

**Minutes of Regular Meeting
Grand River Dam Authority
Board of Directors
September 7, 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 September 7, 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 September 6, 2022, at 9:56 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 Sublett called the meeting to order at 10:01 a.m. The Secretary called the roll. All members were present. Chair Sublett declared a quorum.

BOARD MEMBERS

Charles Sublett, Chair	Present
Michael Westbrook, Chair-Elect	Present
Dwayne Elam	Present
Mike Lewandowski	Present
Paul Matthews	Present
Chris Meyers	Present
James B. Richie	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
Tony Dionisio, VP – Chief Information Officer	Present
Jeff Tullis, VP – Transmission, Distribution & Engineering	Absent
Chris Carlson, Deputy Chief – Law Enforcement	Present
Sheila Allen, Corporate Secretary	Present

Others present were as follows: Julie and Michael Buchanan, Kayla Bellew, Afton, Oklahoma; Cheryl Adams, MESO; Senator Michael Bergstrom, Oklahoma State Senate District 1; Lindsey Pever, A New Energy; Phil Stokes, City of Siloam Springs; Jared Crisp and Travis Willis, Pryor MUB; Kim Dorr and Lacy Creech, TPWA; Crystal Campbell, Congressman Markwayne Mullin's Office; Heather Presley, Citizen Potawatomi Nation; Alice Cottle, City of Pawnee; Tamara Jahnke, Ash Mayfield, Melanie Earl, Justin Alberty, Eric Alexander, Savannah Ellison, Tonya Backward, Cameron Philpott, Jerry Cook, Christine Burmaster, Leah Messner, Matt Martin, Stephen Baldrige, Jeff Brown, Gary Pruett, Brylee Harbuck, Leah Maloy, Sheldon Miggetto, Ed Ferguson, Belinda Harvey, GRDA.

4. New Business
4.a. Capital Work Order Report

Number	Funding Source	Title	Net GRDA Cost
RF022-01184	RESERVE	Snowdale Park Road/Playground Additions	\$ 312,925
RF022-01166	RESERVE	Fdr 74 69kV Underbuild Relocate	862,640
Grand Total Work Orders			\$ 1,175,565

There were no questions from the Board on the Capital Work Order Report.

Director Westbrook moved the Board approve the Capital Work Order Report as presented, seconded by Director Lewandowski, and voted upon as follows: Elam, yes, Lewandowski, yes, Matthews, abstain, Meyers, yes, Richie, yes, Sublett, yes, Westbrook, yes. *Motion passed (6-yes, 0-no, 1-abstained).*

CONSENT AGENDA

4.b. Power Cost Adjustment (PCA) of \$ 0 .04277 per kWh for October 2022

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

Description and/or Make of Item

Milwaukee Impact
 AmpliVox PA System with 2 Speakers
 QTY 4 Sets: 161kV 2000A Switches
 QTY 2 Sets: 161kV 2000A Switches
 QTY 1 Ea. 345kV Metering Voltage Transformer
 QTY 1 Ea. 345kV Metering Voltage Transformer
 QTY 1 Ea. 345kV Metering Voltage Transformer

4.d. Consideration, Discussion, and Possible Approval of Memorandum of Understanding Between Cherokee Nation, GRDA, and Mayes County, Oklahoma for the Maintenance of South 439 Road from Highway 20 and Continuing for 3.926 Miles to the South

4.e. Consideration, Discussion and Possible Approval of Contract No. DE-PM75-22SE00__, Interconnection and Operating Agreement Among the United States of America (acting by and through the Southwestern Power Administration), Grand River Dam Authority, and Southwest Power Pool, Inc.

4.f. Exhibit B Update — RAE Corporation

4.g. **Approval of Assignment of Revocable License to Encroach from Jon Easter to Roy Henderson and Brenda Henderson for Property Located in Delaware County, Oklahoma**

4.h. **Consideration, Discussion and Possible Approval of Governmental Interagency Agreement No. 43892 – CO2 Storage Project - Oklahoma State University**

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

Standard Purchase Orders & Contracts		
PO Number	Vendor Name and City State	Amount
123622	TECHLINE, INC. - VAN ALSTYNE, TX	172,554.00
43952	FASTENAL COMPANY - VINITA, OK	500,000.00
124021	DURA-METAL PRODUCTS CORPORATION - IRWIN, PA	185,722.50
43965	SOLENIS LLC - WILMINGTON, DE	351,434.00
43962	NAES CORPORATION - DURANGO, CO	184,000.00
43966	BRENNTAG SOUTHWEST, INC. - NOWATA, OK	275,618.75
43967	BUCKMAN LABORATORIES, INC. - MEMPHIS, TN	433,268.00
Grand Total Standard POs & Contracts:		\$2,102,597.25
Change Orders & Renewals		
PO Number	Vendor Name and City State	Amount
42763	GALT FOUNDATION - OKLAHOMA CITY, OK	300,000.00
43205	HORIZON ENVIRONMENTAL SERVICES, INC. - TULSA, OK	30,500.00
43487	STARBOARD CONSULTING LLC - LONGWOOD, FL	316,849.90
Grand Total Change Orders & Renewals:		\$647,349.90
Grand Total		\$2,749,947.15

Director Meyers moved to approve the consent agenda as presented, seconded by Director Elam, and voted upon as follows: Elam, yes, Lewandowski, yes, Matthews, abstain, Meyers, yes, Richie, yes, Sublett, yes, Westbrook, yes. *Motion passed (6-yes, 0-no, 1-abstained).*

REGULAR AGENDA

1. Regular Board Meeting Minutes of August 10, 2022.

Director Westbrook moved to approve the Regular Board Meeting Minutes of August 10, 2022, seconded by Director Meyers, and voted upon as follows: Elam, yes, Lewandowski, yes, Matthews, abstain, Meyers, yes, Richie, yes, Sublett, abstain, Westbrook, yes. *Motion passed (5-yes, 0-no, 2-abstained).*

3. Unfinished Business

3.a. Progress Reports

3.a.1. Current Operations Reports

Mr. Sullivan introduced Mr. Tony Dionisio, GRDA's new Chief Information Officer, and Mr. Sheldon Miggetto who just joined the Authority on the Economic Development Team. He thanked them both for joining GRDA and said he looks forward to their many contributions in coming years.

Mr. Sullivan explained data shown as to GRDA's Demand and Energy for Load Following, comparing information for 2021 and 2022 for GRDA's Full Requirements Customers for the month of August. He said this month there was a 5 percent increase in demand and a 4 percent increase in energy. The increase in demand is usually more this time of year due to the hot weather in Oklahoma. Mr. Sullivan showed graphs illustrating a comparison of resource energy production for August 2021 and August 2022. He noted that the percentages were very close year over year, and in the month of August GREC3 ran every hour of the month, 744 hours consecutively. This is the second time this has happened since it was commissioned. He thanked Mr. Ladd and his team for their work. Mr. Sullivan showed a chart illustrating the current Henry Hub natural gas futures and settlements, as well as explaining details of the chart. He said the numbers have unfortunately increased again. Mr. Sullivan stated he and the staff will continue to watch this.

Director Westbrook commented that the market dropped a dollar yesterday. He said this was apparently due to some news around an LNG facility. Director Westbrook stated he believes the GRDA Team was ready to go and took advantage of the price drop. He said it was an opportune time in what has been a difficult few weeks. Mr. Sullivan commented that GRDA's new StoneX agreement allowed the Authority to act quickly on this versus their previous arrangement. He thanked the GRDA Team for their work and the Board for approving the needed tools to do this.

Mr. Sullivan showed a graph on GRDA's Load Cost & Value of Resource Portfolio and explained details of this as well. He said keeping costs low and paying close attention to these numbers allows GRDA to continue to benefit its customers and keep rates as low as possible.

Mr. Sullivan showed 3 financial charts providing information on GRDA's Operating Results, Debt Service Coverage, and Cash Reserves as of July 31, 2022. He said the information in these charts do not include the PCA (Power Cost Adjustment) and explained each of these. The charts show the GRDA Team holding the line on expenses, an increasing demand from GRDA customers, a continued increase in debt service coverage, and less days cash on hand directly related to higher fuel costs.

Director Elam asked why the days cash on hand is lower when the fuel cost is passed on to the customer. Mr. Sullivan said the chart shows the reduction in cash on hand due to the timing based on the time fuel is purchased and the time the customer pays for that fuel.

Chair Sublett commented these financial charts are very helpful to him. Mr. Sullivan said they would continue to use these and look at some other metrics that could be of benefit to the Board and customers.

Jeri Fleming and Ed Fite were invited to attend the ceremonial bill signing for HB 2983 to modify Nutrient Management Plan requirements on August 24, 2022. The bill allows the Oklahoma Department of Agriculture to adopt new rules pertaining to the poultry industry. Ed and Jeri are part of a multi-agency/NGO working group that is working to refine the new rules, develop training and provide plan writers through the Oklahoma Conservation Commission, as well as ensure all parties are heard and new rules are protective of resources and easier to understand and implement. Mr. Sullivan showed a photograph of the group.

For over 135 years, hydropower has fueled the nation with clean, renewable energy. To collectively recognize hydropower's contributions to bolstering the nation's clean energy infrastructure and providing grid resiliency and reliability, the National Hydropower Association established August 24th as National Hydropower Day.

Mr. Sullivan said GRDA was just notified that GRDA is the 2022 winner of the *Outstanding stewards of America's Waters Award* from the National Hydropower Association (NHA) for developing a watershed conservation program to improve the long-term water quality of Grand Lake. He commended the entire team for their work to accomplish this.

On August 27, 2022, Tulsa Scout Troop 153 visited the Illinois River to talk with GRDA Police officers and hear what they do on a daily basis. Mr. Sullivan's son, Joseph, is part of the troop. During the visit, the troop was able to see the air boat and other equipment the officers use on the river as well as talking to them about situations they are involved in while working there.

The Labor Day holiday weekend brought a lot of activity to Grand Lake, Lake Hudson and the Illinois River. On Saturday, there were 1,768 boats enjoying the nice weather on Grand Lake, with many there for the Redneck Raft Out event. Over on the Illinois River, there were approximately 1,150 rafts floating on Saturday. Unfortunately, the body of a 21-year-old male was recovered from the waters of the Illinois River on Monday afternoon. According to GRDA Police, the male, who could not swim, was wading in the water at the Peavine Hollow Public Access Area, when he went under and did not resurface. GRDA

Police responded to the scene and began a search. The body was recovered around 2:00 p.m. in approximately 9.5 feet of water.

Mr. Sullivan introduced and showed 2 video updates for the Board.

Chair Sublett asked what kind of experience the team is having with GREC Unit 2 at this time. Mr. Sullivan said they had another good month with the unit, and overall its contribution to GRDA's bottom line exceeded GREC Unit 3. Mr. Ladd stated the unit was only out of service 2 percent last month.

4. New Business

4.i. Consideration, Discussion, and Possible Approval of Contract with Insurica Insurance Management Network, LLC

Mr. Lofton said under Oklahoma law the Oklahoma Office of Management and Enterprise Services (OMES) is directed to establish a risk management program for all state agencies. Under this law, state agencies that contemplate purchase of property and casualty insurance shall provide details of the proposed purchase to the Risk Management Administrator for approval or disapproval prior to the purchase. In February 2021, the Authority contracted with Insurica and Mr. Thom Jenkins to assist with the placement of their property insurance in the amount of \$80,000. In September 2021, the Authority contracted with Insurica to assist with the placement of property and casualty insurance in the amount of \$120,000. This helped to place insurance coverage the State's broker could not offer at favorable terms and pricing. Mr. Lofton explained some of the challenges GRDA has faced in protecting the Authority's assets and information. Insurica worked with GRDA operations on the GREC 3 claim with little or no help until the end of the process from the state's risk management department and broker. The firm reviewed operational assets with operations and finance to reflect true replacement cost, and develop underwriting information guides in addition to the traditional underwriting information for a direct underwriting meeting with the GRDA Team. This inserted the GRDA Team into the insurance renewal process with underwriters to develop details, narratives and to challenge the underwriters to get the most favorable pricing and terms for the Authority. The team validated, reviewed and bench marked renewal terms offered based on best practices. The Insurica proposal for 2022-2023 will continue to provide insurance placement services, work with GRDA's operations personnel to identify risk and develop an enterprise risk solutions program. They intend to also work with the Authority's municipal customers on risk issues that may affect the GRDA. Mr. Lofton told the Board the contract would provide for \$160,000 plus expenses.

Director Meyers asked if Mr. Lofton thought Insurica's and Mr. Jenkins' assistance has been crucial in getting the best premiums. Mr. Lofton confirmed this and said Mr. Jenkins has been crucial in navigating the social issues that are affecting the finance and insurance markets and terms of the policies involved.

Director Elam asked if Mr. Lofton and the GRDA Team is contemplating involving Insurica in some other issues, and if the cost will remain the same. Mr. Lofton said this figure is what Mr. Jenkins has proposed. However, he told the Board there have been discussions about meeting with the State's Risk Management Administrator to see if GRDA can be exempted from using their broker completely to allow Insurica and Mr. Jenkins to step in for the Authority in that role. There could be an amendment and price attached to that kind of a change. Mr. Lofton stated they will keep everyone informed should that become possible.

Director Westbrook asked what the other expenses would be. Mr. Lofton said that portion of the agreement is for travel to meetings and things such as that.

Director Meyers asked if the State Risk Management Administrator would have to approve this as well. Mr. Lofton said they would not have to approve this. However, he told the Board the Authority is still under the statute that requires GRDA to get their approval of insurance coverages.

Chair Sublett asked if Mr. Lofton believed the Authority is getting a good value for this price. Mr. Lofton confirmed they are. Mr. Sullivan said Mr. Jenkins has been crucial in bringing additional carriers to the table to keep costs down, and that has helped with negotiations in their property damage claim.

Director Meyers moved to approve the contract with Insurica Insurance Management Network, LLC, for the term of one year beginning on September 7, 2022, for the amount of \$160,000 plus expenses, seconded by Director Elam, and voted upon as follows: Elam, Lewandowski, Matthews, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

4.j. Consideration, Discussion, and Possible Approval of Contract 43964/Task Order 2022-001 for Hydro Operating Procedures, and Contract 43962/Task Order 2022-002 for EHS Compliance Program Support – Utility Operating, Safety, and Environmental Procedures Gap Analysis and Procedure Development – NAES Corporation

Mr. Ladd provided background on GRDA's owned and operated thermal and hydroelectric generation assets that represent approximately 1.5 GW of capacity in its energy portfolio. For this purpose, the Authority employs over 140 qualified team members to ensure the assets are operated safely and reliably. He stated that actual and forecasted retirements of long tenured employees could introduce operational risks. GRDA has seen 50 retirements from 2017 through July 2022, with 1379 years of experience combined. The estimated retirements from 2022 through 2027 is expected to be an additional 35, and Mr. Ladd showed further generation operations retirement statistics and a chart to illustrate this. In 2021, GRDA generation staff presented 2022 risk mitigation plans to the Board and among the top priorities was the development of Generation Operating Instructions. To minimize operational risks, improve efficiencies, and support expedited training of new and junior personnel, GRDA staff initiated an effort to produce hardened and standardized processes and procedures for all generation facilities. A comprehensive set of instructions, which include emergency operating procedures (EOP), standard operating procedures (SOP), emergency action plans (EAP), site specific safety standards, and site-specific environmental compliance procedures are being produced and implemented across the fleet. With the support of North American Energy Services (NAES), the Grand River Energy Center (GREC) procedures were updated, developed, and implemented. NAES is an industry leader in Operations & Maintenance services for energy producing facilities and currently operates more than 5.5 GW of renewable energy resources, and 96 GW of conventional resources (190 plants). GRDA staff has been exceptionally pleased with the firm's performance of similar work for the GREC units. It is expected that proceeding with NAES would provide the most efficient and GRDA fleet specific results. On July 22, 2022, GRDA executed a Consulting Services Agreement with NAES. That consulting agreement is a zero-dollar agreement that establishes terms and conditions for future work and provides for "Task Orders" to be presented and executed on a case-by-case basis. A scope of work was developed and will be presented to NAES for consideration and budgetary discussions. To maximize the value of this effort, site and fleet specific safety and environmental procedures were included in the requested scope. The Safety and Environmental Compliance teams will also provide a champion for the project. NAES submitted a budgetary proposal. Staff believes that an internal collaborative effort supported by a third-party expert is the best and most efficient solution in delivering the final product necessary to eliminate unnecessary risk. Mr. Ladd presented the detailed scope summary to the Board for Contract 43964, Task Order 2022-001 for Hydro Operating Procedures, and Contract 43962,

Task Order 2022-002 for Environmental Health and Safety (EHS) Compliance Program Support. These agreements would be on a time and material basis and recommended by GRDA staff.

Director Elam asked how many EHS staff are employed at GRDA. Mr. Ladd and Mrs. Hunter said the Authority has 4 positions allowed for in this area, but only 3 currently staffed, with 2 Environmental Compliance personnel as well. Director Elam asked if the staff's expertise was not enough to perform this task, and why this work has not been done in the past. Mr. Ladd said creating this material is a massive task, but maintaining it is manageable. It is important to ensure this work is complete as it will be crucial going forward for the Authority. Mr. Stephen Baldrige in Environmental Compliance stated that making certain these processes and procedures are added and available down to the front line level is vital, and with his team of 2 people it can be difficult for one of them to be at facilities at an given time. He said this is another opportunity to make sure that there is a person at each facility to ensure EHS compliance and operating procedures are being followed. Mr. Ladd commented that the documentation would be updated and evaluated annually or as needed more frequently by the GRDA staff.

Director Meyers commented he knows how tedious this work can be and that there is a certain skill set required to write these procedures.

Chair Sublett asked what motivated the team to begin this process and take on a relatively large expenditure to get the work done. He also commented he did understand that everyone wants the Authority to have the best practices I place industry wide. Mr. Ladd said that, aside from the personal safety risk and compliance issues, at any given moment human error or incorrect operation could cause more than \$500k in a day in damages, if not worse. To minimize these issues and ensure they have the most qualified staff operating the equipment, they believe the GRDA should have these procedures created and then continue to maintain them.

Director Matthews asked if NAES has enough experience and expertise in hydroelectric dam operation to perform this task well. Mr. Ladd confirmed they do have experience and operated 13 other dams, one that is very comparable to our Salina Pumped Storage Project.

Director Westbrook asked if this is the onset of a continual renewal as GRDA is adding to the portfolio. Mr. Sullivan said this structure will be permanent and easier to edit than to create or write. This cost is far less than GRDA's insurance deductible and is very important as the Authority looks at new generation opportunities.

Director Elam asked how GRDA has allowed themselves to get into this position. Mr. Sullivan said he believes a good portion of this is due to having some rudimentary processes in place and people that have been at the Authority for a very long time. There's not been as much need. He explained that as GRDA has more retirements and new employees coming in it has become more apparent they need these processes in place and documented.

Director Matthews commented that it seems there is little in place except for the baseline procedures currently, but nothing technical enough to do on-the-job training without a lot of help from those that have been operating the equipment for a long period of time. Mr. Ladd confirmed this and said he has a very low level of concern in the employees' ability to operate the units today. However, he and the staff are looking forward to future generations to ensure there is not a problem. Mr. Sullivan commented that it is mostly the everyday operating procedures they would like to focus on as most have extensive emergency procedures in place.

Chair Sublett moved that Contract 43964 – Task Order 2022-001 for Hydro Operating Procedures and Contract 43962 – Task Order 2022-002 for EHS Compliance Program Support be approved for NAES on a time and materials basis in the amounts of \$84,670.00 and \$184,000.00 respectively, seconded by Director Matthews, and voted upon as follows: Elam, no, Lewandowski, yes, Matthews, yes, Meyers, yes, Richie, yes, Sublett, yes, Westbrook, yes. *Motion passed (6-yes, 1-no, 0-abstained).*

4.k. Consideration, Discussion, and Possible Approval of Change Order 7 to Microsoft Consulting Services Engagement Agreement 43193 – ERP Implementation

Mrs. Hunter said approximately 80 percent of test cases passed and 20 percent ready for testing and retesting. The core Human Resources functionality is live, and the Asset, Inventory, Finance and Core Human Resources configuration reviews are complete. She explained why Microsoft was brought into this portion of the project and provided background on the project. The objective of engagement with Microsoft Consulting Services (MCS) is to provide hands-on assistance to GRDA through the final stages of deployment thru go-live. The current solution, code, etc. will be utilized to bring GRDA live on Dynamics 365 Finance & Operations. Prior customizations will be reviewed for possible removal where out-of-the-box functionality can be leveraged. Mrs. Hunter went over the scope of the change order, saying they will implement Microsoft D365 modules in Financial Management and Accounting, Expense Management (vehicle mileage tracking), Inventory Management, Product Information Management, Procurement and

Sourcing, Project Management and Accounting, Human Resources, Payroll, Subscription Billing, and Tax. There will be a Support Solution Test and a timeboxed effort for enhancements, a Code & Defect Remediation Review, and performance testing. This all provides deployment preparedness and post go-live support. She presented a timeline for the project, saying the go-live date is January 3, 2023, which should cause the least disruption. Mrs. Hunter stated this is on a time and materials basis.

Mr. Sullivan commented that this is in line with the quote Microsoft provided that was discussed within the Audit, Finance, Budget, Policy & Compliance Committee meeting recently.

Director Lewandowski asked if the Human Resources functionality is moving to Finance will there be personnel following this. Mrs. Hunter said only the names of the functionality have been changed, but the security on the Finance work will be separate from the security on the Human Resources side. Mrs. Gudde explained how the Human Resources module is under the Finance and Operations module but said there would be no shifting of roles or responsibilities within GRDA.

Director Westbrook asked if the staff is confident in Microsoft's ability to follow-through in a timely manner. Mrs. Hunter confirmed they are. She said there has not been a challenge yet that Microsoft has not been able to help the staff tackle from a technical and contextual perspective. Mr. Sullivan stated they have emphasized U.S.-based support for the system. He also told the Board it is the Authority's intention to seek reimbursement for this additional cost.

Director Matthews asked if there will be more cost as bugs or kinks in the system are worked out. Mrs. Hunter stated this is a time and materials contract and that is included.

Director Richie left the room at 11:26 a.m., and returned at 11:28 a.m.

Director Elam asked Mrs. Gudde how her team feels at present about the current process and MCS. Mrs. Gudde stated the work with MCS has been a breath of fresh air. She explained the high level of trust that has been developed over the last 18 months.

Director Matthews asked for some additional background on this project. Mrs. Hunter and Mr. Sullivan provided background on the implementation partner previously contracted and how the changes came to be.

Director Elam moved to approve Change Order 7 to Microsoft Consulting Services Engagement Agreement 43193 in the amount of \$935,440 (increasing the existing PO from \$592,242 to \$1,527,682) to complete the objectives outlined in the statement of work, seconded by Director Richie, and the item was

voted on as follows: Elam, Lewandowski, Matthews, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Director Matthews left the room at 11:31 a.m., and returned at 11:33 a.m.

4.l. Consideration, Discussion and Possible Approval of Schedule PCA – Power Cost Adjustment Revisions

Director Elam asked to table this topic until next month to allow for additional discussion. Mrs. Gudde stated that the proposal's deadline is October 14, 2022. With the next Board meeting scheduled for October 12, 2022, it will need to be executed within those 2 days.

Director Meyers stated he agrees that it should be tabled if there needs to be more discussion, even if there needs to be a special Board meeting called to give more time for this. Mr. Sullivan agreed and said the staff will do everything needed to facilitate that discussion.

Director Elam moved to table this item, seconded by seconded by Director Westbrook, and the item was voted on as follows: Elam, Lewandowski, Matthews, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

4.m. 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 Henry L Hallam, Jr. and Beverly A. Hallam for a Revocable License to Encroach for Property Located in Delaware County, Oklahoma.**
- b) **Consideration, Discussion and Possible Approval of a Request by Michael Buchanan and Julie Buchanan for a Revocable License to Encroach for Property Located in Delaware County, Oklahoma.**
- c) **Consideration, Discussion and Possible Approval of an Assignment of a Revocable License to Encroach from Michael Buchanan and Julie Buchanan to Derik Smith and Sharon Smith for Property Located in Delaware County, Oklahoma.**

Director Westbrook said the committee met this morning. He stated all items were approved unanimously by the committee members and briefly explained what each of the items entailed. He asked if there were questions or comments on these items. There were no questions from the Board of Directors.

Regarding items a, Director Westbrook moved to approve a License to Encroach to Henry L. Hallam, Jr. and Beverly A. Hallam in Delaware County, Oklahoma, for the amount of \$393.00 per year plus \$79.00 per month for survey costs, as approved by the Assets Committee, and the items were voted upon as follows: Elam, Lewandowski, Matthews, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained)*.

Regarding items b, Director Westbrook moved to approve a License to Encroach to Michael and Julie Buchanan in Delaware County, Oklahoma for the amount of \$182.00 per year, as approved by the Assets Committee, and the items were voted upon as follows: Elam, Lewandowski, Matthews, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained)*.

Regarding items c, Director Westbrook moved to approve the Assignment of License to Encroach from Michael and Julie Buchanan to Derik and Sharon Smith in Delaware County, Oklahoma for the amount of \$182.00 per year, as approved by the Assets Committee, and the items were voted upon as follows: Elam, Lewandowski, Matthews, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained)*.

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

a) Consideration, Discussion and Possible Approval of Resolution Relating to Reimbursement of Pre-Bond Issuance Costs of the Capital Program

Director Lewandowski asked Mrs. Gudde to present this item.

Regarding items a, Mrs. Gudde presented key points on this resolution, including that this was not authorization to issue debt, does not exclude the Authority's ability to issue taxable debt, provides a mechanism available through the Internal Revenue Code, and allows GRDA to reimburse itself for expenditures related to the Capital Program made 60 days prior to this resolution through time of debt issuance. This has been used in GRDA's 2008 and 2014 debt issuance. The resolution references the Capital Plan or Program and includes capital additions, repairs, and improvements to the Grand River

Energy Center, Transmission and transformation system, hydroelectric generating facilities, communication and information technology systems, real or personal property for environmental and/or conservation purposes, and acquisition and construction of new generation facilities or ownership interest. She explained some additional details for the Board. When the Authority does issue debt, they would include a full project listing of projects to included in the bonds that will be analyzed and reviewed by tax counsel and a consulting engineer after the Board's approval to issue the new debt. Mrs. Gudde explained the debt issuance timing and how this affects GRDA's actions.

Chair Sublett said if this resolution is approved, it gives GRDA the option and not the obligation to take certain steps. Mrs. Gudde agreed and said it gives the Authority more time to build a better bond package from a tax-exempt and taxable balance and helps to keep cash reserves healthy. She explained some additional timing details as well.

Chair Sublett asked Director Lewandowski what the recommendation of the committee is. Director Lewandowski said the committee does recommend proceeding with this.

Director Lewandowski moved to approve the Resolution Relating to Reimbursement of Pre-Bond Issuance Costs of the Capital Program as presented, second by Chair Sublett, as approved by the committee, and the items were voted upon as follows: Elam, Lewandowski, Matthews, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

3. Compensation & Marketing Committee: Mr. Sullivan said there is no report for this committee.

4. Fuel and Long-Range Planning Committee: Director Meyers had no report.

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 Grand River Dam Authority v. Brad Kenyon and Lazy Rivers Properties, LLC, District Court of Adair County, Case No. CV-2022-67.**
- c. **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. P-2183, 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.**

Director Elam moved to go into executive session at 11:39 a.m., seconded by Director Richie, and voted upon as follows: Elam, Lewandowski, Matthews, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Director Richie moved to return to regular session at 1:09 p.m., seconded by Director Elam, and voted upon as follows: Elam, Lewandowski, Matthews, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-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 the Pending Investigation, Claim, or Action, Concerning Grand River Dam Authority v. Brad Kenyon and Lazy Rivers Properties, LLC, District Court of Adair County, Case No. CV-2022-67.**
- c. **Action, as Necessary, Concerning the Pending Investigation, Claim, or Action, Related to Federal Energy Regulatory Commission Project No. P-2183.**

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

Regarding item b, Director Westbrook moved to approve and authorize GRDA attorneys to prosecute the proceeding in the District Court of Adair County, as discussed in executive session, seconded by Director Lewandowski, and voted upon as follows: Elam, Lewandowski, Matthews, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

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

Director Elam moved for adjournment at 1:10 p.m., seconded by Director Meyers, and voted upon as follows: Elam, Lewandowski, Matthews, Meyers, Richie, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*



Sheila A. Allen, Secretary

DATE APPROVED:

October 12, 2022
GRDA Board of Directors