

**HERMOSA TOWN BOARD  
WEDNESDAY, JULY 5, 2023  
REGULAR MEETING @ 6.00pm**

ROLL CALL: Styles called the meeting to order on Wednesday, July 5<sup>th</sup> at 6.00 pm with the following members present: Styles, Henrichsen, Ferguson, Kramer, Holsworth. Also present: Chuck Ferguson and citizens. Kent Hagg will be in attendance at 6.30pm. Pledge of Allegiance led by Jerald Styles.

PUBLIC HEARING: Motion made, seconded to enter into public hearing at 6.02 pm; Vote: unanimous, motion carried. Motion made, seconded to approve transfer of a retail (on-off sale) malt beverage & SD farm wine license from Daniel C Martin to Philip Preston to operate within the municipality at Pop's Grocery, 30 N. Ferguson Street, G & G Sub - Lot 1 (Formerly Out lot E) IN SW4SE4 Sec 29 T2 R8, Hermosa, Custer County, South Dakota, 57744, for the licensing period ending June 30, 2024; Vote: Unanimous, motion carried. No comments from the public. Motion made, seconded to exit the public hearing at 6.05 pm; Vote: Unanimous, motion carried. Motion made, seconded to remove item 2) Public hearing from the agenda; Vote: Unanimous, motion carried.

CALL FOR CHANGES: Item 8) LEGAL to be discussed when Mr. Hagg is present. Item 12) L. Microphone research added to the agenda. Motion made, seconded to approve agenda as amended; Vote: Unanimous, motion carried.

CONSENT CALENDAR: Motion made, seconded to approve June 20<sup>th</sup>, 2023 regular meeting minutes with amendment to the motion under Engineer section to ". Motion made by Holsworth, seconded by Henrichsen to continue using ACES engineering on the 3 active projects: WRT system, Sewer project (Lagoon expansion) and Water/Sewer extension to the North project, but any future projects to be advertised for bids and directed to all Engineering companies; Vote: Unanimous, motion carried"; Vote: Unanimous, motion carried.

CONFLICT OF INTEREST DECLARATION: None

CLAIMS A & B Business equipment LLC: MONTHLY PRINTER/FAX FEE \$569.78; American Legal Publishing Corp: Internet Renewal:07/23-07/24 \$450.00; Black Hills Electric Coop. Inc: Utilities-Electric 06/2023 \$3,075.37; Chuck Ferguson: Monthly agreement 06/2023 \$2,600.00; Sewer manhole tests-126 samples \$875.00; DANR Violation of settlement agreement \$2,500.00; Independent audit services: Audit-Final for 2021 \$1,250.00; Johnson Law Firm: Ordinances, e-mail response, BOT meet \$1,909.50; SD Municipal League: Elected officials workshop \$150.00; Southern Hills Publishing: Annual subscription renewal \$50.00; Temperature technology Inc.: Water pressure transducer repair \$763.21; Van Diest Supply company: Mosquito control supplies \$1,972.47; Vanway trophy & award: Name plates: Styles, Ferguson \$17.50; YESCO Rapid City: Street lights, new fixture \$367.51; Accounts Payable Total: \$16,550.34. Payroll Paid On: 6/30/23 Legislative \$973.36, Financial administration \$1,916.89, Gen. Gov't buildings \$103.89, Water \$366.98, Sewer \$156.96; Planning/Zoning \$535.62, Promoting City/ BBB \$52.32, EFTPS-Electronic Federal Tax: FED/FICA TAX \$962.43, Health Pool of SD: Admin single health 07/23 \$1,835.74, South Dakota retirement system SDRS \$709.38. Payroll Total: \$7,613.57.\* REPORT TOTAL \*\$24,163.91. GENERAL \$13,876.34, BBB GROSS RECEIPTS TAX \$296.34, WATER \$4,412.88, SEWER \$5,578.35. Motion made by Henrichsen, seconded by Holsworth to approve claims list as presented; Vote: Unanimous, motion carried.

LAW ENFORCEMENT/ ABATEMENTS/COMPLAINTS: Curtesy calls for abatements are being made by Donna Ferguson, records to be presented at the next meeting. 2 interviews were completed for the Town Marshall, process is ongoing. Dumpsters: Chuck Ferguson to provide the cost for maintenance for boards approval before the work is performed.

LEGAL: None.

ENGINEER: Water Rehab Project (WRT System)- comments from SDDANR received. Motion made by Henrichsen, seconded by Ferguson to put WRT system on hold after the design is approved by SDDANR, until after the Southern Black Hills Water (SBHW) presentation and the decision is made on the direction the Town will be taking for the long-term water solution; Vote: Styles-Aye, Henrichsen-Aye, Ferguson-Aye, Holsworth-Nay, Kramer-Nay, motion carried. Hermosa sidewalk project – construction performed by Tru-Form Construction Inc. starts on 07/06/2023, pre-construction meeting held on 07/05/2023, projected completion date is August 25<sup>th</sup>, 2023. Sewer project: ACES addressed the comments and resubmitted the designs to SDDANR on July 5<sup>th</sup>, 2023. Population of 519 provided by SDDANR for the new lagoon designs is concerning and requires further research. Motion made by Henrichsen, seconded by Ferguson to set up a call conference between Tina McFarling from SDDANR, Jerry Styles and Chuck Ferguson to discuss the reasons for the difference of lagoon capacity numbers that is in Engineers designs for population of 1380 and provided number of 519 by SDDANR and what are the options, Holsworth move to amend the motion, seconded by Kramer add to include Legal representation Kent Hagg and Ann Mines Bailey in the conference call; Vote: Holsworth-Aye, Kramer-Aye, Styles-Aye, Henrichsen-Nay, Ferguson-Nay, motion carried. Motion made by Henrichsen, seconded by Styles to approve the motion with amendment to have Tina McFarling from SDDANR, Jerry Styles, Chuck Ferguson, Kent Hagg and Ann Mines Bailey in the conference call; Vote: Unanimous, motion carried. Motion made by Ferguson, seconded by Henrichsen to take 5-minute brake at 7.03pm; Vote: Henrichsen-Aye, Styles-Aye, Ferguson-Aye, Holsworth-Nay, Kramer-Nay, motion carried. The meeting called back to order by Styles at 7.08pm. Kent Hagg presented the case to hire a subcontractor/consultant for the current projects that ACES

Engineering is working on, to secure the credibility of the prepared designs and get a better chance to get the projects approved by SDDANR. Motion made by Holsworth, seconded by Henrichsen to allow maximum of 10 hours to review our present Lagoon system plan and to come back with the evaluation advising if it a successful plan or not; Vote: Unanimous – Nay, motion failed. Discussion held. Motion made by Holsworth, seconded by Henrichsen that BOT is authorized legal council Kent Hagg to proceed with a plan as discussed for ACES Engineering to hire a subcontractor/consultant to evaluate the Lagoon system designs and report back to The Town of Hermosa as soon as possible, contract/agreement to be prepared between the Town of Hermosa and Leah Berg with the understanding that she is going to hire a subcontractor, to have an open communication, and the town is going to pay only the direct costs from the subcontractor with no mark up price; Vote: Unanimous, motion carried. Water/Sewer Facility Plans and Black Hills Council of Local Governments-pending. Town of Hermosa water and sewer extension project-pending. Hermosa Hills drainage-a site visit was performed by Holsworth, Styles and Serviss. Motion made by Ferguson, seconded by Holsworth to accept Marie street, Hermosa SD 57744; Vote: Unanimous, motion carried. Walter street – pending, site visit revealed more is required, pothole repairs, and needing the crown on the road from the fence North to the stop sign, contractor was notified of the items that need to be corrected. Once Walter street is approved than developer is responsible to put MAG water on both Marie and Walter streets. Whitney street drainage- continued monitoring the situation. Facility plans for booster, water meters and Rural development - pending.

PLANNING & ZONING: Permit 2022-25-Digging/Row– pending. Permit 2023-06–commercial remodeling permit application – pending inspection. ADA Compliance: Motion made by Henrichsen, seconded by Ferguson item 10)C. ADA compliance – Hermosa Community Center from the agenda, Henrichsen move to amend the motion, seconded by Ferguson add to remove ADA compliance requirements for Hermosa Community center; Vote: Styles-Aye, Henrichsen-Aye, Ferguson-Aye, Kramer-Aye, Holsworth-Nay, motion carried. Motion made, seconded to remove items 10)D. 2023-18-Manufactured home moving permit application and 10)E. Vendors application/Fireworks from the agenda; Vote: Unanimous, motion carried.

PUBLIC WORKS: Streets, streetlights, water, sewer update report by Chuck Ferguson. Quarterly reports performed. Motion made by Henrichsen, seconded by Ferguson to purchase a well pump to have on hand for emergencies; Vote: Styles-Aye, Henrichsen-Aye, Ferguson-Aye, Kramer-Aye, Holsworth-Nay, motion carried. Public works agreement – pending. Training expenses – None. Walter street maintenance – pending. Motion made by Holsworth, seconded by Henrichsen to implement water restrictions until September 1<sup>st</sup>, even house numbers water the gardens and lawns on even calendar days, odd house numbers water the gardens and lawns on odd calendar days, in effect immediately; Vote: Unanimous, motion carried.

FINANCE OFFICE: Monthly financials – pending. Department updates: Motion made by Holsworth, seconded by Henrichsen to allow Jill Dybvig attend Lead line workshop training on July 13<sup>th</sup>, 2023 in St. Onge from 10.00am to 4.00pm during office hours and to be reimbursed for milage; Vote: Unanimous, motion carried. Motion made by Holsworth, seconded by Henrichsen to sign SDPAA insurance renewal contract; Vote: Unanimous, motion carried. 2024 Budget dates for the board to meet and discuss: August 15<sup>th</sup>, 16<sup>th</sup>, 17<sup>th</sup> of 2023. Motion made by Holsworth, seconded by Kramer to add Jerry Styles and Vicki Henrichsen to Pioneer Bank & Trust Signature Card, remove Dan Holsworth and Linda Kramer; Vote: Unanimous, motion carried. Motion made by Holsworth, seconded by Kramer to add Jerry Styles and Vicki Henrichsen to SDFIT bank signature card; Vote: Unanimous, motion carried. Motion made by Ferguson, seconded by Henrichsen to add 2 missing Federal holidays to the Town of Hermosa 4.9 Holiday Pay Policy; Vote: Styles-Aye, Henrichsen-Aye, Ferguson-Aye, Kramer-Aye, Holsworth-Nay, motion carried. Motion made by Holsworth, seconded by Henrichsen to approve Tax Levy assessment for 2024 received from Custer County, Vote: Unanimous, motion carried. Motion made by Holsworth, seconded by Linda to sign Audit engagement letter with Ben Elliot for 2022 Audit services; Vote: Unanimous, motion carried. Microphone research – pending. Monika Serviss presented the board Letter of Resignation. Motion made, seconded to accept Monika Serviss-Finance officer’s resignation letter; Vote: Unanimous, motion carried. Motion made, seconded to allow advertising for Finance officers position for the Town of Hermosa; Vote: Unanimous, motion carried. Motion made, seconded to remove items: 12) C, D, G, H, I, J, K from the agenda; Vote: Unanimous, motion carried.

OLD BUSINESS: Motion made, seconded to remove Gumbo Lily, Fairgrounds Place and McDermand Street from 13) A. item and add: Volunteers for annexation; Vote: Unanimous, motion carried. Town Sign- pending. Town Office and Library deck Staining-pending. Hermosa connects- next meeting at the Hermosa coffee house on Wednesday July 12<sup>th</sup>, 2023 @8.30am. Information about Hermosa Connects group and upcoming events can be found at [www.hermosaconnects.com](http://www.hermosaconnects.com) website as well as Facebook page. Motion made by Kramer seconded by Holsworth to sign Law enforcement contract with Custer County; Vote: Unanimous, motion carried. Sidewalk extension-from Ingalls Blvd – pending. Motion made, seconded to forward chicken ordinance – permit application form and fees to the next work session; Vote: Unanimous, motion carried.

NEW BUSINESS: Motion made, seconded to approve agenda item – public comments as written; Vote: Unanimous, motion carried. Motion made, seconded to remove item 14) B. Sales tax, from the agenda; Vote: Unanimous, motion carried. Motion made by Henrichsen, seconded by Ferguson, to send a letter to Custer County commissioners to be placed on their next agenda on July 12<sup>th</sup>, 2023 to have flexibility in using the \$500,000.00 ARPA funds provided to the town; Vote: Styles-Aye, Henrichsen-Aye, Ferguson-Aye, Kramer-Nay, Holsworth-Nay, motion carried. Motion made by Henrichsen, seconded by Ferguson, to allow Southern Black Hills Water (SBHW) present to the board mid to late August and request to have Andy Bruels from SDDANR to attend also, Kramer move to amend the motion, seconded by Holsworth limit to only SBHW attend the meeting; Vote to amendment: 3 Ayes, 2 Nays,

motion carried; Vote to original motion: 3 Ayes, 2 Nays, motion carried. Motion made by Henrichsen, seconded by Ferguson, to send out synopsis, for the proposed contract action for any firm, to advertise for a new engineer; Vote: Styles-Aye, Henrichsen-Aye, Ferguson-Aye, Kramer-Nay, Holsworth-Nay, motion carried. Motion made by Henrichsen, seconded by Kramer, to appoint Jerry Styles as Liaison and Donna Ferguson as alternate for Custer County Commissioners meetings, funded position would be the alternate; Vote: 4 Ayes, 1 Nay, motion carried. Motion made by Holsworth, seconded by Henrichsen, to have locks changed in the Town Hall building and have the company who installed security/video system change all the passwords; Vote: Unanimous, motion carried. Motion made by Henrichsen, seconded by Ferguson to approve contractor's licensing ordinance for the 1<sup>st</sup> reading; Holsworth move to amend the motion, seconded by Ferguson to leave this item pending; Vote: Unanimous, motion carried. Motion made, seconded to remove items 14) A, C, E, F and G from the agenda; Vote: Unanimous, motion carried.

ITEMS FROM CITIZENS: A citizen was not aware of mosquito spraying; the spray is harmless to animals, plants and humans, the office will start posting notices on the website.

TRUSTEE INPUT: Trustees had input.

EXECUTIVE SESSION: Motion made by Henrichsen, seconded by Ferguson to go into executive session allowable by SDCL 1-25-2.1 – for personnel purposes at 10.35pm; Vote: Unanimous, motion carried. Motion made, seconded to go out of executive session at 10.52pm; Vote: Unanimous, motion carried. No actions taken from executive session.

ADJOURN: Motion made, seconded to adjourn the meeting at 10.56pm; Vote: Unanimous, motion carried.

ATTEST:

\_\_\_\_\_  
Jerry Styles, Town Board President

\_\_\_\_\_  
Monika Serviss, Finance Officer

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