VILLAGE OF SHELBY
REGULAR COUNCIL MEETING OF MONDAY, MARCH 9, 2026 at 6:00 P.M.
COUNCIL PROCEEDINGS

1. CALL TO ORDER:

The regular meeting of the Common Council of the Village of Shelby was called to order at 6:00 P.M. by President John Sutton.

2. ROLL CALL:

Answering the roll call: Mike Termer, Steve Crothers, John Sutton, Dan Zaverl, Crystal Heykoop, Samantha Gottschalk and Curt Trott.

Staff present: Village Administrator Phil Morse, Village Clerk/Treasurer Miraya Gissell Diaz, DPW Supervisor Jeremiah Helenhouse, and Police Chief Dean Roesler.

3. PLEDGE OF ALLEGIANCE: All stood for the pledge.

4. INVOCATION: Invocation was shared.

Steve Crothers moved to suspend the Village of Shelby Council meeting at 6:03 P.M. and to convene as the Village of Shelby Zoning Board of Appeals.
Seconded by: Curt Trott.

Roll Call Vote:
Ayes: Crothers, Trott, Termer, Zaverl, Heykoop, Gottschalk, and Sutton.
Motion Carried 7-0.

The Village Council reconvened at 6:28 P.M.

6. MINUTES:

a.) February 23, 2026

Steve Crothers moved to approve the minutes of the Regular Council Meeting of February 23, 2026 as presented.
Seconded by: Crystal Heykoop.

Voice Vote: All in favor.
Motion Carried.

7. ADDITIONS TO THE AGENDA: No additions.

8. PRESIDENT'S REPORT:

President Sutton had nothing to report.

9. ADMINISTRATOR'S REPORT:

VA Morse reported that the community pool proposal at Getty Field will not be moving forward at this time. Although potential funding had been identified, it became clear that a major investment of this scale should demonstrate strong, widespread community support – and that level of support did not emerge. In separate community engagement efforts, Richard Raffaelli has offered to provide Village Council members with a tour of the Tiger Athletic Community Center (TACC) for those interested in exploring the facility.

10. DEPARTMENT HEADS' REPORTS:

DPW Supervisor Helenhouse reported that on Sunday there was a catastrophic failure of the antenna systems that trigger the wells to turn on. This system is now obsolete, as it has expired; therefore, it will need to be replaced. He is currently working on securing quotes for the replacement system. The DPW crew has put up the No-Parking signs on Ferry Street and is working on setting up the downtown trash cans in preparation for spring.

Chief Roesler had nothing else to report.

11. CORRESPONDENCE:

a) VA Morse shared a recent conversation regarding the timing of the rate increases. The concern raised was that the increases began on March 1st, even though the March bill reflects usage from February; therefore, the March bill should have reflected the February rate. VA Morse requested feedback from the Village Council on how best to address the concern. The Council felt it would go a long way to provide residents with a brief grace period until April 1st. After discussion, the Council agreed that it would be appropriate to credit approximately 10 to 15 dollars to each resident during the April billing cycle.

b) Damian Omness, 335 Orchard View Dr., submitted written correspondence for VA Morse to present in his absence. In his letter, he expressed appreciation for the work undertaken to improve the ordinances and noted his support for establishing guidelines that promote safety, community appearance, and effective enforcement. He also outlined several concerns regarding specific proposed ordinances, as follows:

    a. He expressed concern that the proposed Animals ordinance could penalize compassionate actions such as feeding stray cats or maintaining bird feeders. He felt the language was overly punitive and suggested considering softer language that would allow issues to be addressed based on complaints rather than enforced as a blanket rule.
    b. Regarding fowl, he emphasized the importance of avoiding regulations that would hinder residents from properly keeping and maintaining animals such as chickens. He felt that allowing those with adequate space to keep chickens for eggs, meat, and reproduction would be appropriate given that the Village is a rural community.
    c. Regarding the Residential Waste Ordinance, he noted that many residents use local waste disposal companies that often experience delays. He raised concerns about fines for cans left out due to delayed waste service or limited assistance for elderly residents and recommended adding additional language that provides flexibility and

grace for weather-related or repeated issues.

d. Lastly, he requested that the potential barriers and outcomes of the proposed ordinances be considered and that flexibility or grace be incorporated where appropriate.

c) Corbett Dodge, 250 N. State St., submitted written correspondence to VA Morse and asked that the following points be considered in regard to the Animals ordinance.

a. Scale and Density
b. Agricultural Utility
c. Michigan GAAMPs Compliance

He requested that the draft of §100-8 be amended to include a tiered allowance for large lots, proposing that parcels over one acre be permitted up to 30 animals, provided the owner:

a. Maintains a minimal 25-foot setback from all adjacent property lines for enclosures.
b. Complies with all state-mandated GAAMPs regarding waste and sanitation.
c. Includes turkeys, waterfowl, or pheasants within that 30-animal total.
d. Grandfather Clause: Explicitly protect and "grandfather in" any resident currently harboring animals in accordance with the previous 2000/2025 code standards.

d) Elected and Appointed Officials are invited to attend Communicating Through Conflict, which the Oceana County Planning Commission is assisting with. The session will take place on Wednesday, April 22, 2026, from 6:30 P.M. to 8:30 P.M.

12. CITIZEN PARTICIPATION:

a) Corbett Dodge, 250 N. State St, shared that he wanted to commend the Village Council for ensuring that residents with smaller plots have the ability to keep poultry. He also noted that permitting up to 30 birds on properties over one acre would not open the door to factory farming, if that was a concern. Instead, it would empower residents to follow the 2026 Michigan GAAMPs for sustainable small-scale husbandry.

13. OLD BUSINESS: No Old Business.

14. NEW BUSINESS:

a.) <u>DWSRF Notice of Intent to Issue Bonds</u>

As part of the EGLE Drinking Water State Revolving Fund (DWSRF) process, the Village Council is required to adopt a Notice of Intent to Issue Bonds Resolution, accompanied by a public notice that must be published in the newspaper. The not-to-exceed amount is set at $900,000 to ensure the Village has flexibility if contractor bids come in higher than the engineer's cost estimate. Although the Village was awarded $790,000 through the DWSRF program, the actual bond amount will be reduced by the $395,000 in principal forgiveness, and EGLE may – though unlikely – provide additional forgiveness if bids exceed expectations. This resolution is not the final step in the process. The Village Council will still be required to approve the contractor bid, and project scope may be adjusted if Council wishes to remain within the $790,000 award amount. The bid deadline is still to be determined.

Crystal moved to approve Resolution No 19-26. (See attached).
Seconded by: Curt Trott.

Roll Call Vote:
Ayes: Heykoop, Trott, Termer, Crothers, Zaverl, Gottschalk, and Sutton.
Motion Carried 7-0.

b.) Fire Department and Village Water Usage MOU

The purpose of the Memorandum of Understanding (MOU) is to outline the agreement between the Village of Shelby and the Shelby/Benona Fire Department regarding the assessment of Ready-to-Serve (RTS) fees and usage charges. This MOU also acknowledges the essential operational need for the Fire Department to access water for emergency fire suppression at no cost. This agreement is established in alignment with one of the adopted recommendations from the recent Water and Sewer Rate Study conducted by the Michigan Rural Water Association, which called for identifying accounts not currently assessed an RTS fee and implementing appropriate billing for water and sewer usage.

Steve Crothers moved to approve the Memorandum of Understanding Regarding Water and Sewer Rate Charges between the Village of Shelby and the Shelby/Benona Fire Department.
Seconded by: Mike Termer

Roll Call Vote:
Ayes: Crothers, Termer, Heykoop, Gottschalk, Trott and Sutton.
Nays: Dan Zaverl
Motion Carried 6-1.

c.) Ordinance Revision Winter 2026 – Discussion Item Only

As VA Morse has become more familiar with the ordinances – and as staff has continued to enforce them through day-to-day interactions with Village residents – it has become clear that several areas would benefit from refinement. Through ongoing conversations with Village staff, updates and additions have been identified that would strengthen the clarity, usability, and effectiveness of the Village's codified ordinances.

The Village Council reviewed and discussed proposed ordinances and amendments to existing ordinances regarding the following topics:

a. Residential Waste
b. Right of Way
c. Junk Vehicles
d. Animals
e. Smoking in Public Parks prohibited
f. Sidewalk Operations
g. Recreational Burning
h. Casual Sales

The proposed ordinances and amendments will be brought to Council at its next meeting on March 23, 2026 for consideration of adoption.

d.) Tank Hill Quotes to Consider

Tom Kirk, a resident of Orchard View Drive, has expressed interest in purchasing the Village-owned parcel that contains the former water storage tank, which has been out of service since 2018. Although the tank is no longer in use, the water line connecting it to the distribution system remains physically connected, with the valve currently closed. To proceed with the sale of this property, EGLE requires the Village to fully disconnect and cap the line. DPW Supervisor Helenhouse is in the process of securing quotes from three contractors to complete this work, and at this request, the project scope also includes installing a flushing hydrant at the junction to improve our ability to flush the line in that area.

The quotes received are as follows:

- Hallack - $8,500
- White Lake Excavating - $8,000
- McCormick's – estimated to be around $10,000; however, the quote provided did not include the flushing hydrant.

Steve Crothers moved to approve the proposal from White Lake Excavating in an amount up to $8,000 for the Tank Hill Abandonment.
Seconded by: Curt Trott.

Roll Call Vote:
Ayes: Crothers, Trott, Termer, Heykoop, Gottschalk, and Sutton.
Nays: Dan Zaverl
Motion Carried 6-1.

e.) The Ladder Road Closure Request

The Ladder is celebrating its 10th anniversary this year, and the organization is planning a major celebration to mark the occasion. To accommodate the expanded activities they have planned, additional space will be necessary. As part of their event, The Ladder is requesting permission from the Village Council to close Maple Street between State Street and 3rd Street, as well as 2nd Street between State Street and Michigan Avenue, on July 9th from 4:00 P.M. to 8:00 P.M.

Steve Crothers moved to approve the road closure request from The Ladder to close a portion of Maple and 2nd Street on July 9th from 4:00 P.M. and 8:00 P.M.
Seconded by: Mike Termer

Voice Vote: All in favor.
Motion Carried.

f.) Shelby Chainsaw Carving Festival Road Closure Request

The Shelby Chainsaw Carving Festival is returning in 2026, bringing back the excitement, artistry, and

community pride that made last year's event such a tremendous success. As part of the event's logistics plan, the Festival is requesting authorization from the Village Council to close Michigan Avenue from 3rd Street to 4th Street beginning at 7:00 A.M. on July 10th and continuing through 8:00 P.M. on July 11th.

Steve Crothers moved to approve road closure request to close a portion of Michigan from 3rd Street to 4th from 7:00 A.M. on July 10th to 8:00 P.M. on July 11th for the Shelby Chainsaw Carving Festival.
Seconded by: Mike Termer

Voice Vote: All in favor.
Motion Carried.

g.) Match on Main Appropriation

Tienda La Palma previously applied for a $25,000 Match on Main grant in April 2025 and was awarded the funding in October 2025. Following several rounds of communication – and some crossed wires – with the MEDC, we were notified that the $25,000 wire transfer would be deposited into the Village's account within ten business days. That notification was issued ten business days prior the date of the Council meeting, March 9th.

Samantha Gottschalk moved to authorize the pass-through appropriation of Match on Main funds in the amount of $25,000 to Tienda La Palma once the funds are deposited into the Village of Shelby bank account.
Seconded by: Steve Crothers

Roll Call Vote:
Ayes: Gottschalk, Crothers, Termer, Zaverl, Heykoop, Trott, and Sutton.
Motion Carried 7-0.

h.) Household Hazardous Waste Program

This is an annual cost for the Household Hazardous Waste Disposal Program that the Village has been a part of since approximately 2014. The goal is to provide a way for residents to dispose of hazardous materials safely and easily so that they do not end up in our lakes, streams, groundwater, or public water supplies. The requested amount from Village of Shelby is based off the following calculation: Population based on the most recent Census: 2175 people x .45/person = $978.75. Last year the Village committed $550.

Dan Zaverl moved to participate in the 2026 Manistee, Mason, and Oceana Household Hazardous Waste Program and to authorize Miraya Diaz, Village Clerk/Treasurer, to make payment in the amount of $550 to support the event.
Seconded by: Mike Termer

Roll Call Vote:
Ayes: Zaverl, Termer, Crothers, Heykoop, Gottschalk, Trott, and Sutton.
Motion Carried 7-0.

15. COMMITTEE REPORTS:

a. **PLANNING COMMISSION: Ex-Officio: John Sutton, Samantha Gottschalk:**

The Planning Commission will meet next on March 17, 2026 at 6:00 P.M.

b. **WATER & SANITATION: Chair: Curt Trott, Crystal Heykoop:**

Nothing to report.

c. **STREETS AND SIDEWALKS: Chair: Dan Zaverl, Curt Trott:**

Nothing to report.

d. **PARKS, REC. & BLDGS: Chair: Samantha Gottschalk, Steve Crothers:**

Nothing to report.

e. **FINANCE and INSURANCE: Chair: Steve Crothers, Mike Termer:**

Nothing to report.

f. **PERSONNEL: Chair: Mike Termer, Samantha Gottschalk:**

Nothing to report.

g. **ORDINANCES – Chair Crystal Heykoop, Dan Zaverl:**

Nothing to report.

16. PAYMENT OF BILLS:

a.) March 9, 2026

Steve Crothers moved to approve the payment of the bills of March 9, 2026 in the amount of $103,371.67.
Seconded by: Samantha Gottschalk

Roll Call Vote:
Ayes: Crothers, Gottschalk, Termer, Zaverl, Heykoop, Trott, and Sutton.
Motion Carried 7-0.

16. ADJOURNMENT: President Sutton adjourned the meeting at 8:47 P.M.

Council minutes are not official until approved at the March 23, 2026 Council meeting.

Approved ☑

Minutes Respectfully Submitted by Miraya Gissell Diaz, Village Clerk/Treasurer — Date 03/23/2026

VILLAGE OF SHELBY

Resolution No. 19-26

At a regular meeting of the Village Council of Village of Shelby, County of Oceana, Michigan (the "Village") at a meeting held on March 9, 2026, at 6:00 o'clock p.m., there were

PRESENT: Mike Fermer, Steve Crothers, Dan Zaver, I, Crystal Heykoop. Samantha Gottschalk, Curt Trott, and John Sutton.

ABSENT: Ø

The following preamble and resolution were offered by Crystal Heykoop and supported by Curt Trott.:

Resolution Authorizing Publication of Notice of Intent to Issue Revenue Bonds and Allowing for the Reimbursement of Certain Expenditures from Bond Proceeds

WHEREAS, the Village intends to construct improvements to its drinking water system including but not limited to replacement of water service lines within the Village limits, as well as work, equipment, and appurtenances necessary or incidental to such improvements, all to improve deteriorating infrastructure, enhance system reliability, and improve overall water quality in the Village (the "Project");

WHEREAS, the Village intends to finance a substantial portion of the costs of the Project through the issuance of one or more series of tax-exempt bonds in an approximate amount of not to exceed $900,000;

WHEREAS, the Village has determined that it is appropriate to issue tax-exempt revenue bonds (the "Bonds") pursuant to Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"), to pay for all or a portion of the costs of the Project;

WHEREAS, a notice of intent to issue the Bonds must be published at least forty-five (45) days before the issuance of the Bonds in order to comply with the requirements of Section 33 of Act 94;

WHEREAS, the Village may pay certain expenses of the Project prior to the issuance of the Bonds, and may reimburse itself for such expenses from proceeds of the Bonds.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Form of Notice set forth in Exhibit A to this resolution (the "Notice") is approved, and the Village Clerk/Treasurer or her designee is authorized and instructed to publish the Notice once in the Oceana's Herald-Journal, a newspaper of general circulation within the Village.

2. The Bonds shall be authorized by proper proceedings subsequent to this resolution.

3. The Village makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

(a) The Village reasonably expects to reimburse itself for the expenditures described in (b) below with proceeds of the Bonds.

(b) The expenditures described in this paragraph (b) are for the purpose of defraying the costs of the Project and paying related bond issuance costs, all as described in this resolution.

(c) The Bonds will be issued no later than eighteen (18) months after the later of (i) the date the first expenditure to be reimbursed was made, or (ii) the date the Project was placed in service or abandoned, but in no case later than three (3) years after the date the first expenditure was made.

(d) The expenditures described in (b) above are "capital expenditures" as defined in Treas. Reg. §1.150-1, which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election) under general Federal income tax principles (as determined at the time the expenditures are paid).

4. The Village hereby determines that the Notice attached as Exhibit A and the manner of publication directed is the method best calculated to give notice to the water supply system's users and the Village's taxpayers and electors of this Village's intent to issue the Bonds, the purpose of the Bonds, the security for the Bonds, and the right of referendum relating thereto, and the newspaper named for publication is hereby determined to reach the largest number of persons to whom the Notice is directed.

5. All previously adopted resolutions that are in conflict with this resolution are repealed to the extent of such conflict.

A vote on the foregoing resolution was taken and was as follows:

YES: Haykaap, Trott, Termer, Carthers, Zawerl, Gottschalk, and Sexton

NO: Ø

ABSTAIN: Ø

CERTIFICATION

The undersigned, being the duly qualified and acting Clerk of the Village of Shelby, County of Oceana, Michigan, hereby certifies that (1) the foregoing is a true and complete copy of a resolution duly adopted by the Village Council at a regular meeting, at which meeting a quorum was present and remained throughout, (2) the original thereof is on file in the records in my office, (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended) and (4) minutes of such meeting were kept and will be or have been made available as required thereby.

Dated: March 9, 2026

Miraya Gissell Diaz
Village of Shelby Clerk/Treasurer

Exhibit A

Form of Notice

NOTICE OF INTENTION OF THE VILLAGE OF SHELBY TO ISSUE REVENUE BONDS AND OF RIGHT TO PETITION FOR REFERENDUM THEREON

TO ALL ELECTORS OF THE VILLAGE OF SHELBY

PLEASE TAKE NOTICE that the Village Council of the Village of Shelby, County of Oceana, Michigan (the "Village") intends to issue and sell revenue bonds, pursuant to Act 94, Public Acts of Michigan, 1933, as amended, in one or more series in an aggregate principal amount not to exceed Nine Hundred Thousand Dollars ($900,000), for the purpose of paying all or part of the costs of acquiring and constructing additions and improvements to the water supply system to serve the Village, including, but not limited to, the replacement of water service lines located within the Village limits, as well as all work, equipment and appurtenances necessary or incidental to such improvements, all to improve deteriorating infrastructure, enhance system reliability and improve overall water quality in the Village.

SOURCE OF PAYMENT OF
REVENUE BONDS

THE PRINCIPAL OF AND INTEREST ON THE REVENUE BONDS SHALL BE PAYABLE solely from the revenues received by the Village from the operations of the water supply system. System revenues will consist of rates and charges billed to the users of the system, a schedule of which is presently on file in the office of the Village Clerk/Treasurer. The water supply system's rates and charges may from time to time be revised to provide sufficient revenues to provide for the expenses of operating and maintaining the system, to pay the principal of and interest on the bonds and to pay other obligations of the system.

BOND DETAILS

THE REVENUE BONDS will be payable in annual installments not to exceed forty (40) in number and will bear interest at the rate or rates to be determined at public or private sale but in no event to exceed such rates as may be permitted by law on the unpaid balance from time to time remaining outstanding on the bonds.

IN THE EVENT THAT THE VILLAGE DEEMS IT DESIRABLE TO SELL THE REVENUE BONDS TO THE MICHIGAN FINANCE AUTHORITY, THE VILLAGE MAY BE REQUIRED TO PLEDGE FOR THE PAYMENT OF THE BONDS MONEY RECEIVED OR TO BE RECEIVED BY THE VILLAGE FROM THE STATE OF MICHIGAN AS STATE REVENUE SHARING PAYMENTS, DERIVED FROM IMPOSITION OF TAXES BY THE STATE AND RETURNED OR TO BE RETURNED TO THE VILLAGE AS PROVIDED BY LAW, except for money the use of which is prohibited for such purposes by the State

Constitution. The Village may enter into an agreement providing for the payment of taxes, which taxes are collected by the state and returned to the Village as provided by law, to the authority of a trustee, and such funds may be pledged for the payment of the revenue bonds.

RIGHT OF REFERENDUM

THE REVENUE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS UNLESS A PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS OF THE VILLAGE IS FILED WITH THE VILLAGE CLERK/TREASURER WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. IF SUCH PETITION IS FILED, THE BONDS WILL NOT BE ISSUED WITHOUT AN APPROVING VOTE OF A MAJORITY OF THE QUALIFIED ELECTORS OF THE VILLAGE VOTING THEREON.

THIS NOTICE is given pursuant to the requirements of Section 33, Act 94, Public Acts of Michigan, 1933, as amended.

Further information may be obtained at the office of the Village Clerk/Treasurer, 218 North Michigan Avenue, Shelby, Michigan 49455.

Dated: March [9], 2026

Miraya Gissell Diaz
Village of Shelby Clerk/Treasurer

4929-3209-5123.4