

**Minutes of Regular Meeting
Grand River Dam Authority
Board of Directors
April 13, 2022**

A regular meeting of the Board of Directors of the Grand River Dam Authority was held at the Grand River Dam Authority's Ecosystems & Education Center in Langley, Oklahoma on April 13, 2022. Notice was given pursuant to 25 O.S.A. § 301 et seq. by submitting a schedule of regular monthly meetings to the Secretary of State on November 30, 2021 at 9:12 a.m.; by posting the agenda with the Mayes County Clerks' offices on April 12, 2022, at 10:00 a.m.; by posting said agenda at www.grda.com; and by posting said agenda at the principal office of Grand River Dam Authority at least 24 hours prior to the meeting.

Chair Elam called the meeting to order at 10:01 a.m. The Secretary called the roll. All members were present, with the exception of Director Sublett. Chair Elam declared a quorum.

BOARD MEMBERS

Dwayne Elam, Chair	Present
Charles Sublett, Chair-Elect	Absent
Tom Kimball	Present
Mike Lewandowski	Present
Chris Meyers	Present
James B. Richie	Present
Michael Westbrook	Present

ADMINISTRATIVE

Daniel S. Sullivan, Chief Executive Officer	Present
Tim Brown, Executive VP - Chief Operating Officer	Present
Lorie Gudde, Chief Financial Officer/Corporate Treasurer	Present
Heath Lofton, Executive VP - General Counsel	Present
Brian Edwards, Executive VP – Law Enforcement/Lake Operations	Present
Nathan Reese, Executive VP – External Relations	Present
John Wiscaver, Executive VP – Corporate & Strategic Communications	Absent
Laura Hunter, Executive VP - Chief Administrative Officer	Present
Darrell Townsend II, VP – Ecosystems & Watershed Management	Present
Robert Ladd, VP – Generation Operations	Present
Steve Jacoby, VP – Generation Engineering	Present
Jeff Tullis, VP – Transmission, Distribution & Engineering	Present
Chris Carlson, Deputy Chief – Law Enforcement	Present
Sheila Allen, Corporate Secretary	Present

Others present were as follows: Lindsey Pever, A New Energy Law; Cheryl Adams, MESO; Archie and Trey Peyton, Peyton's Place; Crystal Campbell, Congressman Markwayne Mullin's Office; Michael Doublehead, TPWA; Jared Crisp, Pryor MUB; Loren Smith, Stillwater Utility Authority; Tamara Jahnke, Ash Mayfield, Melanie Earl, Randall Williams, Savannah Ellison, Matt Martin, Jared Skaggs, Nancy Sanchez, Leah Messner, Cameron Philpott, Jerry Cook, Matt Martin, Ray Flaming, Jeff Brown, Michelle Day, Gary Pruett, Eric Alexander, Nick Beasley, Christine Burmaster, Shannon Randolph, Eric Alexander, Holly Moore, Chris Carlson, GRDA.

4. New Business

4.a. Capital Work Order Report

Number	Title	Net GRDA Cost
RF022-01157	Snowdale Park Restroom Install	\$ 210,043
RF022-01147	NW Maid Expansion	4,071,398
RF021-01129	Chouteau-Hunt Tap Line for AEP Substation (FDR 103)	236,643
RF020-01052	Feeder 64 & 14 Line Panel Upgrade	376,285
RF021-01096	GRDA Admin Building OH Feed from MAIP - Revised Estimate	1,015,133
RF021-01096	GRDA Admin Building OH Feed from MAIP - Original Estimate	550,211
Additional Funding for RF021-01096		464,922
Grand Total Work Orders		\$ 5,359,291

Director Lewandowski asked what the additional amounts related to the GRDA Admin Building OH Feed from MAIP were for. Mr. Sullivan explained there were additional hours needed for this portion of the project, as well as non-cash items. He told the Board there was also a need to get around some structures on the Grand River Energy Center (GREC) property that had not been properly identified before.

Chair Elam asked if the presented total for the Snowdale Park restroom was for new installation. Mr. Sullivan confirmed it for new installation of a modular design which will also be connected to the Salina sewer system.

Director Kimball moved the Board approve the Capital Work Order Report as presented, seconded by Director Richie, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

CONSENT AGENDA

2. March 2022 Claims, \$44,410,996.14.

4.b. Resolutions of Commendation:

- 1) Jimmie Wayne Dooley
- 2) William W. Gilstrap, Jr.
- 3) Dewayne Keet McGuire

4) Christy L. Woodall

4.c. Power Cost Adjustment (PCA) of \$0.03391 per kWh for May 2022

4.d. Declare Surplus and Not Necessary to the Business of the District

Description and/or Make of Item
GREC Inventory Section 119
GREC Inventory Section 141
GREC Inventory Section 152

4.e. Consideration, Discussion and Possible Approval of Deputation Agreement with Quapaw Nation

**4.f. Approval of Amendment and Assignment of Revocable License to Encroach from Kenneth W. Collins and Sandra J. Collins, individually and as Co-Trustees of The Kenneth W. Collins and Sandra J. Collins Revocable Trust dated February 11, 1999 to Michael Holtzman and Jessica Glidewell for Property Located in Mayes County, Oklahoma
4.g. Change Order 2 – Contract 43248 – Watts Communication Tower Phase 2 of 2**

4.g. Approval of Assignment of Revocable License to Encroach from Sandra J. Jarvis, Trustee of the Amended and Restated Sandra J. Jarvis Trust Agreement Dated the 28th Day of December to Jerry Dees for Property located in Delaware County, Oklahoma

4.h. Application and Authorization for Temporary Electric Service – J.E. Dunn Construction Company

4.i. Consideration, Discussion and Possible Approval of Professional Engineering Services Agreement, Task Authorization #3 – Contract 43805 for Master Services Agreement Contract 43051 – MAIP Feeder Modifications – Phase 2 Design

5.b. Purchase Order Report (*Denotes Addenda Items):

Standard Purchase Orders & Contracts		
PO Number	Vendor Name and City State	Amount
43760	THIELSCH ENGINEERING, INC. - CRANSTON, RI	142,500.00
43761	THIELSCH ENGINEERING, INC. - CRANSTON, RI	17,500.00
43763	BRENNTAG SOUTHWEST, INC. - NOWATA, OK	778,977.29
43777	LAYCO, INC. DBA LEI CORPORATION, CURLEY ELECTRIC - TULSA, OK	785,974.00
43778	M D HENRY CO., INC. - PELHAM, AL	1,261,720.00
43746	W-S INDUSTRIAL SERVICES, INC. - COUNCIL BLUFFS, IA	608,120.00
42360	ELECTRICAL CONSULTANTS, INC. - JENKS, OK	231,000.00
43782	BELL LUMBER & POLE COMPANY - NEW BRIGHTON, MN	357,588.78
Grand Total Standard POs & Contracts:		\$4,183,380.07
Change Orders & Renewals		
PO Number	Vendor Name and City State	Amount
43285	CLEAN AIR ENGINEERING - PALATINE, IL	-30,780.00
119048	SIEMENS INDUSTRY, INC. - TULSA, OK	254,390.00

43499	DRILL-RITE, INC. - SALINA, OK	7,500.00
43574	PINNACLE BUSINESS SYSTEMS - TULSA, OK	69,017.67
43596	MITSUBISHI POWER - LAKE MARY, FL	237,425.09
Grand Total Change Orders & Renewals:		\$537,552.76
Grand Total		\$4,720,932.83

Director Meyers moved to approve the consent agenda as presented, seconded by Director Richie, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. Motion passed (6-yes, 0 no, 0 abstained).

REGULAR AGENDA

1. Regular Board Meeting Minutes of March 9, 2022.

Director Kimball moved to approve the Regular Board Meeting Minutes of March 9, 2022, seconded by Director Westbrook, and voted upon as follows: Elam, yes, Kimball, yes, Lewandowski, yes, Meyers, abstain, Richie, abstain, Westbrook, yes. *Motion passed (4-yes, 0-no, 2-abstained).*

3. Unfinished Business

3.a. Progress Reports

3.a.1. Current Operations Reports

Mr. Sullivan said there was an event that occurred yesterday evening that further demonstrates the training and capabilities of GRDA's law enforcement team. He said there was a call for a person in distress on the Mayes County and Rogers County line. One of their officers was nearby and was able to respond. They found a person passed out in a parking lot. After administering 2 doses of Narcan, the officer was able to bring the person back around. Mr. Sullivan said this speaks to the need for GRDA police officers to be trained in this type of skill and the significance should that officer not have been able to get to the person in time. An ambulance was called, but they were not able to arrive nearly as quickly. Mr. Sullivan expressed his appreciation to Chief Edwards and his team for the training they do and the work they have done to provide that level of service to the citizens of Oklahoma.

Mr. Sullivan explained data shown as to GRDA's Demand and Energy for Load Following comparing total annual information for 2021 and 2022 for GRDA's Full Requirements Customers for the month of March. He said there has been a continued increase which shows continued growth, with nice increases in both industrial and municipal loads. Mr. Sullivan stated GRDA continues to see growth over

the system with a total increase in demand of 11 percent and a 9 percent increase in energy. He showed graphs illustrating a comparison of resource energy production for March 2021 and March 2022. Mr. Sullivan noted that GREC Unit 3 was previously offline which caused reduced gas usage and supplemental power purchases. Market purchases made, which were the result of the GREC Unit 3 outage, had negatively impacted the Power Cost Adjustment (PCA). He showed a chart illustrating the current Henry Hub natural gas futures and settlements, as well as explaining details of the chart. Mr. Sullivan stated the Authority will continue to monitor this, but this has been a factor in the increase of the PCA. He showed a graph on GRDA's Load Cost & Value of Resource Portfolio. He said this graph demonstrates a tremendous savings to GRDA customers since the Authority had resources available to provide the needed power.

The Big Meat Run occurred March 18-20, 2022, below Pensacola Dam with approximately 18,000 people in attendance. Mr. Sullivan showed photographs from the event.

He said GRDA held the AMI Municipal Customer Meeting on March 22, 2022, to update the entire customer group on the progress of this plan. The plan is still in the works and there will be additional meetings to work out details with the group.

"What's so cool about manufacturing?" (WSCAM) is a program first launched by the MidAmerica Industrial Park in conjunction with Rogers State University TV in 2019. The program is dedicated to changing the perceptions and attitudes about manufacturing jobs and careers in the 21st century. It does that by allowing student filmmakers and potential future employees to visit the participating organizations to see what a career in manufacturing might be like. Mr. Sullivan explained that this year GRDA partnered with a team of students from Locust Grove High School. Those students spent part of two days at the Salina Pumped Storage Project interviewing employees about the career and education paths necessary for employment and seeing first-hand how hydroelectricity is "manufactured" at this unique facility. At an awards banquet held March 22, 2022 at RSU-Pryor, he said the Locust Grove students won the award for Best Career Pathway.

Mr. Sullivan said the Major League Fishing Redcrest Championship event returned to Grand Lake on March 23-27, 2022. He stated the tournament saw a lot of water and significant challenges, but the event was a big success. The weigh-ins were held in Tulsa as has been done in the past with other fishing organizations, but the events were held at the fairgrounds this time. It was certainly a great opportunity to get some high profile attention to the Grand Lake fishery. He provided photographs from the events.

GRDA has earned a Reliable Public Power Provider (RP3)[®] designation from the American Public Power Association for providing reliable and safe electric service. The RP3 designation, which lasts for three years, recognizes public power utilities that demonstrate proficiency in four key disciplines: reliability, safety, workforce development, and system improvement. Criteria include sound business practices and a utility-wide commitment to safe and reliable delivery of electricity. GRDA joins 275 public power utilities nationwide that hold the RP3 designation. GRDA was also awarded this designation in 2019. Mr. Sullivan showed a photograph of the group accepting the award and said he and all of GRDA are very happy to receive this recognition.

GRDA is being recognized for the 21st year in a row for excellence in financial reporting by receiving the "Certificate of Achievement for Excellence in Financial Reporting" from the Government Finance Officers Association (GFOA). GRDA is receiving the certificate for its 2020 comprehensive annual financial report (CAFR). Mr. Sullivan said the certificate is the highest form of recognition in governmental accounting and financial reporting. GFOA advances excellence in government finance by providing best practices, professional development, resources, and practical research for more than 21,000 members and the communities they serve.

For the 3rd straight year, and the 4th time in 5 years, GRDA has received national recognition from the American Public Power Association (APPA) for achieving exceptional electric reliability. Mr. Sullivan told the Board GRDA received the recognition primarily for its reliability among its distribution customers in the MidAmerica Industrial Park. Based on EIA data, GRDA ranks in the top quartiles (25 percent) of utilities for the System Average Interruption Duration Index.

On April 1, 2022, GRDA conducted a meeting the commercial float operators on the Illinois River. Mr. Jared Skaggs, GRDA Director of Outdoor Experience, spoke to them about licensing rules, 2022 season improvements and provided a summary of WOKA Whitewater Park, including the differences between WOKA and other operations. Mr. Sullivan said there was representation from GRDA Police, Oklahoma Department of Transportation (ODOT), Oklahoma Highway Patrol (OHP) and the Oklahoma Department of Wildlife Conservation (ODWC). He stated those in attendance asked many questions during meeting about debris management and an upcoming ODOT project that will impact the Illinois River in 2023 or 2024. GRDA will have a more lead role in debris management going forward.

There was a "Rush for Brush" event held at Wolf Creek on April 2, 2022. Mr. Sullivan said there were 40 volunteers and 450 structures constructed. He stated the event was a huge success and expressed

his appreciation to the volunteers that come for this event. Mr. Sullivan told the Board that structures put into place over approximately the last 15 years is a significant number and helping with fish habitat. He showed photographs of the group.

GRDA Safety Forums are ongoing and being held in multiple locations. GRDA is now at 50 days with no safety events.

Mr. Sullivan said Mr. Jeff Tullis recently moved into the position of Vice President – T&D, Engineering & Operations on April 1, 2022, after serving in the role of GRDA's Chief Engineer for the past 12 years. Prior to joining GRDA, Jeff spent several years as a consulting engineer providing electrical design services for utility and commercial clients. He then transitioned to leadership roles with two of GRDA's largest municipal customers; first as Director of Electric Utility Operations at Coffeyville, followed by a stint in the same role leading Stillwater's electric utility.

Mr. Sullivan asked Mrs. Hunter to provide an update for the Board on their compensation study. He said they believe they have put together a very solid plan that is going to be updated annually. Mr. Sullivan stated everyone in the Authority has gone through this process, except the Executive Team, at this stage. He said they are trying to get this back to a regular rhythm that is much more predictable and easier for the team to budget and plan around that timing, as well as being appreciated by the employees.

Mrs. Hunter greeted the Board and said they are now making pay decisions close to the time that GRDA receives market data so that it is as fresh as possible. This provides confidence in the data being seen, and moving it to the March/April timeframe is a part of that reasoning. During the year, now that they have a rhythm around the process, they intend to continue this timing. Mrs. Hunter said a few things have changed this year. The team has added Mercer and Customer Law Enforcement surveys, increased the number of positions with market matches, sought recommendations from front line leadership, and held compensation overview sessions with all employees. She explained the details of this. She said they went out to about 20 organizations and received information from 10 of those. This helps to ensure GRDA is doing this with good data to support the changes. The team had compensation discussions with all employees to make certain they understood the shift to market data and pay for performance. This equips the employees with more knowledge in their conversations with their leaders about pay for performance as well. Mrs. Hunter explained the primary differences in the different surveys GRDA participates in. She also said they are primarily looking at base pay at this point in time, as total compensation (to include benefits) is a separate study from compensation. However, the team continues to talk about this.

Chair Elam asked if GRDA is looking at regional/state salary levels. Mrs. Hunter said they are looking at all aspects of the compensation study when they are relying on objective data. As it comes to the Authority, they are finding out what local organizations are paying their employees and it not always easy to get the local data points up front. She said these surveys also have a lot of rural data included and is a good blend of averages to find a good balance around that.

Mrs. Hunter said, with this last compensation study and salary changes for employees, right now 480 employees are receiving a pay increase, with 33 promotions or realignments. The average increase for all of these is 3.87 percent. She showed a table illustrating the distribution of increases across departments and explained the reason for the levels of increase.

Director Westbrook asked what the timing was for this. Mrs. Hunter explained the Human Resources Team began working toward the end of 2021, with leaders beginning their work by March 2022 for the changes to be implemented in the first paycheck of April 2022. Director Westbrook said he asked since he was concerned about the evolving crisis in the rate of inflation and cost of living and how this had been considered in the process or factored in when evaluating their employees. Mrs. Hunter said the one challenge with market data and market analysis is that it is data usually provided at the end of the year, and is a look back. She stated she and the team did a lot of analysis around inflation, movement in the market, and the shift with Social Security. Mrs. Hunter said she would like to look to see longer trends, but right now they would rather have a long focus and be steady with pay practices, and continue to monitor this. She also stated the State of Oklahoma is monitoring it as well.

Chair Elam asked why the Authority had not addressed this issue sooner. Mrs. Hunter said she understands that there was not as much latitude then as GRDA has now in regards to compensation, with the freezes and individual salary approvals. She stated that is not now an issue and can be properly addressed. Mr. Sullivan said the staff had to be very creative in the ways we were able to get raises approved in the past. Now that they have more data to support it, he stated we can answer any of those questions. Chair Elam said he is a firm believer that their most valuable asset is their employees, and is glad they are working on this.

Director Kimball agreed that this was good to see, but wants the staff to continue to monitor the inflation and cost of living rates. Mrs. Hunter and Mr. Sullivan agreed.

Mr. Sullivan thanked the Board for giving the staff the tools as a management team to do these types of studies and pursue new customers to gain additional load to be able to continue to provide salary and wage increases, and the Authority is beginning to see the fruits of that effort.

4. New Business

4.j. Consideration, Discussion and Possible Approval of Interagency Agreement – Oklahoma Department of Wildlife Conservation

Mrs. Messner greeted the Board and said this is part of the continued discussion regarding the activities along the Scenic Rivers. She explained this is a proposed cooperative agreement between the Grand River Dam Authority and the Oklahoma Department of Wildlife Conservation (ODWC). Mrs. Messner provided background information, saying that this agreement has been ongoing since the 1980's, but due to current operational practices by some commercial float operators on the Scenic Rivers this agreement has been drafted to better address those practices. She listed the public access areas included in the agreement that are ODWC-owned property. Mrs. Messner went over the terms of the proposed agreement for the Board and said the agreement is effective until February 1, 2025, with an option to renew annually thereafter.

Chair Elam asked for confirmation that GRDA is responsible for the maintenance and improvement cost on these properties. Mr. Sullivan confirmed this is the case, and that it has been this way since the 1980's. He said it is somewhat minimal. Chair Elam asked what the approximate cost would be. Mr. Sullivan stated it has not been a tremendous amount, but he does not have an exact number. The activities involved are mostly upkeep and signage for day use areas and overnight camping areas.

Director Kimball stated he was less worried about the cost of upkeep for these areas, but much more concerned about whether GRDA can truly enforce the rules and requirements at the Scenic Rivers areas. He expressed his disappointment in those in the Tahlequah, Oklahoma area that have chosen to block approval of legislation to allow GRDA to enforce the rules. Director Kimball stated he does not believe GRDA should sign an agreement in good faith and not be able to fully and properly take care of the Scenic Rivers. He suggested the Board table this item until there is a resolution to the question of enforcing the rules.

Chair Elam asked if GRDA is collecting a fee for public access now. Mr. Sullivan said there is a fee collected for camping only at this time.

Director Kimball commented he cannot see spending money on these areas until GRDA is fully able to enforce the rules for those public access areas. Mr. Sullivan said he does not believe there is unanimity among the float operators on how this is currently working, and that the majority of them seem to be very interested in working through the details to make things better. He stated that they have held meetings with the float operators because, as a part of this agreement, there will be individual agreements with each operator for specific public access areas. This will hopefully minimize encroachment on the general public accessing the river. Mr. Sullivan told the Board it is concerning that the Tahlequah Chamber of Commerce has held meetings and discussions with stakeholders, but GRDA has not been asked to participate in any of those discussions to date, especially as a member of that chamber of commerce. He said the Tahlequah Chamber of Commerce is scheduled to hold a meeting tomorrow to allegedly discuss GRDA and the ODWC, but GRDA was not invited to be a part of that meeting. Mr. Sullivan stated he understands the chamber itself sent a letter to all state legislators urging them to not approve GRDA rules submitted.

Chair Elam said he would like to see a mutual share in costs and expenses between GRDA and ODWC. Mr. Sullivan said he believes the ODWC is limited in how they can use their funds related to commercial operations. The only reason the float operators are allowed to use these public access areas is because of the agreement between GRDA and the ODWC. Otherwise, there would not be any commercial activity on the property. ODWC will not want to continue the current agreement unless the individual agreements are in place with each of the float operators.

Director Kimball moved to table the Cooperative Agreement between the GRDA and the ODWC as proposed, seconded by Director Westbrook, and voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Mr. Sullivan asked the representatives from Peyton's Place float operation to comment if they would like. Mr. Archie Peyton asked if the float operators would be allowed to operate this summer without the individual agreements should this Cooperative Agreement not be passed. Mr. Sullivan said, if this agreement and the individual float operator agreements are not in place, he believes ODWC would not want to go forward with the existing agreement. Mr. Peyton stated this puts a large percentage of the

operators at the Scenic Rivers at risk of losing business this season and directly effects the economy of the City of Tahlequah. Mr. Sullivan said the Tahlequah Chamber of Commerce is actively lobbying against GRDA's rule changes that allow them to enforce these types of agreements. He stated he is at a loss as to what is happening on that front. There has been a real concern about the funds the Authority invests in the Scenic Rivers area and how this is perceived.

Discussion ensued regarding how this situation came about and how it can be remedied, as well as whether there is time to fix the situation before the next meeting according to the terms of the agreement.

4.k. Other New Business, if Any, Which Has Arisen Since the Posting of the Agenda and Could Not Have Been Anticipated Prior to the Time of Posting (25 O.S. § 311(9)).

There was no other new business.

5. Reports

5.a. Board of Directors Committee Reports

1. Assets Committee:

- a) **Consideration, Discussion and Possible Approval of a Request by the Town of Salina to Lease Property Located in Mayes County, Oklahoma for Ballfields.**
- b) **Consideration, Discussion and Possible Approval of a Request by James L. Arnold Jr. and Adrian L. Arnold for a Revocable License to Encroach for Property Located in Delaware County, Oklahoma.**
- c) **Consideration, Discussion and Possible Approval of a Request by Ronald H. Buck and Germaine Buck for a Revocable License to Encroach for Property Located in Mayes County, Oklahoma.**
- d) **Consideration, Discussion and Possible Approval of a Request by John Tytenicz Jr. for an Agricultural Lease of Property Located in Oklahoma County, Oklahoma.**
- e) **Consideration, Discussion and Possible Approval of a Request by Ozarks Electric Cooperative for an Electric Line Easement on Property Located in Cherokee County, Oklahoma.**

Director Westbrook summarized the items the committee heard that morning and said all items were approved during the meeting.

Regarding item a, Director Westbrook moved to approve a lease agreement with the Town of Salina for two baseball fields, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Regarding item b, Director Westbrook moved to approve a License to Encroach to James L. Arnold, Jr. and Adrian L. Arnold in Delaware County, Oklahoma for the amount of \$297.00 per year, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Regarding item c, Director Westbrook moved to approve a License to Encroach to Ronald H. and Germaine Buck in Mayes County, Oklahoma for the amount of \$100.00 per year, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Regarding item d, Director Westbrook moved to approve an Agricultural Lease to John Tytenicz in Oklahoma County, Oklahoma for the amount of \$2,000 per year with GRDA portion being \$720 per year, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Regarding item e, Director Westbrook moved to approve the easement to Ozarks Electric Cooperative Corporation for the amount of \$200, and the item was voted on as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

2. Audit, Finance, Budget, Policy & Compliance Committee:

a) 2021 Financial Statement Audit

b) First Reading of the Proposed Revisions to Board of Directors' Policy No. 4-3 Energy Risk Management and the Risk Oversight Committee's Energy Hedging Program

Director Lewandowski asked Mrs. Gudde to present the information to the Board.

Regarding item a, Mrs. Gudde told the Board the complete copy of the audited financial statements, including the management discussion and analysis as well as Baker Tilly's new format of the audit results is done. She said there were no deficiencies or weaknesses identified, and the report was filed with the Oklahoma State Auditor's Office by the deadline.

Chair Elam and the entire Board expressed their appreciation for the Finance Team and for Baker Tilly.

Regarding item b, Ms. Michelle Day presented Board Policy 4-3, Energy Risk Management Policy and the proposed amendments. She said the internal GRDA Risk Oversight Committee formed a subcommittee to review and update the Board of Directors' Energy Risk Management Policy 4-3 and the Risk Oversight Committee's (ROC) Energy Hedging Program. Their efforts were to update the Policy and the Program based upon current needs and practices now that it has matured since these documents were created. This includes making appropriate delineations between the two documents as one is a policy and the other is a program for procedure and processes. Ms. Day explained the amendments related to unsecured credit limits with counterparties and why the Intercontinental Exchange (ICE) is excluded from the Maximum Credit Limits. She said trades in ICE would be subject to programmatic gas hedging limits. The ROC program no longer has credit limits within it because they are set in the Board Policy, and it also now contains the procedural information previously in the Policy. The ROC program notes that these procedures are not intended to substitute for exercising sound employee judgment. Ms. Day said they have also added a reporting provision for actions taken under emergency conditions. If emergency conditions call for action outside of the standard programmatic hedging table, the Chief Operating Officer shall report the actions taken for the benefit of GRDA at the next ROC meeting. Ms. Day told the Board this would be considered the first reading before a planned consideration and approval at the next Board meeting. She said the amendments would be accepted for the first reading and then table the program for acceptance because they need to go together.

Mrs. Gudde said the 2 documents operate together and the Audit Committee agreed yesterday that they would do a second reading and discussion prior to the May Board Meeting as well.

The Board acknowledged and accepted the first reading of the Board of Directors' Energy Risk Management Policy 4-3, alongside the Risk Oversight Committee's Energy Hedging Program.

No action was taken on this item.

- 3. Compensation & Marketing Committee:** Director Kimball had no report.
- 4. Fuel and Long-Range Planning Committee:** Director Meyers said the committee met yesterday. As GRDA is experiencing growth, the staff has been reviewing current and future

capacity needs and is looking for ways to meet those needs. No action was taken during the meeting.

Director Richie took a moment to wish Director Kimball and his wife sincere congratulations on their recent 50th wedding anniversary.

6. Executive Session:

- a. **Proposed Executive Session Pursuant to 25 O.S. § 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning the Pending Investigation, Claim, or Action, related to Federal Energy Regulatory Commission Project No. 1494-348, Which GRDA has Determined, with the Advice of Its Attorneys, that Disclosure of Such Communication Would Seriously Impair the Ability of the GRDA to Process the Pending Investigation, Claim, or Action in the Public Interest.**
- b. **Proposed Executive Session Pursuant to 25 O.S. § 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning City of Miami et al. vs. Grand River Dam Authority, District Court of Ottawa County, Oklahoma, Case No. CJ-2008-619.**
- c. **Proposed Executive Session Pursuant to 25 O.S. Section 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning Amendment 1 to Contract 42636 with Mead & Hunt, Which GRDA has Determined with the Advice of Its Attorneys, that Disclosure of Such Communication Would Seriously Impair the Ability of the GRDA to Process the Pending Investigation, Claim or Action in the Public Interest.**
- d. **Proposed Executive Session Pursuant to 25 O.S. section 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning Contract 42636 Amendment 2 to TA 42638 with Mead & Hunt, Which GRDA has Determined with the Advice of Its Attorneys, that Disclosure of Such Communication Would Seriously Impair the Ability of the GRDA to Process the Pending Investigation, Claim or Action in the Public Interest.**
- e. **Proposed Executive Session Pursuant to 25 O.S. Section 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning Contract 42636 Amendment 2 to TA 42639 with Mead & Hunt, Which GRDA has Determined with the Advice of Its Attorneys, that Disclosure of Such Communication Would Seriously Impair the Ability of the GRDA to Process the Pending Investigation, Claim or Action in the Public Interest.**
- f. **Proposed Executive Session Pursuant to 25 O.S. Section 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning Contract 43769 with Mead & Hunt, Which GRDA has Determined with the Advice of Its Attorneys, that Disclosure of Such Communication Would Seriously Impair the Ability of the GRDA to Process the Pending Investigation, Claim or Action in the Public Interest.**
- g. **Proposed Executive Session Pursuant to 25 O.S. Section 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning Contract**

42636 Amendment 1 to TA 42640 with Mead & Hunt, Which GRDA has Determined with the Advice of Its Attorneys, that Disclosure of Such Communication Would Seriously Impair the Ability of the GRDA to Process the Pending Investigation, Claim or Action in the Public Interest.

- h. Proposed Executive Session Pursuant to 25 O.S. § 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning Sopris Systems, LLC.**

Director Kimball moved to go into executive session at 11:30 a.m., seconded by Director Lewandowski, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Director Westbrook moved to return to regular session at 12:35 p.m., seconded by Director Kimball, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

7. Action on Executive Session Items

- a. Action, as Necessary, Concerning the Pending Investigation, Claim, or Action, related to Federal Energy Regulatory Commission Project No. 1494-348.**
- b. Action, as Necessary, Concerning City of Miami, Oklahoma vs. Federal Energy Regulatory Commission, United States Court of Appeals for the District of Columbia Circuit, Case Nos. 20–1325, 20–1446 (consolidated).**
- c. Action, as Necessary, Related to Confidential Communications Between GRDA and Its Attorneys Concerning Amendment 1 to Contract 42636 with Mead & Hunt.**
- d. Action, as Necessary, Related to Confidential Communications Between GRDA and Its Attorneys Concerning Contract 42636 Amendment 2 to TA 42638 with Mead & Hunt.**
- e. Action, as Necessary, Related to Confidential Communications Between GRDA and Its Attorneys Concerning Contract 42636 Amendment 2 to TA 42639 with Mead & Hunt.**
- f. Action, as Necessary, Related to Confidential Communications Between GRDA and Its Attorneys Concerning Contract 43769 with Mead & Hunt.**
- g. Action, as Necessary, Related to Confidential Communications Between GRDA and Its Attorneys Concerning Contract 42636 Amendment 1 to TA 42640 with Mead & Hunt.**
- h. Action, as Necessary, Related to Confidential Communications Between GRDA and Its Attorneys Concerning Sopris Systems, LLC.**

Regarding item a, there was no action needed on this item.

Regarding item b, there was no action needed on this item.

Regarding item c, Director Kimball moved to approve Amendment 1 to Contract 42636 with Mead & Hunt as discussed in Executive Session, seconded by Director Lewandowski, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Regarding item d, Director Kimball moved to approve Amendment 2 to TA 42638 under Contract 42636 with Mead & Hunt as discussed in Executive Session, seconded by Director Lewandowski, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Regarding item e, Director Kimball moved to approve Amendment 2 to TA 42639 under Contract 42636 with Mead & Hunt as discussed in Executive Session, seconded by Director Lewandowski, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Regarding item f, Director Kimball moved to approve Contract 43769 with Mead & Hunt as discussed in Executive Session., seconded by Director Lewandowski, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Regarding item g, Director Kimball moved to approve Amendment 1 to TA 42640 under Contract 42636 with Mead & Hunt as discussed in Executive Session, seconded by Director Lewandowski, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Director Kimball moved for adjournment at 12:37 p.m., seconded by Director Lewandowski, and voted upon as follows: Elam, Kimball, Lewandowski, Meyers, Richie, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*



Sheila A. Allen, Secretary

DATE APPROVED:

June 8, 2022

GRDA Board of Directors