

City of Tea
Regular Meeting
January 4, 2021

A regular meeting of the Tea City Council was held at Tea City Hall on January 4, 2021 at 7:00 p.m.

Mayor John Lawler called the meeting to order at 7:00 pm with the following members present: Sidney Munson (via Zoom), Jim Erck (via Zoom), Chuck Ortmeier, Casey Voelker (via Zoom) and Joe Weis. Also present: Finance Officer Dawn Murphy and City Administrator Dan Zulkosky.

AGENDA. MOTION 21-01. MOTION by Ortmeier, seconded by Weis to approve the January 4, 2021 agenda. All members voted AYE.

CONSENT AGENDA. MOTION 21-02. MOTION by Ortmeier, seconded by Munson to approve the following January 4, 2021 consent agenda items:

- 1) Approval of December 21, 2020 Minutes
- 2) Approval of January 4, 2021 Claims
- 3) Publishing of the following employee salaries pursuant to SDCL 6-1-10: Dan Zulkosky, City Administrator, \$96,497 annual salary; Dawn Murphy, Finance Officer, \$72,450 annual salary; Thad Konrad, Utility Superintendent, \$74,571 annual salary; Kevin Nissen, Planning & Zoning Administrator, \$31.06 per hour; Lenny Przybys, maintenance/utilities, \$27.75 per hour; Kelly Keehn, maintenance/utilities, \$21.50 per hour; Dwight Van Zee, Maintenance/utilities, \$19.06 per hour; Spencer Curtis, \$19.00 per hour; Colin Murphy, Office Assistance, \$18.00 per hour; Steven Oberle, maintenance/utilities, \$22.16 per hour; Brian Tvedt, Police Officer, \$25.85 per hour; Jessica Quigley, Police Chief, \$71,820 annual salary; Adrian Hoesli, Police Officer, \$22.05 per hour; Brian Crosby, Police Officer \$23.94 per hour; Vance Siemonsma, Police Officer, \$23.94 per hour; Parker Christensen, Police Officer \$21.50 per hour; Alexi Miranda, \$21.00 per hour; Part-time Police Officers: Terry Anderson, Mark Russell, Justin Quigley, Andrew Steinberg and Steven Lowry, \$19.95 per hour; Councilmembers \$150.00 per regular meeting, \$60.00 per special meeting; Mayor, \$1,000.00 per month; Zoning Board Members \$75.00 per meeting.

All members voted AYE.

There were no public comments.

JESSE FONKERT, Executive Director for Lincoln County Economic Development Association (LEDCA) informed the Council that their organization will be doing some reorganizing withing the next couple of months and combining LEDCA and Minnehaha County Economic Development Association. They are also looking at adding an additional position to assist with local economic development organizations. Participating cities would be guaranteed a certain number of hours and would share in the cost of this employee.

JOINT POWERS AGREEMENT BETWEEN THE CITY OF TEA AND LINCOLN COUNTY. Lincoln County has offered to enter into an agreement to assist the City with building inspections when the City inspector is unavailable. **MOTION 21-03. MOTION** by Voelker, seconded by Erck to approve the Joint Powers Agreement Between Lincoln County and The City of Tea Regarding the Provision of Building Inspection Services. The agreement is on file at City Hall.

85TH ST. ELEVATED WATER STORAGE TANK CONSTRUCTION AGREEMENT. MOTION 21-04. MOTION by Weis, seconded by Ortmeier to approve the Contract Amendment to Add Scope and Fee for Engineering Construction Administration Services, City of Tea, 85th Street Elevated Water Storage Tank, in an amount not to exceed 72,297.00. All members voted AYE.

HDR ON CALL ENGINEERING AGREEMENT. MOTION 21-05. MOTION by Munson, seconded by Ortmeier to approve the 2021 On-Call Municipal Engineering Services Agreement Between the City of Tea and HDR Engineering. All members voted AYE.

85TH ST. TOWER PAY APPLCIATION 4. MOTION 21-06. MOTION by Erck, seconded by Weis to approve the 85th St. Elevated Water Storage Tank Pay Application 4, Maguire Iron, \$281,385.00. All members voted AYE.

GATEWAY BOULEVARD PAY APPLICATION 1. MOTION 21-07. MOTION by Weis, seconded by Ortmeier to approve Gateway Boulevard Pay Application 1, D & G Concrete Construction Inc., \$302,939.71. All members voted AYE.

RESOLUTION 21-01-01. MOTION 21-08. MOTION by Weis, seconded by Ortmeier to approve the following resolution. All members voted AYE.

CITY OF TEA
RESOLUTION 21-01-01
A RESOLUTION ESTABLISHING A SPECIAL TAX CLASSIFICATION.

WHEREAS, SDCL 10-6-35.4 provides the municipalities may adopt a formula pursuant to SDCL 10-6-35.2 for reduction taxation if the Board of County Commissioners has not adopted such a formula; and

WHEREAS, the City of Tea is desirous of adopting a discretionary formula for reduced taxation for certain new structures and additions to existing structures, within the City,

THEREFORE BE IT RESOLVED by the Common Council of the City of Tea that pursuant to SDCL 10-6-35.1 and 10-6-35.2 that the following classifications of real property shall be, and hereby are, specifically classified for the purpose of taxation pursuant to SDCL 10-6-35.2:

- 1) Any new industrial or commercial structure, or any addition, renovation, or reconstruction to an existing structure, located within a designated urban renewal area as defined in SDCL 11-8-4, if the new structure, addition, renovation, or reconstruction has a full and true value of thirty thousand dollars or more;
- 2) Any new industrial structure, including a power generation facility, or an addition to an existing structure, if the new structure or addition has a full and true value of thirty thousand dollars or more;
- 3) Any new nonresidential agricultural structure, or any addition to an existing structure, if the new structure or addition has a full and true value of ten thousand dollars or more;
- 4) Any new commercial structure, or any addition to an existing structure, except a commercial residential structure as described in subdivision (5), if the new structure or addition has a full and true value of thirty thousand dollars or more;
- 5) Any new commercial residential structure, or addition to an existing structure, containing four or more units, if the new structure or addition has a full and true value of thirty thousand dollars or more; Any new affordable housing structure containing four or more units with a monthly rental rate of the units at or below the annually calculated rent for the state's sixty percent area median income being used by the South Dakota Housing Development Authority, for a minimum of ten years following the date of first occupancy, if the structure has a full and true value of thirty thousand dollars or more;
- 6) Any new residential structure, or addition to or renovation of an existing structure, located within a redevelopment neighborhood established pursuant to SDCL 10-6-56 if the new structure, addition, or

renovation has a full and true value of five thousand dollars or more. The structure shall be located in an area defined and designated as a redevelopment neighborhood based on conditions provided in SDCL 11-7-2 or 11-7-3; or

- 7) Any commercial, industrial, or nonresidential agricultural property which increases more than ten thousand dollars in full and true value as a result of reconstruction or renovation of the structure.

BE IT FURTHER RESOLVED all new structures or additions classified above shall be assessed as follows for tax purposes:

- a. 20% of the assessed value for the first year;
- b. 40% of the assessed value for the second year;
- c. 60% of the assessed value for the third year;
- d. 80% of the assessed value for the fourth year;
- e. 100% of the assessed value for the fifth year and all years thereafter.

BE IT FURTHER RESOLVED that the City Council may, if requested by the owner of any of the above described property, not apply the above formula, in which case the full assessment shall be made without application of the formula. In waiving this formula for the structure of one owner, the City Council is not prohibited from applying the formula for subsequent new structures by that owner;

BE IT FURTHER RESOLVED, that for purpose of this Ordinance, the assessed valuation during any of the five years may not be less than the assessed valuation of the property year preceding the first year of the tax years following construction;

BE IT FURTHER RESOLVED, that any structure that is partially constructed on the assessment date may be valued for tax purposes pursuant to this Ordinance and the valuation may not be less than the assessed valuation of the property in the year preceding the beginning of construction; and BE IT FURTHER RESOLVED, that following the five-year period under this section, the property shall be assessed at the same percentage as is all other property for tax purposes.

BE IT FURTHER RESOLVED, that this resolution repeals City of Tea Ordinance 149 and shall continue until terminated by resolution.

BE IT FURTHER RESOLVED, that this resolution shall be effective for taxes payable 2021.

Dated this 4th day of January, 2020.

John M. Lawler, Mayor

Attest: Dawn R. Murphy Finance Officer

2020 CASH TRANSFER. MOTION 21-09. MOTION by Munson, seconded by Erck to approve the following cash transfers for 12/31/2020. All members voted AYE.

- 1) Transfer the remaining cash balance, \$56,850.21, from 271st St. Capital Project Fund #514 to Second Penny Sales Revenue Fund #212.

- 2) Forgive the loan from 2nd Penny Sales Tax Fund #212 to 271st Capital Project Fund#514 and Close 271st St. Capital Project Fund 514.
- 3) Operating transfer, \$340,000.00 from Second Penny Sales Tax Fund #212 to St. Maintenance Fund 221
- 4) Operating loan, \$1,620,000.00, from Second Penny Sales Tax Fund #212 to Gateway Boulevard Capital Project Fund 515
- 5) Operating loan, \$150,000.00. from General Fund 101 to Water Fund 601.

BUDGET SUPPLEMENT. MOTION 21-09. MOTION by Voelker, seconded Erck to approve an automatic budget supplement, \$58,305.14, to department 4220, Fire Department for equipment purchased with COVID Recovery Grant Funds and donated to the Tea Fire Department. All members voted AYE.

MOTION 21-10. MOTION by Weis, seconded by Ortmeier to go into executive session at 8:23 pm pursuant to SDCL 1-25-1 (1) Personnel. Councilmember Munson excused himself from executive session. All members voted AYE. Council came out of executive session at 8:42 pm.

MOTION 21-11. MOTION by Weis, seconded by Ortmeier to approve the following pay increases and to offer dental and vision coverage on a voluntary basis. All members voted AYE. Dan Zulkosky, City Administrator from \$96,497 annual salary to 100,356.88 annual salary; Dawn Murphy, Finance Officer from \$72,450 annual salary to \$75,348.00 annual salary; Thad Konrad, Utility Superintendent from \$74,571 annual salary to \$77,553.84; Kevin Nissen, Planning & Zoning Administrator from \$31.06 per hour to \$32.30 per hour; Lenny Przybys, maintenance/utilities from \$27.75 per hour to \$28.86 per hour; Kelly Keehn, maintenance/utilities from \$21.50 per hour to \$22.36 per hour; Dwight Van Zee, Maintenance/utilities from \$19.06 per hour to \$19.82 per hour; Spencer Curtis from \$19.00 per hour to \$19.76 per hour; Colin Murphy, Office/Park and Recreation Assistant from \$18.00 per hour to \$19.50 per hour effective December 1, 2020; Steven Oberle, maintenance/utilities from \$22.16 per hour to \$23.05 per hour; Brian Tvedt, Police Officer from \$25.85 per hour to \$26.88 per hour; Jessica Quigley, Police Chief from \$71,820 annual salary to \$74,692.80 annual salary; Adrian Hoesli, Police Officer from \$22.05 per hour to \$22.93 per hour; Brian Crosby, Police Officer from \$23.94 per hour to \$24.90 per hour; Vance Siemonsma, Police Officer from \$23.94 per hour to \$24.90 per hour; Parker Christensen, Police Officer from \$21.50 per hour to \$22.36 per hour.

MOTION 21-12. MOTION by Weis, seconded by Voelker to adjourn at 8:44 pm. All members voted AYE.

John M. Lawler, Mayor

ATTEST:

Dawn R. Murphy, Finance Officer

Published once at the approximate cost of _____.

**CITY OF TEA
 WARRANTS PAID JANUARY 2021**

	LEGISLATIVE 4111	
Independent Publishing	Publishing	318.38
	CITY ADMINISTRATOR 4122	
City Management Association	2021 Dues	150.00
	FINANCE 4142	
Independent Publishing	Publishing Annual Reports	793.26
Innovative	1/3 supplies	260.10
SD Government Finance Officers' Assoc.	2021 Dues	40.00
SD Governmental Human Resource Association	2021 Dues	25.00
SDML	2021 Dues	2,929.41
SDML Workman's Comp	2021 workman's comp insurance	1,191.80
Wellmark Blue Cross/Blue Shield	January insurance	9,326.87
Williams & Company	Audit pmt	5,295.00
	LIBRARY 4550	
ASCAP	Music licensing	367.00
Barnes & Noble	Books	1,716.49
Verizon	Internet	40.01
	PLANNING & ZONING 4650	
Independent Publishing	Publishing	132.45
Lincoln County Register of Deeds	Plats	135.00
Robertson, Steve	Nov & Dec Inspections	5,750.00
SD Association of Code Enforcement	2021 Dues	40.00
SECOG	2021 Dues	5,143.00
	PROMOTING THE CITY 4653	
Tea Area Community Foundation	2020 Contribution	2,000.00
	GOVERNMENT BUILDINGS 4192	
Verizon	Phones	262.14
RBS Sanitation	1/1-3/31 Garbage	616.87
Xcel Energy	Maint Bldg	140.57
Xcel Energy	200 W. Maple	86.62
Xcel Energy	600 E. 1st St	870.15
	PUBLIC SAFETY 4210	
Auto Dynamics Inc.	Repair 2015 car	1,095.11
Crosby, Brian	Reimburse for boots	162.92
Frantzen Reporting	Transcription fee	84.00
Hoesli, Adrian	Travel expenses	192.82

Novus Glass	Repair windshield	325.00
Olson, Joann	Cleaning	150.00
O'Reilly	Parts	5.61
RBS Sanitation	1/1-3/31 garbage service	198.50
SD Police Chiefs' Association	2021 Dues	100.33
SDML Workman's Comp	2021 workman's comp insurance	14,962.88
Verizon	Phones	399.91
Xcel	Service	199.92
Xcel	Poplar siren	19.78

FIRE DEPARTMENT 4220

Motorola Solutions	Radios (CARES Act reimbursement)	41,302.20
Two Way Solutions Inc.	Program radios (CARES Act reimbursement)	2,250.00

HIGHWAY/STREET 4312

Cenex	1/3 gasoline	20.37
Matheson	Torch parts	161.21
SD Municipal St. Maintenance Assoc.	2021 Dues	35.00
SDML Workman's Comp	2021 workman's comp insurance	7,294.95
Southeastern Electric	Locates	455.00
Xcel	7th St. lights	25.67

PARKS/RECREATION 4501

Verizon	Camera	40.01
Xcel Energy	Ball fields	575.08

WATER 601

American Engineering Testing	85th St. tower testing	284.50
Badger Meter	1/2 Backhaul	184.53
Board Operator Certification	Operator certifications	12.00
Cenex Credit Card	1/3 gasoline	20.37
HDR Engineering	85th St. tower services	6,197.95
Innovative	1/3 supplies	260.10
Lewis & Clark Regional Water System	2nd half FY 2021 lobby fees	2,012.50

Rural Development	Loan 91-06 12 months \$921 per month ACH Payments (1993 Improvements)	11,052.00
Rural Development	Loan 91-07 12 months \$1,032 per month ACH Payments (1997 Tower)	12,384.00
Rural Development	Loan 91-08 12 months@ \$5,241 per month ACH Payments (Quinton St. Tower)	62,892.00

SDML Workman's Comp	2021 workman's comp insurance	2,732.28
SDWWA	Memberships	15.00
US Bank	DW SRF #1 (L & C)	38,593.10
Xcel Energy	Lincoln County Rural Water pit	16.20
Xcel Energy	2nd St. Tower	20.01
Xcel Energy	Brian St. Tower	94.96

SEWER 604

Badger Meter	1/2 Backhaul charges	184.53
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Board Operator Certification	Operator certifications	36.00
Cenex	1/3 gasoline	20.38
HDR Engineering	Regionalization services	24,420.22
Hydro Tech Service	Install new alarm system in lift stations	3,646.50
Innovative	1/3 supplies	260.11
SD DENR	2021 Discharge permit	3,500.00
SDML Workman's Comp	2021 workman's comp insurance	2,226.10
SDWAA	Memberships	15.00
Sorlien Electric	Generator replacement lift station #4	23,061.27
US Bank	CW-SRF #6	13,420.14
US Bank	CWSRF #7	14,084.64
Verizon	Lift station phone	24.34
Xcel Energy	Lagoon building	3,752.05
Xcel Energy	272nd St. lift station	443.30
Xcel Energy	5th St. lift station	388.11
3RD PENNEY 211		
SDML Workman's Comp	2021 workman's comp insurance	2,030.21
Verizon	Internet	40.01
Xcel Energy	Pool	163.67
272ND ST. RECONSTRUCTION PROJECT		
SD DENR	Stormwater Discharge Permit	250.00
HAGEDORN STREET AND UTILITY IMPROVEMENTS PROJECT		
SD DENR	Stormwater Discharge Permit	250.00

TOTAL 336,674.47

DECEMBER PAYROLL

DEPARTMENT	GROSS			TOTAL
	PAY	SS/MED	RETIRMENT	
Administrator 4122	11,134.26	851.79	668.07	12,654.12
Finance 4142	8,359.62	639.48	501.57	9,500.67
Public Safety 4210	61,705.07	4,572.80	4,842.65	71,120.52
Highway/Streets 4311	15,322.18	1,135.52	884.67	17,342.37
Recreation 4501	1,882.45	137.81	112.95	2,133.21
Planning & Zoning 4650	7,454.40	563.01	447.27	8,464.68
Water Distribution 4334	10,626.30	802.26	602.92	12,031.48
Water Clerk 4335	2,632.51	201.38	157.95	2,991.84
Sewer Administration 4321	10,629.44	802.47	603.05	12,034.96
Sanitary Clerk	2,632.49	201.38	157.96	2,991.83
TOTAL DECEMBER PAYROLL	132,378.72	9,907.90	8,310.99	151,265.68