

**VILLAGE OF SHELBY**  
**REGULAR COUNCIL MEETING OF October 12, 2020 at 6:30 P.M.**  
**COUNCIL PROCEEDINGS VIA ZOOM**



**1. CALL TO ORDER:**

The regular meeting of the Common Council of the Village of Shelby was called to order at 6:32 P.M. by President Paul Inglis.

**2. ROLL CALL:**

Answering the roll call: Jim Wyns, Steve Crothers, Dan Zaverl, Paul Inglis, John Sutton, Andy Near, and Bill Harris.

Staff present: Interim Village Administrator Bill Cousins, Village Clerk/Treasurer Crystal Budde, DPW Supervisor Greg MacIntosh, and Police Chief Bob Farber.

**3. PLEDGE OF ALLEGIANCE:** All stood for the Pledge.

**4. MINUTES:**

a.) September 28, 2020

Jim Wyns moved to approve the minutes of the Regular Council meeting of September 28, 2020 as presented.

Seconded by: Steve Crothers.

Roll Call Vote:

Aye: Crothers, Wyns, Crothers, Zaverl, Sutton, Near, Harris, and Inglis.

Motion Carried 7-0.

**5. ADDITIONS TO THE AGENDA:**

a.) Repairs to the Village's street sweeper equipment.

**6. PRESIDENT'S REPORT:** Nothing to Report.

**7. ADMINISTRATOR'S REPORT:**

Interim VA Cousins reported that the Gill Lake hearing was held on Monday, October 5, 2020. The Judge stated that he wanted to review the Shelby Zoning Ordinance prior to making a final decision. Both sides have 14 days to submit final statements to the court. It is expected that a final decision will be made by the end of the month. The Shelby Chamber of Commerce has begun the annual fund raiser of apple pie sales. A portion of the profits will be sent to the Shelby Band Boosters. Pie costs start at \$50.00 and order forms are available at the Shelby Village Hall.

The USDA chaired a meeting Thursday, October 18th to start the application process for the Peterson Farms water main extension. The application is expected to be completed and submitted by the end of the year. Interim VA Cousins reported that the District Health Department #10 gave an update on Covid-19 on Wednesday, October 7, 2020. Since the start of the pandemic, Oceana County has had 503 cases of Covid reported and 6 deaths. Another 1,330 people have recovered from Covid, leaving a total of 33 active cases in Oceana County. The health department noted that numbers for Oceana County are much improved compared to June.

The Governor's Executive Orders were all struck down on October 2nd by the Michigan Supreme Court. The Michigan Municipal League has suggested that the Village not change anything until the 21-day period to appeal has passed. New orders from the Michigan Department of Health and Human Services keep the State in a mask and social distancing mandate. The Legislature is in the process of creating new operating rules.

#### **8. DEPARTMENT HEADS' REPORTS:**

DPW Supervisor Greg MacIntosh reported that Bo Hawkins would like to remove a dead tree at no charge to the Village as long as he can keep the wood. No one had any objections but would like to confirm that Mr. Hawkins holds liability insurance and Mr. MacIntosh will contact Mr. Hawkins in order to confirm the same.

Chief Farber reported that he has submitted for the reimbursement, with the supporting documentation, of the Coronavirus Emergency Supplemental Funding (CESF) Grant. Chief Farber was unable to spend the total of the money awarded (\$3,927.00), but he did spend \$3,268.21 which is the requested amount for the CESF reimbursement. Chief Farber has been working with a number of residents for blight clean-up. Progress is also being made with the fire damaged trailer on Fowler Street.

**9. CORRESPONDENCE:** No Correspondence.

**10. CITIZEN PARTICIPATION:** No Citizen Participation.

**11. OLD BUSINESS:** No Old Business.

#### **12. NEW BUSINESS:**

a.) Purchase of Vacant Lot for Pocket Park

On Thursday, October 1st, Bill Cousins and Emily Stuhldreher met with Randy Leslie to negotiate for the purchase of his property. After some discussion, the sales price of \$18,500.00 was agreed on by both parties subject to final approval by the Village Council.

Andy Near moved to authorize the purchase of parcel number 046-115-00-50 for up to \$18,500.00 and pending the outcome of the Community Foundation for Oceana County Grant request.  
Seconded by: Jim Wyns.

Roll Call Vote:

Ayes: Near, Wyns, Crothers, Zaverl, Sutton, Harris, and Inglis.

Motion Carried 7-0.

b.) October 2020 Budget Amendments

The Finance and Insurance Committee met on Wednesday, October 7th and made a recommendation to the Village Council for the approval of the necessary Fiscal Year budget amendments.

The budget amendments necessary represent a net increase to General Fund; Local Streets Fund; Sewer Fund; and, Equipment Fund revenues in the amount of \$329,710.67. These increases are, in part, due to the following:

1. Tax revenue and PILOT revenue in both the General Fund and Local Streets Fund are significantly higher than originally budgeted.
2. The Sewer Fund; Water Fund; and, Equipment Fund were all originally approved as deficit budgets. The requested amendments to the revenues in those funds include the transfer from reserves in order to cover those shortfalls.

The budget amendments also represent a net increase to the General Fund; Major Streets Fund; Local Streets Fund; Sewer Fund; Water Fund; and, Equipment Fund expenditures in the amount of \$29,210.85. These increases are due to the following:

1. Clerk/Treasurer allocation for Dental and Vision were not calculated appropriately.
2. School Crossing Guard expense was significantly higher than previous years.
3. Wages in the Parks Department and the contracted services were higher than expected.
4. DPW wages had been reviewed and changes to allocations were made which affected the Sewer Fund.
5. Emily Stuhldreher was not an anticipated addition to the Village staff. The Village is responsible for \$6,000.00 of her annual salary.
6. No funds were put into the budget for training and continuing education for the DPW in both the Sewer and Water Funds.

Jim Wyns moved to approve the October 2020 Budget Amendments as follows:

General Fund	Revenue	\$606,657.16	
	Expenditure	\$583,779.17	
Major Street Fund	Revenue	\$261,800.00	(no change)
	Expenditure	\$163,244.00	
Local Street Fund	Revenue	\$244,999.80	
	Expenditure	\$244,999.80	

Sewer Fund	Revenue	\$433,419.56
	Expenditure	\$433,419.56
Water Fund	Revenue	\$479,419.32
	Expenditure	\$479,419.32
Equipment Fund	Revenue	\$156,925.43
	Expenditure	\$156,925.43

Seconded by: Steve Crothers,

Roll Call Vote:

Ayes: Wyns, Crothers, Zaverl, Sutton, Near, Harris, and Inglis.

Motion Carried 7-0.

c.) Discharge of the 304 Fund

The Village of Shelby made its last payment for the Street Debt Bond in July of 2019. The Village did receive delinquent tax payments after that date and a portion of those payments had been allocated to the Street Debt Fund. There is currently a balance in the Street Debt investment pool of \$9,419.31.

Both the Village's auditor Eric VanDop and Village Attorney John Schrier had suggested that the remaining monies in the Street Debt Fund be transferred to the General Fund. The Village of Shelby should have been reimbursing itself in the past for administrative expenses (Clerk and Treasurer time) over the years and has never done so.

Jim Wyns moved to approve the transfer of the Street Debt Fund investment pool balance of \$9,419.31 to the General Fund investment pool and to close the Street Debt Fund (confirming that it will not be used until another bond is adopted).

Seconded by: Steve Crothers.

Roll Call Vote:

Ayes: Wyns, Crothers, Zaverl, Sutton, Near, Harris, and Inglis.

Motion Carried 7-0.

d.) Request to Purchase Vehicles

The Finance Committee, at their Wednesday, October 7th meeting, recommended that the Village Council purchase a new police vehicle, sell the 2014 Ford Explorer, and purchase a new DPW pickup truck. The cost of the two vehicles is not to exceed \$83,000.00. In August, the Village Council approved a motion to pursue grants for the purchase of the above referenced vehicles.

After a month of securing estimates for the cost of the vehicles, completing the required application and securing the necessary attachments, the grant application was ready to be submitted. A call to the USDA representative that would receive the application was made to verify the documents to be submitted and the approval process. It was during the review that it was realized that the Village would not qualify for the 55% grant; the Village had a financial condition that was too flush to qualify. Even though Shelby is in what is perceived as a "distressed" community as it pertains to the average personal income in the Village, the Village government has been careful to budget and dispense its funds in a meaningful way. Not only does the Village have a General Fund Balance that is nearly 100% of its annual expenses, the

Equipment Fund has been carefully funded to allow large purchases without having to save or hope for funding from other sources.

Bill Harris moved to authorize the purchase of a 2021 Ford F-250 pickup truck (with snowplow) and a 2021 Ford Explorer (police patrol vehicle) for a total price not to exceed \$83,000.00. Authorization is also granted to receive bids for the sale of the 2014 police vehicle and 2010 Ford F-350 pickup truck with plow if not needed.

Seconded by: Dan Zaverl.

Roll Call Vote:

Ayes: Harris, Zaverl, Wyns, Crothers, Sutton, Near, and Inglis.

Motion Carried 7-0.

e.) Request to Sell and Dispose of Obsolete Equipment

The Village of Shelby has a great deal of equipment and vehicles that it no longer needs or has reached its useful life. Many of these items are taking up space that could be used to provide storage for other usable equipment. The sale or scrap value of these items could also be used to offset the cost of acquiring new equipment and vehicles.

The plan for disposing of the items is to offer the items for sale in a sealed bid process. After the sealed bid response time has ended (mid - November), Village Staff will dispose of the remaining items by the end of the year. A classified ad will be placed in the local newspaper to announce the sale. Interested buyers will be able to view the items on an appointment basis. The Village will have the right to reject any bid if the item may provide a better return in another manner. All proceeds realized from the sale will be deposited in the General Fund.

Steve Crothers moved to authorize the Village Administrator to sell or otherwise dispose of Village-owned surplus vehicles and equipment and to include other items found with a value of less than \$500.00 with the exception of item #1 of the proposed list of surplus vehicles and equipment. The net proceeds of the sale are to be deposited in the General Fund.

Seconded by: Jim Wyns.

Roll Call Vote:

Ayes: Crothers Wyns, Zaverl, Sutton, Near, Harris, and Inglis.

Motion Carried 7-0.

f.) Street Sweeper

Councilman Dan Zaverl reported that the Village's street sweeper needs a number of repairs. Mears Service Center has estimated that it will cost approximately \$7,500.00 to repair it. No action is requested at this time. DPW Supervisor will put together a report regarding the needed repairs for the next scheduled Council Meeting.

### 13. COMMITTEE REPORTS:

a. **PLANNING COMMISSION: Chair Ex-Officio: Councilman J. Sutton, President P. Inglis:**

The Planning Commission will meet via Zoom on October 20th at 6:30 P.M. to review the proposed Master Plan, discuss the vacant Planning Commission seat, and consider a possible update to the current Accessory Building Ordinance.

**b. WATER & SANITATION: Chair: Councilman B. Harris, Councilman S. Crothers:**

Nothing to report.

**c. STREETS AND SIDEWALKS: Chair: Councilman D. Zaverl, Councilman J. Wyns:**

Nothing to report.

**c. PARKS, REC. & BLDGS: Chair: Councilman A. Near, Councilman J. Sutton:**

Nothing to report.

**d. FINANCE and INSURANCE: Chair: Councilman J. Wyns, Councilman B. Harris:**

Nothing to report.

**e. PERSONNEL: Chair: Councilman J. Sutton, Councilman A. Near:**

The Council will be meeting on October 13th at 5:30 P.M. to conduct interviews for the Village Administrator position.

**f. ORDINANCES – Chair Councilman S. Crothers, Councilman D. Zaverl:**

Nothing to report.

**14. PAYMENT OF BILLS:** Jim Wyns moved to approve the payment of the bills in the amount of \$57,007.39. Seconded by: Steve Crothers.

Roll Call Vote:

Ayes: Wyns, Crothers, Zaverl, Sutton, Near, Harris, and Inglis.

Motion Carried 7-0.

**15. ADJOURNMENT:** Bill Harris moved to adjourn the meeting at 8:02 P.M.

Seconded by: Dan Zaverl.

Roll Call Vote:

Ayes: Harris, Zaverl, Wyns, Crothers, Sutton, Near, and Inglis.

Motion Carried 7-0.

Council minutes are not official until approved at the October 26, 2020 Council meeting.

Approved

Crystal Budde 10-26-2020  
Minutes Respectfully Submitted by Crystal Budde, Village Clerk/Treasurer Date