

BYLAWS

GRAND RIVER DAM AUTHORITY

ARTICLE I

PREAMBLE - DOMICILE, ETC.

Section 1. Preamble. These Bylaws are made and adopted for the management and regulation of the affairs of the Grand River Dam Authority, hereinafter often times referred to as "the Authority", under authority of and pursuant to 82 O.S. § 861 et seq., as amended.

Section 2. Seal. The official seal of the Authority shall consist of two circles, one within the other, with the words "Grand River Dam Authority" between such circles, and the words "Official Seal" within the inner circle, which device is hereby adopted and shall be known as the official seal of the Grand River Dam Authority and used in attesting such official acts of the Authority as may be required by law or order of the Board of Directors. The seal may be temporarily removed from the principal office of the Authority for convenience in the execution of official documents.

ARTICLE II

BOARD OF DIRECTORS

RESPONSIBILITIES, MEETINGS, AND AUTHORITY

Section 1. Board Responsibilities. In order to ensure the management, administration, and regulation of the business and affairs of the Authority, the Board of Directors agree to accept and carry out necessary principal responsibilities and duties, including the development and adoption of written policies, so that the Board may exercise leadership and direction toward successful operation of the Authority.

Section 2. Regular Meetings. Regular meetings of the Board of Directors of the Authority shall be held as filed with the Secretary of State annually under the Oklahoma Open Meeting Act, 25 O.S. § 301 et seq., as amended. Notice of regular meetings shall be as required by statute.

Section 3. Voting. All members of the Board, including the Chairman, are voting members. Any member having a direct personal or pecuniary interest shall abstain from voting and shall so inform the Chairman prior to any vote being taken on the subject. Four (4) Directors shall constitute a quorum at any meeting, and except as otherwise provided, all action may be taken by the affirmative vote of the majority of the Directors present at any such meeting; except that no contracts which involve an amount greater than Fifty Thousand Dollars (\$50,000.00), or which are to run for a longer period than one (1) year, and no bonds, notes or other evidence of indebtedness, and no amendment of

the Bylaws, shall be valid unless authorized or ratified by the affirmative vote of at least four (4) Directors.

If, after all eligible members have voted, the vote results in a tie, the motion shall fail.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman at such times and at such places as the Chairman shall designate and shall conform to the Oklahoma Open Meeting Act.

The Secretary shall give notice of special meetings to each Board member by mail deposited in the United States Post Office, or by electronic means such as email, at least three (3) days prior to the meeting. A Director may waive such notice in writing prior to the special meeting or during such meeting.

Section 5. Emergency Meetings. The Chairman may call an emergency meeting to consider situations involving injury to persons, or injury or damage to public or personal property or immediate financial loss. Notice of such meetings need only conform to the Oklahoma Open Meeting Act, with notice given to Directors personally or by telephonic or electronic means.

Section 6. Recessed or Adjourned Meetings. Any regular, special or emergency meeting of the Board of Directors may be recessed or adjourned from time to time and from place to place by the vote of a majority of the Directors present, and when less than a quorum of the Directors is present, any such meeting may be recessed or adjourned from time to time until a quorum attends and is present, and any further meeting or action will be in accordance with the Oklahoma Open Meeting Act.

Section 7. Parliamentary Rules and Order of Business. The essential purpose of parliamentary rules for a business meeting is to provide a framework of established procedures for the orderly and fair conduct of the meeting's business. In order to best comply with such purpose, each Board member agrees to adopt the rules contained in the American Bar Association second edition of "The Modern Rules of Order", to be used as a guide for conducting Board of Directors meetings. Once a meeting of the Board of Directors is called, the following order of business shall be observed so far as practicable at all regular and special meetings:

- (1) Determination of quorum
- (2) Reading, correction and approval of minutes of previous meeting
- (3) Approval and allowance of claims
- (4) Unfinished business and progress reports
- (5) New business
- (6) Reports of committees

Section 8. Minutes and Record of the Board Meetings. Any audio recording made of any meeting of the Board shall be retained only until the minutes have been approved by the Board. The Board Secretary shall prepare the minutes, which shall reflect the proceedings, including those members

present and absent noting any temporary absences, all matters considered, and all actions taken. The vote of each member shall be recorded in the minutes.

Section 9. Employment of the Chief Executive Officer, Corporate Officers and Delegation of Power. All the powers, rights, privileges and functions of the Authority shall be exercised by the Board of Directors, and the Board shall appoint a General Manager, who shall be the Chief Executive Officer of the District (hereinafter "General Manager/Chief Executive Officer"), and certain corporate officers consisting of a Secretary, and a Treasurer, who shall be the Chief Financial Officer of the District, and who also may hold the office of Secretary in accordance with 82 O.S. § 864, and with the Merit Rules for Employment published by the Office of Personnel Management, and delegate to them such of its powers and duties as it may deem proper, but such officers shall at all times and in all respects be subject to the direction and control of the Board of Directors in the exercise of their power and duties, which shall be hereinafter described.

Section 10. Compensation of Board Members. Each Director shall be allowed actual and necessary expenses incurred in attending the meetings of the Board and in attending to the authorized business of the Authority in accordance with the State Travel Reimbursement Act. "Authorized business" as used in 82 O.S. § 863.2 as amended and in these Bylaws shall mean: when authorized by the Board of Directors, when requested by the Authority's General Manager/CEO, when directed by the Governor of the State of Oklahoma or when required by any indenture or bond resolution of the Authority. In the event some official business of the Authority arises that requires the immediate attention of the Board of Directors and it is not convenient for the members of the Board of Directors to officially meet to consider such business, then the Chairman or his designee may attend to such business and then report the same to the Board of Directors at the next regular meeting of the Board and, if approved by the Board of Directors, shall be deemed authorized business.

No Director shall, while serving on the Board of Directors as a Director, hold any other position with the Authority.

ARTICLE III CORPORATE AND EXECUTIVE OFFICERS

Section 1. Corporate Officers. There are hereby created the following corporate officers for convenience in transacting the business of the Authority:

- (a) Chairman of the Board of Directors
- (b) Vice Chairman of the Board of Directors
- (c) Secretary
- (d) Treasurer

Section 2. Election and Appointment of Corporate Officers. Said offices shall be filled by election by the majority vote of the Board of Directors who shall first elect a chair and then a chair-elect who shall serve as the vice-

chair. Only members of the Board of Directors shall be eligible to serve as Chairman or Vice Chairman of the Board of Directors. The Secretary and Treasurer shall be elected thereafter as provided for herein.

Section 3. Term of Office of Corporate Officers. The term of office of the chair and chair-elect shall be for the term of one (1) year commencing at the regularly scheduled September Board Meeting and the chair-elect shall assume the position of chair for the ensuing year, and their successors shall be elected at the first regular meeting of the Board of Directors each September thereafter. The term of office of the Secretary and Treasurer shall be for one (1) year commencing at the start of each calendar year and their successors shall be elected in the same manner thereafter. All such officers shall continue in office until their successors are elected, except in case of removal which requires an affirmative vote of four (4) members of the Board of Directors.

Section 4. Duties of Chairman. The Chairman of the Board of Directors shall preside at all meetings of the Board. The Chairman shall sign and execute in the name of the Authority all authorized bonds, and may sign contracts, and other obligations of the Authority, and shall perform all the duties required of the Chairman under the terms of Bond Resolution No. 5107, any supplemental bond resolutions thereunder, and all amendments or modifications thereof, and shall perform such other duties as the Board of Directors may from time to time require. The chairman shall appoint his or herself and other elected members of the Board to certain Board committees for the purpose of expediting action by the Board of Directors.

Section 5. Duties of Vice Chairman. The Vice Chairman of the Board shall, in the absence or disability of the Chairman, perform the duties and exercise the powers of the Chairman of the Board. In the event the Vice Chairman is not present, the quorum shall elect an acting chairman for the purpose of conducting that particular meeting.

Section 6. Duties of Secretary. The Secretary shall keep true and complete records of all proceedings of the Board in books provided for that purpose; the Secretary shall attend to the giving and serving of all notices required by virtue of the office and such as may be directed by the Board; the Secretary may also sign and attest with the seal of the Authority all bonds, contracts, and other obligations of the Authority; and shall keep and have the custody of the corporate seal, minute books, contracts to which the Authority is a party, and all other official documents and corporate records, other than books of accounts, accounting files, and accounting documents which may be placed under the supervision and in the custody of the Treasurer. The Secretary shall perform all the duties required of the Secretary under the terms of Bond Resolution No. 5107, any supplemental bond resolutions thereunder, and all amendments and modifications thereof, and shall in general perform all the duties usually incident to the office of Secretary; subject, however, to the supervisory control of the General Manager/CEO.

Section 7. Duties of Treasurer. The Treasurer, except as otherwise provided by the Board of Directors, shall have the custody of the corporate funds and securities, and shall keep full and accurate accounts of all receipts and disbursements in books provided for that purpose and belonging to the Authority, and shall endorse in the name of the Authority all checks, drafts, and orders payable to the Authority and deposit same, and all moneys and other funds belonging to the Authority, in the name and to the credit of the Authority in such accounts, in such depositories, and in such manner as may be designated or required by the Board of Directors. The Treasurer shall perform all the duties required of the Treasurer under Bond Resolution No. 5107, any supplemental bond resolutions thereunder, and all amendments or modifications thereof. The Treasurer may, with the General Manager/CEO, execute in the name of and for the Authority checks, drafts, and orders drawn on the commercial account or checking account of the Authority, but such checks, drafts, and orders must be approved as correct by the Treasurer or his or her designee. The Treasurer shall render to the Board of Directors at the regular monthly meeting of the Board or whenever they may require it, an account of all transactions as Treasurer, and of the financial condition of the Authority. The Treasurer may perform all other duties usually incident to the office of Treasurer and shall give bond in such amount as the Board of Directors may fix, conditioned on the faithful performance of the Treasurer's duties and an accounting for all funds and property of the Authority coming into the Treasurer's hands, with a surety, which shall be a surety company authorized to do business in the state of Oklahoma, approved by the Board, the premiums on which shall be paid by the Authority.

Section 8. Executive Officers. In addition to the establishment of the Corporate offices of Chairman and Vice Chairman of the Board of Directors and the Secretary and Treasurer, which were established to primarily assist the Board of Directors, there is hereby established the following Executive officers:

- (a) General Manager and Chief Executive Officer;
- (b) Chief Operating Officer; and
- (c) Director of Investments.

Section 9. Appointment of Chief Executive Officer - Compensation - Term of Office - Removal. Pursuant to 82 O.S. § 864, said office shall be filled by appointment by the Board of Directors with a person of good character who is qualified by experience and education to perform competently and efficiently the duties of said office. Such officer shall have the powers and duties, and shall hold office for such term and be subject to removal in such manner as provided for herein. Such officer shall have such powers and duties as are delegated to him or her by these Bylaws and by the Board of Directors. The terms of office for such Chief Executive Officer shall continue until his or her successor is appointed, except in case of removal as hereinafter provided.

**ARTICLE IV
POWERS AND DUTIES OF
THE CHIEF EXECUTIVE OFFICER**

Section 1. General Manager/CEO. The General Manager as the chief executive officer of the Authority shall have general supervision over the conduct and management of its affairs and shall have general supervision of all employees and administrative officers and the employees of said offices or officers, and shall have the right to determine the number of employees necessary for their administrative offices.

Except for the purpose of inquiry, the Board and its members shall deal with the operations of the district solely through the General Manager/CEO. The Board and its members shall not:

- a. direct or request the General Manager/CEO or other authority to appoint or remove officers or employees except as herein provided,
- b. participate in any manner in the appointment or removal of officers and employees of the district, except as provided by law, or
- c. give orders or ordinary administrative matters to any subordinate of the General Manager/CEO either publicly or privately.

The General Manager/CEO may sign and execute in the name of the Authority contracts and other obligations of the Authority, except for bond requirements expressly reserved to the Chairman of the Board of Directors.

The General Manager/CEO shall prepare the agenda for the meetings of the Board, present subjects for Board action, and shall notify the administrative organization of policies adopted and decisions made by the Board; the General Manager/CEO shall keep the Board informed as to the activities of the Authority, prepare such special reports as may be requested by the Board, and make recommendations as to the affairs of the Authority, and shall prepare, or cause to be prepared, and submit to the Board all budget estimates. The General Manager/CEO shall perform all of the duties required of the General Manager/CEO under the terms of Bond Resolution No. 5107, any supplemental bond resolutions thereunder, and all amendments or modifications thereof. The General Manager/CEO may execute in the name of and for the Authority all checks, drafts, and orders on the commercial or checking account of the Authority, but all such checks, drafts, and orders must be approved as correct by the Treasurer or proper designee.

The General Manager/CEO is authorized to employ all other employees, other than the Treasurer and Secretary, to fill the positions and jobs necessary and incidental to operating the Authority, fix their compensation pursuant to the provisions of 82 O.S. § 864, and term of office and the method by which they may be removed, and delegate to them such of its power and duties as the General Manager/CEO may deem proper. Employment of classified personnel shall not conflict with the requirements of the Oklahoma Office of Management

and Enterprise Services, and the discharge or discipline of any employee in the classified service shall be done in accordance with the Merit Protection Rules of the Oklahoma Office of Management and Enterprise Services. The General Manager/CEO shall make a monthly report to the Board of Directors, setting forth all changes in personnel, changes in wages, salaries, and classifications since the previous month, which report shall be verified by the Assistant General Manager of Human Resources. The General Manager/CEO is delegated the authority to have the proceedings of the Board taken down by a reporter; and, such part thereof given to the Secretary, as the Secretary desires, in assisting with the preparation of the minutes of the Board meetings.

The General Manager/CEO shall be responsible for the carrying out of the directives and policies of the Board of Directors, unless otherwise specifically provided, and shall coordinate all of the activities of the Authority and direct the conduct thereof. The General Manager/CEO shall be assisted in his or her duties and responsibilities by a Chief Operating Officer, Chief Financial Officer, Chief Technical Officer, Assistant General Managers, and a General Counsel, who shall be appointed by the General Manager/CEO in accordance with 82 O.S. § 864. The Chief Operating Officer, Assistant General Managers and General Counsel shall have such powers and duties as are delegated to them by the General Manager/CEO. The General Manager/CEO shall have the authority to require from the Secretary and Treasurer, the Chief Operating Officer, the Assistant General Managers, and the General Counsel of the Authority, information and technical advice as is consistent with the power and duties herein delegated to such individuals as the General Manager/CEO may require in the discharge of duties, and shall perform such other duties not inconsistent with the duties of the office as the Board of Directors may from time to time require.

Before entering upon the herein designated duties, the General Manager/CEO shall give surety bond in such amount as the Board of Directors may fix, conditioned on the faithful performance of the duties described herein and an accounting for all funds and property of the Authority coming into the General Manager/CEO's hands, with a company authorized to do business in the state of Oklahoma approved by the Board. The premiums shall be paid by the Authority.

ARTICLE V REMOVAL OF THE CHIEF EXECUTIVE OFFICER

Section 1. Removal of Chief Executive Officer. Any Chief Executive Officer elected or appointed by the Board of Directors pursuant to Article III hereof may be removed at any time by the affirmative vote of five (5) members of the Board of Directors. However, before voting upon the removal of any such officer, the Board must first give notice in writing of its intention to consider the advisability of the removal of such officer, and the reason therefor; and, such officer, if he or she should desire, shall have the right to request a hearing before the Board, at a time to be fixed by the Board.

Section 2. Vacancies. All vacancies caused by death, resignation, removal, or otherwise, of the Chief Executive Officer shall be filled by vote of a majority of the Board of Directors.

ARTICLE VI CONTRACTS – PURCHASES

Section 1. Contracts and Purchases. All contracts, change orders and purchases on behalf of the Authority must be authorized by the Board of Directors, unless otherwise directed by the Board of Directors, and all contracts, change orders, and purchases subsequent to Board of Directors' approval, shall be executed by the General Manager/CEO and attested by the Secretary; provided, the General Manager/CEO may make purchases, or enter into contracts, in the name of the Authority from time to time when the amount involved does not exceed the sum of Fifty Thousand Dollars (\$50,000.00) and, in the case of a contract, the term does not exceed one (1) year. Purchases shall be made in accordance with the GRDA Purchasing Rules.

ARTICLE VII DISBURSEMENT OF FUNDS

Section 1. Construction Fund. No funds shall be withdrawn from the Construction Fund, or expended, except as provided in Bond Resolution No. 5107, any supplemental bond resolutions thereunder, and all amendments or modifications thereof.

Section 2. Other Accounts. All checks, drafts, and orders (other than petty cash) on the other accounts of the Authority shall be executed in the name of the Authority by the General Manager/CEO of the Authority and the Treasurer. The Board of Directors may authorize other personnel to disburse funds by a resolution concurred in by not less than four (4) Directors in accordance with 82 O.S. § 865.

Section 3. Petty Cash Accounts. There is hereby created out of the Authority's Operating Fund, accounts to be known as "Petty Cash Accounts," which shall be held by the Treasurer of the Authority, or his or her designee, and used for the purpose of paying minor and incidental costs of operation, which fund shall not cumulatively exceed the amount of One Thousand Dollars (\$1,000.00). The accounts may be reimbursed upon review of supporting documentation by the Treasurer showing proper expenditures.

Section 4. Board Approval Prior to Disbursement. No checks or vouchers in excess of Fifty Thousand Dollars (\$50,000.00) shall be disbursed until and after such have been authorized and approved by the Board of Directors, unless otherwise authorized or ratified by the Board of Directors.

**ARTICLE VIII
AMENDMENT OF BYLAWS**

Section 1. Amendment. These Bylaws may be amended at any time by the affirmative vote of five (5) members of the Board of Directors; provided, notice of such proposed amendment has been given by the reading thereof at a previous meeting of the Board of Directors.