

**HERMOSA TOWN BOARD
TUESDAY, SEPTEMBER 23, 2025
REGULAR MEETING @ 6:00pm**

ROLL CALL: Koontz called the meeting to order on Tuesday, September 23, 2025, at 6:00 p.m. Koontz stated Harris had submitted her resignation on September 5, 2025. At the time, the board was not privy of how the state statues apply. After reviewing SDCL 3-4-2 section 5, Koontz stated that since the resignation was delivered to the town clerk, the board has to consider the resignation effective immediately, as was stated in the resignation. Harris stated her opposition and that she was coerced into resigning. Discussion was held and Harris was asked to remove herself from sitting with the board. Roll Call was held with Kramer, Ferguson, Koontz and Serviss in attendance. Interested citizens, Town Engineer Theodorou and Town Attorney Hagg were also present. Pledge of Allegiance led by Koontz.

CALL FOR CHANGES: Motion by Serviss and seconded by Ferguson to table indefinitely Item 15C Approve New Contract for Ferguson and add Item 12 E Meter Reading position and approve agenda as amended; vote: all aye, motion carried.

CONSENT CALENDAR: Motion by Koontz and seconded by Ferguson to correct the date under New Business to September 16 instead of September 26 and approve the September 9, 2025, regular meeting minutes 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.

TOWN/FEMA UPDATES: Joan Harris gave an update on the Safe Walk to School event to be held October 8, 2025. Volunteers are still needed and anyone who can help is encouraged to contact Joan.

ENGINEER: Motion by Koontz and seconded by Serviss to table Item 6A Approve Modification to Drop Box to protect transmission and motor until more information is received; vote: all aye, motion carried. Motion by Ferguson and seconded by Serviss to approve the Benesch On-Call Planner agreement in the amount of \$15,600 and the Benesch On-Call Building Official agreement in the amount of \$7,500; vote: all aye, motion carried. Motion by Koontz and seconded by Serviss to set the transition date for new Benesch building permit fees to be July 8, 2025, and to approve Ferguson Construction Inspection payments for 340 Whitney Street; vote: three aye and Ferguson abstained, motion carried. Motion by Ferguson and seconded by Serviss to approve Baroque Advantage LLC Pay Application in the amount of \$39,599.56; vote: all aye, motion carried. Motion by Ferguson and seconded by Koontz to approve the Amended FEMA BRIC award breakdown for Benesch; vote: all aye, motion carried.

PLANNING & ZONING: No items were presented.

PUBLIC HEARING: The Public Hearing was opened at 6:46 p.m. for the consideration of a new Retail (on-off sale) Malt Beverage & SD Farm Wine license and a new Retail (on-sale) Liquor License from Whiskey Creek Saloon LLC. Motion by Serviss and seconded by Koontz to approve the new Retail (on-off sale) Malt Beverage & SD Farm Wine license from Whiskey Creek Saloon LLC for submission to the South Dakota Department of Revenue; vote: three aye and Ferguson abstained, motion carried. Motion by Kramer and seconded by Serviss to approve the new Retail (on-sale) Liquor license from Whiskey Creek Saloon LLC for submission to the South Dakota Department of Revenue; vote: three aye and Ferguson abstained, motion carried.

CLAIMS: Motion by Kramer and seconded by Ferguson to approve the Payroll and Claims as presented. BENESCH, WWTP/Lagoon Expansion/North Water Tank/FY22 DWSRF Project/Tax Increment #2/Comprehensive Plan Engineering Fees/Water and Sewer Operations Contract and On-Call Inspections, 16,733.50; CONNIE LEIMER, Trap/Neuter/Release Program, \$82.00; D & R SERVICE, Air Conditioning

service call, \$1,066.69; DANR, Drinking Water Annual Permit Fee, \$100.00; FEDEX, shipping for WWTP panels, \$231.60; HAWKINS, Deldrum/Hypochlorite water chemicals, \$597.05; KIEFFER SANITATION, monthly sanitation fee for August 2025, \$4,175.73; MG OIL COMPANY, fuel for Marshal vehicle, \$172.09; MT RUSHMORE TELEPHONE, Phone & Fax Invoice 13671575, 13677824, 13685520, \$260.95; SOUTH DAKOTA DEPT. OF REVENUE, sales tax for July and August 2025, \$601.61; SOLBERG KNOWLES & ASSOCIATES, level sensor for drop box, \$43,571.00; TEMPERATURE TECHNOLOGY, repair control box south lift station, \$278.00; **Accounts Payable Total: \$67,870.22.** UTILITY DEPOSIT REFUNDS: MICHAEL BRUCE, \$125.00; **Deposit Refund Total: \$125.00.** Payroll related: Total Paid on 9/15/2025; General, \$2,621.52; Water, \$144.04; Sewer, \$86.42; Promoting City/BBB, \$28.81; EFTPS-Electronic Federal Tax, FED/FICA TAX, \$756.18; **Total Payroll Related Paid: \$3,636.97. REPORT TOTAL: \$71,632.19.**

LAW ENFORCEMENT/ABATEMENTS/COMPLAINTS: Marshal Alias gave a Marshal's report. Motion by Serviss and seconded by Ferguson to approve the cost of phone and internet for the Marshal's Office at an estimate of \$135.38 per month; vote: all aye, motion carried.

LEGAL: Attorney Hagg stated he volunteered his time for this meeting to make his comments regarding the acknowledgement of Harris' resignation. Mr. Hagg presented a letter from Bangs, McCullen, Butler, Foye & Simmons, L.L.P. confirming that he is currently a fully licensed attorney-at-law in South Dakota. Mr. Hagg tendered his resignation as Town Attorney in protest of the Board's recognition of Harris's resignation.

BREAK: The board took a ten-minute break and recessed at 7:20 p.m.

PUBLIC WORKS: Ferguson reported on two streetlights that had been repaired and one that is still in need of repair. The hydraulics of the Vak Truck are currently being worked on and when repaired it will be used for jetting. Serviss reported on current street work done on Taz Court. Koontz reported that he had received information from Dan Holsworth regarding his proposal for street work. Discussion was held on the need to inventory and document all water meters to determine what is needed if the town were to proceed with replacement of all meters with new auto read meters. This would exceed the threshold of \$50,000 and therefore require a formal competitive bid process. The Water Committee will draft a job description for the meter reading position.

ECONOMIC DEVELOPMENT: Serviss reported he had not recently attended any meetings and tourism is slowing down.

FINANCE OFFICE: Cornelison presented the monthly financial reports. It was suggested that a monthly profit and loss statement be included in the future. Koontz and Cornelison will look into getting this report done for the October 21, 2025, meeting.

OLD BUSINESS: Motion by Serviss and seconded by Ferguson to appoint Scott James as Town Attorney. Serviss amended the motion and seconded by Ferguson to appoint Scott James as Interim Town Attorney with consideration of other letters of interest received within sixty days. Motion by Kramer and seconded by Serviss to amend the amended motion to have letters of interest received by December 2, 2025; vote on second amended motion: three aye and Koontz abstained, motion carried. Vote on first amended motion: all nay, motion failed. Vote on original motion, all nay, motion failed.

BREAK: The board took a five-minute break and recessed at 8:45 p.m.

NEW BUSINESS: The second reading of Ordinance 2.078 Appropriating Funds for the Fiscal Year 2026 was held. Motion by Serviss and seconded by Ferguson to approve Ordinance 2.078; vote: all aye, motion carried.

Motion by Koontz and seconded by Serviss to table Item 16B Request for legal opinion on town attorney presentation; vote: all aye, motion carried. Motion by Koontz and seconded by Kramer to approve the Enumerated Power for Board President as written; vote: all nay, motion failed. Cornelison reported on a utility customer seeking assistance due to medical reasons. It was stated that Black Hills Recovery has a fund for this very purpose and Cornelison will check with them.

CITIZENS/TRUSTEE INPUT: Audience and trustees had input. For full verbiage, please see the video recording posted on the town's You Tube channel.

EXECUTIVE SESSION: No Executive Session was held.

ADJOURN: Motion made by Kramer and seconded by Serviss to adjourn meeting at 9:50 p.m., vote: all aye, motion carried.

ATTEST:

Terri Cornelison
Finance Officer

Kelburn Koontz
Town Board President

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