

Tuesday, March 17, 2026

The Deuel County Planning Commission and Board of Adjustment met jointly with the Deuel County Board of Commissioners on Tuesday, March 17, 2026, at 10:00 a.m., in the Deuel County Courtroom in Clear Lake. Present were Planning Commission and Board of Adjustment members Jay Grabow, Kevin DeBoer, Mike Dahl, Mike Lammers, Dennis Kanengieter, Deuel County Commissioners, States Attorney Craig Evenson, Zoning Officer Jodi Theisen, and other members of the public.

Chairman Mike Dahl called the joint meeting to order.

Motion by DeBoer, seconded by Grabow, to approve the corrected minutes of the March 9, 2026, Planning Commission and Board of Adjustment meeting. All voted in favor. Motion passed unanimously.

Dahl asked if the board, commissioners, or any staff member had anything to add to the agenda, with none being offered.

Dahl informed the public that if they wished to speak, they could do so during the public comment portion of the hearing, with a maximum time limit of five minutes per speaker.

Dahl asked if any seated board member needed to recuse themselves from any discussion topics or from voting on any agenda item, with no board member responding.

Motion by Grabow, seconded by Kanengieter, to approve the agenda. All voted in favor. Motion passed unanimously.

Motion by DeBoer, seconded by Grabow, to recess the Board of Adjustment and convene as the Planning Commission. All voted in favor. Motion passed unanimously.

Item #1 Joint Public Hearing – Rezoning Request

Theisen stated the next agenda item was a joint public hearing with the Deuel County Board of Commissioners regarding a rezoning request submitted by Missouri River Energy Services and property owner James E. Peterson (James E. Peterson Living Trust).

The request is to rezone approximately 71 acres, described as the E1/2SE1/4, except the west 9 rods, of Section Seven (7), Township One Hundred Thirteen (113) North, Range Forty-Eight (48) West of the 5th P.M., Deuel County, South Dakota, from "AG" Agricultural District to "CI" Commercial/Industrial District.

Chairman Dahl and the Chairman Commission Grabow opened the public hearing for their respective boards.

Matt Schull, President and CEO of Missouri River Energy Services (MRES), introduced the organization and its proposed power plant project, explaining that MRES is a nonprofit joint action agency representing 61 member communities across four states, formed to provide reliable and cost-effective energy. He emphasized the organization's commitment to being a responsible community partner and noted that it has conducted extensive outreach, including public meetings and direct conversations with local stakeholders. Schull stated that the presentation would address community concerns regarding noise, lighting, and ongoing engagement, and highlighted the company's efforts to adapt the project based on community feedback while demonstrating its benefits to the region.

Terry Wolf, Vice President and Chief Operating Officer, provided an overview of the proposed project, describing the planned construction of a power generation facility in Scandinavia Township, north of Toronto, to meet regional reliability and energy capacity needs. He noted the importance of maintaining adequate energy reserves for consistent service, particularly during peak demand or emergency conditions. Wolfe explained key factors influencing site selection, including access to a natural gas pipeline, proximity to a transmission substation, availability of fuel oil backup, and suitable infrastructure such as paved roads. He outlined the facility layout, which includes four combustion turbine generators, fuel storage, and a transmission line connecting to the Astoria substation. The site is located approximately 400 feet from the road and over half a mile from the nearest residence, with most transmission line easements secured and design measures in place to minimize environmental and community impacts. Wolfe also highlighted anticipated community benefits, including over \$1 million annually in property tax revenue, job creation, increased local economic activity, and support for educational programs. He reviewed the project timeline, noting work began in 2024, with potential construction in 2027 and operation targeted for 2029, and reaffirmed MRES's commitment to continued communication with the community.

Becky Baker of HDR Engineering described her role in preparing the Public Utilities Commission (PUC) application and evaluating environmental and regulatory requirements for the project. She noted that studies were conducted to assess potential impacts on wetlands, wildlife, habitat, cultural and historical resources, and the surrounding community, with coordination involving agencies such as the South Dakota Department of Agriculture and Natural Resources, South Dakota Game, Fish and Parks, and the U.S. Fish and Wildlife Service. Baker also summarized geotechnical, topographic, socioeconomic, and infrastructure analyses, as well as noise modeling and mitigation planning, all conducted to ensure regulatory compliance and minimize environmental and community impacts.

Jacob Poling, senior acoustician with Stantec Consulting, presented the results of the noise study. He explained that baseline sound measurements were collected over 16 days at six locations near the proposed site, and noise modeling was conducted using conservative assumptions to estimate worst-case conditions. Poling outlined mitigation measures, including enclosed turbines, sound-rated buildings, silencers, and quieter equipment, concluding that projected noise levels at nearby residences are expected to meet or remain below regulatory standards, minimizing impacts on the surrounding community.

Terry Wolf concluded by emphasizing the project team's efforts to incorporate community feedback, particularly regarding noise and lighting, including the use of dark-sky lighting principles to reduce light pollution. He reiterated the project's anticipated benefits to the community, including economic contributions, educational programs, and regional energy reliability, while underscoring MRES's ongoing commitment to addressing community concerns and maintaining open communication throughout the project development process.

Commissioner Chairman Grabow then opened the floor for public comment.

Public Comments – Rezoning Request

- **Mary Nosbush, Gary, SD:** Asked whether plant workers would need hearing protection. Jacob Poling explained OSHA protections apply; the study focused on community noise. Nosbush also raised concerns about diesel deliveries for the backup generator, potential conflicts with farming, and encouraged zoning near municipalities rather than farmland.
 - **Terry Wolf:** Clarified that the facility's small footprint (~20 acres) minimizes land use impact and that fuel oil use is expected primarily during cold months, avoiding major agricultural conflicts.
- **Heidi Brewer-Grimlie:** Expressed safety concerns for children from increased traffic, noise, and industrial expansion. Urged rejection of the project to protect local families.

- **Steve Hansen:** Discussed regional electricity demand and reserve margins, supporting the facility for reliability purposes.
 - **Terry Wolf:** Confirmed planning considers integrated resource needs, reserve margins, and regulatory requirements; natural gas remains the primary fuel.
- **Mike Dahl:** Questioned fuel supply reliability for diesel backup.
 - **Terry Wolf:** Explained pre-planning with multiple suppliers, coordination with pipeline partners, and use of stored fuel to ensure operations even during constrained periods.
- **Josh Bekaert:** Raised concerns about hilltop location, wetlands, narrow roads for fuel deliveries, potential spills, noise, light, and cumulative impacts. Advocated for industrial siting in existing industrial zones.
- **Steve January:** Asked why LNG was not used for backup fuel.
 - **Terry Wolf:** Responded that LNG supply and storage limitations made timely replacement infeasible, so fuel oil was chosen as the practical alternative.
- **Sara Tipler:** Emphasized long-term impacts on land, community health, and rural character. Advocated preserving farmland, protecting natural areas, and maintaining community control over development decisions.
- **Frank James, Toronto:** Asked the board to enforce the recently passed moratorium, stating this project should be denied for sliding under the deadline. Expressed concern about diesel backup emissions affecting his lung health.
- **Michelle Oftedahl, Toronto:** Raised concerns about low-frequency noise and the adequacy of the noise study, citing ongoing issues with the nearby Astoria plant. Questioned differences in design, study limitations, and whether mitigation measures would be effective. Also expressed concerns that the project conflicts with the county comprehensive plan, criticized the review process and lack of local representation, and urged denial until more reliable information is provided.
 - **Jacob Poling:** Stated the design includes enclosed turbines and additional silencers to reduce noise and is modeled to meet standards under worst-case conditions. Terry Wolf noted the Astoria plant does not use dark-sky lighting principles.
- **Daniel Drown:** Opposed the project due to cumulative industrial development in the area, citing concerns about noise, lighting, and environmental impacts from existing facilities. Stated the area has reached capacity and urged denial to protect the community.
- **Tony Quail:** Stated the project is in the wrong location and raised concerns about impacts to native prairie, rare plant species, wildlife, property values, and potential environmental risks. Urged denial of the rezoning and conditional use permit.
- **Chris Monnier:** Questioned the accuracy and consistency of the noise study, citing incomplete data and methodology concerns. Stated the project offers limited local benefit, conflicts with agricultural land use, and contributes to over-industrialization. Urged denial and requested an independent study.
- **Rhonda Tegantvoort, Gary:** Expressed opposition to the project, emphasizing the importance of preserving agricultural land for future generations. Noted concerns about increasing industrialization impacting farming and pollinators, including bees. Urged the board to deny the request to protect the county's agricultural heritage.
- **Kris Christensen:** Expressed concerns about noise impacts and enforcement of sound limits, citing personal experience with existing facilities. Raised concerns about property values, lack of awareness among other county residents, and cumulative industrial development in the southern part of the county. Asked questions regarding governance representation and project ownership. Urged the board to deny the request.
 - **Terry Wolf:** Responded that board representation is determined by member communities per organizational bylaws and explained that project assets are held through a related entity (Western Minnesota Municipal Power Agency) due to financing structure, with a one-to-one relationship supporting Missouri River Energy Services operations.
- **Rollie Thompson:** Questioned the location of the project and pipeline, suggesting it would be more appropriate near an interstate. Expressed concern about ongoing noise impacts and the inability of residents to control or avoid the sound from the facility.

- **Kris Christensen (follow-up):** Asked whether plant operation time would increase as energy demand grows.
 - **Terry Wolf:** Responded that similar facilities typically operate 10–20% of the time, and while future operations cannot be predicted, this range has remained relatively consistent and is influenced by factors such as natural gas pricing.
- **Kim Harringa:** Raised concerns about inaccuracies in the social and economic impact study, specifically regarding traffic flow. Noted that traffic data cited was outdated (2016 vs. 2021) and did not account for additional traffic from Wild Rose Dairy expansion. Highlighted potential safety issues due to 28 no-passing zones and heavy farm vehicle traffic on 479th Ave, which could conflict with construction traffic. Questioned how increased traffic would affect school bus routes.
 - **Additional Concern:** Pointed out an error in the facility permit application submitted to the South Dakota Public Utilities Commission, noting it references a “Toronto Township,” which does not exist. Urged the board to vote no on the project.
- **Sam Froehke, near Toronto:** Asked whether atmospheric temperature differences (thermoclines or temperature inversions) could cause sound to travel farther than expected.
 - **Jacob Poling:** Confirmed that sound can propagate farther under temperature inversion conditions, similar to downwind effects, and stated that the project’s modeling accounts for wind and temperature inversions as a conservative measure.
 - **Sam Froehke:** Suggested this could justify extending sound measurement distances in the study to capture impacts on more distant residences.
 - **Jacob Poling:** Clarified that the baseline survey focused on residences closest to the Toronto site, assuming sound diminishes with distance, which is typical.
- **Madalyn Oftedahl:** Opposed the project due to threats to farmland, wetlands, wildlife, and community character. Cited rising land prices, multi-generational farming concerns, safety risks from construction traffic, and strain on volunteer emergency services. Warned the project could drive residents away and harm Toronto’s rural community. Urged denial to protect agriculture, environment, and local quality of life.
- **Val Trooien:** Acknowledged the effort and investment Missouri River Energy Services has made in the project but opposed it due to location concerns. Clarified that local schools would not gain funding from the project and highlighted already-full schools and thriving community statistics. Emphasized that the area’s appeal comes from its rural character and quality of life, which would be negatively impacted by industrial development. Urged the board to deny the project.

After all comments were received, Chairman Dahl and the Commissioner Chairman Grabow closed the public hearing for their respective boards.

Board members asked a series of questions regarding land use, infrastructure, operations, and potential impacts of the proposed project.

Land Use & Rezoning: Questions were raised about the rezoning of approximately 71 acres when only 20 acres are planned for development. Terry Wolf explained that only the northern portion of the property would be used for the facility, with the remaining land largely staying in agricultural use. Board members expressed concern that rezoned land could allow for future industrial use beyond the current proposal; it was noted that any additional development would require further approvals.

Easements & Transmission: Board members inquired about the status of transmission line easements. Terry Wolf stated that most easements have been secured, with a few still under negotiation. He noted that while eminent domain is an option, the preference is to reach voluntary agreements with landowners.

Proximity to Residences: Questions were asked regarding nearby residences. Terry Wolf indicated that the applicant has an option to purchase the nearest home, which would increase the distance to the next closest residence.

Water Use & Wells: Board members asked about water demand and the need for two wells. Terry Wolf and staff explained that water usage is minimal and the second well would serve as backup and for fire protection.

Operations & Fuel Use: Questions were raised about how often the plant would operate and the use of diesel backup fuel. Terry Wolf stated the plant is expected to operate approximately 10–20% of the time, with diesel usage occurring infrequently, primarily during peak winter conditions.

Noise Standards: Board members discussed compliance with the county's 45 dBA noise standard and how it would be measured. Jacob Poling explained that modeling reflects worst-case conditions and incorporates mitigation measures, with expectations that the facility will meet or be below required limits. Board members expressed concern regarding cumulative noise levels and emphasized the importance of clear, enforceable conditions.

Natural Gas & Fuel Supply: Questions were asked about natural gas usage and potential impacts on local supply and pricing. Terry Wolf stated that the facility's usage would be minimal relative to overall supply and is not expected to impact consumer prices. Additional concerns were raised about diesel fuel demand; he indicated usage would be limited and generally occur outside peak agricultural seasons.

Site Selection: Board members asked whether alternative locations were considered. Terry Wolf explained that the site was selected based on proximity to infrastructure and overall cost, identifying it as the least-cost option.

Project Ownership & Power Distribution: Questions were raised about ownership and who benefits from the generated power. Terry Wolf explained the project is funded through member communities across multiple states, with costs distributed among them and power dispatched to the regional grid.

Post-Construction Verification: Board members asked about follow-up testing. Jacob Poling stated that post-construction sound testing is anticipated, with the design targeting levels below required thresholds.

General Discussion: Board members emphasized the importance of establishing clear conditions—particularly regarding noise, land use, and long-term impacts—to ensure compliance and protect the community.

Zoning Officer Jodi Theisen presented the staff report and explained the rezoning request. She stated that Missouri River Energy Services submitted both a rezoning application and a Conditional Use Permit (CUP) application on February 19, 2026. Public and Private Utilities are only allowed as a Conditional Use within the Commercial/Industrial District, so the rezoning request must be approved before the CUP can be considered.

Theisen reviewed the zoning ordinance requirements for the Commercial/Industrial District, noting that rezoning the property would allow a range of commercial and industrial uses subject to review and approval under Section 1102 of the Deuel County Zoning Ordinance. She also highlighted the Deuel County Comprehensive Plan policies related to agricultural preservation, development patterns, and the discouragement of scattered industrial development in rural areas. The property is not located over a shallow aquifer and is not within a wellhead protection area.

Regardless of the rezoning outcome, Theisen recommended that CUP action be delayed until April 13, 2026 to ensure proper evaluation of conditions and compliance with planning objectives.

After all comments were received, Chairman Dahl closed the public hearing for the Planning Commission. The Chairman Commission Grabow also closed the public hearing for the County Commission.

Motion by Lammers, seconded by Dahl, to recommend approval of the rezoning request from "AG" Agricultural District to "CI" Commercial/Industrial District and forward the recommendation to the Deuel County Board of Commissioners. Dahl called a roll call vote; Kanengieter- no, Lammers – no, DeBoer – no, Grabow - yes, and Dahl – no. Motion failed. The board did not recommend approval of the rezoning request.

Motion by DeBoer, seconded by Kanengieter, to adjourn the Planning Commission. All voted in favor. Motion passed unanimously.

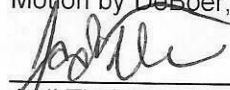
Motion by DeBoer, seconded by Kanengieter, to convene as the Board of Adjustment. All voted in favor. Motion passed unanimously.

Item #2 Conditional Use Permit

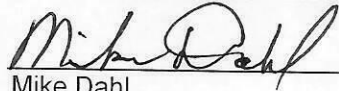
The next agenda item was a Conditional Use Permit request submitted by Missouri River Energy Services and property owner James E. Peterson for a Public and Private Utilities facility pursuant to Section 1102.04.07 and Section 1247 of the Deuel County Zoning Ordinance.

Motion by DeBoer, seconded by Grabow, to postpone discussion and final action on the Conditional Use Permit (CUP) request until the April 13, 2026, meeting, contingent upon approval of the rezoning by the Deuel County Board of Commissioners. All voted in favor; motion passed unanimously.

Motion by DeBoer, seconded by Grabow, to adjourn. All voted in favor. Motion passed unanimously.



Jodi Theisen
Deuel County Zoning Officer



Mike Dahl
Chairman, Zoning Board