

**HERMOSA TOWN BOARD
TUESDAY, SEPTEMBER 22, 2026
REGULAR MEETING @ 6:00PM**

ROLL CALL: Serviss called the meeting to order on Tuesday, September 8, 2026, at 6:03 p.m. with the following members present: Ferguson, Kramer, Miller, and Serviss. Matheny joined the meeting at 6:08 p.m. Interested citizens, and Town Attorney James were also present. Pledge of Allegiance led by Serviss.

COMMENTS FROM THE PUBLIC: Joan Harris stated the 18th Annual Walk to School event will be held on October 7th. Participants to meet at the Post Office at 7:30 a.m. and walk will begin at 7:45 a.m.

CALL FOR CHANGES: Motion by Miller and seconded by Ferguson to move Item 11F Approve building inspection/code enforcement agreement to 7D, move Item 11C Approve Floodplain Administrator and Liaison Appointment to before 9A, and approve agenda as amended; vote: all aye, motion carried.

CONSENT CALENDAR: Motion by Ferguson and seconded by Miller to approve the September 8, 2026, regular 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. Roll call voting for any agenda item where a conflict of interest is formally identified.

LEGAL: Town Attorney James informed the board that the proposed agreement has been sent to the Preston Family's attorney and waiting for response. James has also reached out to AES2 Engineering to assist with the Neugebauer issue.

TOWN UPDATES: Motion by Matheny and seconded by Ferguson to approve the implementation of a reserve agenda on the town website overseen and managed by the administrative assistant; vote: all aye, motion carried. Allan Sage was introduced as the interim Town Water Operator, and he gave a brief overview of tasks that have been completed. There is a volunteer opportunity for anyone wanting to help with removal of sandbags at the water tower. Wesley Foss, with ACS Adjusters, presented to the board on possible inspections he would be willing to perform. Motion by Ferguson and seconded by Miller to approve a budget of \$260.00 for the inspection of the two recently completed governor homes by ACS Adjusters; vote: all aye, motion carried.

CITIZEN/STAKEHOLDER ITEMS: Shelly Martin presented to the board a request from Hermosa Arts & History Association seeking donation for the 2026 Santa's Village to be held at the Hermosa School on December 6, 2026. Motion by Ferguson and seconded by Miller to approve a donation of \$1,500.00 to HAHHA for the Christmas carnival; vote: all aye, motion carried. Martin also spoke about the Hermosa Relief Fund as they have assisted with customer utility bills in the amount of \$1,551.38. They will be having a fundraiser at TW Bar with a game of Family Feud being played. The cost is \$150.00 for a five person team and sponsor tables for \$320.00.

BREAK: The board took a break at 7:04 p.m. and reconvened at 7:11 p.m.

PLANNING & ZONING: Motion by Matheny and seconded by Ferguson to table Item 11C Approve Floodplain Administrator and Liaison Appointment to the next meeting; vote: all aye, motion carried. Motion by Miller and seconded by Matheny to adjourn as the Board of Trustees and reconvene as Planning & Zoning Board at 7:17 p.m.; vote: all aye, motion carried. Motion by Miller and seconded by Ferguson to table Item 9B Review of Final Plat of Allan Tracts 1, 2 & 3, until all necessary documentation received; vote: all aye, motion carried. The board reviewed the Custer County building permit for Parcel #015987 McDermand Subdivision – Barnier Tract 3. Motion by Kramer and seconded

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by Miller authorizing the town attorney to research and confirm questions discussed in preparation for a near future meeting to readdress the site; vote: all aye, motion carried. Motion by Matheny and seconded by Miller to approve Permanent Sign Permit Application #2026-24-MG Oil company – 25 N Heartland Express; vote: all aye, motion carried. Motion by Ferguson and seconded by Matheny to adjourn as Planning & Zoning Board and reconvene as the Board of Trustees at 8:06 p.m.; vote: all aye, motion carried. Motion by Matheny and seconded by Miller to approve Resolution #10-2026; vote: all aye, motion carried.

RESOLUTION #10-2026

WHEREAS, there has been presented to the Board of Trustees of the Town of Hermosa, South Dakota, the within Plat of Sclaus Tract and Fairfield Tract, Located in the NE1/4NE1/4 of Section 32, T2S, R8E, BHM, Custer County, South Dakota; and appearing to the Board that:

1. Said plat conforms to the existing plats of said Town,
2. That the streets set forth therein conforms to the system of streets of the municipality,
3. That all provisions of the subdivision regulations have been complied with,
4. That all taxes and special assessments upon the tract have been fully paid,
5. And that said plat and the survey thereof have been executed according to law,

NOW, THEREFORE BE IT RESOLVED that said plat is hereby approved in all aspects.

Dated this 22nd day of September, 2026

OLD BUSINESS: Motion by Kramer and seconded by Matheny to table second reading of Chapter 51 Sewer Ordinance indefinitely; vote: all aye, motion carried. Motion by Ferguson to make final payment to Quinn Construction. Motion died for a lack of a second. Motion by Ferguson and seconded by Miller to finalize the contract for the new tank with Quinn Construction and authorize the town attorney to address the need for a waiver; vote: three aye and two abstain, motion carried. Motion by Matheny and seconded by Kramer to approve a budget of \$5,000.00 for the repair of the sewer main at 315 Manning Street; vote: all nay, motion failed. Motion by Ferguson to contact Action Mechanical and ask to complete the repair. Motion died for a lack of a second. Motion by Kramer and seconded by Matheny to approve a budget not to exceed \$8,000.00 for the sewer repair at 315 Manning Street; vote: all aye, motion carried. Motion by Miller and seconded by Ferguson to approve \$500.00 budget and appoint Darkhorse Construction as our interim superintendent and inspector for the repair on 315 Manning Street sewer line; vote: all aye, motion carried.

BREAK: The board took a break at 9:12 p.m. and reconvened at 9:17 p.m.

NEW BUSINESS: Motion by Matheny and seconded by Kramer to move Item 11A Tower Hill Road drainage upgrade plan discussion to reserve agenda; vote: all aye, motion carried. Motion by Ferguson and seconded by Matheny to move Item 11B Discussion on Pursuing contracted animal control services to reserve agenda; vote: all aye, motion carried. Motion by Ferguson and seconded by Matheny to table Item 11D Approve RFQ-Infrastructure Remediation Strategic Approach until the next meeting; vote: all aye, motion carried. The second reading of Ordinance 2.079 Appropriating Funds for the Fiscal Year 2027 was held. Motion by Miller and seconded by Matheny to approve Ordinance 2.079; vote: all aye, motion carried. Motion by Ferguson and seconded by Matheny to table Item 11G Approve welded tank maintenance agreement; vote: all aye, motion carried. Motion by Matheny and seconded by Kramer to table Item 11H Approve Interim Appointment of Public Works Municipal Representative; vote: all aye, motion carried. Motion by Kramer and seconded by Miller to approve purchase of eight new locks for infrastructure buildings, maintenance buildings and office building with the wifi and fob capabilities;

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vote: all aye, motion carried. The board discussed options for rerouting traffic when the railroad replaces the crossing on Highway 40. Consensus was to try and get a crossing on Whitney Street. Cornelison will let DOT know and report back to the board.

CLAIMS: Motion by Kramer and seconded by Matheny to approve payroll for September 15, 2026, and claims for September 22, 2026 as presented. Motion amended by Kramer and seconded by Miller to exclude the claim to ATAC for the FEMA BRIC Grant due to pending dispute. Vote on amendment: all aye, motion carried. Vote on original: all aye, motion carried.

VENDOR	REFERENCE	AMOUNT
AARDVARK PEST MANAGEMENT	PEST CONTROL - TOWN OFFICE	\$ 211.34
ATAC	WASTEWATER OPERATIONS CONTRACT-AUGUST 2026 HOURS	\$ 6,350.00
CHUCK FERGUSON	CONSULTING HOURS-BOT APPROVED 7-20-26	\$ 1,200.00
GOLDEN WEST TECHNOLOGIES	MONTHLY SERVICE FEE - SPETEMBER 2026	\$ 635.45
GOLDEN WEST TECHNOLOGIES	LINK BOARD PRESIDENT EMAIL TO CELL PHONE NUMBER	\$ 90.00
KIEFFER SANITATION	MONTHLY SANITATION FEE - AUGUST 2026	\$ 4,242.81
MENARDS	OIL/GAS CAN FOR PLATE PACKER	\$ 40.97
MENARDS	CAULK/CAULK GUN/SECURITY LIGHT FOR WELL HOUSE	\$ 125.36
MIDCO DIVING & MARINE SERVICES	REMAINING BALANCE FROM CLEAN/INSPECT TANKS-REPORTS	\$ 416.00
MT RUSHMORE TELEPHONE	PHONE/INTERNET - MAIN LINE/2ND LINE/FAX - SEPTEMBER 2026	\$ 265.38
SAGE WATER WORKS INC.	PRORATED MONTHLY WATER SERVICE	\$ 1,915.47
SAGE WATER WORKS INC.	REPLACE MASTER METER AT WELL HOUSE (BOT APPROVED 9-8-26)	\$ 2,646.90
SAGE WATER WORKS INC.	LABOR-METER PIT OVERFLOWING AT 104 RUPP ST UNIT A	\$ 280.50
SOUTHERN HILLS PUBLISHING	PUBLISHING/LEGAL NOTICES - AUGUST 2026	\$ 428.58
SOUTHERN HILLS LAW	ATTORNEY SERVICES - JULY 2026/CERTIFIED MAILING TO ATAC	\$ 2,666.06
SOUTHERN HILLS LAW	ATTORNEY SERVICES - AUGUST 2026	\$ 4,972.50
Accounts Payable Total		\$ 26,487.32
Payroll Related: Paid 09/15/2026		
	Legislative, Financial Administration, Govt Blds	\$ 2,134.63
	Promoting City/BBB	\$ 39.64
	Water	\$ 123.05
	Sewer	\$ 73.83
HEALTHY EQUITY	HSA MONTHLY SERVICE FEE AND CONTRIBUTION	\$ 64.75
EFTPS-ELECTRONIC FEDERAL TAX	FED/FICA TAX	\$ 638.57
Payroll Total		\$ 3,074.47
***** REPORT TOTAL *****		\$ 29,561.79

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WATER DEPARTMENT REPORT: Kramer reported there currently no water issues and water restrictions not needed at this time. Serviss and Miller had checked pressures at a few places in town and all is good.

SEWER DEPARTMENT REPORT: Discussion on controlling weeds at the lagoons and possibility of control burn for the weeds when the weather allows.

STREET DEPARTMENT REPORT: Discussion on the need for a public works vehicle with a plow and tommy lift.

LAW ENFORCEMENT: The new license plate cameras are getting a lot of attention.

ABATEMENTS/COMPLAINTS: Serviss reported the public would like better interaction between the board members.

ECONOMIC DEVELOPMENT: Serviss and Kramer had met with potential developers for the Hermosa Hills area on September 16, 2026, and that video is available on the town website.

FINANCE OFFICE: Monthly financial report was provided in the packet. Cornelison reported that the town now has a source well account with Staples Business and will save approximately 26% on purchase of office supplies.

CLOSING COMMENTS FROM THE PUBLIC: No comments from the public.

TRUSTEE INPUT: Ferguson stated it was a good meeting and would like to see meetings start at 5:00 p.m. Kramer is good with starting the meetings at 5:00 or 5:30 p.m. and stated the Custer County Commission meeting tomorrow has Hermosa Library lease on the agenda. Matheny stated starting meetings at 5:00 p.m. would be good. Serviss would like to see meetings get to be completed under two hours and possibly have special meetings as needed on Thursday or Fridays. He also stated there are grants available to municipalities for such things as libraries.

EXECUTIVE SESSION: Motion by Kramer and seconded by Matheny to enter Executive Session allowable by SDCL 1-23-2.3 Legal at 10:13 p.m.; vote: all aye, motion carried. Motion by Ferguson and seconded by Matheny to exit Executive Session at 10:23 p.m.; vote: all aye, motion carried. Motion by Kramer and seconded by Ferguson to authorize the town attorney to answer and reply to SD 811 complaint; vote: all aye, motion carried.

ADJOURN: Motion by Miller and seconded by Ferguson to adjourn at 10:26 p.m.; vote: all aye, motion carried.



Terri Cornelison
Finance Officer



Aaron Serviss
Town Board President

Published once at the approximate cost of _____.