

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
MARCH 6, 2019

A special meeting of the Grand Haven Board of Light and Power was held on Wednesday, March 6, 2019, at 3:00 p.m. at the Board's office located at 1700 Eaton Drive in Grand Haven, Michigan.

The meeting was called to order at 3:00 p.m. by Vice Chairperson Witherell.

Present were Directors Kieft, Naser, and Witherell.

Present via telephone: Chairperson Smant.

Also present were David Walters, General Manager and Danielle Martin, Administrative Assistant.

Director Kieft, supported by Director Naser, moved to excuse Director VanderMolen from the meeting. The motion was unanimously approved.

Director Kieft, supported by Director Naser, moved to approve the meeting agenda. The motion was unanimously approved.

19-03A Director Kieft, supported by Director Naser, moved to approve the Minutes of the February 21, 2019 Board meeting with one revision. Director Naser requested the minutes state he was opposed in the 3 to 1 vote to authorize a draft letter to City Council. The Board agreed in the future the minutes should state those in favor and those opposed unless a motion is unanimously approved.

The motion was unanimously approved.

19-03B Public Comment Period — No comments were heard. No formal action taken.

19-03C Director Kieft, supported by Director Smant, moved to approve the Letter from the Board to Grand Haven Mayor and City Council.

At the February 21, 2019 meeting, the Board authorized Attorney Dale Rietberg to draft a letter under Director Witherell's signature to the Grand Haven Mayor and City Council. Director Witherell stated the letter articulates his thoughts and asked for comments from the Board. Director Smant stated he feels it is a well written letter and supports sending it. Director Kieft had no comment. Director Naser stated he voted against authorizing the letter at the last meeting. After seeing the draft, he feels it is redundant.

LETTER TO MAYOR AND CITY COUNCIL

March 6, 2019

City of Grand Haven
Attn: City Council
Grand Haven City Hall
519 Washington Avenue
Grand Haven, MI 49417

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Re: City Attorney's Correspondence of January 25, 2019

Mayor and City Council:

I have received and reviewed the January 25, 2019 correspondence from the City Attorney and have shared it with the Board of Light and Power (the "Board" or "BLP"). The Board has directed me to send this letter as its response.

It is the BLP's position that it has been and continues to be operating in a manner consistent with and in full compliance with all approved purchasing policies and historically established purchasing and contracting procedures and practices. Such policies, procedures, and practices have been duly approved by the Board and by the City Council and have been affirmed by the City Attorney over a period of many years – probably since the Board's establishment under the Charter. These policies, procedures, and practices have been appropriately determined to be in compliance with the Charter's requirements and have been deemed lawful by past legal counsel to the City. As such, they are also fully consistent with the Council's initial direction to the Board in its November 5 resolution.

Further direction given to the BLP in the City Manager's November 7, 2018 e-mail to the BLP's General Manager, and in the January 25, 2019 direction to the Board from the City Attorney, are wholly inconsistent and irreconcilable with these approved purchasing policies and established practices. The Board does not understand the apparent urgency for the newly established legal requirements contained in these directives, as it has not been discussed or shared with us. Additionally, it is apparent Council does not fully understand the Board's currently established and approved purchasing policies and practices nor the potentially detrimental consequences such changes, as suggested, would involve.

As you know, the Board had expressed in its November 5, 2018 letter to Council, its "grave concerns about the practicality, feasibility, sustainability, and financial viability of these actions" (i.e., the two resolutions the Council was considering that evening). We requested Council withdraw or table these actions for "both procedural and substantive reasons" to allow for a more detailed and productive process between members of the Board and Council, "more consonant with the cooperative history and traditions of this community." Despite our entreaties, Council decided to pass the revised resolution we are now addressing without engaging in such a process.

The Board thus will continue to follow its lawful and approved policies and well-established historical procedures and practices until it can more fully understand the purpose, rationale, and legal basis for this entirely new direction provided by the City Manager and City Attorney, and until the City Council and the Board can reach some mutual understanding on how it could even be implemented as a practical matter.

Respectfully,
Gerald A. Witherell
Acting Chairperson

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In a three to one vote of the Board, those in favor: Directors Kieft, Witherell and Smart; those opposed: Director Naser; those absent: Director VanderMolen. The motion passed.

At 3:10 p.m. by motion of Director Naser, supported by Director Kieft, the March 6, 2019 Special Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux
Secretary to the Board
(by Danielle Martin)

RM/dm