

**Minutes of Regular Meeting
Grand River Dam Authority
Board of Directors
May 8, 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 May 8, 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 May 7, 2024, at 9:55 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 10:18 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	Present
Laura Hunter, Executive VP - Chief Administrative Officer	Present
Heath Lofton, Executive VP - General Counsel	Present
Nathan Reese, Executive VP – External Relations	Absent
John Wiscaver, Executive VP – Corporate & Strategic Communications	Absent
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:

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

Number	D365 Project	Funding Source	Title	Net GRDA Cost
RF024-01311	P001408-02	REVENUE	Okay FDR 85 Line Panel Upgrade	388,644
RF024-01310	P001408-03	REVENUE	GREC FDR 85 Line Panel Upgrade	369,051

RF023-01267	P002402-01	REVENUE	Feeder 92 Line Panel Replacement	228,674
RF023-01245	P001408-01	REVENUE	Wagoner & FDR 85 Upgrades	5,047,321
Grand Total Work Orders				\$6,033,690

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

There were no questions from the Board.

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:

- 1) Derwin Marion Daniels

c. Consideration, Discussion, and Possible Approval of Memorandum of Understanding Between U.S. Fish and Wildlife Service Oklahoma & North Texas Fire Zone (Wichita Mountains WR) and Grand River Dam Authority

d. Consideration, Discussion, and Possible Approval of Agreement with the Department of Public Services for Participation in the Oklahoma Wireless Information Network Land Mobile Radio Public Safety Interoperability Cooperative

e. Consideration, Discussion, and Possible Approval of Cross Deputization Agreement with Wyandotte Nation

f. Consideration, Discussion, and Possible Approval of Temporary Electric Service for Oklahoma Ordnance Works Authority (OOWA) Mid-America Industrial Airport H71

g. Consideration, Discussion, and Possible Approval of Assignment and Amendment of Revocable License to Encroach from Sarah Timberlake to Camp David Compound, LLC in Delaware County, Oklahoma

h. Consideration, Discussion, and Possible Approval of Economic Impact Agreement Between the Grand River Dam Authority and the Oklahoma Department of Commerce

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

Description and/or Make of Item	
Ford/F250/2014	Chevrolet/Silverado LT 2500 HD/2008
Chevrolet/Silverado 2500/2009	Dayton 20" Drill Press
Chevrolet/Tahoe/2014	Phoenix Dryrod, Electrode Stabilization Oven
Ford/F750/2008	Abrasive Blast Cabinet - Dayton Brand
Manitex/1770C/2007	Bench Grinder 8" - Dayton Brand
Ford/Transit 150/2015	Crane Lifting Platform

Chevrolet/Express 3500 LS/2015	Insulators
Ford/Escape/2011	Diesel Hotwater Pressure Washer - Whitco Cleaning Systems Brand
Ford/Escape XLT/2011	Belt/Disc Sander - Dayton
Ford/Escape XLT/2012	Miller Mig Welder
Ford/Escape XLT/2012	Grinder/Buffer - Baldor Brand
Freightliner/M2/2005	Hydraulic Jacks
International/7300/2007	Miscellaneous hydraulic hoses, pump and jacks.
Lift All/Bucket/2006	Miller Mig Welder
Ford/Taurus SE/2013	Lamps/Bulbs - 1 Lot
Ford/Escape XLT/2012	Modules - 1 Lot
Chevrolet/Silverado 2500 HD LT/2008	Lamps/Bulbs - 1 Lot
Ford/F350 XL/2004	

5. Reports:

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

Standard Purchase Orders & Contracts		
PO Number	Vendor Name and City State	Amount
PCPA-000452	AT&T MOBILITY - CAROL STREAM, IL	275,000.00
PCPA-000455	BRAINERD CHEMICAL COMPANY, INC. - TULSA, OK	352,197.41
PCPA-000456	UNIVAR USA, INC. - DALLAS, TX	298,830.72
PCPA-000465	ANIXTER, INC. - OKLAHOMA CITY, OK	231,275.42
PCPA-000466	MOTOROLA SOLUTIONS - CHICAGO, IL	196,232.06
Grand Total Standard POs & Contracts:		\$1,353,535.61

Change Orders & Renewals		
PO Number	Vendor Name and City State	Amount
44146	AT&T CORPORATION - BEDMINSTER, NJ	65,000.00
44235	UNDERWATER ACOUSTICS INTERNATIONAL LLC - LAFAYETTE, LA	27,800.00
41430	ALLEGIS GROUP, INC. DBA AEROTEK, INC. - TULSA, OK	2,000,000.00
34284	THE ENERGY AUTHORITY, INC. - JACKSONVILLE, FL	146,229.75
43547	RIZZO INTERNATIONAL, INC. - PITTSBURG, PA	196,740.00
Grand Total Change Orders & Renewals:		\$2,435,769.75
Grand Total		\$3,789,305.36

Chair Westbrook reviewed items on the Consent Agenda.

Director Sublett asked for clarification and further information around a change order for \$2 million to Allegis Group, Ince. DBA Aerotek, Inc. Mr. Sullivan stated this is a continuation with this contractor for providing contract labor at varying locations across the Authority.

Director Sublett moved to approve the consent agenda as presented, 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).*

REGULAR AGENDA

1. Discussion and Possible Action Regarding Regular Board Meeting Minutes of April 10, 2024.

Director Sublett moved the Board approve the Regular Board Meeting Minutes of April 10, 2024, 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).*

3. Unfinished Business:

a. Progress Reports:

1) Current Operations Reports

a) GRDA Monthly Video Update – May 2024

- ***Setting Pump for Outage Preparation at Salina Pumped Storage Project***

Mr. Sullivan recognized Mr. Mike Brown with the Walton Family Foundation. He thanked Mr. Brown and the foundation for their funding and support that provided for the construction of the WOKA Whitewater Park. Mr. Sullivan said this is a tremendous gift to the State of Oklahoma and invited Mr. Brown to address the Board.

Mr. Brown thanked the Board of Directors, from the Walton Family Foundation, for their support of the WOKA Whitewater Park project. Construction started in 2020 and was completed in 2023 with help from the GRDA Team, including Mr. Sullivan Mr. Ed Fite, Mrs. Laura Hunter, Ms. Holly Wildman, Mr. Jared Skaggs, and many others. He said the GRDA Team helped in making this project a reality, even with all the weather and water challenges during construction, as working in the river is not an easy thing. Mr. Brown stated the park is open for its first full season this year and encouraged everyone to visit. In addition to the WOKA Whitewater Park, there is now a complete and extensive paved and natural surface trail system adjacent to the location. The WOKA Trail is a three-and-a-half-mile concrete ten-foot trail that runs from the park north into Siloam Springs. The Lake Francis Trail is a two-and-a-half-mile concrete ten-foot trail that runs from the WOKA Trail to Arkansas Highway 59. The concrete trails are complemented by fourteen miles of natural surface single track that can be used by hikers, mountain bikers, and by all skill levels. Mr. Brown told the Board these trails travel through beautiful natural areas owned by the City of Siloam Springs, the Nature Conservancy, and the Northwest Arkansas Land Trust. On most of these trails, you will not see any houses because the land surrounding is controlled by these conservation agencies. These trails will attract visitors from Northeast Oklahoma, and the entire region for decades to come. The WOKA Whitewater Park, along with the Siloam Springs Kayak Park, Riversport Rapids in Oklahoma City, and the new Whitewater Flume on the Arkansas River in Tulsa, have the potential to make Arkansas and Oklahoma a destination for whitewater enthusiasts from around the country. Whitewater enthusiasts typically haven't thought of Oklahoma and Arkansas as an option. Mr. Brown stated this will change. He encouraged all stakeholders to plan event to attract visitor to these new platforms and recreation venues. Mr. Brown again thanked the Board for their support.

Mr. Sullivan thanked Mr. Brown for all the work he has done individually on this project and to publicly thank Mr. Jim Walton for his personal enthusiasm for the project. He stated Mr. Walton has, through the Walton Family Foundation, supported this and been personally involved from the very beginning. It is a great legacy for the Foundation to have this in the State of Oklahoma alongside other projects in Northwest Arkansas. Mr. Sullivan said he greatly values the great connection between their two organizations through the City of Siloam Springs as one of GRDA's customer. He again expressed his thanks to Mr. Brown and Mr. Walton for all their hard work.

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 April. He said this past month was warmer than it was last year. month there was an eight percent increase in demand and a four percent increase in energy. Mr. Sullivan stated they are seeing more air conditioning load during that time and expect to see the travel load continue for the next several months. He showed graphs illustrating a comparison of resource energy production for April 2023 and 2024, noting that both GREC

Unit 2 and GREC Unit 3 were out for scheduled outages during the month of April. GREC Unit 2 is back online and operating today, with GREC Unit 3 in start-up mode, coming out of outage and final testing.

The Authority is currently at thirty-eight safe days working accident-free.

In April, GRDA's Ecosystems and Watershed Management Team attended the annual Oklahoma Clean Lakes and Watersheds Association (OCLWA) Conference in Stillwater. This event provides a forum for scientists, citizens, and professionals to exchange ideas, receive education and form partnerships relating to sound water management practices. This year, GRDA supported about twenty-six percent of the student research posters and around twenty-two percent of the oral research presentations. As a testament to GRDA's workforce development efforts in the natural resources field of internships, fellowships and student research support, a total of seventeen former and current students attended the conference representing various academic and professional organizations. Mr. Sullivan showed a photograph of those that attended from GRDA. During the conference, GRDA's Dustin Browning served as a judge for the student presentations and Steve Nikolai was selected to serve as OCLWA President-Elect for the next year. Mr. Sullivan said this is a good demonstration of the Authority's relationship with the surrounding universities in having the opportunity to do water-related research at not only their Ecosystems & Education Center in Langley, Oklahoma, but also at the Northeastern State University (NSU) facility in Tahlequah. The amount of research that's come out of that facility and that working relationship really has continued to pay off.

Also, at the OCLWA conference, GRDA Water Quality Manager Ed Fite was named the recipient of the Clean Lakes and Watersheds Lifetime Achievement Award in recognition of his more than forty-year career in water quality. This special award is not an annual award and is rarely given out. The recipient is selected by peers in the water quality arena and Mr. Fite continues to serve GRDA with the utmost professionalism and is highly respected by his peers. Mr. Sullivan said they appreciate all that he has done for the water in the State of Oklahoma but told him he is not finished. He thanked Mr. Fite for all he has done and congratulated him on the recognition he has received for himself and for GRDA.

On April 8, GRDA employees were able to step outside to enjoy the solar eclipse. GRDA was the title sponsor and partner with KJRH-NBC (Channel 2) for their solar eclipse coverage during the event. With this, GRDA received branded solar eclipse glasses that were distributed to employees. Mr. Sullivan showed photographs of employees enjoying this historical event.

GRDA's Corporate Communications and Customer Relations Teams held a social media workshop for GRDA municipal customer communities on April 11. Personnel from Coffeyville, Collinsville, Pryor, Sallisaw and Skiatook were in attendance. Chatter Marketing's CEO Heather Berryhill kicked off the workshop with a discussion on Artificial Intelligence (AI) and how utilities can leverage it to streamline social media management. GRDA Public Relations Programs Manager Justin Alberty then led a roundtable discussion, speaking about best social media practices with examples from various public power utilities.

Mr. Sullivan showed photographs of activities from their Earth Day event at Duck Creek on Grand Lake. GRDA's Permitting, Shoreline Management and Safety Departments, along with FFA students from Adair, Ketchum and Salina High Schools came together on Earth Day to clean up along the shoreline in the back of the Duck Creek area. Their efforts were greatly appreciated by those that live in the area.

The MESO Public Power Conference was held April 21-23, 2024. Approximately two hundred participants typically attend this annual conference, representing municipally owned electric systems in Oklahoma, Kansas and Arkansas. Attendees included mayors, city managers, administrators, public works directors, supervisors, line workers, customer service, human resources, and finance professionals. GRDA Senior Manager-Powerlines David Hefner and City of Stillwater's Wes Bennett led a session on public power utilities mutual aid involvement with the Light Up Navajo project, and GRDA Senior Reliability Analyst Dona Parks led a session sharing information about NERC requirements.

GRDA hosted the Large Public Power Council (LPPC) Audit and Risk Roundtable meeting at the Mayo Hotel April 24-26, 2024. There were twenty-eight attendees representing seventeen LPPC utilities. This was a first time visit to Tulsa for much of the group. LPPC President John Di Stasio and GRDA President/CEO Dan Sullivan provided opening comments the first day, while GRDA CFO Erik Feighner welcomed the group on the second day. During the event, GRDA Vice President of Generation Operations

Robert Ladd led a breakout session on risks around contracts and work on large projects like GREC Unit 4, and GRDA Director-Financial Compliance Jeff Brown led a session on proper material provided to boards, with help from Corporate Secretary Sheila Allen.

Thunderstorms and tornados moved across Oklahoma and parts of Kansas in late April, leaving devastation in its wake to many communities. Early on April 28, GRDA Transmission crews responded to a call for mutual aid assistance to the City of Wagoner, helping to make repairs. The heavy rainfall in the Grand Lake watershed led to several floodgate operations throughout the week at Pensacola and Robert S. Kerr Dams. Mr. Sullivan noted the challenging conditions crews were working under with standing water and muddy ground. He said the mutual aid response was impressive and this was a great demonstration of that cooperative spirit.

A *Rush for Brush* event was held last Saturday at Wolf Creek Park in Grove, Oklahoma. There were thirty-nine volunteers present for the event and the group constructed 750 fish habitat structures. GRDA's Ecosystems and Watershed Management began holding *Rush for Brush* workshops in 2007 to improve the fish habitat in GRDA's Grand and Hudson lakes. By enhancing the natural fish habitat with the artificial structures, small fry are given a place to hide from the bigger fish. This, in turn, creates a fish attractant which is popular with area fishermen.

Mr. Sullivan said they just received a report that the American Public Power Association (APPA) prepared following an annual review of electricity generation capacity. He explained that in 2023 for the electric generation capacity, natural gas is representing almost forty-four percent of the total fuel type, with coal is at sixteen percent for comparison. He stated it is very significant that wind has been staying at a fairly level position over the last couple of years, but solar for 2023 is at almost eight percent and the main renewable energy source that is on the rise. Mr. Sullivan showed a slide illustrating Generation Capacity Additions by Fuel Type. It showed that natural gas additions were 33.37%. He told the Board GRDA's GREC Unit 3 would be part of that. Wind was at almost thirty-one percent, and solar at almost eight percent. He said as they look at what the future brings, those numbers are going to change quite a bit. He showed a graph showing Capacity Additions by Year and noted that natural gas peaked near the time GRDA was building GREC Unit 3 but is now on the rise as they are building GREC Unit 4. He showed Projected Generation Capacity Additions for 2024, noting a 7.73 percent increase in natural gas additions and a seventy-seven percent increase in solar capacity. The next graph illustrated the share of fuel type by stage of development. Mr. Sullivan explained the differences between what is being proposed versus what is pending application, permitted or under construction. Solar is much higher than anything else. He said wind has taken a downturn in terms of future generation considerations, and natural gas been low. However, Mr. Sullivan stated he believes that will change dramatically soon. He told the Board nearly five thousand megawatts of capacity has been permitted or under construction in 2023, compared to 2022. As they have previously discussed the challenges around contracts and supply chain to get all equipment and supplies in place for the construction of GREC Unit 4, Mr. Sullivan said they are seeing this going on nationally as they are in competition for some of the same resources as other entities. Thankfully, GRDA is ahead of the curve on acquiring these items. He showed slides showing the Future Generation Capacity by Ownership Type Under Construction and Proposed. Non-utility generators have over eighty-six percent of that share under construction due to the fact this is solar generation, and utilities are not building solar. It is the other developers that are traditionally building solar capacity. So, there is a disconnect of who is building this generation type and who is actually serving load. He further explained these two different concepts in the marketplace. Of the proposed capacity, the non-utility generators are at almost ninety-two percent. Mr. Sullivan showed the future generation capacity by Southwest Power Pool (SPP), including plants under construction, plants pending application, permitted plants and proposed plants. He presented information on the additions, cancellations, and retirements for all forms of generation between 2016 and 2023, with planned retirements included, as well as looking forward to 2028. Mr. Sullivan stated there is a tremendous amount of growth that is being predicted in the SPP market, and that will have a significant impact on how GRDA looks at these resources going forward. He told the Board he hoped this information is helpful in providing an overview of these numbers and the circumstances around the country and in the SPP market.

Mr. Sullivan introduced the *Setting Pump for Outage Preparation at Salina Pumped Storage Project* video to be shown. He said this project is another example of their #1GRDA policy in action as the teams continue to come up with different ways to cooperate internally and work together to use resources and maximize benefit to the Authority.

4. New Business:

j. Power Cost Adjustment (PCA) of \$ 0.02200 per kWh for June 2024

Mr. Sullivan said they continue to show a downward trend. He presented tables showing the PCA calculations based on the staff's forecast for June 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. He said the stability of the natural gas market is one of the biggest drivers of the continued low cost. These are very encouraging numbers to see that the fuel cost is helping to keep rates as low as possible for GRDA's customers. 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 against the cost for natural gas for the Henry Hub. He also showed another comparison of May and June rate calculations.

Director Elam moved to approve the Power Cost Adjustment (PCA) 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).*

k. Update on Lake Operations/Law Enforcement

Mr. Edwards said this year has been different for the lakes and GRDA Police. The season, so far, has been much wetter than it was in 2023. He reviewed staffing within his Ecosystems & Watershed Management Team and explained their roles to the Board, including their accomplishments, municipal and community events they participate in, awards they have received, GRDA programs and partnerships, speaking engagement opportunities, published papers and other recognition they have received. Mr. Edwards explained further about water quality monitoring efforts and offered assistance and education to any of the communities within the watershed and around the Illinois River. He spoke to how proud he is of his team for making a tremendous impact on the community for the Authority. Mr. Edwards told the Board the floating solar-powered destratifier was installed in early October 2023 at Horse Creek on Grand Lake to mix the water column and prevent anoxic conditions that can feed blue green algae blooms. They are monitoring these conditions to determine the effectiveness of the system. He also said they installed an automated water quality profiling system in February 2024 that monitors and transmits real-time water quality parameters to their laboratory. This equipment is critical to track dissolved oxygen levels for downstream water quality standards and GRDA's hydropower license compliance. The goal is to make the data publicly available so visitors to the lakes know the water temperature and oxygen levels at various depths. Mr. Edwards explained that his team actively manages over 3,600 acres of floodplain area. This property provided public hunting opportunities, projects for area universities, as well as state and federal natural resource management project partnerships with GRDA. He showed graphs and data related to lake permitting statistics, to include detailed dock information, raw water, lake structures, fishing tournaments, vegetation management and special events. Mr. Edwards reviewed staffing within his Law Enforcement & Rescue Team and their duties and responsibilities. He added that this team provides swift water rescue operations, high-angle and rope rescues, ecological spill incident response, community outreach programs, dive operations, and confined space operations. In 2023, this team averaged one special event per week with a total estimated visitor count of over 50,000. His team members completed over 7,300 hours of continuing education training, hosted nineteen different trainings open to outside law enforcement, fire service and EMS agencies. The Confined Space Rescue Team assisted with 107 assignments in 2023, for a combined 5,351 hours and an additional 580 training hours. Mr. Edwards showed 2023 statistics regarding his team's activities, including facility checks, calls for service, reports generated, death investigations, written contacts, arrests and uses of force. He showed photographs of the log jam at Twin

Bridges and explained how this happens and that the situation has greatly improved, and the waterway is clear under the bridge as of today.

Mr. Sullivan added that there has been a lot of discussion about the log jam, mainly originating from the Mayor of Miami, Oklahoma. He said this was a floating log jam that was not causing any backup at the bridge, where the real risk is at. The Oklahoma Department of Transportation (ODOT) have plans to bring in equipment to remove some of this when the water is lower. Further upstream, there is a bridge closer to the City of Miami that the railroad is responsible for, and they have been working to clear debris. However, there is another railroad bridge downstream that does not have the clearance that the Highway 60 bridge does. If this debris was released during high water conditions, it would create a problem at that railroad bridge and could back up water. Mr. Sullivan said that debris is the responsibility of the owners of those pieces of property. GRDA could not be responsible for all the woody debris that comes floating down from upstream because a lot of this is from private property. He stated they have seen refrigerators and other things that come down from just north of this area.

No action is required for this item.

I. GREC Unit 4 Project Budget and Procurement Updates

Mr. Ladd told the Board this was intended to be a progress report and review of procurements for GREC Unit 4. He presented project highlights, to include key accomplishments for March and April in executed contracts, completed kickoff meetings and finalized execution of the Builder's Risk insurance policy. He showed photographs of the GRDA project team as well. Mr. Ladd said the event tied to shipping delays could not be improved due to the Panama Canal drought situation and Mitsubishi Power Americas (MPWA) will utilize the Long Beach port of import and truck the gas turbine parts from the West Coast to eliminate delay. For the remaining parts, they have changed carriers and no longer expect delay. The gas turbine blading has been completed, with the procurement complete for the exhaust duct. The gas turbine generator stator material has been received, and they are awaiting delivery of material for the generator rotor. Mr. Ladd went over details of the SCR and provided a budget update for the Board. He noted budget deviations for bundling of services that resulted in considerable project savings, an increased physical size and footprint for the fuel gas compressors, and right sizing of the SUS transformers from Siemens Energy that returned nearly \$1.5 million to the project. He said the project is currently tracking on schedule and within budget. Full mobilization began May 1, 2024, and the Groundbreaking Event will be on May 16, 2024. The project team remains committed to a project-centric decision making and seeking opportunities for value engineering while maintaining high quality standards. Mr. Ladd explained what they expect the next thirty days to look like. He stated they expect to compete for skilled labor, mechanical contractors, electrical contractors, material, as well as evaluating how the new EPA rules will impact the project. There could be some minor permitting modifications around air permits the team will need to address, but this looks to be minor.

Discussion ensued regarding reasons for changes in the budget for the project, coordination and communication between contractors, and concerns around competition to acquire skilled labor contractors.

No action is required for this item.

m. Thermal Generation Outage and Performance Report

Mr. Ladd said this will be an overview of just the generation of GRDA-owned assets and a review of their performance. He showed a graphic of GRDA's generation portfolio. GRDA is focused on optimizing balance for their generation assets and operations to provide the best overall value to their customers. Mr. Ladd presented their core objectives. These include mitigating risks to impact the organization and customers, maintaining reliable performance of GRDA assets through predictive and preventative maintenance to decrease downtime and enhance productivity, and managing asset lifecycle costs to maintain affordable energy production. He went over their 2023 key achievements, to include safety milestones, budget accountability, and loss prevention. Mr. Ladd showed a graph of recordable injury statistics from 2012 to 2023 for the GREC facility and all of Generation Operations, noting the marked improvement. He presented information on their loss prevention survey summary for all generation facilities, and the recommendations

from their risk consultants after this was complete. Mr. Ladd presented information on generation financial performance for 2023 and noted several key items for the Board. He introduced new O&M Senior Manager, Mr. Dean Thrall to present more detail around generation at the Grand River Energy Center (GREC).

Mr. Thrall explained a bit about his background. He then presented GREC Units 2 and 3 performance metrics. Mr. Thrall reviewed thermal generation energy production and forced outages year-over-year for both units as well. Due to teamwork and a strictly volunteer effort to staff the plant for twenty-four hours a day, the O&M Team successfully operated and maintained GREC generation with no injuries nor weather related trips during the extreme cold January weather. Mr. Thrall said GREC Unit 2 spring outages consisted of a bearing inspection, blade inspection, Venturi installation, boiler tube shield work, condenser repairs, and routine calibrations. The unit was released April 21, 2024. He told the Board the GREC Unit 3 spring outage consisted of combustor inspection, borescope inspection, HEP inspections, valve repairs, transformer testing, and GCB grounding device logic updates. The unit was released for service on May 6, 2024. Mr. Thrall went over the staff's top three targets for 2024. These are procedures, work management, and communication. Their procedures are intended to increase consistency, compliance, and productivity. GRDA's work management enhances selecting proper priorities, increasing productivity, and reducing loss. Better communication for the team helps to clearly identify roles with the team, identify points and tasks, and aid in assigning point people to know what needs are.

The Board welcomed Mr. Thrall to GRDA and thanked him for his presentation.

No action is required for this item.

n. 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)).

Director Sublett recognized and welcomed special guest, Oklahoma Secretary of Energy & Environment Ken McQueen. Secretary McQueen thanked Director Sublett and GRDA and said he is happy to be here.

Mr. Sullivan also wished Director Elam a very Happy Birthday for tomorrow, as did the staff and the rest of the Board of Directors.

5. Reports

a. Board of Directors Committee Reports

1. Assets Committee: Director Westbrook had no report.

- a) Consideration, Discussion and Possible Action Related to an Annual Review of Water Rates.**
- b) Consideration, Discussion and Possible Action to (1) Declare 9 Miles of Transmission Line Facilities and Right of Way (Feeder 33/Line 304) in Tulsa County, Oklahoma as Surplus and Not Necessary to the Business of the District; and (2) Approve the Sale of Said Transmission Line Facilities and Right of Way to KAMO in Tulsa County, Oklahoma.**
- c) Consideration, Discussion and Possible Action Regarding Purchase of 317 acres in Adair County, Oklahoma for Conservation and Wetland Purposes.**

Director Westbrook said the committee met this morning. He stated the first item was to review water rates for the Authority. The committee voted to approve a slight increase in water rates by approximately one-half of one cent. He explained a bit about declaring nine miles of transmission lines as surplus and not necessary to the business of the district and approving the sale of those lines to KAMO. The third item was

approved for the purchase of 317 acres in Adair County, Oklahoma, for a conservation and wetland project with the State of Oklahoma. He asked if there were questions or comments on these items.

Director Elam asked for clarification on raw water rates approved by the committee. Director Westbrook explained there would be a slight increase of approximately one-half of a one cent.

Regarding items a, Director Westbrook moved to approve an increase to the raw water rates effective July 1, 2024, as follows: Commercial Contract Water \$0.145; Fort Gibson Rural Water Districts \$0.043; and Salina Pumped Storage Reservoir \$0.172, as approved by the Assets Committee, and the item was voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding items b, Director Westbrook moved to approve nine (9) miles of transmission line facilities and right of way (Feeder 33/Line 304) in Tulsa County, Oklahoma, be declared to be surplus property and not necessary to the business of the Authority, as approved by the Assets Committee, and the item was voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Director Westbrook also moved to approve the Sale of facilities and right of way for Feeder33/Line 304 to KAMO, subject to approval of terms and conditions by the CEO and General Counsel, as approved by the Assets Committee, and the item was voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding items c, Director Westbrook moved to approve the purchase of 317 acres in Adair County, Oklahoma, for conservation and wetland purposes, subject to approval of terms and conditions by the CEO and General Counsel, excluding acquisition of the dam, as approved by the Assets Committee, and the item was voted upon as follows: Elam, Kimball, Matthews, Meyers, Rupe, Sublett, Westbrook, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

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

- a) Annual Update on Cash Reserves**
- b) 2023 Financial Statement Audit**

Director Sublett said the committee and Director Kimball, along with GRDA staff met yesterday to discuss GRDA financial audit and GRDA's cash reserve situation, as well as an extensive discussion on GRDA's membership with The Energy Authority (TEA). He asked CFO Erik Feighner to provide a brief overview of the cash reserves and the 2023 Financial Statement Audit for the Board.

Regarding item a, Mr. Feighner presented information on the Authority's cash reserves for the last 5 years. He pointed out some differences from year to year and explained the reasons for this. Mr. Feighner reminded the Board that GRDA's line of credit was dissolved this past November. He said they feel that having a little bit of extra cash is warranted and more comfortable for them, given that this line of credit is not available any longer. Mr. Feighner further reviewed the information regarding the construction fund from their recent bond issuance and debt service. He also presented GRDA's cash and investments by type and account as of December 31, 2023. Mr. Feighner said the staff is not recommending any action be taken regarding cash reserves.

No action is required for this item.

Regarding item b, Mr. Feighner told the Board that Baker Tilley presented their financial audit report to the committee yesterday, and they are happy to say it was a clean opinion. He stated it is particularly helpful to have a clean financial bill of health as they raise more bond funding in June. Mr. Feighner thanked his Finance Team as there was a tremendous amount of work that went into this.

No action is required for this item.

3. **Compensation & Marketing Committee:** Director Kimball had no report.
 4. **Fuel and Long-Range Planning Committee:** Director Meyers stated the committee met twice since the last Board meeting. He said they also received more information about The Energy Authority (TEA) membership and what benefits GRDA would receive from this. However, he had nothing else to 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. § 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**

Director Kimball moved to go into executive session at 12:26 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).*

Director Kimball moved to return to regular session at 1:39 p.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).*

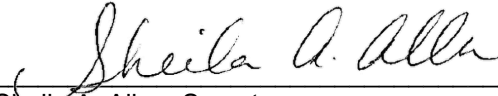
7. Action on Executive Session Items:

- a. **Action, as Necessary, Concerning the Pending Investigation, Claim, or Action, Related to Federal Energy Regulatory Commission Project No. 1494-348.**
- b. **Action, as Necessary, Concerning City of Miami et al. vs. Grand River Dam Authority, District Court of Ottawa County, Oklahoma, Case No. CJ-2008-619**

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

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

Director Kimball moved for adjournment at 1:40 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:

July 10, 2024
GRDA Board of Directors