

**CITY OF GRAND HAVEN
519 WASHINGTON AVE.
GRAND HAVEN, MICHIGAN
SPECIAL MEETING
CITY COUNCIL
5:15 pm - JANUARY 20, 2022**

Call to Order

The special joint meeting of the Grand Haven City Council with the Board of Light and Power was called to order at 5:25 p.m. by Mayor Cathy McNally in the Council Chambers of City Hall.

Present: Council Members Karen Lowe; Ryan Cummins; Kevin McLaughlin; Mike Fritz; and Mayor Cathy McNally.

Absent: None.

Others Present: Board of Light and Power Directors Present: Chair Larry Kieft; Michal Westbrook; and Andrea Hendrick. Board of Light and Power Board Absent: Todd Crum; Gerry Witherell.

Staff: City Clerk Kelly M. Beattie; Board of Light and Power Board Secretary Renee Molyneux; and Assistant City Manager Ashley Latsch.

CALL TO THE AUDIENCE

No members of the audience provided public comment at this time.

DISCUSSION ITEMS

*Please note all discussion bullets are summarizations by the City Clerk and include key points as interpreted by the City Clerk, these statements are not a transcription of discussions and are not the exact words of the meeting participants.

Opening Remarks by Mayor McNally

Mayor McNally asked for civility and respectful discussions and requested that speakers remove masks (only when speaking) and face the Mayor and BLP Chair when speaking.

General Working Relationship Between the City Council and the BLP

- **CM Fritz** expressed hopes for better communication between the City Council and BLP Board moving forward. Fritz appreciates this meeting being held in-person and expressed a desire to continue discussions at future face-to-face meetings.
- **BLP Director Westbrook** shared he feels that the relationship between the City Council and BLP Board needs repair; he is optimistic this is possible because the City Council listed improving the relationship between the BLP and City Council on the City Council SWOT draft as an opportunity. Westbrook concluded his remarks by expressing concerns over comments made at the January 18 City Council meeting regarding the BLP.

- **CM McLaughlin** spoke in support of continuing collaboration as board members and maintaining and improving personal and professional relationships.
- **CM Lowe** spoke in support of building the public trust through transparency and accountability. Lowe also called attention to the BLP organizational structure noting that the BLP general manager is the administrative agent hired by the BLP Board and is subordinate to the Board. Lowe also encouraged special attention be paid by the BLP regarding compliance with the Open Meetings Act; and provided an overview of Charter provisions regarding unexcused absences of BLP directors.
- **CM Cummins** spoke in support of working together on joint policy issues and supports the City Council and BLP Board regularly meeting to set policies for staff to implement, rather than relying primarily on management as an intermediary.
- **BLP Director Hendrick** referenced the Charter and the relationship between the City Council and BLP Board, noting that the charter is clear that the City Council sets direction for the BLP and requested the City Council provide clear direction. Hendrick added comments suggesting the BLP Board should improve the internal process for policy decisions and how the Board handles delegation to the BLP staff.
- **BLP Chair Kieft** spoke in support of leaving past transgressions in the past and supported the City Council and BLP Board working together.
- **Mayor McNally** spoke in support of moving past issues that have caused strained relationships. McNally also expressed concern that the BLP board found difficulties assembling a quorum in the last couple months and echoed the statement that the charter has clear relationship between the BLP Board and City Council. McNally also spoke about the need to work together as issues under the scope of the BLP relate to one of the two major challenges facing the City Council adding a proposition of quarterly joint meetings.
- **BLP Chair Kieft** spoke in support of future joint meetings and would be willing to meet regularly, if there are issues and information the board and council can discuss issues meaningfully. Kieft also is open to quarterly or more frequent meetings depending what issues need to be addressed.
- **Fritz, Westbrook, and Hendrick** all voiced support regular meetings to review relevant information. No participants openly objected to regular joint meetings.

Path Forward/ Holistic Approach for Remediation of Harbor Island

- **Mayor McNally** shared the reasons the City Council decided to move forward with HDR as an environmental consultant for Harbor Island, including the expertise and services presented in the HDR proposal. McNally then expressed a desire, to extent that is affordable, that the cleanup will implement best practices for future generations, rather than minimum regulatory requirements.
- **BLP Chair Kieft** requested any path moving forward include the continued involvement of technical experts who have been involved in this process to date, including Eric Booth.
- **CM Fritz** spoke in support of continued involvement of experts, including Eric Booth.
- **CM Lowe** spoke in support of sharing information moving forward in a way that allows everyone to understand the informed and looks working together jointly.
- **CM McLaughlin** spoke in support of working together with the BLP and community to make the best possible use of the island both as an economic standpoint and as a natural resource management standpoint.

- **BLP Director Hendrick** spoke in support of examining the big picture and access to federal funds rather than focusing on minutia. Hendrick provided additional comments in support of securing exterior support from the philanthropy and legislative funds and supports the approach HDR has proposed.
- **CM Cummins** spoke in support of collaboration moving forward, and does not want the change in consultants to be viewing this as a transfer of work to the City Council from the BLP. Cummins spoke in support of a process where combined staff teams will work with EGLE to work through compliance and that the elected officials will work together on policy issues while providing a joint voice. Cummins also voiced support for allocating resources with the future in mind.
- **BLP Chair Kieft** shared a personal anecdote conveying the message of changes in environmental best practices as a cautionary tale.
- **CM Lowe** expressed concern that a quarterly meeting to make decisions and provide direction to leadership team might not be sufficient, and suggested asking HDR for a recommendation about selecting an intermediary representatives from council and BLP to provide direction on urgent matters.
- **Mayor McNally** spoke in support of developing a narrative about the importance of Harbor Island and a history of the site, as well as creating communication tools to reach out to legislators.

Concerns About Remediation Funding

- **Mayor McNally** brought up the issue of which items are funded through taxpayer's vs rate payers will be an upcoming issue, but stated that it is not yet the time to have those discussions. McNally also spoke in support of developing a good relationship with regulatory agencies and the importance good working relationships can have on funding.
- **BLP Chair Kieft** supported McNally's sentiment that it is too early for discussions on how each item is funded.
- **CM Lowe** requested anyone with grant writing expertise come forward.
- **BLP Director Hendrick** advocated for a communications policy, suggesting this policy is one of the most important issues to address first for funding, and advocated for a way to address community recommendations.
- **CM Fritz** supported designating a point person to evaluate grant viability for community recommendations.
- **CM Cummins** spoke in support of delaying decisions for final cost allocations, but recommended discuss include accounting practices and decisions about how payments of items that will come up in the short term will be made and who will pay for these items.
- **BLP Chair Kieft** provided rough amounts for BLP expenditures on remediation to date, sharing that the BLP has already spent hundreds of thousands of dollars (\$800,000 – \$900,000) on consulting, legal fees, and initial testing.
- **Mayor McNally** spoke in support of HDR developing a framework for decisions that will need to made in the short-term and long term. McNally also spoke briefly on a webinar she attended from Sen. Stabenow's Office focusing federal funding for infrastructure projects.

Future Possibilities for The Diesel Plant

- **BLP Director Hendrick** shared office space concerns from BLP staff. Hendrick added that the BLP board supports using some of the space in the Diesel Plant for BLP staff.

- **BLP Director Westbrook** spoke in support of BLP use of some, but not all of the space of the Diesel Plan and provided references to the historic use of the property by the BLP. Westbrook also expressed support of the BLP using some of the space and possibly staying involved in the preservation and remediation of the site.
- **BLP Chair Kieft** shared his summation of community member opinions on the site, suggesting that the community is opposed to added traffic and housing on the site. Kieft suggested the consideration of non-profit use of the site. Kieft also spoke in support of the BLP using part of the site and supports the preservation of the building.
- **CM Fritz** expressed concerns about the lack of funding mechanism available as a government compared to private developer. Suggested approaching the developer (CL/Lakewood) early, to arrange for a rental or purchase of space to increase the likelihood that design needs are accommodated.
- **CM McLaughlin** spoke in support of using the property in a way that can generate tax revenue for the City. McLaughlin also spoke in support of searching for funding through other mechanisms including grants and tax credits.
- **CM Lowe** spoke in support of preservation of the site and the possible BLP presence at the location.
- **CM Cummins** spoke in support of the preservation of the site and getting all interested parties: the City, CL/Lakewood, and the BLP together to discuss the issue of BLP use of the site.
- **Mayor McNally** spoke in support of the preservation of the building and in support of finding a way for the BLP to use the building.

Boilers for Snow Melt

- **Mayor McNally** began the discussion on paying the \$1,000,000 costs for boilers by requesting the BLP will send the invoice to the City, remarking that the City does not have the money to pay the invoices at the moment, but suggested it may be possible to provide a solution through a legal mechanism to compensate the BLP.
- **CM McLaughlin** inquired about a payment plan over a period of years to pay for the invoices.
- **BLP Chair Kieft** suggested there is the need for 3 months to 6 months to sort out a financial plan for the several issues affecting both groups and hopes to include the payment for this equipment as part of a larger discussion.
- **BLP Director Westbrook** offered a remarks that suggested that the City should not view the receipt of an invoice as a demand for immediate payment.
- **CM Lowe** offered appreciation regarding flexibility on financial matters that will be considered together.
- **CM Cummins** spoke in support of evaluating contributions toward funding the boilers for snow melt.
- **BLP Chair Kieft** shared his personal option that the BLP should not participate in funding the snow melt. Kieft shared an anecdote about a neighboring community in reference to the ice melt to convey the message that he does not believe the snow melt is a pressing issue or the necessary service at the level provided in Grand Haven.
- **BLP Director Hendrick** supported continuing this conversation in the future and building assets in a way that is financially sustainable.

The Need to Consolidate Legal Services Through The City Attorney

- **Mayor McNally** spoke on the necessity of aligning legal services by coordinating services through the City Attorney. McNally also expressed concerns about reports of conflicts between the BLP and EGLE. McNally also spoke about the role of the City Attorney in considering big picture issues.
- **BLP Director Hendrick** expressed concern about the lack of transparency regarding BLP expenses, including attorney fees that she was not provided complete documentation for.
- **BLP Chair Kieft** spoke about the process the BLP used to hire numerous attorneys to work on specific issues and how invoices and billing agreements with these attorneys were managed by the BLP.
- **CM Cummins** remarked that Varnum was hired to deal with operational needs at the BLP and that the Charter allows attorneys to be hired for specific matters with City Council approval.
- **CM Lowe** spoke about the City Attorney role in controlling the cost of legal fees.
- **CM McLaughlin** spoke about the process the City Council uses to review expenses.
- **CM Fritz** remarked that Varnum was hired because of specialized expertise and spoke in support of the process used by the City Council to review expenses.
- **BLP Chair Kieft** spoke about the improvements that have been made in reviewing expenses based on the recommendation of the annual audit process.
- **Mayor McNally** expressed concern about reports that the environmental attorney retained by the BLP is at odds with EGLE.
- **BLP Director Westbrook** provided an account of a conversation he had with Ken Walters, including his impression from the conversation is that the relationship is not strained beyond repair.
- **CM Lowe** spoke about the responsibilities elected officials have and the importance that they have access to information without barriers.
- **Mayor McNally** reiterated that each member of elected bodies have an independent right to access information.
- **BLP Chair Kieft** spoke about the prospect of excusing absences of board members and how to proceed moving forward.

Further/ Closing Remarks

- **CM McLaughlin** brought up the topic of the recent letter from the Grand Haven Energy Organization.
- **Mayor McNally**, in reference to the letter from the Grand Haven Energy Organization, offered to share the letter with the BLP. Hendrick mentioned that the BLP received the letter as well.
- **Mayor McNally and Council Member Lowe**, who had planned to draft a response, supported referring the Grand Haven Energy Organization letter to the BLP for a response.
- **CM Cummins** suggested a joint effort moving forward regarding energy matters would be beneficial because of larger issues.
- **BLP Director Hendrick** provided remarks suggesting she looks forward to working together regularly and hopes this will allow better community involvement and collaborative workgroups. Hendrick also expressed the sentiment that joint meetings would be desirable

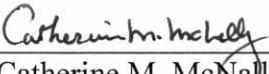
when reaching out to organizations, because both boards have the power to make a difference.

SECOND CALL TO THE AUDIENCE

1. **Jim Hagen**, 400 Lake, spoke in encouragement of both boards following a parallel process for remediation of Harbor Island, that includes decisions made at each stage (stage gate). Encourages the boards to listen to the engineering companies.
2. **Field Reichardt**, 317 Lakeview, Spring Lake, spoke in support of moving quickly on applying for federal funds, suggesting that HDR meets with legislators' staff to find the funding sources available and what timetables exist. Asks that the City Council and BLP Board re-read the letter from the Grand Haven Energy Organization as he is the author.

ADJOURNMENT

There being no further business, Mayor McNally adjourned the meeting at 7:34 p.m.



Catherine M. McNally



Kelly M. Beattie, City Clerk