

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
FEBRUARY 24, 2022

A Special Meeting of the Grand Haven Board of Light and Power was held on Thursday, February 24, 2022 at 6:00 PM at the Board's office located at 1700 Eaton Drive in Grand Haven, Michigan and electronically via live Zoom Meeting.

The meeting was called to order at 6:00 p.m. by Chairperson Kieft.

Present were Directors Crum, Hendrick, Westbrook and Kieft.

Also present were David Walters, General Manager; Renee Molyneux, Administrative Services Manager and Secretary to the Board; Lynn Diffell, Accounting & Finance Manager; and Rob Shelley, Distribution & Engineering Manager.

22-05A Director Crum, supported by Director Westbrook, moved to excuse Director Witherell from the meeting for medical reasons.

The motion was unanimously approved.

22-05B Director Westbrook, supported by Director Crum, moved to approve the meeting agenda.

In a roll call vote of the Board, those in favor: Directors Crum, Hendrick, Westbrook and Kieft; those absent: Director Witherell; those opposed: none. Motion passed.

Public Comment Period – No comments were provided. No formal action taken.

22-05C Director Westbrook, supported by Director Crum, moved to approve a recommendation to City Council to approve Varnum LLP as "special legal counsel" to the BLP to provide legal services pertaining to electric utility matters for the Board of Light & Power as determined necessary by the BLP (to include similar matters they have assisted the BLP/City in since 1993 and to now include Labor and Employment practices, those most recently performed by Steve Girard).

The General Manager advised the Board that Steve Girard resigned as our labor attorney. Staff conducted a selection process and is recommending Varnum to also represent the Board in employment and labor matters. Varnum is already approved as special counsel to the Board; they recommend bringing the Board's recommendation to council for their approval to expand our use of that firm for this purpose. If approved by council, we will move forward with Varnum on an engagement letter for Board consideration.

Director Westbrook asked how many firms were interviewed. The General Manager contacted several firms, asked Steve Girard for his recommendations, and we asked the city how they were going through this process. Through that, we identified four firms for consideration. We narrowed that down to two firms for interviews and feel Varnum's team approach is the best fit for our organization.

The General Manager talked with Varnum this afternoon about rates and was pleased to learn rates are being discounted 20% for the BLP. They also agreed to cap negotiations in blocks of six sessions. The first six sessions are capped at \$23,010 in total. If another block of six sessions is needed, they cap those sessions at \$19,500 in total.

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Varnum was first approved as special counsel to the Board for utility matters in 1973, again in 1993 as assistant city attorney, and ratified again in 2018. We have used Varnum for many different issues over these years. The city is planning to expand use of the city attorney for their labor and employment matters; however, to our knowledge, the city manager has not yet solicited approval from council for this purpose.

Director Hendrick asked if this recommendation is to expand Varnum for labor and employment matters only or if this recommendation expands our use further. The General Manager confirmed this recommendation is to expand our use to include labor and employment matters only, and to clarify and ratify how Varnum is being currently used.

The determination of whether an issue is an ‘electric utility matter’ has historically been the responsibility of the Board and/or the General Manager. Until recently, that determination has been viewed very broadly. We are not recommending that process gets changed and we are committed to work with the city attorney and Varnum to address recent concerns in these regards.

We are preparing to negotiate the collective bargaining agreement, which was a 3-year contract that was extended by one year in 2021 and now expires on July 1, 2022. The last contract negotiations took three and a half days to reach agreement. We had over forty revisions to negotiate at that time.

Director Hendrick noticed there is an emphasis on litigation attorneys in Varnum’s credentials and asked if we are lining up for a lawsuit. The General Manager stated we are not anticipating litigation.

Director Hendrick feels she should be able to see itemized invoices for legal services. The General Manager said some of these documents are protected by attorney-client privilege. Board members may view these documents, but they must be kept confidential.

In a roll call vote of the Board, those in favor: Directors Crum, Westbrook and Kieft; those absent: Director Witherell; those opposed: Director Hendrick. Motion passed.

Public Comment Period – No comments were provided. No formal action taken.

At 6:44 PM by motion of Director Hendrick, supported by Director Crum, the February 24, 2022 Special Board meeting was adjourned.

Respectfully submitted,

Renee Molyneux
Secretary to the Board

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