

**Minutes of Regular Meeting  
Grand River Dam Authority  
Board of Directors  
December 13, 2023**

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 December 13, 2023. 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 22, 2022 at 10:56 a.m.; by posting the agenda with the Mayes County Clerks' offices on December 12, 2023, at 9:36 a.m.; by posting said agenda at [www.grda.com](http://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, with the exception of Director Matthews. Chair Westbrook declared a quorum.

BOARD MEMBERS

Michael Westbrook, Chair	Present
Chris Meyers, Chair-Elect	Present
Dwayne Elam	Present
Tom Kimball	Present
Paul Matthews	Absent
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	Present
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	Absent
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**  
**4.a. Capital Work Order Report**

Number	D365 Project	Funding Source	Title	Net GRDA Cost
RF023-01273	2010632	REVENUE	GREC 3 - Ovation (DCS) Evergreen Upgrade	1,268,604

RF023-01275	P002811	REVENUE	2024-2026 RTU Fleet Replacement	1,450,403
RF023-01276	P002812	REVENUE	NW Maid New Feeders	672,033
RF023-01277	P002813	REVENUE	Subsurface Exploration and Instrumentation Evaluation Project (IEP)	757,834
<b>Grand Total Work Orders</b>				<b>\$ 4,148,874</b>

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

Director Elam what supply chain issues the Authority is having related to this or other items. Mr. Sullivan said he is not aware of anything specific with any of these projects, but he does know the lead times on transformers is slightly better than it has been in recent past. However, these lead times are still long.

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

---

## CONSENT AGENDA

### 4.b. Resolutions of Commendation

- 1) Cheryl M. Allen
- 2) James R. Chitwood
- 3) Jerry C. Cook
- 4) Max D. Daniels
- 5) Joyce M. Summers
- 6) Dr. J. David Rogers – Markham Ferry Kerr Dam Stabilization Project’s Board of Consultants, Missouri University of Science & Technology

### 4.c. Consideration, Discussion, and Possible Approval of Third Amendment and Assignment of Revocable License to Encroach from Glenna L. Crockett, as Trustee of the Crockett Family Revocable Trust dated August 28, 2007 to Robert L. Boyles and Jacquelyn S. Boyles, Trustees of the Boyles Family Trust dated April 26, 2022 for Property Located in Delaware County, Oklahoma

### 4.d. Consideration, Discussion, and Possible Approval of the Asset Purchase Agreement between the Grand River Dam Authority and Northeast Oklahoma Electric Cooperative, Inc. and Declaration as Surplus and Not Necessary to the Business of the District:

- **Chimney Rock Line: Existing 12.47 kV electric distribution line located in T21N, R21E, Sections 30 and 31 in Mayes County Oklahoma, consisting of nine spans of overhead 3-phase conductor totaling approximately 1,830 ft in circuit length, supported by nine 40 ft wood poles and associated equipment, and a 13.8kV-120/208V, 45 kVA transformer bank**

- **Boatman Line:** Existing 12.47 kV electric distribution line located in T20N, R19E, Sections 1 and 2; T21N, R19E, Sections 35 and 36; T21N, R20E, Sections 31 and 32; and T20N, R20E, Sections 4 and 5 all in Mayes County Oklahoma, consisting of 94 spans of overhead 3-phase conductor totaling approximately 5.4 miles in circuit length supported by 91 wood poles and associated equipment
  - **Cherokee Spans:** The beginning portion of the Boatman Line located in T20N, R19E, Section 2 of Mayes County Oklahoma, consisting of four spans of overhead 3-phase conductor totaling approximately 850 ft in circuit length
- e. **Consideration, Discussion, and Possible Approval of the Assignment of Right-of-Way Easements from the Grand River Dam Authority and Northeast Oklahoma Electric Cooperative, Inc., for Properties Located in Mayes County, Oklahoma**
- f. **Consideration, Discussion, and Possible Approval of Amendment to Nonexclusive License Agreement for Telecommunications Attachment to the Grand River Dam Authority’s Electrical Transmission Lines Between the Grand River Dam Authority, CoxCom, LLC, and Northeast Oklahoma Electric Cooperative, Inc.**
- 4.g. **Consideration, Discussion, and Possible Approval of Renewal of Contract No. 43885 Interlocal Agreement Between Grand River Dam Authority and Mayes County 911 – Switched Ethernet On-Demand Circuit for GRDA to Operate as the Secondary Primary Public Safety Answering Point for Mayes County**
- 4.h. **Property Insurance Coverage for GRDA Non-Generation and Non-Transmission Properties; and Payment to the Office of Management and Enterprise Services, Risk Management Division of \$292,907.51**
- 4.i. **Consideration, Discussion, and Possible Renewal of Contract No. 44089 – Governmental Interagency Agreement – Northeastern State University – Terrestrial Carbon Sequestration**
- 4.j. **Consideration, Discussion, and Possible Approva of GRDA Advanced Metering Infrastructure (AMI) Rider and Service Agreements for Pryor Municipal Utility Board and City of Siloam Springs**
- 4.k. **Declare Surplus and Not Necessary to the Business of the District:**

Description and/or Make of Item
Cisco 3825 Router
NetOptics TAP - Lot of 2
7750 SR- Line Card
Cisco UCS BE6000M
Alcatel Microwave Wave Guide Controller
Alcatel Microwave Gear: Lot of 2
Alcatel Microwave Fiber Controller

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

**Standard Purchase Orders & Contracts**

<b>PO Number</b>	<b>Vendor Name and City State</b>	<b>Amount</b>
PCPA-000258	US DEPARTMENT OF THE INTERIOR - AUSTIN, TX	223,050.00
PCPO-004989	PROLEC GE WAUKESHA - WATERTOWN, SD	2,542,757.00
PCPA-000256	ELEVATE HR, INC. - PARSIPPANY, NJ	234,615.00
PCPO-004938	SHERMCO INDUSTRIES - DALLAS, TX	308,295.00
PCPA-000257	DC GROUP, INC. - MINNEAPOLIS, MN	157,107.00
PCPA-000254	DNV GL USA, INC. - KATY, TX	205,480.00
PCPO-005093	TSEA ENERGIA - BRAZIL / FLEMING ELECTRIC, INC. - REDWOOD CITY, CA	3,350,000.00
<b>Grand Total Standard POs &amp; Contracts:</b>		<b>\$7,021,304.00</b>

**Change Orders & Renewals**

<b>PO Number</b>	<b>Vendor Name and City State</b>	<b>Amount</b>
PCPA-000095	GE STREAM POWER, INC. - ATLANTA, GA	54,288.00
41375	TIMCO BLASTING & COATINGS, INC. - BRISTOW, OK	0.00
43850R	OKLAHOMA STATE UNIVERSITY - STILLWATER, OK	0.00
<b>Grand Total Change Orders &amp; Renewals:</b>		<b>\$54,288.00</b>
<b>Grand Total</b>		<b>\$7,075,592.00</b>

Chair Westbrook reviewed items on the Consent Agenda.

Director Sublett asked Mr. Sullivan to briefly explain the items on the Consent Agenda related to Northeast Oklahoma Electric Cooperative, Inc. (NEOEC). Mr. Sullivan said these items are related to distribution lines used by NEOEC customers only since 2016-2017, when their generation was transferred from GRDA to KAMO Power. He stated they been working together to find ways to alleviate some maintenance responsibilities for lines GRDA does not have customers on.

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

---

**REGULAR AGENDA**

**1. Discussion and Possible Action Regarding Regular Board Meeting Minutes of November 8, 2023.**

Director Kimball moved the Board approve the Regular Board Meeting Minutes of November 8, 2023, seconded by Director Rupe, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

**3. Unfinished Business:**

**3.a. Progress Reports**

Mr. Sullivan explained data shown as to GRDA's Demand and Energy for Load Following, comparing information for 2022 and 2023 for GRDA's Full Requirements Customers for the month of November. He said this month he is happy to report there was a six percent increase in demand and a three percent increase in energy as the Authority continues to see load growth in their system. Mr. Sullivan showed

graphs illustrating a comparison of resource energy production for November 2022 and November 2023. He noted that GREC Unit No. 3 production is almost twice what was seen a year ago, and market purchases have decreased by almost half.

Mr. Sullivan said the Authority is at nine days accident free. There was an event last week, but they are working toward keeping this number as high as possible across the Authority.

GRDA Customer meetings were held November 15 and November 16 to talk about Advanced Metering Infrastructure (AMI), changes in the industry, the need to look at rates, and how everyone is adapting to market changes.

Jacob Johnston, Properties Technician I, was working at the Energy Control Center last month and observed a contractor tasked with replacing the fabric over the parking area near the entrance. The contracted employees were attempting to work out of a Bobcat skid steer loader and Johnston recognized unsafe conditions and utilized the "Stop Work Authority". Later, Mike Vernnon, GRDA Safety Director presented Johnston with a GRDA Power for Progress safety hat for his swift safety recognition of unsafe work and immediate work stoppage. Mr. Sullivan said GRDA's safety program has continued to encourage their employees to have the authority to stop work if they see something that is unsafe, and this was a great example of the safety culture they continue to emphasize.

GRDA's Ecosystems and Watershed Management Team attended the Oklahoma Governor's Water Conference in Norman, Oklahoma November 29-30. Steve Nikolai made a presentation in the industry plenary session on GRDA's Innovative Approaches to Education and Water Quality. GRDA ECO interns, Jessica Burke and Austyn Walkingstick participated in the poster session. Jessica's poster was on the Removal of Nutrients from Organically Contaminated Water using Biochar, and Austyn's poster was A Macroinvertebrate Survey of GRDA's Jurisdictional Waters. Keegan Stallings also had a poster, and Viktoria Stallings gave an oral presentation at the event.

Mr. Sullivan said he, Executive Vice President of External Relations Nathan Reese, and members of the Customer Relations Team attended the Sallisaw Municipal Authority Meeting in late November. They gave a presentation to the five members of the Board of City Commissioners, sharing GRDA financial, operational, and staffing updates, as well as the newly released Advanced Metering Infrastructure (AMI) Program. The group provided a deeper dive into the GRDA Power Cost Adjustment (PCA) and associated components.

On December 4, GRDA Hydro Department celebrated 365 days safe. Mr. Sullivan showed a photograph from the event and said they want to continue to celebrate these successes.

GRDA hosted an Emergency Action Plan Seminar on December 6, 2023. Among the agencies participating in the event were the U.S. Army Corps of Engineers, the National Weather Service (Tulsa Office), and Mayes County Emergency Management Dispatch. Mr. Sullivan stated this training is required by the Federal Energy Regulatory Commission (FERC) and is an opportunity to work with representatives from these agencies regularly to be prepared should an emergency present itself.

Mr. Sullivan introduced the video to be shown on the Kerr Dam Anchoring Project.

After the video, Director Elam asked Mr. Jacoby what the load factor was on the test anchor. Mr. Jacoby said he did not recall, but believed it is supposed to be seventy to seventy-five percent, and stated they were well in excess of that with good redundancy. He told the Board the project is going very well. Mr. Sullivan said the plan is to have the anchoring project completed and the dam back to full operation by the spring of 2024.

### **3.b. Recognition of Board Member Mike Lewandowski**

Mr. Sullivan thanked Mr. Lewandowski for coming today and expressed his appreciation for his help and

leadership as an active Board member and Chair of the Audit, Finance, Budget, Policy & Compliance Committee to the benefit of GRDA and its customers. He also presented him with a resolution and a framed print award. Chair Westbrook and other Board members spoke about how much they have appreciated Mr. Lewandowski throughout his time on the Board.

Mr. Lewandowski thanked everyone for their help on his journey to learn more about public power and said he will miss them and GRDA.

#### **4. New Business:**

##### **4.l. Consideration, Discussion, and Possible Approval of Power Cost Adjustment (PCA) of \$0.02627 per kWh for January 2024**

Mr. Sullivan presented tables showing the PCA calculations based on the staff's forecast for January 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, as well as a comparison chart of rate calculations for November and December 2023. He stated things seem to be going in the right direction for GRDA's customers and that the Authority continues to see a good return on investment as well.

Director Elam asked if Mr. Sullivan or the staff thought the PCA baseline would ever get back to 2019 levels. Mr. Sullivan explained more about the different aspects of the PCA calculation. He said purchase power agreements do make a marked difference in the PCA calculation, but current natural gas prices assist in keeping that cost in check. Mrs. Jennifer Marquis stated the staff does not anticipate the baseline PCA being back to 2019 levels.

Director Elam moved to approve the Power Cost Adjustment (PCA) as presented, seconded by Director Meyers, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

##### **4.m. Consideration, Discussion, and Possible Approval of Contract No. PCPA-0155: Generation Machinery Services for Thermal Facilities with MD&A**

Mr. Ladd provided background information to the Board on why this contract is necessary, what the anticipated expenditure will be based on previous year averages, and how long the contract term will be. The existing contract expired in October 2023. To ensure the reliability of operations, there is a need for swift restoration of the turbine, generators, and associated machinery. Timely repairs following a breakdown help to minimize expenses associated with purchasing replacement power and mitigate risks to the reliability of the electric system. He said the staff anticipates and estimated \$500,000 in a typical year, with major maintenance repairs ranging from \$1 million to \$3 million. The contract term is for one year, with provisions for renewal in yearly increments, for a maximum of three renewals. Mr. Ladd presented charts showing GREC Unit 2 Gross Actual Generation (GAG) historical data for years 2014 through 2023, and corresponding historical contract performance data for Mechanical Dynamics and Analysis, LTD (MD&A). He noted that MD&A, a subsidiary of Mitsubishi Power Americas (MPWA), presently holds the expired contract with GRDA. Mr. Ladd showed bid results and budgeting information, including the expiring and proposed contract value, and payments to the contractor budget. GRDA staff sent this RFP for competitive bid three separate times. He explained what those results were, with General Electric being the only other bidder. MD&A was the lowest bidder and presented the most favorable overall value comparatively. This contract would be on a time and materials basis for a not-to-exceed amount of \$2 million. Mr. Ladd said they do not intend to renew this contract after the retirement of GREC Unit 2.

Director Elam moved that Contract PCPA-0155 for Generating Machinery Services be awarded to Mechanical Dynamics and Analysis, LTD in an annual amount not-to-exceed \$2,000,000, subject to

approval of final terms that are satisfactory to the General Counsel and Chief Executive Officer, seconded by Director Kimball, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

#### **4.n. Consideration, Discussion, and Possible Approval of Contract No. PCPA-0261: Railroad Track Maintenance Services with Am-Rail**

Mr. Ladd said this item is similar to the previous item to renew a retiring railroad track service contract. He provided more background, historical contract performance, and stated this contract would be re-evaluated following the retirement of GREC Unit 2. All track maintenance will likely be on an ad-hoc basis. Mr. Ladd showed a map of the GREC site and noted points involved in the Union Pacific agreement. He told the Board there were four bids received, with AM-Rail being the recommended choice based on their lowest bid, best value and GRDA's experience with good customer support. There is value in keeping GRDA's portion of the track, and keeping it maintained, to allow the Authority to ship items via rail when needed. Also, as part of this agreement, the contractor would be removing a portion of the track that is no longer needed at the facility near GREC Unit 3. AM-Rail currently holds the contract.

Director Kimball asked Mr. Ladd if anyone else utilizes any portion of the track GRDA owns. Mr. Ladd confirmed no one else utilizes their portion of the track.

Director Sublett asked what would be done with the portion of the track to be kept for a period of time after GREC Unit 2 is retired. Mr. Ladd said, once the unit is retired, the rail would be utilized to export any surplus equipment that is sold or otherwise disposed of, but beyond that the rail would be utilized to export timber to be removed to make way for the solar project and import equipment and material needed.

Director Sublett moved that Contract PCPA-0261 for Railroad Track Maintenance Services be awarded to AM-Rail, in an annual not-to-exceed amount of \$327,588.00, subject to the approval of final terms and conditions by the CEO and General Counsel, seconded by Director Meyers, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

#### **4.o. Consideration, Discussion, and Possible Approval of Contract No. PCPA-0244: GREC Unit No. 3 Ovation 3.5.1 to 3.X Evergreen Program with Emerson Automated Solutions**

Mr. Ladd provided background information on the two DCS systems GREC Unit 3 utilizes to control the unit and explained how these two systems work. Mitsubishi's system (Netmation) has been updated to Windows 10. However, Emerson's Ovation system that controls the balance of the plant is currently using Windows 7 and requires an upgrade as Microsoft officially ended support of Windows 7 in January of 2020. This means the Authority can no longer get technical support or security updates which are critical to the security of their systems. Mr. Ladd explained the DCS system upgrade specifics and scope. He also said their team will be working closely with the GRDA IT Team to ensure everything fits their needs. The budgeted amount for this project is \$1,330,000 and the Board approved the Capital Work Order for \$1,268,604. Emerson's proposal cost is \$990,520. Mr. Ladd stated his recommendation is to move forward with this item.

Director Elam asked what the longevity or life span of this system would look like. Mr. Dionisio said he believes this version of the product is the "long-term service" version, and the cycle would typically be about fourteen years. He also said they have been very pleased with the product offered for this.

Director Rupe moved that Contract PCPA-0244 for GREC Unit 3 – Ovation (DCS) Evergreen Upgrade be awarded to Emerson in a not-to-exceed amount of \$990,520.00, subject to the approval of final terms that are satisfactory to the General Counsel and Chief Executive Officer, seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

#### **4.p. Consideration, Discussion, and Possible Approval of the Sale of 125-Car GRDX Trainset to Sultran, LTD**

Mr. Ladd provided background on a previously approved lease of GRDA railcars, saying lease contract was not executed. He said GRDA owns 405 aluminum, open-top, rotary gondolas that are used for coal transportation from the Gillette, Wyoming area to the Grand River Energy Center (GREC). The railcars are evenly distributed in three train sets of 135 each. He said the original purchase price of the railcars was at a minimum of \$59,728 and maximum of \$78,773 each. He showed a graph illustrating current and projected coal inventory from January 2020 to January 2026. Mr. Ladd explained what the 2022 burn rate was compared to the 2023 rate. He said this projection is part of their plan to be in a good position to control this inventory. Mr. Ladd said the previously approved lease of GRDA railcars to BSIX Corp. in May 2023 for up to 240 railcars at a rate of \$695 per car per month was not executed. These train sets would be operated in Canada to transport pet coke. In June 2023, GRDA sent a final draft agreement to McGrath Rail out of Tulsa as the representative of BSIX Corp. In March 2023, Residco contacted GRDA staff with interest in purchasing a train set for Sultran, LTD. On December 8, 2023, Residco presented an offer for 125 railcars a bid price of \$20,100 per car, or \$2,512,500 total. The bid is valid until December 18, 2023. The delivery location would be to Grand Island, Nebraska, and Hastings, Nebraska, at the buyer's expense. Mr. Ladd said he and the staff evaluated the bid and compared it to the last sale of railcars in 2016 and last offer received in 2020. He said current average estimated value of these railcars today is at \$20,400 per railcar, and the most recent sales seen in the market are averaging around \$16,000 per railcar. They feel like they have a good offer for these but will need to continue negotiating to see if there can be any improvement in the offer.

Director Sublett asked if the lease agreement negotiations have ended. Mr. Ladd said, if this item is approved, the staff will need to have a conversation with McGrath Rail communicating GRDA's position. He also stated that there were many follow-up conversations with the company, and their feedback was that they did not have the investment and were not ready to proceed. There is still some potential left to the agreement as the Authority will have some railcars left for this.

Chair Westbrook asked for confirmation that moving forward with this agreement would not cause issues for the Authority since the lease agreement was never executed. Mr. Sullivan and Mr. Ladd confirmed this.

Director Meyers asked how many days of coal are contained in a train set. Mr. Ladd stated there is approximately two days of coal in a full train set. Director Meyers asked how long it takes for the train set to get to Wyoming to load and get back to the GREC. Mr. Ladd said the fastest timeframe has been about five and a half days, with the average being about eight days.

Director Sublett moved to approve the proposed agreement with Sultran, LTD. For up to 125 railcars, at a rate of no less than \$20,100 per car, subject to the approval of final terms that are satisfactory to the General Counsel and Chief Executive Officer, seconded by Director Kimball, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

#### **4.q. Consideration, Discussion, and Ratification of Contract for the Sale, Purchase and Removal of Scrap Metal with Wheeler Metals, Inc., and Declaration of Surplus Property**

Mr. Lofton said on September 12, 2023, the GRDA issued a Request for Proposal (RFP) seeking bid for a contractor to provide scrap metal services. Included in this RFP, the contractor will collect and purchase all scrap metal placed inside three containers at the Transmission Headquarters property, one container at the Grand River Energy Center (GREC), the Kerr Dam, and the Pensacola Dam. The contractor will also collect and purchase scrap metal in any additional containers at other locations upon request. Mr. Lofton presented the amount of scrap metal sold by the GRDA in 2022 for all locations. He said they are recommending Wheeler Metals, Inc. be approved by the Board as the contractor for this service through this ratification. Wheeler Metals, Inc. has been in business since 1968 and is based in Muskogee, Oklahoma. The contract term will be for one year, beginning on November 16, 2023, and renews



automatically for four consecutive one-year terms, unless terminated. Mr. Lofton explained the purchase terms and showed that excerpt from the contract. He also showed and explained the Oklahoma Statute that covers Disposition of Property and surplus property for the GRDA to be allowed to dispose of all scrap metal disposed of by GRDA personnel and declared as surplus property and not necessary to the business of the Authority.

Discussion ensued regarding what the market based prices are now and how the GRDA is notified of what those prices are. Mr. Lofton also told the Board all of the scrap metal disposal is documented, including what the market prices are.

Director Meyers moved to ratify the Contract for the Sale, Purchase, and Removal of Scrap Metal with Wheeler Metals, Inc., and to declare all scrap metals that are deposited by GRDA personnel into the Wheeler Metals containers from November 16, 2023, through the term of the contract, as surplus property that is not necessary to the business of the GRDA, seconded by Director Elam, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

#### **4.r. 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 GL Grand View LLC for Approval of a Commercial Permit Application for a Facility Located in Delaware County, Oklahoma.**
- b) **Consideration, Discussion and Possible Approval of a Request by GL Lakewood LLC for Approval of a Commercial Permit Application for a Facility 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 item a,** Director Westbrook moved to approve the commercial application for GL Lakewood, LLC, as built for four docks with 43 boat slips, six PWC's and one boat ramp, as approved by the Assets Committee, and the items were voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

**Regarding item b,** Director Westbrook moved to approve the commercial application for GL Grand View, LLC, as built for one covered dock with eleven boat slips and a boat ramp, as approved by the Assets Committee, and the items were voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

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

- a) **Required Annual Communications to the Board of Directors**
- b) **Consideration, Discussion, and Possible Approval of 2024 Audit Plan**

**c) Consideration, Discussion, and Possible Approval of Fiscal Year 2024 Budget**

**d) Update on Bond Issuance – Series 2023 and 2024**

Director Sublett expressed his appreciation for all the work the GRDA Team has done on the items to be discussed. He said he believes the work done will be a tremendous benefit of the Authority as a whole. Director Sublett asked Mr. Jeff Brown and Mr. Feighner to present these items.

**Regarding item a,** Mr. Brown presented the requirements for annual communication to the Board related to the review of the Internal Audit Services Charter, Organizational Independence, the Quality Assurance and Improvement Program, GRDA's conformance with the Code of Ethics and the Standards, and resource requirements.

No action is required on this item.

**Regarding item b,** Mr. Brown said the 2024 Audit Plan information was presented to the Executive Team and to the committee and included in the Board's material for this meeting. He explained the plan encompassed GREC Unit 4 construction and contract compliance, Authority-wide contract management and compliance, the Owner's Dam Safety Program, Accounts Payable, and the identification and evaluation of certain internal relationships. Mr. Brown stated the staff and committee recommend approval. The committee approved this on December 1, 2023, at the last meeting.

Director Sublett moved to approve the 2024 Audit Plan as presented, seconded by Director Rupe, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

**Regarding item c,** Mr. Feighner presented details of the four budget themes for the upcoming year. These include construction of the GREC Unit 4, a rate increase targeted for July 1, 2024, capital spending on Hydro and Transmission & Distribution projects, and other miscellaneous key budget assumptions. He provided a summary of 2024 budget results. This included numbers from the 2022 Actual Budget, 2023 Budget, 2024 Budget, and explained further details about those numbers. Mr. Feighner showed a graph illustrating a breakdown of the non-fuel operating expenses and described what this would include. He broke down the capital spending for 2024 in comparison to 2023, noting the amounts did not include the \$265.7 million in the 2024 Budget for GREC Unit 4. The total expenditure budgeted for capital improvements for 2024, including the construction of GREC Unit 4, would be \$362,241,978.

Director Sublett said that after extensive discussion and effort by the GRDA Team, the committee voted unanimously to approve the budget and recommend approval to the Board of Directors.

Director Elam thanked everyone involved for their hard work, and said it is great to see the budget process improve every year.

Director Kimball said the information submitted to the Board for this item for their approval was much better than in previous years, and he commended the staff and committee for their efforts.

Director Elam moved to approve the 2024 Financial Budget as presented, seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

**Regarding item d,** on December 12, 2023, GRDA successfully priced \$205 million in tax-exempt bonds. Mr. Feighner said they upsized the initial transaction amount by \$55 million based on extraordinary investor interest, providing more liquidity and flexibility as the Authority funds their capital program for the next year. In total, GRDA received over \$1.2 billion in orders from thirty-eight unique investors. Twenty of those investors in the Series 2023 bonds are not currently publicly reported holders of GRDA debt. Based on this strong investor interest, the team was able to tighten yields by 5-10 basis points versus the initially proposed yields. He presented a summary and screenshot of the oversubscribed bonds, and the spread to MMD Index. Mr. Feighner showed a graph illustrating a comparison with other GRDA bond issuances. He said

he was happy with the average weighted yield for 2023 Series bonds coming in at 3.37 percent. He presented a chart showing the sources and uses summary for the bond issuance. The GRDA will have \$218,374,464.99 for the construction of GREC Unit 4. The next steps for the 2023 Series is a pre-closing set up with the Oklahoma Attorney General's office on Monday, December 18, 2023 for their required opinion, and a closing date targeted for Thursday, December 21, 2023. The Series 2024 issuance for remaining funds of \$270 million will now have more flexibility on timing, with a complete refunding analysis for up to \$200 million if it is economical to do so.

Director Kimball left the room at 11:38 a.m., returning at 11:39 a.m.

Chair Westbrook said he had the pleasure of accompanying the group to New York City for the pricing. He stated this process was a demonstration of just how effective and skilled the GRDA staff is. Chair Westbrook expressed his appreciation for the team and said this reflects the strength of the organization and was executed well.

There is no action required on this item.

### **3. Compensation & Marketing Committee:**

#### **a) Update – BancFirst Grand Lake Region Commercial**

Director Kimball commended Mr. Wiscaver on his efforts related to earned media for GRDA, but said this instance was a bit of luck and good fortune in getting permission from BancFirst to share this commercial with the Board.

**Regarding item a,** Mr. Wiscaver explained BancFirst highlights its communities regularly in their ad campaigns and this time they highlighted the communities of Grove, Ketchum and Vinita, Oklahoma, their relationship to the Grand Lake o' the Cherokees and the Pensacola Dam. He presented the BancFirst commercial to the Board and said the team at BancFirst were very flattered and receptive to the team sharing this video.

There was no action required on this item.

#### **4. Fuel and Long-Range Planning Committee:** Director Meyers said the committee would have an item included in Executive Session.

---

### **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. 1494-461, 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 Contract PCPA-000252 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 Work Authorization PCPA-000253 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 82 O.S. § 862.1(2)(b) for the Purpose of Conferring on a Power Purchase and Sale Agreement Which are Exempt from the Provisions of the Open Meetings Act.**
- f. Proposed Executive Session Pursuant to 82 O.S. § 862.1(2)(b) for the Purpose of Conferring on a Power Purchase and Sale Agreement Which are Exempt from the Provisions of the Open Meetings Act.**

Director Kimball moved to go into executive session at 11:52 a.m., seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Director Kimball moved to return to regular session at 1:12 p.m., seconded by Director Elam, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, 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. 1494-461.**
- b. 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.**
- c. Action, as Necessary, Concerning Contract PCPA-000252 with Mead & Hunt.**
- d. Action, as Necessary, Concerning Contract PCPA-000253 with Mead & Hunt.**
- e. Action, as Necessary, Concerning a Power Purchase and Sale Agreement.**
- f. Action, as Necessary, Concerning a Power Purchase and Sale Agreement.**

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

**Regarding item b,** there is no action required for this item.

**Regarding item c**, Director Elam moved to approve Contract PCPA-000252 with Mead & Hunt, as discussed in Executive Session, seconded by Director Meyers, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained)*.

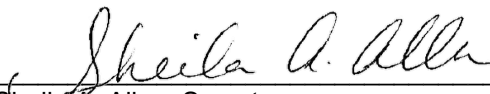
**Regarding item d**, Director Meyers moved to approve Contract PCPA-000253 with Mead & Hunt, as discussed in Executive Session, seconded by Director Elam, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained)*.

**Regarding item e**, Director Meyers moved to approve the Power Purchase Agreement, as discussed in Executive Session, seconded by Director Elam, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained)*.

**Regarding item f**, Director Elam moved to approve the amendment of the Power Purchase Agreement, as discussed in Executive Session, seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained)*.

---

Director Kimball moved for adjournment at 1:14 p.m., seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (6-yes, 0-no, 0-abstained)*.

  
\_\_\_\_\_  
Sheila A. Allen, Secretary

DATE APPROVED:

January 10, 2024  
GRDA Board of Directors