

HERMOSA TOWN BOARD
AUGUST 18, 2026
REGULAR MEETING @ 6:00PM



- 1) **ROLL CALL:**
 - A. BOT Roll Call: Ferguson, Kramer, Matheny, Miller, Serviss
 - B. Acknowledgment of other Attendees
 - C. Pledge of Allegiance to be led by the Board President

- 2) **COMMENTS FROM THE PUBLIC:** 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. However, **citizens may request items for discussion.**
 1. Reserved time for public comment under this section is **15 minutes.**
 2. Each member of the public is allotted **90 seconds** for comment during this section.
 3. Anyone addressing the Board during this time shall take the podium after being recognized.
 4. A sign up sheet shall be available at the door to allow for priority in speaking.
 5. After these time limits are reached, all further commentary shall be made only with the Chair's approval.

- 3) **CALL FOR CHANGES:**
 - A. Review of current agenda items
 - B. Motion to accept the agenda as presented/amended

- 4) **CONSENT CALENDAR:**
 - A. Approval of August 4, 2026, regular meeting minutes
 - B. Approval of August 12, 2026, special meeting minutes
 - C. Approval of August 13, 2026, special meeting minutes

- 5) **CONFLICT OF INTEREST DECLARATION:**
(Roll call voting for any agenda item where a conflict of interested is formally identified)

- 6) **LEGAL:**
 - A. Town Attorney Report
 - B. Status of BRIC Grant related investigations

- 7) **PLANNING & ZONING:**
 - A. Approve temporary sign permit for TW Bar
 - B. Recommendations for Preliminary Plat of Sclaus Tract and Fairfield Tract, Located in the NE4NE4 of Section 32, T2S, R8E, BHM, Custer County, South Dakota (extraterritorial area)
 - C. Recommendations for Plat of Allan Tracts 1,2 & 3, Located in the NE4 of Section 31, T2S, R8E, BHM, Custer County, South Dakota (extraterritorial area)
 - D. Approve Digging Permit #2026-25 (tabled 7-7-26) and #2026-20 Water and Wastewater Connections – 510 Walter St. – T Roccaro

- 8) **OLD BUSINESS:**
 - A. Approve budget for purchase of new computer at work station by BOT meeting area
 - B. Approve Resolution 08-2026 Water Rate Structure

- 9) **NEW BUSINESS:**
 - A. Tower Hill Road drainage upgrade plan discussion
 - B. Discussion on pursuing contracted animal control services
 - C. Motion to approve job posting – Public Works Associate

- D. Approve negotiations with Interstate Engineering for possible assistance with permitting, inspections, and planning items
- 10) **CLAIMS:**
 - A. Review of payroll and claims. Motion to approve as presented/amended
 - 11) **WATER DEPARTMENT REPORT:**
 - A. This section shall include written reports of outstanding matters affecting the water facilities
 - 12) **SEWER DEPARTMENT REPORT:**
 - A. This section shall include written reports of outstanding matters affecting the sewer facilities
 - 13) **STREET DEPARTMENT REPORT:**
 - A. This section shall include written reports of outstanding matters affecting the streets
 - 14) **LAW ENFORCEMENT:**
 - A. This section shall include written reports of matters affecting law enforcement and public safety
 - 15) **ABATEMENTS/COMPLAINTS:**
 - A. This section shall include written reports of abatement issued and complaints received
 1. RV parking
 - 16) **ECONOMIC DEVELOPMENT:**
 - A. This section shall include written reports of economic development efforts
 - 17) **FINANCE OFFICE:**
 - A. Monthly financial report
 - B. Approve closure of town office Friday, September 4, 2026, for staff vacation
 - 18) **CLOSING COMMENTS FROM THE PUBLIC:**
 1. Reserved time for public comment under this section is **15 minutes**.
 3. Anyone addressing the Board during this time shall take the podium after being recognized.
 4. Each person will be allotted **3 minutes** to speak.
 5. All comments shall be directed toward the chair.
 5. After these time limits are reached, all further commentary shall be made only with the Chair's approval.
 - 19) **TRUSTEE INPUT:**
 - 20) **EXECUTIVE SESSION:**
 - A. Motion to enter Executive Session allowable by SDCL 1-25-2 – Legal/Personnel/Contract/Security
 - B. Motion to exit out of Executive Session
 - C. Motions resulting from Executive Session
 - 21) **ADJOURN:** Motion by _____; Second by _____ to adjourn the meeting at _____ PM.

**HERMOSA TOWN BOARD
TUESDAY, AUGUST 4, 2026
REGULAR MEETING @ 6:00PM
Draft minutes**

4A

ROLL CALL: Serviss called the meeting to order on Tuesday, August 4, 2026, at 6:00 p.m. with the following members present: Ferguson, Kramer, Matheny, Miller and Serviss. Interested citizens, Town Attorney James and Town Engineer Theodorou were also present. Pledge of Allegiance led by Serviss.

COMMENTS FROM THE PUBLIC: Joan Harris clarified previous statements from board member and informed the board that the sewer installation at her residence was done with proper permits and board recommendations at the time.

CALL FOR CHANGES: Motion by Ferguson and seconded by Miller to approve the agenda as presented: vote: all aye, motion carried.

CONSENT CALENDAR: Motion by Miller and seconded by Ferguson to approve July 27, 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 stated he had information to provide the board in Executive Session.

OLD BUSINESS: Motion by Kramer and seconded by Matheny to approve quote of \$3,900.00 from Buzz's Lawn Care & Snow Removal for mowing and weeding of town property; vote: all aye, motion carried. Motion by Miller and seconded by Kramer to dismiss Item 7B Approve hiring of public works employee; vote: all aye, motion carried. Motion by Matheny and seconded by Miller to approve a budget not to exceed \$500 for the motor bearing repair at the wastewater treatment plant; vote: all aye, motion carried.

NEW BUSINESS: Motion by Kramer and seconded by Ferguson to table Item 8A Tower Hill drainage upgrade plan discussion pending completion of outstanding work on Tower Hill; vote: all aye, motion carried. The second reading of Ordinance 51 – Sewer Regulations was held. Motion by Ferguson and seconded by Miller to approve Ordinance 51 – Sewer Regulations as presented. Motion by Matheny and seconded by Ferguson to amend to include contingent upon town attorney review; vote on amendment: all aye, motion carried. Vote on original motion: three aye and two nays, motion carried. The Ordinance will be published after the attorney reviews. Motion by Kramer and seconded by Matheny to table Item 8C Discussion on pursuing contracted animal control services until quote received from Battle Mountain Humane Society; vote: all aye, motion carried. Motion by Kramer and seconded by Miller to appoint Matheny as Economic Development Liaison; vote: all aye, motion carried. Motion by Matheny and seconded by Kramer to table Item 8E Motion to approve job posting – Public Works Associate until Special Meeting scheduled to discuss; vote: all aye, motion carried. Discussion held on additional Wastewater Treatment Plant change orders. Motion by Matheny and seconded by Kramer to approve Heartland Electric LLC invoice in the amount of \$1,493.65; vote: two aye and three nays, motion failed. Motion by Matheny and seconded by Kramer to pay the Heartland Electric invoice on behalf of Conifer Construction and subtract amount from Final Pay Application for Conifer Construction; vote: one aye and four nays, motion failed. Motion by Kramer and seconded by Ferguson to approve the Town Attorney to address the Heartland Electric invoice; vote: four aye and one abstain, motion carried. Motion by Matheny and seconded by Kramer to approve payment of sewer cleaning invoices for 430 Manning Street in the amount of \$563.07. Motion amended by Serviss and seconded by Miller to add upon receipt of camera footage; vote on amendment: four aye and one abstain, motion carried. Vote on original motion: all aye, motion carried.

BREAK: The board took a short break and reconvened at 7:33 p.m.

CLAIMS: Motion by Kramer and seconded by Matheny to approve payroll for July 31, 2026, and claims for August 4, 2026; vote: all aye, motion carried.

Vendor	Reference	Amount
ATAC	FEMA BRIC Grant Engineering	\$ 6,704.00
BANKWEST	Monthly payroll/ap ach fee	\$ 40.00
BANKWEST CREDIT CARD	FO lodging/stamps/adobes/sandbags	\$ 1,875.77
BLACK HILLS ELECTRIC	Electric utilities-general/water/sewer	\$ 3,799.94
CONIFER CONSTRUCTION	FINAL PAY APP #6-WWTP	\$ 14,921.20
GOLDENWEST TECHNOLOGIES	Update switch firmware	\$ 450.00
DIGGER CONSTRUCTION	Repair fire hydrant	\$ 240.66
HAWKINS	Water chemicals	\$ 652.64
KING BROWN WELDING	Pipe fabrication/water tank	\$ 918.37
MENARDS	Water tower leak parts	\$ 306.36
NELSON'S OIL & GAS	Propane city well	\$ 238.82
ONTERRIS	Media for water	\$ 24,400.00
QUINN CONSTRUCTION	PAY APP #4 North water tank	\$131,358.33
RURAL DEVELOPMENT	RD1, RD2 & RD3 loan payment	\$ 1,917.00
US BANK	Quarterly SRF payment	<u>\$ 1,493.23</u>
Accounts Payable Total		\$189,316.32
Utility Deposit Refunds	330 Ferguson	\$ 200.00
	194 Fairgrounds Place	<u>\$ 182.14</u>
	Deposit Refund Total	\$ 382.14
Payroll Related 7/31/26	Legislative/Finance/Gov't Bld	\$ 3,836.02
	Water	\$ 84.22
	Promoting City/BBB	\$ 11.65
South Dakota Retirement	SDRS	\$ 889.94
National Life Insurance	Life Insurance	\$ 10.00
South Dakota Health Pool	Single Health Plan	\$ 875.96
Health Equity	HSA	\$ 64.75
EFTPS	Payroll Taxes	<u>\$ 1,083.74</u>
Payroll Total		\$ 6,856.28
Report Total		\$ 196,554.74

WATER DEPARTMENT REPORT: Engineer Theodorou stated Great Plains Structures are working on the larger tank and will have repairs completed by Friday. Serviss shared a diagram of possible re-design of piping and valves on Tower Hill. A public meeting will be scheduled to get the public's input on items to be included in the new resolution for the Drinking Water SRF loan.

SEWER DEPARTMENT REPORT: The weeds need to be addressed at the lagoon.

STREET DEPARTMENT REPORT: Discussion on possibility of using street department budget to repair Tower Hill Road.

LAW ENFORCEMENT: Custer County log was provided for July, 2026.

ABATEMENTS/COMPLAINTS: Discussion held on verbal complaints received for campers parked in public right of way. One camper has been moved. This item will be addressed at the next regular meeting.

ECONOMIC DEVELOPMENT: The next Library meeting will be August 18th at 10:00 a.m. in the basement of the town hall.

FINANCE OFFICE: Motion by Kramer and seconded by Matheny to approve the new hire of Morgan Bissey as Part-time Administrative Assistant at \$20.00 per hour starting August 10, 2026, upon successful background check and three month

probation; vote: all aye, motion carried. The board set the following meeting dates: Budget Meetings August 12th and 13th at 5:30 p.m., Special Meeting August 17th at 6:00 p.m. to meet with Preston Family, Special Meeting August 24th at 6:00 p.m. for public works employee and Public Forum for DWSRF on September 2nd tentatively.

CLOSING COMMENTS FROM THE PUBLIC: Dan Holsworth asked about placing a temporary sign on private property. Jerry Styles thanked the board for a good meeting and the teamwork on the water issue.

TRUSTEE INPUT: Miller thanked everyone for attending, input and support. Matheny would like the topic of new water meters on the next agenda and is grateful the board approved the invoices for the sewer issues. Ferguson reminded all of parade on Sunday. Kramer thanked everyone for covering for her while she was on an enjoyable vacation. Serviss stated the water issue was a lot and there was a lot of help for the project.

EXECUTIVE SESSION: Motion by Kramer and seconded by Miller to enter Executive Session allowable by SDCL 1-23-2.3 Legal at 8:52 p.m.; vote: all aye, motion carried. Motion by Kramer and seconded by Matheny to exit Executive Session at 10:29 p.m.; vote: all aye, motion carried. Motion by Ferguson and seconded by Miller to exercise section 3.3.2 Termination without Cause of the following contracts with ATAC: Water System, Sewer System, Water and Sewer Operations, Building Official, On-call Planner and FEMA BRIC Grant; vote: Ferguson – aye, Miller – aye, Serviss – aye, Kramer – nay, and Matheny – nay; motion carried. Motion by Miller and seconded by Matheny to authorize town attorney to provide notice regarding the previous motion; vote: all aye, motion carried.

ADJOURN: Motion by Kramer and seconded by Ferguson to adjourn at 10:34 p.m.; vote: all aye, motion carried.

Terri Cornelison
Finance Officer

Aaron Serviss
Town Board President

Published once at the approximate cost of _____.

HERMOSA TOWN BOARD
WEDNESDAY, AUGUST 12, 2026
SPECIAL MEETING @ 5:30pm
Draft Minutes

4B

ROLL CALL: Serviss called the meeting to order on Wednesday, August 12, 2026, at 5:31 p.m. with the following members present: Ferguson, Matheny, Miller, and Serviss. Kramer arrived at 5:38 p.m. Interested citizens were also in attendance. Pledge of Allegiance led by Serviss.

COMMENTS FROM THE PUBLIC: No comments made.

CALL FOR CHANGES: Motion by Ferguson and seconded by Miller to approve the agenda 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. There will be roll call voting for any agenda items that may have a conflict of interest.

OLD BUSINESS: No items presented.

NEW BUSINESS: Motion by Matheny and seconded by Miller to approve Sage Water Works Inc. estimate for interim certified water operator (monthly service agreement); vote: four aye and one abstain, motion carried.

EXECUTIVE SESSION: Motion by Kramer and seconded by Matheny to enter Executive Session allowable by SDCL 1-25-3 – Legal at 6:01 p.m. Motion by Kramer and seconded by Miller to exit Executive Session at 6:27 p.m.; vote: all aye, motion carried. No motions made from Executive Session.

NEW BUSINESS CONTINUED: Finance Officer Cornelison presented the projected revenues in support of the 2027 fiscal year. The board reviewed each line item of the proposed 2027 revenue budget. No action was taken.

CLOSING COMMENTS FROM THE PUBLIC: No comments made.

TRUSTEE INPUT: Kramer thanked everyone for being in attendance. Ferguson thanked board for all the work being done. Miller thanked board for all their hard work and extra hours. Matheny stated she will get a quote for a building inspector to present at a future meeting. Serviss stated it was a good meeting and there is a lot of activity going on in the town.

ADJOURN: Motion made by Matheny and seconded by Miller to adjourn meeting at 7:06 p.m., vote: all aye, motion carried.

Terri Cornelison
Finance Officer

Aaron Serviss
Town Board President

Published once at the approximate cost of _____.

HERMOSA TOWN BOARD
THURSDAY, AUGUST 13, 2026
SPECIAL MEETING @ 5:30pm
Draft Minutes

4C

ROLL CALL: Serviss called the meeting to order on Thursday, August 13, 2026, at 5:30 p.m. with the following members present: Ferguson, Kramer, Matheny, Miller, and Serviss. Interested citizens were also in attendance. Pledge of Allegiance led by Serviss.

COMMENTS FROM THE PUBLIC: No comments made.

CALL FOR CHANGES: Motion by Ferguson and seconded by Miller to add Item 5A New water tank discussion and approve the agenda as amended; 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. There will be roll call voting for any agenda items that may have a conflict of interest.

OLD BUSINESS: The board discussed status of new water tank. Quinn Construction is ready to fill and sterilize the tank, but there is not an ability to drain as all the piping is underground. The board will reach out to the manufacturer or structural engineer for guidance.

NEW BUSINESS: Finance Officer Cornelison presented the projected expenses in support of the 2027 fiscal year. The board reviewed each line item of the proposed 2027 expense budget. No action was taken.

EXECUTIVE SESSION: No Executive Session was held.

CLOSING COMMENTS FROM THE PUBLIC: No comments made.

TRUSTEE INPUT: Ferguson stated it was a very good meeting and a lot accomplished. Kramer appreciated everyone's voice and stating their opinion. Matheny will not be attending the special meeting on Monday, August 17th. Miller stated the meeting went smoothly. Serviss thought it was a good meeting and appreciated the new options available for the budget.

ADJOURN: Motion made by Ferguson and seconded by Kramer to adjourn meeting at 7:54 p.m., vote: all aye, motion carried.

Terri Cornelison
Finance Officer

Aaron Serviss
Town Board President

Published once at the approximate cost of _____.

Town of Hermosa

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

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

Email: town@hermosasd.com

7A

TEMPORARY SIGN PERMIT APPLICATION

Name: Tw Bar PHONE: 605.863-2407
Contact Address: 122 Vilas St.
Email: twbar26@gmail.com

DATE SIGNS TO BE PLACED: FROM Aug 5 THROUGH Sept 5

TEMPORARY SIGNS MAY BE ERECTED OR POSTED FOR A PERIOD NOT TO EXCEED 30 DAYS

Type of Sign(s): Banner (☒) Paper () Wood () Other ()

LOCATION INFORMATION

Sign #1

Property Owner of Sign Location: Town of Hermosa
Address of Sign Location: South side of Hwy 40 - intersection of Hwy 40 & 79
Type, Material, & Size of Sign: 4x8 banner on particle board
Other Information: sign advertising Tw Bar

Sign #2

Property Owner of Sign Location: _____
Address of Sign Location: _____
Type, Material, & Size of Sign: _____
Other Information: _____

Sign #3

Property Owner of Sign Location: _____
Address of Sign Location: _____
Type, Material, & Size of Sign: _____
Other Information: _____

ALL SIGNS MUST BE MAINTAINED IN GOOD CONDITION AND
MAY BE PLACED ONLY ON THE DATES NOTED ABOVE.

SIGNATURE OF APPLICANT: J Anderson DATE: 8.3.21

PLANNING COMMISSION

☐ Approved ☐ Denied

NAME: _____

TITLE: _____

SIGNATURE: _____

DATE: _____

Town of Hermosa

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

7B

SUBDIVISION PLAT APPLICATION

Sketch Plan _____ Preliminary Plan ☒ Final Plat ☒

Date: 7/27/26

Permit # 2026-28

Is any property in the Flood Plain? NO Yes _____ ****IF YES-YOU WILL NEED A FLOODPLAIN DEVELOPMENT PERMIT****

Receipt # _____ Cash _____ Check # _____ Amount _____ (\$75.00)

Applicant:
Name: Peggy Lesnick
Address: 160 Fairgrounds Pl
City, State, Zip: HERMOSA SD 57744
Phone & Email: 916 993 01236
Sign & Date: Peggy Lesnick 7/27/26
Agent:

Other Owners:

Name: _____
Address: _____
City, State, Zip: _____
Phone & Email: _____
Sign & Date: _____

Name: _____
Address: _____
City, State, Zip: _____
Phone & Email: _____
Sign & Date: _____

Surveyor/Engineer:
Name: ANDERSON ENGINEER
Address: 5012 MAE
City, State, Zip: Edgemont SD 57755
Phone & Email: 605-662-5500
Registration Number: _____
Sign & Date: _____

Name: _____
Address: _____
City, State, Zip: _____
Phone & Email: _____
Sign & Date: _____

Subdivision/H.E.S./M.S. Title: Waner TR 2 of NE 4 NE 4 (formerly Lot 1) SEC 32 T2R8
Secondary Title/Description: _____
Aliquot Location: _____ Total Acres: _____
Township: _____ Range: _____ Section(s): _____ Book: _____ Page: _____

Proposed Legal Description:
Primary Title (Subdivision Name): S Claw TRACT
Secondary Title (Description): Fairfield Tract

Does this plat continue to divide an existing subdivision? Yes _____ No ☒ FIRM Panel _____

Will this subdivision require construction of roads or installation of other improvements? _____

What is the intended land use within the subdivision? Residential _____ Commercial _____ Industrial _____ Mixed Use _____ (Specify on attached plat copy)

ALL APPLICATIONS MUST BE APPROVED BY THE HERMOSA PLANNING AND ZONING COMMISSION AND THE HERMOSA BOARD OF TRUSTEES PRIOR TO COMMENCEMENT. *** Engineering fees may apply*******

PLANNING AND ZONING COMMISSION

☐ Approved ☐ Denied

Name: _____
Title: _____
Signature: _____
Date: _____ Application Fee: \$75.00
Register of Deeds Fee: \$60.00 Date Paid: _____ Balance Due: _____

HERMOSA BOARD OF TRUSTEES

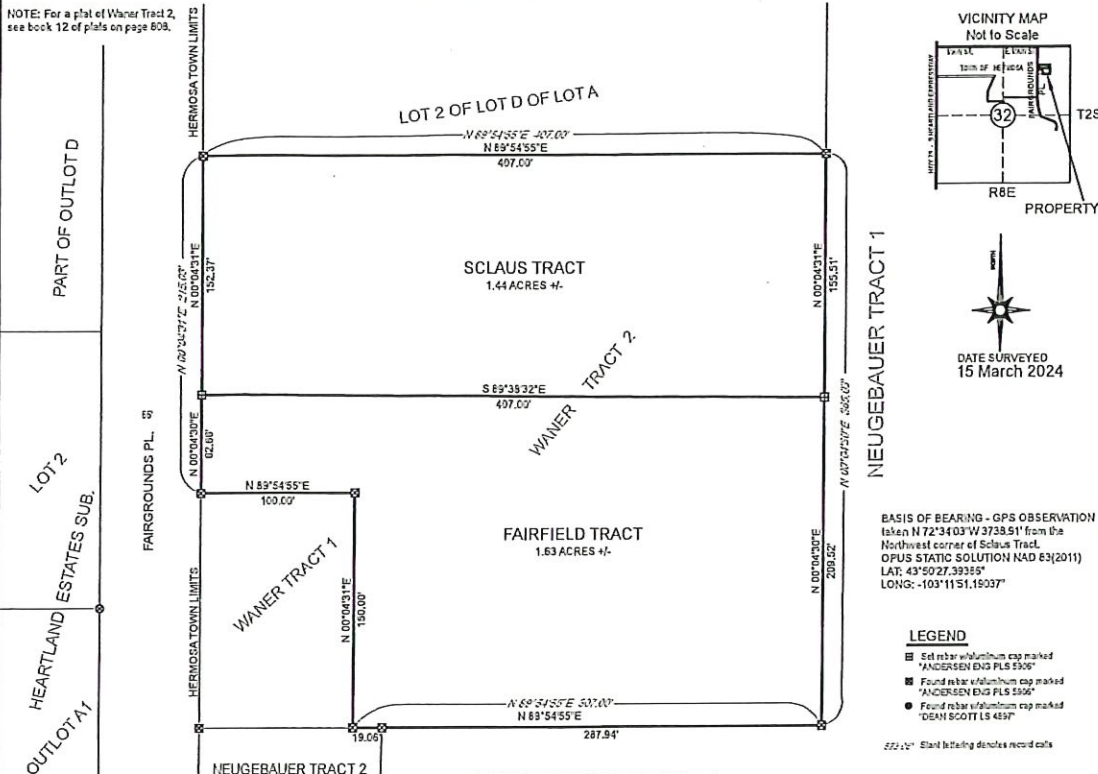
☐ Approved ☐ Denied

Name: _____
Title: _____
Signature: _____
Date: _____
Date Permit Issued: _____

Original Parcel # 004147 Office Use

A PLAT OF
SCLAUS TRACT AND FAIRFIELD TRACT, LOCATED
IN THE NE1/4 NE1/4 OF SECTION 32, T2S, R8E, BHM,
CUSTER COUNTY, SOUTH DAKOTA
FORMERLY WANER TRACT 2

NOTE: For a plat of Waner Tract 2,
see book 12 of plats on page 603.



CERTIFICATE OF SURVEYOR

I, John D. McBride Registered Land Surveyor No. 5905 in the State of South Dakota, do hereby certify that being so authorized, I have prepared the within plat of land shown and described herein 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 property.

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

Dated this ____ day of ____, 2024.

John D. McBride SDRLS No. 5905

LANDOWNER CERTIFICATION

STATE OF ____, COUNTY OF ____
I, Peggy C. Lesnick do hereby certify that I am the owner of the within described lands and that the within plat was made at my direction for the purposes indicated therein, and that the development of this land shall conform to all existing zoning, subdivision, and erosion and sediment control regulations.

Dated this ____ day of ____, 2024.

Peggy C. Lesnick

ACKNOWLEDGMENT OF LANDOWNER CERTIFICATION

STATE OF ____, COUNTY OF ____
On this ____ day of ____, 2024, before me, a Notary Public, personally appeared Peggy C. Lesnick, known to me to be the person(s) described in the foregoing instrument, and acknowledged to me that they signed the same.

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

Notary Public

My commission expires ____

CERTIFICATE OF COUNTY DIRECTOR OF EQUALIZATION

I, Director of Equalization of Custer County, do hereby certify that my office has been furnished with a true copy of the within plat.

Dated this ____ day of ____, 2024.

Director of Equalization of Custer County

CERTIFICATE OF COUNTY TREASURER

I, Custer County Treasurer, do hereby certify that all taxes and special assessments which are liens upon the within described lands are fully paid according to the records of this office.

Dated this ____ day of ____, 2024.

Custer County Treasurer

OFFICE OF THE REGISTER OF DEEDS

Filed for record this ____ day of ____, 2024, at ____ o'clock ____ M, and recorded in Book ____ of Plats on page ____.

Custer County Register of Deeds

NOTE: 10 FEET EACH SIDE OF REAR AND SIDE LOT LINES ARE RESERVED FOR DRAINAGE AND UTILITY EASEMENTS. IF THE LINE ABUTS LANDS NOT SUBDIVIDED UNDER THE PROVISIONS OF CUSTER COUNTY SUBDIVISION ORDINANCE #2, THE ENTIRE 20' WIDE EASEMENT WILL BE TAKEN FROM THE LOT.

An area of special flood hazard exists within this subdivision according to Flood Hazard Insurance Rate Map Panel No. 45033C0183F, effective date: Jan. 6, 2012 and revised with LOMR, effective date: Nov. 13, 2014. The placement of fill, any new construction, substantial improvements, or another development within the 100-year flood plain as designated by the Town's Flood Insurance Rate Maps and Flood Boundary and Floodway Maps, shall be in conformity with Town of Hermosa's Flood Ordinance.

WATER PROTECTION STATEMENT

Pursuant to SDCL 11-3-8.1 and 11-3-8.2, the developer of the property described within this plat shall be responsible for protecting any waters of the state, including groundwater, located adjacent to or within such platted area from pollution from sewage from such subdivision and shall in prosecution of such protections, conform to and follow all regulations of the South Dakota Department of Environment and Natural Resources relating to the same.

CERTIFICATE OF HIGHWAY AUTHORITY

It appears that every lot has an acceptable approach location onto a public road and the location of the intersection(s) of the proposed subdivision road(s) with the existing public road(s) is hereby approved.

Highway Authority

Date: ____

RESOLUTION OF THE TOWN BOARD OF TRUSTEES

Whereas there has been presented to the Town Board of Trustees of Hermosa, South Dakota, the within plat of the above described lands, and it appearing to the Board that said plat conforms to the existing plats of said Town, that the streets set forth therein conform to the system of streets of the municipality, that all provisions of the subdivision regulations have been complied with, that all taxes and special assessments upon the tract have been fully paid, 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 respects.

Dated at Hermosa, South Dakota this ____ day of ____, 2024.

Town Board President

CERTIFICATE OF TOWN FINANCE OFFICER

I, Finance Officer of the Town of Hermosa, South Dakota, do hereby certify that the foregoing instrument is a true and correct copy of the resolution adopted by the Town Board of Hermosa, South Dakota at a meeting held on the ____ day of ____, 2024.

Town of Hermosa Finance Officer

Prepared by ANDERSEN ENGINEERS Land Survey, Professional Engineering, & Environmental Consultants			
Drawn by DR	Date 3/26/2024	Revised 6/4/2024	P.O. Box 446 Edgemont, SD 57735 (605)-692-5500 anderseneengineers@gmail.com
Approved by McB	Date 6/4/2024	Sheet 1 of 1	File Name: L1_S32_T2S_R8E_PLAT_2024
Scale 1"=50'			

TOWN OF HERMOSA, SOUTH DAKOTA

STAFF REPORT

AUGUST 4, 2026

TO: Board of Trustees

FR: Neil Putnam, AICP, Town Planner, Anthony Theodorou, PE, Town Engineer

RE: Plat

GENERAL INFORMATION

Applicant: Peggy Lesnick

Address: 160 Fairgrounds Place

Legal Description: Sclaus Tract and Fairfield Tract, Located in the NE1/4NE1/4, T2S, R8E, BHM, Custer County, South Dakota.

Parcel Number: 04147

Zoning: Residential

Project: The owner wishes to subdivide the existing property into two smaller tracts. The property is currently listed for sale. Custer County will have the opportunity to comment. The owner is selling the north tract which includes the house and barn. The owner is retaining the south tract. The house is currently on town water and is on septic. The county requires inspection of tanks in the county. The property is currently outside the town limits. The owner currently has horses on the property, and she wishes to continue to have them on the property. She does not wish to annex the property, simply subdivide the property.

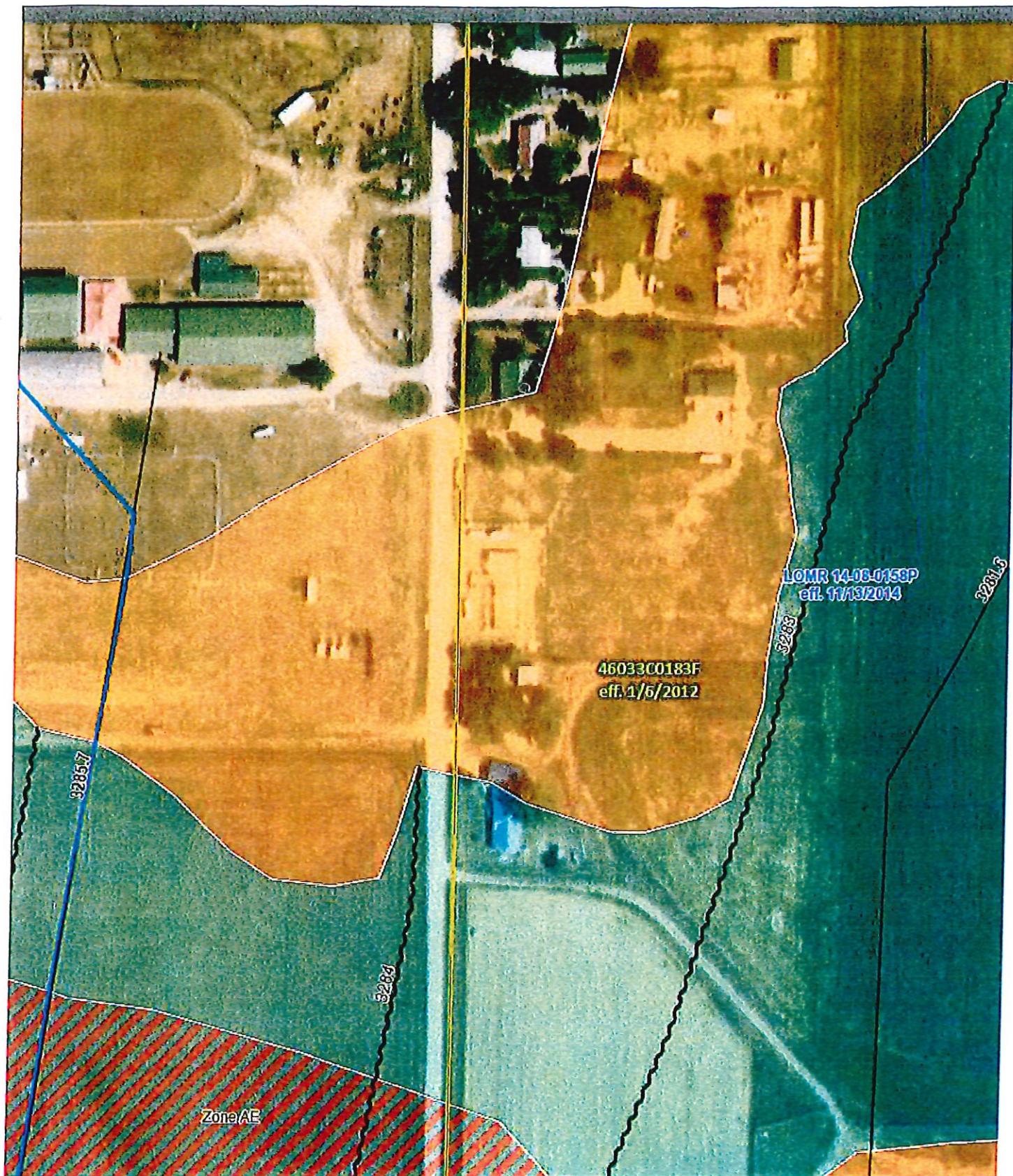
Recommendations: We recommend the plat be approved. If a building permit is requested for the unimproved parcel, it may be appropriate to require annexation. That is if the new owner wishes to install town water, sewer or septic. Water and sewer are available and within a reasonable proximity. The size of the lots meet the requirements for installation of a septic (over one acre).

Parcel 004147 – Peggy Lesnick -160 Ferguson Place



Alternate IDn/a
Class Residential
Acreage 3.07

Owner AddressLESNICK PEGGY C
160 FAIRGROUNDS PL
HERMOSA, SD 57744-2301



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

SUBDIVISION PLAT APPLICATION

Sketch Plan _____ Preliminary Plan _____ Final Plat _____

Date: _____

Permit # _____

Is any property in the Flood Plain? _____ Yes _____ ****IF YES-YOU WILL NEED A FLOODPLAIN DEVELOPMENT PERMIT****

Receipt # _____ Cash _____ Check # _____ Amount _____

Applicant:
Name: Strater Lode LLC
Address: 24679 S Hwy 79
City, State, Zip: Hermosa SD 57744
Phone & Email: 605-431-7414
Sign & Date: [Signature] 8-13-26

Other Owners:
Name: John Allan
Address: same
City, State, Zip: _____
Phone & Email: jallan@mt-rushmore.net
Sign & Date: [Signature] 8-13-26

Agent:
Name: _____
Address: _____
City, State, Zip: _____
Phone & Email: _____
Sign & Date: _____

Name: _____
Address: _____
City, State, Zip: _____
Phone & Email: _____
Sign & Date: _____

Surveyor/Engineer:
Name: Andersen Engineers
Address: PO Box 446
City, State, Zip: Edgemont SD 57735
Phone & Email: 605-662-5500
Registration Number: _____
Sign & Date: _____

Name: _____
Address: _____
City, State, Zip: _____
Phone & Email: _____
Sign & Date: _____

Current Legal Description:

Subdivision/H.E.S./M.S. Title: _____
Secondary Title/Description: _____
Aliquot Location: _____ Total Acres: _____
Township: _____ Range: _____ Section(s): _____ Book: _____ Page: _____

Proposed Legal Description:

Primary Title (Subdivision Name): Allan subdivision
Secondary Title (Description): _____

Does this plat continue to divide an existing subdivision? Yes _____ No _____ FIRM Panel _____

Will this subdivision require construction of roads or installation of other improvements? _____

What is the intended land use within the subdivision? Residential _____ Commercial _____ Industrial _____ Mixed Use _____ (Specify on attached plat copy)

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

PLANNING AND ZONING COMMISSION

☐ Approved ☐ Denied

Name: _____
Title: _____
Signature: _____
Date: _____ Application Fee: **\$75.00**
Register of Deeds Fee: **\$60.00** Date Paid: _____ Balance Due: _____

HERMOSA BOARD OF TRUSTEES

☐ Approved ☐ Denied

Name: _____
Title: _____
Signature: _____
Date: _____
Date Permit Issued: _____

Original Parcel #

Office Use

VICINITY MAP
Not to Scale

The map shows a rectangular area representing the project site, labeled "SEC". To the left of the site is a road labeled "RTE". To the right is a road labeled "T2". Below the site is a road labeled "PROPERTY". A north arrow points towards the top right of the map.

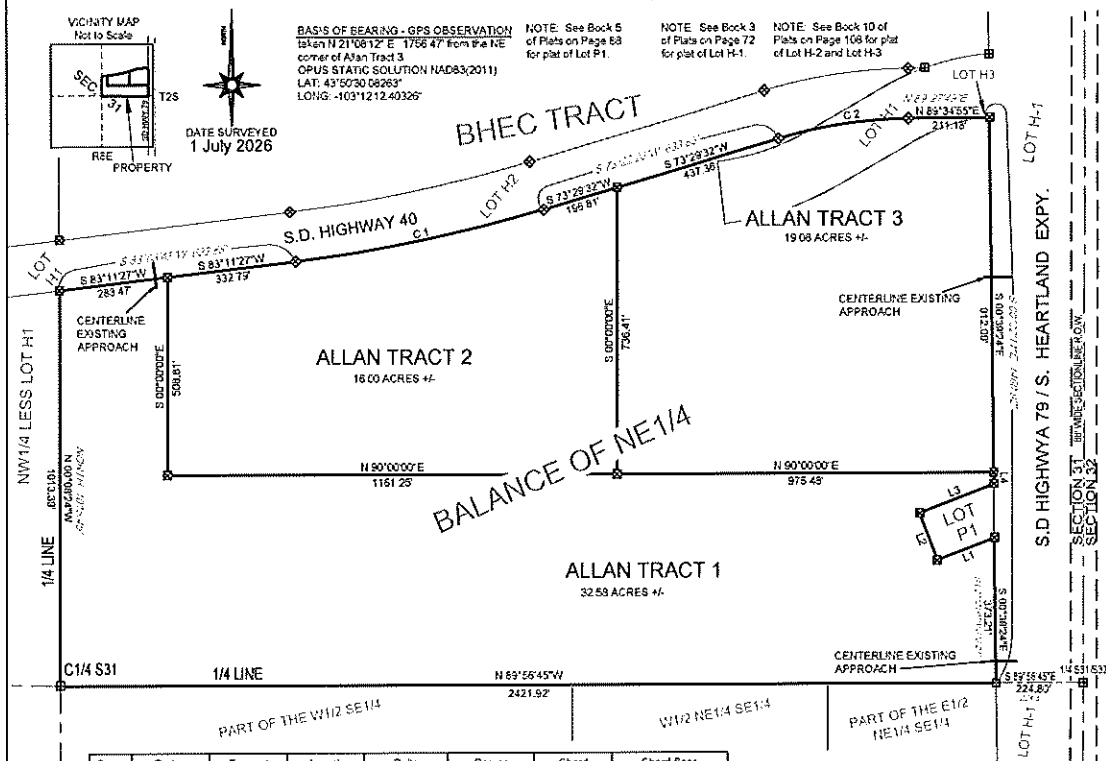
DATE SURVEYED
1 July 2026

BASIS OF BEARING - GPS OBSERVATION
taken N 21°08'12" E 1756.47' from the NE
corner of Ajan Tract 3
OPUS STATIC SOLUTION NAD83(2011)
LAT: 43°50'30.08263"
LONG: -103°12'12.40326"

NOTE: See Block E
of Plats on Page E8
for plat of Lot P1.

NOTE: See Book 3
of Plats on Page 72
for plat of Lot H-1.

NOTE: See Book 10 of
Plats on Page 108 for plat
of Lot H-2 and Lot H-3



Curve	Radius	Tangent	Length	Delta	Degree	Chord	Chord Bear.
C1 C1	3584 72 3584 72	328 97'	666 37' 666 32'	9°40'51"	1°28'30"	655 69'	N 78°21'51" E
C2 C2	1208 24' 1208 24'	170 78'	339 32'	16°56'27"	4°44'32"	338 20'	N 81°31'57" E

Course	Bearing	Distance
L1	S 69°20'45" W	160.13'
L1	S 72°15'00" W	130.13'
L2	N 20°39'15" W	130.00'
L2	N 17°18'10" W	130.00'
L3	N 69°20'45" E	207.44'
L3	S 72°15'00" W	207.44'
L4	N 00°39'24" W	28.95'

An area of special flood hazard exists within this subdivision according to Flood Hazard Insurance Rate Map Panel No. 460333C0179F, effective date: Jan. 6, 2012. The placement of fill, any new construction, substantial improvements, or another development within the 100-year flood plain as designated by the County's Flood Insurance Rate Maps and Flood Boundary and Floodway Maps shall be in conformity with Custer County's Flood Ordinance.

NOTE: 10 FEET EACH SIDE OF REAR AND SIDE LOT LINES ARE RESERVED FOR UTILITY EASEMENTS. IF THE LINE ABUTS LANDS NOT SUBDIVIDED UNDER THE PROVISIONS OF CUSTER COUNTY SUBDIVISION ORDINANCE #2, THE ENTIRE 20' WIDE EASEMENT WILL BE TAKEN FROM THE LOT.

WATER PROTECTION STATEMENT

Pursuant to SDCL 11-3-8.1 and 11-3-8.2, the developer of the property described within this plat shall be responsible for protecting any waters of the state, including groundwater, located adjacent to or within such platted area from pollution from sewage from such subdivision and shall in prosecution of such protections, conform to and follow all regulations of the South Dakota Department of Agriculture and Natural Resources relating to the same.

APPROVAL OF ACCESS BY ROAD AUTHORITY

APPROVAL OF ACCESS BY ROAD AUTHORITY
The location of the existing access to the Highway or Street as shown herein is hereby approved. This access approval does not replace the need for any permits required by law, including Administrative Rule of South Dakota 70.09.01.02.

Dated this _____ Day of _____, 2020

SDDOT Authority

CERTIFICATE OF COUNTY TREASURER

I, Custer County Treasurer, do hereby certify that all taxes and special assessments which are liens upon the within described lands are fully paid according to the records of this office.
Dated this ____ day of _____, 2026

Dated this _____ day of _____, 2026.

CERTIFICATE OF SURVEYOR

CERTIFICATE OF SURVEYOR
I, Dustin M. Ross, Registered Land Surveyor No. 13405 in the State of South Dakota, do hereby certify that
being so authorized, I have prepared the within 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.
IN WITNESS WHEREOF, I hereunto set my hand and official seal:
Dated this day of May, 2026

Dated this ____ day of _____, 2026

Dustin M. Ross, SDBLS No. 13406

STATE OF _____, COUNTY OF _____

STATE OF _____, COUNTY OF _____
 STRATE LOD, LLC, does hereby certify that it is the owners of the within described lands and that the within
 plat was made at its direction for the purposes indicated therein, and that the development of this land shall
 conform to all existing zoning, subdivision, and erosion and sediment control regulations.
 Dated this ____ day of _____, 2026

Dated this ____ day of _____, 2026

ACKNOWLEDGMENT OF OWNERSHIP

ACKNOWLEDGMENT OF OWNERSHIP
STATE OF _____, COUNTY OF _____
On this the ____ day of _____, 2006, before me, the undersigned officer, personally appeared _____, who acknowledged him/herself to be a member of Stratos Lode, LLC, a Limited Liability Company, and that s/he, as such member being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by him/herself as member.
IN WITNESS WHEREOF I hereunto set my hand and official seal

History Public

My commission expires _____

CERTIFICATE OF COUNTY DIRECTOR OF EQUALIZATION

I, Director of Equalization of Custer County, do hereby certify that my office has been furnished with a true copy of the within plat.
Dated this _____ day of _____, 2026

Dated this _____ day of _____, 2026

Director of Equalization of Custer County

OFFICE OF THE REGISTER OF DEEDS

OFFICE OF THE REGISTER OF DEEDS
Filed for record this _____ day of _____, 2025, at _____ o'clock _____ M. and recorded in Book _____ of Plats on page _____

Custer County Register of Deeds

20

Prepared by
ANDERSEN ENGINEERS
Land Surveyors

Drawn by DR/RW	Date 7/23/2026	P.O. Box 446 Edgemont, SD 57735 (605)-662-5500 andersenengineers@gmail.net
Approved by DR	Date 7/23/2026	
Scale 1"=200'	Sheet 1 of 1	File Name: BAL NE4 S31 T2S R5E

Terri Cornelison

From: andersenengineers@gwtc.net
Sent: Wednesday, August 12, 2026 1:38 PM
To: Terri Cornelison
Subject: Plat for Review

Terri,

Attached is a plat for your review. This is outside the Town limits but within your extraterritorial jurisdiction. I will also send this to the County and Department of Transportation to see if they have any comment.

Our client is John Allan his phone number is 605-431-7419.

ANDERSEN ENGINEERS, Inc.

Dustin Ross, PLS

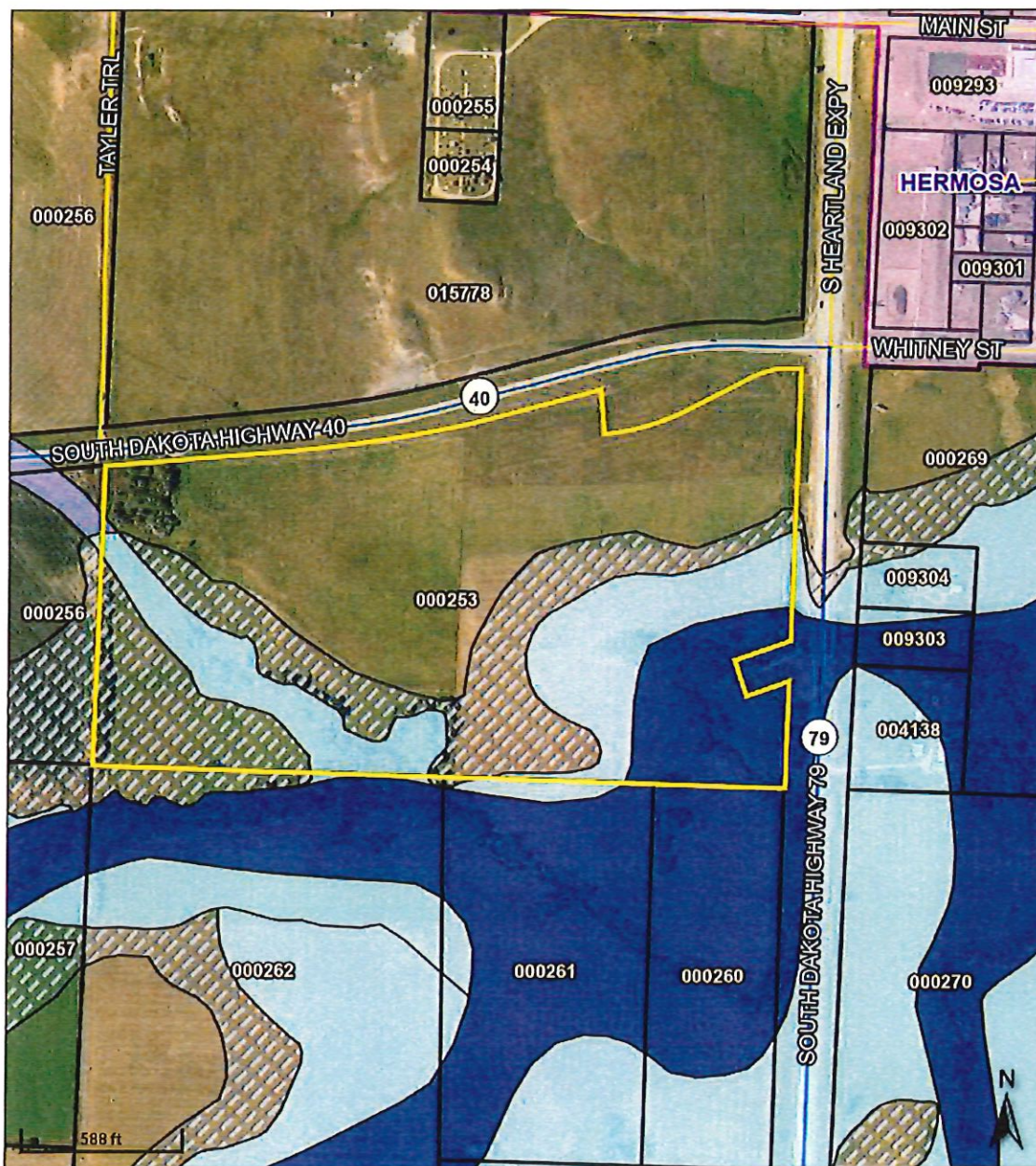
P.O. Box 446

Edgemont, SD 57735

605-662-5500 - Edgemont Office

605-745-5510 - Hot Springs Office

www.andersenengineers.com <<http://www.andersenengineers.com/>>



Overview



Legend

- Corporate Limits
- Highways
 - SD Hwy
 - US Hwy
 - Roads
- Parcels
- Flood Zones
 - A
 - AE
 - AE, FLOODWAY
 - AO
 - X, 0.2 PCT ANNUAL CHANCE FLOOD HAZARD
 - X, AREA OF MINIMAL FLOOD HAZARD

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: 8/13/2026

Last Data Uploaded: 8/13/2026 3:41:17 AM

Developed by **SCHNEIDER**
GEOSPATIAL

Town of Hermosa

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

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

Email: town@hermosasd.com

7D
COPY

Is Property in the Flood Plain? ☒ Yes ☐ No Zoning District _____

IF YES – YOU NEED A FLOODPLAIN DEVELOPMENT PERMIT

DIGGING/GRADING PERMIT

DATE 6/22/26

PERMIT # 2026-25

Receipt # _____ Cash _____ Check # 642 Amount \$100 (\$50.00) up to 100CY
\$20.00 each additional 100 CY

Name Tad Rocco Lot Address 500? 510 Walter St.
Mailing Address 2820 Lakota Rd. Email Rocolectric11csd@gmail.com
Legal Description Lot 23 & 24
Telephone # _____ Cellphone # 907 371 0415
*Contractor Tad Rocco Phone# 907 371 0415

***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: 350 Cubic Yards Area to be disturbed by proposed work: .25 acres.

Identify types of erosion control to be applied: None

Source/Destination of materials: local

Provide traffic control per Manual on Uniform Traffic Control Devices.

Hard route: _____

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]

Signature

Date

PLANNING COMMISSION

☐ Approved ☐ Denied

NAME: _____
TITLE: _____
SIGNATURE: _____
DATE: _____
APPLICATION FEE: \$50.00 DATE PAID: _____

HERMOSA BOARD OF TRUSTEES

☐ Approved ☐ Denied

NAME: _____
TITLE: _____
SIGNATURE: _____
DATE: _____
DATE PERMIT ISSUED: _____

Parcel # D15193

OFFICE USE ONLY

**HERMOSA TOWN BOARD
TUESDAY, JULY 7, 2026
REGULAR MEETING @ 6:00 PM
Draft Minutes**



ROLL CALL: Serviss called the meeting to order on Tuesday, July 7, 2026, at 6:00 p.m. with the following members present: Ferguson, Kramer, Matheny, Miller, and Serviss. Interested citizens, Town Attorney James and Town Engineer Theodorou were also present. Pledge of Allegiance led by Serviss.

COMMENTS FROM THE PUBLIC: No comments made.

CALL FOR CHANGES: Motion by Matheny and seconded by Kramer to add to Item B to include discussion of surveying of Tower Hill, add Item 6C status of Preston Family negotiations and approve agenda as amended; vote: all aye, motion carried.

CONSENT CALENDAR: Motion by Matheny and seconded by Kramer to amend the June 23, 2026, meeting minutes to include at the end of Planning & Zoning "Motion by Matheny and seconded by Miller to adjourn as Planning & Zoning Commission at 8:17 p.m.; vote: all aye, motion carried. Motion by Kramer and seconded by Ferguson to reconvene as Board of Trustees at 8:17 p.m.; vote: all aye, motion carried.", add to end of Sewer Department report "or the training can be provided to the board at a special meeting" and approve minutes as amended; vote: four aye and one abstain, motion carried. Motion by Miller and seconded by Ferguson to approve June 29, 2026, special meeting minutes as presented; vote: four aye and one abstain, motion carried. There will be roll call voting for any agenda items that may have a conflict of interest.

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.

LEGAL: Town Attorney James reported on a letter sent to Engineer Theodorou regarding investigation of FEMA BRIC Grant. James has also been in contact with the attorney for the Preston Family about negotiations for return of part of water and sewer tap fees paid to the town and development never started.

TOWN UPDATES: There were no updates.

CITIZENS/STAKEHOLDER ITEMS: No items were presented.

PLANNING & ZONING: Motion by Kramer and seconded by Matheny to adjourn as Board of Trustees at 6:44 p.m.; vote: all aye, motion carried. Motion by Matheny and seconded by Miller to convene as the Planning & Zoning Commission at 6:44 p.m.; vote: all aye, motion carried. Motion by Kramer and seconded by Ferguson to table digging/grading permit for Parcel #015192 & #015193 – T Roccaro, contingent upon receipt of a FEMA Letter of Map Revision – F (as per staff report received for Permit #2024-29); vote: all aye, motion carried. Motion by Kramer and seconded by Miller to table digging/grading permit for parcel #009279 – Town of Hermosa, until the first regular meeting in September 2026; vote: all aye, motion carried. Discussion on Water Project SRF Loan update and path forward. Motion by Matheny and seconded by Kramer to adjourn as Planning & Zoning Commission at 7:25 p.m.; vote: all aye, motion carried. Motion by Kramer and seconded by Miller to reconvene as Board of Trustees at 7:26 p.m.; vote: all aye, motion carried.

OLD BUSINESS: Discussion on state electrical inspection findings at the Wastewater Treatment Plant. This item will continue until resolved. Motion by Ferguson and seconded by Miller to table approval of Invoice from Digerup Dirtwoks & Construction in the amount of \$8,263.28, until more information is received; vote: all aye, motion carried. The special meeting with the Preston Family has been rescheduled until July 20, 2026, at 6:00 p.m. Motion by Serviss and seconded by Ferguson to dismiss Item 10D approve replacements of remaining residential booster pumps; vote: all aye, motion carried. Discussion on new areas from which to get bulk water. Item 10F Appointment & Oath of Office of Elmer Claycomb, Floodplain Administrator was tabled. Motion by Matheny and seconded by Kramer to table Item 10G Appointment & Oath of Office of Anthony Theodorou, Town Engineer, for further review; vote: all aye, motion carried. Motion by Serviss and seconded by Kramer to table Item 10H Discussion on background checks for contractors, until the first meeting in October 2026; vote: all aye, motion carried. Motion by Serviss and seconded by Miller to table Item 10I Discuss identifiable vests and vehicle signage for operators and workers, until first meeting in October 2026; vote: all aye,



Oath of Office was administered to Terri Cornelison, Town Finance Officer, by Attorney Scott James. Oath of Office was administered to Scott James, Town Attorney, by Board President Aaron Serviss.

Motion by Serviss and seconded by Kramer to table Elmer Claycomb, Floodplain Administrator, Oath of Office due to absence: vote: all aye, motion carried Motion by Kramer and seconded by Ferguson to table Anthony Theodorou, Town Engineer, Oath of Office due to absence: vote: all aye, motion carried Motion by Kramer and seconded by Ferguson to table Neil Putnam, Town Planner, Oath of Office due to absence: vote: all aye, motion carried

TOWN/FEMA UPDATES: No updates were given, will be some at next meeting. Motion by Matheny and seconded by Ferguson to approve Resolution 08-2026 Appointment of Applicant Agent for Hazard Mitigation Grant Program to be signed by the head of the Finance Committee and Finance Officer: vote: all aye, motion carried.

LEGAL: Motion by Miller and seconded by Ferguson to approve attorney to review J. Styles email about FEMA/BRIC Grant and identify respected peer review professionals: vote: 3 aye, 2 abstain, motion carried. Motion by Kramer and seconded by Miller to approve Wade Schultz to file short Answer and Disclaimer of Interest for Court Case 16CIV25-76: vote: 3 aye, 2 abstain, motion carried.

ENGINEER: Motion by Kramer and second by Miller to table discuss having background checks for contractors until further meeting: vote: all aye, motion carried. Motion by Kramer and second by Matheny to approve pay application #3 for Quinn Construction for \$265,846.79: vote: all aye, motion carried. Motion by Matheny and second by Ferguson to table approve change order for Quinn Construction for \$1,600: vote: all aye, motion carried.

PLANNING & ZONING: Motion by Kramer and seconded by Matheny to dismiss Digging/Grading Permit for parcel #009263 – K. Koontz; vote: all aye, motion carried. Motion by Matheny and seconded by Ferguson to approve Commercial Building Permit for parcel #015193 – T. Roccaro: Motion by Kramer and second by Matheny to amend original motion contingent on receipt of digging/grading permit: vote: all aye, amendment carried, vote on original: all aye, motion carried. The board discussed plats in Pennington County, they are grateful they provided information to them for review.

WATER/SEWER DEPARTMENT: John Burckhard gave water and sewer updates. Burckhard states the well is maintaining but not filling. Burckhard is also working with Action Mechanical to get some costs for meter issues. Burckhard the Wastewater Plant is running, Serviss request the cameraing of all the sewer lines be put into Silversmith. Burckhard discusses two emergency sewer line repairs done by Action Mechanical for around \$5,158.93. Motion by Kramer and seconded by Matheny to approve Action Mechanical to repair 430 and 280 Manning sewer line at quoted around \$5,158.93: vote: 4 aye, 1 abstain, motion carried. Motion by Matheny and second by Miller to table discussion of new areas to get bulk water from: vote: 4 aye, 1 abstain, motion carried. Motion by Serviss and second by Matheny to table identifiable vest and vehicle signage for operators and workers: vote: all aye, motion carried. Motion by Matheny and seconded by Ferguson to table approve final pay app for Conifer Construction No. 6 of \$14,921.20 until review of final inspection: vote: all aye, motion carried.

PUBLIC SERVICES DEPARTMENT: Motion made by Miller and seconded by Ferguson to table quotes from Dakota Asphalt for McDermand, Hwy 79, and South Corner Pantry and school streetlight pending Public Forum for streets : vote: all aye, motion carried.

Town of Hermosa

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

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

Email: town@hermosasd.com

COPY

MUNICIPAL WATER CONNECTION APPLICATION

DATE 7-8-26

PERMIT # 2026-20

1" Water Tap Fee \$1000.00			
Receipt # <u>181022</u>	Cash _____	Check # <u>643</u>	Amount <u>\$2050.00</u> (\$50.00)

Property Owner Tad Poccaro

Daytime Phone 907 371 0415 Evening Phone _____

Mailing Address 2820 Lanark Rd. Rapid City SD 57702

Email roc elect ric LLC sd@gmail.com

Connection Address 510 Walter St.

Legal Description Lot 23

Contractor _____

***ALL CONTRACTORS MUST OBTAIN A CONTRACTOR'S LICENSE FROM THE TOWN OF HERMOSA**

Size of Tap 1" Commercial X Residential _____

Size and type of pipe and other supplies 1" pipe.

If crossing roadway, will the connection be: Bored _____ Cut _____

Plumbing must be inspected by either the authorized agent of the Town of Hermosa or the South Dakota State Plumbing Inspector before any backfilling can be done. A 48-hour notice must be given for this inspection. A dual backflow preventor, water meter (obtained from Town Office), and ball valve must be installed prior to water supply being activated.

APPLICATION MUST BE APPROVED BY THE HERMOSA PLANNING AND ZONING COMMITTEE AND THE BOARD OF TRUSTEES PRIOR TO TAP BEING MADE.

Water Tap fees will apply.

By signing below, I acknowledge that I have read and understand all requirements for obtaining water service in the Town of Hermosa.

Signature of Applicant _____

Date _____

Parcel #

OFFICE USE

PLANNING AND ZONING COMMISSION	HERMOSA BOARD OF TRUSTEES
☐ Approved ☐ Denied	☐ Approved ☐ Denied
NAME: _____	NAME: _____
TITLE: _____	TITLE: _____
SIGNATURE: _____	SIGNATURE: _____
DATE: _____	DATE: _____
APPLICATION FEE <u>\$50.00</u> BALANCE DUE: _____	DATE PERMIT ISSUED: _____

Town of Hermosa

PO Box 298 • 234 Main Street • Hermosa, SD 57744

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

Email: town@hermosasd.com

COPY

MUNICIPAL WASTE WATER CONNECTION APPLICATION

DATE 7/7/26

PERMIT # 2026-20

Receipt # <u>181022</u>	Cash _____	Check # <u>643</u> ^{Commercial}	Amount <u>\$ 2050.00</u>
Sewer Tap Application Fee <u>\$50.00</u> Nonrefundable			
Residential Tap Fee - \$1000.00			
Commercial Tap Fee - <u>\$2000.00</u>			

Property Owner Tad Roocco

Daytime Phone 907-371-0415 Evening Phone _____

Mailing Address 2820 Lenark Rd., Rapid City SD

Email focelectricllc@gmail.com

Connection Address 510 Walter St.

Legal Description Lot 23

Contractor Roc Electric

***All Contractors must obtain Contractors license from Hermosa**

Address 2820 Lenark Rd., Rapid City Phone # 907 371 0415

Size of Tap 4" Commercial X Residential _____

Size and type of pipe and other supplies 4" PVC

If crossing roadway, will the connection be: Bored _____ Cut _____

Plumbing must be inspected by either the authorized agent of the Town of Hermosa or the South Dakota State Plumbing Inspector before any backfilling can be done. A 48-hour notice must be given for this inspection.

APPLICATION MUST BE APPROVED BY THE HERMOSA PLANNING AND ZONING COMMITTEE AND THE BOARD OF TRUSTEES PRIOR TO TAP BEING MADE.

By signing below, I acknowledge that I have read and understand all requirements for obtaining water service in the Town of Hermosa.

[Signature]
Signature of Applicant

7/7/26
Date

PLANNING AND ZONING COMMISSION	HERMOSA BOARD OF TRUSTEES
☐ Approved ☐ Denied	☐ Approved ☐ Denied
NAME: _____	NAME: _____
TITLE: _____	TITLE: _____
SIGNATURE: _____	SIGNATURE: _____
DATE: _____	DATE: _____
APPLICATION FEE <u>\$50.00</u> BALANCE DUE: _____	DATE PERMIT ISSUED: _____

Parcel #

OFFICE USE ONLY

RESOLUTION 08-2026 WATER RATE STRUCTURE

A RESOLUTION TO ESTABLISH WATER RATES AND CHARGES FOR THE MUNICIPALITY OF HERMOSA, CUSTER COUNTY, SOUTH DAKOTA.

BE IT RESOLVED by the Municipality of Hermosa, Custer County, South Dakota that, under the authority in the Town Code of Ordinances 50.11, the owners or occupants connected with the Hermosa Municipal Water System shall pay for water consumed as listed in the rate schedule below.

IT IS HEREBY ESTABLISHED, that there shall be six (6) classes of water users: In Town Residential, In Town Commercial, North Hermosa Water Users, Out of Town Residential, Out of Town Commercial, and Historic/Religious.

The new category "Historic/Religious" means any building within the municipal limits of the Town of Hermosa that meets the following criteria:

- 1) Is owned or operated by a nonprofit organization whose primary purpose is historical preservation, heritage education, religious worship, or religious instruction
- 2) Is open to the public for historical, cultural, educational, or religious purposes on a periodic or regular basis; and
- 3) Has applied to the town clerk for recognition of such status

HERMOSA WATER RATES

GALLONS		IN-TOWN RESIDENTIAL	IN-TOWN COMMERCIAL	N. HERMOSA WATER USERS	OUT OF TOWN RESIDENTIAL	OUT OF TOWN COMMERCIAL	HISTORICAL/ RELIGIOUS
SERVICE FEE	\$	27.00	\$ 47.25	\$ 49.95	\$ 49.95	\$ 67.50	\$ 27.00
1-1000	\$	34.50	\$ 58.50	\$ 64.95	\$ 64.95	\$ 86.25	\$ 34.50
1001-2000	\$	42.00	\$ 69.75	\$ 79.95	\$ 79.95	\$ 105.00	\$ 42.00
2001-3000	\$	49.50	\$ 81.00	\$ 94.95	\$ 94.95	\$ 123.75	\$ 49.50
3001-4000	\$	57.00	\$ 92.25	\$ 109.95	\$ 109.95	\$ 142.50	\$ 57.00
4001-5000	\$	64.50	\$ 103.50	\$ 124.95	\$ 124.95	\$ 161.25	\$ 64.50
5001-6000	\$	72.00	\$ 114.75	\$ 139.95	\$ 139.95	\$ 180.00	\$ 72.00
6001-7000	\$	79.50	\$ 126.00	\$ 154.95	\$ 154.95	\$ 198.75	\$ 79.50
7001-8000	\$	87.00	\$ 137.25	\$ 169.95	\$ 169.95	\$ 217.50	\$ 87.00
8001-9000	\$	94.50	\$ 148.50	\$ 184.95	\$ 184.95	\$ 236.25	\$ 94.50
9001-10000	\$	102.00	\$ 159.75	\$ 199.95	\$ 199.95	\$ 255.00	\$ 102.00
10001-11000	\$	109.50	\$ 171.00	\$ 214.95	\$ 214.95	\$ 273.75	\$ 109.50
11001-12000	\$	117.00	\$ 182.25	\$ 229.95	\$ 229.95	\$ 292.50	\$ 117.00
12001-13000	\$	124.50	\$ 193.50	\$ 244.95	\$ 244.95	\$ 311.25	\$ 124.50
13001-14000	\$	132.00	\$ 204.75	\$ 259.95	\$ 259.95	\$ 330.00	\$ 132.00
14001-15000	\$	139.50	\$ 216.00	\$ 274.95	\$ 274.95	\$ 348.75	\$ 139.50
15001-16000	\$	147.00	\$ 227.25	\$ 289.95	\$ 289.95	\$ 367.50	\$ 147.00
16001-17000	\$	154.50	\$ 238.50	\$ 304.95	\$ 304.95	\$ 386.25	\$ 154.50
17001-18000	\$	162.00	\$ 249.75	\$ 319.95	\$ 319.95	\$ 405.00	\$ 162.00
18001-19000	\$	169.50	\$ 261.00	\$ 334.95	\$ 334.95	\$ 423.75	\$ 169.50
19001-20000	\$	177.00	\$ 272.25	\$ 349.95	\$ 349.95	\$ 442.50	\$ 177.00

Each 1000 gallons shall be calculated at the rate of \$7.50 for in town residential and Historical/religious users, \$11.25 for in town commercial users, \$15.00 for out-of-town residential users, and \$18.75 for out-of-town commercial users.

ATTEST:

TOWN OF HERMOSA

Terri Cornelison
Finance Officer

Aaron Serviss
Town Board President

Vote: Kramer, _____
Ferguson, _____
Serviss, _____
Matheny, _____
Miller, _____

First Reading:

Published: _____

Published once at the approximate cost of _____ in the Custer County Chronicle

Terri Cornelison

9D

From: Trena Matheny <trenamatheny@gmail.com>
Sent: Friday, August 14, 2026 6:31 AM
To: Terri Cornelison; Administrative Assistant
Subject: Fwd: Interstate Engineering Statement of Qualifications & Rate Sheet - Town of Hermosa

Terri
Please add to the agenda for Tuesday and forward to the Board. I didn't get a chance to look at my email yesterday so I wasn't able to bring this up last night.

Thank you
Trena
.....time is short, use it wisely.....

Begin forwarded message:

From: Harvey Fitzgerald <Harvey.Fitzgerald@interstateeng.com>
Date: August 13, 2026 at 11:08:06 AM MDT
To: TRENAMATHENY@gmail.com
Cc: Zach Grapentine <Zach.Grapentine@interstateeng.com>, Shane Matt <Shane.Matt@interstateeng.com>
Subject: Interstate Engineering Statement of Qualifications & Rate Sheet - Town of Hermosa

Good morning Trena,

Thank you for calling me back last night! As we discussed, we would be happy to help the Town of Hermosa permitting, inspections, planning items, etc. I have attached our statement of qualifications and rate sheet for your review. We would be able to provide services out of our Rapid City office. Several of our local engineers have experience or familiarity with Hermosa and are looking forward to assisting as needed. We would be happy to visit with you or the other Trustees to discuss how we can provide service whenever is convenient for you.

Please let me know if you have any questions or concerns or need anything further.

Thank you!

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Prof

<2026_Statement of Qualifications.pdf>
<Schedule of Rates on Letterhead 01.11.26.pdf>

10A

Claims for approval 08-18-2026

VENDOR	REFERENCE	AMOUNT
A & B BUSINESS	MONTHLY PRINTER/FAX FEE	\$ 592.05
WAYNE & ASHLEY ALEXANDER	REFUND SEWER ISSUES - 430 MANNING ST	\$ 563.07
ATAC	DW PROJ/WATER & WW OPERATIONS/PLANNER/BLD OFFICIAL	\$ 15,570.00
BUZZ LAWN CARE	MOW AND TRIM TOWN PROPERTY	\$ 3,900.00
D & D PROPERTIES	REFUND SEWER ISSUES - 315 MANNING ST	\$ 403.56
GOLDEN WEST TECHNOLOGIES	MONTHLY SERVICE FEE	\$ 635.45
GREAT PLAINS STRUCTURES	WATER TANK FLOOR RESEAL	\$ 40,750.00
KELLER DRILLING	REPAIR OF WATER TANK 7/14/2026	\$ 2,652.50
KIEFFER SANITATION	MONTHLY SANITATION FEE JULY 2026	\$ 4,741.81
MIDCO DIVING & MARINE SERVICES	CLEAN AND INSPECT WATER TANK	\$ 5,150.00
MIDCONTINENT TESTING/ALLIANCE TECH	SEWER AND WATER TESTING	\$ 2,440.25
MT RUSHMORE TELEPHONE	PHONE MAIN & 2ND LINE/INTERNET/FAX LINE	\$ 261.68
NORTHWEST PIPE FITTINGS INC.	WATER TOWER MISC PARTS	\$ 698.38
SD PUBLIC ASSURANCE ALLIANCE	ANNUAL PROPERTY & LIABILITY INSURANCE PREMIUM	\$ 19,536.02
SOUTHERN HILLS PUBLISHING	PUBLISH BOT MEETING MINUTES/ADMIN JOB AD - JULY 2026	\$ 431.96
SIEGEL BARNETT & SCHUTZ	ALTERNATE ATTORNEY 1.9 HRS @ \$250/HR	\$ 475.00
TEXT MY GOV INC.	SOFTWARE MGMT & SUPPORT/SETUP	\$ 2,250.00
US BANK	QUARTERLY CWSRF PAYMENT	\$ 7,750.55
USG WATER SOLUTIONS	STEEL TANK WASHOUT/DISINFECT	\$ 3,300.00
Accounts Payable Total		\$ 112,102.28
Payroll Related: Paid 08/14/2026		
	Legislative, Financial Administration, Govt Bldg	\$ 2,206.34
	Promoting City/BBB	\$ 14.66
HEALTHY EQUITY	HSA	\$ 62.50
EFTPS-ELECTRONIC FEDERAL TAX	FED/FICA TAX	\$ 672.46
Payroll Total		\$ 2,955.96
***** REPORT TOTAL *****		\$ 115,058.24

CLAIMS REPORT

Check Range: 8/05/2026- 8/18/2026

VENDOR NAME	REFERENCE	AMOUNT	VENDOR TOTAL	CHECK#	CHECK DATE
A & B BUSINESS EQUIPMENT INC	MONTHLY PRINTER/FAX FEE	592.05		943	8/18/26
A & B BUSINESS EQUIPMENT INC	MONTHLY PRINTER/FAX FEE		592.05		
ALEXANDER, WAYNE OR ASHLEY	REFUND RENTAL-SEWER ISSUES	102.59		18699	8/05/26
ALEXANDER, WAYNE OR ASHLEY	RUFUND CAMERING SEWER ISSUE	460.48	563.07	18702	8/05/26
				18700	8/05/26
ANTHONY THEODOROU AND COMPANY	DW PROJECT ENGINEERING	360.00		944	8/18/26
ANTHONY THEODOROU AND COMPANY	WATER OPERATIONS JULY 2026	14,120.00		945	8/18/26
ANTHONY THEODOROU AND COMPANY	NORTH WATER TANK ENGINEERING	180.00		946	8/18/26
ANTHONY THEODOROU AND COMPANY	PLANNER 6HRS @ \$130/HR	780.00		947	8/18/26
ANTHONY THEODOROU AND COMPANY	BUILDING OFFICIAL HRS	130.00		956	8/18/26
ANTHONY THEODOROU AND COMPANY	WATER/WASTEWATER OPERATIONS		15,570.00		
BUZZ LAWN CARE	MOWING AND TRIM TOWN PROPERTY		3,900.00	18698	8/05/26
D & D PROPERTIES	REFUND SEWER CAMERA INSPECT		403.56	18701	8/05/26
EFTPS-Electronic Federal Tax	FED/FICA TAX		672.46	941	8/14/26
GOLDEN WEST TECHNOLOGIES	MONTHLY SERVICE FEE AUG 2026		635.45	955	8/18/26
GREAT PLAINS STRUCTURES	WATER TANK FLOOR RESEAL		40,750.00	18704	8/18/26
HEALTH EQUITY	HSA		62.50	942	8/14/26
KELLER DRILLING	REPAIR OF WATER TANK 7/24/26		2,652.50	954	8/18/26
KIEFFER SANITATION	MONTHLY SANITATION JULY 2026		4,741.81	948	8/18/26
MG OIL	FUEL FOR MARSHAL - SEPT 2025				
Midco Diving & Marine Services	CLEAN AND INSPECT WATER TANK		5,150.00	18705	8/18/26
ALLIANCE TECHNICAL GROUP LLC	SEWER TESTING		2,440.25	18706	8/18/26
MT RUSHMORE TELEPHONE	PHONE/INTERNET	58.12		949	8/18/26
MT RUSHMORE TELEPHONE	PHONE/INTERNET-MAIN LINE	136.08		950	8/18/26
MT RUSHMORE TELEPHONE	PHONE/INTERNET-SECOND LINE	67.48	261.68	951	8/18/26
NORTHWEST PIPE FITTINGS Inc.	FLANGE/GASKET/NIPPLE/BRUSH		698.38	18707	8/18/26
SD PUBLIC ASSURANCE ALLIANCE	ANNUAL FO PROP/LIABILITY INS		19,536.02	18708	8/18/26
Southern Hills Publishing	PUBLISH BOT MTG MINUTES		431.96	18709	8/18/26
SIEGEL BARNETT & SCHUTZ	1.9 HRS ALT ATTRNY @\$20/HR		475.00	18710	8/18/26
SILVERSMITH DATA	SOFTWARE INTEGRATION/SETUP				
TEXT MY GOV INC.	SOFTWARE MGMT & SUPPORT/SETUP		2,250.00	953	8/18/26
US BANK	QRTLY CWSRF PRINCIPAL PYMT		7,750.55	952	8/15/26
USG WATER SOLUTIONS	STEEL TANK WASHOUT/DISINFECT		3,300.00	18711	8/18/26
Accounts Payable Total			112,837.24		
Utility Refund Checks					
Refund Checks Total					
Payroll Checks					
101	GENERAL		2,206.34		
211	BBB GROSS RECEIPTS TAX		14.66		
Total Paid On: 8/14/26			2,221.00		

CLAIMS REPORT
CLAIMS FUND SUMMARY

FUND NAME		AMOUNT
101	GENERAL	25,777.22
211	BBB GROSS RECEIPTS TAX	19.69
602	WATER	70,884.39
604	SEWER	18,376.94

TOTAL FUNDS		115,058.24

FINANCIAL REPORT
AUGUST 18, 2026 BOT REGULAR MEETING

17A

	REVENUES-JULY 31	REVENUE -THRU 8-18-26	REVENUES - TO DATE	2026 BUDGET
GENERAL FUND	\$ 315,190.25	\$ 6,167.44	\$ 321,357.69	\$ 480,439.00
BBB FUND	\$ 13,396.88	22.99	\$ 13,419.87	\$ 18,000.00
FEMA	\$ 81,811.71	-	\$ 81,811.71	\$ -
TIF FUND	\$ 1,864.70	-	\$ 1,864.70	\$ 18,000.00
WATER FUND	\$ 138,270.00	12,206.87	\$ 150,476.87	\$ 238,100.00
SEWER FUND	\$ 323,101.49	11,981.54	\$ 335,083.03	\$ 601,366.00
TOTAL	\$ 873,635.03	\$ 30,378.84	\$ 904,013.87	\$ 1,355,905.00
	EXPENSES-JULY 31	EXPENSES-THRU 8-18-26	EXPENSES - TO DATE	2026 BUDGET
GENERAL FUND	\$ 15,704.31	4,833.26	\$ 20,537.57	\$ 36,900.00
BOT	\$ 624.58	-	\$ 624.58	\$ 3,320.00
ELECTION	\$ 84,568.77	13,432.32	\$ 98,001.09	\$ 151,707.00
FINANCE OFFICE	\$ 26,055.00	475.00	\$ 26,530.00	\$ 51,000.00
ATTORNEY	\$ 1,044.90	-	\$ 1,044.90	\$ 4,759.00
CUSTODIAN	\$ 13,482.50	130.00	\$ 13,612.50	\$ 25,000.00
ENGINEER	\$ 19,950.57	-	\$ 19,950.57	\$ 47,302.00
LAW ENFORCEMENT				
INSPECTIONS				\$ -
STREETS	\$ 10,360.23	5,328.80	\$ 15,689.03	\$ 78,951.00
GARBAGE	\$ 31,506.93	4,741.81	\$ 36,248.74	\$ 61,500.00
P & Z	\$ 14,490.00	780.00	\$ 15,270.00	\$ 20,000.00
TOTAL GENERAL	\$ 217,787.79	29,721.19	\$ 247,508.98	\$ 480,439.00
BBB	\$ 8,407.95	45.66	\$ 8,453.61	\$ 18,000.00
FEMA	\$ 147,109.71	6,704.00	\$ 153,813.71	\$ -
TIF	\$ 53,186.92	-	\$ 53,186.92	\$ 18,000.00
WATER	\$ 428,722.86	233,590.53	\$ 662,313.39	\$ 238,100.00
SEWER	\$ 133,983.38	36,008.19	\$ 169,991.57	\$ 601,366.00
TOTAL	\$ 989,198.61	306,069.57	\$ 1,295,268.18	\$ 1,355,905.00

NET PROFIT/LOSS

FINANCIAL REPORT
AUGUST 18, 2026 BOT REGULAR MEETING

GENERAL	\$	97,402.46	73,848.71
BBB	\$	4,988.93	4,966.26
FEMA		(65,298.00)	(72,002.00)
TIF	\$	(51,322.22)	(51,322.22)
WATER	\$	(290,452.86)	(511,836.52)
SEWER	\$	189,118.11	165,091.46

BALANCE AS OF 07/31/2026

BANKWEST CHECKING	\$	1,055,710.61
SD FIT INVESTMENT	\$	162,376.36
TOTAL	\$	1,218,086.97

**DOCUMENTS
DISTRIBUTED AT
8-18-2026 BOT REGULAR
MEETING AND NOT
INCLUDED IN THE PACKET**



**Southern
Hills Law**
Legal Solutions for the Black Hills

*J. Scott James
Attorney at Law
Licensed in SD, NY*



*Gina Ruggieri
Attorney at Law
Licensed in SD*

8 W. Mt Rushmore Rd, Custer, SD 57730 tel: 605.673.2503

southernhillslaw@gmail.com

VIA EMAILED DELIVERY TO TOWN CLERK

Hermosa Town Board
230 Main St
Hermosa, SD 57744

August 17, 2026

**RE: Legal Opinion on Summary of Billing Irregularities — FEMA BRIC
Grant, ATAC Contract**
Town of Hermosa Legal Opinion No: 2026-7

Dear Members of the Board:

This letter summarizes the billing irregularities identified in connection with the FEMA BRIC Drainage Assessment and Improvement Plans grant contract awarded to Anthony Theodorou and Company (ATAC) in February 2026. The Town has already taken the correct steps — terminating the ATAC contract and cooperating with the South Dakota Office of Emergency Management (OEM). OEM has cleared the Town of any wrongdoing in the initial procurement process. This letter focuses on what the billing records show happened after the award, so the Board has a clear picture for any further action.

The Town paid ATAC a total of \$56,719.00 across three payments — \$19,705.00 on March 4, 2026, \$30,310.00 on April 9, 2026, and \$6,704.00 on the July 16, 2026 invoice. All payments were submitted to OEM as federal reimbursement requests under the FEMA BRIC grant.

1. The Work Was Not Done by the People the Town Was Told It Was Done By
ATAC's approved proposal named specific engineers and personnel who would perform the work. The billing records, timesheets, and ATAC's own written responses reveal that those people either never worked on the project or were replaced by an undisclosed Michigan firm without the Town's knowledge or approval.

Dan Fife — Billed, With Conflicting Accounts of Engagement

ATAC's cost proposal named Dan Fife as the Drainage Engineer responsible for the core technical drainage work across multiple tasks. ATAC collected reimbursement for Fife's

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Attorney at Law
Licensed in SD, NY*

*Gina Ruggieri
Attorney at Law
Licensed in SD*

Taken together with the April 3 emails and the July 12 response, ATAC has now given the Town, a Sheriff's Office investigator, and Fife himself three materially different explanations of the same billed engagement: a contemporaneous account describing a live engagement terminated over conduct concerns; a law-enforcement account in which ATAC does not dispute that work was performed or money owed, only the amount; and a later written account to the Town denying any engagement ever existed. That inconsistency is itself significant, independent of which version is accurate, because it suggests the July 12 response to the Town was not a candid accounting of what actually happened. The Board should be aware that this matter has independently drawn law enforcement attention since April 2026, and that the Custer County file may contain additional billing records, correspondence, and invoices relevant to this review.

Troy Olds — Billed But Never Worked on the Project

ATAC's proposal named Troy Olds as the GIS Analyst. Billing records show approximately \$8,670 billed under Olds's name across the two paid invoices. Theodorou's July 12 written response states that Olds “did not perform GIS or mapping work on the Hermosa BRIC project” and that ATAC “never engaged Mr. Olds or assigned him a contract for BRIC grant activities.”

This account is independently corroborated. In a text message exchange, a Hermosa citizen asked Olds directly whether the work reflected in his invoice was performed in Hermosa. Olds responded that, to his recollection, all of the work he had done was in Wasta, South Dakota — a separate municipality — and that he had submitted only the one invoice, which documents CAD/design work for Wasta, not Hermosa. Olds's own account, given independently of Theodorou, is consistent with Theodorou's admission that Olds never performed GIS or mapping work on the Hermosa BRIC project. Like Fife, Olds was billed to the Town, though — unlike Fife — no billed funds appear to have reached him personally; Fife's statement to the Sheriff's Office indicates the money billed under Olds's name was instead paid to Fife.

An Undisclosed Michigan Firm Did the Work Instead

Theodorou's response acknowledges that after both Fife and Olds failed to meet his internal requirements, ATAC engaged Matteo Engineering and Consulting, LLC (MEC) — a firm based in Washington Township, Michigan — to perform the core drainage engineering and hydraulic modeling work. MEC was never disclosed to the Town Board, never approved by OEM as required for federally funded subcontracts, and was never competitively selected. MEC invoiced ATAC directly for approximately \$34,200 worth of work performed on the Town's grant project, on a subcontract budget of \$79,765.00, none of which was ever disclosed in the billing submitted to the Town or to OEM.

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Attorney at Law
Licensed in SD, NY*

*Gina Ruggieri
Attorney at Law
Licensed in SD*

When ATAC billed hours to the Town for work performed by MEC's staff, it did so at rates that in some cases exceeded what ATAC actually paid MEC. Most significantly, an MEC hydraulics engineer named Sudhir Shah billed approximately 181 hours on the project. MEC charged ATAC \$90 per hour for Shah's work. ATAC billed those same hours to the Town at \$170 per hour — an 89% markup on a subcontractor's labor that was never disclosed to the Town or authorized in the approved cost proposal. The undisclosed markup on Shah's hours alone represents approximately \$14,480 above what ATAC actually paid for that work. ATAC's July response states that its subcontractors are paid at a 2.0 multiplier, but that MEC was paid at a 1.0 multiplier; Shah worked for MEC, so that explanation does not account for the markup applied to his hours.

6. A Recurring Pattern: Billing Ahead of Performance, Then Sourcing the Work Later

The irregularities described above are not isolated incidents. Reviewed together, they show a consistent pattern: tasks were billed to the Town as complete on schedule, and the actual technical work was performed — often by the undisclosed MEC subcontractor — weeks or months afterward.

Task 1's required deliverable, the prioritized project list, was represented as complete by April 9, 2026, consistent with ATAC's own milestone schedule. The document constituting that deliverable — Technical Memorandum No. 1b — is dated June 2026 and was authored by Jason Matteo of MEC, the subcontractor not disclosed to the Town until after termination. The prioritized project list the Town was told existed in April did not exist in its delivered form until roughly two months later.

The same pattern appears in Task 2, discussed above: billed 100% complete as of May 31, 2026, with its Technical Memorandum not produced until July 12, 2026, and then only as an incomplete draft. It appears again in the survey charge, billed as complete in the same package that described the survey flight as a future event. It appears again in Task 7, billed beginning in May 2026 against a milestone due date fourteen months later. Taken individually, each of these could be characterized as a documentation or timing irregularity. Taken together, they describe a consistent practice: billing the Town, and in turn OEM, on the schedule set out in the original proposal, without regard to whether the named personnel had performed the work, and then completing or reassigning the underlying work later — in at least two documented instances, through an undisclosed Michigan subcontractor. The Board should understand this as a pattern warranting inquiry into its cause, rather than a series of unrelated clerical errors. This characterization is offered as an inference from the documented timeline, and the Town should obtain MEC's own invoices and timesheets, task by task, to confirm whether

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Sheriff's Office complaint, and Theodorou's written response		written statement to the Town
Olds billing — GIS analyst never worked on project	~\$8,670	Admitted by Theodorou in writing; independently corroborated by Olds's own text messages
Survey billed as complete before it was performed	\$6,000	Proven by ATAC's own documents
Undisclosed markup on MEC subcontractor Shah's hours	~\$14,480	Documented in billing records
Task 1 billed complete in April; deliverable (TM 1b) not produced until June, by undisclosed subcontractor	N/A — Task 1 budget	Documented by comparing milestone schedule to TM 1b date and authorship
Task 2 billed 100% complete while deliverable still in draft	\$13,090 (Task 2 total)	Confirmed by ATAC's July submission
Premature Task 7 billing — 14 months before milestone due date	~\$9,000	Documented against ATAC's own schedule
MEC subcontract — undisclosed, not competitively procured	Grant compliance issue	Admitted by Theodorou in writing

10. Federal Dimension

Both paid invoices were submitted to OEM as federal reimbursement requests. Federal funds were drawn against billing records that — as Theodorou has now admitted in writing — included charges for work attributed to people who were never hired or never paid as represented. The survey false certification was included in the same submission package as the progress report describing the survey as a future event. These are not simply disputes between the Town and a contractor — they involve representations made to a federal agency in connection with the use of federal grant funds.

OEM's clearance of the Town's procurement process protects the Town from liability for how the contract was awarded. It does not address what happened in the billing after the award. The Town should consider referring this matter to the FEMA Office of Inspector General, which investigates contractor misconduct on federally funded grants. A referral positions the Town as a responsible recipient that identified and reported contractor fraud, the most protective posture the Town can take with federal oversight agencies.

11. Recommended Next Steps

Based on the foregoing, the following actions are recommended:



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Attorney at Law
Licensed in SD, NY*

*Gina Ruggieri
Attorney at Law
Licensed in SD*

Cordially,
J. Scott James
Hermosa City Attorney

RESOLUTION 09-2026 WATER RATE STRUCTURE

*Correct Resolution
for 8-18-26 BOT Packet*

8B

A RESOLUTION TO ESTABLISH WATER RATES AND CHARGES FOR THE MUNICIPALITY OF HERMOSA,
CUSTER COUNTY, SOUTH DAKOTA.

BE IT RESOLVED by the Municipality of Hermosa, Custer County, South Dakota that, under the authority in the Town Code of Ordinances 50.11, the owners or occupants connected with the Hermosa Municipal Water System shall pay for water consumed as listed in the rate schedule below.

IT IS HEREBY ESTABLISHED, that there shall be five (5) classes of water users: In Town Residential, In Town Commercial, Out of Town Residential, Out of Town Commercial, and Historic/Religious.

The new category "Historic/Religious" means any building within the municipal limits of the Town of Hermosa that meets the following criteria:

- 1) Is owned or operated by a nonprofit organization whose primary purpose is historical preservation, heritage education, religious worship, or religious instruction
- 2) Is open to the public for historical, cultural, educational, or religious purposes on a periodic or regular basis; and
- 3) Has applied to the town clerk for recognition of such status

HERMOSA WATER RATES

GALLONS	IN-TOWN RESIDENTIAL	IN-TOWN COMMERCIAL	OUT OF TOWN RESIDENTIAL	OUT OF TOWN COMMERCIAL	HISTORICAL/ RELIGIOUS
SERVICE FEE	\$ 24.00	\$ 42.00	\$ 44.40	\$ 60.00	\$ 24.00
1-1000	\$ 30.50	\$ 51.75	\$ 57.40	\$ 76.25	\$ 30.50
1001-2000	\$ 37.00	\$ 61.50	\$ 70.40	\$ 92.50	\$ 37.00
2001-3000	\$ 43.50	\$ 71.25	\$ 83.40	\$ 108.75	\$ 43.50
3001-4000	\$ 50.00	\$ 81.00	\$ 96.40	\$ 125.00	\$ 50.00
4001-5000	\$ 56.50	\$ 90.75	\$ 109.40	\$ 141.25	\$ 56.50
5001-6000	\$ 63.00	\$ 100.50	\$ 122.40	\$ 157.50	\$ 63.00
6001-7000	\$ 69.50	\$ 110.25	\$ 135.40	\$ 173.75	\$ 69.50
7001-8000	\$ 76.00	\$ 120.00	\$ 148.40	\$ 190.00	\$ 76.00
8001-9000	\$ 82.50	\$ 129.75	\$ 161.40	\$ 206.25	\$ 82.50
9001-10000	\$ 89.00	\$ 139.50	\$ 174.40	\$ 222.50	\$ 89.00

Each 1000 gallons shall be calculated at the rate of \$6.50 for in town residential and Historical/religious users, \$9.75 for in town commercial users, \$13.00 for out-of-town residential users, and \$16.25 for out-of-town commercial users.

ATTEST:

TOWN OF HERMOSA

Terri Cornelison
Finance Officer

Aaron Serviss
Town Board President

Vote: Ferguson, _____
 Kramer, _____
 Matheny, _____
 Miller, _____
 Serviss _____

First Reading: _____

Published: _____

Published once at the approximate cost of _____ in the Custer County Chronicle

9C

NOW HIRING — PUBLIC WORKS ASSOCIATE

Town of Hermosa, South Dakota

The Town of Hermosa is accepting applications for a **full-time Public Works Associate**.

Starting wage: \$24.00/hour

Schedule: Monday–Friday, 7:00 a.m.–4:00 p.m.

This is a **career-track position** offering paid training through the SDARWS Water Systems Operations Specialist Registered Apprenticeship Program. No prior municipal or utility experience is required. The Town pays required apprenticeship training, certification/testing, job-related licensing, and future CDL training when applicable.

Duties include lawn and grounds care, traffic sign and facility maintenance, water meter reading, work orders and electronic recordkeeping, inventory management, Town events, and progressively more advanced water, sewer, street, snow-removal, vehicle, and equipment responsibilities as training and qualifications are completed.

Applicants must be **18 or older**, have a high school diploma/GED, valid driver's license and acceptable driving record, and **reside within 25 miles of Hermosa at the time of hire**. Applicants must be capable of physical outdoor work and lifting up to 50 pounds.

A mechanical aptitude evaluation will be included in the interview process.

Employment requires a background check, pre-employment drug screening, and a **Town-paid DOT physical**. Random drug testing is required during employment.

Benefits include **100% Town-paid employee health insurance**, HSA contribution, South Dakota Retirement, paid vacation and sick leave, paid holidays, personal day, bereavement leave, overtime at 1.5×, and additional Town-paid training.

This is an **at-will position with a three-month probationary period**.

Open until filled. Applications reviewed as received.

Apply through **Indeed or the Town of Hermosa Office**.

Public Works Associate

Town of Hermosa, South Dakota

Full-Time | \$24.00 per Hour Starting Wage | Paid Water Operations Apprenticeship

The Town of Hermosa is accepting applications for a full-time **Public Works Associate**.

This is a career opportunity for someone interested in developing a broad range of municipal public works skills while receiving paid, structured training in drinking-water system operations. Prior municipal or utility experience is welcome but is **not required**. The Town is looking for a dependable person with mechanical aptitude, a willingness to learn, good judgment, and the ability to take increasing responsibility as training and experience are completed.

The selected employee will participate in the **South Dakota Association of Rural Water Systems (SDARWS) Registered Apprenticeship Program for Water Systems Operations Specialist**. The program combines paid on-the-job training with technical instruction and provides a pathway toward South Dakota water operator certification and a nationally recognized registered apprenticeship credential.

The Town will pay required apprenticeship-related training, operator certification and testing expenses, and required job-related licensing costs.

Position Development

This position is designed to grow with the employee.

The employee will begin with general municipal public works and maintenance responsibilities while receiving supervised training in water-system operations and other technical duties. Additional tasks will be authorized as the employee receives training and demonstrates competence.

Following completion of the water operations apprenticeship, the employee will assume a broader range of independent public works responsibilities.

A CDL is **not required at hire**. Applicants who already possess an appropriate CDL are encouraged to apply. If the employee does not already hold one, CDL training and licensing will be scheduled and funded by the Town following completion of the apprenticeship.

General Responsibilities

Responsibilities will include, but are not limited to:

- Lawn care, mowing, trimming, weed control, and maintenance of Town-owned grounds and rights-of-way

The employee receives a **one-hour unpaid lunch period**, which may generally be taken at the employee's discretion between **11:00 a.m. and 2:00 p.m.**

The position is 40 hours per week.

Work is performed through the Town's established policies, authorized duties, work orders, and task-authorization procedures. For administrative guidance or clarification, the employee's points of contact are the **Finance Officer, Board President, and Board Vice President, in that order.**

On-Call and Emergency Work

Once trained for snow-removal operations and once the necessary Town equipment is in place, the employee will be subject to call-out for snow and ice removal.

Following completion of the apprenticeship, the employee will be expected to maintain **24/7 availability for public works emergency call-outs.**

There is no separate standby compensation. An employee who is called out will receive a **minimum of one hour of paid time** for the response.

Compensation

Starting wage: \$24.00 per hour

Hours worked over 40 in a workweek are paid at **1.5 times the regular hourly rate.**

Hours actually worked on applicable federal or state holidays are paid at **2 times the regular hourly rate.**

Premium rates do not stack. **Double time is the maximum applicable hourly rate.**

Benefits

Full-time employees are eligible for the Town's benefit package, which currently includes:

- **Employee-only health insurance premium paid 100% by the Town**
- Current HSA-qualified health plan has a **\$3,500 deductible**
- Town contribution of **\$75 per month to the employee's HSA**
- **\$200 per month stipend** for selecting the least-expensive available Town health insurance plan
- **South Dakota Retirement System:** Town contributes 6% of wages and employee contributes 6%; vesting after three years
- **Vacation:** accrues at 4.3333 hours per twice-monthly pay period, with up to 120 hours carried over
- **Sick leave:** accrues at 8 hours per month, available for use after three months of employment, with up to 240 hours carried over

This is an **at-will position** and includes a **three-month probationary period**. Completion of the probationary period does not change the employee's at-will employment status.

How to Apply

Applications may be submitted through **Indeed** or through the **Town of Hermosa Office** using conventional application materials such as an employment application and/or résumé.

Open until filled. Applications will be reviewed as received.

Applicants interested in building a long-term career in municipal infrastructure, utilities, equipment operation, and public service are encouraged to apply.

Town of Hermosa, South Dakota



AD

SCHEDULE OF RATES ATTACHMENT #1

<u>Hourly Rate</u>		<u>Hourly Rate</u>		<u>Hourly Rate</u>	
<u>Engineers</u>		<u>Planners</u>		<u>Technicians</u>	
ENG I	\$ 137.00	PLANNER I	\$ 125.00	TECH I	\$ 92.00
ENG II	\$ 152.00	PLANNER II	\$ 150.00	TECH II	\$ 107.00
ENG III	\$ 167.00	PLANNER III	\$ 175.00	TECH III	\$ 122.00
ENG IV	\$ 182.00	PLANNER IV	\$ 200.00	TECH IV	\$ 137.00
ENG V	\$ 197.00	PLANNER V	\$ 225.00	TECH V	\$ 152.00
ENG VI	\$ 212.00			TECH VI	\$ 167.00
ENG VII	\$ 227.00	<u>Landscape Architects</u>		TECH VII	\$ 182.00
ENG VIII	\$ 242.00	LA I	\$ 120.00	TECH VIII	\$ 197.00
ENG IX	\$ 262.00	LA II	\$ 140.00	TECH IX	\$ 212.00
ENG X	\$ 280.00	LA III	\$ 160.00	TECH X	\$ 235.00
		LA IV	\$ 180.00		
		LA V	\$ 200.00	<u>GIS</u>	
<u>Surveyors</u>				GIS I	\$ 120.00
SURV I	\$ 113.00	<u>Funding</u>		GIS II	\$ 140.00
SURV II	\$ 128.00	FUNDING I	\$ 125.00	GIS III	\$ 160.00
SURV III	\$ 143.00	FUNDING II	\$ 150.00	GIS IV	\$ 180.00
SURV IV	\$ 158.00	FUNDING III	\$ 175.00	GIS V	\$ 200.00
SURV V	\$ 173.00	FUNDING IV	\$ 200.00		
SURV VI	\$ 188.00			<u>Information Technologists</u>	
SURV VII	\$ 203.00	<u>Administrative</u>		IT I	\$ 145.00
SURV VIII	\$ 218.00	ADMIN I	\$ 93.00	IT II	\$ 195.00
SURV IX	\$ 233.00	ADMIN II	\$ 100.00		
SURV X	\$ 255.00	ADMIN III	\$ 107.00	<u>Expert Witness</u>	\$ 400.00

CHARGEABLE EXPENSES

Subsistence	Actual cost	Travel Vehicle	\$0.85 per mile
Subconsultant Services – Geotechnical ...	Actual cost plus 15%	Survey Vehicle	\$0.95 per mile
Subconsultant Services – Other.....	Actual cost plus 10%	ATV	\$75.00 per day
Survey Materials Required	Actual cost plus 25%	ATV with Tracks	\$125.00 per day
Plat Certification per Certification	\$35.00	UTV.....	\$150.00 per day
Recordation per Monument.....	\$35.00	UTV with Tracks	\$200.00 per day
24" x 36" Prints per Page	\$9.00	Snowmobile	\$200.00 per day
Other Miscellaneous Project Expenses	Actual cost		

Any and all sales and use tax, TERO or other special fees which apply to this contract.

01/11/2026

Professionals You Need, People You Trust.