

**Regular Meeting Sunrise Township  
Thursday, June 21, 2018  
Royal Wilcox Community Center**

Chair Carl Peter “Pete” Johnson called the Regular Sunrise Township Board Meeting to order at 7:00 p.m. Pledge of Allegiance was recited.

**Board Members Present:**

Carl Peter “Pete” Johnson, Chair  
Jeske Noordergraaf, Vice Chair (absent)  
Gerald Bjork  
Eric Leivian  
Mark Osland

Treasurer: Karen Anderson  
Clerk: Wendy S. Kowalke  
Engineer: Cristina Mlenjke

**Others Present:**

Chris Sauro, Country Mutual Insurance  
Tammy Weissenfluh  
Lisa Johnson  
Peggy Pearson  
Jenell Jacobson

Charlotte Wilcox  
Dan Johnson  
Cristina Mlenjke  
Lynn Wolleat  
BJ Thorstenson

**Approve Agenda:** Motion by Eric Leivian, second by Mark Osland to accept the June 2018 agenda. Motion carried.

**Meeting Minutes:** Motion by Eric Leivian, second by Mark Osland, to approve the May 2018 minutes. Motion Carried.

**Clerk Update:** April 1, 2017 Population estimate is 2,046 and April 1, 2017 household estimate is 721.

**Treasurer Report:** Treasurer Karen Anderson went over treasurer’s report. Motion by Eric Leivian, second by Mark Olsand to accept the treasurer’s report as presented with claims list claims 5437 through 5464 and with no additional claims. Motion carried.

**Commissioner Rick Greene Update:** Commissioner Greene not present.

**Dan and Lisa Johnson Variance Setback:** Motion by Eric Leivian, second by Mark Osland to recommend the variance be approved with no conditions. Motion carried.

**Tammy Weissenfluh – CenturyLink Issue:** Contact Joe Walker at the MN Attorney General’s office with CenturyLink complaints. [Joseph.walker@ag.state.mn](mailto:Joseph.walker@ag.state.mn) 651-296-3353. Minnesota has an active lawsuit against CenturyLink. If you are experiencing problems with billing, getting your cable buried, connection, etc., send your transcripts, recordings, or details of conversations to the above named contact. I have had multiple issues with the upgrade. I was billed for the connection that was supposed to be free for existing customers. It took a lot of time to get that charge removed. I lost service the day after the fiber optic cable was buried. The cable was buried improperly and multiple

customers have had this problem. It took over a month to get them back out to bury it again. It took many phone calls to multiple CenturyLink employees to finally get it done. I found out from the subcontractor that they were never contacted until the morning they arrived. When the subcontractor returned to bury the cable, I found out that they are burying the wrong type of cable. The cable that they are burying is an aerial cable and it doesn't have a locator strip on it. The cable that should be buried is much thicker than the aerial cable and it has a locator strip on it for troubleshooting. Finally, the cable should be buried in a conduit to protect it from rodents. CenturyLink has opted not to use a conduit in an area that is rural and heavily populated with gophers and rabbits. The subcontractor burying the cable stated that they bury the cable in conduit for all other companies that they are subcontracted for. This is the only job that they are not. Finally, I have requested that a copy of the petition be posted on the Sunrise website. I am requesting residents that did not sign the petition to check the petition for your property ID to make sure there is no signature for it. If there is, contact the Attorney General's office with that information also.

**Christy Sauro – Country Mutual Insurance:** Motion Eric Leivian, second by Gerald Bjork to accept annual insurance review. Motion carried.

**Ferry Road - Cristina Mlejnek:** Sunrise Township owns to the top of the road and the DNR owns the rest of the way down to the river. .

**Sunrise Township Secure Website:** Motion by Eric Leivian, second by Mark Osland to have Webduck update and maintain Sunrise Township's website to be a secure web-site. Motion carried.

**Judge Recommendations:** Motion by Eric Leivian, second by Gerald Bjork to accept the judge recommendations. Motion carried.

**Set up road tour Update:** 5:30 PM July 19 road tour continuation. Lynn Wolleat will give list of signs needed to the Sunrise Town Board.

**470<sup>th</sup> Street Parking:** Charlotte Wilcox will look up the statute to decide how to move forward with citizens parking on township roads.

**Whispering Ridge:** Last information was 11-2007. There are procedures for default of the development in the developers agreement. Ms. Enos can sell 2 lots, she needs to fix the wear course prior November 15 and not install the second lift until after May 15 of 2019. Place on July agenda.

**Resolution Setting Subordinate Service District Charges:** Put in resolution. Motion by Mark Osland, second by Gerald Bjork to accept resolution 2018-06-21 pending Chisago County Auditor and Township Attorney Robert Ruppe review and approval. Motion carried.

**TOWN OF SUNRISE  
CHISAGO COUNTY  
STATE OF MINNESOTA  
RESOLUTION NO. 2018-06-21  
RESOLUTION SETTING SUBORDINATE  
SERVICE DISTRICT CHARGES**

WHEREAS, on February 23, 2017, Sunrise Township established a Subordinate Service District (“SSD”) over certain properties within the Township for the purpose of facilitating the installation and financing high-speed internet through Qwest Corporation d/b/a CenturyLink (who would ultimately own the broadband system and provide the service) for the benefit of properties within the SSD; and

WHEREAS, the Town has issued a bond, the proceeds of which have been used to reimburse CenturyLink for a portion of the installation costs of the high-speed internet within the SSD; and

WHEREAS, the Town seeks to recover the costs of the bond and its administrative and other costs through service charges authorized by Minn. Stat. § 365A.08.

WHEREAS, the Town Board directed the Township Clerk to certify Resolution, No. 2017-11-20-2 to the Chisago County Auditor on November 16, 2017.

WHEREAS, the Town Board has determined that portions of Exhibit A attached to Resolution, No. 2017-11-20-2 is in error as certain certifications contained on attached Exhibit A to said Resolution are inconsistent with Township policy for the following reasons:

- During the discussions and public hearing prior to the Town Board’s approval of the SSD the Town Board discussed which properties (PIDs) would be responsible for repayment of the bond that was issued to cover the Township's share of the project costs. An understanding was reached between the Town Board and the affected township citizens that would exempt agriculture parcels containing no domiciles from being assessed a service charge for project costs.
- Once the total number of PIDs were determined in the SSD's geographic area, the board was tasked with identifying the PIDs which contained domiciles or were already classified and approved for domicile construction. Two board members met at the Township Attorney's office to go over the SSD list and identify the previously described properties. PID's were selected on their "homestead" classification, based on the understanding PIDs with the "homestead" classification contained a domicile. Additionally, "Residential non-homestead" classification PIDs were included based on the understanding they were classified appropriately as construction was anticipated. The list, attached as Exhibit A to Resolution No. 2017-11-20-2, was finalized and approved by the Town Board on November 16, 2017 and submitted to the Chisago County Auditor to have the service charge added to the selected properties.
- The County Auditor processed the list contained in Resolution No. 2017-11-20-2 and mailed property tax statements to affected property owners. Several problems arose once property owners received their tax statements:

- 1) Some property owners who prepaid had the payment credited to the incorrect PID.
  - 2) In Chisago County, a "homestead" classification does not guarantee a domicile is present. County rules allow PIDs adjacent to the PIDs with a domicile to be classified as "homestead" even in the absence of a domicile.
  - 3) A "Residential" classification does not mean the PID meets the requirements for domicile construction.
- The issues described above resulted in prepayments being applied incorrectly, agriculture property owners with PIDs containing no domiciles being assessed an SSD service charge, and property owners with "residential non-homestead" classifications where, based on county rules, whose property would never qualify for domicile construction being assessed an SSD service charge.
  - Once the problems were identified, the Town Board took action for remediation. After several meetings with the County, the Township was able to obtain PID forms containing the traverse for every PID in the Township. Town Board members reverted back to the original PID list containing every property in the SSD. Going through the SSD list one by one, Town Board members matched up each PID on the SSD list with its corresponding PID form. The PID forms containing a traverse image of the domicile on the property were marked and identified. Every property in the SSD was analyzed for a domicile traverse image. Once all properties with domiciles within the SSD had been identified, the list was submitted to the Town Board for final review and approval.
  - During the process of identifying appropriate PIDs with domiciles, it was discovered several PIDs containing domiciles had multiple domiciles on the same PID. It was determined by the Town Board that a service charge would apply to each domicile on the PID.
  - In addition to the remediation of the SSD service charge list, the error resulted in some property owners paying the first half of 2018 service charge that should not have. The Township has determined to issue refunds to those property owners following disbursement from the County.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN BOARD OF THE TOWN OF SUNRISE AS FOLLOWS:

1. Due to an error in Resolution No. 2017-11-20-2 as identified above, the Township hereby requests that the County Auditor remove the remaining services charges on the 572 properties identified on attached Exhibit A.
2. Due to an error in Resolution No. 2017-11-20-2 as identified above, the Township recognizes that some property owners paying the first half of 2018 service charge

should not have. The Township has determined to issue refunds to those property owners following disbursement from the County.

3. The Township hereby levies a service charge against the 482 properties in the amounts shown on the attached Exhibit B.
4. Such charge in the amount of \$950.00 shall be collected in equal principal amounts over a ten-year period commencing in 2019 and ending in 2028 and shall bear interest at 6.25% per annum.
5. The Township hereby directs the Township Clerk to certify this Resolution, with the attached Exhibits A and B, to the Chisago County Auditor.

Approved by the Town Board of the Town of Sunrise this 21<sup>st</sup> day of June 2018.

**Electric to Salt Shed:** Motion by Gerald Bjork second by Eric Leivian to install electric to salt shed. Motion carried.

**Citizens Forum:** Peggy Pearson would like Ferry Road maintained better. Ferry Road will continue to have calcium chloride on the road. Ms. Pearson does not feel this road is acceptable. BJ Thorstenson would like to have Olson Road looked at.

**Emergency Blue Signs:** Scott Sellman has the signs and poles.

**Township Road Signs:** Lynn Wolleat and Carl Peter “Pete” Johnson will get together on road signs.

**370<sup>th</sup> Street Update:** Preferred paving is going to take a look at to get an estimate.

**430<sup>th</sup> Street Update:** No action.

**National Night Out:** August 7, 2018.

**Board Member Meetings:**

Gerald: CATO Meeting, blacktop, chip seal

Eric: CATO Mtg, 2 attorney Robert Ruppe

Mark: CATO mtg, Chisago County Board Meeting

Pete: CATO

**Maintenance Update:** Graveling, chloride being placed. Tiller was running in the rain – Lynn talked with Mike Carroll.

Motion by Eric Leivian, second by Carl Peter “Pete” Johnson to adjourn at 9:30 p.m. Motion carried.

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Clerk Wendy S. Kowalke

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Carl Peter “Pete” Johnson, Chair