

**HERMOSA TOWN BOARD  
TUESDAY, JULY 22, 2025  
REGULAR MEETING @ 6:00 PM**



- 1) **ROLL CALL:**
  - A. BOT Roll Call: Kramer, Ferguson, Koontz, Harris, Serviss
  - B. Acknowledgement of other Attendees
  - C. Pledge of Allegiance to be led by Koontz
  
- 2) **CALL FOR CHANGES:**
  - A. Review of current agenda items
  - B. Motion to accept the agenda as presented/amended
  
- 3) **CONSENT CALENDAR:**
  - A. Approval of July 8, 2025, regular meeting minutes
  
- 4) **CONFLICT OF INTEREST DECLARATION:**
  
- 5) **TOWN/FEMA UPDATES:**
  - A. Notice of Award 2025 Hermosa Drainage and Sewer Assessment and Improvement Plans
  
- 6) **ENGINEER:**
  - A. Approve On-Call Inspection Master Service Agreement
  - B. Quotes for WWTP:
    1. Control Panel for UF, UV and Dropbox (Panel 3 of 3) – approve budget of \$43,571
    2. Level Sensor for Dropbox – approve budget of \$900
    3. 3 floats (low level, high level, high alarm) \$360 budget to be approved
  - C. North Water Tower Bid award
  
- 7) **PLANNING & ZONING:**
  - A. Permit #2025-14 – Digging Permit – 360 Vilas St – Parcel #009202
  - B. Permit #2025-16 – Carport – 51 N 5<sup>th</sup> St. – Parcel #009284
  - C. FYI – Temporary Sign Application – American Legion Post 303
  - D. Permit #2025-17 – Extraterritorial Area – James Bendlin–850 Marie St – Informational Permit #2025-17
  - E. Parcel #009324 – Approval of new address – 340 Whitney St.
  
- 8) **CLAIMS:**
  - A. Review of payroll and claims. Motion to approve as presented/amended.
  
- 9) **LAW ENFORCEMENT/ABATEMENTS/COMPLAINTS:**
  - A. Marshal report
  - B. Request Benesch to research marshal parking opportunities
  
- 10) **LEGAL:**
  - A. Advisement or Action regarding the attendance of the Town Attorney at all meetings.
  
- 11) **PUBLIC WORKS:**
  - A. Streets, Street Light Repairs, Water & Sewer Department Updates
  - B. Open Work Orders
  - C. Streets- Contract work
  - D. Motion for Booster Pump Policy

- 12) **ECONOMIC DEVELOPMENT:**  
A. Update on town revenue opportunities
- 13) **FINANCE OFFICE:**  
A. Monthly financials  
B. Department updates
- 15) **OLD BUSINESS:**  
A. Pop's Grocery Shoppe Operating Agreement  
B. Operating Agreement Notice of Cancellation – TW Saloon
- 16) **NEW BUSINESS:**  
A. Future of the Hermosa Library
- 17) **ITEMS FROM CONSTITUENTS:** No action can be taken by the board on any issue related without being first placed on a future agenda, to allow for proper notice.  
  1. Reserved time for public comment is **15 minutes**.
  2. This is a time for citizens of the town of Hermosa or owners of property within town Limits to express concerns or discuss issues having relevance to the town.
  3. Anyone wishing to address the Town Board during this time shall be asked to stand and Identify themselves after being recognized the Board President.
  4. Each person will be allotted **3 minutes** to speak.
  5. After these time limits are reached, all further commentary shall be made only with the Chair's approval.
- 18) **TRUSTEE INPUT:**
- 19) **EXECUTIVE SESSION:**  
A. Motion to enter Executive Session allowable by SDCL 1-25-2.1 – Legal/Personnel/Contract  
B. Motion to exit out of Executive Session  
C. Motions resulting from Executive Session
- 20) **ADJOURN:** Motion by \_\_\_\_\_; Second by \_\_\_\_\_ to adjourn the meeting at \_\_\_\_\_ PM.

HERMOSA TOWN BOARD  
TUESDAY, JULY 8, 2025  
REGULAR MEETING @ 6:00pm

3A

ROLL CALL: Koontz called the meeting to order on Tuesday, July 8, 2025, at 6:01 p.m. with the following members present: Ferguson, Koontz, and Serviss. Kramer attended via the phone for a part of the meeting. Harris was absent. Interested citizens, Attorney Hagg, Town Engineer Theodorou and Town Planner Putnam were also present. Pledge of Allegiance led by Koontz.

CALL FOR CHANGES: (Date typo on agenda updated to July instead of June) Pledge of allegiance led by Koontz, Motion by Ferguson and seconded by Serviss to add Item 6D Introduction of Benesch Floodplain Administrator and to accept the agenda as amended; vote: all aye, motion carried.

CONSENT CALENDAR: Motion by Ferguson and seconded by Serviss to approve June 24, 2025, regular meeting minutes and July 1, 2025, special meeting minutes as presented; vote: all aye, motion carried.

CONFLICT OF INTEREST DECLARATION: All board members are responsible for refraining from discussion and voting on issues where they may have a conflict of interest.

TOWN UPDATES: Motion by Ferguson and seconded by Serviss to approve board president to sign letter of commitment from Custer County Emergency Management to confirm agreement to participate in Custer County Multi-Jurisdictional Hazard Mitigation Plan; vote: all aye, motion carried.

ENGINEER: Oath of Office was administered to Town Engineer Anthony Theodorou and Town Planner Neil Putnam by Attorney Kent Hagg. Motion by Serviss and seconded by Koontz to approve the purchase of additional riprap for the lagoon in the amount of \$82,651.03; vote: all aye, motion carried. Engineer Theodorou introduced Maria, Floodplain Administrator, with Benesch.

PLANNING & ZONING: Motion by Koontz and seconded by Serviss to table Permit #2025-14 – Digging Permit – 360 Vilas St – Parcel #009202 until the next regular meeting; vote: all aye, motion carried. The staff report for Permit #2025-15 – Digging Permit – 440 Main St – Parcel #015959 and #015958 was presented for informational purposes only. Motion by Serviss and seconded by Ferguson to table Permit #2025-16 – Carport – 51 N 5<sup>th</sup> St – Parcel #009284 until receipt of site plan, location of structure and type of structure is received; vote: all aye, motion carried.

CLAIMS: Motion by Koontz and seconded by Serviss to approve the Payroll and Claims as presented: vote: all aye, motion carried. A & B BUSINESS, monthly printer/fax fee, \$554.05; BANK WEST, classic web banking fee, \$25.00 and Semi-annual wastewater Revenue Bond payment, \$26,415.00; BANK WEST CREDIT CARD, adobe/stamp/copy paper/FO registration/certificate for SAM renewal, \$276.81; BAROQUE ADVANTAGE LLC, Pay Application #7, \$87,506.21 and Pay Application #8, \$174,746.78; BENESCH, Lone Coyote Water & Sewer Extension engineering fees, \$845.50; BLACK HILLS ELECTRIC COOP, electric utilities May 2025, \$2,946.88; BLACK HILLS POWER EQUIPMENT, replacement blades for lawnmower, \$87.00; CBH COOP, propane for town shop, \$349.11; CONIFER CONSTRUCTION, Pay Application #3, \$17,429.64; CHUCK FERGUSON, June contract services, \$3,120.00 and two additional locates/17 hours lagoon pumping and fuel, \$621.00 RURAL DEVELOPMENT, RD1 Loan-June 2025 interest & principal, \$1,278.00; RD2 Loan-June 2025 interest & principal, \$417.00; RD3 Loan-June 2025 interest & principal, \$222.00; SHP Holdings LLC, publishing/legal notices June 2025/renewal, \$424.45; **Accounts Payable Total: \$317,264.43.** Payroll related: Total Paid on 6/30/2025; General, \$3,757.11; Water, \$213.56; Sewer, \$128.02; Promoting City/BBB, \$42.67; EFTPS-Electronic Federal Tax, FED/FICA TAX, \$1,138.71, SOUTH DAKOTA RETIREMENT, \$858.50; HEALTH POOL OF SOUTH DAKOTA, \$2,087.14; **Total Payroll Related Paid: \$8,225.51. REPORT TOTAL: \$325,489.94.**

LAW ENFORCEMENT/ABATEMENTS/COMPLAINTS: Custer County log was provided. Town Marshall Alias gave an update on law enforcement. Motion by Serviss and seconded by Ferguson to continue limiting town enforcement of abatements for an additional six months excluding any health and safety issues; vote: all aye, motion carried.

LEGAL: Attorney Hagg completed the annual review of Open Meeting Laws in South Dakota that is now required per SDCL 1-25-13.

BREAK: The board took a seven-minute break.

PUBLIC HEARING: A public hearing was held regarding a new application for Package (Off-Sale) Liquor License from Popp's Grocery Shoppe. Motion by Ferguson and seconded by Kramer to approve the new application from Popp's Grocery Shoppe for a Package (Off-Sale) Liquor License; vote: Aye: Kramer, Koontz and Ferguson; Serviss abstained; motion carried.

PUBLIC WORKS: Ferguson was not in attendance at the meeting. Serviss and Holsworth gave an update on current contracted street maintenance work. Town Engineer Theodorou reported that the town had received the discharge permit from DANR and gave an update on the sewer and water projects.

ECONOMIC DEVELOPMENT: Serviss gave an update on the Hermosa Connects and Hermosa Area Growth & Development he had attended on Monday, July 7, 2025. Serviss also provided information on the process of annexation.

FINANCE OFFICE: Monthly financials will be presented at the next meeting. Motion by Serviss and seconded by Ferguson to approve the Auto Supplement from Account #101-10100-36000 Miscellaneous Revenue to Account #101-43100-42900 Street Budget in the amount of \$3,265.00 which is the amount received from Progressive Insurance for the digital speed sign that had to be replaced; vote: all aye, motion carried.

OLD BUSINESS: Motion by Serviss and seconded by Ferguson to table Resolution 06-2025 A Resolution Establishing the Economic Development Committee for a period of sixty days; vote: all aye, motion carried.

NEW BUSINESS: The Future of the Hermosa Library item is pending until the next meeting.

CITIZENS/TRUSTEE INPUT: Audience and trustees had input. For full verbiage, please see the video recording posted on the town's You Tube channel.

EXECUTIVE SESSION: Motion by Koontz and seconded by Serviss to enter Executive Session allowable by SDCL 1-25-2.1 – Personnel/Contracts at 8:14 p.m.; vote: all aye, motion carried. Motion made by Ferguson and seconded by Serviss to exit Executive Session at 8:49 p.m.; vote: all aye, motion carried. Motion by Koontz and seconded by Serviss to direct the office staff to update our permitting documents with the new fee schedule that was received from Benesch; vote: all aye, motion carried.

ADJOURN: Motion made by Koontz and seconded by Serviss to adjourn meeting at 8:50 p.m., vote: all aye, motion carried.

ATTEST:

\_\_\_\_\_  
Terri Cornelison  
Finance Officer

\_\_\_\_\_  
Kelburn Koontz  
Town Board President

Published once at the approximate cost of \_\_\_\_\_.



6A

**CONSULTING SERVICES AGREEMENT**

CLIENT	Town of Hermosa	Project Name	4-Year Contract Operations and
Address	230 Main Street	On-Call Inspection Master Service Agreement	
	Hermosa, SD 57744	Hermosa Drinking Water and Sanitary System	
		Project Location	Hermosa, Custer County, SD
Telephone	(605)255-4291		
Client Contact	Kelburn Koontz, President	Consultant PM	Anthony L. Theodorou PE
Client Job No.		Consultant Job No.	

This Agreement is made by and between Town of Hermosa, hereinafter called "Client," and Alfred Benesch & Company, hereinafter called "Consultant", for professional consulting services as specified herein. Consultant agrees to provide Client with requested consulting services more specifically described as follows (or shown in Attachment A):

341 hours per year - Wastewater System Operations: Yr. 1 (@\$145/hr, Yr. 2 @\$150/hr, Yr. 3 @ \$155/hr. and Yr. 4 @\$160/hr.

213 hours per year - Water System Operations Yr. 1 (@\$145/hr, Yr. 2 @\$150/hr, Yr. 3 @ \$155/hr. and Yr. 4 @\$160/hr.

On-Call WW/W Inspection Services - \$150/hr. emergency call in (typically 1 hour for diagnostics)

The General Conditions and the following Attachments are hereby made a part of the Agreement:

- Attachment A: Scope of Services and Fee Estimate
- Attachment B: Schedule of Unit Rates
- Attachment C: \_\_\_\_\_
- or
- Exhibit A: Work Authorizations specifying Method of Payment, Scope, and Fee

By signing this Agreement, Client acknowledges that it has read and fully understands this Agreement and all attachments thereto. Client further agrees to pay Consultant for services described herein upon receipt of invoice by Client for the Consultant's estimated fee as described below:

- By Lump Sum: \$\_\_\_\_\_.
- By Time and Materials: \$See Contract/On-Call Fees.
- By Other Payment Method (See Attachment \_\_\_\_\_): \$\_\_\_\_\_.
- As shown on serially numbered Work Authorizations Using Exhibit A

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement:

**CLIENT**

**ALFRED BENESCH & COMPANY**

BY: \_\_\_\_\_  
AUTHORIZED REPRESENTATIVE

BY: \_\_\_\_\_  
AUTHORIZED REPRESENTATIVE

PRINT NAME: \_\_\_\_\_

PRINT NAME: Anthony Dirks

TITLE: \_\_\_\_\_

TITLE: Senior Vice President

DATE: \_\_\_\_\_, 20\_\_\_\_\_

DATE: July 2, 2025

BENESCH OFFICE: Rapid City

ADDRESS: 343 Quincy Street, Suite 104

Rapid City, SD 57701

**PLEASE SIGN AND RETURN ONE COPY TO ALFRED BENESCH & COMPANY (ADDRESS ABOVE).**



## STANDARD TERMS AND CONDITIONS

### SECTION 1 – Services by Consultant

#### 1.1 General

Consultant shall provide services under this Agreement only upon request of the Client, and only to the extent defined and required by the Client. These services may include the use of outside services, outside testing laboratories, and special equipment.

Attachments to this Agreement are as identified on the signature page to this Agreement or using serially numbered Work Authorizations, and with these GENERAL CONDITIONS, are all as attached hereto, and made a part of this Agreement.

#### 1.2 Scope of Services and Fees

The services to be performed by Consultant and the associated fee are attached hereto and made a part of this Agreement or by using serially numbered Work Authorizations, all as identified on the signature page to this Agreement, and shall be performed by the Consultant in accordance with the Client's requirements. The Scope of Services and Fee Estimate (Attachment A) is valid for sixty (60) days, after which Consultant reserves the right to revise the Scope or Fee Estimate.

It is mutually understood that Consultant's fee is not a firm contractual amount, except the total fee by the Consultant shall not be exceeded unless authorized in writing by the Client. The intent of the Scope of Services is to identify the services to be provided by Consultant. However, it is specifically understood that by written notice to Consultant, Client can decrease or, with concurrence of Consultant, increase the Scope of Services.

### SECTION 2 – Payments to Consultant

#### 2.1 Method of Payment

Payment for Consultant's personnel services and direct expenses shall be based on the Method of Payment which is identified on the signature page to this Agreement or serially numbered Work Authorizations, attached hereto, and made a part of this Agreement.

#### 2.2 Payment for Personnel Services

##### 2.2.1 Payment

Payment for the services rendered by Consultant's personnel shall be based on the hours of chargeable time and in accordance with Consultant's Schedule of Unit Rates, which is identified on the signature page to this Agreement and attached hereto, and made a part of this Agreement.

##### 2.2.2 Chargeable Time

Chargeable time for Consultant's personnel is that portion of their time devoted to providing services requested by Client. Chargeable time for field personnel located away from Consultant's office for more than one week is a minimum of eight hours per day and five days per calendar week, except for Consultant observed legal holidays or during an employee's sick leave or vacation time. Travel

time from Consultant's office to an assigned work site, and return to Consultant's office, is chargeable time; or if more economical for Client, Consultant shall lodge its personnel overnight near the work site in lieu of traveling back to Consultant's office at the end of each work day.

##### 2.2.3 Overtime Rates

The basis for payment to Consultant for each hour worked in excess of forty (40) hours in any calendar week shall be the applicable hourly rate as specified in the Schedule of Unit Rates.

#### 2.3 Payment for Direct Expenses

##### 2.3.1 Payment

For Direct Expenses incurred by Consultant, payment to Consultant by the Client shall be in accordance with Consultant's Schedule of Unit Rates.

##### 2.3.2 Direct Expenses

For the purposes of this Agreement, Direct Expenses to be contracted and managed by Consultant and payable by Client to Consultant shall include: Outside Services including the services and reimbursable expenses for firms other than Consultant which are necessary for the work the Consultant is directed to perform; Laboratory Tests and related reports necessary for the work the Consultant is directed to perform, either by the Consultant or by an outside service for the Consultant; Special Equipment expenses including the costs of the Consultant locating, acquiring, leasing, or renting any equipment or facilities not currently owned, leased, or rented by Consultant at the time of the request for services which are necessary to enable Consultant to provide the services requested; vehicles furnished by Consultant for Consultant's authorized travels and for Consultant's field personnel; Per Diem expense or actual costs of maintaining Consultant's field personnel on or near the Project site, for each day of field assignment away from Consultant's office; and Other Direct Expenses associated with all services provided hereunder and identified in the Schedule of Unit Rates.

#### 2.4 Payment Conditions

2.4.1 Consultant shall submit monthly invoices for all personnel services and direct expenses under this Agreement and a final invoice upon completion of services.

2.4.2 Invoices are due and payable upon receipt by Client. Interest at a rate of 1.5% per month, or the maximum allowed by law, will be charged on all past due amounts starting thirty (30) days after date of invoice. Payments will first be credited to interest and then to principal.

2.4.3 In the event of a disputed or contested invoice, Client must provide written notice to Consultant within ten (10) days of the date of any invoice, otherwise the invoice will be considered to be correct. In the event Client timely submits in writing a dispute on a particular invoice, only that portion so contested will be withheld from payment and the Client will pay the undisputed portion. No interest will accrue on any reasonably contested portion of the invoice until mutually resolved.

**2.4.4** If Client fails to make payment in full to Consultant of amounts owed pursuant to this Section 2 within forty-five (45) days of the date of the invoice, Consultant may, after giving seven (7) days' written notice to Client, suspend services under this Agreement until paid in full, including interest. Consultant shall have no liability to Client for delays or damages caused by such suspension of services. Client agrees to pay all costs of collection, including reasonable attorney's fees, incurred by Consultant as a result of Client's failure to make payments in accordance with this Agreement. No final plans, documents or reports will be released for any purpose until Consultant has been paid in full.

**2.4.5** The billing rates specified in the Schedule of Unit Rates for subsequent years shall be adjusted annually in accordance with Consultant's costs of doing business, subject to Client's review and concurrence.

### **SECTION 3 - Term of Agreement**

#### **3.1 Term**

Consultant's obligations to perform under this Agreement shall extend from the date of execution until terminated by either party.

#### **3.2 Abandonment of Work**

Client shall have the absolute right to abandon any work requested hereunder or to change the general scope of the work at any time, and such action on its part shall in no event be deemed a breach of contract.

#### **3.3 Termination of Agreement**

##### **3.3.1 Termination with Cause**

The obligation to provide further services under this Agreement may be terminated with cause by either party by written notice stating the basis for the termination and providing 7 days to cure. The termination will be effective seven (7) days after delivery of written notice thereof if the basis for the termination has not been cured. In the event of termination by Consultant caused by failure of the Client to perform in accordance with the terms of this Agreement, Client shall pay for all services performed prior to the effective date of the termination, including all project termination expenses, collection fees and legal expenses. Consultant shall prepare a progress report, including information as to all the services performed by Consultant and the status of the services as of the date of the termination, and provide information and documents developed under the terms of this Agreement to the Client upon receipt of final payment. In the event of termination by the Client caused by failure by Consultant to perform in accordance with the terms of this Agreement, Consultant shall prepare a progress report, including information as to all the services performed by Consultant and the status of the services as of the date of the termination and provide information and documents developed under the terms of this Agreement to the Client. Upon receipt of all other information and documents, Client shall pay Consultant for services performed prior to the effective date of the termination.

##### **3.3.2 Termination without Cause**

Either party may, at its sole discretion, terminate this

Agreement without cause at any time. In the event of such termination, the terminating party will promptly notify and confirm the termination in writing to the other party. The termination will be effective seven (7) days after delivery of written notice thereof. Upon termination, Consultant shall prepare a progress report, including information as to all the services performed by Consultant and the status of the services as of the date of the termination, and provide information and documents developed under the terms of this Agreement to the Client upon receipt of final payment.

#### **3.4 Payment for Work Upon Abandonment or Agreement Termination**

If Client abandons requested work or terminates this Agreement, Consultant shall be paid on the basis of work completed to the date of abandonment or effective date of termination. Consultant shall perform no activities other than reasonable wrap-up activities after receipt of notice of abandonment or termination. Payment for the work shall be as established under Section II.

### **SECTION 4 - General Considerations**

#### **4.1 Assignment and Responsibility for Personnel**

**4.1.1** The assignment of personnel and all phases of the undertaking of the services which Consultant shall provide hereunder shall be subject to the oversight and general guidance of Client.

**4.1.2** While upon the premises of Client or property under its control, all employees, agents, and subconsultants of Consultant shall be subject to Client's rules and regulations respecting its property and the conduct of its employees thereon.

**4.1.3** However, it is understood and agreed that in the performance of the work and obligations hereunder, Consultant shall be and remain an independent Consultant and that the employees, agents or subconsultants of Consultant shall not be considered employees of or subject to the direction and control of Client. Consultant shall be responsible for the supervision and performance of all subconsultants which are to perform hereunder.

#### **4.2 Insurance**

**4.2.1** Consultant shall furnish Client a certificate of insurance upon request showing amounts and types of insurance carried by Consultant, which certificate shall contain a commitment by the Insurance Company that during the time any work is being performed by Consultant under this Agreement it will give Client notice of cancellation or non-renewal of the insurance coverage shown on such certificates in accordance with policy provisions.

**4.2.2** Any construction contracts relative to Consultant's Services shall require that the Client and Consultant be included as additional insureds on the contractor's and contractor's subcontractors' commercial general liability and commercial automobile liability insurance policies and that the coverage afforded Client and Consultant is primary to any insurance maintained by Client or Consultant and that Client and Consultant's insurance is non-contributory with any coverage afforded by contractor and subcontractors. Client will also require contractor and all subcontractors to purchase and maintain workers' compensation and employer's liability insurance.

Consultant will name the Client as additional insured on Consultant's commercial general liability insurance.

#### **4.3 Successors and Assigns**

**4.3.1** Client and Consultant each binds itself and its partners, successors, executors, administrators, assigns, and legal representatives to the other party to this Agreement and to the partners, successors, executors, administrators, assigns, and legal representatives of such other party, in respect to all covenants, agreements, and obligations of this Agreement.

**4.3.2** Neither Consultant nor Client shall assign or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the other party, except as stated in paragraph 4.3.1 and except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Consultant from employing such independent consultants, associates, and subconsultants as it may deem appropriate to assist in the performance of services hereunder.

**4.3.3** Nothing herein shall be construed to give any rights or benefits hereunder to any one other than Client and Consultant except as otherwise provided herein.

#### **4.4 Compliance with Law**

**4.4.1** Consultant shall exercise the professional standard of care to comply with, and cause its subconsultants to comply with, applicable Federal, state, and local laws, orders, rules, and regulations in effect at the time services are rendered, and relating to the performance of the services Consultant is to perform under this Agreement. If the Scope of Services requires Consultant to prepare an application for a permit, Consultant does not represent or warrant that said permit or approval will be issued by any governmental body.

**4.4.2** Neither the Consultant nor the Consultant's agents or employees shall discriminate against any employee or applicant for employment to be employed in the performance of this Agreement with respect to hiring, tenure, terms, conditions, or privileges of employment, because of race, color, religion, sex, or national origin.

#### **4.5 Ownership and Reuse of Documents**

**4.5.1** All drawings, specifications, test reports, and other materials and work products which have been prepared or furnished by Client prior to this Agreement shall remain Client's property. Consultant shall be permitted to rely on Client furnished documents and Client shall make available to Consultant copies of these materials as necessary for the Consultant to perform the services requested hereunder.

**4.5.2** All drawings, specifications, test reports, and other materials and work products, including computer aided drawings, designs, and other data filed on electronic media which will be prepared or furnished by Consultant (and Consultant's independent professional associates and subconsultants) under this Agreement, are instruments of

service in respect to the Project and Consultant shall retain an ownership and property interest therein whether or not the Project is completed. Client may make and retain copies for information and reference in connection with the use and the occupancy of the Project by Client and others; however, such documents are not intended or represented to be suitable for reuse by Client or others acting on behalf of Client on extensions of the Project or on any other project. Further, Consultant makes no warranty as to the compatibility of computer data files with computer software and software releases other than that used by Consultant in performing services herein, and to the condition or availability of the computer data after an acceptance period of thirty (30) days from delivery to Client. Any reuse without written verification or adaptation by Consultant for the specific purpose intended will be at Client's sole risk and without liability or legal exposure to Consultant or to Consultant's independent professional associates or subconsultants, and Client shall indemnify and hold harmless Consultant and Consultant's independent professional associates and subconsultants from all claims, damages, losses, and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation will entitle Consultant to further compensation at rates to be agreed upon by Client and Consultant.

#### **4.6 Consultant's Personnel at Project Site**

**4.6.1** The presence or duties of the Consultant personnel at a Project site, whether as onsite representatives or otherwise, do not make the Consultant or its personnel in any way responsible for those duties that belong to the Client and/or the construction contractors or other entities, and do not relieve the construction contractors or any other entity of their obligations, duties, and responsibilities, including, but not limited to, all construction methods, means, techniques, sequences, and procedures necessary for coordinating and completing all portions of the construction work in accordance with the project documents and any health or safety precautions required by such construction work. The Consultant and its personnel have no authority to exercise any control over any construction contractor or other entity or their employees in connection with their work or any health or safety precautions and have no duty for inspecting, noting, observing, correcting, or reporting on health or safety deficiencies of the construction contractor or other entity or any other persons at the site except Consultant's own personnel.

**4.6.2** To the extent Consultant's Scope of Work includes construction observation, the Consultant shall keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and report to the Owner (1) known deviations from the Contract Documents and from the most recent construction schedule submitted by the Contractor, and (2) defects and deficiencies observed in the Work. Consultant neither guarantees the performance of the contractor(s) nor assumes responsibility for contractor(s)' failure to perform their work in accordance with the project documents.

#### **4.7 Opinions of Cost, Financial Considerations, and Schedules**

In providing opinions of cost, financial analyses, economic feasibility projections, and schedules for the Project, the Consultant has no control over the cost of labor, materials, equipment, or services furnished by others, or over the Contractor(s)' methods of determining prices, or over competitive bidding or market conditions. Consultant's opinions of probable Total Project Costs and Construction Costs provided for herein as appropriate are made on the basis of Consultant's experience and qualifications and represent Consultant's judgments as an experienced and qualified professional consultant familiar with the construction industry. Consultant makes no warranty that the Client's actual Total Project or Construction Costs, financial aspects, economic feasibility, or schedules will not vary from the Consultant's opinions, analyses, projections, or estimates. If Client wishes greater assurance as to any element of the Total Project or Construction cost, feasibility, or schedule, Client will employ an independent cost estimator, contractor, or other appropriate advisor.

#### **4.8 Discovery of Unanticipated Pollutant and Hazardous Substance Risks**

**4.8.1** If Consultant, while performing the services, discovers pollutants and/or hazardous substances that pose unanticipated risks, it is hereby agreed that the scope of services, schedule, and the estimated cost of Consultant's services will be reconsidered and that this Agreement shall immediately become subject to renegotiation or termination.

**4.8.2** In the event that the Agreement is terminated because of the discovery of pollutants and/or hazardous substances posing unanticipated risks, it is agreed that Consultant shall be paid for its total charges for labor performed and reimbursable charges incurred to the date of termination of this Agreement, including, if necessary, any additional labor or reimbursable charges incurred in demobilizing.

**4.8.3** Client also agrees that the discovery of unanticipated pollutants and/or hazardous substances may make it necessary for Consultant to take immediate measures to protect health and safety. Consultant agrees to notify Client as soon as practically possible should unanticipated pollutants and/or hazardous substances be suspected or encountered. Client authorizes Consultant to take measures that in Consultant's sole judgment are justified to preserve and protect the health and safety of Consultant's personnel and the public. Client agrees to compensate Consultant for the additional cost of taking such additional precautionary measures to protect employees' and the public's health and safety. This section is not intended to impose upon Consultant any duties or obligations other than those imposed by law.

### **SECTION 5 - Professional Responsibility**

#### **5.1 Performance of Services**

Consultant shall perform its services consistent with the professional skill and care ordinarily provided by firms practicing in the same or similar locality under the same or similar circumstances (hereinafter the "Standard of Care").

Consultant expressly disclaims all express or implied warranties and guarantees with respect to the performance of professional services, and it is agreed that the quality of such services shall be judged solely as to whether the services were performed consistent with the Standard of Care. Consultant owes Client only that level of performance defined in this Section 5.1, and nothing herein shall be construed as creating a fiduciary relationship.

If at any time prior to construction Client believes Consultant's services are deficient due to not meeting the Standard of Care, Client must immediately inform Consultant in writing and shall afford Consultant the opportunity to correct such deficiency. If, upon review by Consultant it is determined there is a deficiency that fails to meet the standard of care and it is attributable to Consultant, the deficiency shall be corrected at no additional cost to Client.

#### **5.2 Limitation of Liability**

Client and Consultant agree to allocate certain of the risks so that, to the fullest extent permitted by law, Consultant's total liability to Client is limited to the amount paid under the contract or \$50,000 whichever is greater, this being the Client's sole and exclusive remedy for any and all injuries, damages, claims, losses, expenses, or claim expenses (including attorney's fees) arising out of this Agreement from any cause or causes. Such causes include, but are not limited to, Consultant's negligence, errors, omissions, strict liability, breach of contract, or breach of warranty.

#### **5.3 No Special or Consequential Damages**

Client and Consultant agree that to the fullest extent permitted by law neither party shall be liable to the other for any special, indirect, or consequential damages whatsoever, whether caused by either party's negligence, errors, omissions, strict liability, breach of contract, breach of warranty, or other cause or causes.

#### **5.4 Indemnification**

To the fullest extent permitted by law, Client and Consultant mutually agree to indemnify and hold each other harmless from and against any and all claims, damages, losses and expenses, defense costs including reasonable attorneys' fees, and court or arbitration costs and other liabilities arising from their own negligent acts, errors or omissions in performance of their services under this Agreement, but only to the extent caused that each party is responsible for such damages, liabilities and costs on a comparative basis of fault.

#### **5.5 No Third Party Beneficiaries**

Client and Consultant expressly agree that this Agreement does not confer upon any third party any rights as beneficiary to this Agreement. Consultant accepts no responsibility for damages, if any, suffered by any third party as the result of a third party's use of the work product, including reliance, decisions, or any other action taken based upon it.

Client agrees that Consultant's services and work products are for the exclusive present use of Client. Client agrees

that Consultant's compliance with any request by Client to address or otherwise release any portion of the work product to a third party shall not modify, rescind, waive, or otherwise alter provisions of this Agreement nor does it create or confer any third party beneficiary rights on any third party.

## **SECTION 6 - Miscellaneous Provisions**

### **6.1 Notices**

Any notice to either party herein shall be in writing and shall be served either personally or by registered or certified mail addressed to the signing party shown on the signature page.

### **6.2 Joint Preparation**

For purposes of contract interpretation and for the purpose of resolving any ambiguity in this Agreement, the parties agree that this Agreement was prepared jointly by them and/or their respective attorneys.

### **6.3 Headings**

Headings used in this Agreement are for the convenience of reference only and shall not affect the construction of this Agreement

### **6.4 Severability**

If any of the provisions contained in this Agreement are held for any reason to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

### **6.5 Dispute Resolution**

If negotiation in good faith fails to resolve a dispute within thirty (30) days of written notice of the dispute by either party, then the parties agree that, with the exception of claims that are subject to the applicable venue's small claims court jurisdiction, each dispute, claim or controversy arising from or related to this Agreement or the relationships which result from this Agreement shall be subject to mediation as a condition precedent to initiating legal or equitable actions by either party. Unless the parties agree otherwise, the mediation shall be in accordance with the Commercial Mediation Procedures of the American Arbitration Association then currently in effect. A request for mediation shall be filed in writing with the American Arbitration Association and the other party. No legal or equitable action may be instituted for a period of ninety (90) days from the filing of the request for mediation unless a longer period of time is provided by agreement of the parties. Cost of mediation shall be shared equally between the parties and shall be held in a location mutually agreed upon by the parties. The parties shall memorialize any agreement resulting from the mediation in a mediated settlement agreement, which agreement shall be enforceable as a settlement in any court having jurisdiction thereof.

During the pendency of any dispute, the parties shall continue diligently to fulfill their respective obligations

hereunder. Any dispute not resolved through mediation shall be subject to litigation in a court of competent jurisdiction in the state in which the project is located.

### **6.6 Equal Opportunity**

Consultant will, in the performance of this Agreement, comply with federal, state, and local laws, and all regulations and orders issued under any applicable law related to equal employment opportunity, non-discrimination, or employment generally.

Consultant certifies that it will not knowingly employ or contract with a non-legal resident of the United States to perform work under this Agreement, and verifies or attempts to verify employee eligibility of its employees through participation in the U.S. Department of Homeland Security and Social Security Administration's E-Verify system.

### **6.7 Governing Law**

This Agreement is to be governed by the laws of the jurisdiction in which the project is located. For locations outside of the United States, this Agreement shall be governed by the laws of the State of Illinois.

### **6.8 Entire Agreement**

This Agreement, along with those documents specified, attached, or hereby cited together, and serially numbered Work Authorizations if used, constitute the entire Agreement between the parties hereto and no changes, modifications, extensions, terminations, or waivers of this Agreement, or other documents, or any of the provisions herein, or therein contained, shall be valid unless made in writing and signed by duly authorized representatives of both parties.

**Engineer's Services**

**4-year Contract Operations and On-Call W/WW Inspection Services – Hermosa, SD**

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Attachment A of the Agreement is supplemented to include the following agreement of the parties. Planner shall provide Basic Services as set forth below.

**BASIC SERVICES**

***Project Location:***

The location for which Engineering and Contract Operation services are being provided is in the Town of Hermosa, 18 miles south of Rapid City, SD, in Custer County. The service area of the Public Water and Sewer System is approximately 890 Acres and is where the Badlands and Southern Black Hills meet. As of 2025, there are approximately 400 full-time residents, however Hermosa has a summer influx of snowbirds and visitors that increases the population between April and October over 650 total estimated population. The Battle Creek runs along the south boundary of the community.



Figure 1. Location Map of Hermosa, South of Rapid City SD

***Project Understanding:***

Benesch completed the redesign of the Wastewater Treatment Lagoons and designed a new Wastewater Treatment Plant in 2024 and has written the new NPDES discharge permit in 2025. The construction of the new lagoons and WWTP are 80% complete as of 7/1/2025 and the NPDES discharge permit SD0022349 was issued for use on April 23, 2025, and is ready to allow discharge to the Battle Creek after the completion of upgrade to the outfall 001 on July 1, 2025. Therefore, the date Contract Operations will expire and be renegotiated for renewal is July 23, 2029, or when the NPDES permit will come up for renewal with DANR, whichever is sooner and may modify the matrix of responsibilities. This contract will be reviewed annually by the Board of Trustees, allowing the Town to request adjustments to the scope of services or pricing as needed.

Benesch has also completed a Hydraulic model on the town's Drinking Water System in 2024 and written a new Water Rights Permit for the town's new Madison Well (well #3). The permit is currently under review by DANR. The results of the hydraulic study indicated that additional Water Storage is needed on the west side of Hwy 79 and new booster pumps are needed to keep all pressures in a safe range of 40-70 psi. The location of the new Water Storage tank was selected at the end of a previously constructed water line to the north of town. Property was acquired for the new Tank and Benesch completed the design and advertised for bid in June 2025. New location of the new Madison Well was collocated with the New Tank to provide full redundancy and improve chlorination management.

The current wells (Well #1 and Well #2) can serve 134.6 gpm and 67 gpm (originally 201.9 gpm until grouted), respectively, under existing water rights permits No. 744B-2 and No. 2550-2. That equates to 215 ac-ft. and 120 ac-ft. annually (335 ac-ft.). Well #2 was grouted in 2017 due to elevated Radionuclide levels in the water. Thus, the existing well #2 is offline until a Water Treatment System can be installed. Benesch is working with DANR to use a 2022 DWSRF loan to fund the construction of the Water Treatment System. In addition, well #3 permit application has requested an additional 430 gpm (680 ac-ft. annually). Once all three wells are fully operational, the town will have an adequate water supply for the 4-year duration of the proposed Operations Contract.

***Wastewater and Water Assets***

Benesch contract operations will support the towns current and future assets. Future assets being constructed will require operations time to support development of standard operating procedures (SOP) for a smooth commissioning phase and transition to regular operations.

Wastewater System Assets included under Contract Ops are:

- Ferguson Subdivision Pump Station
- Whitney Street Pump Station
- 5<sup>th</sup> Street Pump Station
- 4 Cell Lagoon System and Detention Basin
- Wastewater Treatment Plant (Rotating Biofilm Contactors with Ultrafiltration and Disinfection).
- Outfall 001 at the Battle Creek
- Administration of Sewer System Maintenance contracts

Water System Assets included under Contract Ops are:

- Well #1 at the Battle Creek (PumpHouse #1)
- Well #2 on Tower Hill
- Water Treatment Plant on Tower Hill
- Ground Storage Tank #1 –130,000 gallon capacity
- Ground Storage Tank #2 – Aquastore 3157 WT, 30.77 ft. diameter, 56.60 ft. height, 314,000 gallon capacity

Booster Station on Tower Hill

Well #3 on North End

Ground Storage Tank #3 – Proposed 127,000 gallon capacity tank, expandable to 362,000 gallon capacity.

Note: Two Public Works buildings are owned by the Town of Hermosa. One is at the Town Offices and the second is near the pumphouse at the Battle Creek. The town will be responsible for the cost of maintaining these two buildings, accessible by Benesch for the storage of tools, chemicals and spare parts.

Hourly Rate for the Benesch licensed Class I operator:

*(Hermosa is a Class I Plant and Systems, defined as serving less than 1500 persons and with WW and Water Treatment Plants rated at 30 points or less).*

Year 1: \$145/hr.

Year 2: \$150/hr.

Year 3: \$155/hr.

Year 4: \$160/hr.

The current and future 4-year operation requirements in Hermosa are as follows:

Weekly

*Wastewater:*

Multiple Sampling and CoC Requirement at the WWTP: 2 hours

Remote Monitoring 2x in the week by camera and telemetry: 1 hour

Lagoons Aeration Operations: 1 hour

Treatment Plant Operations: 1 hour

*Water:*

Treatment Plant Operations: 2 hours

Check and Refill Chemicals/ Plant Cleanliness Inspection: 1 hour

Monthly

*Wastewater:*

Reporting to DANR: 2 hours

Check and Refill Chemicals / Plant Cleanliness Inspection: 2 hours

Plant Cleanliness 2 hours

*Water:*

Reporting to DANR: 2 hours

Check and Refill Chemicals 2 hours

Yearly

*Wastewater:*

DANR Inspection 9 hour

*Water:*

DANR Inspection, added sampling and reporting requirements: 9 hours

**Total Hourly Requirement per year: 341 hours for WW  
213 hours for Water**

**Total Contract Administration budget per year: \$5,000 (Time & Materials basis)**

This can be used for all tasks currently being performed by existing contractors, including:

- Monitoring Propane and maintenance activities for town buildings
- Flushing Hydrants
- Reading meters
- Grounds Keeping (Mowing, Weed eating, Snow removal)

- Street Lights inspection and maintenance
- Roads inspection and maintenance
- Water and Sewer Repairs under \$3000

Critical to stay within the Hourly Requirement stipulated above are the following provisions:

*Wastewater:*

- Town to provision for replacement of Lagoon Pond Doctors in its Capital Improvement Plan. Cost can range over \$100k. The existing pond aerators are operational but beyond expected life.
- Install a new composite Autosampler in the WWTP to limit trips for sampling to weekly (\$2-3k). The town should have this in place by substantial completion of the WWTP construction phase.
- Town to pay all laboratory fees required of the NPDES permit. Benesch will deliver samples to the Lab in Rapid City as a part of this contract.
- Town to pay all chemical costs, delivered, for Ultrafiltration backwash and disinfection.
- Town to provision for the replacement of the gearbox in the Dropbox RBC's in the future to increase the capacity of the plant to its nameplate (60,000 GPD). Priced at \$4k in 2024.
- Pump Station diagnostics for Ferguson, Whitney and 5<sup>th</sup> Street is included as a part of this contract. Repair of the pumps and control panels and Vactor cleaning of the station wet wells is to be contracted and paid for by the town, as identified by the contract operators.

*Water:*

- Well House #1 requires a new VFD control panel and all chlorine to be isolated from the interior of the well house. (Eligible for 2022 DWSRF)
- The existing well #1 pump is the spare 85 GPM pump. Well #1 needs a new pump capable of 135 GPM for the Total Dynamic Head to go from the Battle Creek up and through the Water Treatment Plant and fill the Ground Storage Tank #2 is needed (Eligible for 2022 DWSRF).
- Radio Communications between Well House #1 control panel and Ground Storage Tank #2 is required. A 4/20 mA signal from a tank level sensor must be transmitted to the VFD at Well #1. (Eligible for 2022 DWSRF).
- Ground Storage Tank #2 level sensor integration into the radio communications to Well #1. (Eligible for 2022 DWSRF).
- Repair leak at base of Tank #2 (Not eligible for 2022 DWSRF funds). Priced at \$36k in 2024.
- Isolate Chlorine from Water Treatment Plant. (Eligible for 2022 DWSRF).
- Construction of a new Treatment System to remove radium from Well #1 and #2. (Eligible for 2022 DWSRF).
- Flush Well #2 and redevelop. Install spare 85 GPM pump on new VFDs (Eligible for 2022 DWSRF).
- Install level sensor in Ground Storage Tank #1 and integrate with Well #2 VFD by direct wire or radio communication (Eligible for 2022 DWSRF).
- Re-configure pipework from 8-inch dedicated line from Well #1 to run through the Water Treatment Plant before filling Ground Storage Tank #2. (Eligible for 2022 DWSRF).
- Upsize pipework from 4-inch to
- Install two booster pumps capable of 750 gpm and 160 ft. of TDH. (Not eligible for 2022 DWSRF funds). Estimated at \$17,500 each in 2024.
- Install a new control panel with VFD's for Booster Pumps and Pressure Transducer to maintain pressure at 40 psi minimum throughout the entire system. (Not eligible for 2022 DWSRF funds). Estimated at \$15,000 in 2025.
- Construct Tank #3, North end. (Eligible through Custer County ARPA grant). Currently out to bid.
- Drill and Develop Well #3 to the Madison Aquifer. (Eligible for 2022 DWSRF funds).
- Integrate Well #3 and Tank #3 (Eligible for 2022 DWSRF funds).

**On-Call Water/Sewer Inspection Services:**

**Not to Exceed: \$150/hr. emergency event**

The on-call inspection services contract will be provided by Benesch Engineering Support for investigative and troubleshooting tasks needed for the Water and Wastewater system within the Operator's abilities. In addition, when a Licensed Professional Engineer is required to represent the Owner on repair or system performance questions, these hours can be used as needed.

**Wastewater:**

Another task that the on-call Engineering Services budget can be used for is to help the Owner develop the Capital Improvement Plan (CIP) to budget for upgrades to the controls and equipment Over the 4 year Operations Contract, Benesch can identify, document and provide replacement options to equipment and prioritize which equipment should be replaced first and which equipment is still providing reliable service.

**Water:**

In the next 4 years, Hermosa will be completing 2022 DWSRF eligible activities, a North Water Tank, and a new Booster system. With proper controls integration, there should be no additional hours needed.

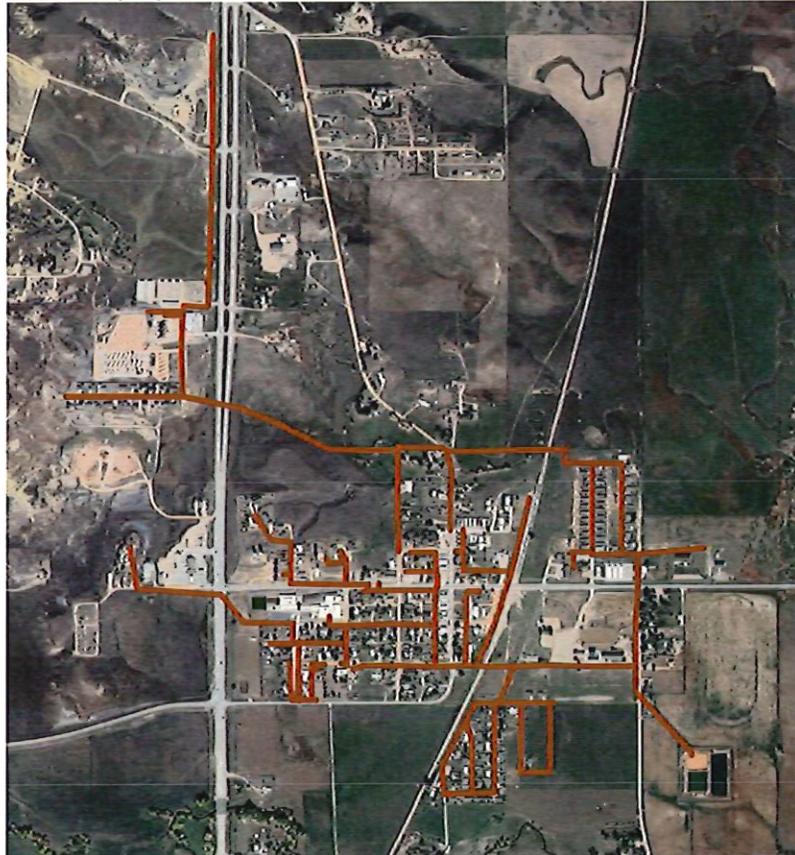


Figure 2. Existing Hermosa Wastewater Collection System

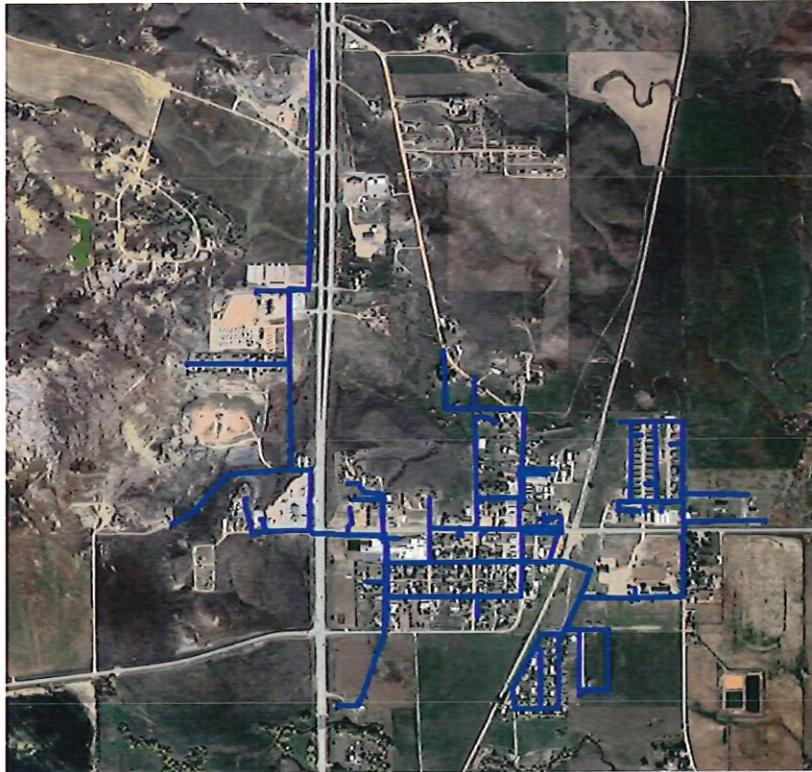


Figure 2b. Existing Hermosa Water Distribution System

**Work Plan:**

The Water and Wastewater System Operations Contract will follow the following work plan

- Year 1: No change to operations cost and system configuration other than work that has already been budgeted. A budget for Critical Improvements must be budgeted into the rate structure.
- Year 2: All Critical Improvements, as described herein, shall be completed.
- Year 3: All Capital Improvement Plans are completed and budgeted in the Rate Management Software under the Capital Expenses category (CapEx in Waterworth).
- Year 4: Critical CapEx improvements identified in the CIP are completed.
- Year 5: The operations contract will be given a 1-year re-evaluation period by Benesch and the Owner. The new NPDES permit from DANR will be reviewed to determine if the matrix of responsibilities can remain the same or requires adjustment.

**Operation Contract Fees:**

Estimated fees for Operating services are:

This would be a budget for Time and Materials based on the scope provided above.

*Wastewater System:*

Year One:	341 hours @\$145/hr.	\$49,445.00
Year Two:	341 hours @\$150/hr.	\$51,150.00
Year Three:	341 hours @\$155/hr.	\$52,855.00
Year Four:	341 hours @\$160/hr.	\$54,560.00

*Water System:*

Year One:	213 hours @\$145/hr.	\$30,885.00
Year Two:	213 hours @\$150/hr.	\$31,950.00
Year Three:	213 hours @\$155/hr.	\$33,015.00
Year Four:	213 hours @\$160/hr.	\$34,080.00

**Payment Terms:**

Invoicing will be Monthly for monthly services rendered for both systems. The monthly amount will be \$4,120.42/month for Wastewater System and \$2,573.75/month for the Water System in year one and follow the contract annual increases quoted herein.

**Services not Included:**

The following services are not included in this proposal:

1. Life Cycle Analysis Cost (to be provided by Manufacturer)
2. Laboratory Testing (Annual Budget of \$14,000.00 for WW and \$4,000 for Water)
3. Collection System Cleaning and Vacuuming (Annual budget of \$23,000)
4. Station Pumping/Hauling
5. Water Hydrant Flushing
6. Construction Management Services
7. Rehabilitation Design Services
8. Public Engagement, beyond discussions with Town staff and DANR.

**Project Schedule:**

It is anticipated that the contract will commence on July 23, 2025 and run until July 23, 2029.

**Parties:**

Owner – Town of Hermosa – Shall refer to the Owner in the Agreement.

Consultant – Alfred Benesch & Company– Shall be synonymous with Engineer in this document.

**Owner's Responsibilities:**

Owner to provide access to the Engineer to investigate issues in the drinking water distribution system and sewer collection system.

Owner to provide access to the site for sampling and other site inspections.

Owner responsible for all laboratory testing fees.

The owner is responsible for conveying all correspondence with DANR to the Engineer in a timely manner to avoid fines and penalties.

Owner to approve Manufacturer quotes and will be responsible for all agreements directly.

Owner to ensure the Consultant has sufficient authorization to share with the stakeholders all documents and plans and represent the owner in discussions on Permit with DANR.

The owner will prevent any unauthorized personnel from entering the Well houses, Water Treatment Plant or WWTP without the expressed permission of the Engineer.

**Engineer's Responsibilities:**

The Engineer will maintain a licensed Class I operator with a current license as the operator of record.

The Engineer includes in the fees all travel costs to and from the site from Rapid City. If another lab other than Rapid City lab is requested, there may be additional travel or shipping costs.

The Engineer will ensure that all permit correspondence with DANR is addressed and replied to in writing in a timely and professional manner.

The Engineer will maintain Monthly records and periodically check the performance of the WW system and record them in the Operator's notebook.

The Engineer will maintain records of all water drawn from the Inyan Kara and Madison Aquifer and all records of effluent discharged to the Battle Creek for regulatory agency purposes.

#### Photos of Assets



Lagoons – View of Pond Doctor in Lagoon A (Cell 1).



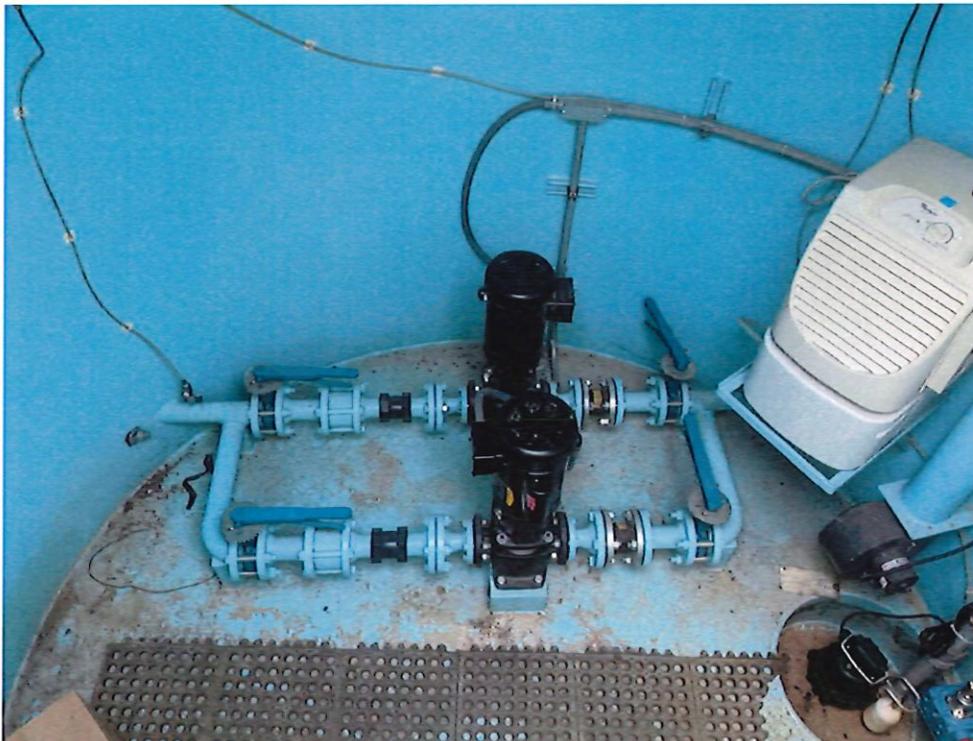
Ground Storage Tank #1 (left) and #2 (right)



Wastewater Treatment Plant under construction as of July 2, 2025.



Water Treatment Plant (exterior)



Booster Station (before being upgraded, as of July 2025).





# Solberg Knowles & Associates

A DIVISION OF GASVODA & ASSOCIATES

Helping people use water efficiently

Office 231-652-1934

info@solbergknowles.com

www.solbergknowles.com

## Solberg Knowles & Associates

55 E Roosevelt Ave

Zeeland, MI 49464

Cell: 412-737-5543 Email: [jciurlino@solbergknowles.com](mailto:jciurlino@solbergknowles.com)

### Proposal – REV 1

To: Town of Hermosa  
230 Main St  
Hermosa, SD 57744

Date: July 17, 2025

Project: System Integration and Panel

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The seller hereby offers the following equipment subject to all terms & conditions noted on this contract:

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We are pleased to offer the following proposal for your review and consideration on the above named project. Kindly review our offer in its entirety and let us know of any further questions or requirements. This offer is for providing the equipment listed herein for installation by others.

#### Offering:

Panel redesign and system changes executed per customer controls narrative. (To be supplied by customer.)

One (1) Control integration panel complete with all hardware and programming required to control the Hermosa WWTP as outlined in the project documents and correspondence.

#### Equipment

##### (1) Control Panel for Indoor Mounting

- a. Grundfoss Pumps at Pump Station Integration with remote-mounted (others) VFD controls and takes 4-20 signal from level sensor to maintain constant level.
- b. Heating System On/Off Control – Automatic
- c. Dropbod Gearborx On integrated to remote (others) VFD to be paced by pump station pump
- d. Backup Dosage Pump on/off signal to manual setting by operators at chemical pump
- e. Wastewater feed pumps in clear well 400V run lead/lag by mechanical floats.
  - i. NEMA Starters and floats optional to below.
- f. UF System called to run during backwash
- g. UV Disinfection System On all the time.

**Base Price: \$32,500.00**

#### Adder Scope

2 x NEMA 1 Starters

**\$2,957.00**

Price Includes Panel Expansion

3 x Mercury Mechanical Float Switch                      **\$914.00**  
Price Includes I/O Expansion  
Price Includes (QTY 1) SS Wire Hanger

**TOTAL = \$ 36,371**

PRICE DOES NOT INCLUDE ONSITE STARTUP

Price does not include taxes.

Price DOES include shipping of equipment to jobsite.

*Startup Adder Scope*

Startup should be budgeted at \$1,500/day, including days for travel.

Travel costs will be charged at cost+15%.

Estimated startup budget:

1 Technician, 1 Trip, 2 days on location - \$6,000.00

Estimated Travel/Lodging Costs - \$1,200.00

**Budget Price for Onsite Startup: \$7,200.00**

This is **NOT INCLUDED** in total above.

Exclusions – Taxes not included in price and should be added if applicable.

Shipping INCLUDED in cost.

This proposal and the attached terms and conditions cannot be modified in any way except by expressed written approval of Solberg Knowles & Associates.

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TERMS: NOTICE, NEW TERMS AND CONDITIONS APPLY. SEE ATTACHED SHEET FOR DETAILS.  
 FREIGHT: FOB. Jobsite.  
 START-UP: 2 day(s) start up is included with adder. Additional start up, if required, will be billed at our standard rate.  
 TAXES: ALL applicable taxes must be added.  
 DELIVERY: 10-14 weeks after approved submittals and authorization to proceed.  
 DURATION: This proposal is valid for 30 days after which we reserve the right to review or withdraw.

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SOLBERG KNOWLES & ASSOCIATES, INC. ACCEPTED: \_\_\_\_\_  
 (Authorized signature)

BY: Joe Ciurlino Title: \_\_\_\_\_  
 Joe Ciurlino - Sales Engineer Date \_\_\_\_\_

**AUTHORIZATION TO PROCEED:**

*Authorization to proceed with placing the proposed equipment on order must be acknowledged by the return of this document properly executed where required. Such acknowledgment will be considered as your acceptance of this proposal understanding the terms stated above and at the end of this proposal. No submittals will be started and no equipment will be released to manufacturing prior to our receiving your formal authorized return of this document.*

Thank you for the opportunity to provide our proposal. Please do not hesitate to call with any further questions or requirements.

Please be sure to fill in the required "Ship To" information below and return it at the time of placing your order. Failure to do so will result in shipment of the equipment to the Buyers address.

BILL TO: \_\_\_\_\_ SHIP TO: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

CONTACT PERSON:  
PHONE:

PURCHASE ORDER NUMBER: \_\_\_\_\_

SPECIAL MARKINGS: \_\_\_\_\_

TAXABLE: \_\_\_\_\_

TAX ID#: \_\_\_\_\_

## SOLBERG KNOWLES & ASSOCIATES TERMS AND CONDITIONS OF SALE

### TERMS

1. Terms of payment are 100% net due 30 days from "date of shipment & invoice" for all orders less than \$100,000.
2. Terms and conditions for orders totaling more than \$100,000.00 are based on progress payments as follow:
  - A) 10% of net order total due upon delivery of submittal data for review and approval with no retainage allowed.
  - B) 10% of remaining net order total due at time of release to production with no retainage allowed.
  - C) Entire balance of remaining net order total due within 30 business days after delivery and invoicing with no retainage allowed.

*Start-up services will not be scheduled prior to receipt of full and final payment is received, with no exceptions.*

### CONDITIONS

1. General  
Subject only to any credit terms which Seller may extend, the total purchase price hereunder is due at such time, within or after the estimated shipment period specified on the face hereof, as said equipment is ready to be shipped. Buyer shall pay in full all invoices within the time for payment specified therein and BUYER'S PAYMENT OBLIGATION IS NO WAY DEPENDENT OR CONTINGENT UPON BUYER'S RECEIPT OF PAYMENT FROM ANY OTHER PARTY. Any balance owed by Buyer for 30 days or more after the same becomes due is subject to a 1-1/2% per month delinquency charge until paid. In addition to all other amounts due hereunder, Buyer shall reimburse Seller in full for all collection costs or charges, including reasonable attorney's fees, which Seller may incur with respect to the collection of past due amounts from Buyer.
2. Warranty  
Seller warrants only that said equipment is free from defects in materials and workmanship as set forth in Seller's standard Certificate of Warranty furnished to Buyer at the time of final shipment. Seller makes no other warranty concerning said equipment beyond that set forth in said Certificate and expressly disclaims any warranty of merchantability or fitness for any particular process not described in the applicable drawings and specifications.  
  
Seller's sole responsibility with respect to any equipment which proves to be defective as to materials or workmanship is either to replace or to repair the same as is set forth in said Certificate of Warranty. Unless authorized in writing by Seller, Seller is not responsible for any charge or expense incurred for the modification, servicing or adjusting of said equipment after the same has been delivered to Buyer.
3. Liability of Seller  
Seller is not liable in any event hereunder for any consequential, incidental, or liquidated damages or penalties.
4. Claim Period  
Buyer shall immediately inspect said equipment upon receipt thereof. Seller is not obligated to consider any claim for shortages or non-conformance unless notified thereof by Buyer within 10 days after Buyer's receipt of said equipment.
5. Cancellation  
Should Buyer cancel this agreement without Seller's prior written consent, Seller may, at its option, recover from Buyer a cancellation charge of not less than 20% of the purchase price hereunder.
6. Taxes  
Sale may be subject to state sales tax depending on the state. Gasvoda & Associates requires proof of exemption for all nontaxable sales. Regardless of exemption status, Gasvoda & Associates proposal does not include any sales tax. Payment of any sales tax remains the responsibility of the purchaser.
7. Storage  
If at such time, within or after the estimated shipment period specified on the face hereof, as Seller notifies Buyer that said equipment is ready to be shipped Buyer requests a delay in shipment, Seller may, at its option, agree to store said equipment for a period of time determined by Seller, provided that such agreement will not affect Buyer's obligation to pay in full all invoices as they become due, and provided further that for each month, or portion thereof, said equipment is stored by Seller, Buyer shall pay to Seller as a storage fee an amount equal to 1% of the balance due hereunder.
8. Drawings, Illustrations and Manuals  
Catalog and proposal drawings, bulletins, and other accompanying literature are solely for the purpose of general style, arrangement and approximate dimensions. Seller may make any changes Seller deems necessary or desirable.
9. Insurance  
We have made no allowances for special insurance requirements including but not limited to "Waiver of Subrogation", "Form GC2010", liquidated damages, or anything beyond what is specifically spelled out as being included herein. We reserve the right to amend our offering for anything required outside of the specific items/services spelled out as being included. An exception must be in writing and authorized by Gasvoda & Associates.
10. Start Up  
**NO START UP WILL BE MADE PRIOR TO 100% PAYMENT. Warranty is invalid without authorized start up.**  
The accompanying literature are solely for the purpose of general style, arrangement and approximate dimensions. Seller may make any changes Seller deems necessary or desirable.

6B2

**ESTIMATE**

Lower 48 Instruments  
5212-A Kings Mills Rd Suite 136  
Mason, OH 45040

sales@lower-48.com  
+1 (844) 486-3837  
www.lower-48.com



**Bill to**  
Benesch  
35 West Wacker Dr.  
Suite 3300  
Chicago, IL 60601

**Ship to**  
Benesch  
35 West Wacker Dr.  
Suite 3300  
Chicago, IL 60601

**Estimate details**

Estimate no.: 201824365  
Estimate date: 07/08/2025

#	Date	Product or service	Description	Qty	Rate	Amount
1.		RA-222-228	VEGAPULS C11 Radar Transmitter	1	\$863.00	\$863.00
2.		Shipping	Shipping will be pre-paid and added to final invoice	1	\$13.23	\$13.23
					<b>Total</b>	<b>\$876.23</b>

Accepted date

Accepted by



<b>Project Name:</b> Hermosa North Water Tank <b>Project Number:</b> 1125-600002 <b>Bid Opening Date:</b> 7/18/2025		<b>Engineers Estimate</b> Total \$500,000.00		<b>Quinn Construction</b> Total \$30,745. <sup>00</sup>		<b>Machine Contractors</b> Total \$97,050. <sup>35</sup>		<b>Baroque Architecture</b> Total 945,343. <sup>60</sup>		<b>Total</b>	
<b>Description</b> Hermosa North Water Tank		<b>Unit</b> LS	<b>Qty</b> 1	<b>Total</b> \$500,000.00							

**CONSULTANT**

I certify that, to the best of my knowledge, this is a true tabulation of bids received for this project.

Anthony Theodorou, PE Date 7/18/25  
 Benesch

**TOWN OF HERMOSA**

Reviewed by:

Terri Cornelison Date 7/18/25  
 Terri Cornelison  
 Finance Officer

6C



# Town of Hermosa

PO Box 298 • 230 Main Street • Hermosa, SD 57744

Phone (605) 255-4291 • Fax (605) 255-4094

Email: [town@hermosasd.com](mailto:town@hermosasd.com)

7A

Is Property in the Flood Plain?      Yes      No Zoning District R-1

**\*\*\*IF YES – YOU NEED A FLOODPLAIN DEVELOPMENT PERMIT\*\*\***

## DIGGING/GRADING PERMIT

DATE 5/30 PERMIT # 2025-14

Receipt # _____	Cash _____	Check # <input checked="" type="checkbox"/>	Amount <u>\$50<sup>00</sup></u> (\$50.00) up to 100CY
			\$20.00 each additional 100 CY

Name Linda Dean Lot Address 360 Villars  
 Mailing Address 13731 Sunny Ridge Rd Email \_\_\_\_\_  
 Legal Description Lot 13 Block 7 Town of Hermosa  
 Telephone # 605-209-3785 Cellphone # \_\_\_\_\_  
 \*Contractor Digger Construction Phone# 605-389-0863

**\*Contractors must all be registered with the Town of Hermosa**

All provisions of the Laws and Ordinances of the Town of Hermosa and the State of South Dakota governing the type of work being done and will be complied with, whether specified herein or not.

The granting of a permit does not presume to give authority to violate, cancel, or set aside any of the provisions of the building code, zoning ordinances, or any other local law or ordinance regulating construction or the performance of construction in the Town of Hermosa.

Sketch and/or describe work: (use separate sheet, or attach grading plan)

Will grading operation be located in the floodplain?      Yes  No

If yes, have ordinance requirements been met?      Yes      No

Will drainage patterns be altered?      Yes  No

Will grading operation take place in a geologically hazardous area?      Yes  No

If yes, have proper precautions been taken?      Yes      No

Quantity of Grading or Excavation: 20-30 Cubic Yards Area to be disturbed by proposed work: .1 acres.

Identify types of erosion control to be applied: None

Source/Destination of materials: None

Provide traffic control per Manual on Uniform Traffic Control Devices.

Hard route: No Traffic Control needed

Buildings constructed on fill will be required to have foundations designated by a professional engineer, per SDCL 36-18 and the current building codes adopted by the Town of Hermosa.

A stormwater discharge permit from the South Dakota DENR (605-773-3351) may be required if the work under this application or the overall plan of development will result in the disturbance of over 1 acre of land.

Stormwater permit application attached.      Yes      No  N/A

**The Town Office will be notified upon start of work and completion of work for inspection purposes (255-4291).**

Relationship to Property:      Owner  Contractor      Owners Representative

I certify that I have read and understand and agree to all terms and conditions set forth herein this entire document. I

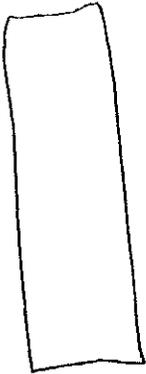
specifically understand that by signing this document I agree to be jointly and severally responsible, personally, and for any and all work done under this permit. This permit will expire one year from date of issuance.

     Signature 5/30 Date

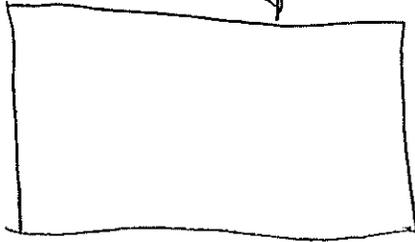
<p style="text-align: center;"><b>PLANNING COMMISSION</b></p> <p><input type="checkbox"/> Approved <input type="checkbox"/> Denied</p> <p>NAME: _____</p> <p>TITLE: _____</p> <p>SIGNATURE: _____</p> <p>DATE: _____</p> <p>APPLICATION FEE: <u>\$50.00</u> DATE PAID: _____</p>	<p style="text-align: center;"><b>HERMOSA BOARD OF TRUSTEES</b></p> <p><input type="checkbox"/> Approved <input type="checkbox"/> Denied</p> <p>NAME: _____</p> <p>TITLE: _____</p> <p>SIGNATURE: _____</p> <p>DATE: _____</p> <p>DATE PERMIT ISSUED: _____</p>
--	---

Parcel # 009202 OFFICE USE ONLY

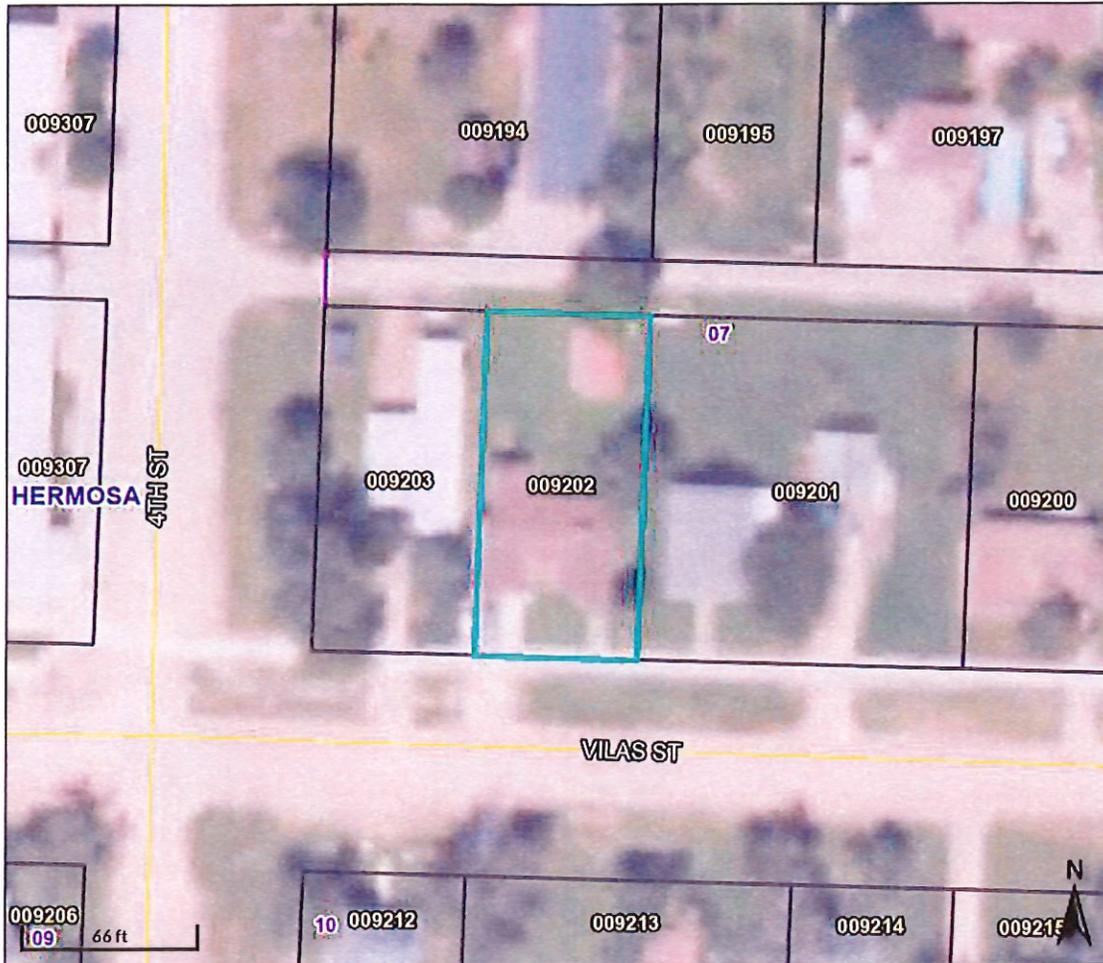
Alley



left  
Closets  
left



Vila Street



Overview



Legend

-  Corporate Limits
- Highways
  -  SD Hwy
  -  US Hwy
  -  Roads
-  Blocks
-  Parcels

Parcel ID	009202	Alternate ID	n/a	Owner Address	DAKOTA INDUSTRIAL HYGIENE, INC
Sec/Twp/Rng	n/a	Class	Residential		13731 SUNNY RIDGE RD
Property Address	360 VILAS ST HERMOSA	Acreage	0.172		HERMOSA, SD 57744-6002

District 16.1-7-0-0-0  
 Brief Tax Description LOT 13 BLOCK 7, HERMOSA  
 744-00-050-007-013-00  
 (Note: Not to be used on legal documents)

Parcels are not adjusted to match aerial background. GIS information is for reference purposes only and is not a legal document. Data may contain errors.

Date created: 6/6/2025

Last Data Uploaded: 6/6/2025 3:43:31 AM

Developed by  **SCHNEIDER**  
 GEOSPATIAL

## Terri Cornelison

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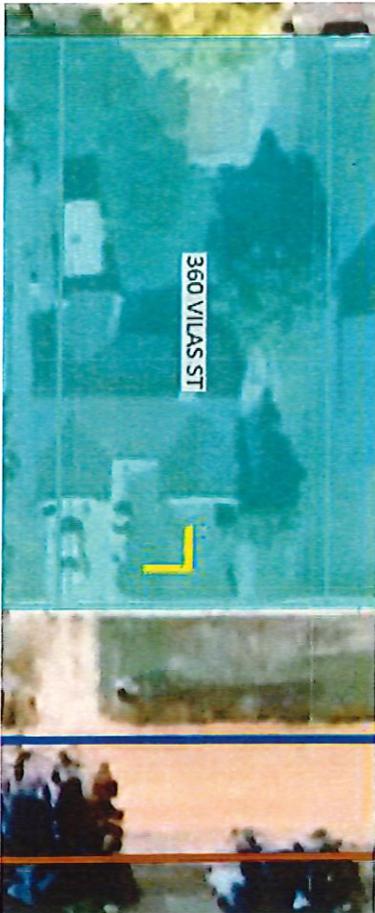
**From:** Board President  
**Sent:** Thursday, July 10, 2025 7:06 AM  
**To:** diggerconstruction@icloud.com  
**Cc:** Terri Cornelison  
**Subject:** Fw: 360 villas

Hi Joel,

Thanks for the clarification.

Does the below description accurately reflect the work done? I can see that the sewer main is to the south of the house below Vilas St. (please see picture below, the red line is the sewer, the yellow line is the sewer line replaced).

“20 linear feet of sewer pipe replaced. 10’ from the house going south, then to the west including a 90 degree fitting.”



Thank you,

Kelburn Koontz

President  
Hermosa Board of Trustees

---

**From:** diggerconstruction@icloud.com <diggerconstruction@icloud.com>  
**Sent:** Wednesday, July 9, 2025 5:14:00 PM  
**To:** Board President <boardpresident@hermosasd.com>  
**Subject:** Re: 360 villas

Kel,  
it was from the house ten foot than 90 degree bend going towards trailer house.

---

**From:** Board President <boardpresident@hermosasd.com>  
**Sent:** Wednesday, July 9, 2025 7:49 AM  
**To:** diggerconstruction@icloud.com <diggerconstruction@icloud.com>  
**Cc:** Terri Cornelison <terri@hermosasd.com>  
**Subject:** RE: 360 villas

Hi Joel,

Thanks for sending that description. Can we get a little more clarification, was the 20LF of sewer pipe that was replaced from the property line towards the house, or from the house towards the property line?

For future reference, we will require the description and/or the site plan at the time of permit submittal. We are getting our permitting process dialed in, so no fault of yours for this one. Just wanted to let you know that the Town will be more conscientious going forward.

Thank you,

Kelburn Koontz  
President  
Town of Hermosa Board of Trustees

**From:** diggerconstruction@icloud.com <diggerconstruction@icloud.com>  
**Sent:** Tuesday, July 8, 2025 6:52 PM  
**To:** Board President <boardpresident@hermosasd.com>  
**Subject:** 360 villas

Kel,  
again, sorry for any inconvenience. Attached are my state licence and my coi. Discription of work is we excavated and replaced 20 lf of sewer line in residence backyard.

Thank You  
Joel Williams  
President  
Digger Construction LLC



# RESIDENTIAL BUILDING PERMIT APPLICATION

(This Building Permit is Valid for One Year – Please See Page 3 for Exceptions)

7B

DATE 6-13-25

PERMIT # 2025-160

Receipt # _____	Cash _____	Check # <u>0104</u>	Amount <u>\$75.00</u> (\$75.00)
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**\*\* PLEASE INCLUDE TO-SCALE DRAWINGS \*\***

Is Property in the Flood Plain?  Yes  No Zoning District \_\_\_\_\_

**\*\*\*IF YES – YOU NEED A FLOODPLAIN DEVELOPMENT PERMIT\*\*\***

### APPLICATION SUBMITTED BY:

Property Owner Name(s) Jamey Nolan

Mailing Address Po Box 183

City Hermosa State SD Zip 57744

Email JameyNolan7@gmail.com

Phone # Home \_\_\_\_\_ Cell 605-863-3531 Work \_\_\_\_\_

### LEGAL DESCRIPTION

Subdivision name: \_\_\_\_\_ Lot# \_\_\_\_\_ Block \_\_\_\_\_ Lot Size \_\_\_\_\_

Zoning District \_\_\_\_\_ Is this property in the Flood Plain? Yes \_\_\_\_\_ No

Building address: 51 N 5th St Hermosa SD 57744

### CLASS OF WORK TO BE DONE

New structure \_\_\_\_\_ Demolition \_\_\_\_\_ Remodel \_\_\_\_\_ Addition \_\_\_\_\_

Residential: Single Family \_\_\_\_\_ Accessory  Multi-Family \_\_\_\_\_

Proposed Use Building: Car Port

Building Area (Sq. Ft.): 240 Height: 8ft # of Units \_\_\_\_\_

No. of Stories: \_\_\_\_\_ No. of Bathrooms: \_\_\_\_\_ Deck: \_\_\_\_\_ Deck Area (Sq. Ft.): \_\_\_\_\_

Parcel # 0281

OFFICE USE ONLY

### SETBACK FROM LOT LINES:

FEET

### CITY MINIMUM

\*Applicable Zoning District

Front _____	(20'/25')
Rear _____	(5'/8'/15')
Sides _____	(8'/10'/25')

It is the Owner & Contractor's responsibility to ensure required setbacks are met.

Setbacks			
Primary	Front	Sides	Rear
*RS	20ft	10ft	15ft
*R1	20ft	10ft	15ft
*R2	20ft	10ft	15ft

Accessory Buildings			
Primary	Front	Sides	Rear
RS	**	8ft	5ft
R1	**	8ft	5ft
R2	**	8ft	5ft

Mobile Home Park		
Front	Sides	Rear
20ft	8ft	15ft

\*\*IN NO CASE SHALL AN ACCESSORY BUILDING BE LOCATED TO EXTEND IN FRONT YARD.



July 2, 2025

TO: Town of Hermosa SD

FR: Neil Putnam AICP, Planner, John Burckhard, Building Official, Anthony Theodorou PE

RE: Permit 2025-~~10~~ 110

Applicant: Jamey Nolan

Address: 51 N 5<sup>th</sup> St, Hermosa

Application: Possible variance and building permit

Legal Description: Whitetail Estates, Lot C1 and C2 (formerly part of Lot C)

Zoning: Residential

Comments:

Staff visited with the owner Mr. Nolan and advised him to attend the board meeting. He has been advised to provide the BOT a description of the carport and its features. The board will need to determine if the structure requires a building permit and is a permanent structure. Structures under 200 square feet do not require a permit. This one is 240 square feet. If the BOT determines it is a structure, then the proposed placement will require a variance, see the excerpt of the code.

(D) *Area regulations.* All buildings shall be set back from street right-of-way lines and lot lines to comply with the following line requirements. Setbacks may be reduced by up to 10% with the approval of the Planning and Zoning Commission and the Board of Trustees.

(1) *Front yard.*

(a) For single, two-family dwellings the minimum depth of the front yard shall be 20 feet and in no case shall an accessory building be located to extend into the front yard.

# Town of Hermosa

PO Box 298 • 230 Main Street • Hermosa, SD 57744  
Phone (605) 255-4291 • Fax (605) 255-4094  
Email: town@hermosasd.com

## Residential Building Permit

Any person desiring to build or to add on to an existing building in the town limits will obtain a building permit from the Town office. Building permit applications are available in the Town Office or online at: <http://www.hermosasd.com/>

### Filing of Application and Submittal Requirements:

Your first step is to complete a Building Permit Application form and submit it to the Hermosa Town Office together with the site plans. You may prepare the drawings or have a contractor prepare the drawings. See Page 5 for the site plan requirements.

To submit a permit, provide the following items:

- Completed building permit.
- Application Fee

Allow 2-4 weeks for approval:

The application will be reviewed by the Hermosa Board of Trustees

Board of Trustees meet on the 1<sup>st</sup> and 3<sup>rd</sup> Tuesday of each month at 6:00 PM

The Finance Officer can provide you with the specific dates for your application.

### Important Details:

Each contractor listed on your building permit application is required to have a current contractor license on file with the Hermosa Town Office. No building permits will be issued without current contractor information on file and the contractor's fee paid.

Permit application fees are due upon submittal and are non-refundable. Final fees are based upon building calculations and are due and payable when the permit has been approved. **Please be advised all permits are reviewed by the town engineer; those expenses will be included with the permit fees and applicant will be responsible for those expenses.**

If you are requesting water and sewer taps, it is important for you to know that no new connection to town services will be made without the supervision of the Town of Hermosa Public Works Department. You or the plumbing contractor must call the Town Office to schedule an inspection and connection. Failure to do so will result in a penalty under state statute and town ordinance.

If you have any questions, please call the Town Office at the above referenced number.

Town of Hermosa

**TYPE OF CONSTRUCTION**

Wood \_\_\_\_\_ Concrete \_\_\_\_\_ Block \_\_\_\_\_ Brick \_\_\_\_\_ Modular \_\_\_\_\_ Other \_\_\_\_\_

**FOUNDATION**

Thickness of Foundation \_\_\_\_\_ Thickness of footings \_\_\_\_\_ Width of Footings \_\_\_\_\_ Depth \_\_\_\_\_  
Pier Foundation System: \_\_\_\_\_ Diameter of pier \_\_\_\_\_ Spacing of piers \_\_\_\_\_

**CONTRACTOR INFORMATION**

**Contractors must all be registered with the Town of Hermosa**

Contractors	Company Name	Phone #
General		
Structural		
Electrical		
Plumbing		
Heat/Mechanical		
Framing		
Drywall		
Siding		
Roofing		
Concrete		
Excavation		

**\*Appropriate drainage must be maintained.**

Are there any of the following on site: Hazardous materials Yes \_\_\_\_\_ No X  
Lead paint Yes \_\_\_\_\_ No X  
Asbestos Yes \_\_\_\_\_ No X

Does the building have a Historical Designation: Yes \_\_\_\_\_ No X

Current utilities on site: Gas \_\_\_\_\_ Water \_\_\_\_\_ Electricity \_\_\_\_\_ Municipal Sewer \_\_\_\_\_ Septic \_\_\_\_\_

Proposed utilities: \_\_\_\_\_

**INSTALLING A NEW WATER METER?** YES NO - WATER METERS WILL BE PROVIDED BY THE TOWN OF HERMOSA AT COST TO APPLICANT. CURRENT METER COST \$200.00 To be assessed with Building Fee Calculations.

Describe Work: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Drainage on property must not affect neighboring lots and/or town right-of-way.**

- ✓ TOTAL COST ESTIMATE OF IMPROVEMENTS: \$ \_\_\_\_\_
- ✓ TOTAL LOT AREA (length x width): \_\_\_\_\_ sq. ft.
- ✓ TOTAL LOT COVERAGE (Structures): \_\_\_\_\_ sq. ft.
- ✓ % OF LOT COVERAGE: \_\_\_\_\_ %

# Town of Hermosa

PO Box 298 • 230 Main Street • Hermosa, SD 57744  
Phone (605) 255-4291 • Fax (605) 255-4094  
Email: town@hermosasd.com

Every permit issued by the Planning Department under the provisions of this code shall expire by limitation and become null and void if the building or the work authorized by such permit is not commenced within 12 months from the date of such permit or if the building or work authorized by such permit is suspended or abandoned at any time after the work is commenced for a period of one year. If so, before such work can be re-started, an extension of the permit shall be first obtained to do so, and a service charge of \$35.00 shall be required, provided no changes have been made or will be made in the original plans and specifications for such work.

In filing this application, I hereby grant to the Hermosa Town Board, and their designee(s), permission to inspect any and all structures and land involved in my application for the purpose of ascertaining compliance with the ordinance of the Town of Hermosa and the State of South Dakota which permission shall continue so long as the application or an appeal there-on is pending. It is my responsibility to ensure the presence of the Town Maintenance Supervisor during water and sewer connections.

I hereby certify that I have read and examined this application and know the same to be true and correct. All provisions of laws and ordinances governing this type of work will be complied with whether specified herein or not. The granting of a permit does not presume to give authority to violate or cancel the provisions of any other state or local law regulating construction or the performance of construction.

I understand Permit application fees are due upon submittal and are **non-refundable**. I understand **incomplete plans will be returned to applicant for resubmission**. Final fees are based upon building calculations and are due and payable when the permit has been approved. **Permits are reviewed by the town engineer; those expenses will be included with the permit fees and applicant will be responsible for those expenses.**

**A CERTIFICATE OF OCCUPANCY MUST BE OBTAINED BEFORE OCCUPYING THE STRUCTURE.**

X   
\_\_\_\_\_  
Signature(s) of Owner(s) (If Owner Builder)

6-13-25  
\_\_\_\_\_  
Date

X \_\_\_\_\_  
Signature(s) of Contractor/Authorized Agent

\_\_\_\_\_  
Date

**ALL APPLICATIONS MUST BE APPROVED BY THE HERMOSA PLANNING AND ZONING COMMISSION AND THE HERMOSA BOARD OF TRUSTEES PRIOR TO COMMENCEMENT**

## PLANNING COMMISSION

Approved  Denied

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

APPLICATION FEE: **\$75.00** DATE PAID: \_\_\_\_\_

## HERMOSA BOARD OF TRUSTEES

Approved  Denied

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE PERMIT ISSUED: \_\_\_\_\_

## RESIDENTIAL SITE PLAN REQUIREMENTS

**THIS CHECKLIST MUST BE COMPLETED AND RETURNED WITH THIS APPLICATION.**

**\*\*REQUIRED\*\* - PLEASE NOTE: Incomplete plans will be returned to applicant for resubmission.**

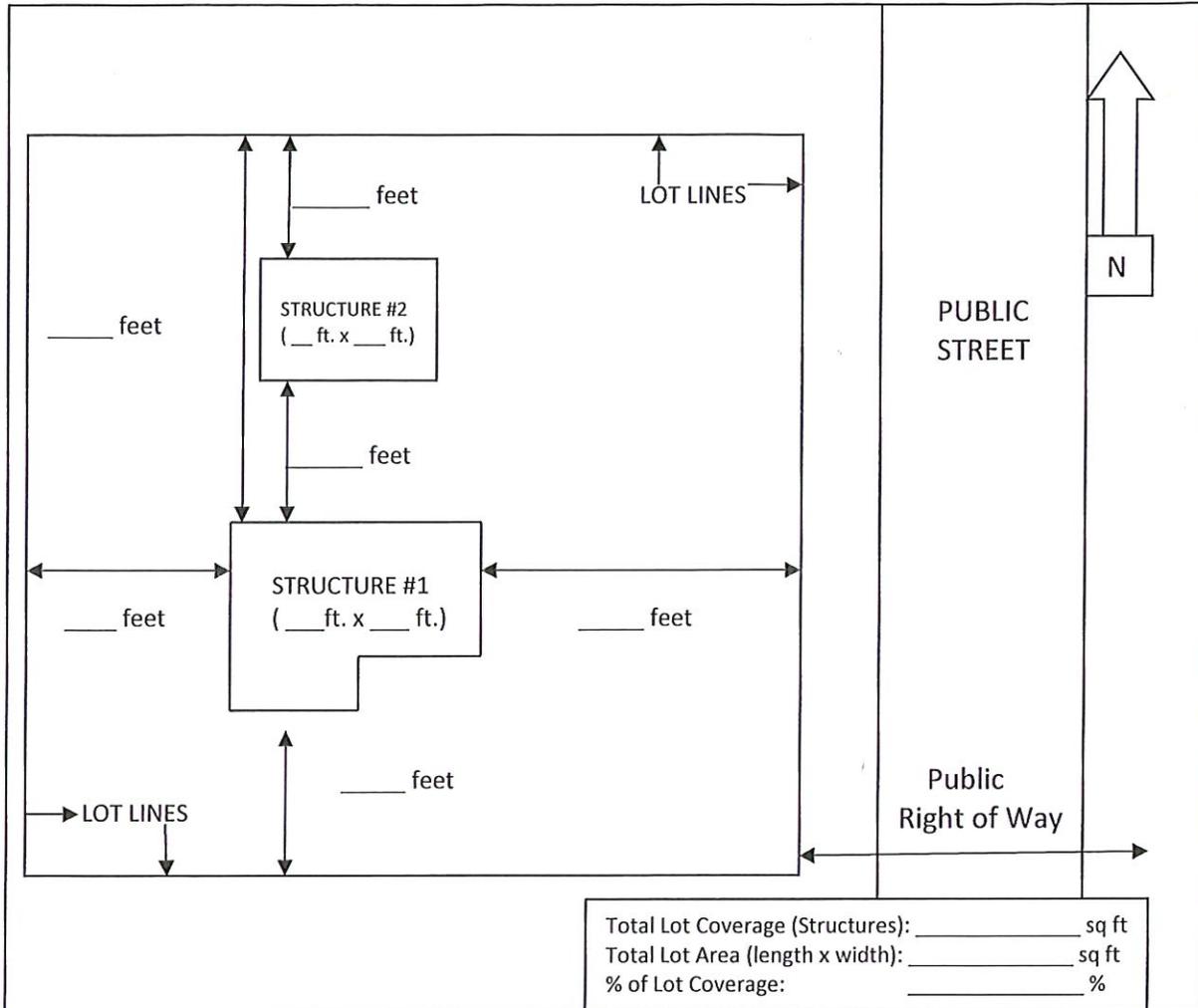
As per zoning ordinance do not cover more than 40% of lot.  
General Site plan drawn to scale (1" = 20" preferred)

- 1. Show scale
- 2. Show North arrow
- 3. Lot dimensions, property lines
- 4. All existing structure and their distances to property lines
- 5. All new structures and distances to property lines **(VERIFY SETBACKS). THIS INCLUDES ALL DECKS!!!!**
- 6. Additions to existing structure and distances to property lines **(VERIFY SETBACKS)**
- 7. Building dimensions
- 8. Adjacent roads
- 9. Driveways – Indicate Curb & Gutter or **CULVERT INFORMATION IS A REQUIREMENT!**
- 10. Parking spaces – if applicable
- 11. Show location of all utilities
  - 1. Electric
  - 2. Water
  - 3. Sewer
- 12. Show exact location of Curb Stop and Sewer Clean Out (measurement from property lines)
- 13. Well location – if applicable
- 14. Septic location – if applicable
- 15. Footing Detail and Foundation Plan – **MUST BE INCLUDED!**
- 16. Drainage \_\_\_\_\_
- 17. Other \_\_\_\_\_

Additional information that may be required

- B. Complete Mechanical Floor Plan
- C. Wall Section and Full Sections
- D. Open water areas, (streams, creeks, and natural drainage ways)
- E. Are you in the Flood Plain?

**SAMPLE LOT SKETCH (RESIDENTIAL):** Show similar sketch of proposed and/or current structures on the following page. Include ALL distances between structures, lot lines, structure dimensions, etc.

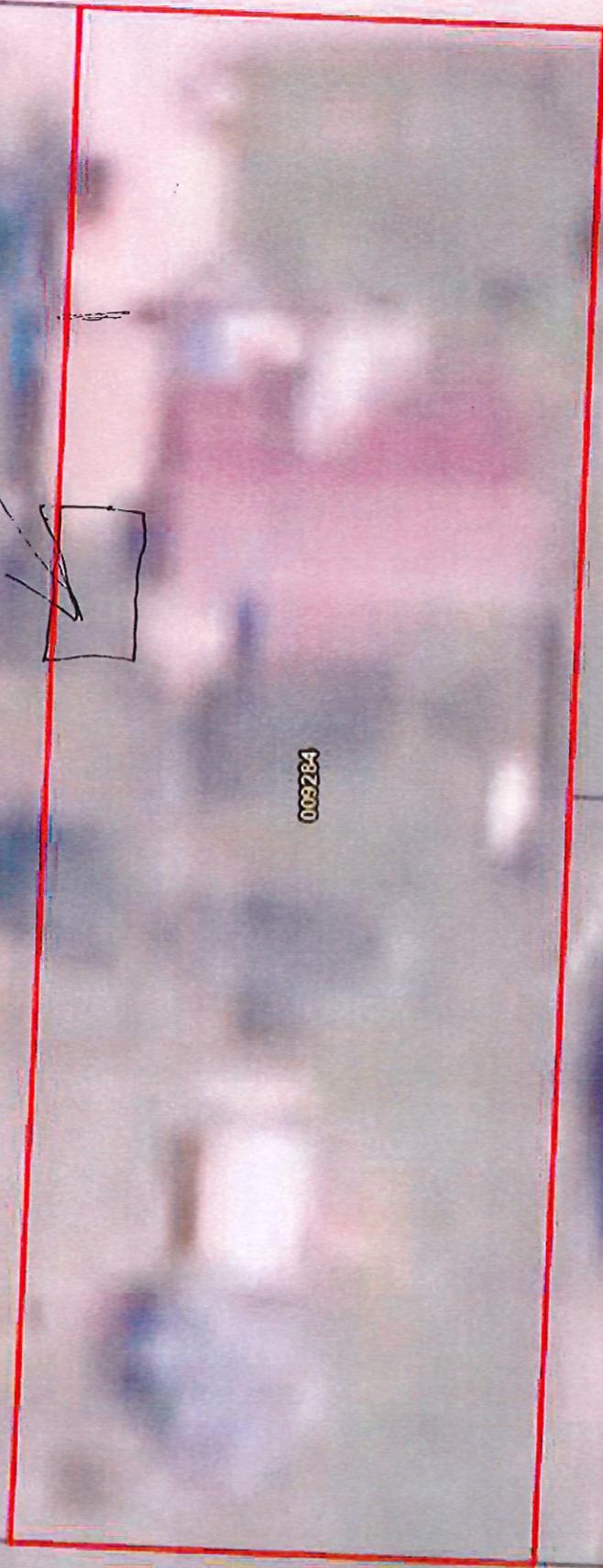


All plans are required to comply with applicable codes as adopted by the governing entity.

Numbers you should know:

Chuck Ferguson	Town of Hermosa	605-255-4291
Chuck Ferguson	Public Works	605-390-0045
Anthony Theodorou	Building Inspections	605-390-0045
Elmer Claycomb, PE	Town Engineer	605-569-3646
	Floodplain Administrator	605-673-3939
	State Electrical Inspector	605-773-3573
	State Plumbing Inspector	605-773-3429

(All interior plumbing is required to be inspected by the state)



009284

016351

D 009284  
p/Rng n/a  
by Address 51 N 5TH ST  
HERMOSA

Owner Address HENRICHSEN VICKI  
NICHOLSON CYNTHIA & NOLAN JAMEY  
PO BOX 282  
HERMOSA, SD 57744-0282

Alternate ID n/a  
Class Residential  
Acreage 0.327

16.1-7-0-0-0  
LOT 5 OF TR C OF WARREN TR SEC 29 T2 R8 .327 AC. HERMOSA  
MH W/RE-1985 SCHULT LYNBROOKE 28X48  
SERIAL # 198333AB  
TITLE # 131201016  
744-00-051-000-029-00

25 ft

Description

# Town of Hermosa

PO Box 298 • 230 Main Street • Hermosa, SD 57744  
Phone (605) 255-4291 • Fax (605) 255-4094  
Email: town@hermosasd.com

7C

## TEMPORARY SIGN PERMIT APPLICATION

Name: Robert H. King American Legion Post 303 PHONE: 605-440-2464  
Contact Address: 240 Poplar St. Hermosa, SD 57744  
Email: \_\_\_\_\_

DATE SIGNS TO BE PLACED: FROM 7-30-24 THROUGH 8-13-24  
\*\*\*TEMPORARY SIGNS MAY BE ERECTED OR POSTED FOR A PERIOD NOT TO EXCEED 30 DAYS\*\*\*

Type of Sign(s): Banner  Paper ( ) Wood ( ) Other  Monument Panels

### LOCATION INFORMATION

**Sign #1**  
Property Owner of Sign Location: Phil Preston 605-255-5927 Yes  
Address of Sign Location: Poplar Street  
Type, Material, & Size of Sign: Monument, 3'x8'  
Other Information: \_\_\_\_\_

**Sign #2**  
Property Owner of Sign Location: Doc John Allen 605-390-4904 Yes  
Address of Sign Location: High 36 and High 40  
Type, Material, & Size of Sign: Monument, 3'x4'  
Other Information: \_\_\_\_\_

**Sign #3**  
Property Owner of Sign Location: Center Co. School Dist, St. Mark Neph. 605-673-3154 Yes  
Address of Sign Location: High 40  
Type, Material, & Size of Sign: Banner, Nylon, 3'x8' in wooden frame  
Other Information: \_\_\_\_\_

**#4 South Fort United Church of Christ, Paul D. Potts** 201-873-2030 5 2nd St.  
Banner, Nylon 3'x8' in wood frame. Yes.  
ALL SIGNS MUST BE MAINTAINED IN GOOD CONDITION AND  
MAY BE PLACED ONLY ON THE DATES NOTED ABOVE.

SIGNATURE OF APPLICANT: Robert H. King DATE: 7-7-25

PLANNING COMMISSION	
<input type="checkbox"/> Approved <input type="checkbox"/> Denied	
NAME:	_____
TITLE:	_____
SIGNATURE:	_____
DATE:	_____

Parcel #  
FOR OFFICE USE



# Town of Hermosa

7D

PO Box 298 • 230 Main Street • Hermosa, SD 57744

Phone (605) 255-4291 • Fax (605) 255-4094

Email: [town@hermosasd.com](mailto:town@hermosasd.com)

DATE 7-11-25

PERMIT # 2025-17

## Informational Permit No Fee

Is Property in the Flood Plain? Yes  No  Zoning District \_\_\_\_\_

**\*\*\*IF YES - YOU NEED A FLOOD PLAIN DEVELOPMENT PERMIT\*\***

Property Owner Name(s): James + Julie Bendlin

Mailing Address: P.O. Box 42  
Hermosa SD 57744

Email: jb.cabinety1@gmail.com

Address of Project: 850 Marie St.

Legal Description: J+K Tract 2 in NW4SE4 (Formerly styles TR REV) Sec 30 T 2 R 8  
Subdivision \_\_\_\_\_ Block \_\_\_\_\_ Lot(s) Lot Size 3.53 Acres

Description of Work: New Residential Structure

i.e. Fence below 4' (front yard), 6' (side/rear yard), Accessory Building/Deck less than 160 sq.ft.; Sidewalk; Driveway; Concrete; Renovation / Remodel / Repairs / Maintenance not requiring Building Permit (i.e., shingle replacement)

Total Cost Estimate of Project \_\_\_\_\_ Total Square Footage of Project \_\_\_\_\_

Building Area (Sq. Ft.) \_\_\_\_\_ Height: \_\_\_\_\_

**Accessory Bldg. Setbacks from Lot Lines:** Front: \_\_\_\_\_ NO ACCESSORY BUILDING SHALL BE LOCATED IN FRONT YARD

(See Ord.155) Rear: \_\_\_\_\_ Ft. (5' Town Minimum)

Side: \_\_\_\_\_ Ft. (8' Town Minimum)

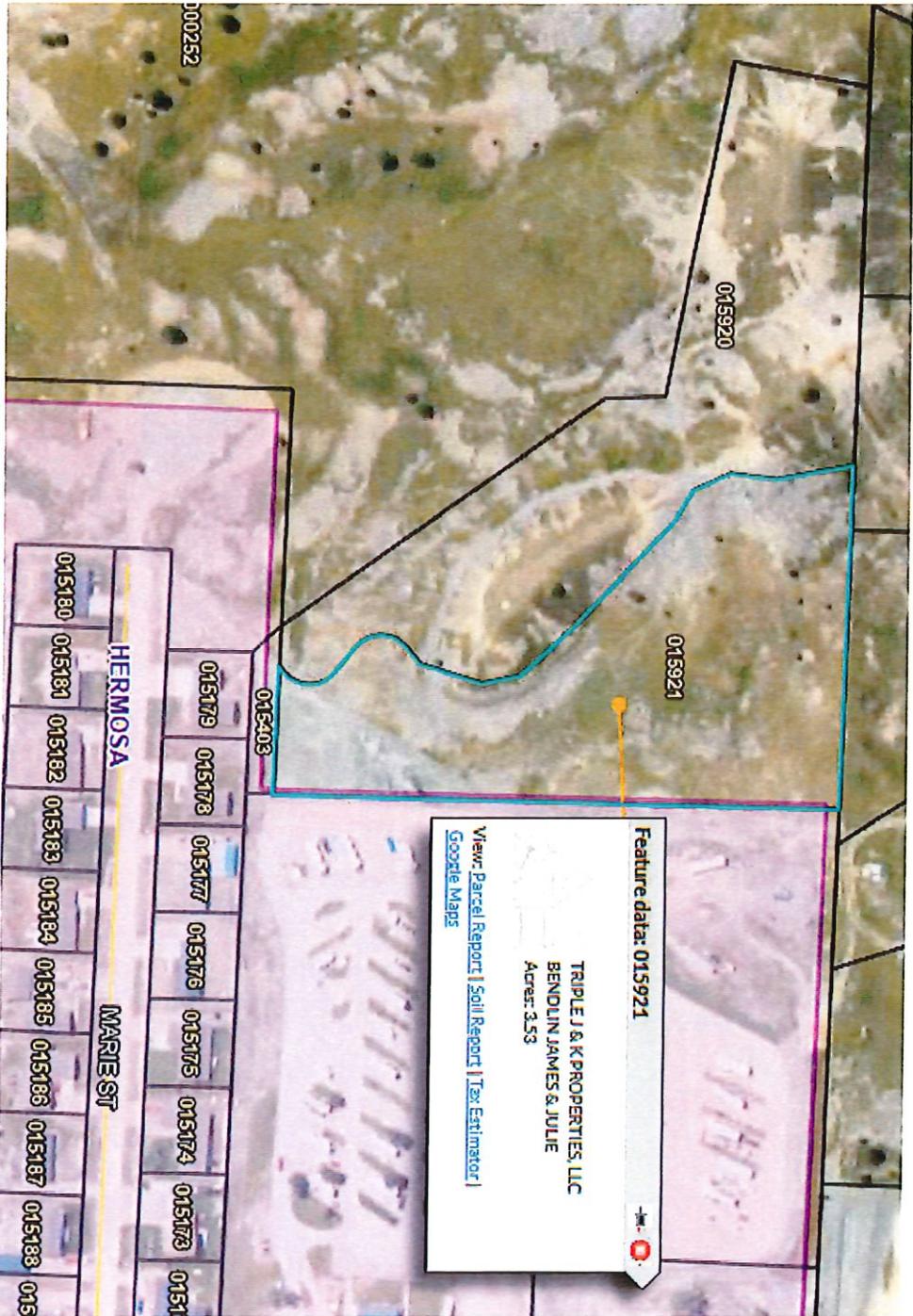
Licensed Contractor / Person doing work \_\_\_\_\_

Address of Contractor / Person \_\_\_\_\_

Contact Phone Number of Contractor / Person \_\_\_\_\_

Parcel # 015921  
OFFICE USE

PLANNING ADMINISTRATOR \_\_\_\_\_ DATE \_\_\_\_\_





July 22, 2025

TO: Town of Hermosa SD

FR: Neil Putnam AICP, Planner, John Burckhard, Building Official, Anthony Theodorou PE

RE: Building Permit Parcel 015921, 850 Marie Street

Applicants: James and Jill Bendlin

Legal Description: J and K Tract 2 in the NW 1/4SE1/4 (formerly Styles TR REV) Section 30, T2, R8, Custer County, see attached image from Beacon.

Narrative:

The applicant initially approached Custer County regarding a building permit to construct a residential property on the location described above. The area is adjacent to and contiguous to the town limits of Hermosa. The property is located within the extra-territorial jurisdiction between the town and the county (see enclosed agreement). The owner has indicated that Southern Hills will provide water, and he wishes to install a septic tank. The county requested the applicant get a letter from the town stating that it will not provide town utilities. The following is the town's ordinance.

#### **51.02 USE OF MUNICIPAL SEWERS REQUIRED.**

(A) It shall be unlawful to discharge to any natural outlet within the municipality, or in any area under the jurisdiction of said municipality, any sanitary sewage, industrial wastes, or other polluted water, except where suitable treatment has been provided in accordance with subsequent provisions of this chapter.

(B) Except as hereinafter provided, it shall be unlawful to construct or maintain any privy, privy vault, septic tank, cess pool, or other facility intended or used for the disposal of sewage.

(C) As per SDCL § 9-48-53, the owner of all houses, buildings or properties used for human occupancy, employment, recreation, or other purposes situated within the municipality is hereby required, at his expense, to install suitable toilet facilities therein,

and to connect such facilities directly with the proper municipal sewer in accordance with the provisions of this chapter, within 90 days after date of official notice to do so, provided:

- (1) The structure or wastewater system is located within the jurisdictional boundaries of a municipality or sanitary district;
- (2) The sewer collection system of the public entity exists within 200 feet of the home, trailer court, commercial establishment, business, park, institution, or property line; and
- (3) The municipality or sanitary district requests to provide service to the premises (ref: Individual & Small On-site Wastewater Systems 74:03:01:44), except as provided in the following section.

(D) The town has the right to require annexation to any new or current serviced area. All new services may be required to agree, in writing, to annex into the town limits when, and if, the property is within the legal proximity.

(Ord. 15, passed 6-20-2006; Ord. 15R-2015, passed 2-2-2015; Ord. passed 1-8-2019) Penalty, see § [10.99](#)

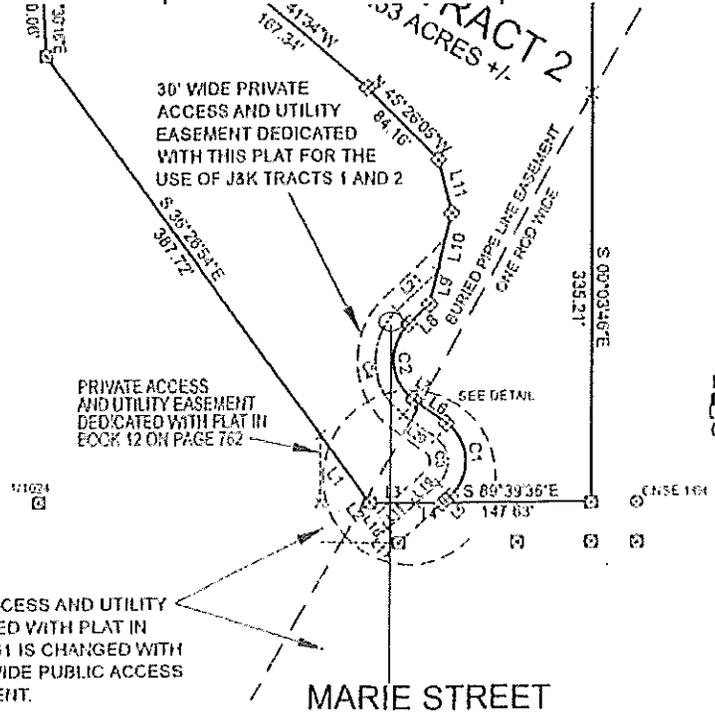
There are a few reasons that connecting to municipal sewer at this time may be problematic.

1. Due to the irregular shape of Tracts 1 and 2 the irregular property line between the lots may result in challenges and increased costs to install sewer lines.
2. Additionally, the topography is challenging to install lines.
3. There is a gas line easement that may hinder the construction of sewer lines, see the notation on the plat below.
4. The proposed location of the houses is 450 feet plus away from the newest sewer line. See the site plan enclosed.
5. The costs of manholes, connections, lines and other required features may be greater than the installation of a septic tank. A contractor would need to confirm this statement.

Therefore, it is the recommendation of staff that the town does not exercise its policy to require sewer connection as per ordinance and permit the construction of a septic tank. The owner may proceed to secure a building permit from Custer County.

6. Therefore, it is the recommendation of staff that the town does not exercise its policy to require the connection as per ordinance and permit

Course	Bearing	Distance
L1	S 30°26'11" E	65.20'
L2	S 30°27'00" E	4.82'
L3	S 89°42'32" E	38.72'
L4	S 89°42'32" E	22.45'
L5	N 48°23'47" E	8.46'
L6	N 54°53'57" W	27.40'
L7	N 54°53'57" W	6.62'
L8	N 47°23'19" E	23.62'
L9	N 14°06'50" E	27.34'
L10	N 14°06'50" E	48.76'
L11	N 14°21'29" W	45.57'
L12	N 61°21'01" W	41.42'
L13	N 26°30'21" W	46.15'
L14	N 03°46'54" E	54.95'
L15	N 13°17'08" W	103.61'
L16	S 36°26'45" E	25.95'
L17	S 36°26'48" E	15.06'
L18	N 48°23'47" E	31.16'
L19	N 48°23'47" E	25.18'
L20	N 54°53'57" W	34.02'
L21	N 47°23'19" E	46.48'

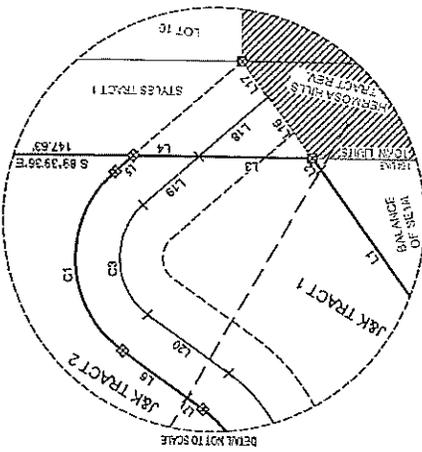


66' WIDE PRIVATE ACCESS AND UTILITY EASEMENT DEDICATED WITH PLAT IN BOOK 12 ON PAGE 761 IS CHANGED WITH THIS PLAT TO A 66' WIDE PUBLIC ACCESS AND UTILITY EASEMENT.

Curve	Radius	Tangent	Length	Delta	Degree	Chord	Chord Bear.
C1	38.74'	48.86'	69.84'	103°17'44"	147°54'35"	60.76'	N 03°15'05" W
C2	40.00'	49.65'	71.41'	102°17'16"	143°14'21"	62.30'	N 03°45'19" W
C3	23.73'	30.00'	42.79'	103°17'44"	241°22'38"	37.23'	N 03°15'05" W
C4	55.09'	68.27'	93.19'	102°17'16"	104°10'27"	55.68'	N 03°45'19" W

**ANDERSEN ENGINEERS**  
*Land Surveyors*

Drawn by: D.M. 6/27/2024  
 Checked by: P.O. Box 448, Edwards, SD 57735  
 Approved by: D.M. 7/11/2024  
 Scale: 1"=100'  
 File Name: STYLES TR. REV



Office of the Registrar of Deeds  
 Date of recording: 2024, at \_\_\_\_\_ o'clock, PM, and recorded in Book \_\_\_\_\_ of Page on page \_\_\_\_\_

John D. Andersen, Surveyor No. 5926

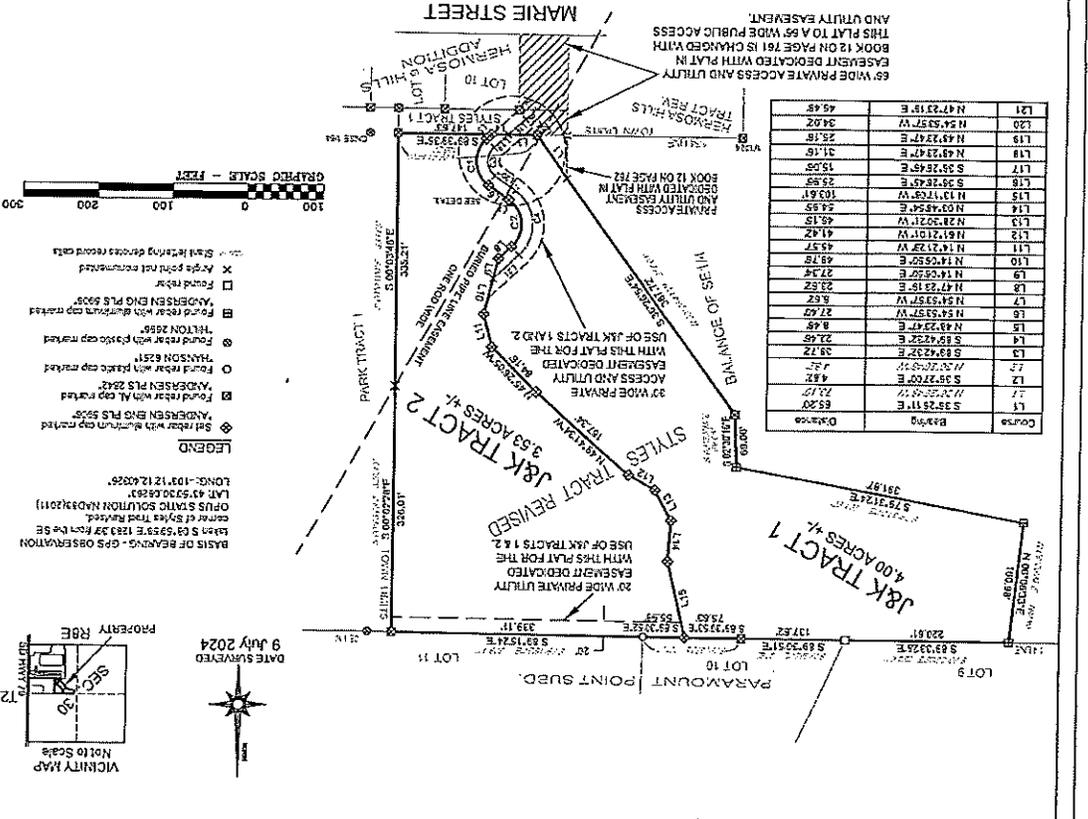
Deed this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

I, John D. Andersen, Registered Land Surveyor of the State of South Dakota, do hereby certify that the above described plat of land shown and described hereon from notes taken during an actual survey made by me or under my direct supervision, and that to the best of my knowledge and belief, the same is a true and correct representation of said survey.

NOTE: 10 FEET EACH SIDE OF REAR AND SIDE LOT LINES ARE RESERVED FOR UTILITY EASEMENTS, IF THE LINE SUBDIVISION ACCORDING TO THIS PLAT IS RECORDED. EASEMENT MAP PANEL NUMBER 450300020202, EASEMENT DATE: JUL 6, 2012, AND A LOT 11-12-13-14-15-16-17-18-19-20. WATER PROTECTION STATEMENT: THE DEVELOPER OF THE PROPERTY DESCRIBED WITHIN THIS PLAT SHALL BE RESPONSIBLE FOR PROTECTING THE WELLS OF THE PROPERTY FROM CONTAMINATION BY THE DEVELOPER'S ACTIVITIES. THE DEVELOPER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE SOUTH DAKOTA DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES RELYING TO THE SAME.

Curve	Radius	Length	Chord	Delta	Chord Bear.
C1	33.74	48.87	107.14	107.14	N 00° 15' 05" W
C2	40.07	49.85	107.14	107.14	N 00° 15' 05" W
C3	22.76	30.02	64.72	103° 17' 44"	N 00° 15' 05" W
C4	55.00	89.27	102.17	102° 17' 18"	N 00° 45' 19" W



A PLAT OF  
 J&K TRACT 1 AND J&K TRACT 2, LOCATED IN NW1/4 SE1/4,  
 SECTION 30, T2S, R8E, BHM, CUSTER COUNTY, SOUTH DAKOTA

FORMERLY STYLES TRACT REVISED

DATE SURVEYED: 9 JULY 2024

NOTE: See Book 12 of Styles Tract Revised, Page on Page 973 for plat







340 Whitney St.

7E



8A

## Claims for approval 7-22-2025

VENDOR	REFERENCE	AMOUNT
ARIC ALIAS	REIMBURSEMENT FOR FUEL FOR TOWN MARSHAL	47.30
BENESCH	LONE COYOTE WATER & SEWER EXTENSION ENGINEERING FEES	\$ 1,244.00
BENESCH	HERMOSA WASTEWATER TREATMENT PLAN ENGINEERING FEES	\$ 1,812.00
BENESCH	NORTH WATER TANK ENGINEERING FEES	\$ 1,542.62
BENESCH	FY22 DRINKING WATER SRF ENGINEERING FEES	\$ 10,350.00
BENESCH	ON-CALL SERVICES - BUILDING OFFICIAL	\$ 1,338.00
BENESCH	TAX INCREMENT FINANCING DISTRICT 2	\$ 7,403.50
BENESCH	LAGOON EXPANSION/NEW WWTP/UPDATE CMOM ENG FEES	\$ 8,752.00
CUSTER COUNTY SHERIFF	DISPATCH CONTRACT AUGUST 1 - OCTOBER 31, 2025	\$ 2,000.00
CHUCK FERGUSON	17 HRS LAGOON PUMPING @ \$17/HR AND FUEL	\$ 174.01
GOLDEN WEST TECHNOLOGIES	MONTHLY SERVICE FEE - JULY 2025	\$ 568.65
HAGG & HAGG LLP	AUGUST 2025 RETAINER/5.5 BILLABLE HRS @\$275/HR/142 COPIES	\$ 4,048.00
KIEFFER SANITATION	MONTHLY SANITATION SERVICE - JUNE 2025	\$ 5,014.99
MT RUSHMORE TELEPHONE	PHONE & FAX, INVOICE 13624153, 13620639, & 13620655	\$ 261.84
REIMER ELECTRIC	REPLACE 11 LIGHT FIXTURES WITH LED IN TOWN OFFICE	\$ 830.00
SDARWS	ANNUAL CLASS B MEMBERSHIP DUES	\$ 410.00
SD DEPARTMENT OF REVENUE	SALES TAX MAY AND JUNE, 2025	\$ 602.39
SOUTH DAKOTA 811	MESSAGE FEES/VOICE OUT APRIL - JUNE 2025	\$ 95.13
<b>Accounts Payable Total</b>		
		<b>\$ 46,494.43</b>
<b>Payroll related</b>		
Total Paid On: 7/15/2025		
	Legislative, Financial Administration, Govt Blds	\$ 2,255.68
	Water	\$ 246.07
	Sewer	\$ 147.64
	Promoting City/BBB	\$ 49.21
EFTPS-ELECTRONIC FEDERAL TAX	FED/FICA TAX	\$ 787.40
<b>Payroll Total</b>		
		<b>\$ 3,486.00</b>
***** REPORT TOTAL *****		
		<b>\$ 49,980.43</b>

**CLAIMS REPORT**  
 Check Range: 7/09/2025- 7/22/2025

VENDOR NAME	REFERENCE	AMOUNT	VENDOR TOTAL	CHECK#	CHECK DATE
A & B BUSINESS EQUIPMENT INC	MONTHLY PRINTER/FAX FEE				
ALIAS, ARIC	FUEL FOR MARSHAL VEHICLE FUEL		47.30	18337	7/22/25
BENESCH	FY22 DWSRF ENGINEERING FEES		32,442.12	18338	7/22/25
CUSTER COUNTY SHERIFF	DISPATCH CONTRACT AUG-OCT 2025		2,000.00	18339	7/22/25
DANR	WASTEWATER DISCHARGE PERMIT				
EFTPS-Electronic Federal Tax	FED/FICA TAX		787.40	549	7/15/25
CHUCK FERGUSON	8 HRS LAGOON PUMPING @ \$17		174.01	18340	7/22/25
GOLDEN WEST TECHNOLOGIES	MONTHLY SERVICE FEE-JULY 2025		568.65	18341	7/22/25
HAGG & HAGG LLP	AUGUST 2025 RETAINER		4,048.00	554	7/22/25
KIEFFER SANITATION	MONTHLY SANITATION FEES-JUN 25		5,014.99	555	7/17/25
MT RUSHMORE TELEPHONE	PHONE/INTERNET, 13620639		261.84	557	7/15/25
REIMER ELECTRIC	REPLACE 11 TOWN OFFICE LIGHTS		830.00	18342	7/22/25
SD DEPT OF REVENUE	SALES TAX MAY/JUNE 2025		602.39	556	7/21/25
SDARWS	ANNUAL DUES:CLASS B MEMBER		410.00	18343	7/22/25
SILVERSMITH DATA	SOFTWARE INTEGRATION/SETUP				
SOUTH DAKOTA 811	MESSAGE FEES/VOICE OUT APR-JUN		95.13	18344	7/22/25
			=====		
	Accounts Payable Total		47,281.83		
	Utility Refund Checks				
	-----				
	Refund Checks Total				
	Payroll Checks				
	-----				
	101 GENERAL		2,255.68		
	211 BBB GROSS RECIPITS TAX		49.21		
	602 WATER		246.07		
	604 SEWER		147.64		
			-----		
	Total Paid On: 7/15/25		2,698.60		
			=====		
	Total Payroll Paid		2,698.60		
			=====		
	Report Total		49,980.43		
			=====		

**CLAIMS REPORT**  
**CLAIMS FUND SUMMARY**

FUND	NAME	AMOUNT
101	GENERAL	48,726.27
211	BBB GROSS RECEIPTS TAX	63.85
602	WATER	572.05
604	SEWER	618.26
-----		
	TOTAL FUNDS	49,980.43



## **§ 50.27 REPAIRS OF CITY WATER MAINS AND SERVICE LINES.**

110

(A) Any repairs performed to the city's water mains are the sole responsibility of the municipality with the exception of any damage incurred during the installation of any private service. In this situation the licensed contractor will be responsible to complete repairs to the line, per the current adopted Building Codes, and the supervision of the Public Works Department.

(B) Any repairs required to private service lines, starting from the property line to the home will be the responsibility of the property owner and from the property line to the main is the responsibility of the town. If during the repairs, it is discovered that the damaged section is not up to current adopted codes the service will not be continued until the line from the main is replaced.

(Ord. 10R-2015, passed 2-2-2015)

## **§ 51.11 REPAIRS OF CITY SEWER MAINS AND SERVICE LINES.**

(A) Any repairs performed to the city's sewer mains are the sole responsibility of the municipality with the exception that any damage incurred during the installation of any private service. In this situation the licensed contractor will be responsible to complete repairs to the line per the current adopted Building Codes and the Public Works Department.

(B) Any repairs required to private service lines, starting from the property line to the structure will be the responsibility of the property owner, and from the property line to the main is the responsibility of the town. If during the repairs it is discovered that the damaged section is not up to current adopted codes the service will not be continued until the line from the main is replaced.

(Ord. 15R-2015, passed 2-2-2015)





PO BOX 998  
PIERRE, SD 57501

13A

Account Number  
Statement Date  
Statement Thru Date  
Check/Items Enclosed  
Page

06/30/2025  
06/30/2025  
0  
1

00017831 T11969DDA07012502315 01 00000000 0000000 004



TOWN OF HERMOSA  
PO BOX 298  
HERMOSA SD 57744-0298

**Customer Service Information**

- Customer Care: 800-253-0362
- Email Inquiries: info@bankwest-sd.bank
- Visit Us Online: www.bankwest-sd.bank
- Written Inquiries: PO Box 998 • PIERRE, SD 57501
- Join Us On Facebook!

00017831 0072539 0001-0003

**Relationship Summary**

Account Type	Balance
CHECKING	\$988,970.19

**PREFERRED CHECKING**

Account Number: [REDACTED]

Account Owner(s): TOWN OF HERMOSA

**Balance Summary**

Beginning Balance as of 06/01/2025	\$1,220,098.71
+ Deposits and Credits (48)	\$64,689.14
- Withdrawals and Debits (31)	\$295,817.66
Ending Balance as of 06/30/2025	\$988,970.19
Service Charges for Period	\$0.00

**Earnings Summary**

Interest for Period Ending 06/30/2025	\$875.89
Interest Paid Year to Date	\$5,632.58
Annual Percentage Yield Earned (APYE)	1.00%
Average Balance for APYE	\$1,065,661.00
Number of Days for APYE	30

**DEPOSITS AND OTHER CREDITS**

Date	Description	Deposits
Jun 02	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	243.39 ✓
Jun 02	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	890.27 ✓
Jun 03	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	145.00 ✓
Jun 04	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	343.82 ✓
Jun 05	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	487.73 ✓
Jun 06	DEPOSIT	46.50 ✓
Jun 06	DEPOSIT	255.64 ✓
Jun 06	DEPOSIT	699.36 ✓
Jun 06	DEPOSIT	1,052.49 ✓
Jun 06	DEPOSIT	1,279.68 ✓
Jun 06	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	645.31 ✓
Jun 06	STATE OF SOUTH D/AP ACH 12054624 TOWN OF HERMOSA	741.81 ✓
Jun 09	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	115.64 ✓
Jun 09	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	382.83 ✓
Jun 10	DEPOSIT	917.60 ✓





PO BOX 998  
PIERRE, SD 57501

Account Number [REDACTED]  
Statement Date 06/30/2025  
Statement Thru Date 06/30/2025  
Page 2

**DEPOSITS AND OTHER CREDITS (Continued)**

Date	Description	Deposits
Jun 11	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	115.64 ✓
Jun 11	CUSTER SCHOOL DI/PAYABLES HERMOSA TOWN TREASURER	283.10 ✓
Jun 12	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	3,427.34 ✓
Jun 13	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	237.55 ✓
Jun 16	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	123.04 ✓
Jun 16	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	678.10 ✓
Jun 16	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	10,003.88 ✓
Jun 17	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	353.46 ✓
Jun 18	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	578.20 ✓
Jun 20	DEPOSIT	464.01 ✓
Jun 20	DEPOSIT	556.96 ✓
Jun 20	DEPOSIT	803.64 ✓
Jun 20	DEPOSIT	845.00 ✓
Jun 20	DEPOSIT	1,011.57 ✓
Jun 20	DEPOSIT	1,192.02 ✓
Jun 20	DEPOSIT	1,715.43 ✓
Jun 20	DEPOSIT	2,154.49 ✓
Jun 20	DEPOSIT	2,561.96 ✓
Jun 20	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	244.74 ✓
Jun 20	CUSTER COUNTY/MAY 25 S&T HERMOSA TOWN - EFT	11,716.44 ✓
Jun 23	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	115.64 ✓
Jun 23	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	124.95 ✓
Jun 23	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	230.38 ✓
Jun 23	STATE OF SOUTH D/AP ACH 12054624 TOWN OF HERMOSA	10,285.60 ✓
Jun 26	DEPOSIT	115.64 ✓
Jun 26	DEPOSIT	372.99 ✓
Jun 26	DEPOSIT	3,601.09 ✓
Jun 26	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	256.43 ✓
Jun 27	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	465.89 ✓
Jun 30	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	168.88 ✓
Jun 30	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	231.48 ✓
Jun 30	MERCHPAYOUT SV9T/8662240369 TOWN OF HERMOSA	530.64 ✓
Jun 30	INTEREST PAID	875.89 ✓

**DEBITS AND OTHER WITHDRAWALS**

Date	Description	Withdrawals
Jun 03	WASTE WATER REVENUE BOND PAYMENT	26,415.00 ✓
Jun 03	USDA RD DCFO/PAYMENT TOWN OF HERMOSA	222.00 ✓
Jun 03	USDA RD DCFO/PAYMENT TOWN OF HERMOSA	417.00 ✓
Jun 05	CLASSIC WEB BANKING FEE	25.00 ✓
Jun 05	BLACK HILLS ELEC/BHEC BILL TOWN OF HERMOSA	2,860.50 ✓
Jun 05	TOWN OF HERMOSA/ACH PAYMEN TOWN OF HERMOSA	69,462.09 ✓
Jun 09	A & B BUSINESS I/A & B BUSI TOWN O HERMOSA	566.94 ✓
Jun 09	BANKWESTCC/PAYMENT 558693016009048 PAYABLE,ACCOUNTS	3,168.76 ✓
Jun 11	TOWN OF HERMOSA/ACH PAYMEN 9466000189 TOWN OF HERMOSA	263.31 ✓
Jun 13	IRS/USATAXPYMT TOWN OF HERMOSA	752.93 ✓
Jun 13	TOWN OF HERMOSA/PAYROLL 9466000189 TOWN OF HERMOSA	2,749.84 ✓
Jun 16	HANSON COMMUNICA/MONTHLYPMT TOWN OF HERMOSA	57.71 ✓
Jun 16	HANSON COMMUNICA/MONTHLYPMT TOWN OF HERMOSA	67.22 ✓
Jun 16	HANSON COMMUNICA/MONTHLYPMT TOWN OF HERMOSA	140.71 ✓
Jun 17	TOWN OF HERMOSA/ACH PAYMEN TOWN OF HERMOSA	87,506.21 ✓
Jun 18	WASTE CONNECTION/WEB_PAY 98958469060325 TOWN OF HERMOSA	4,142.19 ✓
Jun 23	USDA RD DCFO/PAYMENT TOWN OF HERMOSA	1,278.00 ✓
Jun 26	TOWN OF HERMOSA/ACH PAYMEN 9466000189 TOWN OF HERMOSA	5,259.20 ✓
Jun 26	TOWN OF HERMOSA/ACH PAYMEN TOWN OF HERMOSA	17,429.64 ✓
Jun 30	IRS/USATAXPYMT TOWN OF HERMOSA	1,138.71 ✓
Jun 30	TOWN OF HERMOSA/PAYROLL 9466000189 TOWN OF HERMOSA	7,261.16 ✓

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PO BOX 998  
PIERRE, SD 57501

Account Number [REDACTED]  
Statement Date 06/30/2025  
Statement Thru Date 06/30/2025  
Page 3

**CHECKS PAID**

\* Indicates a Skip in Check Number(s)

Date	Check No.	Amount	Date	Check No.	Amount	Date	Check No.	Amount
Jun 12	18288	17,028.84	Jun 18	18303	21.00	Jun 24	18307	13,530.22
Jun 03	18289	5,401.03	Jun 18	*18305	2,087.14	Jun 24	18308	5,250.00
Jun 02	18290	19,772.33	Jun 17	18306	262.55	Jun 12	18309	350.37
Jun 17	*18302	930.06						

**FEE RECAP**

	Total For This Period	Total Year-to-Date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

**DAILY BALANCE SUMMARY**

Date	Balance	Date	Balance	Date	Balance
Jun 02	1,201,460.04	Jun 11	1,100,170.56	Jun 20	1,022,741.62
Jun 03	1,169,150.01	Jun 12	1,086,218.69	Jun 23	1,032,220.19
Jun 04	1,169,493.83	Jun 13	1,082,953.47	Jun 24	1,013,439.97
Jun 05	1,097,633.97	Jun 16	1,093,492.85	Jun 26	995,097.28
Jun 06	1,102,354.76	Jun 17	1,005,147.49	Jun 27	995,563.17
Jun 09	1,099,117.53	Jun 18	999,475.36	Jun 30	988,970.19
Jun 10	1,100,035.13				

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Transaction No	Date	Mod	Emp1/Vend	Vendor/Employee Name	Other No	Checks	Deposits	
						Beginning Statement Balance	1,220,098.71	
1	BANKWEST							
1639	6/02/2025	RM					255.64	
1641	6/03/2025	RM					1,279.68	
1642	6/04/2025	GL					46.50	
1643	6/04/2025	RM					1,052.49	
1644	6/05/2025	RM					699.36	
1645	6/06/2025	RM					688.00	
1646	6/08/2025	RM					115.64	
1647	6/09/2025	RM					917.60	
1648	6/06/2025	GL					741.81	
1653	5/31/2025	BK					243.39	
1654	6/03/2025	BK					145.00	
1655	6/04/2025	BK					343.82	
1656	6/05/2025	BK					487.73	
1657	6/07/2025	BK					382.83	
1658	6/08/2025	BK					115.64	
1659	6/10/2025	RM					1,128.10	
1660	6/11/2025	RM					464.01	
1661	6/12/2025	RM					556.96	
1662	6/13/2025	RM					1,715.43	
1663	6/16/2025	RM					2,154.49	
1667	6/01/2025	BK					890.27	
1668	6/06/2025	BK					645.31	
1669	6/17/2025	RM					1,492.74	
1670	6/17/2025	RM					1,069.22	
1671	6/18/2025	GL					1,011.57	
1672	6/18/2025	RM					1,192.02	
1673	6/20/2025	RM					372.99	
1674	6/23/2025	RM					115.64	
1675	6/26/2025	GL					3,601.09	
1676	6/20/2025	GL					11,716.44	
1677	6/23/2025	GL					10,285.60	
1678	6/11/2025	BK					115.64	
1679	6/12/2025	BK					3,427.34	
1680	6/13/2025	BK					237.55	
1681	6/14/2025	BK					678.10	
1682	6/15/2025	BK					10,003.88	
1683	6/16/2025	BK					123.04	
1684	6/17/2025	BK					353.46	
1685	6/18/2025	BK					578.20	
1686	6/19/2025	BK					244.74	
1687	6/20/2025	BK					115.64	
1688	6/23/2025	BK					124.95	
1689	6/22/2025	BK					230.38	
1690	6/27/2025	BK					465.89	
1691	6/30/2025	BK					168.88	
1692	6/28/2025	BK					231.48	
1693	6/29/2025	BK					530.64	
1696	6/30/2025	GL					875.89	
1715	6/26/2025	BK					256.43	
17423	12/26/2023	PR		BATCH VOID				
17424	12/26/2023	PR		BATCH VOID				
18119*	12/31/2024	AP		26 HEALTH POOL OF SOUTH DAKOTA		21.00		

Transaction No      Date      Mod      Empl/Vend      Vendor/Employee Name      Other No      Checks      Deposits

1 BANKWEST - continued -

18288*	5/20/2025	AP		147 BENESCH		17,028.84	
18289	5/20/2025	AP		93 Custer County Auditor		5,401.03	
18290	5/20/2025	AP		179 CUSTER COUNTY SCHOOL DIST 16-		19,772.33	
18302*	5/30/2025	AP		3 SOUTH DAKOTA RETIREMENT SYSTEM		930.06	
18305*	6/04/2025	AP		26 HEALTH POOL OF SOUTH DAKOTA		2,087.14	
18306	6/04/2025	AP		28 NORTHWEST PIPE FITTINGS Inc.		262.55	
18307	6/04/2025	AP	9999999999	PENNINGTON COUNTY HIGHWAY DEPT	19	13,530.22	
18308	6/04/2025	AP		196 WATERWORTH		5,250.00	
18309	6/10/2025	AP		23 CHUCK FERGUSON		350.37	
18310	6/13/2025	PR		25 TERESA J CORNELISON		1,943.68	
18311	6/13/2025	PR		29 LINDSEY R LUCKETT		806.16	
18318*	6/30/2025	PR		1 VONDA BELT		53.33	
18319	6/30/2025	PR		25 TERESA J CORNELISON		2,038.83	
18320	6/30/2025	PR		20 Donna M Ferguson		230.87	
18321	6/30/2025	PR		27 Shanna R Harris		184.70	
18322	6/30/2025	PR		26 KELBURN S KOONTZ		230.87	
18323	6/30/2025	PR		4 LINDA M KRAMER		318.25	
18324	6/30/2025	PR		29 LINDSEY R LUCKETT		853.44	
18325	6/30/2025	PR		28 AARON SERVISS		230.87	
519*	6/04/2025	AP		6 A & B BUSINESS EQUIPMENT INC		566.94	
520	6/04/2025	AP		150 BANK WEST		25.00	
521	6/04/2025	AP		40 BLACK HILLS ELECTRIC COOP., Inc		2,860.50	
522	6/04/2025	AP		137 CORNELISON, TERRI		40.81	
526	6/04/2025	AP		160 BANKWEST CARDMEMBER SERVS		3,200.49	
527	6/04/2025	AP		136 HARRIS CONTRACTING		222.50	
528	6/04/2025	AP		176 BAROQUE ADVANTAGE LLC		69,462.09	
529	6/13/2025	AP		1 EFTPS-Electronic Federal Tax		752.93	
530	6/15/2025	AP		8 MT RUSHMORE TELEPHONE		265.64	
531	6/20/2025	AP		195 KIEFFER SANITATION		4,142.19	
532	6/24/2025	AP		137 CORNELISON, TERRI		188.70	
535	6/24/2025	AP		25 HAGG & HAGG LLP		5,070.50	
536	6/30/2025	AP		1 EFTPS-Electronic Federal Tax		1,138.71	
537	6/30/2025	AP		23 CHUCK FERGUSON		3,120.00	
541	6/30/2025	AP		176 BAROQUE ADVANTAGE LLC		87,506.21	
543	6/30/2025	AP		169 CONIFER CONSTRUCTION LLC		17,429.64	
544	6/30/2025	AP		12 RURAL DEVELOPMENT		1,278.00	
545	6/30/2025	AP		12 RURAL DEVELOPMENT		417.00	
546	6/30/2025	AP		12 RURAL DEVELOPMENT		222.00	
548	6/30/2025	AP		150 BANK WEST		26,415.00	
553	6/04/2025	AP		160 BANKWEST CARDMEMBER SERVS		31.73-	

Fund Description

101	GENERAL	57,043.16	26,474.20
211	BBB GROSS RECIPITS TAX	97.40	1,142.46
301	DEBT SERVICE	25,173.36	5,442.77
602	WATER	7,690.12	17,625.78
604	SEWER	205,813.62	13,968.36

Fund Grand Total      295,817.66      64,653.57

Transaction No	Date	Mod	Emp/Vend	Vendor/Employee Name	Other No	Checks	Deposits
1 BANKWEST					- continued -		
					Ending Statement Balance		988,970.19

Transaction No	Date	Mod	Empl/Vend	Vendor/Employee Name	Other No	Checks	Deposits
1	BANKWEST						
						Beginning Statement Balance	1,220,098.71
				43 Credit Transactions		295,817.66	
				49 Debit Transactions			64,689.14
						Ending Statement Balance	988,970.19



ISA

**OPERATING AGREEMENT FOR MUNICIPAL ON-SALE  
AND OFF-SALE LIQUOR ESTABLISHMENT**

1. **PARTIES:**

The parties to this agreement are **Pop's Grocery Shoppe** of Hermosa, S.D., hereinafter referred to as the "Operator" and the Town of Hermosa, a political subdivision of the State of South Dakota, hereinafter referred to as the "Town".

2. **PURPOSE:**

Under the provision of SDCL 35-4, the purpose of this agreement is to establish the terms and conditions of an operating agreement between the Operator and the Town as provided by SDCL 35-4.

3. **PROPERTY:**

The real property subject to the terms of this agreement is commonly known as: **Pop's Grocery Shoppe** located in the City of Hermosa, Custer County, State of South Dakota.

4. **TERMS OF THE AGREEMENT AND EFFECTIVE DATE:**

This agreement shall expire the 31st day of December 2025.

5. **RENEWAL:**

Operator agrees to give the Town ninety (90) days advance written notice of its desire to renew.

6. **OBLIGATIONS OF OPERATOR:**

- a) The Operator shall be responsible for all operating expenses including, but not limited to, utilities, purchase of all liquor, taxes, insurance and license fees, if any.
- b) Cancellation of the agreement shall be made upon ninety (90) days written notice by either party.
- c) The Operator shall furnish a suitable building situated upon the following described real property: **30 N Ferguson**, City of Hermosa, Custer County, State of South Dakota.
- d) Operator shall operate said on-sale establishment so situated and arranged and the business operated therein to be so conducted as to be in conformity with the ordinances of the Town of Hermosa and the laws of the State of South Dakota.
- e) Operator shall operate said off-sale establishment only on the days and during the hours specified by ordinance of the governing body of the Town and also in conformity with the laws of the State of South Dakota. This shall not be construed to mean, however, that there exists any restriction on the seasonal operation of the business provided all license fees hereunder are paid in a timely manner and Operator is in compliance with all laws and town ordinances. Furthermore, the

Operator shall notify local law enforcement of any change in operating hours or planned special events.

- f) Operator is to pay all sales tax and real estate property taxes when they are due and owing prior to becoming delinquent.
- g) Operator shall furnish to the Town, upon request, evidence of payment of all social Security, Withholding, Workmen's Compensation and Unemployment Insurance payments or premiums and the policies receipts therefore, along with evidence of payments of all rents, utilities and salaries on or before the 10<sup>th</sup> day of the calendar month when the same comes due.
- h) Operator agrees to furnish to the Town all records requested by the Town that are reasonably related to the issues involved in renegotiating this agreement.
- i) Operator shall maintain said premises in good repair so as to provide a safe and clean environment.
- j) Operator shall make a thorough and complete check of the age of any individual requesting to be served intoxicating liquor or other alcoholic beverages as is reasonably necessary to determine if said individual is of lawful age; and to immediately report to the proper officials for prosecution, any individual attempting to falsify his or her lawful age for the purpose of obtaining the service of alcoholic beverages or intoxicating liquor.

That Operator shall require that all its employees and/or agents shall at the expense of the Operator, as a condition of employment, complete a nationally recognized training program approved by the South Dakota State Department of Revenue that provides instruction on techniques to prevent persons under the age of twenty-one (21) from purchasing alcoholic beverages within sixty (60) days after commencement of employment, or within sixty (60) days after execution of this Agreement for existing employees.

That Operator shall implement and maintain a written age identification policy and shall require each of its employees and/or agents to sign the same, and agree to abide by said age identification policy as a condition of continuing employment and/or agency with said establishment.

- k) Operator shall at all times and in every reasonable manner cooperate with the Hermosa Town Marshal, the Custer County Sheriff's Department, and the law enforcement personnel of the State of South Dakota in allowing access to said premises, to establish the age of any individual or individuals found on said premises, and to maintain law and order of said premises.

7. **RESPONSIBILITIES OF OPERATOR REGARDING PATRONS:**

a) Any establishment duly permitted by the Town of Hermosa to sell liquor, wine or malt beverages is charged with the responsibility of maintaining a safe environment for its patrons. Any business establishment offering on-sale or off-sale liquor, wine or malt beverage within the corporate limits of Hermosa, South Dakota, shall adhere to the following requirements, procedures and protocol regarding patron activity and safety.

i.) An owner, manager or employee of an establishment is encouraged to contact the Town Marshal or County Sheriff at the first indication of a situation which appears may result in the escalation of hostility between patrons or a patron and employee. Any failure by an establishment to make such contact resulting in injury to person, damage to property or commission of a criminal act may result in civil penalty against the establishment, ranging from a letter of reprimand to license suspension or revocation.

b) The owner and manager of an offending entity will upon written demand appear before the Town Board within five (5) days of such request or at the next meeting of the Town Board of Trustees as may be directed by the Board. Any such reports, reprimands or other disciplinary action shall become a part of the licensee's permanent performance records.

8. **LIABILITY INSURANCE:**

Operator shall indemnify and hold the Town free and harmless from any and all liability, loss, damage or expense from accident or damage, either to itself or to persons or property of others, which may occur by reason of the exercise of the rights privileges herein granted, and shall, for the purpose of carrying out the provisions of the agreement, and prior to commencing operations of any kind, have in full force and effect, and file evidence thereof with the Finance Officer, a good and sufficient policy covering Five Hundred Thousand Dollars (\$500,000.00) each occurrence, One Million Dollars (\$1,000,000.00) aggregate overage with said policy to be executed by an insurance company authorized and qualified to do business in the State of South Dakota and conditioned to indemnify and save harmless the Town from and against any and all claims, actions, suits, liability, loss, cost expense or damage of any kind or description which may occur to or be suffered by the Town or by anyone by reason of the use of the real property described in Paragraph 3 herein. Proof of such insurance shall be provided by Operator and kept on file at the Town office. Operator shall also direct the insurance carrier to notify Town of cancellation or suspending policy.

9. **ASSIGNMENT:**

This agreement shall not be assigned, transferred, sold or in any manner conveyed without the express written and prior approval of the Hermosa Town Board and said approval shall not be unreasonably withheld.

10. **LICENSES/FEES:**

- a) Operator agrees to pay the sum of Four Thousand Two Hundred Dollars (\$4200.00) per year for a retail on-sale liquor license, plus 5% of liquor and beer purchases. Said sum shall be payable at the rate of **Three Hundred Fifty Dollars (\$350.00) per month, and 5% of the liquor and beer purchases by the operator for the previous month. Proof of purchases (i.e. copies of invoices from the distributor) of the same must accompany payment each month.** Purchases will be verified by the distributor at the discretion of the Finance Officer. **Payments are to be made on the first (1<sup>st</sup>) day of each month with the right of prepayment.** In the event the Operator does not pay the monthly license fee by the close of business on the fifth (5<sup>th</sup>) day of each month to the Finance Officer at the Hermosa Town Office, PO Box 298, Hermosa, SD 57744, the license may be suspended immediately and Operator shall be subject to a \$50.00 late fee, plus \$25.00 per week thereafter. To redeem the license, the Operator shall pay three (3) monthly payments in advance in addition to the late fees. In addition, any returned checks will be subject to an additional \$100.00 penalty and \$35.00 fee at the first offense. Subsequent returned checks will result in payment terms of cash or money order only. Upon receipt of a returned check the license may be revoked immediately.
- b) The Operator agrees to maintain in good standing a South Dakota Video Lottery License and to operate not less than five (5) video lottery terminals. The Operator further agrees to pay the Town (\$-0-) per year, per video lottery machine, in addition to the license fee as permitted in SDCL 35-4-103.
- c) Operator shall purchase liquor, beer and wine directly from authorized liquor distributors in conformance with all applicable state laws.

11. **AREA OF LICENSE:**

Alcoholic beverages shall be sold only on the authorized premises authorized by the license in accordance with SDCL 35-4-75.

12. **CANCELLATION AND TERMINATION:**

Cancellation of this agreement shall be made upon ninety (90) days written notice by either party. In the event that either party to this agreement defaults in the performance of any of the terms, covenants, conditions or obligations of their agreement, assumed by that party, the parties agree that the party not in default shall have the option to cancel this agreement. Said option shall be exercisable by giving to the party in default, at their current address, by certified mail, ninety (90) days written notice of the nature of such default. In the event of the failure of the party in default to cure such default, within such ninety (90) day period, this agreement shall be deemed canceled and of no further binding effect on either of the parties to this agreement. If the Operator wishes to cancel this agreement, they may do so with ninety (90) days written notification by certified mailing to the Town.

13. **VIDEO LOTTERY MACHINES:**

Operator must abide by all rules and regulations as set forth in S.D.C.L. Chapter 42-7A, including but not limited to the following:

a) **Placement of machines and separation wall required: S.D.C.L. § 42-7A-37.1**  
Restrictions on licensed establishment

A business licensed pursuant to subdivision 35-4-2 (12) and (16) may not be a licensed establishment for video lottery placement pursuant to subdivision 42-7A-1 (6) unless it is a bar or lounge. For the purposes of this section, a bar or lounge is an enterprise primarily maintained and operated for the selling, dispensing and consumption of alcoholic beverages on the premises and may also include the sale and service of food. A bar or lounge may be physically connected to another enterprise within the same building, which enterprise may be owned or operated by the same person. There may be interior access between a bar or lounge and a connected enterprise. However, there shall be a floor to ceiling opaque wall separation between the two enterprises. A separation wall may be constructed to provide visual and physical access for employees from areas in the building not open to the public. The bar or lounge shall have a separate entrance and exit. A separate entrance and exit is not required if entrance to the bar may only be obtained from the other distinct enterprise and the public may not enter the other enterprise by first passing through the bar or lounge. All video lottery machines shall be adequately monitored during business hours. Adequate monitoring shall be accomplished by the personal presence of an employee or by an employee using video cameras or mirrors and periodic inspections of the bar or lounge. No new license may be issued to any establishment after July 1, 1992, unless such establishment complies with this section. No license may be renewed to any establishment after July 1, 1993, unless such establishment complies with this section.

b). **Number of machines and age restrictions to be displayed: S.D.C.L. § 42-7A-44**  
Rules for placement of video lottery machines -- Number limited -- Placement in bar or lounge with on-sale License.

The placement of video lottery machines in licensed establishments shall be subject to the rules of the commission promulgated pursuant to chapter 1-26. No more than ten video lottery machines may be placed in any licensed establishment. The bar or lounge with an on-sale license issued pursuant to subdivision 35-4-2 (12) or (16) shall be restricted to persons twenty-one years of age or older. The entrance to the area where video lottery machines are located shall display a sign that the premises are restricted to persons twenty-one years or older. Notwithstanding the restrictions in §§ 35-4-79 to 35-4-79.2, inclusive, persons under the age of twenty-one may only enter the premises where video lottery machines are located provided they are accompanied by a parent, guardian or spouse of twenty-one years or older.

14. **NOTICE:**

Any notice provided for herein may be given by registered or certified United States mail, postage and fees prepaid, and addressed, if to the Operator, as described in paragraph 1 herein, with the principal office located on 30 N Ferguson, Hermosa, SD, addressed to Philip Preston LLC DBA Pop's Grocery Shoppe, 30 N. Ferguson St., Hermosa, SD 57744, and if to the Town, at PO Box 298, Hermosa, South Dakota 57744. The places to which notices are to be given hereunder may be changed from time to time by either party by written notice, given to the other.

15. **COMPLIANCE WITH ALL LAWS AND CODES:**

The Operator shall observe all statutory laws of the State of South Dakota, and all ordinances of the Town. Further this Agreement is contingent upon Operator complying with the applicable provisions of the Uniform Fire Code as determined by and consistent with the recommendations of the State Fire Marshal. Failure to comply with such recommendations shall result in termination of this Agreement.

16. **MUTUAL OBLIGATIONS:**

Each of the parties shall fully comply with the provisions of SDCL 35-4, and all related State Laws and Town Ordinances.

17. **MODIFICATIONS:**

This agreement cannot be modified or changed, unless in writing, signed by the Operator and Board of Trustees of the Town.

18. **PERSONAL NATURE OF RIGHTS GRANTED:**

All rights granted hereunder are to be regarded as personal rights granted to the Operator. The release of any of the Operator signatories shall constitute termination of this agreement.

19. **INTEGRATION:**

This agreement constitutes the entire agreement between the parties and there are no agreements, oral or otherwise, other than those contained herein.

20. **RELEASE OF LIABILITY AND INDEMNIFICATION:**

Operator acknowledges that this agreement does not create a relationship of any kind between the Operator and Town other than Town authorizes Operator to possess a valid license for the sale of alcoholic beverages. Operator shall indemnify, defend and hold Town harmless from and reimburse Town with respect to, any and all losses, damages, liabilities, claims, judgments, costs and expenses (including attorney's fees and costs) of any nature whatsoever Town shall suffer as a result of Operator's breach of any representation, warranty, covenant or agreement contained herein or as a result of Operator's operation of Operator's above-listed place of business.

21. **CAPTIONS:**

The paragraph captions contained in this agreement are not intended to either broaden or limit the interpretation of this agreement.

**TOWN BOARD APPROVAL DATE:** \_\_\_\_\_

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**OPERATOR:**

By: \_\_\_\_\_  
**Philip Preston**

DATE: \_\_\_\_\_

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

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**TOWN OF HERMOSA:**

\_\_\_\_\_  
**Kelburn Koontz**  
**Town Board President**

DATE: \_\_\_\_\_

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**ATTEST:**

\_\_\_\_\_  
**Terri Cornelison**  
**Finance Officer**

DATE: \_\_\_\_\_