

**Minutes of Regular Meeting
Grand River Dam Authority
Board of Directors
Vinita, Oklahoma
March 14, 2018**

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 March 14, 2018. 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 December 14, 2017, at 9:23 a.m.; by posting the agenda with the Craig County Clerks' office on March 13, 2018 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.

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

BOARD MEMBERS

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

ADMINISTRATIVE

Daniel S. Sullivan, Chief Executive Officer	Present
Tim Brown, Chief Operating Officer	Present
Eddie Rothermel, Chief Financial Officer/ Corporate Treasurer	Present
Steve Wall, Chief Information Officer	Present
Heath Lofton, General Counsel	Present
Ellen Edwards, Executive VP – Compliance	Present
Brian Edwards, Executive VP – Law Enforcement/Lake Operations	Present
John Goodwin, Executive VP – Human Resources	Present
Nathan Reese, Executive VP – External Relations	Present
John Wiscaver, Executive VP – Corp. & Strategic Communications	Present
Mike Herron, VP – Engineering, System Operations and Reliability	Present
Darrell Townsend II, VP – Ecosystems/Watershed Management	Present
Robert Ladd, VP – Grand River Energy Center Operations	Present
Steve Jacoby, VP – Hydroelectric Projects	Present
Mike Waddell, VP – Transmission and Distribution Operations	Present
Ed Fite, VP – River Operations and Water Quality	Present
Justin Alberty, VP – Corp. & Strategic Communications	Present
Sheila Allen, Corporate Secretary	Present

Others present were as follows: Jared Crisp, MUB/City of Pryor; Tom Rider, MESA; Matthew and Rochelle Butcher; Phil Stokes and Glenn Severn, City of Siloam Springs; Megan Ryan, Deloitte; Lorie Gudde, Melanie Earl, Brylee Harbuck, Laura Townsend, Jerry Cook, James Bissett, Jeff Brown, Michelle Day, Cameron Philpott, Tamara Jahnke, Ash Mayfield, Ed Ferguson, Jennifer Weatherford, Spencer Moore, Billy Scott, Melody and Brent McSpadden, Tom Gray, GRDA.

CONSENT AGENDA

2. February Claims, \$37,093,160.32.

4.a. Resolutions of Commendation

- 1) Matthew R. Butcher
- 2) Joe D. Couch
- 3) Melody J. McSpadden
- 4) Billy W. Scott

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

Description and/or Make of Item	Model Number
Filter, Hydraulic, Caterpillar+29:29A62:202:392:2:40	1R0722
Filter, Oil, Fram	PH8A
Filter, Primary, Caterpillar	7W5317
FILTER: FRAM, COOLANT, FRAM	PR393
FILTER: FIAT, FUEL, FIAT P/N	4965322
Filter, Air, Primary, Fiat	70671838
Filter, Air, Safety, Fiat	70671839
FILTER: FUEL, FIAT P/N 04788503 (NO-SUB)	4788503
O-RING: ENGINE DRAIN, FIAT P/N	70933466
O-RING: STEERING FILTER, FIAT P/N 70923834 (NO-SUB)	70923834
GASKET: FUEL FILTER, FIAT P/N 04727257 (NO-SUB)	4727257
O-RING: ENGINE DRAIN, FIAT P/N 70923663 (NO-SUB)	70923663
CARTRIDGE: LUBE OIL FILTER, FIAT P/N 01930595 (NO-SUB)	1930595
FILTER: FUEL, FIAT P/N 01909107 (NO-SUB)	1909107
FILTER: STEERING, FIAT P/N 70651532 (NO-SUB)	70651532
RING: FIAT P/N 70632062 (NO-SUB)	70632062
O-RING: FIAT P/N 70923587 (NO-SUB)	70923587
WASHER: FIAT P/N 70631869 (NO-SUB)	70631869
O-RING: FIAT P/N 70632063 (NO-SUB)	70632063
ELEMENT: AIR-SAFETY, FIAT P/N 70671839 (NO-SUB)	70671839
ELEMENT: FINAL DRIVE, FIAT P/N 70694661 (NO-SUB)	70694661
Kit, Filter, Fiat, Complete	75124801
FILTER: FIAT, FUEL, FIAT P/N 01909107 (NO-SUB)	1909107
FILTER: FIAT, COOLANT, FIAT P/N 04681776 (NO-SUB)	4681776

Filter, Cartridge, Caterpillar	1-9N3718
Filter, Air, Fiat	73127681
Filter, Air, Fiat	70671839
Filter, AVC, Primary, Donaldson	XLP182062SEP876
Filter, Fuel, Bobcat	3885315
Filter, Hydrostatic, Bobcat	6598903
Filter, Oil, Cartridge, Hydrostatic, System, Bobcat	6630977
Filter, Hydraulic, Caterpillar	4T6788
Filter, Air, John Deere	AT44378
Filter, Air, John Deere	AT65088
Filter, Hydraulic, John Deere	AT103193
Filter, Fuel, John Deere	AR50041
Filter, Air, John Deere	AR70106
Filter, Air, John Deere	AR70107
Filter, Conditioner, Air, John Deere	R60846
Filter, Conditioner, Air, John Deere	AT73529
Filter, Oil, John Deere	RE21748
Filter, Hydraulic & Transmission, John Deere	AT172912
Filter, Hydraulic & Transmission, John Deere	AT79080
O-Ring, Filter, John Deere	T56186
O-Ring, Filter, John Deere	R29936
Filter, Fuel, John Deere	AR86745
Filter, Fuel, Rear Tank, John Deere	RE160384
Filter, Conditioner, Coolant, John Deere	RE11992
Filter, Hydraulic Breather, John Deere	T19044
Filter, Differential Lock, John Deere	AT135800
O-Ring, Hydraulic Tank, John Deere	T76594
O-Ring, John Deere	U11017
O-Ring, John Deere	52449
Filter, Oil, Caterpillar	1R0713

- 4.c. Power Cost Adjustment (PCA) of \$0.00071 per kWh for March 2018**
- 4.d Power Purchase and Sale Agreement with Berry Plastics Corporation – Amendment to Exhibit B-1: Philpott**
- 4.e. Temporary Electric Service Agreement with The Whiting-Turner Contracting Company: Philpott**
- 4.f. Contract 42166 – Skiatook City Substation Control House: Herron**
- 4.g. WTU Rate Schedule: Reese**
- 4.h. Termination of Riparian Protection Conservation Easement – Thomas Bamberger, Sr., for 29 acre tract of land located immediately adjacent to the Barren Fork Creek in Sections 7 and 18, Township 17 North, Range 24 East, Adair County, Oklahoma; Fite**
- 4.i. Approval of Riparian Protection Conservation Easement – Bamberger Family Trust, for 25 acre tract of land located immediately adjacent to the Barren Fork Creek in Sections 11 and 14, Township 17 North, Range 24 East I.B.M., Adair County, Oklahoma, term ending October 1, 2037: Fite**
- 4.j. Report of Hearing Officer and Order for Administrative Hearing Notice No. 2017-19 for Richard Johnson and J.L. Gates: Jahnke**

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

Standard Purchase Orders		
PO Number	Vendor Name and City State	Amount
89861	PINNACLE BUSINESS SYSTEMS, TULSA, OK	415,615.15
89804	PELCO STRUCTURAL LLC, CLAREMORE, OK	395,092.00
89810	PINNACLE BUSINESS SYSTEMS, TULSA, OK	331,338.42
89756	NOMAD GLOBAL COMMUNICATION SOLUTIONS INC, COLUMBIA FALLS, MT	127,050.00
42231	EMERSON PROCESS MGMT POWER & WATER SOLUTIONS INC, HOUSTON, TX	72,094.00
89375	B & M OIL CO INC, TULSA, OK	67,179.00
89780	THERMO RAMSEY INC DBA THERMO FISHER SCIENTIFIC, MINNEAPOLIS, MN	64,629.00
89672	SHI INTERNATIONAL CORP, PISCATAWAY, NJ	58,295.00
89698	C & R OIL CO, PRYOR, OK	43,407.00
42237	DXP ENTERPRISES, TULSA, OK	20,000.00
Grand Total Standard POs:		\$1,594,699.57
Change Orders & Renewals		
PO Number	Vendor Name and City State	Amount
34284	THE ENERGY AUTHORITY INC, JACKSONVILLE, FL	122,465.28
40619	FAIRPOINT COMMUNICATIONS, WESTFIELD, NY	84,600.00
41541	UNDERWOOD TRUCKING, SALINA, OK	30,000.00
42060	ADDCO ELECTRIC INC, TULSA, OK	25,616.69
40181	INTERCONTINENTAL EXCHANGE INC DBA ICE, HOUSTON, TX	3,900.00
Grand Total Change Orders:		\$266,581.97
Grand Total		\$1,861,281.54

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

Number	Title	Amount
RF018-00881	RSA Netwitness Additional Bundled Appliances	\$414,900.00
Grand Total Work Orders		\$414,900.00

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

REGULAR AGENDA

1. Regular Board Minutes of February 14, 2016.

3. Unfinished Business

3.a.(1) Progress Reports

Mr. Sullivan reported on the customer meetings held last month at the Renaissance Hotel in Tulsa and at the Rogers State University Pryor Campus in the MidAmerica Industrial Park. These meetings were for GRDA's wholesale, retail and off-system customers. He said there was a great turnout and a discussion about GRDA's 5E mission, an update on Unit 2 and Unit 3, an update on the Pensacola Project relicensing process, current transmission projects and the 10-year financial forecast. Chris and Dawn Lund, with Utility Financial Solutions were also on hand to share the preliminary result of the service study, including the outcomes of a solar valuation. He also said there would be a third opportunity to visit with our municipal customers during the annual MESO Conference held in April.

Mr. Sullivan stated GRDA was recognized March 13, 2018, by the Oklahoma State Regents for Higher Education (OSRHE) for outstanding service to public higher education in Oklahoma for both Northeastern State University (NSU) and Northeastern Oklahoma A&M College (NEO). He showed the awards to the directors and said GRDA has been working with NSU on a water lab on their campus, as well as work with NEO on the properties in Ottawa County they are using for their outdoor classrooms and other projects GRDA has reported to the Board in the past. Mr. Sullivan said both of these projects are very important to GRDA, but are also very important to those universities as well. He stated GRDA was the only group that was recognized by 2 different higher education institutions, and how proud and grateful he is they were offered the opportunity to showcase what GRDA is doing for the State of Oklahoma.

Mr. Sullivan introduced the I Am GRDA videos about Mr. Bill Clifton and Mrs. Karen Yarbrough.

4. New Business

4.k. Compliance Officer's Report to the Board Regarding Policy 2-4(II(B) Summarizing Calls Made to the Ethics Hotline for the Last Twelve Months

Mrs. Edwards said, as General Counsel, Mr. Lofton would be presenting this today according to GRDA's rules. Mr. Lofton showed the current Board Policy to the directors regarding conflicts of interest and business ethics, explaining GRDA is required to maintain a hotline to report incidents of suspected fraud and compliance violations. He stated the policy requires the General Counsel to provide the Board of Directors with an annual report. Mr. Lofton showed the telephone number and e-mail address provided to GRDA employees to report these incidents. He also said these two points of contact are advertised in GRDA's weekly *eFlyer* newsletter. Mr. Lofton reported that in 2016 the Legal Department and Human Resources Department partnered to coordinate Authority-wide training for all employees and emphasized this hotline in that training. Mr. Lofton said there have been no calls or e-mails to the Ethics Point Hotline in the last year.

4.l. Engineering Services Contract – Merrick & Company

Mr. Lofton reminded the directors GRDA entered into an agreement to complete the design and construction of the Lake Frances Whitewater Park back in November 2017. Before this, the preliminary design and planning was performed by McLaughlin Whitewater Design Group, a division of Merrick & Company, and GRDA desires to retain Merrick & Company to complete the final design of the project and to manage the construction. He stated the regulations issued by the Office of Management

and Enterprise Services (OMES) allow the Director of OMES to waive the procedures for selecting an engineer “when a waiver is in the best interest of the State.” On February 28, 2017, OMES issued a waiver authorizing GRDA to enter into a contract with Merrick & Company for this project. Mr. Lofton said Merrick & Company has submitted a proposed contract outlining the tasks necessary to complete the design and construction and negotiations of the terms of the contract are ongoing. He told the Board the contract price is in a not to exceed amount of \$1,121,000.00 and will be reimbursed.

Director Kimball asked Mr. Lofton to confirm that none of this cost would be charged to GRDA and GRDA customers. Mr. Lofton confirmed this and said this was part of the agreement signed in November 2017.

Director Kimball moved to approve the award of a contract with Merrick & Company for an amount not to exceed One Million One Hundred and Twenty-One Thousand Dollars (\$1,121,000) subject to the approval of the terms of the contract by the Chief Executive Officer and the General Counsel, seconded by Director Townsend, and voted upon as follows: Churchwell, Elam, Kimball, Townsend, Vandevier, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

4.m. Contract 42169 – Microwave Tower and Construction Services – Pensacola 69 kV Substation

Mr. Herron showed a drone photograph of the area, noting the new existing tower locations. He said the staff is checking with FERC on this and there could be a delay if licensing issues are discovered. He said Mr. Jacoby is helping to contact them to see what their preliminary thoughts are on this. Mr. Herron stated the existing tower has failed a structural analysis and will not support additional equipment. His GRDA staff have done had a path study done and found, that if this tower is installed were

taller, it would allow communications from the Grove Repeater to Kansas and eliminate the need for a tower in Jay. There are problems with the Jay tower as well. Mr. Herron said removing the Jay tower from the system would save on annual tower maintenance and radio equipment maintenance cost, as well as the cost of the radio equipment replacement plan, which would be approximately \$70,000. The Work Order was approved in 2017 at \$492,000. He told the Board GRDA has estimated the tower purchase and cost of installation to be \$388,000. This would be a 360 foot free-standing tower with a lattice type construction. The tower will be installed and then GRDA staff would install the microwave equipment. Mr. Herron said GRDA would purchase and install the control building as well. He showed the bid results, saying there were 4 viable bids, with 8 companies providing a "no bid" response. He said the low bid from Premier Site Services, LLC is acceptable and contract completion will be 60 days.

Director Churchwell asked if GRDA staff anticipates any issue with relocating the tower. Mr. Herron said the only issue would be a FERC question. Mr. Jacoby said because it might conflict with other equipment it might require an exhibit be presented. Mr. Herron said the tower would be moved farther away from Pensacola Dam which should help the situation. Mr. Jacoby stated he did not anticipate a problem.

Chairman Vandevier asked Mr. Herron to confirm that the compelling driver of this project is the structural issues. Mr. Herron confirmed this and said the issues could not be corrected effectively or economically.

A discussion ensued regarding costs associated with the activities necessary to complete all work, and Chairman Vandevier asked if there was a cost to eliminating the tower at Jay. Mr. Herron stated the part of the work had not been priced yet and there will be other work needing to be done later on. Chairman Vandevier asked if Mr.

Herron anticipated a significant additional cost to complete this work. Mr. Herron said he did not anticipate the cost going over \$70,000. He also said GRDA would be removing the standby generator at Jay and a 1,000 gallon gas tank as well, as it will be moving over to the Pensacola site.

Director Elam asked if this would allow GRDA to operate more efficiently. Mr. Herron confirmed this. Mr. Edwards said GRDA Police have existing equipment on the tower now and that will be moved to the higher location on the tower which will be significantly beneficial for his officers. He stated he anticipated the traffic on the tower would pick up for the region as well.

Director Kimball asked if GRDA charged other governmental agencies to use towers such as this. Mr. Herron said he is not aware of charging governmental agencies, as the ones that use the tower are usually police departments. Mr. Edwards told the Board GRDA has some mutual use agreements with the Oklahoma Department of Public Safety for things such as this. Director Kimball asked if this would solve some of the problems GRDA Police have had in outlying areas around the lake. Mr. Edwards said this will solve the problems below Pensacola Dam and will solve some issues in areas up the lake. He also stated he anticipated it would be significant in high traffic areas and will assist GRDA's line crews and hydro personnel, along with many more. Director Kimball asked what the cost of the yearly maintenance of this new tower would be compared to the tower currently in place. Mr. Herron said it would not be a significant cost.

Director Churchwell asked if there is anyone that buys these old towers. Mr. Herron said he was not aware of any entity that would purchase something such as this.

Director Townsend moved the Board approve the award of Contract 42169 – Microwave Tower and Construction Services – Pensacola 69 kV Substation to the low bidder, Premier Site Services, LLC, for the quoted price of \$359,074, seconded by Director Elam, and voted upon as follows: Churchwell, Elam, Kimball, Townsend, Vandevier, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

4.n. Contract 42239 – GovDeals.com

Mr. Rothermel said right now GRDA sends most of its surplus property to the Oklahoma Office of Management and Enterprise Services (OMES). He stated it is a bit of a struggle because some of the items are not selling or are not selling at a price GRDA believes they should be at. The staff looked around and found the GovDeals site as an alternative. Mr. Rothermel explained that the big selling point with this site is that there is a much larger audience to enhance competition and maximize return on investment. This item would be a contract with the National Joint Powers Alliance (NJPA) currently being used by more than 10,000 government entities, to include 27 Oklahoma surplus operations. Mr. Rothermel also explained the current state surplus property issues GRDA has. He said the GovDeals online auction process would provide a much more streamlined way for GRDA to sell larger ticket items. The site provides a link to the online auction through the GRDA Web site, includes surplus property photos, descriptions and a minimum acceptance amount uploaded to the site with a specified closing date. It also makes certain all bids are reviewed after the bid closing date and time, and the successful bidder will issue payment to GovDeals.com. GovDeals will deduct a 10 percent service fee for use of the site from the total sales and wire the balance to GRDA 1 week after the sale is complete. Also, all transaction documentation and reports are made available to GRDA through the online auction Web site.

Mr. Sullivan provided the example of a pickup GRDA owned where there was not much response from the State system, and the item was not sold. He said he thought this would be a good way to allow GRDA to sell something such as this as it still has some useful life in it.

Director Townsend asked how many of these types of transactions per year occur for GRDA. Mr. Rothermel said there are many each month. Mr. Sullivan confirmed this system would be for the larger ticket items. Mr. Rothermel said GRDA still needs confirmation of approval from the OMES technology side to proceed and finalize the contract.

Director Churchwell moved the Board approve this Memorandum of Understanding (MOU) (Contract #42239) with GovDeals, Inc. for zero cost in accordance with NIPA Contract #041316GDI for the period of March 14, 2018 through June 22, 2020 with an option to extend for one additional year, subject to OMESISD approval, seconded by Director Townsend, and voted upon as follows: Churchwell, Elam, Kimball, Townsend, Vandevier, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

4.o. Proposed Amendments to Existing Credit Thresholds under the Bank of Oklahoma ISDA

Mr. Mayfield said GRDA currently burns and nominates a lot of gas. Because of this, he stated the staff believes it is important to protect GRDA from fluctuations in the market price of gas. One of the ways to do this is an ISDA with the Bank of Oklahoma (BOK). With the ISDA, it attempts to financially fix the fuel prices for a particular volume, for a particular time. Mr. Mayfield shared that when you fix the price of a commodity that varies with the market, you can be in the money or out of the money. If prices move enough, it can increase the risk that one of the counterparties will not perform under the contract. He said the thresholds under the Credit Support Annex

say if a party becomes too far out of the money, the party is required to post margin to shore up risk. Currently, there is no initial margin requirement under the contract, and GRDA staff believes it works very well this way. He told the Board GRDA has not had any problems to date, but it is important to both parties to recognize the possibility at some point the situation could become too risky. The Credit Support Annex defines when that margin must be posted by using the term 'threshold.' With the current caps on this threshold, it limits the amount of gas GRDA can hedge. Mr. Mayfield showed a chart illustrating the current and proposed language for thresholds regarding the ISDA relative to both parties' S&P rating. He explained what each of the numbers meant

Director Townsend asked if the collateral that would be posted would be done by the person GRDA is hedging with. Mr. Mayfield said that if market goes against GRDA due to market prices, then GRDA would have to post, but this would never be the case since GRDA manages this by volume. Director Townsend asked what the role of BOK is in terms of their credit or collateral support. Mr. Mayfield said potentially BOK would be in a position to post collateral to GRDA, but the threshold is a measure of how much bandwidth GRDA is going to provide to them. Director Townsend said he believed \$15 million, based on their credit rating, would be more appropriate for that level. He asked Mr. Mayfield and the staff to consider reducing the A- to BBB+ rating level to \$15 million versus \$20 million.

Chairman Vandevier said the point to clarify here is that the driver behind this is not 100 companies, it is the rating of BOK. Director Townsend commented the language should differentiate more clearly between the A- rating and BBB+ rating, as well as changing the relative thresholds to match a more appropriate risk. Chairman Vandevier asked if it would be an issue to move the BBB+ threshold to the same level as BBB to be \$10 million. Mr. Brown said what the staff is trying to do is get to \$20

million for GRDA's trading headroom. Right now, in order for BOK to give us an increase, GRDA would have to reciprocate. Director Townsend said GRDA would be taking on a credit risk. Mr. Brown said that this would only be a lost opportunity and would not be a cost to GRDA. He said GRDA is somewhat agnostic because if BOK was to default it does not harm GRDA. It just takes GRDA back to the place prior to this amendment. Director Vandevier asked if the driver behind this is only BOK's rating. Mr. Brown and Mr. Mayfield confirmed this.

Discussion ensued regarding BOK's current rating and that the Board is comfortable with dividing out the BBB+ threshold. Director Kimball asked how GRDA's hedging operation worked in the last 12 months. Mr. Brown said it is very close to neutral.

Chairman Vandevier asked what percentage of our gas is being hedged, roughly. Mr. Mayfield said GRDA has a hedging policy, but the amount varies depending on how far out the burn date is. Mr. Brown commented that GRDA is now pushing upwards of 30 percent in 2018. He also said part of the reason for this is that we are tapped out at the \$10 million threshold right now with BOK.

Mr. Brown and Mr. Rothermel stated, related to the utility industry, the motivation behind hedging is primarily to provide stable rates to our customers as it protects them against the volatility of the market. Director Churchwell commented he does not know anyone in the utility business that does not hedge, especially if that utility has large amounts of gas generation.

Director Townsend moved to authorize the GRDA CEO to negotiate and execute an amendment to the existing GRDA-BOK Credit Support Annex, to increase the Threshold amounts to \$20 million for S&P credit rating A+ to A-, to \$15 million for

S&P credit rating BBB+, and to \$10 million for S&P credit rating BBB, with such terms being subject to the final approval of the GRDA CEO and General Counsel, seconded by Director Churchwell, and voted upon as follows: Churchwell, yes, Elam, yes, Kimball, no, Townsend, yes, Vandevier, yes. *Motion passed (4-yes, 1-no, 0-abstained).*

4.p. Other New Business

There was no other new business.

5. Reports

5.a. Board of Directors Committee Reports

1. Assets Committee:

a) Consideration, Discussion and Possible Action Regarding Bid Awards to Surveyors Related to the FERC Encroachment Report.

b) Consideration, Discussion and Possible Approval of a Request by Brian Barber for a Partial Release of a Flowage Easement for Property Located in Mayes County, Oklahoma.

Regarding item a, Director Churchwell moved the Board award the surveyor bids as indicated in the Bid Tabulation and summarized as follows:

- Bennett Surveying -- \$89,000.00
- Green Country Surveying -- \$15,900.00
- Rose & McCrary -- \$13,555.00

For a total not to exceed price of \$118,455.00, subject to final approval by the Chief Executive Officer and the General Counsel, and the item was voted upon as follows: Churchwell, Elam, Kimball, Townsend, Vandevier, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Regarding item b, Director Churchwell moved to deny a partial release of the flowage easement across the property of Brian & Shonna Barber in Mayes County, Oklahoma, and the item was voted upon as follows: Churchwell, Elam, Kimball, Townsend, Vandevier, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

2. Audit, Finance, Budget, Policy & Compliance Committee: Director Townsend had no report. However, he said they expected to have a report and possible item to approve regarding the 2017 Financial Audit soon.

- a. **Compliance Committee:** Chairman Vandevier had no report.
- 3. **Compensation and Marketing Committee:** Director Kimball had no report.
 - a. **Power Capacity Utilization Subcommittee:** Director Kimball had no report.
- 4. **Fuel and Long-Range Planning Committee:** Director Meyers was absent, but Chairman Vandevier was not aware of any report needed.

6. Executive Session:

- a. **Proposed Executive Session Pursuant 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.**

Director Elam moved to go into executive session at 11:18 a.m., seconded by Director Churchwell, and voted upon as follows: Churchwell, Elam, Kimball, Townsend, Vandevier, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Director Churchwell moved to return to regular session at 11:51 a.m., seconded by Director Townsend and voted upon as follows: Churchwell, Elam, Kimball, Townsend, Vandevier, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

7. Action on Executive Session Items

- a. **Action, As Necessary, Concerning Confidential Communications on Matters of Economic Development.**

Regarding item a, no action was necessary.

Chairman Vandevier moved for adjournment at 11:51 a.m., seconded by Director Kimball, and voted upon as follows: Churchwell, Elam, Kimball, Townsend, Vandevier, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Sheila A. Allen, Secretary

DATE APPROVED:

GRDA Board of Directors