

HERMOSA TOWN BOARD
TUESDAY, MAY 5th, 2026
REGULAR MEETING @ 5:30 p.m.



ROLL CALL: Koontz called the meeting to order on Tuesday, May 5th, 2026, at 5:30 p.m. Roll Call was held with Ferguson, Koontz, Serviss and Matheny in attendance. Kramer attended via the telephone. Interested citizens, Town Engineer Theodorou were also present. Pledge of Allegiance led by Koontz.

CALL FOR CHANGES: Motion by Koontz and seconded by Matheny to table Item 8A Approve Digging Permit for Parcel #009263 – K. Koontz, 15B Review Water and Sewer Resolutions, Item 16B Discuss if companion dogs must be licensed and approve agenda as amended: vote: all aye, motion carried.

CONSENT CALENDAR: Motion by Matheny and seconded by Kramer to approve the April 21, 2026, regular meeting minutes and April 28, 2026, special meeting minutes as presented. Motion was amended by Serviss and seconded by Ferguson to include roll call votes for motions related to Black Hills Recovery Network in the April 28, 2026, special meeting minutes; vote on amendment: four aye and one abstain, motion carried. Vote on original motion: four aye and one abstain, 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. Koontz noted that there will be roll call voting for any agenda items that may have a conflict of interest.

LEGAL: No items were presented.

TOWN/FEMA UPDATES: Town Engineer Theodorou gave an update on the FEMA BRIC Grant. He has a new floodplain administrator assisting with the grant and will introduce at a future meeting. More drone footage is needed to update the model.

ENGINEER: No items presented.

PLANNING & ZONING: The board reviewed the extraterritorial area Custer County Building Permit for parcel #015778 – Black Hills Electric Cooperative. The board welcomes Black Hills Electric Cooperative to the area and there is concern about the traffic flow on Highway 40, where the new building will be located.

WATER/SEWER DEPARTMENT: Theodorou gave an update on water. Concrete pad has been poured for the new North Water Tank, and the floor will be poured this week. There are currently no issues with our functioning well. Sewer updates included a video from John Burckhard showing improvements made at the Wastewater Treatment plant. Motion by Matheny and seconded by Ferguson to approve building inspection fee of \$477.90 for the Wastewater Treatment plant from Rushmore Inspection Services; vote: all aye, motion carried. Motion by Matheny and seconded by Koontz to approve a budget not to exceed \$500 for an electrical inspection of the Wastewater Treatment plant; vote: all aye, motion carried.

PUBLIC SERVICES DEPARTMENT: Koontz received a quote from Dakota Asphalt for possible street work and is working on getting more quotes from other vendors. Discussion was held on possibility of using hot mix that the Department of Transportation may have available. There are currently no streetlights in need of repair. Open work orders were reviewed.

LAW ENFORCEMENT/ABATEMENTS/COMPLAINTS: Serviss stated the town no longer has a Town Marshal due to the resignation of Alias.

ECONOMIC DEVELOPMENT: Serviss attended the Hermosa Connects and Hermosa Area Growth & Development Inc. meeting last night. There will be another forum meeting regarding the proposed new

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ambulance district at the Hermosa School on Wednesday, May 6, 2026, starting at 6:30 p.m. The next meeting for Hermosa Connects is June 6, 2026, at the HAHA building.

CLAIMS: Motion by Serviss and seconded by Ferguson to suspend claim from ATAC for FEMA BRIC Grant in the amount of \$36,367.00; vote: two ayes and three nays, motion failed. Motion by Kramer and seconded by Ferguson to research the FEMA BRIC Grant payment and pend until the next regular meeting; vote: four aye and one nay, motion carried. Motion by Koontz and seconded by Matheny to approve Payroll for April 30, 2026, and Claims for May 5, 2026, sans the ATAC FEMA BRIC Grant payment in the amount of \$36,367.00; vote: three aye, one nay and on abstain, motion carried.

Vendor	Reference	Amount
A&B SOLUTIONS	Monthly printer/fax/fee	\$ 554.05
ATAC	Engineering Water/Sewer/Planner	\$20,090.00
Bank West Credit Card	Name plate/SDML mtg/Adobe/Stamps	\$ 516.86
Black Hills Electric	Electric – General/Streets/Water/Sewer	\$ 3,264.10
Rural Development	R1 Loan – April 2026 Principal/Interest	\$ 1,278.00
Rural Development	R2 Loan – April 2026 Principal/Interest	\$ 417.00
Rural Development	R3 Loan – April 2026 Principal/Interest	\$ 222.00
US Bank	SRF Quarterly Payment	<u>\$ 1,493.23</u>
Accounts Payable Total		\$ 27,835.24

Payroll Related

Total Paid on:04/30/2026

	Legislative, Financial Admin, Govt Bld	\$ 3,949.58
	Water	\$ 485.72
	Sewer	\$ 241.15
	Promoting City/BBB	\$ 80.38
Health Equity	HSA	\$ 62.50
Health Pool of SD	FO Single Health Insurance	\$ 875.96
EFTPS	Fed/FICA Tax	\$ 1,240.44
SDRS	Retirement	\$ 989.68
National Life Insurance	Life Insurance	<u>\$ 50.00</u>
Payroll Total		\$ 7,975.41

Report Total: \$ 35,810.65

FINANCE OFFICE: Monthly financial reports will be provided at the next regular meeting. Motion by Matheny and seconded by Koontz to approve and authorize board president to sign the SDPAA Insurance Renewal; vote: all aye, motion carried.

OLD BUSINESS: Discussion was held on several barking dog complaints received in the office. Motion by Serviss and seconded by Matheny to grant Abatement Committee/Code Enforcement administrative authority as animal control officer; vote: four aye and one abstain, motion carried. Motion by Koontz and seconded by Matheny to make current barking dog complaints received to date as valid; vote: four aye and one abstain, motion carried. Motion by Koontz and seconded by Serviss to table Item 15C Review and make recommendations – Harassment letter, until the next regular meeting; vote: all aye, motion carried.

NEW BUSINESS: The second reading of Ordinance 2.078A Supplemental Appropriations Ordinance was held.
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ORDINANCE NO. 2.078B
SUPPLEMENTAL APPROPRIATION ORDINANCE

Be it ordained by the Town of Hermosa that the following sums are supplementally appropriated to meet obligation of the municipality.

<u>EXPENDITURES</u>		General Fund Fund 101
41410	<u>Legal</u> Professional Fees	\$ 27,000.00
	Total Legal	<u>\$ 27,000.00</u>
42100	<u>Law Enforcement</u> Wages	\$(27,000.00)
	Total Law Enforcement	<u>\$(27,000.00)</u>
<u>Total Appropriations</u>		<u>\$ 0</u>

The following designates the fund or funds to which the money derived from the following is applied.

<u>REVENUE</u>	General Fund Fund 101
<u>SOURCE OF FUNDING</u> Unassigned Fund Balance	\$ 0
<u>TOTAL MEANS OF FINANCING</u>	<u>\$ 0</u>

Dated 28th day of April, 2026

ATTEST:

Terri Cornelison, Finance Officer

Kelburn Koontz, Board President

Vote: Kramer: Aye

Koontz: Aye

Ferguson: Aye

Serviss: Aye

Matheny: Aye

Motion by Koontz and seconded by Matheny to approve as presented: vote: all aye, motion carried.

ITEMS FROM CONSTITUENTS: Jerry Styles thanked the board for a good meeting and commended the office staff for their excellent customer service. Marjorie Jurens questioned the amount of water being hauled for the new Black Hills Electric building and recommended the board taking action for the barking dog complaints. Dan Holsworth stated he appreciated the board's professionalism and spoke regarding the hot mix from DOT being used at the Wastewater Treatment plant.

TRUSTEE INPUT: Matheny advised citizens to call Custer County regarding vicious dogs and thanked everyone for a great meeting. Kramer agreed it was a good meeting and agreed with Matheny on calling Custer County for vicious dogs. Serviss thanked the citizens for attending and stated it was a good meeting. Ferguson's biggest concern is the issues with barking and vicious dogs. Koontz stated it was a good meeting.

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EXECUTIVE SESSION: Motion by Koontz and seconded by Serviss to enter into Executive Session allowable by SDCL 1-25-2.3 – Legal at 7:20 p.m.; vote: all aye, motion carried. Motion by Serviss and seconded by Matheny to exit Executive Session at 7:36 p.m.; vote: all aye, motion carried. There were no motions made from Executive Session. Motion by Koontz and seconded by Matheny to enter into Executive Session allowable by SDCL 1-25-2.1 – Personnel at 7:37 p.m.; vote: all aye, motion carried. Motion by Koontz and seconded by Ferguson to exit Executive Session at 8:05 p.m.; vote: all aye, motion carried. Motion by Matheny and seconded by Serviss to give stipend to Brylee Camire for \$400 per month and Terri Cornelison a stipend of \$200 per month while she is on her HSA. Motion amended by Matheny and seconded by Serviss to add the stipend is for health insurance cost reduction. Vote on amendment: four aye and one abstain, motion carried. Vote on original motion: four aye and one abstain, motion carried.

ADJOURN: Motion made by Koontz and seconded by Ferguson to adjourn meeting at 8:10 p.m., vote: all aye, motion carried.

ATTEST:

Terri Cornelison
Terri Cornelison
Finance Officer

Kelburn Koontz
Kelburn Koontz
Town Board President

Published once at the approximate cost of _____.