

**HERMOSA TOWN BOARD
TUESDAY, DECEMBER 2, 2025
REGULAR MEETING @ 6:00pm**

ROLL CALL: Koontz called the meeting to order on Tuesday, December 2, 2025, at 6:01 p.m. Roll Call was held with Ferguson, Koontz and Serviss in attendance. Kramer was absent. Interested citizens, Town Attorney James and Town Engineer Theodorou were also present. Pledge of Allegiance led by Koontz.

CALL FOR CHANGES: Motion by Koontz and seconded by Ferguson to move Item 8G Vaktor truck proposal to Item 6B Engineer ATAC 2025-2030 Operations Contract for Water/Sewer and approve agenda as amended; vote: two aye and one abstain, motion carried.

CONSENT CALENDAR: Motion by Ferguson and seconded by Serviss to approve November 18, 2025, regular meeting minutes and November 23, 2025, special meeting minutes as presented; vote: all aye, motion carried.

CONFLICT OF INTEREST DECLARATION: All board members are responsible for refraining from discussion and voting on issues where they may have a conflict of interest.

TOWN/FEMA UPDATES: Motion by Serviss and seconded by Ferguson to table Items 5A Approve dismissal of Benesch 2025 Hermosa Drainage and Sewer Assessment and Improvement Plans Award from July 22, 2025, regular BOT meeting until the next regular BOT meeting; vote: all aye, motion carried. Motion by Serviss and seconded by Ferguson to table Item 5B Approve re-advertisement of Request for Proposals for 2025 Hermosa Drainage and Sewer Assessment Plans until the next regular BOT meeting; vote: all aye, motion carried.

ENGINEER: Discussion was held on the status of business and professional licenses for Anthony Theodorou and Company. Motion by Koontz and seconded by Ferguson to approve the ATAC On-Call Building Official Consulting Service Agreement in the amount of \$7,410. Motion was amended by Koontz and seconded by Serviss to add approval contingent upon ATAC license active through the state; vote on amendment: all aye, motion carried. Vote on original motion: all aye, motion carried. Serviss presented his Vaktor truck proposal. There is a concern about liability insurance and that will be researched. Motion by Koontz and seconded by Ferguson to approve ATAC 2025-2030 Operations Contract for Water/Sewer with the contingency of ATAC license active through the state; vote: all nay, motion failed. Theodorou will prepare a one-year contract and present at the next regular meeting. Motion by Koontz and seconded by Serviss to approve ATAC 2026 On-Call Planner and Grant Writer Consulting Services Agreement in the amount of \$71,860, with the contingency that ATAC license active through the state; vote: all aye, motion carried.

PLANNING & ZONING: No items presented.

PUBLIC WORKS: Serviss reported he is continuing repair of roads. The Christmas decorations that were received from Rapid City have been tested and there are currently 17 ready to be placed on streetlights. The town did receive a total of 27 decorations and 24 brackets. There has been a report of another booster pump leaking and discussion was held on getting all the leaking booster pumps fixed. The town will need to replace the leaking pumps. Theodorou reported that the WWTP transmission has been shipped and the wastewater treatment plant should be operational by Christmas. Theodorou is also preparing and RFP for the new Madison well and the water treatment plant. The open work orders were provided in the packet. Kel is working with Holsworth to identify work that was done on street maintenance and billing for the use of equipment. Motion by Serviss and seconded by Koontz to approve creation of door hangar for notification to residents affected when public utilities work is being performed; vote: all aye, motion carried. The town is continuing to formulate list of duties for a potential town public works employee.

CLAIMS: Motion by Serviss and seconded by Ferguson to approve the Payroll and Claims as presented: vote: all aye, motion carried. A & B BUSINESS, monthly printer/fax fee, \$554.05; ATAC, engineering fees for SWSRF/WTP/new well/TIF #2, 9,680.00; BANK WEST, monthly classic web banking fee, \$25.00; BANKWEST CREDIT CARD, keys/stamps/adobe/staples/copy paper/certified mail/gear box for WWTP, \$5,843.32; BATTLE CREEK FIRE DEPARTMENT, July/August/September TIF #1 taxes, \$762.60; VONDA BELT, reimburse Lysol cleaning supplies, \$6.03; BENESCH, final invoice engineering fees for Lone Coyote Water & Sewer, TIF #2, Watersmart Grant, FY22 DWSRF, North Water Tank, and Wastewater Treatment Plant, \$10,178.26; BLACK HILLS ELECTRIC, electric utilities October 2025, \$2,862.18; CUSTER COUNTY AUDITOR, July/August/September TIF #1 taxes, \$2,458.08; CUSTER SCHOOL DISTRICT, July/August/September TIF #1 taxes, \$8,998.65; DOOR SECURITY PRODUCTS, set up ICNow on camera system, \$168.37; CHUCK FERGUSON, contract services November 2025, \$3,120.00; HERMOSA ARTS & HISTORY ASSOCIATION, \$500.00; RURAL DEVELOPMENT, RD1 Loan-November 2025 interest & principal, \$1,278.00; RD2 Loan-November 2025 interest & principal, \$417.00; RD3 Loan-November 2025 interest & principal, \$222.00; SD DEPARTMENT OF REVENUE, sales tax September/October 2025, \$291.95; SOUTH DAKOTA MUNICIPAL LEAGUE, 2026 annual membership dues, \$661.00; SD PUBLIC ASSURANCE ALLIANCE, annual liability and property insurance premium, \$19,076.32; TOWN OF HERMOSA, reinvestment of CD funds, \$140,501.08; **Accounts Payable Total: \$207,603.89.** Payroll related: Total Paid on 11/28/2025; General, \$4,448.82; Water, \$301.47; Sewer, \$102.91; Promoting City/BBB, \$34.30; EFTPS-Electronic Federal Tax, \$1,246.78; FED/FICA TAX, \$1,295.76; HEALTH POOL OF SD, \$1,043.57; **Total Payroll Related Paid: \$8,473.61. REPORT TOTAL: \$216,077.50.**

LAW ENFORCEMENT/ABATEMENTS/COMPLAINTS: No marshal report was given. The Custer County log was provided in the packet.

LEGAL: Motion by Koontz and seconded by Ferguson to appoint Scott James as Town Attorney; vote: all ayes, motion carried. James provided the board with a new resolution for the water rate structure to include historical and religious rates and an application for historic/religious water user status. A new resolution for both water and sewer rates will be presented at the next regular meeting.

BREAK: The board took a ten-minute break and reconvened at 8:20 p.m.

ECONOMIC DEVELOPMENT: Serviss gave an update from the Hermosa Connects meeting he attended. There will be an information forum regarding the ambulance district proposal on December 10, 2025. A cemetery clean-up day will be scheduled for April 15, 2026, or April 25, 2026.

FINANCE OFFICE: Monthly financials are delayed until the next regular meeting. Cornelison reported that interviews for the vacant administrative assistant position will be conducted this week. The board approved the two-year audit proposal from Independent Audit Services at the last meeting. More research will be done on switching vendors for phone and internet services as Midco cannot provide the phone service.

OLD BUSINESS: Motion by Koontz and seconded by Serviss to table the approval of water tap for neighborhood referred to as East Hermosa Water Users until the next regular meeting; vote: all aye, motion carried.

NEW BUSINESS: The second reading of Ordinance 73: Traffic Schedules was held. Motion by Serviss and seconded by Ferguson to approve; vote: all aye, motion carried.

CHAPTER 73: TRAFFIC SCHEDULES

Schedule

I. Speed limits

SCHEDULE I. SPEED LIMITS.

(A) It shall be unlawful for any person or persons, except law enforcement officers while on duty, or emergency services personnel while operating an emergency vehicle, to drive or operate any automobile, truck, motorcycle or other vehicle at a speed greater than the posted speed limit through the corporate limits of the town within a zone marked by highway speed signs.

(B) Upon conviction of a violation of division (A) above, the person shall be punished by a fine in an amount set by the Board of Trustees, as per the current fee schedule, or by imprisonment for a period not exceeding 30 days or by both a fine and imprisonment.

(Ord. 7, passed 6-6-1949; Ord. passed 8-5-1974, Amended by Ordinance 12-2-2025)

The board discussed a fee schedule to accompany this Ordinance. More research will be needed to determine the fees.

CITIZENS/TRUSTEE INPUT: Audience and trustees had input. For full verbiage, please see the video recording posted on the town’s You Tube channel. A video presentation of the lagoon expansion project was played and will be made available on the town YouTube channel.

EXECUTIVE SESSION: No Executive Session was held.

ADJOURN: Motion made by Koontz and seconded by Ferguson to adjourn meeting at 9:06 p.m., vote: all aye, motion carried.

ATTEST:

Terri Cornelison
Finance Officer

Kelburn Koontz
Town Board President

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