Minutes of Regular Meeting
Grand River Dam Authority
Board of Directors
Langley, Oklahoma
August 15, 2017

A regular meeting of the Board of Directors of the Grand River Dam Authority was held at the Grand River Dam Authority Ecosystems & Education Center, Langley, Oklahoma, on August 15, 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 Mayes County Clerks' offices on August 14, 2017 at 9:36 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, 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	Present
Stephen R. Spears	Present
Ed Townsend	Present

ADMINISTRATIVE

Daniel S. Sullivan, Chief Executive Officer	Present
Tim Brown, Chief Operating Officer	Present
Eddie Rothermel, Chief Financial Officer	Present
Ellen Edwards, General Counsel	Present
Charles J. Barney, Executive VP - Fuel and Generation Projects	Present
Brian Edwards, Executive VP – Law Enforcement/Lake Operations	Present
John Goodwin, Executive VP – Human Resources	Present
Nathan Reese, Executive VP – External Relations	Absent
Mike Herron, VP – Engineering, System Operations and Reliability	Present
Darrell Townsend II, VP – Ecosystems/Lake Operations	Present
Robert Ladd, VP – Grand River Energy Center Operations	Present
Steve Jacoby, VP – Hydroelectric Projects	Present
Mike Waddell, VP – Transmission and Distribution Operations	Absent
Sheila Allen, Secretary	Present

Others present were as follows: Mike Williams, Shangri-La; Mike Doublehead, TPWA; Gary Pruett, MUB/City of Pryor; Tom Rider, MESO; Tyler Buttram, Mayor of

City of Mannford; Mike Brown, Walton Family Foundation; Lorie Gudde, Ed Fite, Jeff Brown, Teresa Hicks, Justin Alberty, Melanie Earl, Lorie Gudde, Heath Lofton, Cameron Philpott, Tamara Jahnke, Ash Mayfield, Ed Ferguson, Laura Townsend, Stace Kegley, Tom Gray, GRDA.

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a.Nominations for Chair-Elect
b. Election of Chair Elect (Will Serve as Vice-Chair)

Chair Churchwell declared nominations open for Chair-Elect. Chair Churchwell moved to nominate Tom Kimball as Chair-Elect, seconded by Director Spears. There being no other nominations, the nomination was voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

CONSENT AGENDA

2. July Claims $46,829,092.64.

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

(1) Transformers (35)

4.b. Power Cost Adjustment (PCA) of $0.00011 per kWh for September 2017

4.c. Lease Agreement with Oklahoma Department of Environmental Quality for Use of Office Space at the GRDA Engineering & Technology Center in Tulsa, Oklahoma

4.d. Non-Exclusive Hunting Lease – Paralyzed Veterans of America, Mid-America Chapter

4.e. ISDA Agreement with Bank of Oklahoma

4.f. Deed of Conservation Easement – Blake and Kathryn S. Stephens

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

PO Number	Vendor/Description	Pursuant to	Amount
42010	PINNACLE BUSINESS SYSTEMS, TULSA, OK Installation of additional Brocade Connectrix storage switch at the Engineering and Technology Center to allow for integration into Kerr and Vinita storage infrastructure and maintenance for a 36	WSCA MNWNC-109	297,620.78

	month period. (See Master Contract 41019) WO #107-00.58-02-RF017-00848		
42014	ACCURATE LABORATORY SUPPLIES (ALS), STILLWATER, OK Fly ash sample analysis services for the Grand River Energy Center for the period of August 10, 2017 through August 9, 2018 with options to renew for four (4) additional one (1) year periods.	RFQ 21634	1,640.00
42016	PINNACLE BUSINESS SYSTEMS, TULSA, OK Implementation services for the deployment of Riverbed SteelCentral AppResponse and Riverbed SteelCentral Portal for Network Security. (See Master Contract 41019)	WSCA MNWNC-109	109,085.00
42020	ADA CARBON SOLUTIONS RED RIVER LLC, LITTLETON, CO Powdered activated carbon (PAC) for Unit 2 for a two (2) year period beginning August 15, 2017 - August 14, 2019 with two (2) additional one (1) year option periods of $245,000.00 each year.	RFQ 21632	490,000.00
42021	L 6 INC DBA TOTAL VALVE SYSTEMS, BROKEN ARROW, OK Safety valve services for Grand River Energy Center for the period of October 10, 2017 through October 9, 2018 with options to renew for four (4) additional one (1) year periods.	RFQ 21642	38,960.00
42024	HACH COMPANY, LOVELAND, CO Reagents for the Hach 5000 series analyzers on the water supply stream for the unit boilers at the Grand River Energy Center for the period of August 14, 2017 through August 13, 2018 with options to renew for four (4) additional one (1) year periods.	RFQ 21630	9,207.88
42030	ABB INC, IRVING, TX Step up transformer spare parts for Grand River Energy Center Unit 3. (See Contract 42031 and PO 84392)	RFQ 21644	72,333.00
42031	HITACHI T&D SOLUTIONS INC, SUWANEE, GA Step up transformer spare parts for Grand River Energy Center Unit 3. (See Contract 42030 and PO 84392)	RFQ 21644	29,580.00
84244	B & M OIL CO INC, TULSA, OK Ratification for fifteen thousand (15,000) gallons of diesel for Unit 2 to start up diesel generators on July 26, 2017.	Phone Quotes	24,937.50
84392	CITY ELECTRICAL SUPPLY COMPANY, TAHLEQUAH, OK Step up transformer spare parts for Grand River Energy Center Unit 3. (See Contracts 42030 and 42031)	RFQ 21644	8,684.25
84567	B & M OIL CO INC, TULSA, OK Ratification for fifteen thousand (15,000) gallons of diesel for Unit 2 to start up diesel generators on August 3, 2017.	Phone Quotes	26,347.50
Total Standard Orders:			**$1,108,395.91**

Change Orders & Renewals

35451	OATI - OPEN ACCESS TECHNOLOGY INTERNATIONAL INC., MINNEAPOLIS, MN CO #3 - Extend webTrader SPP Solution services utilized to manage participation in the SPP IM market for the period of September 1, 2017 through August 31, 2018.	Sole Source	97,980.00
41000	WASTE MANAGEMENT, TULSA, OK CO #1 - Additional pick up per week of solid waste disposal for Engineering Technology Center for the period of July 1, 2015 through June 30, 2018. The additional pick up is due to increase in trash resulting from new tenant (Department of Environmental Quality) in building.	OAC 300:20-1-1(d)	1,000.00
41078	EXPRESS PROFESSIONAL SERVICES INC, OKLAHOMA CITY, OK CO #11 - Increase funding for temporary employment services to allow departments to continue utilizing services and to extend contract through September 8, 2018.	OAC 300:20-1-1(d)	310,000.00
41257	STARBOARD CONSULTING LLC, LONGWOOD, FL	RFP19192	250,000.00

Change Orders & Renewals

	CO #3 - Increase funds for additional hours of managed services on Maximo Asset Management System for the period of August 1, 2017 through July 31, 2018.		
41399	TIMCO BLASTING & COATING INC, BRISTOW, OK CO #2 and #3 - Increase funds for long-term standby to allow Summer power generation on all penstocks and for blasting and painting of five (5) additional catwalks.	RFP 41399	62,729.90
41630	ALSTOM POWER INC, MIDLOTHIAN, VA Ratification for additional parts to complete repairs on the HP outer casing on Unit 2 damaged in the fire. Expected to be reimbursable by insurance carrier.	OAC 300:20-1-1(c)	21,361.92
41631	ALSTOM POWER INC, MIDLOTHIAN, VA Ratification for additional parts necessary to complete repairs of the IP outer casing for Unit 2 damaged in the fire. Expected to be reimbursable through insurance carrier.	OAC 300:20-1-1(c)	93,928.20
41635	ALSTOM POWER INC, MIDLOTHIAN, VA Ratification for additional parts to complete repairs on the IP inner casing on Unit 2 damaged in the fire. Expected to be reimbursable through insurance carrier.	OAC 300:20-1-1(c)	16,443.18
41637	ALSTOM POWER INC, MIDLOTHIAN, VA Ratification for additional parts to complete repairs on the intermediate pressure turbine on Unit 2 damaged in the fire. Expected to be reimbursable through insurance carrier.	OAC 300:20-1-1(c)	99,321.76
41641	ALSTOM POWER INC, MIDLOTHIAN, VA Ratification for additional parts to complete repairs on the cross over piping system on Unit 2 damaged in the fire. Expected to be reimbursable through insurance carrier.	OAC 300:20-1-1(c)	171,149.18
41642	ALSTOM POWER INC, MIDLOTHIAN, VA Ratification for additional parts to complete repairs on the number four pedestal bearing on Unit 2 damaged in the fire. Expected to be reimbursable through insurance carrier.	OAC 300:20-1-1(c)	151,703.97
41653	ALSTOM POWER INC, MIDLOTHIAN, VA Ratification of additional parts for the auxiliary system on the Unit 2 turbine damaged in the fire. Expected to be reimbursable through the insurance carrier.	OAC 300:20-1-1(c)	208,939.24
41677	ALSTOM POWER INC, MIDLOTHIAN, VA Ratification for additional hardware to complete repairs to the generator bus on Unit 2 damaged in the fire. Expected to be reimbursable through insurance carrier.	OAC 300:20-1-1(c)	264.00
41758	OKLAHOMA STATE UNIVERSITY INSTITUTE OF TECHNOLOGY, PRYOR, OK CO #2 - To increase the number of attendees in the Swing Cab, Fixed Cab, Boom Truck, and Service Truck Crane (Certified) and Swing Cab, Fixed Cab, Boom Truck and Service Truck Crane (Qualified) training sessions and decrease the cost for each training session for the period of February 13, 2017 through February 12, 2018.	OAC 300:20-1-15-(c)(4)	4,510.00
41939	NATIONAL CONDUCTOR CONSTRUCTORS LLC, BRAINERD, MN CO #1 - Increase funds to complete the repair and cleaning on the iso-phase bus on Unit 2 damaged in the fire. Expected to be reimbursable through insurance carrier.	OAC 300:20-1-1(c)	8,245.98
42018	OKLAHOMA WATER RESOURCES BOARD, OKLAHOMA CITY, OK Annual stream gauge monitoring for Pensacola, Markham Ferry and Salina for the period of July 1, 2017 through June 30, 2018.	OAC 300:20-1-1(d)	70,600.00
42035	PINNACLE BUSINESS SYSTEMS, TULSA, OK CO #1 - To add professional service hours to complete RSA Identity Access Management Project on Contract 41010. (See Master Contract 41019)	WSCA MNWNC-109	34,000.00
84008	DEPARTMENT OF ENVIRONMENTAL QUALITY, OKLAHOMA CITY, OK Ratification for air quality annual operating fee for Grand River Energy Center for 2017.	OAC 300:20-1-1(d)	309,013.46
84177	FEDERAL ENERGY REGULATORY COMMISSION, ST LOUIS, MO Annual administrative charges for Hydro facilities for 2017.	OAC 300:20-1-15-(c)(4)	482,892.20
84390	OPTIV SECURITY, OVERLAND PARK, KS Maintenance renewal of Carbon Black Enterprise Response and Bit9 Security for Network Security for the period of August 16, 2017 through August 15, 2018.	RFQ 21640	59,136.00
Total Change Orders:			**$2,453,218.99**

Change Orders & Renewals

Grand Total : **$3,561,614.90**

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

Number	Title	Amount
CF092-00000	Auxiliary Boiler Fuel Conversion	$966,700.00
GF017-00009	Oil/Water Separator Equipment Upgrade	$89,200.00
GF017-00010	Asphalt Refurbishment Project	$155,700.00
RF016-00790	Revised: ADA Boat Loading Ramp at NW Site at Salina PSP	$205,700.00
RF017-00848	Third Site Storage Switch	$295,000.00
RF017-00849	Kansas Feeder 3 Relay Upgrade	$126,900.00
RF017-00851	Collinsville Interconnect - Feeder 13 Terminal Switch Replacement	$90,200.00
Grand Total Work Orders		**$1,929,400.00**

Director Townsend moved to approve the consent agenda, seconded by Director Richie, and voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

REGULAR AGENDA

1. Regular Board Minutes of July 12, 2017.

Chair Churchwell moved to approve the regular Board minutes of July 12, 2017, seconded by Director Spears, and voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

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

Mr. Sullivan presented a copy of one of the advertisements associated with GRDA's bond sales this past week. He said GRDA had a very strong showing and he is very happy

to see the interest in the market for GRDA bonds. Mr. Sullivan told the Board Mr. Rothermel would provide further details later in the meeting.

Mr. Sullivan stated that recently it was announced that Mannford City Manager Mike Nunneley would be inducted into the Oklahoma Hall of Fame for City and Town Officials for his significant contributions to local government. The ceremony will be held September 14, 2017. He said this is a great honor and extended GRDA's congratulations to him.

Mr. Sullivan said he received a phone call from U.S. Senator Jim Inhofe to let GRDA know FERC has approved the amendment to the current license for the rule curve. He told the Board that GRDA will no longer have to deal with annual variance requests where this is concerned. Mr. Sullivan stated that he did not have the formal approval in hand yet, but is told that should be coming today. FERC has now had a quorum once again for about a week. Mr. Sullivan stated there are still 2 nominees to be confirmed to give FERC a full five-member commission. He expressed his gratitude to everyone for their hard work on this and is glad this has been approved.

Mr. Sullivan said attendance for 2017 Legislative Getaway was larger than any before it. He stated Director Kimball had a chance to have discussions with some legislators at the event about certain issues. Mr. Sullivan expressed his appreciation of Director Kimball for this and said for those who have had the opportunity to be involved in these discussions it is said they have been "Kimballized". With that he presented Director Kimball with a plaque to recognize this education process. Mr. Sullivan stated the award is to recognize the "Kimball Institute for Advanced GRDA Studies" for his hard work and dedication. Director Kimball said he and Dr. Doug Cox, a deeply strong supporter of GRDA, hosted one of the Legislative Getaway events at their homes on Grand Lake this year where 27 legislators and 142 of their family members were present.

He commented the event was supposed to have been from 10:00 a.m. to 3:00 p.m., but the last legislator left about 8:30 p.m. that evening. As he was leaving, his children were asking when they could come back. He stated he was very pleased at the response.

Mr. Sullivan recognized Director Townsend and the Bank of Grove for their sponsorship of the dinner on Thursday evening at Eddie's during the Legislative Getaway. He also thanked Mr. Mike Williams and all of the personnel at Shangri-La Resort for the help they provided. Mr. Sullivan expressed his appreciation in having the new hotel and facility available for this event, saying everyone loved the new pool and the amenities available. He also recognized Chairman Churchwell, Director Spears and Director Meyers for their attendance at some of the events, and recognized GRDA's customers for joining everyone as well.

Chairman Churchwell commented that GRDA receive 2 letters of support from the City of Pryor and the City of Chouteau regarding GRDA Unit 3, as well as for GRDA's contributions to their community. He said this type of feedback is very important for GRDA and for this Board of Directors, and expressed his appreciation.

Mr. Sullivan said those directors appointed by the Oklahoma Governor, Speaker of the House of Representatives or President Pro Tempore of the Senate, these appointments are for 5-year terms. Each year one of GRDA's Board members is up for reappointment. He commented that as of yesterday he has a letter in hand from the Oklahoma President Pro Tempore of the Senate reappointing Director Kimball.

3.a.(2) Bond Refunding Update

Mr. Rothermel said Citigroup helped the GRDA staff put together some slides on the bond refunding. He gave the Board a review of what they had approved and said the deal turned out to be better than what was expected. Mr. Rothermel stated GRDA issued

$90,455,000 of tax exempt revenue bonds as there was a strong demand. The Authority was able to achieve a True Interest Cost (TIC) of 3.57 percent. He said this will result in over $744,000 of annual cash flow savings for GRDA. He showed charts illustrating the transaction summary statistics and debt service, as well as presenting details and statistics to the Board regarding refunding Series 210A bonds along the timeline from the last refunding in October of 2016 and August of 2017. Mr. Rothermel said, at the time, the Series 2016 pricing savings did not quite meet GRDA's refunding targets. He also commented while municipal interest rates are slightly higher today than late fall of last year, shortening the escrow period by over 8 months and higher escrow reinvestment rates dramatically improved savings and escrow efficiency on the refunding of the outstanding Series 2010A bonds. Mr. Rothermel showed additional graphs showing the refunding progression over time and the list of investors based on the number of orders and allotments, with State Farm Insurance Companies being at the top. He presented charts illustrating the distribution details on orders by buyer type, noting that GRDA tried to give priority to our retail investors with 38 percent of the allotments. Mr. Rothermel said over $34 million in bonds ended up in the hands of retail investors, and about 25 percent of that was in Oklahoma.

Chairman Churchwell asked how this retail portion compared with past years. Mr. Sullivan said it is a lot lower due to the length of the maturities. Mr. Rothermel showed a map of Oklahoma with the retail bonds overlay, allotted by zip code and showed the top 15 areas. Edmond, Oklahoma ranked first overall. He said GRDA had a strong reception in the northeast and central part of the state. Mr. Rothermel thanked Deputy CFO Lorie Gudde for her help, as well as all of the Finance staff involved. He also recognized the financing team with special appreciation shown for Citigroup and PFM.

Chairman Churchwell asked if the closing is still scheduled for August 28-29, 2017. Mr. Rothermel and Mrs. Gudde confirmed this.

4. New Business

4.h. Payment of Property Insurance Premium

Mr. Lofton said GRDA's property insurance is issued by FM Global. GRDA's policy period is from August 1, 2016, to August 1, 2018, with the policy limit being $2.2 billion. He showed a chart showing last year's premium ($1,311,948.39) versus this year's ($1,298,999.79), showing a decrease in premium by $12,948.60.

Director Meyers said he noticed part of the overall premium includes terrorism coverage and asked if cyber terrorism is included in this coverage. Mr. Lofton stated GRDA is covered under an insurance policy issued to the State of Oklahoma covering certain types of cyber risk. Director Vandevier asked if the limits are different for terrorism than other risks. Mr. Lofton said that the limits for acts of terrorism under the property insurance policy were not different, but that the liability limits in the State of Oklahoma cyber risk policy are lower.

Director Kimball moved to authorize the payment of $1,298,999.79 to Oklahoma Management and Enterprise Services for the property insurance coverage provided by FM Global from August 1, 2017, to August 1, 2018, seconded by Director Meyers, and voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

4.i. Rehabilitation of Bridge Over Pensacola Dam - Engineering Contract 41806

Mr. Jacoby presented photographs of the bridge over Pensacola Dam, noting the older photo from 1941 which shows the roadway opening and the types of vehicles driving over alongside the photos of the very large trucks that travel over the bridge at present day. He stated the bridge has become functionally obsolete and structurally deficient. Mr. Jacoby said structurally the loads being seen (compared to the load posted at 16 tons as based on the main structural members with a bridge deck capacity of only 10 tons) is tearing the bridge apart. He told the Board the bridge is too narrow and has unsafe approach conditions as well as other challenges to the maintenance and improvement of the bridge. Mr. Jacoby stated it serves only a limited population (Langley, Disney and Tijuana), but is required by GRDA personnel in the operation of the dam and spillways. The bridge is utilized by recreational traffic around South Grand Lake and the recreational parks and rock crawling areas. The Pensacola Dam and ancillary facilities are on the National Historical Register, and he said this creates a very expensive problem to address with limited funding. Mr. Jacoby stated the upkeep of the bridge surface is, from curb to curb, the responsibility of the Oklahoma Department of Transportation (ODOT). He said anything outside and below that or on the rails is GRDA's responsibility. Mr. Jacoby showed photographs of the potholes, bridge deck surface, bridge deck supports, arch spalling and parapet delamination. Under OMES direction, GRDA solicited an engineering and planning level study contract from bridge engineers and highway planners that can lead to final designs to include conceptual design for widening options, planning services for overall corridor improvement options, grant applications for possible widening funds, structural condition assessments, structural rehabilitation design and coordination of designs to comply with ODOT bridge

deck replacement currently scheduled for spring of 2019. He said the selection process began with a qualifications-based submittal with fee negotiations performed subsequent to ranking of solicitations for the highest ranked firm chosen by the selection committee. This committee was comprised of a team from ODOT and GRDA. Once the committee chooses their list of firms, the firms present more information to the selection committee. Mr. Jacoby said GRDA negotiated with the first unanimously selected firm, Benham Design, and the committee believes they are the most qualified team. He presented diagrams of the concepts for the grant applications to consider widening the bridge to 24 feet either downstream, upstream or symmetrically, leaving the current width at 19 feet 10 inches, or relocating the highway. He also showed a list of the critical target dates with a construction beginning spring or fall of 2019 and a complete date of spring or fall of 2020.

Director Spears asked if the roadway is widened what would GRDA's responsibility be going forward on maintenance. Mr. Jacoby said the contract held with ODOT will have to be changed. If grant funds are found, instead of just coordinating the structural improvements, GRDA will actually use these funds to apply to this as well.

Chairman Churchwell asked if on the upstream side GRDA is under any obligation to keep the walkway. Mr. Jacoby said he understands that is the case.

Mr. Jacoby said this contract would be a base services type contract to include planning and constructability, cultural and historic preservation, widening alternatives and preliminary design and analysis. He went over the summary of the proposed fees with a total cost of $1,492,000.

Director Vandevier asked how much of this would be covered by grants or is that yet to be determined. Mr. Jacoby said it is yet to be determined, but grant funds

would not cover the entire amount. Director Vandevier asked if this would fall under the capital portion of the budget. Mr. Jacoby said the bridge has not yet exceeded depreciation. So right now this would fall under the maintenance expense portion of the budget, but this could change as the project changes.

Chairman Churchwell moved that professional engineering and planning service Contract No. 41806 for the rehabilitation and widening studies of State Highway 28 bridges over Pensacola Dam be awarded to Benham Design a the not to exceed price of $1,492,000, seconded by Director Richie, and voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

4.j. Recognition of Outgoing Chair

Director Vandevier presented Chairman Churchwell with a plaque in appreciation of his leadership as Chairman of the Board of Directors of the Grand River Dam Authority from August 2016 to August 2017. He expressed his appreciation for his hard work and dedication to his role as Chairman.

Mr. Sullivan said, as is tradition now, he would also like to present to Chairman Churchwell a wood carving depicting a map of Grand Lake on behalf of himself, the customers and employees of GRDA for his dedication and service to the organization and to remember his time as Chairman.

Chairman Churchwell expressed his appreciation for the gifts and said the job is easy with this Board and this GRDA staff. He also said it has been his pleasure and honor to serve as Chair for this past year, and he looks forward to his future on the Board making real progress in these very important things for the State of Oklahoma.

4.k. Other New Business

There was no other new business.

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5. Reports

5.a. Board of Directors Committee Reports

1. **Assets Committee:**
   - **(a) Consideration, Discussion and Possible Approval of Request by the Oklahoma Department of Transportation for an Easement across the Duck Creek in Delaware County, Oklahoma.**
   - **(b) Consideration, Discussion and Possible Approval of Request by Empire Electric Company for an Easement at Twin Bridges in Ottawa County, Oklahoma.**
   - **(c) Consideration, Discussion and Possible Action Regarding Grand Point Marina Commercial Docks Owned by Gary Spencer Located on Grand Lake.**
   - **(d) Consideration, Discussion and Possible Action Regarding an Update of FEMA Funding for Damages of 2015 and 2017 Floods.**

Regarding item a, Director Vandevier asked if there is any downside for GRDA. Chairman Churchwell said there is not, and said there are no environmental issues and will actually improve access to the boat ramp.

Chairman Churchwell moved to approve a temporary driveway easement and a Highway Easement to ODOT for Highway 85 across Duck Creek, Delaware County, Oklahoma for the amount of $128,350.00, seconded by Director Spears, and voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding item b, Director Spears moved to approve an electric line easement to Empire Electric at Twin Bridges in Ottawa County, Oklahoma for the amount of $200.00,

seconded by Director Townsend, and voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding item c, this item was removed from the agenda.

Regarding item d, Mr. Jacoby said with the flooding events over the last 18 months there was extensive damage to the secondary devices for GRDA's dams. He stated GRDA has tried to keep up with repairs after the events and have worked with FEMA to try to get all of the improvements made. However, as soon as the first items were fixed they encountered new problems associated with this. Mr. Jacoby stated this motion is requesting the Board's permission to investigate and do mostly in-house repairs that would lead to reparations associated with this work. FEMA is working with GRDA now to put together funding for these issues and is being very aggressive in their support. He said he believes GRDA will have reimbursements associated with all of the repairs, but the need to move forward now is imperative. Mr. Jacoby reviewed the Board's previous approval for the 2015 flooding event, saying that all of those items have been completed or are underway with the exception of one, and all have been under budget. He said the remaining item is the downstream sediment accumulation at Kerr Dam which continues to worsen. This item came in well above what was budgeted and the GRDA staff is currently looking for solutions to this. Mr. Jacoby stated that the events of December 2015 and May 2017 were unanticipated and budgeting did not provide for the associated repairs and the need to complete work in time to receive FEMA funding, and does not allow for further delay. He said any large contracts would come back to the Board for approval at a later date.

Director Vandevier asked how the funding is structured and what that will look like. Mr. Jacoby said normally if the repairs are approved by FEMA we will not be reimbursed completely but we should be in good shape. Director Vandevier also asked what the projection is. Mr. Jacoby said the total potential dollar amount involved could be provided at a later date.

Director Meyers asked if GRDA will know how FEMA will participate before decisions are made. Mr. Jacoby said right now GRDA could not know exactly how FEMA will participate, but there is a need to go ahead with some of the work that is crucial. As the process progresses, he said we will have more of an idea of what FEMA may reimburse for.

Chairman Churchwell moved to approve the referenced work orders and that GRDA staff be authorized in 2017, continuing into 2018 and in advance of FEMA funding decisions, to repair and improve the Pensacola Dam spillway damages and the Kerr tailrace dredging and scour, seconded by Director Meyers, and voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

2. **Audit, Finance, Budget and Policy Committee:** Director Vandevier had no report.
3. **Fuel Committee:** Director Spears had no report.
4. **Compensation and Marketing Committee:** Director Kimball had no report.
5. **Long-Range Planning Committee:** Director Meyers had no report.

6. Executive Session:

a. **Proposed Executive Session Pursuant to 25 O.S. Section 307 (B)(3) for the Purpose of Discussing the Purchase or Appraisal of Real Property in Delaware County, Oklahoma.**

b. **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 Action Which GRDA has Determined, with the Advice of Its Attorneys, that Disclosure of Such Communication Would Seriously Impair the Ability of the GRDA to Conduct the Litigation in the Public Interest.**

c. **Proposed Executive Session Pursuant to 25 O.S. Section 307(B)(3) to Discussing the Purchase and Appraisal of Real Property and 25 O.S. Section 307(B)(10) for Purposes of Conferring on Matters Pertaining to Economic Development, Including the Transfer of Property, Public Disclosure of Which Would Interfere with the Development of Services.**

Director Kimball moved to go into executive session at 10:50 a.m., seconded by Director Townsend, and voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Director Kimball moved to return to regular session at 12:32 p.m., seconded by Director Townsend, and voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

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7. Action on Executive Session Items

a. Action, As Necessary, Concerning the Purchase or Appraisal of Real Property.

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

c. Action, As Necessary, Concerning Purchase and Appraisal of Real Property and Pertaining to Economic Development, Including Transfer of Property.

Regarding item a, Chairman Churchwell moved to approve the purchase of the property as discussed in Executive Session, seconded by Director Townsend, and

voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. Motion passed (7-yes, 0-no, 0-abstained).

Regarding item b, Chairman Churchwell moved to approve the amendment to the Mead & Hunt contract as discussed in Executive Session, seconded by Director Richie, and voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Regarding item c, Chairman Churchwell moved to authorize the Chief Executive Officer to negotiate with the Walton Family Foundation and the City of Siloam Springs to move forward on the development as discussed in Executive Session, seconded by Director Richie, and voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Director Townsend moved for adjournment at 12:34 p.m., seconded by Director Richie, and voted upon as follows: Churchwell, Kimball, Meyers, Richie, Spears, Townsend, Vandevier, yes. *Motion passed (7-yes, 0-no, 0-abstained).*

Sheila A. Allen, Secretary

DATE APPROVED:

September 21, 2017
GRDA Board of Directors