

City of Tea  
Regular Meeting  
October 4, 2021

The regular meeting of the Tea City Council was held at Tea City Hall on October 5, 2021 at 7:00 p.m.

Mayor John Lawler called the meeting to order at 7:01 pm, with the following members present: Jim Erck, Terry Woessner, Casey Voelker and Joe Weis. Also present: Finance Officer Dawn Murphy, HDR Engineer Ben Scholtz and City Administrator Dan Zulkosky. Councilmember Sid Munson and Planning & Zoning Officer Kevin Nissen were absent.

**AGENDA. MOTION 21-143. MOTION** by Woessner, seconded by Weis to approve the October 4, 2021 agenda. All members voted AYE.

**CONSENT AGENDA. MOTION 21-144. MOTION** by Weis, seconded by Erck to approve the following consent agenda items:

- 1) Approval of September 21, 2021 Minutes
- 2) Approval of the October 4, 2021 Claims (claims will be listed at the end of the minutes)
- 3) Plat Approvals
  - Lots 1-4 Block 3; Lot 1, Block 4, Lots 1-7, Block 6; Lots 26-32 Block 6, Lots 1-7, Block 9, Pinnacle Estates Addition
  - Trace 1, Ninemile Lake Addition
  - Lots 3, 4, & 5, Block 6 and Lot 1, Block 5, Bakker Landing Addition

All members voted AYE.

**PUBLIC COMMENTS.** Andrew Kenyon spoke to the council regarding cannabis cultivation within the City limits.

**PUBLIC HEARING.** Two new liquor licenses have been received. A Off-sale Package Liquor for HyVee Dollar Fresh and a Retail (On-off sale) Malt Beverage & SD Farm Wine License for Rivals, LLC. There were no comments from the public.

**MOTION 21-145. MOTION** by Weis to approve both licenses. Motion was withdrawn. **MOTION 21-146. MOTION** by Weis, seconded by Woessner to approve the Retail (On-off sale) Malt Beverage & SD Farm Wine License for Rivals, LLC, Lot 1, Block 1 Carl Soukups Addition, 1500 N. Main Ave, limited to Suite 1A. Members Weis, Woessner and Voelker voted AYE. Member Erck voted NO. Motion carried. **MOTION 21-147. MOTION** by Weis, seconded by Erck to approve the Off-sale Package Liquor License for HyVee Dollar Fresh, Lot 1, Block 1, Boulder Addition, 725 E. 1<sup>st</sup> St. All members voted AYE.

**PUBLIC HEARING.** The council held a public hearing for the Gateway Boulevard Special Assessments. [\*\*RESOLUTION 21-10-18. MOTION 21-148. MOTION\*\*](#) by Erck, seconded by Voelker to approve Resolution 21-10-18 Approving Gateway Boulevard Special Assessment Roll. All members voted AYE. The resolution will be published separately.

**PUBLIC HEARING.** The council held a public hearing for the preliminary plan for Ninemile Lake Addition. The addition will consist of a lake to serve as detention; a 3.9-acre neighborhood park; and multi family, single family and commercial lots. There were no comments from the public. **MOTION 21-149. MOTION** by Woessner, seconded by Weis to approve the preliminary plan for Ninemile Lake Addition. All members voted AYE.

**FIRST READING OF ORDINANCE 287.** The Council held the first reading of Ordinance 287, Medical Cannabis Establishments. The ordinance does not allow cultivation, testing or manufacturing facilities. The dispensaries would require a Conditional Use Permit. Ned Horsted, Executive Director of the Cannabis Industry Association of SD, Dalton Grimmus and BJ Olson spoke to the council regarding the non-permitted uses. Second reading will be held at the October 18<sup>th</sup> meeting.

**SITE PLAN.** The council reviewed the site plan for a 11,999 sq. ft. building in the Carl Soukup Addition. **MOTION 21-150. MOTION** by Voelker, seconded by Erck to approve the site plan and foundation permit for Josmer Enterprises,

LLC to construct a 11,999 sq. ft building at 200/202 E. High Pointe St., Lot 6, Block 2, Carl W. Soukups Addition. All members voted AYE.

**SITE PLAN.** The council reviewed the interior buildout plans for a casino at 1500 N. Main Ave. **MOTION 21-151.** **MOTION** by Weis, seconded by Voelker to approve the interior buildout plans for Rivals, LLC, 1500 N. Main Ave., Suites 1A & 1B. Members Weis and Voelker voted AYE. Members Erck and Woessner voted NO. Mayor Lawler broke the tie with an AYE voted. Motion carried.

**PAY APPLICATIONS. MOTION 21-152. MOTION** by Erck, seconded by Woessner to approve the following pay applications:

- 85<sup>th</sup> St. Elevated Water Storage Tank, Maguire Iron, \$22,258.16
- Gateway Boulevard Phase 2 Improvements, D & G Concrete, \$1,242,935.89.

All members voted AYE.

**RESOLUTION 21-10-19. MOTION 21-153. MOTION** by Voelker, seconded by Woessner to approve the following resolution. All members voted AYE. RESOLUTION IN SUPPORT OF THE AMERICAN RESCUE PLAN FUNDING REQUEST MADE BY THE LEWIS & CLARK REGIONAL WATER SYSTEM FOR ITS EXPANSION TO 60 MILLION GALLONS PER DAY.

WHEREAS, the City of Tea is a member of the Lewis & Clark Regional Water System (L&C); and  
WHEREAS, the L&C “base system” is being constructed to deliver 44.19 million gallons a day (MGD), but the long-time plan has been to expand the System to 60 MGD; and  
WHEREAS, in mid-2020 discussions began on moving forward with the expansion, which culminated in all 20 members indicating an interest in late 2020 to participate in the 15.81 MGD expansion; and  
WHEREAS, the Expansion Commitment Agreement was sent to the members on August 4, 2021 with a January 3, 2022 deadline for approval and payment of a non-refundable deposit; and  
WHEREAS, the City of Tea set a new water use record this summer and in several cases members exceeded their base system reserved capacities from L&C; and  
WHEREAS, the high water use as a result of the drought, stronger than expected growth, as well as the members’ expectations that the base system would have been completed about 15 years ago, made it clear the importance of completing the expansion as soon as feasible; and  
WHEREAS, completing the expansion as soon as feasible, which will take several years or more, is to meant to address “current needs” upon completion and not “future growth”; and  
WHEREAS, the entire cost of the expansion is the responsibility of the members; and  
WHEREAS, it was thought a couple years ago the members would have more time to save money to help cover their respective share of the expansion cost; and  
WHEREAS, the realization that the expansion is needed sooner than originally thought means the members will need to pay for their share of the expansion sooner than originally thought; and  
WHEREAS, the cost of the expansion will directly impact through rates the households and businesses who purchase water from L&C’s members; and  
WHEREAS, those households and businesses in many cases are still feeling the adverse financial impacts of the pandemic; and  
WHEREAS, to help reduce the cost of the expansion and thereby keep the rate increases from being overly onerous, L&C is requesting American Rescue Plan (ARP) funding from South Dakota, Iowa and Minnesota for the portions of the expansion infrastructure in the borders of those states that can be awarded by the end of 2024 and completed by the end of 2026; and  
WHEREAS, even if all three states approve L&C’s ARP funding requests the vast majority of the expansion cost, which including inflation indexing is estimated to top \$117 million, will still need to be covered by the members; and  
WHEREAS, the water rate increases to the households and businesses served by L&C’s members will not need to be as high if the ARP funding requests are approved; and

WHEREAS, the members of L&C are prepared to cover the non-state cost shares should the ARP funding requests be approved.

NOW, THEREFORE BE IT RESOLVED, the City of Tea strongly supports the Lewis & Clark Regional Water System's American Rescue Plan funding request to the State of South Dakota for \$44.7 million and respectfully urges approval be granted. Dated this 4<sup>th</sup> day of October 2021.

John M. Lawler, Mayor

ATTEST: Dawn R. Murphy, Finance Officer

**BRIAN ST. & HERITAGE PARKWAY CROSSWALK.** Ben reviewed cost estimates for improvements to the crosswalk signals at Brian St. & Heritage Parkway. There have been a few motor vehicle versus pedestrian accidents at that intersection. The project would be just under \$60,000. **MOTION 21-154. MOTION** by Weis, seconded by Woessner to go forward with the improvements. All members voted AYE.

**MOTION 21-155. MOTION** by Erck, seconded by Weis to adjourn at 8:38 pm. All members voted AYE.

\_\_\_\_\_  
John M. Lawler, Mayor

ATTEST:

\_\_\_\_\_  
Dawn R. Murphy, Finance Officer

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**CITY OF TEA  
 WARRANTS PAID OCTOBER 4, 2021**

Vendor	Description	Amount
A & B Business Solutions	Toner	67.80
Action Electric	Repair lights	2,601.30
American Engineering Testing	Gateway Boulevard testing	4,705.50
Anderson, Darla	PD Cleaning 9/19	50.00
AVESIS	Vision Insurance	79.18
Badger Meter	Beacon services	1,273.16
Banner & Associates	LEC Design	3,801.50
Barnes & Noble	Books	290.90
C & M Concessions	Coke refund	47.51
City of Tea	Water	5,471.55
Dakota Alliance Soccer Club	Soccer fees	9,288.00
Delta Dental	Dental Insurance	195.20
DVBE Supply	PD supplies	106.85
Ferguson	Supplies	498.43
Geotek	272nd St. Inspections	402.75
Geotek	Future lift station testing	20,551.60
Hauff Mid America Sports	Baseball hats, soccer balls	1,590.43
Independent Publishing	Publishing	1,023.61
Innovative Office	Supplies	133.74
Kint, Emma	Reimbursement for lifeguard training	185.00
Lacey Rental	Toilets	460.00
Metering & Technology Solutions	Meters	1,806.04
Midco	Lift station phone	40.38
Mobile Electronic Service	Light installation	3,135.17
Octane Ink	PD decals	505.88
Odland, Tim	Inspections	5,460.00
RBS	4th quarter garbage	815.37
Riteway Business Forms	Checks	177.81
Robertson, Steve	Inspections	3,835.00
Roto Rooter	Vac truck	1,155.00
S & S Coating	Tower inspection	25,589.76
SD Department of Transportation	Athletic park trail	673.18
Sioux Falls Humane Society	August services	15.36
Site One	Irrigation supplies	21.73
South Dakota On Call	Locates	383.04
Southeastern Electric	Locates	772.25
The Tessman Company	Spray	1,484.64
US Bank	CW SRF 1	38,593.10
US Bank	CW SRF 7	14,084.64
US Bank	CW SRF 6	13,420.14
US Bank	CW SRF 5	8,638.24
VanRavenswaay, Trent	Travel expenses	56.23
Wellmark	Insurance	11,174.37
Xcel Energy	Utilities	8,329.87
	<b>TOTAL</b>	<b>192,991.21</b>

SEPTEMBER PAYROLL

DEPARTMENT	GROSS			TOTAL
	PAY	SS/MED	RETIRMENT	
Administrator 4122	7,719.76	590.56	463.18	8,773.50
Finance 4142	5,796.00	443.40	347.76	6,587.16
Public Safety 4210	37,422.60	2,697.42	2,861.61	42,981.63
Highway/Streets 4311	10,458.44	774.89	627.51	11,860.84
Recreation 4501	1,039.90	79.56	62.40	1,181.86
Economic Development	3,017.63	230.85	181.06	3,429.54
Planning & Zoning 4650	5,264.90	397.94	315.89	5,978.73
Water Distribution 4334	7,237.24	545.79	434.23	8,217.26
Water Clerk 4335	1,069.15	81.79	64.16	1,215.10
Sewer Administration 4321	7,239.34	545.94	434.38	8,219.66
Sewer Sanitary Clerk 4322	1,069.45	81.81	64.15	1,215.41
<b>TOTAL SEPTEMBER PAYROLL</b>	<b>87,334.41</b>	<b>6,469.95</b>	<b>5,856.33</b>	<b>99,660.69</b>

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