

**Minutes of Regular Meeting
Grand River Dam Authority
Board of Directors
Vinita, Oklahoma
January 12, 2017**

A regular meeting of the Board of Directors of the Grand River Dam Authority was held at the Grand River Dam Authority Administration Headquarters, Vinita, Oklahoma, on January 12, 2017. Notice was given pursuant to 25 O.S.A. § 301 et seq. by submitting a schedule of regular monthly meetings to the Secretary of State on November 30, 2016, at 3:32 p.m.; by posting the agenda with the Craig County Clerk's office on January 11, 2017 at 9:55 a.m.; by posting said agenda at www.grda.com; and by posting said agenda at the principal office of GRDA at least 24 hours prior to the meeting.

Chair Churchwell called the meeting to order at 10:00 a.m. The Secretary called the roll. All members were present, with the exception of Director Meyers, and Chair Churchwell declared a quorum. Mr. Philpott introduced guests.

BOARD MEMBERS

Pete Churchwell, Chair	Present
Joseph Vandevier, Chair-Elect	Present
James B. Richie	Present
Tom Kimball	Present
Chris Meyers	Absent
Stephen R. Spears	Present
Ed Townsend	Present

ADMINISTRATIVE

Daniel S. Sullivan, General Manager/CEO/Director of Investments	Present
Tim Brown, Chief Operating Officer	Present
Ellen Edwards, General Counsel	Present
Charles J. Barney, AGM Fuel and Generation Projects	Present
Carolyn Dougherty, AGM Market Analysis/Strategic Development	Present
Brian Edwards, AGM Chief of Law Enforcement/Lake Operations	Present
Mike Herron, AGM Engineering, System Operations & Reliability	Present
Darrell Townsend II, AGM Ecosystems/Lake Management	Present
John Goodwin, AGM Human Resources	Present
Steve Anderson, AGM Grand River Energy Center Operations	Present
Steve Jacoby, AGM Hydro Electric Projects	Present
Sheila Allen, Secretary	Present

Others present were as follows: David Rountree, Tyler Cline, City of Miami; Gary Pruett, Jared Crisp, MUB/City of Pryor; Mike Williams, Shangri-La; Boyd Martin, Bluejacket; Dwayne Elam, Kim Dorr, Larry Morgan, City of Wagoner; Frank Beling, Guernsey; John Sullivan, SBL Strategies; Stephanie Richardson, Michael Shook,

Gene Ratzlaff, City of Coffeyville; Justin Alberty, Melanie Earl, Michelle Day, Jennifer Weatherford, Holly Moore, Jeff Brown, Ash Mayfield, Tamara Jahnke, Karen Olinger, Ed Ferguson, Mike Waddell, Miya Boyken, Laura Townsend, Cameron Philpott, GRDA.

Election of Officers

a. Nominations for Treasurer

b. Election of Treasurer

c. Nominations for Secretary

d. Election of Secretary

Chairman Churchwell declared nominations for Treasurer and Secretary open and moved to nominate Eddie Rothermel as Treasurer, seconded by Director Kimball. There being no other nominations, the nomination was voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Chairman Churchwell moved to nominate Sheila Allen as Secretary, seconded by Director Richie. There being no other nominations, the nomination was voted on as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

CONSENT AGENDA

2. December Claims \$45,831,665.77.

4.a. Resolutions of Commendation

(1) David Blockcolski

- (2) Carolyn E. Vowell Dougherty
- (3) Boyd F. Martin, Jr.
- (4) Wayne A. Mibb

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

- (1) Phone System and Associated Equipment (6), Spare Phones
- (2) 125 Foot Guyed Steel Switch Structure, TECO 3-Way Gang-Operated Air Break Switch, 138kV Power Transformer, 3-Turner Switch Operators (Motor Driven), Miscellaneous Hardware
- (3) Meter Enclosure, Current Transformer-ABB 15kV Ratio 1000:5 (6), Potential Transformer-ABB 15kV Ratio 70:1 (15), Electronic Revenue Meters (5), Current Transformer-15kV Ratio 300:5 (3), Potential Transformer-15kV Ratio 70:1 (3), Current Transformer-15kV Ratio 400:5 (3), Potential Transformer-15kV Ratio 70:1, Current Transformer-15kV Ratio 600:5 (3), Kuhlman Potential Transformer-15kV Ratio 70:1 (3), Current Transformer By-pass Switch-25.8 kV (2), Current Transformer-ABB Ratio 600:5 (3), Current Transformer By-pass Switch 15kV 600 Amp, Current Transformer-ABB 15kV Ratio 200:5 (6)
- (4) Current Transformer-GE 15kV Ratio 200:5 (3), Transformer-Voltage OD Metering OD Voltage 15kV Ratio 70:1, Potential Transformer-15kV 70:1 (6), Current Transformer-OD 15kV (3), Current Transformer-OD 15kV Ratio 200:5 (3), Potential Transformer-15kV (3), Transformer-VT 15kV 70:1, Transformer-CT 15kV 400:5 (2), Transformer-15kV 110kV 1000Va (2), Current Transformer-WH 15kV ratio 100/200:5 (3), Potential Transformer-15kV 1000Va (3), Electronic Revenue Meter (9), Current Transformer-West Ratio 300/600:5. Current Transformer-ABB Ratio 600:5, Potential Transformer-West 15kV Ratio 70:1, Transformer 15kV (2), Current Transformer-GE 15kV Ratio 400:5 (3), Potential Transformer-GE 15kV Ratio 70:1 (3), Meter Enclosure, Current Transformer-ABB 15kV Ratio 200:5 RF 1.5 (3), Potential Transformer-OD 15kV Ratio 70:1 (3), Current Transformer-25kV Ratio 800:5 (3), Potential Transformer-15kV Ratio 70:1 (3), Current Transformer-GE Ratio 800:5 (3), Potential Transformer-GE (3), Current Transformer-GE Ratio 400:5 (3), Potential Transformer-ABB Ratio 70:1 (6), Current Transformer-Square D Ratio 400:5 (3), Current Transformer-Kuhlman 15kV Ratio 400:5 (3), Watt/Var Transducer, Transducer,

4.c. Power Cost Adjustment (PCA) of \$0.00160 per kWh for February 2017

4.d. Supplement to Interagency Agreement – Oklahoma Department of Wildlife Conservation

4.e. ISDA Agreement with Bank of Oklahoma

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

PO Number	Vendor/Description	Pursuant to	Amount
41683	ALSTOM POWER INC, MIDLOTHIAN, VA Ratification for LP extraction bellows damaged in the Unit 2 fire. Expected to be reimbursable through insurance carrier.	OAC 300:20-1-1(c)	128,000.00
41687	ALSTOM POWER INC, MIDLOTHIAN, VA Ratification for the LP1 outer casing that was damaged in the Unit 2 fire. Expected to be reimbursable through insurance carrier.	OAC 300:20-1-1(c)	194,033.45
41688	ALSTOM POWER INC, MIDLOTHIAN, VA Ratification for the LP2 outer casing damaged in the Unit 2 fire. Expected to be reimbursable through insurance carrier.	OAC 300:20-1-1(c)	194,033.45
41689	ALSTOM POWER INC, MIDLOTHIAN, VA Ratification for the crossover and inlet piping damaged in the Unit 2 fire. Expected to be reimbursable through insurance carrier.	OAC 300:20-1-1(c)	16,412.58
41719	MAIL FINANCE INC, MILFORD, CT Lease of mailing machine for Ecosystems and Education Center for a 36 month period from date of installation.	ITSW1008	8,750.16
41733	STRUCTURAL PRESERVATION SYSTEMS LLC, DEER PARK, TX Ratification for Unit 1 and Unit 2 chimney inspection and repair services. Unit 2 chimney services are a result of damages from the Unit 2 fire and are expected to be reimbursable through insurance carrier.	RFQ 21131	63,050.00
78655	OATI - OPEN ACCESS TECHNOLOGY INTERNATIONAL INC., MINNEAPOLIS, MN Renewal of the OATI webCARES Server Digital Certificates required for software and web portal access for the period of May 9, 2017 through May 8, 2019.	Sole Source	6,450.00
78675	CDW GOVERNMENT LLC, VERNON HILLS, IL Microsoft SharePoint Server licenses and software assurance used to house critical compliance data and evidence for both NERC CIP and 693 standards. WO #107-00.58-02RF016-00810	ITSW1041	68,238.20

Total Standard Orders:

\$678,967.84

Change Orders & Renewals

40522	<p> MITSUBISHI POWER SYSTEMS AMERICAS INC, LAKE MARY, FL CO #36 - Increase to implement a generator breaker trip on a field ground fault for the GT generator. WO #107-00.76-15-RF015-00684 </p>	RFP 40313	4,458.75
40523	<p> MITSUBISHI POWER SYSTEMS AMERICAS INC, LAKE MARY, FL CO #38, #39 & #40 - Cost adders for replacement of parts associated with Change Orders #13 & #14 from Contract 40529 (\$0 net change to GRDA) and increase for logic changes to implement a </p>	RFP 40313	42,840.90

Change Orders & Renewals

40529	generator breaker trip on a field ground fault for the ST generator. WO #107-00.76-15-RF015-00686 THE INDUSTRIAL COMPANY (TIC), HOUSTON, TX CO #13 & #14 - Cost reduction to proceed with scope of work adjustment for replacement electronic relays, seal oil drain regulator level gauge, and valves and expansion joints for the steam turbine gland steam condenser fan. WO #107-00.76-15-RF015-00687	RFP 40529	-38,382.15
41127	AMERICAN ELECTRIC POWER, CANTON, OH Ratification to increase funds to pay utility services for the remainder of 2016.	OAC 300:20-1-1(d)	6,200.00
41146	AT&T MOBILITY, GREELEY, CO Ratification to increase funds to pay wireless services and equipment for remainder of 2016.	ITSW1021A	3,680.89
41166	AT&T GLOBAL NETWORK SERVICES LLC, CAROL STREAM, IL Ratification to increase funds to pay phone services - modem/VPN for remainder of 2016.	OAC 300:20-1-1(d)	1,815.74
41289	BURNS & MCDONNELL ENGINEERING CO INC, KANSAS CITY, MO Ratification to increase for engineering services required to modify design plans, details, diagrams, and specifications to satisfy State Historic Preservation Office for the Pensacola Dam deck lighting replacement. Contract revised to utilize Master Contract 40282 with Burns and McDonnell for professional engineering services rather than being a Title 18 exemption as previously listed on the February 10, 2016 Board Report. WO #107-00.20-19-RF016-00740	13SOL025	42,900.00
41393	NORTH HOUSTON POLE LINE LP, HOUSTON, TX CO #1 & #2 - To decrease funds for fifteen (15) gates and one (1) splice box that were not installed or needed for project completion. WO #107-00.55-02-RF016-00749 and #108-02.55-15-RF016-00749	RFP 41393	-40,057.80
41692	MVA POWER INC, MONTREAL QUEBEC CANADA, CO #1 - To increase funds due to a discrepancy in the description and drawing of steel size/weight for steel pole corrosion braces for 345 kV rust mitigation.	RFQ 21077	43,284.00
41744	PINNACLE BUSINESS SYSTEMS, TULSA, OK EMC Avamar, VNX and Core maintenance renewals for back up storage systems, servers, and key desktops for the period of November 9, 2016 through December 31, 2017. Ratification for the period of November 9, 2016 through January 12, 2017.	WSCA EMC MNWNC - 109	286,869.79
78720	LARGE PUBLIC POWER COUNCIL, RALEIGH, NC Ratification of 2017 annual dues.	OAC 300:20-1-15(c)(4)	93,063.00

Total Change Orders:

\$446,673.12

Grand Total :

\$1,125,640.96

5.c. Work Order Report (* Denotes Addenda Items)

Number	Title	Amount
GF016-00007	GREC Maintenance Locker Room, Restroom, and Shower	\$116,067.00
RF014-00634	SPSP Generator Powerhouse Cooling	\$687,510.00
RF015-00675	Revised: Gerald Gay Transmission Line Work	\$2,340,719.00
RF016-00735	Revised: Maximo 7.6 Upgrade	\$658,887.00
RF016-00749	Revised: OPGW Installation by Aerial Transmission Line Services	\$2,028,659.00
RF016-00812	Pensacola Radio Upgrade	\$539,497.00
RF016-00814	Revised Hotel Loop	\$196,768.00
Grand Total Work Orders		\$6,568,107.00

Director Kimball moved to approve the consent agenda, seconded by Director Richie, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

REGULAR AGENDA

1. Special Board Minutes of November 14, 2016, and Regular Board Minutes of December 14, 2016.

Director Kimball moved to approve the special Board minutes of November 14, 2016, seconded by Director Spears, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Director Spears moved to approve the regular Board minutes of December 14, 2016, seconded by Director Richie, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

3. Unfinished Business 3.a.1. Progress Reports

Mr. Sullivan said the GRDA family is a very important part of what we do here at this agency. Unfortunately, he stated GRDA lost a member of the family on Christmas day. Mr. Jody Brown took his own life. Mr. Brown worked on GRDA's substation crew. His father, Joe Brown, is a retiree of GRDA and his father-in-law and brother-in-law currently work for GRDA. Mr. Sullivan expressed his condolences to the family, both at home and his GRDA family. He said it is GRDA's wish and desire that out of a situation like this everyone recognizes that sometimes the people around us are going through difficult times, and we need to reach out and help them and be there to assist them. He stated he and all the GRDA family will continue to pray for his family after this tragic event.

Mr. Sullivan reported GRDA personnel and volunteers removed 51,050 pounds of trash in 2016, not including 2 trailers of recycled tires and several roll off dumpsters of metal that was recycled. GRDA crews continue to work to keep the areas clean. He showed before and after photographs and said GRDA's hope is that with the areas clean visitors will want to keep it that way going forward in 2017. Mr. Sullivan thanked Mrs. Moore and her crews for all the work they have done.

Mr. Sullivan told the Board GRDA staff has been following the weather forecast for tomorrow and over the coming weekend. Chief Edwards and others continue to meet to make certain GRDA is prepared for any bad weather, particularly ice. He showed a photo of those participating in the Storm Response Planning Meetings and said the staff will continue to monitor the situation. Mr. Sullivan stated, with the latest forecast, it is anticipated that Osage and Pawnee Counties are at the center of the activity for our service area. He said there will be another meeting this afternoon to prepare further, but hopefully there will not be any significant issues.

Mr. Sullivan presented a very nice plaque from the Jacksonville Electric Authority, thanking GRDA for our crew's efforts in assisting in recovery after Hurricane Matthew in

October. He will ask GRDA personnel at the Transmission Headquarters building to put this up in the office there to recognize the great work they did.

Mr. Sullivan also reported GRDA staff is working on a couple of documents containing information on the 2016 year in review very soon. He said the staff intends to share some of these documents with the Oklahoma Legislature's Joint Legislative Task Force on the Grand River Dam Authority that will be meeting next Wednesday at the Grand River Energy Center (GREC). Mr. Sullivan stated all freshmen legislators and area legislators that are not on that committee are also invited to the meeting. He said Mr. Mike Doublehead will be speaking on behalf of GRDA's customers at this meeting as well.

4. New Business

4.f. Ratification of Change Order No. 3 – Contract 41498 Parts & Service Agreement with General Electric International, Inc.

Mr. Barney said due to the intensity and needed speed in which we are progressing on the GRDA Unit 2 restoration, Mr. Sullivan has already authorized this item as to not cause any delays in the project as discussed with the Board. He showed a diagram of the turbine-generator "centerline" components and of the generator. Mr. Barney stated the HP Turbine inner block had to be repaired and is being manufactured as he presents this information. He said the work on this has been going well both on-site and off-site, and said everything is progressing and the unit should be restored in July 2017 if nothing goes wrong with all the moving parts. He presented a summary of the change order amounts and noted costs for air freight for the HP Turbine inner block air freight costs and pedestals 1 and 2. He said the total for the air freight is large, but it will save about 5 weeks of time for the project. It falls under the category of an expedited expense, but we do have an allowance within the insurance policy for expedited expenses that will cover this.

Chairman Churchwell asked where in Europe the work is being done. Mr. Barney said the rotor is being done in Switzerland and the inner block casing and final assembly is being done at a very large turbine generator manufacturing facility in Poland.

Director Kimball asked if the parts are expedited how much of the allowance does this use, and does GRDA anticipate any further expedited expenses. Mr. Barney stated there is a \$10 million allowance for expediting and he does not believe GRDA has used even half of the allowance at this point. He also said he is not aware of anything further at this point that would require using more of this allowance either. Director Kimball also asked if this is all reimbursable. He confirmed this is the case.

Director Kimball moved the Board ratify Change Order No. 3 to Contract 41498 with General Electric International in the amount of \$1,825,190 subject to approval of final terms by the CEO and General Counsel, seconded by Chairman Churchwell, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

4.g. Recommended Change Order No. 15 – EPC Contract 40529 for Combined Cycle Unit 3

Mr. Barney explained this change order is to include 24 items, negotiated and recommended by GRDA and Black & Veatch engineers, that will aid equipment operability, enhance performance and aid project success. He said many of the changes are at no cost and are minor items. He provided a summary of the items that do impact the cost of the contract. Mr. Barney stated these items are either requirements of our insurance carrier or are crucial in improving reliability of the unit. He said the total net increase to the contract would be \$161,037.16, changing the total contract amount to \$296,954,709.81, and that this is less than a 0.4 percent increase overall. Mr. Barney said he was also happy to report that the project is currently on schedule and the crew is

going through commissioning of systems to find issues that need to be dealt with. We are still looking for this unit to come into service in June 2017.

Director Vandevier asked if the funds available for the entire project be greater than the \$297 million. Mr. Barney confirmed this, and Mrs. Dougherty and Mr. Brown agreed that the amount borrowed was around \$445 million for this project. Mr. Barney said that the cost of the entire project is within the budget and plans for this year.

Director Townsend moved the Board approve Change Order No. 15 to EPC Contract 40529 for Combined Cycle Unit 3 in the amount of \$161,037.16, subject to final review and approval of final terms by the CEO and General Counsel, seconded by Director Vandevier, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

4.h. Other New Business

There was no other new business. However, Director Kimball wished to express his appreciation for Citigroup's Kristen Johanson in helping GRDA to structure bond issues and working to attain credit ratings for GRDA. He said he has worked with a lot of bond issues in his career and has never had anyone go above and beyond like Ms. Johanson has. He said the staff did a phenomenal job and had great help from Ms. Johanson from New York. He also said he appreciated her coming from New York to honor Mrs. Dougherty today.

Mr. Sullivan said he would also like to introduce another person to recognize Mr. Steve Turner who has been GRDA's bond counsel for many years and has greatly contributed to GRDA's long-term success. He said Mr. Turner has shepherded GRDA through many challenging situations and Mr. Sullivan and the staff greatly appreciate

both Ms. Johanson's and Mr. Turner's efforts. He expressed his appreciation as well for both of them joining the group today to honor Mrs. Dougherty.

Mr. Sullivan also took a moment to recognize Mr. Phil Stokes that will be retiring at the end of the month. Mr. Stokes is going to be the Director of the utility in Siloam Springs, Arkansas. The Board and Mr. Sullivan congratulated him on his new position and recognized his efforts at GRDA.

Mrs. Dougherty asked the Board to recognize Mr. Michael Moore with Guernsey who has helped GRDA with customer contracts in the past. She said everyone now realizes that those contract clauses are both to the benefit of GRDA and the customers long-term. She said Mr. Moore has now retired, but she wanted to recognize his work in guiding this process. She also took a moment to honor her husband, Mr. Tom Dougherty, for being such a support to her.

5. Reports

5.a. Board of Directors Committee Reports

- 1. Assets Committee:** Chairman Churchwell had no report.
- 2. Audit, Finance, Budget and Policy Committee:** Director Vandevier
 - a. Ratification of Transfer of Funds to the Rate Stabilization Account**
 - b. Establish New Electric Rate Schedules for Large General Service Supplemental Supply Rider and for Large General Service Renewable Rider.**

Regarding item a, Director Vandevier stated GRDA's bond resolutions allow for this, and agreements with GRDA's key clients require that when certain cash positions happen GRDA would transfer a portion of those funds into a rate stabilization account. Those requirements are that at least \$150 million in cash or cash that would carry us for 6

months. The committee has discussed this with the leadership team and recommend to meet our obligations and transfer \$27 million into this rate stabilization account.

Director Townsend moved to ratify the transfer of funds in the General Reserve Fund to the Rate Stabilization Account, as authorized by the Audit, Finance, Budget and Policy Committee on December 14, 2016, and pursuant to: GASB 62, provisions of the customer contracts, Board Resolution 5154, and as provided under General Bond Resolution 5107, seconded by Director Spears, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Director Kimball commented he had asked the Corporation Commission for some information regarding rate increases in Oklahoma over the last 5 years. He said since Mr. Sullivan has been on board as GRDA's CEO, the agency has held rates at a minimum for customers. Director Kimball said in fact over that period of time GRDA customers would see a net rate decrease. He also said the Corporation Commission told him OG&E has asked for \$2.1 billion in rate increases and PSO has asked for \$334 million in rate increases. Director Kimball highlighted this comparison and said GRDA has been able to do this under very adverse conditions. He commended Mr. Sullivan and the GRDA staff, and said it is the reason for the recent credit rating upgrade. Director Kimball expressed his appreciation for the team in doing a great job for GRDA customers.

Mr. Gary Pruett said as the past Chairman of the Municipal Customer group, this rate stabilization fund is something that the group always wanted to see. Mr. Pruett stated he is very happy to see that GRDA has reached the point where this account has been built and that he will happily pass this information on to the group. He also said it speaks well of the Board and of GRDA Management and thanks everyone for making this happen.

Mr. Dwayne Elam said there are not many utilities in the United States that even consider things like this and it speaks volumes for the credibility and integrity of GRDA.

Regarding item b, Director Vandevier moved to approve the Schedule LGS-SS Large General Service Supplemental Supply Rider, and the Schedule LGS-RR Large General Service Renewable Rider, subject to Management's finalization of the language consistent with the negotiated terms of the above Power Purchase and Sale Agreement, seconded by Director Spears, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. Motion passed (6-yes, 0-no, 0-abstained).

3. **Fuel Committee:** Director Spears had no report.
4. **Compensation and Marketing Committee:** Director Kimball
 - a. **Discussion of Proposal to Establish GRDA Lifetime Achievement Award**
 - b. **Discussion of Award of Lifetime Achievement Award**

Regarding item a, Director Kimball said the committee is honored to present a new policy for the GRDA Board of Directors to consider. This item was originally brought to our attention by Director Vandevier and GRDA management has approved this. The committee is asking the Board of Directors to adopt a policy that allows GRDA to have a lifetime achievement award.

Director Kimball moved to approve the policy as it was presented to the Board of Directors, changing the portion that reads, "a cash award will be provided" to "a cash award may be provided," seconded by Chairman Churchwell, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Regarding item b, Director Kimball said as Chairman of the Compensation and Marketing Committee he is very proud to recommend that the first honoree of the GRDA Lifetime Achievement Award be Mrs. Carolyn Dougherty. Mrs. Edwards said GRDA's

Board policies require the Board review and approve them annually. She stated there have not been any amendments.

Director Kimball moved to approve Mrs. Carolyn Dougherty be awarded the GRDA Lifetime Achievement Award, seconded by Chairman Churchwell, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Mr. Sullivan presented the award to Mrs. Dougherty and said there would be a copy held at GRDA Headquarters honoring her.

Mrs. Dougherty graciously accepted the award and thanked everyone. She said she is going to genuinely miss all those she has had the opportunity to work with. She commented on the incredible people she has had the opportunity to meet and also expose her daughter to, as they have also helped her in her professional life. She said she believes in the mission of GRDA and will continue to tell people that. She said she found it ironic that she ended up in a position where her incentive for working so hard was to give back to her local community of Wagoner, Oklahoma.

Mr. Sullivan presented Mrs. Dougherty her retirement resolution and commended her for her work. He also personally thanked her for her devotion to the employees and customers of GRDA and said she is very deserving of this award in recognition of her lifetime achievement because she has set the standard, and introduced a video the staff has prepared in her honor.

- 5. Long-Range Planning Committee:** Director Meyers was not present, but Chairman Churchwell said there would be a meeting held after the next Board of Directors meeting in February, and a report in March.
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6. Executive Session:

- a. **Proposed Executive Session Pursuant to 25 O.S. § 307(B)(7) for the Purpose of Confidential Communications Between the Board and its Attorney to Discuss a Matter Where the Public Disclosure of Information Would Violate Confidentiality Requirements of State or Federal Law, and to 25 O.S. § 307(C)(10) for the Purpose of Confidential Communications between the Board and its Attorney to Confer on Matters of Economic Development Where the Public Disclosure of Information Would Violate the Confidentiality of the Business.**
- b. **Proposed Executive Session Pursuant to 82 O.S. § 862.1(2)(a) and (b) Which Exempts the Grand River Dam Authority from the Oklahoma Open Meetings Act for the Purpose of Conferring on Matters Pertaining to Coal or Gas Fuel Supply Contracts and Power Purchase Agreements.**
- c. **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 Claim, 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 Claim in the Public Interest.**

Director Kimball moved to go into executive session at 11:07 a.m., seconded by Director Vandevier, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Director Kimball moved to return to regular session at 12:38 p.m., seconded by Director Spears, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

7. Action on Executive Session Items

- a. **Action, As Necessary, Concerning Confidential Matters.**
- b. **Action, As Necessary, Pertaining to Coal or Gas Fuel Supply Contracts and Power Purchase Agreements.**

c. Action, As Necessary, Concerning a Pending Claim or Action.

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

Regarding item b, Director Richie moved to authorize execution of the Power Purchase and Sale Agreement discussed in Executive Session by the CEO, subject to final negotiated terms satisfactory to Management and as approved by the General Counsel, seconded by Director Townsend, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Regarding item c, Chairman Churchwell moved to approve the agreement and associated change orders to resolve claims between MHPSA and TIC in principal to be finalized by the parties and GRDA, as discussed in Executive Session, seconded by Director Richie, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Director Vandevier moved for adjournment at 12:45 p.m., seconded by Director Richie, and voted upon as follows: Churchwell, Kimball, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (6-yes, 0-no, 0-abstained).*

Mr. Sullivan announced that the retirement celebration for Mrs. Dougherty will begin at 1:00 p.m. today here at the GRDA Vinita Headquarters. He also said there is a meeting and conference call regarding the incoming weather scheduled for 3:00 p.m. today at GRDA's Transmission offices, if any 3 of the directors would like to join the group. The directors asked Mr. Sullivan to provide an update to them after the meeting occurred.



Sheila A. Allen, Secretary

DATE APPROVED:

February 8, 2017
GRDA Board of Directors