

**Minutes of Regular Meeting
Grand River Dam Authority
Board of Directors
March 13, 2024**

A regular meeting of the Board of Directors of the Grand River Dam Authority was held at the Grand River Dam Authority's Administrative Center in Chouteau, Oklahoma on March 13, 2024. 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 21, 2023 at 9:55 a.m.; by posting the agenda with the Mayes County Clerks' offices on March 12, 2024, at 9:52 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 Westbrook called the meeting to order at 10:04 a.m. The Secretary called the roll. All members were present. Chair Westbrook declared a quorum.

BOARD MEMBERS

Michael Westbrook, Chair	Present
Chris Meyers, Chair-Elect	Present
Dwayne Elam	Present
Tom Kimball	Present
Paul Matthews	Present
John Rupe, Jr.	Present
Charles Sublett	Present

ADMINISTRATIVE

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

4. New Business:
a. Capital Work Order Report (*Denotes Addenda Items): Sullivan

Number	D365 Project	Funding Source	Title	Gross Work Order Amount	Reimbursement	Net GRDA Cost
RF024-01298	P003231	REVENUE	FERC Order 881 AAR SCADA/EMS Enhancements	151,748	-	576,428

RF024-01284	P002896-01	REVENUE	Chouteau Creek Substation Build	6,618,756	(6,618,756)	-
RF023-01252	P001472-01	REVENUE	Feeder 116/76 Washout Project	4,970,074	-	4,970,074
RF023-01220	P001341-01	REVENUE	Keefton GOAB Replacement	703,012	-	703,012
RF023-01219	P001340-01	REVENUE	Chelsea Parker GOAB Replacement	723,014	-	723,014
Grand Total Work Orders				\$13,166,604	\$(6,618,756)	\$6,972,528

Chair Westbrook wished Mr. Sullivan a very Happy Belated Birthday as this occasion was on March 12, 2024.

Mr. Sullivan explained the items contained in the Capital Work Order Report.

Director Elam moved the Board approve the Capital Work Order Report as presented, seconded by Director Meyers, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

CONSENT AGENDA

4. New Business:

b. Resolutions of Commendation: Chair Westbrook

- 1) Douglas G. Devers
- 2) Chester L. Rothhammer

c. Approval of Assignment and Second Amendment of Lease from 4H5P Properties, LLC to Seneca Cayuga Nation for Property Located in Delaware County, Oklahoma: Jahnke

d. Consideration, Discussion, and Possible Approval of Contract Commercial Service – IBEW Local Union 584: Schaffitzel

e. Consideration, Discussion, and Possible Approval of Seventh Amendment to Power Purchase and Sale Agreement and Exhibit B Developmental Properties – Oklahoma Ordnance Works Authority: Schaffitzel

f. Declare Surplus and Not Necessary to the Business of the District: Sullivan

Description and/or Make of Item	
Antenna Plus Marine Antenna: Lot of 3	Motorola Radios: Lot of 3
Light Bars: Lot of 3	Misc. Speakers: Lot of 12
Kenwood Transceivers: Lot of 2	Switch Panel
Sho-Me Radios: Lot of 3	Assorted Peripherals

5. Reports:

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

Standard Purchase Orders & Contracts

PO Number	Vendor Name and City State	Amount
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PCPO-007163	TEXAS TIMBERJACK, INC. - LUFKIN, TX	518,750.00
PCPO-007151	NORLEM TECHNOLOGY CONSULTING, INC. - TULSA, OK	557,242.19
PCPA-000396	MASTER CONTRACT FOR EMERGENCY CONSTRUCTION LINE SERVICES (FIVE VENDORS AWARDED)	10,000,000.00
Grand Total Standard POs & Contracts:		\$11,075,992.19

Change Orders & Renewals		
PO Number	Vendor Name and City State	Amount
PCPA-000221	LIBERTY ELECTRIC LINE BUILDERS - GROVE, OK	24,224.10
43584	GE ENERGY MANAGEMENT SERVICES LLC - MELBOURNE, FL	0.00
43204	PHOENIX INDUSTRIAL INSULATION CORP - GLENPOOL, OK	22,602.21
43978	ACME ENVIRONMENTAL, INC. - TULSA, OK	250,000.00
44233	IRBY CONSTRUCTION COMPANY - RICHLAND, MS	-85,388.13
Grand Total Change Orders & Renewals:		\$211,438.18
Grand Total		\$11,287,430.37

Chair Westbrook reviewed items on the Consent Agenda.

Director Sublett moved to approve the consent agenda as presented, seconded by Director Matthews, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

REGULAR AGENDA

1. Discussion and Possible Action Regarding Regular Board Meeting Minutes of February 14, 2024.

Director Kimball moved the Board approve the Regular Board Meeting Minutes of February 14, 2024, seconded by Director Meyers, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

3. Unfinished Business:

a. Progress Reports: Sullivan

1) Current Operations Reports

a) GRDA Monthly Video Update – March 2024

- *"I am GRDA" - Steven Kroll*

Mr. Sullivan explained data shown as to GRDA's Demand and Energy for Load Following, comparing information for 2023 and 2024 for GRDA's Full Requirements Customers for the month of February. He said this month there was a one percent decrease in demand and a four percent increase in energy. Mr. Sullivan stated some of the change is due to the warmer weather the area has seen. He showed graphs illustrating a comparison of resource energy production for February 2023 and February 2024, noting that there was little difference year over year.

Mr. Sullivan said the Authority is at six safe days working accident-free. He said there was an event last week involving one of GRDA's contract workers. He said they are reviewing this.

GRDA issued a Request for Proposals and received nine responses for the four final vendors for the GRDA Advanced Metering Infrastructure (AMI) Program. As of February 12, 2024, all four approved AMI vendors are under contract with the Authority, and participating GRDA municipal customers have submitted their Notice of Intent to Participate. Mr. Sullivan said they look forward to getting these systems implemented and in place. He explained how the program works as a service to GRDA customers.

A group of electrical and mechanical engineering students from John Brown University traveled to GRDA on February 27. The group toured the Grand River Energy Center (GREC) and the Salina Pumped Storage Project as part of a class studying multiple technologies used to generate power. Kent Farguson, Derek Frailey and Rodney Godwin led the tours. Mr. Sullivan said it was a great to have them at the GRDA facilities.

Mr. Sullivan told the Board he had the opportunity to be a guest speaker at a Leadership Oklahoma class event on February 29 at Sequoyah State Park. He explained how Leadership Oklahoma is structured what other activities surround this event.

Mr. Sullivan showed a letter from Ms. Dianna McIntyre, owner of Grand Lake RV Resort and Grand Lake Platinum Cottages near Duck Creek. He said this was to commend GRDA Police response time to a call for help with a small child without a life jacket floating on Styrofoam. The mother had attempted to grab the Styrofoam but was unsuccessful, but had to remain on the shoreline with her other small child. Ms. McIntyre said that due to the quick response by GRDA Police on water and land. She stated the incident was handled quickly and professionally, and expressed her appreciation for all responders.

Director Kimball said he has known Ms. McIntyre for a number of years as she has owned the property for at seventeen or eighteen years. He stated she has not always been a fan of GRDA in past years, but had called him excited about the great job GRDA Police officers did in rescuing the child, and to keep the mother as calm as possible. He commended the GRDA Police officers involved. Mr. Sullivan also thanked them for their attention to this matter.

GRDA joined the City of Collinsville to provide a booth at the 75th Annual Tulsa Home and Garden Show in early March. The booth had something for everyone with public power information, fire safety information, spring planting giveaways, and even hydroelectric and ecosystems interactive activities for the children.

Mr. Sullivan introduced the video, "I Am GRDA" involving Mr. Steven Kroll.

After the video, Director Elam asked if Mr. Sullivan could tell him why market purchases were more this year versus the use of coal. Mr. Sullivan said he is not aware of some of the specifics of that, but we would be buying from the market when it is cheaper than running the coal unit. With warmer temperatures in February 2024, the prices were much more reasonable than what is normally expected. Mr. Brown agreed.

4. New Business:

g. Power Cost Adjustment (PCA) of \$ 0.02252 per kWh for April 2024: Sullivan

Mr. Sullivan presented tables showing the PCA calculations based on the staff's forecast for April 2024, and explained the details. All figures are assumptions based on the information they have from historical data. Mr. Sullivan showed a graph illustrating the GRDA PCA rates (both actual and estimated) and what the under or over recovery is expected to look like for the next year. Mr. Sullivan presented another graph showing the overall value of GRDA's resource portfolio. The market cost of GRDA load is offset by the Authority's resource revenue, resulting in a cost that will be recovered by the monthly PCA rate. Mr. Sullivan presented a chart illustrating a comparison of the Southwest Power Pool (SPP) South Hub day ahead on-peak and off-peak energy with a comparison against the cost for natural gas for the Henry Hub. He also showed a comparison of March to April rate calculations.

Director Elam moved to approve the Power Cost Adjustment (PCA) rate as presented, seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

h. Consideration, Discussion, and Possible Approval of Investment Management Agency Agreement – BOKF: Feighner

Mr. Feighner provided an update on GRDA's Trustee relationship with the Bank of Oklahoma and the related Investment management agreement that is part of the 2023/2024 Series bonds. He explained that previously Bank of Oklahoma (BOKF) operated under two agreements, an investment management policy and a construction management policy. This new agreement has combined these agreements. Previous contracts established in 2010 with an original three-year term will now require an update. The new agreement may be terminated at any time by either party upon thirty days written notice. It will be explicitly governed by GRDA Board Policy 5-2 (Investment of Funds), adopted in June 1990 and amended in January 2020. Mr. Feighner reviewed trustee duties within the agreement for the Board. He explained key provisions of Board Policy 5-2 as well. Mr. Feighner presented two graphs illustrating GRDA cash and investments by type as of December 31, 2023, and briefly clarified details for the directors.

Chair Westbrook said the Board Policy 5-2 lists "investment agreements", but is somewhat broadly stated. He asked what would be contained in that. Mr. Feighner said he would need to look further at the policy to ensure he provided a correct answer, but would get that answer to the full Board after the meeting.

Director Kimball asked if the thirty days written notice for termination of the agreement included in the previous agreement. Mr. Feighner said the Authority was locked into a three-year term, and that contract term rolled over with each new agreement until that recently changed. Director Kimball asked what would happen if BOK gave GRDA notice they would terminate this agreement. Mr. Feighner stated the Authority would find another entity to enter into a new agreement with. He said, with the Request for Proposals gathered in April 2023, there would be others that would likely be interested providing this service.

Director Matthews asked what the construction management side of this would look like. Mr. Feighner stated the funds GRDA received with their bond offering is in a BOK account. As the Authority moves money out of the general fund (held with BOK), then requests "reimbursement" out of those construction funds, the money just moves from one account to the other. Mr. Sullivan said one of the biggest functions they serve is for the bond service reserve and bond service funds in ensuring the GRDA meets all requirements and stays in compliance.

Director Kimball moved to approve the Investment Management Agreement between GRDA and Bank of Oklahoma, seconded by Director Rupe, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

i. GREC4 Update: Ladd

Mr. Ladd showed an image of a 3-D model of what GREC Unit No. 4 is expected to look like. He provided an overview of key accomplishments through March and said the project team is on- or ahead of schedule for all portions of the project, with the exception of the air compressor delivery. They are tracking how this could impact the schedule, but currently see none. Mr. Ladd explained how the team is managing insurance risk and enhancing loss prevention efforts by partnering with GRC for risk centered engineering reviews. Mitsubishi Power (MPW) notified GRDA that shipping plans have been critically impacted by the reduction in transit capacity at the Panama Canal due to a severe lack of precipitation in the area. They are working with their freight forwarder to evaluate alternate routes to avoid the Panama Canal to reduce risks of schedule impacts. He told the Board, after February and March 2024 procurements, there are some noteworthy budget deviations. These concern a price reduction in the FG compressor, issuance of competitive bids for the FG conditioning equipment, and lead time and price of the auxiliary transformer would decrease. The decrease for the auxiliary transformer was the product of an idea presented to the team by plant staff that will save the project nearly \$2.7 million. Mr. Ladd showed a graph illustrating the

project target cost and where GRDA is currently. He also presented a graph showing Contingency Fund activity. Mr. Ladd reviewed the general and civil construction required to complete the project. He showed an illustration of the bid process and a list of potential bidders for this work. Bids were received on March 4, 2024, and preliminary review of the bids has been completed. Mr. Ladd showed the Board what is broadly remaining on the schedule.

There was no action required on this item.

j. Consideration, Discussion, and Possible Approval of General Electric Statement of Work – Implement Ambient Adjusted Rating Enhancement in GRDA GE Reliance SCADA/EMS: Dionisio

Mr. Tony Dionisio explained the Federal Energy Regulatory Commission (FERC) Order 881 is and how it is intended to optimize the efficiency and reliability of the grid. FERC Order 881 aims to more efficiently utilize our nation's transmission grid and lower costs for consumers. It achieves this by enhancing both the accuracy and transparency of transmission line ratings. He clarified for the Board what transmission line ratings, Ambient-Adjusted Ratings (AARs), and Dynamic Line Ratings are. Mr. Dionisio presented a timeline for FERC Order 881, as well as a timeline for this order from Southwest Power Pool (SPP). FERC Order 881 requires ratings and methodology be published by SPP. The Transmission Owner (GRDA) will provide their ratings, and these ratings will be provided hourly to GRDA's Transmission Provider, SPP. These ratings are used by all to operate the grid. He presented compliance information for the Board and the scope of work required for this agreement. GE provided a turnkey proposal with a 10-month fixed price engagement, ensuring GRDA has a vendor-supported solution in place. The scope of work proposed includes all technical elements, including licenses and support, and will be reviewed by GRDA stakeholder teams. Mr. Dionisio explained more about the development, configuration, testing and costs associated with the proposed agreement with GE.

Director Kimball asked what the return would be for GRDA on this agreement. Mr. Brown stated the intention of this requirement is for more efficient use of the grid to move power from generated resources to load. He explained this will reduce congestion and will likely have a cost benefit greater than what is spent from a generation marketing perspective overall.

Chair Westbrook asked if there was a way to quantify the losses from congestion. Mr. Brown explained it is more of a congestion prevention component and provided an example.

Director Kimball stated he assumes GRDA has to comply with this order from the FERC. Mr. Brown agreed and said this part of that order could have some cost benefits.

Discussion ensued regarding costs and efficiencies, as well as potential scenarios where this could help.

Director Matthews moved to approve request in the amount of \$1,350,000 (\$1,333,100 SOW + \$16,900 travel budget) to fund GE professional services as outlined in statement of work, and to purchase GE software licenses required to complete AAR forecasts, seconded by Director Meyers, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

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:** Director Westbrook had no report.
- 2. Audit, Finance, Budget, Policy & Compliance Committee:**
 - a) Cost-of-Service Study Update**

Director Sublett reported that the committee will meet directly following this Board meeting for final review of the Cost-of-Service Study and will plan to report this to the Board next month for approval.

No action is required for this item.

3. Compensation & Marketing Committee:

Director Kimball commented they now have available brochures on legislators representing GRDA districts. He asked anyone who is interested to see Mr. Wiscaver for copies. Director Kimball also asked Mr. Wiscaver to provide a late-breaking announcement for the Board of Directors and guests.

Mr. Wiscaver stated they were notified last night by the FOX affiliate covering the 2024 Bassmaster Classic that GRDA will be the exclusive title sponsor on all broadcasts and digital format events for the price of only \$3,000. This cost is well within their budget, and they anticipate a great report on the return on investment for the Board at the next meeting.

Director Kimball said this is the third time GRDA has hosted the Bassmaster Classic at Grand Lake o' the Cherokees and that they are looking forward to the upcoming tournament.

- 4. Fuel and Long-Range Planning Committee:** Director Meyers had no report.
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6. Proposed Executive Sessions:

- 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. Section 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning the Third Amendment 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.**
- c. 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.**

- d. Proposed Executive Session Pursuant to 25 O.S. § 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning a Pending Investigation Involving All American Floats, Which the GRDA with the Advice of Its Attorney has Determined that Disclosure will Seriously Impair the Ability of the Public Body to Conduct the Investigation in the Public Interest.**

Director Kimball moved to go into executive session at 11:30 a.m., seconded by Director Elam, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Director Rupe moved to return to regular session at 12:21 p.m., seconded by Director Meyers, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, 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 Third Amendment to Contract 42636 with Mead & Hunt.**
- c. Action, as Necessary, Concerning City of Miami et al. vs. Grand River Dam Authority, District Court of Ottawa County, Oklahoma, Case No. CJ-2008-619.**
- d. Action, as Necessary, Concerning a Pending Investigation Involving All American Floats.**

Regarding item a, there is no action required for this item.

Regarding item b, Director Kimball moved to approve the third amendment to Contract 42363 with Mead & Hunt as discussed in Executive Session, seconded by Director Meyers, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding item c, there is no action required for this item.

Regarding item d, there is no action required for this item.

Director Kimball moved for adjournment at 12:23 p.m., seconded by Director Meyers, and voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*



Sheila A. Allen, Secretary

DATE APPROVED:

April 10, 2024
GRDA Board of Directors