

**HERMOSA TOWN BOARD
TUESDAY, OCTOBER 21, 2025
REGULAR MEETING @ 6:00pm**

ROLL CALL: Koontz called the meeting to order on Tuesday, October 21, 2025, at 6:00 p.m. Roll Call was held with Kramer, Ferguson, Koontz and Serviss in attendance. Interested citizens and Town Engineer Theodorou were also present. Pledge of Allegiance led by Koontz.

CALL FOR CHANGES: Motion by Serviss and seconded by Ferguson to add Item 10 B Legal Opinion on Vak Truck Operation Agreement and Item 15 E Discussion on wording for Item 16 and approve agenda as amended; vote: all aye, motion carried.

CONSENT CALENDAR: Motion by Ferguson and seconded by Kramer to approve October 7, 2025, 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.

TOWN/FEMA UPDATES: Koontz stated the board is taking letters of interest for the vacant trustee position until Thursday, October 30, 2025. Engineer Theodorou gave an update on plans to camera the sewer system the week of November 10th.

ENGINEER: Theodorou gave an update on an area currently owned by G & G Development that will eventually be plated. The lot is currently plated as a single lot and therefore would be allowed to have a single building permit for a residential structure with water and sewer taps. The owner intends to subdivide the property in the spring of 2026. Motion by Serviss and seconded by Ferguson to approve the payment of Final Pay Application No. 12 – Baroque Advantage LLC in the amount of \$110,316.11, contingent upon the receipt of all checklist items for the State Revolving Fund closeout; vote: all aye, motion carried. Motion by Koontz and seconded by Serviss to approve the payment to Baroque Advantage LLC for processing and stockpiling. Motion was amended by Koontz and seconded by Serviss to include the amount of \$25,410.42 to be paid; vote on amended motion: all aye, motion carried. Vote on original motion: all aye, motion carried. Discussion was held on the Brophy Road waterline. There was a leak in the waterline at the intersection of Main Street and Fairgrounds Place. There are options to shut off water line if future breaks occur and this will be included in a discussion of water and sewer issues outside the town limits. Motion by Koontz and seconded by Kramer to approve Pay Application #1 to Quinn Construction in the amount of \$32,647.36; vote: all aye, motion carried.

BREAK: The board took a break and reconvened at 6:57 p.m.

PLANNING & ZONING: Motion by Koontz and seconded by Kramer to refund the \$25 application fee for Demolition Permit #2025-20 – 390 Manning Street – Parcel #009222. Serviss amended the motion and Kramer seconded to dismiss Permit #21025-20 and refund associated permit fee; vote on original motion: three aye and Ferguson abstained, motion carried. Vote on amended motion: three aye and Ferguson abstained, motion carried.

PUBLIC WORKS: Serviss gave an update on the volunteer street work that has been completed and the need to look at fixing Fairgrounds Place as construction on the lagoon expansion is now complete. Ferguson reported on an issue with a couple of streetlights staying lit all day. Theodorou reported on the need to get an RFP out for the new well and go through the competitive process. Discussion was held on repairs needed for the Vaktor Truck. Current Open Work Orders were included in the packet. Koontz will meet with Holsworth regarding completed street work and billing of fuel and equipment use. Motion by Koontz and seconded by Ferguson to move Item 8 D Approve protocol for notifying residents when public utilities work being performed to November 4, 2025, BOT Agenda: vote: all aye, motion carried.

LAW ENFORCEMENT/ABATEMENTS/COMPLAINTS: Cornelison stated that Aric Alias is enrolled in the Basic Law Enforcement Officer Certification Course that will start on November 24th. There was no Custer County log provided. Motion by Koontz and seconded by Kramer to approve the claim from the Animal Control Volunteer; vote: all nay, motion failed. Motion by Koontz and seconded by Kramer that board addressed complaint received and determined no action was needed; vote: three aye and Ferguson abstained, motion carried.

LEGAL: Motion by Ferguson and seconded by Serviss to approve Town Attorney to review Operating Agreements for Liquor Licenses; vote: all aye, motion carried. Motion by Serviss and seconded by Kramer to request an opinion from Town Attorney, Scott James, regarding the operational use of vaktor truck by private contractor; vote: all aye, motion carried.

CLAIMS: Motion by Serviss and seconded by Serviss to approve the Payroll and Claims as presented: vote: all aye, motion carried. BAROQUE ADVANTAGE LLC, Pay Application #11, \$84,122.12; BENESCH, On-Call Building Official Services, Operations Contract and On-Call Inspection Agreement, \$5,324.00; CONIFER CONSTRUCTION LLC, Pay Application #4, \$13,503.00; CUSTER COUNTY SHERIFF, Dispatch Contract – November 1, 2025 to January 31, 2026, \$2,000.00; GOLDEN WEST TECHNOLOGIES, Monthly service fee, \$583.65; KIEFFER SANITATION, Monthly sanitation fee, \$4,657.96; MG OIL COMPANY, Fuel for Town Marshal vehicle, \$336.18; MILLS TRUCK SERVICE, haul 1 load 1” base coarse, \$461.88; MT RUSHMORE TELEPHONE, phone and fax, \$263.76; SIMPSON PRINTING, regular envelopes, \$120.00; SOUTH DAKOTA 811, message/voice out fees, \$48.09; **Accounts Payable Total: \$111,420.64.** Payroll related: Total Paid on 10/15/2025; General, \$2,477.37; Water, \$80.74; Sewer, \$48.44; Promoting City/BBB, \$16.15; EFTPS- Electronic Federal Tax, FED/FICA TAX, \$709.58; **Total Payroll Related Paid: \$3,332.28. REPORT TOTAL: \$114,752.92.**

ECONOMIC DEVELOPMENT: Serviss gave an update on the mixer he had attended on Monday, October 20, 2025.

FINANCE OFFICE: Monthly financials will be presented at the next regular meeting. Motion by Ferguson and seconded by Kramer to approve the revised town office hours for October 22, 2025 through October 29, 2025, as Cornelison is on vacation; vote: all aye, motion carried. Discussion was held on the cost of upgrading the town office to fiber optic internet. Cornelison will do more research and bring it to the next regular meeting.

OLD BUSINESS: Motion by Kramer and seconded by Koontz to approve the removal of the \$250 annual off-sale liquor license fee from the fee schedule; vote: three aye and Serviss abstained, motion carried.

NEW BUSINESS: Motion by Koontz and seconded by Ferguson to approve the renewal of all the liquor licenses as presented (Corner Pantry off-sale Liquor; Hermosa Deli & Lounge on-sale Liquor; Lazy R Bar & Grill on-sale Liquor-Restaurant; and Pop’s Grocery Shoppe off-sale Liquor); vote: all aye, motion carried. Motion by Kramer and seconded by Koontz to approve the pending of approval of Operating Agreement Renewals until the next meeting as Town Attorney reviews; vote: all aye, motion carried. Motion by Koontz to reclassify non-profit utility accounts from commercial to residential rates. Motion failed for a lack of a second. Motion by Kramer and seconded by Ferguson to approve all 5013c entities that provide town office with proper paperwork to change utility accounts from commercial to residential rates: vote: all nay, motion failed. Motion by Kramer and seconded by Ferguson to have town attorney to look at non-profit billing for water and sewer and town staff to contact SDML and research loan requirements; vote: all aye, motion carried. Motion by Kramer and seconded by Ferguson to approve \$500 donation pending review of requirements for BBB funds, to HAHSA Santa Village; vote: all aye, motion carried. Discussion was held on the wording of Item 16 and Koontz will review and present updated version at the next regular 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: No Executive Session was held.

ADJOURN: Motion made by Ferguson and seconded by Kramer to adjourn meeting at 9:09 p.m., vote: all aye, motion carried.

ATTEST:

Terri Cornelison
Finance Officer

Kelburn Koontz
Town Board President

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