

**HERMOSA TOWN BOARD
TUESDAY, DECEMBER 19, 2023
REGULAR MEETING @ 6:00pm**

A ROLL CALL: Styles called the meeting to order on Tuesday, December 19, 2023, at 6.00 pm with the following members present: Ferguson, Henrichsen, Holsworth and Kramer. Attorney Johnson also present. Interested citizens also present. Pledge of Allegiance led by Styles.

CALL FOR CHANGES: Motion made and seconded to approve agenda as amended (to move agenda items 16 E under 7B): vote; all ayes, motion carried.

SPECIAL ITEMS: None.

CONSENT CALENDAR: Motion made and seconded to approve December 5, 2023, BOT regular meeting minutes and December 13, 2023, special meeting minutes; discussion. Holsworth requested it be noted his insurance is \$3 million per occurrence, double reoccurrence – he asked that be noted as discussed in Trustee Input in December 5, minutes. Vote on amended 12-5-23 minutes: vote; 3 ayes, Henrichsen and Ferguson, nay; motion carried.

CONFLICT OF INTEREST DECLARATION: Board members are responsible to refrain from discussion and voting on agenda items that they may have a conflict of interest with.

BID AWARD. Pump & Haul Operations for Lagoon Effluent Level Control Operations. Motion made and seconded to award the Effluent Level Control Contract to Hills Septic Service, the lowest bidder at 7.5 cents per gallon including pumping, a minimum of 500,000 gallons and a maximum of 3,000,000 gallons, at a maximum daily haul rate of 50,000 gallons per day. The minimum dollar amount of the award will be \$37,500. Vote; all ayes, motion carried. Motion made and seconded to remove item from agenda: vote; all ayes, motion carried.

BID OPENING: Town Office Lease, bid opening. Chair responsibility turned to Henrichsen. Henrichsen performed the bid openings and requested the finance officer to record bids. The town received one bid on the property by: Triple J&K Properties, LLC, for \$14,400.00 per year.

Attorney advised the town they must perform a Notice of Intent to Lease and hold a Public Hearing. Public Hearing may be held at the next board meeting. Chair responsibility turned back to Styles.

CLAIMS: Motion made and seconded to approve December 19, 2023, Payroll and Claims as presented. Vote; all ayes, motion carried. GOLDEN WEST TECHNOLOGIES , Email issues \$450.00, MT RUSHMORE TELEPHONE, Phone/internet, \$255, PIONEER BANK & TRUST, Office Supplies, 2 Sig. accts. \$884.48, SDML Workers' Comp Fund, Membership Dues, Renewal \$1,104.18, DANR Wastewater Discharge permit \$50.00, Accounts Payable Total \$2,743.78, Payroll related : Financial administration, \$5,678.48, EFTPS- FED/FICA TAX, \$1,733.86, Payroll Related Total \$7,412.34, REPORT TOTAL \$10,156.12 GENERAL \$9,824.12, WATER \$141.00, SEWER \$191.00 TOTAL FUNDS \$10,156.12.

LAW ENFORCEMENT/ABATEMENTS/COMPLAINTS: Marshal's Report, none. Custer County log provided in packet. Concern with not seeing county law enforcement activity in town, no action. Abatements: there is an issue with prairie dogs in property in west Hermosa, letter sent to property owner regarding the prairie dog issue. The town requested a deadline of January 8, 2024, to take care of the problem. Issues not in compliance by the deadline will be remedied by the town and assessed to the property owner. Concern with yard waste dumpsters being filled with debris from citizens who may not live within the city limits; no action. Concern with properties where vehicles are parked on sidewalks on Second Street. Action: trustee to place a courtesy call.

LEGAL: Engineer expense reimbursement. Ordinance 50.01, town to charge for new heads on electronic meters. This item on agenda to discuss who will be responsible for the cost of the new heads. The current ordinance stipulates the expenses will be incurred by water users. Discussion. Attorney advised town to follow its ordinance. Motion made and seconded to table this issue until the town has an opportunity to research grants to have the ability to not charge citizens for the meter replacements; vote; all ayes, motion carried. Law Enforcement with 3rd Class Municipality: "SDCL9-29-2 Regulation of police of municipality. Every municipality shall have power to regulate the police of the municipality and pass and enforce all necessary police ordinances" Attorney interprets SDCL, Chapter 9:29 as municipalities are not required by law to have law enforcement. Discussion. No action.

ENGINEER: Hermosa Sidewalk Project, pending final bill from SD DOT. Town of Hermosa Water and Sewer Extension Project; pending. Approval for KLJ to develop task orders; deadline TBD. Lagoon bidding and construction management: No update from: Conditional Letter of Map Revision prepared by KLJ and sent to FEMA. Once approved, it will be sent to SDDANR. At that time DANR will approve the FONSI which will be posted in the Custer Chronicle with a 30-day waiting period before construction can start. Engineering staff reports/office staff: One completed task review of Permit 2023-27-Plat Application-24549 SD Hwy 79-Parcel 004135, one open task review of the FEMA grant request is on-going.

Evaluate lift station at Ferguson Subdivision for storm issues. A FEMA design grant is being requested.

Feasibility study for tying into SBHW to submit to SDDANR funding/grants, pending.

Feasibility study for placing water and sewer along Whitney Street from east of RR to Hwy 79 to submit to SDDANR for funding/grants: pending.

Feasibility study for evaluating (stormwater along Whitney and road replacement) the intersection of Whitney and 2nd St to Hwy 79 for SDDOT for funding /grants: working on grant from FEMA for the design.

Hwy 79 sewer repair bidding and construction mgmt.: pending.

Motion made and seconded to request KLJ to prepare a cost estimate and draft task order to update the comprehensive plan.

Discussion. Vote; two ayes, Holsworth, nay, Kramer, nay, Styles, nay; motion failed.

PLANNING & ZONING: Dec 12, 2023, P&Z minutes are in packet for reference. Permit 2023-26, Informational Permit, 465 Manning St. Owner will install 2nd meter in basement, provided by the town and paid for by the owner. Chair to Henrichsen: Motion made and seconded to approve Permit 2023-27, Plat Application: 24549 SD Hwy 79, Parcel 004135, discussion. Vote; four, ayes, one, abstained; motion carried. Motion made and seconded to remove, Permit 2023-26 – Informational Permit and Permit 2023-27, Plat Application, from the agenda; vote; all ayes, motion carried. Styles resumed Chair responsibility from Henrichsen.

PUBLIC WORKS: Committee report, status of setting up lagoons B & C to run in surcharge. Ferguson provided updates. Discussion regarding tree in sewer easement; Holsworth to obtain estimate on killing roots. Discussion regarding repairing the water line at 355 Main Street; request citizen to send a letter to town allowing public works to enter their property. Bolted Tank Interior Floor Reseal, pending. Open work orders, no action.

FINANCE OFFICE: Monthly financials provided in packet. SBI follow up, move to Tracking Items. Grant research, pending. Tracking items, pending. Discussion regarding proceeding with 2022/2023 audit; concern that the town must comply with the requirements set forth with the town's federal loans. Attorney advised the town would be in compliance. Motion made and seconded to approve CPA to proceed with 2022/2023 audit, this year only; vote; all ayes, motion carried. FYI: two computers were purchased for the town office. Discussion of holiday pay for part-time employees; to be placed on next agenda; no other action.

OLD BUSINESS: Voluntary Annexation: Boddicker working on obtaining signatures from citizens who wish to pursue voluntary annexation. The plan is to hold a public hearing in January in order to move forward with annexation. Hermosa Connects: will be hosting a Mixer on January 16, 2024, 5:00 to 7:00 p.m. The first Christmas decorating contest completed. Selected June 22, 2024, for the June Vendor Fair and Hermosa Community Yard Sale events.

NEW BUSINESS: SBHW presentation, pending. Headwaters Economics and KLJ propose the following tasks be included in the Hermosa grant application: Task 1 – Feasibility Analysis of multiple projects with benefit cost analysis (may include alternatives) Sanitary Sewer Assessment - Ferguson Subdivision West Court Drainage Improvements Fairgrounds Place Drainage Improvements Whitney and Second Street Drainage Improvements. Task 2 – Conceptual Plan Development of preferred alternative (multiple projects). Task 3 – Due Diligence / Environmental Planning (Desktop NEPA clearances). Task 4 – Design (multiple projects - pending BCA findings) tentative schedule put together by Headwaters for the grant application process. Andersen Engineers Survey; Locate 9 Corners, pending. Town office camera system investigation, pending Styles and Ferguson walk through. Requirement drainage on Lone Coyote Development and Carriage Hills, pending KLJ review. 2nd Reading, 2023 Supplemental Ordinance. Motion made and seconded to approve the 2023 Supplemental Ordinance: vote; all ayes, motion carried. Town Office parking/lower level, pending. Motion made and seconded to table and move item to tracking, "Town Office parking/lower level; vote; all ayes, motion carried. Temporary Lagoon Construction Easement Neugebauer Brother's Dairy: easement was signed and it must be recorded. Motion made and seconded to approve refunding Ferguson for the expenses (less town expenses) he incurred when he applied for rezoning property on Whitney Street earlier in 2023; vote; one, nay; one, abstained; three, ayes; motion carried. Motion made and seconded to reassign Holsworth's committee memberships, Streets to Ferguson (Donna) and Sewer to Holsworth; discussion. Kramer made a substitute motion to request Holsworth not be removed from the Sewer Committee, no second. Vote on original motion to reassign Sewer and Streets Committees: two, nays, three, ayes; motion carried. Motion made and seconded to request Black Hills Recovery Network to provide financial reports/bank statements for the past five years by the first meeting in January 2024, so the BOT members can determine if the town will continue to provide support of any kind for printing of the Hermosa Newsletter, discussion. Vote; all ayes, motion carried. Purchasing equipment for performing locates, pending. Temporary ramp for lagoon, Chucks work will be time and materials supported by receipts. Building Resilient Infrastructure and Communities: discussion and designation of Application Agent(s) Reading of 07-2023 Resolution, motion made and seconded to approve Resolution 07-2023; vote; all ayes, motion carried. Motion made and seconded to remove the following items from the agenda: Leasing Town Shop, Request for advertising for pumping lagoon, 2nd Reading: 2.075A, Hermosa Board of Trustees changes to January 2024 meeting dates, BBB Funds, Temporary Lagoon Construction Easement Neugebauer Brother's Dairy, Ferguson Reimbursement of Zoning Permit money less actual town expenses, Reassignment Holsworth's committee memberships, Temporary ramp for lagoon and Building Resilient Infrastructure and Communities; vote; all ayes, motion carried.

ITEMS FROM CITIZENS: Special thanks to the board for their service.

TRUSTEE INPUT: Holsworth: entertaining, never surprising meeting; Ferguson: none; Kramer: wishing everyone a safe and wonderful holiday; Henrichsen: everyone is working hard and appreciates the time the board puts in, happy holiday; Styles: thank you to everyone for being on time, thanks for the input from everyone, thanks to Attorney.

EXECUTIVE SESSION: None.

ADJOURN: Motion made, seconded, to adjourn the meeting at 8:42 pm; vote: all ayes, motion carried.

ATTEST:

Gail Boddicker, Finance Officer

Jerry Styles, Town Board President

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