz noted that the budget is not adopted until December per the Truth-in-Taxation legislation. The hearings are held in early December and the budget is not adopted until after the meetings are held.

Mr. Merrill noted also that the City has to set a preliminary tax levy and have a preliminary budget in place by September. This amount cannot be increased. In November, tax information is published per the levy amounts set in September. The Truth-in-Taxation hearing then must be held and the budget has to be adopted afterward at a separate meeting, and this brings the completion of the process to mid to late December.

This time frame can be changed by the State. Mr. Graves inquired if the Charter language can be amended to take this situation into account. Mr. Schieffer also commented that the City could consider stating a date on which the budget process must begin but leave the final approval date deadline open ended to take into account budget deadline changes by the State.

Section 7.07 - This language is very strict in regards to expenditures. Mr. Plotz will propose amended language to address this issue.

Mr. Graves exited the meeting at 5:00 p.m.

Section 7.09 - It is unclear if emergency debt certificates are authorized under state law for cities. Mr. Merrill noted that there are other methods for cities to deal with emergency financial situations that do not require voter approval. Mr. Schieffer also stated that tax anticipation certificates are a method and are used by other Cities. This is a very secure form of financing and short-term in nature. The Commission should decide if this is an issue that should be left in the charter. It was decided to leave the language at this time and legal counsel will research if this is legally appropriate.

7.10 - It was discussed how the State mandates what types of investments can be made and the City also has guidelines for investments.

7.11 - Mr. Merrill explained to the Commission what equipment certificates are and that they are generally used for the purchase of items such as a fire truck. The certificates must be paid back within a five-year period. The certificates can be purchased publicly or sold privately. The title for the equipment is retained by the City if the certificates are used.

Mr. Schieffer questioned if the language in section 7.11 prohibits the City from using equipment certificates or tax anticipation certificates. Mr. Clay inquired if the term “current expenses” should be further clarified in the Charter language or in a City policy so that the current interpretation is maintained for future use. Mr. Schieffer commented that a clarification probably does not belong in the charter due to its length. Mr. Clay proposed that a City policy address this issue and clarify the definition.

CHAPTER 8 – No changes recommended.

CHAPTER 9 – No changes recommended.

CHAPTER 10

10.01 - Mr. Schieffer addressed the issue of obtaining a franchise for a simple, short-term use of City property. Examples of this would be summer sidewalk cafes. It is the opinion of many that the process to obtain a franchise or approval for these uses is too cumbersome. He suggested that the language be changed to deal with the very simple uses easier.

Mr. Plotz added that the City Council has discussed these types of simple uses and agree that the language should be “lightened up” for these uses. Staff and legal counsel can review this section and propose revised language for the Commission to review.

Mr. Clay proposed that the City create simple use guidelines and consider dealing with these requests on a permit issuance basis.

It was clarified by legal counsel that Hutchinson Utilities does not need a franchise to operate as the City is not required to grant itself a franchise. The language allows a private or other utility provider, such as electric, to seek a franchise from the City to operate in the City limits. There was discussion as to how electric deregulation could affect franchises.

10.03 - This section speaks to the City adopting any “rates, fares or prices to be charged by a public utility”. It was questioned if the City has the authority to set rates for public utilities such as a telephone company or cable TV company. Mr. Schieffer clarified that this sentence means that “if” the City were in the business to set rates, they could. Since they do not, this sentence may be left as it reads.

10.04 - This section language specifically states that the City may set rates if they legally may do so by law. Mr. Schieffer will review this section to determine what the law allows in regards to the City actually setting rates for local utilities.

Mr. Carlson informed the Commission that he received a telephone message from Mr. Steve Cook inquiring about submitting charter questions to the Commission. Mr. Carlson responded to Mr. Cook also by telephone message and asked Mr. Cook to present any questions or issues he has to the Commission in writing. Mr. Clay asked that Mr. Carlson respond to Mr. Cook’s request in writing.

Motion by Auger, second by Peterson to adjourn the meeting at 5:40 p.m. The Commission will resume its review of the Charter at the meeting scheduled for Monday, July 16.

Hutchinson Charter Commission Meeting Minutes **Tuesday, July 16, 2001**

Members Present: Chuck Carlson - Chair, Linda Remucal, Don Glas, Steve Auger, Walt Clay, Mike Cannon, Ron McGraw, Virgil Voigt, Carl Bretzke, and Roger Peterson

Members Absent: Jean Peterson and Phil Graves

Others Present: Gary Plotz, City Administrator; Dick Schieffer, City Attorney; Brenda Ewing, observer; and Melissa Starke, Recorder

Chair Carlson called the meeting to order at 4:00 p.m.

Motion by Clay, second by Glas to approve the minutes as presented. Motion passed unanimously.

Virgil Voigt reported that due to travel and prior commitments, the sub-committee appointed to review the Utilities issues did not have an opportunity to meet.

Voigt questioned why this sub-committee differs from the sub-committee consisting of Phil Graves, Gary Plotz and legal counsel in regards to open meeting requirements. Carlson's interpretation is that if a meeting is put on the City Calendar it does not violate the Open Meeting Law. Mr. Plotz noted that the sub-committee he is serving on does not consist of charter commission members. Attorney Dick Schieffer was not yet present, so the subject will be brought up again later in the meeting when legal counsel is available.

Clay and Voigt questioned as to when in August the Charter review process needs to be completed. Chair Carlson was unsure as to the reasoning for the deadline in August. Plotz stated the reasoning may be due to the election filing deadlines. Plotz suggested the Mayor be contacted for clarification and if there are various sections or issues (gender, etc.) that are preferred to be addressed by August. Clay noted it may be preferable to present a full and complete draft to the citizens for a vote. McGraw stated that the Commission should take the time needed to completely review the Charter and not make hasty decisions due to an arbitrary deadline.

Plotz informed the Commission that he has been doing some research on other cities and their policies regarding utilities commissions. This issue, alone, may need more time for the Commission to complete their revisions.

Chair Carlson proceeded with the review of the Charter draft presented by Dick Schieffer.

Chapter 1 – no changes

Chapter 2

Section 2.06 – Remucal pointed out that in the draft it refers to mayor pro-tem and in the original charter it refers to the mayor only. Pro-tem needs to come out of the draft, 1st paragraph, 3rd line from the bottom.

Clarification was asked for in regards to the mayor taking command of the police and the fact that Mr. Torgerson did not want that responsibility. Mr. Schieffer explained that someone needs to take command and the statute states that the mayor is the chief law enforcer of a community. This verbage would be in line with the way other cities operate. Mr. Schieffer explained that this is also how the state operates.

Section 2.07 – Remucal raised the question of the inconsistency of the terms council member and elective officer used throughout the Charter. The word “for” will be used instead of “under” (i.e. 5th line: office or employment for the city).

Section 2.04 – The words “elected” or “appointed” need to be added in this paragraph. Dick Schieffer will create the new wording and bring it to the Commission.

Section 2.09 – Remucal asked whether or not the last sentence refers to the mayor and/or councilmembers. Dick Schieffer stated the original charter implied that it does.

McGraw motioned, Peterson second to approve Chapter 2. Motion carried unanimously.

Chapter 3

Section 3.03 – Clay questioned the fact that the Council is able to make their own rules regarding how they will operate. Schieffer explained that this means that the Council can decide how to conduct the City Council meeting. The word “elected” will be eliminated after “elective officers” in line three.

Section 3.05 – It was stated that the ordinance does not have to be read aloud at the City Council meeting. The only stipulation is that it is presented in writing.

Section 3.07 – “Council member” changed to “elective officer”.

Section 3.08 – “Two other members” changed to “mayor, or mayor pro-tem or one council member” to designate the proper chain of command.

Cannon motion, Peterson second to approve Chapter 3. Motion carried unanimously.

Chapter 4

Section 4.01 – “approximate” changed to “appropriate”.

Section 4.03 – “no earlier than 60 days or later than 45 days” (second sentence).

Motion by Peterson, second by McGraw to approve Chapter 4. Motion carried unanimously.

Chapter 5

Section 5.02 – “addresses” should be singular. Steve Cook requested in writing that the Charter Commission change the petition percentages from 20% to 10%. Clay suggested leaving it at 20% such as was voted on by the voting citizens at the 2000 election. The consensus of the group is to leave it at 20%.

Section 5.08 – “his recall” changed to “the recall”.

Auger motioned, Voigt second to approve Chapter 5. Motion carried unanimously.

Chapter 6 (draft)

Section 6.02 – “he” removed in the 3rd line. Subd. 3. – “Facilities” changed to “facilities”. A point of concern raised by Gary Plotz, City Administrator, is the fact that it states “the direction and supervision of all departments, office, and agencies” would fall under the City Administrator. Plotz inquired whether or not this wording would include HRA and EDA under the agency category. These are agencies that he does not direct. Cannon, Remucal and Roger Peterson were appointed to further research this information. The rest of this section will be discussed at a future meeting.

Section 6.04 – Mr. Plotz explained that new employees are not brought in by ordinance, but by resolution. He also explained that the hiring or transferring of employees is brought before the Council for budgetary purposes. Mr. Schieffer will bring sample language from other Charters as it pertains to this section.

Chair Carlson asked for a sub-committee to work on an additional chapter in relation to Hutchinson Area Health Care. Glas, Bretzke, and Jean Peterson were appointed to this sub-committee.

The next meeting was scheduled for 4:00 p.m. on July 30, 2001 at City Center.

Voigt raised the question again to the fact that the sub-committee created to review HAHC in relation to the Charter did not have to meet Open Meeting Law requirements. The sub-committee created to view the Utilities Commission was open to the public. Mr. Schieffer explained that the HAHC group was serving more administrative tasks between the City Administrator and the Hospital Administrator as to how things are done between the two. The difference with the Utilities sub-committee is that this group consists of all Charter Commission members, and, whereas the Charter Commission is open to the public, this sub-committee would be open to the public as well.

Motion by Clay, second by Auger to adjourn. The meeting adjourned at 5:33p.m.

Hutchinson Charter Commission Meeting Minutes

Monday, July 30, 2001

Members Present: Chuck Carlson - Chair, Linda Remucal, Don Glas, Mike Cannon, Carl Bretzke, Roger Petersen, Jean Peterson

Members Absent: Ron McGraw, Virgil Voigt, Steve Auger, Phil Graves and Walt Clay

Others Present: Dick Schieffer, City Attorney and Melissa Starke, Recorder

Chair Carlson called the meeting to order at 4:00 p.m.

Motion by Bretzke, second by R. Petersen to approve the minutes as presented. Motion passed unanimously.

Chair Carlson asked for clarification in Chapter 2 Section 2.09: Section 2.09 on ballot from election in 2000 is different than what is presented in the draft. The second paragraph on the ballot is not included in the draft of Section 2.09. Mr. Schieffer, city attorney, stated that the draft is a condensed version of what was voted on and that it covers all the language that was on the ballot, other than the 30 day notice of filing. Conversation was held in regards to the wordiness of the Section on the ballot. It was decided by the group to keep the Section as it was voted on, with the exception of changing the word "person" to "elective officer" as indicated in the draft. Some discussion was held in regards to the Mayor making the appointment in case of tie outcomes.

Linda Remucal addressed the fact that the Minutes from the July 16, 2001, meeting stated that in Section 2.04 the words "elected" or "appointed" needed to be added. It was decided that those words did not need to be added and this section would be left as originally drafted.

Chair Carlson asked for an update from the sub-committees. Don Glas introduced the work that the HAHC sub-committee had done. Dick Schieffer, City Attorney, handed out a draft that the sub-committee had created and reported on the language they created. He stated that much of the language was used from the "Hospital and Nursing Home Board " Ordinance. The draft consists of seven sections:

Establishment: defines the services provided and items included to provide health care services. Explains that HAHC is an enterprise of the City.

Control and Management: Explains that HAHC is governed by the Board of Directors

Powers and Duties: Explains the Board's power in setting rules and regulations and the management and operation of the health care enterprise.

Appointment and Terms: Explains composition of Board of Directors and terms of each member. There is some clarification needed by Phil Graves, HAHC CEO, in regards to the sentence, "Elected Directors shall be appointed to a maximum of two consecutive four-year terms exclusive of the fulfillment of an unexpired term". It was suggested that the word

“maximum” be removed so that this language reflects flexibility. It was also suggested to have Mr. Graves clarify how the Chief of Staff’s term coincides with other Board members terms.

Chief Executive Officer and Other Employees: Explains Board’s role in appointing CEO position. The word “experienced” will be replaced by “qualified” in describing the CEO.

Corporate Affiliation: Explains Board’s authority to enter into management contracts.

Names: Explains names of facilities.

Roger Petersen raised the questions as to how the liquor store fits into the Charter. Mr. Schieffer stated that they are enterprise just like the hospital. The Compost Facility would also be categorized in this group. Mr. Schieffer also noted that many Charters do not include chapters on liquor stores. But it was recommended that possible sections be created to address these two enterprises. Chair Carlson will speak to Mayor Torgerson and Gary Plotz in regards to these two subjects. Don Glas will also acquire Grave’s and Plotz’s input on the draft and will bring it back to the next Charter meeting.

Mike Cannon reported on his sub-committee’s findings in regards to Section 6.02, Subd. 3. Jean Ward, HRA Executive Director and Christie Rock, HCDC/EDA Executive Director, were interviewed to get their input on how they feel the City Administrator’s role is with their agency. They both felt that their agency is formed by the City. However, the HRA is constructed by the Mayor and Council appointing the HRA Board and the Board hires director. Ward feels she is an employee of the HRA. HRA budget is approved by City Council by the account of the City Council approving the levy that funds the HRA. The City Administrator is not involved in any way of the HRA’s operations. In regards to the HCDC/EDA, Rock felt she is a director hired as an employee of the City. She is under the City pay plan and feels that she should be supervised by the City Administrator. She feels she currently receives most of her direction from the HCDC/EDA Board Director. However, as new people acquire the Board Director role, they may not have the time that the current Board Director has to direct the Executive Director. The HCDC/EDA Board approves budget and it is then approved by City Council. Downtown loan funds and TIF money is the major funding. The sub-committee’s opinion is that the word “agency” be removed and that the HCDC/EDA would be categorized under “department”.

Mr. Schieffer stated that he would verify with the statutes to make sure there aren’t other responsibilities of the HRA. Much of their direction is received from the State. It was discussed whether or not that separate chapters actually had to be created to cover the liquor store and compost facility as stated earlier, if they are solely supervised by the City Administrator and categorized as a department. The hospital and utilities are separate from the actual City office. More discussion will be held with Mayor Torgerson and Gary Plotz, City Administrator. They will be discussed at the next meeting.

Section 6.04 – Discussion was held in regards to the word “employees” replacing the word “subordinates”. Clarification is needed as to whether or not the council actually creates positions or just approves the budgetary results of new positions. It was also noted that in Section 6.03, “ordinance” should be changed to “resolution”. Mr. Schieffer also noted that the last sentence in Section 6.04 should be added to the end of Section 6.03. The title of Section 6.04 will be changed to City Employees. This section will now read “There shall be city employees subordinate to the City Administrator as the council may see fit”. This verbage relates back to

Section 6.02 Subd. 2. which shall now read “all heads of departments and employees” (remove “subordinates”).

Linda Remucal asked if Chair Carlson had checked with the Mayor in regards to the Charter Commission deadline to complete the revisions by August. Chair Carlson stated that he had spoken to the Mayor and the Mayor has been informed that the Charter Commission will not be able to meet the deadline as requested by the City Council.

The next meeting date of the Charter Commission will be August 6, 2001 at 4:00 p.m. at the City Center.

Mr. Schieffer again raised the point in regards to the verbage used in filling vacancies. He compared the accepted Resolution to the voted amendment. He suggested revisiting this language at a later meeting. Mr. Schieffer recommended using the language from the ballot in the Charter.

The Charter resumed with Chapter 7.

Section 7.06 – Remucal recalls a recommendation to eliminate dates listed in this section, due to the fact that legislature can change those from year to year. “Not later than the first week of October” removed. Also removed “not later than October 10”. These recommendations were made by the City Council.

Section 7.07 – It was questioned as to whether or not the City Administrator has the power to transfer monies from one fund to another if all the funds have not been expended in one account. This gives the City Administrator great flexibility. This section will be addressed at the next meeting.

Section 7.08 – This section will also be reviewed at the next meeting.

Section 7.09 – Ken Merrill, Finance Director, had previously stated that there are really no such things as “emergency debt certificates”. There are other ways to raise funds to cover such expenditures. Chair Carlson suggested researching this section further from previous meeting minutes.

A good majority of Chapter 7 needs to be reviewed and discussed at a future meeting.

Chapter 8 – no changes

Chapter 9 – no changes

Motion by Jean Peterson, second by Don Glas to approve Chapters 8 and 9.

Roger Petersen motioned to adjourn. Motion carried unanimously. Meeting adjourned at 5:25pm.

Hutchinson Charter Commission Meeting Minutes

Monday, August 6, 2001

Members Present: Chuck Carlson - Chair, Linda Remucal, Mike Cannon, Roger Petersen, Jean Peterson, Walt Clay, Steve Auger

Members Absent: Ron McGraw, Virgil Voigt, Don Glas, Carl Bretzke and Phil Graves

Others Present: Dick Schieffer, City Attorney, Ken Merrill, Finance Director and Melissa Starke, Recorder

Chair Carlson called the meeting to order at 4:05 p.m.

Motion by Clay, second by J. Peterson to approve the minutes as presented. Motion passed unanimously.

Chair Carlson clarified the language used in Chapter 2 Section 2.09. The group decided to keep the wording as proposed in the draft by Richard Schieffer.

There was also discussion in regards to other enterprise funds such as the liquor store and the compost facility and their relationship to the Charter. Dick Schieffer stated that typically these two enterprises are not included in Charters because they are directed by City Staff, whereas enterprises such as the Hospital and the Utilities are directed by governing boards.

There was follow-up discussion from the July 30 meeting in regards to Section 6.02, Subd. 3. Mike Cannon re-capped the information his sub-committee had received from Jean Ward, HRA Director and Christie Rock, HCDC/EDA Director in regards to their feelings on their organization's structure as it relates to the City. The group decided to remove the word "agencies" from this subdivision.

Mr. Merrill also gave input in regards to Section 6.03 as far as how new positions/departments are created or reorganized. He explained that typically a department head will either put a new position in the budget, which is approved by the Council, or will work with City staff regarding reorganizations and then present it to the Council for approval.

The group continued on with Chapter 7.

Section 7.06 – the specific dates will be removed

Section 7.07 – Ken Merrill, Finance Director, explained how funds can be transferred. Monies in a department's fund may be transferred from one line item to another (i.e. from supplies to equipment). There is usually not an issue if all the monies are in the general fund – they can be moved within the general fund. In the past, situations have occurred where monies from one department to another have been transferred (i.e. from Park & Rec Dept. to Police Dept.). Mr. Merrill summarized by stating that within a fund, the City has allowed moving of budgeted dollars within a department (focus has been on the bottom department line) and on occasion has been extended to moving budgeted dollars between departments if affected departments are all under one director. Other changes require City Council approval.

Section 7.08 – Increases in budget have been allowed if additional monies are received. Examples given were of donation by an organization for park equipment, or a vehicle is damaged and insurance covers repair costs.

Section 7.09 – Mr. Merrill will be obtaining further information if this can be done and what is authorized.

Section 7.11 – Mr. Merrill suggested this section should address the use of equipment certificates and will be providing additional information.

Chapter 8 – no changes

Chapter 9 – no changes

Chapter 10

Section 10.01 – There was discussion in regards to the fact that franchises should not be needed for short-term uses such as sidewalk cafes. Dick Schieffer will create language to be added to this chapter to convey that information.

The next meeting of the Charter Commission will be Monday August 27, 2001 at 4:00pm. Additional meetings have been tentatively scheduled for Monday, September 10 and Monday, September 24.

Motion by Cannon, second by R. Petersen to adjourn. Motion carried. Meeting adjourned at 5:25pm.

Hutchinson Charter Commission Meeting Minutes

Monday, August 27, 2001

Members present: Chair Chuck Carlson, Jean Peterson, Virgil Voigt, Roger Petersen, Linda Remucal, Carl Bretzke, and Ron McGraw

Members absent: Walt Clay, Phil Graves, Mike Cannon, Steve Auger and Don Glas

Others present: Dick Schieffer, City Attorney, Gary Plotz, City Administrator and Melissa Starke, Recorder

Chair Carlson called the meeting to order at 4:05 p.m.

Motion by J Peterson, second by Remucal, to approve the minutes from August 6, 2001 as presented with the exception of a spelling change in section 7.07. Motion carried unanimously.

Dick Schieffer noted that the City Calendar did not have this meeting listed. Melissa Starke did verbally notify both the Hutchinson Leader and KARP/KDUZ about the meeting. Dick Schieffer also noted that since this meeting date was scheduled during the last public Charter Commission meeting we should be able to hold the meeting as planned.

Chair Carlson also noted that Steve Cook contacted him and Mr. Cook would like to attend a future meeting to voice his concerns.

A new draft of the Charter was disbursed to the group by Mr. Schieffer.

There was review of Emergency Debt Certificates and City Indebtedness sections. Mr. Schieffer stated that he had referred to the statutes and included information on page 12. In regard to Emergency Debt Certificates there are two statutes that provide for these. Section 7.09 of the Charter is accurate as to what is present in the statutes. In Section 7.11 there is concern regarding City Indebtedness and how it limits the City's current borrowing. Mr. Schieffer suggested that Ken Merrill review the statutes and choose which should be included in the Charter.

Review of Chapter 10 – Franchises: There was new language added for short-term uses. The group feels that the new language is very understandable and uncomplicated.

10.03 – A sentence was added (the first sentence) to clarify what kind of authority the City has.

10.04 – The statement “except where preempted by state or federal” was added in regard to the authorization of the City having the power of regulating and controlling the exercises of franchises.

Motion by McGraw, second by Bretzke to approve Chapter 10. Motion carried unanimously.

Chapter 11

Virgil Voigt explained that the Utilities Sub-committee had met several times in regard to the wording of Chapter 11. No changes were made to sections 11.01 – 11.04. The sub-committee held lengthy discussion in regard to section 11.05 (Transfer of Funds). The decision of the sub-committee was to replace this section with Minn. Statute 412.361 Subd.5. Mr. Voigt stated that Mayor Torgerson was in agreement with this substitution. There were no changes in Sections 11.06 – 11.10.

At a second meeting of the sub-committee, Utilities Commissioner Gillman was in attendance and he felt that this substitution would meet the Utilities Commission needs as well.

Chair Carlson questioned the compensation of the Utilities Commission in Section 11.02. Mr. Voigt stated that there were no recommended changes to this section.

Gary Plotz explained the approximate amount of compensation for City Council members and the Mayor. There was question in regard to whether or not the Utilities Commission members should be compensated. The Utilities Commission is the only paid Commission within the city. Chair Carlson commented that if there is a requirement to be on the Utilities Commission (i.e. educational/technical knowledge regarding utilities) then compensation seems appropriate. Mr. McGraw brought up the question as to whether or not the Utilities Commission should be not be paid or should all other commissions be paid. It was decided that the wording in Section 11.02 will remain as presented with the City Council making the decision in regard to compensation of Utilities Commission members.

Mr. Voigt noted that there was discussion in regard to Section 11.05 and how the City receives surplus funds from the Utilities Commission. The Mayor felt that the process has been working out okay with no major problems.

Dick Schieffer stated that Paragraph 2 in Section 11.05 should stay in the Charter unless otherwise recommended by the city's bond attorney. Mr. Schieffer explained that Hutchinson Utilities is an enterprise fund and are allowed to receive money over and above operating expenses. Enterprise funds are required to turn over surplus funds to the City. Surplus money should be given to the city so that citizens can be rewarded from the work done by the enterprises. However, the enterprise (or Utilities Commission) decides how much surplus they have each year. Currently, there is not a set process as to the transfer of surplus funds from the Utilities to the City. Mr. Schieffer stated that someone with a financial background would need to provide input as to how the "books" are kept.

Chair Carlson recommended that these changes be considered and discussed at a future meeting.

Mr. Voigt noted that the sub-committee had reviewed other city charters and they are very simply written. For the most part, other Utilities Commissions either operate on their own, or are strictly ruled by the City Council.

More discussion was held in regard to the compensation of committees.

Mr. Plotz explained that Hutchinson Area Health Care does transfer surplus funds to the city in lieu of taxes. The City Council makes a request to the Board each year. Because they are special non-profit, it is about half the amount of what other hospitals would pay. The transfer of surplus funds from the hospital does have a formula to equate the figure that is transferred.

Roger Petersen commended the sub-committee on their work.

Chair Carlson asked the hospital sub-committee on their progress. Mr. Bretzke stated that they would prefer to give a report on their work when Phil Graves is able to attend the next Charter Commission meeting.

Chapter 13 – Mr. Plotz reported that Mr. Graves had drafted this chapter and then met with himself and city attorney Dick Schieffer. Mr. Schieffer requested that the sub-committee review the chapter carefully in regards to the language used.

Mr. Plotz also reviewed Section 7.07 with the Charter Commission. He explained that the city is able to transfer funds from one line item to another. He noted that the hospital is also able to have that flexibility. This is stated in Section 13.02 giving them great flexibility with their budget. Mr. Schieffer noted that the first sentence in Section 7.07 basically states “don’t spend money that you don’t have”. Mr. Plotz explained the process that has been used in the past for spending extra money in the budget. It was also noted that the second sentence in Section 7.07 is very restrictive in regard to allowing the City the ability to spend money on substituted items not in the original budget. It was requested to have Mr. Schieffer create language for Section 7.07 allowing the City more flexibility to transfer funds from one line item to another within the same department. The City Administrator would have the authority to authorize these transfers of funds.

Section 7.07, Section 7.08, and Chapter 11 will be reviewed at a future meeting.

Chapter 12 needs to be reviewed before next meeting.

The next meeting was scheduled for September 10, 2001 at 4:00 p.m. A meeting was also tentatively scheduled for September 24, 2001. Chair Carlson recommended that the Charter be open for review by the public once the revisions have been made. More changes may need to be made once the public has viewed the Charter. Once final revisions have been made, the Charter will then go to the City Council.

Motion by Bretzke, second by Voigt to adjourn the meeting. Motion carried unanimously. The meeting adjourned at 5:25 p.m.

Hutchinson Charter Commission Meeting Minutes Monday, September 10, 2001

Members present: Chair Chuck Carlson, Roger Petersen, Carl Bretzke, Don Glas, Steve Auger, Jean Peterson, Mike Cannon, Walt Clay and Linda Remucal

Members absent: Virgil Voigt, Ron McGraw, and Phil Graves

Others present: Dick Schieffer, City Attorney, Ken Merrill, Finance Director, and Melissa Starke, Recorder

Chair Carlson called the meeting to order at 4:00 p.m.

Motion by Bretzke, second by Glas to approve the minutes from August 27, 2001 meeting with the exception of grammatical changes.

Page 12 of the second draft was reviewed. Ken Merrill explained that he had sent these questions/sections into the City's advisor. It was recommended that Section 7.09 is worded sufficiently and should be left in the Charter. State law currently has sufficient language in regard to Section 7.11 and should be left as is in the Charter as well. These sections cover all the needs of the city. It was noted that "short-term borrowing" and "current expenses" are two different terms.

Section 7.07 will need further review once the additional language is included regarding the transfer of funds between departments.

Section 11.05 (Transfer of Funds) was reviewed. Steve Auger noted that the Utilities Sub-committee had decided that no dollar amount should be stated in the Charter as to money transferred from the Utilities to the City. Mr. Auger reviewed the statute that the sub-committee had decided to substitute in this section. Mr. Schieffer noted that at the Utilities Commission meeting he had attended, the Commissioners felt that it would be difficult to formulate a dollar figure to transfer to the City. Mr. Schieffer also noted that the Charter was somewhat weaker than the language in the statute, whereas the Charter currently states that the Utilities Commission should transfer funds, however it does not state that they are not required to. Mr. Cannon asked Mr. Merrill if there has been discussion in the past between the Utilities Commission and the City Council as to the dollar amount that should be transferred. Mr. Merrill stated that there has but it has been somewhat difficult to agree on the amount that should be transferred and to define what a surplus is. It was noted that for budget purposes, it would be beneficial to have a date stated in the Charter as to the deadline that the Utilities Commission would have to notify the city of the amount that will be transferred to them. It was reiterated that the sub-committee is recommending to replace the first paragraph in Section 11.05 with State Statute and leave the second paragraph as is. Chair Carlson noted that the Council's request was to delete the words "net earnings" from the first sentence in the second paragraph. Mr. Clay recommended deleting the word "net" and just leave it as "earnings". The Commission agreed to remove the word "net" from this sentence. Also, the deadline of September 1 will be coordinated into the statute in the first paragraph. Mr. Merrill noted that the City Council had requested that they have final authority on the transfer of funds from the Utilities. He questioned whether or not there should be language added in this section to the effect that an agreement will be entered into between the Utilities Commission and the City Council to transfer funds. There was discussion in regard to this issue as to whether or not this type of language should be added. Mr. Schieffer recommended simplifying the language in the statute and adding language indicating that it is mandatory for the Utilities Commission and the City Council to come to an agreement on the amount that shall be transferred. Mr. Schieffer will draft a new paragraph to reflect these changes for Section 11.05.

Mr. Cannon noted that the City Council had requested that it be defined what the transferred funds would be used for. The Charter Commission decided that this should be the responsibility of the City Council.

It was also noted that the City Council had requested an estimate from the Utilities Commission on the amount that would be transferred prior to September 1 as stated in the Charter. Mr. Merrill stated that receiving an estimate by September 1 is sufficient. There was discussion as to moving the Utilities Commission deadline up to August 1. It was decided to leave the date at September 1 and strongly urge the Utilities Commission to meet that deadline.

Chapter 12

Section 12.02

There was discussion as to who are elected and appointed officers. Mr. Schieffer explained that all Commissioners take the oath of office, therefore they are appointed officers. Mr. Schieffer will create language for this section that will include boards and commissions.

Section 12.03

Mr. Merrill will verify that all officers and the mayor are covered under the bonds. Chair Carlson requested that Mr. Merrill verify with the League of MN Cities as to which employees need to be bonded.

Section 12.05

The Council requested that the language in this section be changed to "resolution" in replace of "ordinance". Mr. Clay recommended that the Charter Commission ask for clarification from the City Council as to the importance of this change. Chair Carlson requested Mr. Merrill research this information.

The next meeting is scheduled for September 24, 2001 at 4:00 p.m. at the City Center.

Chair Carlson noted that the proceedings for future steps will be that once the Charter Commission has made all of their proposed changes, the Charter will be open to the public for review. Once those changes have been incorporated, the Charter will then be presented to the Council. The entire Charter will be publicized as well.

Motion by Glas, second by Auger, to adjourn. Motion carried unanimously.

Meeting adjourned at 5:25 p.m.

Charter Commission Meeting September 24, 2001

Members present: Chair Chuck Carlson, Roger Petersen, Phil Graves, Don Glas, Virgil Voigt, Jean Peterson, Mike Cannon, Carl Bretzke, and Steve Auger

Members absent: Linda Remucal, Ron McGraw and Walt Clay

Others present: Attorney Dick Schieffer, Recorder Melissa Starke, and Ken Merrill, Finance Director

With the exception in Section 12.05, page 2, "in place of" changed from "replacing", the minutes were approved as presented.

Dick Schieffer, City Attorney, disbursed a portion of Revision 3 of the City Charter with the most current changes.

Mr. Schieffer reviewed the changes made to Section 7.07 and Chapter 2. In section 2.02, the title was changed from "Departments" to "Boards and Commissions". This section really only deals with boards and commissions and not departments. Departments are covered in Section 7.07. It was questioned by Phil Graves as to whether Hutchinson Area Health Care and Hutchinson Utilities are classified as departments. Mr. Schieffer stated that he will further research this issue.

Ken Merrill expressed that the added information covers the actions of the city very well. However, he feels that the first sentence, in particular the phrase "sufficient unexpended balance", could be misleading. After further discussion, he feels that all wording is fine.

Section 11.05 was reviewed. The Utilities Sub-Committee felt this wording was very appropriate. Mr. Merrill noted some concern with the wording of "surplus funds". He feels that very rarely does an entity feel that they have "surplus funds". Mr. Schieffer stated that state statute defines extra income as surplus. The last sentence will be re-worked as follows: the word "to" will be removed from the second line from bottom and a comma will be added after the word "shall" and after the word "systems".

Section 11.08

In the fourth line, "Hutchins" will be changed to "Hutchinson". The last line will be changed to read "No member of the commission shall continue in office after the loss of any qualification required for appointment to that position".

Chair Carlson requested that Chapter 12 be designated to cover Hutchinson Area Health Care and the Miscellaneous Provisions chapter be changed to Chapter 13.

Chapter 13 (Hutchinson Area Health Care)

Phil Graves reviewed the draft of this new chapter. Mr. Graves explained that he, Gary Plotz, City Administrator and Marc Sebor, City Attorney had met prior to the Sub-committee meeting and they had drafted this chapter. Mr. Graves recommended providing the HAHC Board of Directors the draft of this chapter. He suggested this chapter be presented by the sub-committee to the officers of the board. Mr. Graves noted that a section had been added concerning the financial obligations. Dr. Bretzke suggested that the last sentence in Section 11.02 also be added to section 13.04. There was general discussion in regard to paid commissioners. Mr. Graves suggested adding this issue to the discussion that the sub-committee has with the three board members of HAHC.

Chapter 12 (Miscellaneous Provisions)

Section 12.03

Ken Merrill explained that the City Administrator and City Finance Director are covered under broader bonds by the City. Elected officials are covered under errors and omissions. Mr. Merrill explained that the City has a bond that covers all employees. There was an explanation given as to how HAHC is operated and managed.

Section 12.05

There was question as to the reason the Council is requesting this process be changed from ordinance to resolution. Mr. Schieffer explained the process used in regard to the vacation of streets. He noted that the same process and safeguards would take place whether it is accomplished by ordinance or by resolution.

Roger Petersen brought up concerns in regard to when a resolution is needed and when an ordinance is needed, overall. Mr. Petersen will research the Charter and identify where the Charter Commission has decided that the process of resolution or ordinance is used. Mr. Petersen requested that the Council be asked when they will be using resolutions and ordinances.

Final approval of the Charter will be delayed until the next meeting. Section 12.05 needs to be confirmed as far as resolution versus ordinance.

The question was raised as to the wording in section 12.11. This section gives the Council the choice of using ordinance, resolution or other appropriate measures to make provision to the Charter. Mr. Schieffer gave examples as to how the various processes are used. Mr. Schieffer stated that the League of MN Cities has a manual that differentiates between motions, resolutions and ordinances.

Section 6.05 was further reviewed. Mr. Graves requested that additional language be added stating "subject to the provisions set forth in Chapters 11 and 12" to the second sentence in this section. This states that the City Administrator does not have the authority for purchases and contracts over HAHC and the Utilities.

Chair Carlson was hoping that the Charter Commission would complete this project today. With that note, he disbursed a notice that he had drafted stating the Charter Commission's intent after all revisions have been made.

The only change that needs to be made to Carlson's letter is to note that additions will be shaded in the draft and not italicized.

The next meeting was scheduled for October 15, 2001 at 4:00 p.m. at the City Center.

Motion by R Petersen, second by Cannon to adjourn. The meeting was adjourned at 5:20 p.m.

Charter Commission Meeting October 15, 2001

Members present: Chair Chuck Carlson, Roger Petersen, Phil Graves, Don Glas, Jean Peterson, Mike Cannon, Carl Bretzke, Steve Auger, Linda Remucal, and Ron McGraw.

Members absent: Walt Clay and Virgil Voigt

Others present: Attorney Dick Schieffer and Recorder Melissa Starke

Motion by Cannon, second by Glas to approve meeting minutes from September 24, 2001. Motion carried unanimously.

Section 7.07 of Draft #3 was reviewed. Language needs to be added to exclude HAHC and Hutch Utilities. Also clarification will be added that HAHC and Hutch Utilities are not departments within the city.

Section 7.08 - Title needs to be changed to "Alterations in the Budget" as opposed to "Alternations".

Section 11.05 – No additional changes

Section 11.08 – No additional changes

The HAHC Sub-committee presented on the changes to Chapter 13 (this will be changed to Chapter 12 in the final draft of the Charter). A draft of the changes was presented to the Charter Commission. Phil Graves reviewed the specific changes in each section. A comment was made by an HAHC Board member that 13.02 and 13.03 have apparent conflicts between the language. The sentence regarding compensation in Section 13.04 needs to be added to the Charter. Discussion was held in regard to the process of boards and commissions receiving compensation. Mr. Schieffer feels that if compensation is addressed in the Charter, it needs to have a definite decision stating so. If compensation regulation is not stated in the Charter, it would need to be implemented via ordinance. Language will also need to be created to add language regarding the "staggering" of terms for board members. It was the feeling of some members of the group that what is decided for one Board/Commission regarding compensation, should be the same for the other Board/Commission, in terms of the HAHC Board and Utilities Commission since they are both enterprises. Chair Carlson asked for a hand vote regarding the wording of compensation for both Boards. A unanimous vote was given to include the language "...may receive compensation..." for both the HAHC Board and Utilities Commission.

Dick Schieffer commented on Section 13.03 of the draft from the HAHC Sub-committee. He suggested that the word "title" be excluded from this sentence and leave this sentence as originally written. Mr. Schieffer will review this wording with Paul Dove, partner in his law firm, to determine whether or not this should be specified with the word "title".

Section 13.01 – This sentence needs to be broken into two parts. The first sentence will define that the City has established HAHC by ordinance. The second sentence will determine the services that HAHC provides.

Mr. Graves questioned whether or not the Utilities Commission should be informed of the change in the compensation language in their section. Various suggestions were given in regard to language that should or should not be in the Charter in terms of compensation.

It was suggested that Clarence Kadrmaz, General Manager of Hutch Utilities and Marlin Torgerson, Mayor, be present at the next Charter Commission meeting to discuss compensation issues.

The next meeting is scheduled for October 29, 2001, at 4:00 p.m. at the City Center. Marlin Torgerson and Clarence Kadrmas will be in attendance. The only issue left to discuss is the compensation issue.

Motion by McGraw, second by Remucal to direct Dick Schieffer to draft another revision of the Charter with all changes and present it at the next meeting.

Motion by McGraw, second by Petersen to strike the motion of including the language of the Utilities Commission and HAHC Board "...may receive compensation..."

Roger Petersen presented information to the Charter Commission in regard to the Council passing items by resolution and by ordinance. He has done research and does not have as many concerns as he did previously.

Motion by J Peterson, second by Cannon to adjourn. Meeting adjourned at 5:20 p.m.

**Charter Commission Meeting
Monday October 29, 2001**

Members Present: Chair Chuck Carlson, Carl Bretzke, Steve Auger, Roger Petersen, Don Glas, Phil Graves, Jean Peterson, Linda Remucal, Virgil Voigt, Ron McGraw, Mike Cannon, Walt Clay

Others Present: Marlin Torgerson, Mayor; John Mlinar, Council member; Dick Schieffer, City Attorney and Clarence Kadrmas, Utilities General Manager.

Chair Carlson called the meeting to order at 4:05p.m.

Motion by Bretzke, second by Graves to approve minutes from October 15, 2001. Motion carried unanimously.

Dick Schieffer, City Attorney, presented the Charter Commission with the latest revision of the Charter document.

Section 6.03 - reviewed with an explanation of the differentiation between departments, offices, enterprises and agencies.

Section 6.05 - now holds a clause referring to Chapters 11 and 12.

Section 7.07 - a phrase has been added excluding Hutch Utilities and Hutchinson Area Health Care.

Section 7.08 – “alternations” was changed to “alterations”

Mayor Torgerson backtracked to Section 7.06 in regard to when the budget should be set. The word “at” will be changed to “by” in the first sentence. It will now read “The budget shall be considered by the first regular monthly meeting...”. Discussion was held in regard to the deadline for the Utilities to meet to provide the City with the amount they will be able to transfer.

Mayor Torgerson explained how funds are received in addition to the Local Government Aid. Funds are taken from entrepreneurial funds as a first step instead of raising citizens’ taxes. Mayor Torgerson also explained the procedure the Council now uses when requesting funds from the Utilities. Walt Clay questioned what procedure should be used if the City and the Utilities cannot reach an agreement as to the amount of funds that should be transferred. Both the Mayor and Clarence Kadrmas explained that both sides are typically able to come to a mutual agreement.

Dick Schieffer referred the Charter Commission to the changes in Section 11.05. This section covers the process of the transfer of funds from the Utilities to the City of Hutchinson.

Further discussion was held in regard to the Utilities funds (i.e. surplus, reserves, etc.)

Section 11.05 – grammatical changes were made

Section 11.08 – Hutchinson is now spelled correctly and additionally there was a gender language change.

Dick Schieffer also explained changes made in Section 12.03 and 12.04. Section 12.04 was re-worked to explain the board appointments and the staggering of terms. Discussion was held in regard to the time frame the City Council uses to make appointments to the hospital board. Mr. Schieffer explained that in the final draft, all language will be uniform (capitilazation, gender, etc.). Also in this section, “directors” will be changed to “board members”. The term “hiatus” was discussed. Question was raised as to the amount of time a board member needs to be off of the board/committee until they can return to that same board. Motion made by Walt Clay, second by Jean Peterson to change the length of time of a member being off the HAHC board to one year in comparison to four years (length of term). Motion carried unanimously. Clarence Kadrmas questioned these same guidelines to be applied to the Utilities

Commission. Phil Graves questioned whether or not all boards/commissions have a requirement of filling four-year terms. Mayor Torgerson noted that there is no policy specifying the length of terms for board members. Phil Graves only raised this issue to verify that there is no current ordinance that would conflict with this charter language. Motion by Ron McGraw, second by Steve Auger to include the length of term information to include the Utilities Commission.

Section 13.05 – “ordinance” changed to “resolution”.

Chair Carlson welcomed the additional guests to the meeting. He explained that Section 11.02 has been discussed in regard to the phrase board/commission members “shall receive compensation...”. He explained that the Charter Commission had recommended changing this language to “may receive compensation...”. However, further discussion has been brought up in regard to the issue of compensation of boards and commissions. Clarence Kadrmas explained the duties and time spent of the Utilities Commission. Chair Carlson asked whether or not there are specific qualifications required of Utilities Commission members. Mr. Kadrmas explained that there are no specific requirements of these members. Mayor Torgerson explained that the City Council has no issues with the Utility Commission members being compensated. He further noted that he felt the hospital board was more of an advisory board compared to an operational board, such as the Utilities Commission.

Mr. Bretzke questioned whether or not the Utilities Commission, if asked, would feel that they should not receive compensation. Mr. Kadrmas was unable to answer that on behalf of the Utilities Commission.

Mr. Graves requested the ability to pose the question to the HAHC board as to changing their terms to five years. Chair Carlson granted it and Mr. Graves will provide the Charter Commission with the results at the next meeting.

Motion by Bretzke, second by Cannon to change wording from “shall” to “may” pertaining to the Utilities Commission and HAHC board receiving compensation. Motion carried unanimously.

Walt Clay questioned whether or not the compost facility will ever have a use for a board. Mayor Torgerson expressed that he felt there would not be a need.

Motion by Don Glas, second by Ron McGraw to permit the HAHC board to change their terms to five years, if the HAHC board so chooses. Motion carried unanimously.

The next meeting was scheduled for Monday November 12, 2001 at 4:00 p.m.

Chair Carlson stated that a public hearing will have to be held to review the final draft of the City Charter by the citizens of Hutchinson.

Dick Schieffer will mail out a red-lined copy and a final draft to the Charter Commission members prior to the November 12 meeting.

Meeting was adjourned at 5:20 p.m.

Charter Commission Minutes Monday, December 3, 2001

Members Present: Chair Chuck Carlson, Jean Peterson, Don Glas, Roger Petersen, Linda Remucal, Walt Clay, Mike Cannon, Steve Auger, Ron McGraw, Carl Bretzke

Others Present: City Attorney, Dick Schieffer, City Administrator, Gary Plotz and Randy DeVries, Director Water/Wastewater/Resource Recovery

Members Absent: Phil Graves and Virgil Voigt

Chair Carlson called the meeting to order at 4:00 p.m.

Motion by Walt Clay, second by Steve Auger to approve meeting minutes from October 29, 2001. Motion carried unanimously.

Attorney Schieffer presented a new chapter of the City Charter. Mr. Schieffer explained that Gary Plotz, City Administrator, had revised the draft Charter that Mr. Schieffer had previously mailed out. Mr. Schieffer explained the changes in the new chapter, Chapter 13, entitled, "Public Ownership of Waste Management Facilities and Related Programs and Services".

Gary Plotz, City Administrator, explained that he, Dick Schieffer and Randy DeVries, Director Water/Wastewater/Resource Recovery, have been working on the draft of Chapter 13. He explained that Randy DeVries manages the Waste Management Facilities. Mr. Plotz explained that the compost site is the only facility of its kind in Minnesota. Therefore, there is no current legislation that allows cities to manage soil facilities, however there is legislation that allows cities to manage waste facilities. Mr. Plotz explained further that the compost facility has bagging capabilities and has entered into an agreement with a local manufacturer to bag corn. The wording in this Chapter is rather lengthy, but is due to the fact that the compost facility has other capabilities in addition to soil and waste management.

Dick Schieffer explained that state statute does not cover much in regard to the activities that the compost facility takes part in. Therefore, he, Mr. Plotz and Mr. DeVries agreed to put language in the Charter so as to cover activities other than waste collection. This chapter covers non-compost and non-garbage bagging.

Walt Clay questioned whether or not the first section limits bagging activities to Minnesota exclusively. Mr. Schieffer explained that this does not limit where the source of the products originate.

Mr. Plotz explains that this chapter allows the City Council the ability to approve bagging ancillary items. The majority of the bagging will be soil, however there may be some variations (i.e. corn).

There are additional plans to expand the area of garbage collection and bring in other municipalities to use the compost facility for garbage waste and collection. Mr. Plotz also explained that city staff is working on marketing the bagging products and will be in a trade show in the near future.

Chair Carlson noted that the Miscellaneous Chapter will be numbered Chapter 14 and this Chapter is now labeled Chapter 13.

Motion by Remucal, second by R Petersen to approve Chapter 13, "Public Ownership and Operation of Waste Management Facilities and Related Programs and Services", with the exception of a few grammatical changes

Chair Carlson stated that Phil Graves had reported to him that the Hutchinson Area Health Care Board had agreed to five-year terms, therefore, there will be no changes to Chapter 12.

Chair Carlson stated that he had sent a letter to the City Council requesting that Dick Schieffer be retained as City Attorney if the City should hire a new attorney in 2002. Mr. Plotz stated that the council is in agreement with retaining Mr. Schieffer for the City Charter project. He also explained that the City has opened up for advertising a request for proposals for the City Attorney position from the private sector.

Chair Carlson presented the Charter Commission's annual report. The Commission members reviewed it for any revisions. No changes were noted.

A **public hearing** was scheduled for **January 31, 2002, at 7:00 p.m.** at the City Center for the public to review the new draft of the City Charter. Copies of the red-lined or corrected Charter will be available at the City Center and advertising of the availability of the red-lined Charter will be in the Hutchinson Leader and on the local radio station. After the public hearing, the corrected Charter will be presented to the City Council for approval.

Chair Carlson approached the Charter Commission with the issue of city employees not being able to hold city offices, as expressed by two candidates in the 2001 Special Election. The topic of city officials holding residence in Hutchinson was also addressed. Dick Schieffer noted that statutory cities require city officials to reside within city limits. Section 2.07 was reviewed. Mr. Schieffer explained that typically the reason for this limitation is due to the fact that a city employee could be voting on that employee's compensation or other related issues.

Walt Clay requested that Dick Schieffer research and be prepared for this topic, as it may be addressed by local residents at the public hearing.

Gary Plotz detailed some of the background behind the issue of city employees not being able to hold city office. He further explained the disciplinary process for city employees. An example he gave of this situation would be if he indirectly supervised a city employee and decided to dismiss that employee. The City of Hutchinson has an appeal process and if that employee would decide to appeal Mr. Plotz's decision, and also hold office on the City Council, that employee is ultimately deciding whether or not he/she could/should still be employed and overturn Mr. Plotz's decision.

Mr. Plotz also stated that there is an ordinance restricting city officials from becoming city employees within two years of leaving public office. It was noted that in the City Charter it states that officials may not become employees within one year. The Charter would overrule an ordinance.

Motion by Glas, second by Clay to approve the annual report of the Charter Commission to submit to the district judge. Motion carried unanimously.

Motion by Bretzke, second by J Peterson to set public hearing for January 31, 2002 at 7:00 p.m. Motion carried unanimously.

Motion by Auger, second by Remucal to adjourn. Motion carried unanimously. Meeting adjourned at 4:50 p.m.

**Charter Commission Meeting Minutes
December 17, 2001**

Members Present: Chair Chuck Carlson, Steve Auger, Jean Peterson, Don Glas, Roger Petersen, Carl Bretzke, Phil Graves and Mike Cannon

Others Present: City Attorney Richard Schieffer and Recorder Melissa Starke

Members Absent: Ron McGraw, Linda Remucal, Virgil Voigt and Walt Clay

Chair Carlson called the meeting to order at 4:00 p.m.

Motion by Bretzke, second by R Petersen to approve the meeting minutes from December 3, 2001 meeting. Motion carried unanimously.

Attorney Richard Schieffer explained the changes to Section 2.09. He stated that the language additions reflected what the language in the petition stated. Mr. Schieffer disbursed a visual aid to explain the procedure to fill vacancies for council member/mayor offices. Mr. Schieffer explained that a full petition overrules the written question on the voted ballot. In Section 2.09, additional language has been incorporated from the original petition approved in the November 2000 election regarding the process to fill vacancies.

Roger Petersen questioned whether or not there is a time limit for the Special Election to be held to fill the vacancy of council member/mayor. Attorney Schieffer explained that there is no timeline and that the Council can set the election whenever they so choose. Mr. Schieffer explained that appointments to the Council shall be filled immediately. Roger Petersen stated that the issue of the petition is that an election is held within a certain time frame, so that appointed officials do not complete a lengthy term without being voted into that position. There was further discussion as to when the special elections can be held. The petition states that the elections be held "at or before the next regularly scheduled election".

Attorney Schieffer stated that the petition language was created from state statute. Mr. Schieffer stated that the additional language in Section 2.09 was created from the petition language approved in the election of 2000. There was some discussion in regard to what the actual intent of the petition language is. The Charter Commission decided to approve the language as presented by Dick Schieffer.

Motion by Peterson, second by Auger to approve the additional language to Section 2.09. Motion carried unanimously.

Attorney Schieffer noted the exception listed in Section 4.02.

Motion by Cannon, second by Graves to approve the additional language in Section 4.02. Motion carried unanimously.

Chair Carlson stated that copies of the revised Charter will be available after the first of the year. Notices will be in the newspaper and on the radio notifying the public about the availability of the revised Charter.

Attorney Schieffer disbursed a memo he drafted recommending that it be given in as a supplement to the revised Charter as residents pick up the document. This memo describes the work the Charter Commission has done and the process for the approval of the revised City Charter. The Charter Commission agreed that the memo should be disbursed with the revised Charter.

Phil Graves questioned how the ballot question read regarding the terms of office and filling of vacancies. Mr. Schieffer read the resolution that was adopted citing the ballot question. The focus of the ballot question was how to fill early vacancies. It was speculated that the ballot question was intended to have a

special election held within the year if a term is longer than 365 days. The Charter Commission agreed to see what the outcome of the public hearing is. If there are changes recommended at the hearing, the Charter Commission will consider them.

Motion by Bretzke, second by R Petersen to adjourn. Meeting adjourned at 4:40 p.m.

ANNUAL REPORT
OF THE HUTCHINSON CHARTER COMMISSION
FOR THE YEAR 2001

The Charter Commission received a letter from Gary Plotz, City Administrator, on May 7, 2001 stating that the Hutchinson City Council and administrative staff had reviewed the contents of the City Charter at a special workshop session. The purpose of the review was to identify current language that should be reviewed for amendment or deletion as well as language recommended to be added to the document.

The letter also requested that the Charter Commission officially review these recommendations and that we meet in the near future to begin our considerations. Our first meeting was held on Monday May 21, 2001 and we have met 11 times since that date to consider their recommendations and those of the commission members as well. At our first meeting, the City attorney Mr. Marc Seboras as well as Mayor Marlin Torgerson, and City Administrator Gary Plotz met with us. Since that first meeting, City Attorney Richard Scheiffer has met with us at each meeting and provided invaluable assistance to us regarding legal language and wording as well as any effect of state statutes on wording used. In addition City Administrator, Gary Plotz and City Financial Officer, Ken Merrill have met frequently with us to keep us informed on existing city policies and procedures. We also invited Mr. Clarence Kadramas, head of the Hutchinson Utilities, to meet with us and discuss changes to chapter 11 of the Charter as regards to the utilities.

We also set up three sub-committees of the commission to work on individual areas. One committee prepared a new chapter for the Hutchinson Area Health Care enterprise. One reviewed the chapter on the Hutchinson Utilities, and one reviewed the status of "agencies" such as HRA and EDA and what if any controls by the city were appropriate.

It was the hope of the City Council that we could complete our work by August of this year so that the revised Charter could be placed on the ballot for the special election to be held in November. We were unable to schedule enough meetings and time to meet this deadline.

It is now our plan to invite the public who may be interested, to pick up copies of the draft of the revised Charter at City hall and give careful consideration to the changes that have been made. Deletions will be struck through and all proposed language will be shaded. After some time has elapsed, the Charter Commission will hold an evening session for any city resident to have limited time to give constructive comments for or against any proposed changes. Following this meeting the Charter Commission will schedule another meeting to address any and all comments.

The next step will be for the Charter Commission to present our final draft to the City Council. If there are no further changes to be made, it will then be up to the City Council to determine when and if a special election should be set for the voters to decide if the Charter should be changed as proposed. At that time the proposed charter would be published, with the changes noted.

The members of the Charter Commission * Denotes 2 year terms.
Others are 4 year terms

Charles D. Carlson *)
Walter S. Clay *) Members of the 1986-1987 Charter Commission
Phillip G. Graves *)
M. Jean Peterson *)

Steven A. Auger
Michael Cannon) Participants in the week long Blandin Foundation
Linda Remucal) leadership training program in the summer of 2000.
Dr, Virgil Voigt *)

Dr. Carl O. Bretzke *)
Donald Glas) Volunteers at large
Ronald J. McGraw)
Roger Petersen)

On December 3, 2001, the Hutchinson City Charter Commission met to discuss the last draft of the revised charter prepared by city attorney Mr. Richard Schiefer and to approve this annual report for the year 2001.

Therefore, upon the affirmative vote of the majority of those members constituting a quorum of the Hutchinson City Charter Commission, the foregoing report was approved on this date of December 3, 2001.

HUTCHINSON CITY CHARTER COMMISSION

By: Charles D. Carlson



Its: Chairman