

**Minutes of Regular Meeting
Grand River Dam Authority
Board of Directors
May 12, 2021**

A regular meeting of the Board of Directors of the Grand River Dam Authority was held at the Grand River Dam Authority Engineering & Technology Center in Tulsa, Oklahoma, on May 12, 2021. The option was given to attend via Cisco WebEx using access code 187 575 5065. Some attendees could join by phone at +1-408-418-9388 (Meeting Number/Access Code 187 575 5065). 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 16, 2020, at 11:31 a.m.; by posting the agenda with the Tulsa County Clerks' offices on May 11, 2021, at 9:43 a.m.; by posting said agenda at www.grda.com; and by posting said agenda at the principal office of Grand River Dam Authority at least 24 hours prior to the meeting.

Chair Elam called the meeting to order at 10:03 a.m. The Secretary called the roll. All members were present, with the exception of Director Lewandowski and Director Richie. Chair Elam declared a quorum.

BOARD MEMBERS

Mike Lewandowski, Chair	Absent
Dwayne Elam, Chair-Elect	Present
Tom Kimball	Present
Chris Meyers	Present
James B. Richie	Absent
Charles Sublett	Present
Michael Westbrook	Present

ADMINISTRATIVE

Daniel S. Sullivan, Chief Executive Officer	Present
Tim Brown, Chief Operating Officer	Present
Lorie Gudde, Chief Financial Officer/ Corporate Treasurer	Present
Steve Wall, Chief Information Officer	Absent
Heath Lofton, General Counsel	Present
Brian Edwards, Executive VP – Law Enforcement/Lake Operations	Present
Nathan Reese, Executive VP – External Relations	Present
John Wiscaver, Executive VP – Corp. & Strategic Communications	Present
Laura Hunter, Chief Human Resources Officer	Present
Darrell Townsend II, VP – Ecosystems/Watershed Management	Present
Robert Ladd, VP – Grand River Energy Center Operations	Absent
Steve Jacoby, VP – Hydroelectric Projects	Present
Mike Waddell, VP – Transmission and Distribution Operations	Absent
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: Craig Stokes, City of Collinsville; Dewain and Maureen Doyle, Tamara Jahnke, Jeff Brown, Melanie Earl, Ash Mayfield, Matt Martin, Jerry Cook, Jeff Tullis, Gary Pruett, Holly Moore, George Davis, GRDA.

4. New Business

4.a. Capital Work Order Report

Number	Title	Net GRDA Cost
RF021-01089	GREC 3 Final Fuel Filter Upgrade	\$ 1,026,869
Grand Total Work Orders		\$ 1,026,869

Mr. Sullivan explained the item on the Capital Work Order Report. He said this item is for a fuel filter upgrade on GREC3. This will allow the Authority to add an additional filter in case the primary filter does not function correctly, without taking the unit out of service when there is a fuel quality issue.

Director Elam asked if this is related to Winter Storm Uri. Mr. Sullivan said it is not. He also stated it has been an ongoing issue similar to issues seen at other plants.

Director Meyers asked Mr. Sullivan to confirm this is a common issue. Mr. Sullivan confirmed it is a common issue on comparable machines. Director Meyers asked if this is something GRDA can work with their gas supplier to fix. Mr. Brown said there are many things they have tried, including taking samples. However, he told the Board this is the preferred remedy to ensure GRDA is covered.

Director Elam asked if GRDA has had a recent issue since this filter was not in place. Mr. Sullivan confirmed there have been issues.

Director Sublett moved the Board approve the Capital Work Order Report as presented, seconded by Director Kimball, and voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

CONSENT AGENDA

2. April Claims, \$77,771,197.01.

4.b. Resolutions of Commendation:

- 1) Thomas Dewain Doyle
- 2) Patricia L. Parker

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

Description and/or Make of Item

56 Empty 280 gallon plastic totes	Dell: Lot of 10
Belt, Conveyor, MSHA grade, Pylon Plus375/3, 3 ply, 40" wide, 825' long, 5/16" thick	Avocent: Lot of 6
Palo Alto: Lot of 2	Ventev
EMC	1 Media Chassis / 6-AC: Lot of 2
Cisco: Lot of 28	Rugged Com 2100: Lot of 6
Black Box: Lot of 2	NTAP
Tipping Point: Lot of 2	Rackmount: Lot of 12
Gigamon: Lot of 5	3560G: Lot of 3
UniPower	Terra Wave
Fire Eye	Alcatel Phones: Lot of 348
Emerson	Meters: Lot of 156
Alcatel-Lucent: Lot of 72	All Renewable Energy Certificates Produced, or to be Produced by Kay and Breckinridge During the Period 01/01/2021 through 12/31/2021

- 4.d. Power Cost Adjustment (PCA) of \$0.02328 per kWh for June 2021
- 4.e. Ratification of Contract for Commercial Service – Manhattan Construction
- 4.f. Third Amendment to Power Purchase and Sale Agreement – Oklahoma Ordnance Works Authority
- 4.g. Amendment to Cost of Service Study Cost Sharing Program - Citizen Potawatomi Nation
- 4.h. Contract for Commercial Service – 3116 Properties, LLC
- 4.i. Consideration, Discussion and Possible Approval of Revised Wholesale Power Service Outside Control Area Capacity and Net Energy Revenue Rider
- 4.j. Consideration, Discussion and Possible Approval of Revised Schedule LGS-TOU – Large General Service – Time of Use
- 4.k. Consideration, Discussion and Possible Approval of NAESB Agreement to Purchase Natural Gas from Continental Resources, Inc.
- 5.b. May Purchase Order Report (*Denotes Addenda Items):

Standard Purchase Orders & Contracts

PO Number	Vendor Name and City State	Amount
43326	BRENTAG SOUTHWEST, INC. - NOWATA, OK	184,560.00
43328	BRAINERD CHEMICAL COMPANY, INC. - TULSA, OK	78,000.00
43341	US LIME COMPANY - ST. CLAIR - DALLAS, TX	999,400.00

Grand Total Standard POs & Contracts: \$1,261,960.00

Change Orders & Renewals

PO Number	Vendor Name and City State	Amount
43020	BRAINERD CHEMICAL COMPANY, INC. - TULSA, OK	3,134.20
41260	ENTERPRISE FM TRUST - KANSAS CITY, MO	21,389.77
43309	INTERMOUNTAIN ELECTRONICS, INC. - PRICE, UT	11,912.71
42236	FASTENAL COMPANY - VINITA, OK	60,000.00
42360	ELECTRICAL CONSULTANTS, INC. - JENKS, OK	23,694.00
42965	WSP USA - NEW YORK, NY	0.00
43186	SHAFFERS SUBSTATION CONSTRUCTION CO. - ELLSINORE, MO	7,100.00
41430	ALLEGIS GROUP, INC. DBA AEROTEK, INC. - TULSA, OK	200,000.00
41260	ENTERPRISE FM TRUST - KANSAS CITY, MO	10,878.53
43279	RE-CON COMPANY - OKLAHOMA CITY, OK	10,000.00

Grand Total Change Orders & Renewals: \$348,109.21

Grand Total \$1,695,069.21

Director Meyers moved to approve the consent agenda as presented, seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. Motion passed (5-yes, 0-no, 0-abstained).

REGULAR AGENDA

1. Regular Board Meeting Minutes of April 6, 2021.

Director Meyers moved to approve the Regular Board Meeting Minutes of April 6, 2021, seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

3. Unfinished Business

3.a. Progress Reports

3.a.1. Current Operations Reports

Mr. Sullivan said the Colonial Pipeline cyber attack has been in the news lately, as well as the City of Tulsa cyber attack. He said he wanted the Board to know GRDA remains vigilant in watching and tracking all of this information. Mr. Sullivan stated the members of the electrical grid are the only ones that have cyber standards in place for the North American Electric Reliability Corporation (NERC). He said GRDA has recently been audited by NERC, and came out with a very good report. Mr. Sullivan said this is something he wanted to assure the Board about since GRDA staff spend a lot of time every day to make certain our systems are safe, and that they take this responsibility very seriously. He commented that it is regretful these incidents happened, and that the impact they have can be devastating.

Director Elam commented that cyber attacks seem to be a prevalent criminal activity of the future. Mr. Sullivan agreed and said systems that have remote operability are great functionally, but sometime these are the points where those that wish to can create problems. He also said GRDA has separated their Corporate and Operational systems to prevent this type of thing from happening.

Director Sublett said from what he hears the pipeline system crashed for a few hours, but the system was down for days. He asked if GRDA goes through scenarios that provide us practice on how to

recover from an attack such as this. Mr. Sullivan confirmed GRDA does do this and works closely with other state and national agencies, such as the Large Public Power Council (LPPC), that regularly review this type of information. He stated they also have cyber mutual aid agreements in place in case one of their member utilities is impacted by something like this. Mr. Wall said, due to the recent events, there have been many calls and virtual meetings held to discuss the situation. He told the Board the consensus is that the breaches occurred on the Corporate side of their networks, but the companies shut everything down to ensure they could do a full investigation as to exactly what had happened. Mr. Wall stated it is also crucial to train users/employees to not open or click on e-mails unfamiliar to them. He said there are extra precautions in place at GRDA, as most companies have, to prevent things from trying to run on the network, and GRDA is always trying to improve this. Mr. Sullivan stated they are always working toward addressing any vulnerability that might lead to a breach.

Mr. Sullivan explained data shown as to GRDA's Demand and Energy for Load Following comparing information from April 2021 to April 2020 for GRDA's Full Requirements Customers. He said April was the first month in 2020 there was a full impact shown of the COVID-19 situation. Mr. Sullivan told the Board there was not a significant change in GRDA's demand in energy year over year, but there are some current weather patterns that are creating this. He showed graphs illustrating a comparison of resource energy production and explained the changes are mostly due to GREC2 and GREC3 being in outage status, as well as using more and higher quality coal since GREC2 came back online during the month of April.

Mr. Sullivan said he had an opportunity to participate in a panel during an Oklahoma renewable energy discussion led by The Journal Record in early April. He stated part of the discussion was about public policies and what the federal government should look at in setting standards to provide flexibility in the market.

Mr. Sullivan said the GREC2 outage was completed recently. GRDA's Substation Crew completed GSU and SST testing and Evans Electrical Group completed the switchgear and motor control center inspection. He stated routine outage inspections and calibrations were also completed, along with a few minor repairs. The GREC 3 outage wrapped up the last week of April, with the unit being returned to service on May 1. Throughout the outage, Mr. Sullivan said several minor weld jobs were completed and there were inspections on the combustion turbine, HRSG, Air Inlet and auxiliary boiler. He explained

personnel involved also cleaned strainers on multiple systems, performed calibrations on valves, made some tuning changes and finalized repairs to the generator circuit breaker. Both units are operating quite well.

Mr. Sullivan told the Board this year's Rush for Brush event was held on April 17 at the Wolf Creek Complex. There were 51 participant at the event who helped construct 600 structures. He said about half in attendance were Rush for Brush veterans, with the other half being new participants to the program. Including this event, around 17,000 structures have been constructed over the last 14 years of the program, which equals approximately 11 to 12 acres of lakebed covered with habitat throughout this time. Mr. Sullivan thanked the GRDA Team for putting this together and said they are anticipating doing another event later in the year. Dr. Townsend said there are 60 individuals on a waiting list to participate in the program later, and that they are very appreciative of the response received. Mr. Sullivan explained the reason for limiting the event to a certain number of people was due to available supplies since it is taking more time than anticipated to receive these.

Mr. Sullivan said GRDA was proud to be a sponsor in Cushing Pride's Great American Clean-Up (GAC) "Trashy Treasure Hunt", which was held on April 18. About 100 people came to help clean up different sections of the city. Attendees received a letter with a number that corresponded to a "treasure envelope" that contained a gift certificate worth \$10, \$25 or \$50 to a local business in Cushing. Additionally, he said there were five "Golden Stakes" randomly planted in the cleaning areas, which gave "mega prizes" valued at approximately \$300.00 each. Mr. Sullivan asked everyone to keep the folks in Cushing in their thoughts and prayers as City Manager Terry Brannen shared with the Board members recently he has been diagnosed with cancer and undergoing treatment. They have also lost one of their senior people to COVID-19 in the last year. He stated GRDA has told the city to let the Authority know if they need any assistance in dealing with this transition.

Mr. Sullivan said GRDA held a meeting with river float operators on April 27 at the Tahlequah Armory, and a meeting with marina operators on April 29 at Shangri-La Resort. He stated there was a good turnout and very lively discussion.

Mr. Sullivan showed photographs from some of the areas of recent flooding, and explained runoff from rainfall occurring April 27 that extended to the morning of April 29 pushed Illinois River water levels to a major flood stage. Landowners and Commercial Flotation Device Operations were encouraged to immediately move livestock and equipment to higher ground located outside the floodway area. He said rains in early May led to a minor flood stage for parts of the Illinois River, but water levels began to recede by later that week.

Mr. Sullivan told the Board he led Oklahoma Secretary of Commerce Scott Mueller, Commerce Director Brent Kisling and GRDA Board Director Charles Sublett on a GRDA Assets Tour on May 5. The group visited the Grand River Energy Center, the Energy Control Center/Robert S. Kerr Dam and Pensacola Dam. He showed photos from the tour and said Director Kisling serves on the Board for the MidAmerica Industrial Park alongside Director Sublett. Mr. Sullivan stated it is great to have this connection and to have this long-standing relationship. He stated Secretary Mueller is actively trying to understand GRDA operations and this was a great opportunity to show them in a more direct manner.

Several GRDA employees gathered near the west gate at the Energy Control Center on April 13, for a special ceremony in honor of Karen Yarbrough, who passed away last November. Mr. Sullivan told the Board to keep her memory alive, an Oklahoma redbud tree was planted near the gate entrance. Karen's husband Bobby and sister Cynthia (Tink) Cranford were also in attendance. He showed a photo from the event and said this was a great way to show the family our additional condolences and respect.

Mr. Sullivan introduced the upcoming video and expressed his thanks to Congressman Mullin for volunteering GRDA to participate in the Congressional Western Caucus Visit to Oklahoma and bringing the group to see GRDA. He expressed how grateful he was for the opportunity to be a part of this and thanked the Oklahoma delegation.

Director Elam asked if there was any conversation related to Winter Storm Uri during the Congressional Western Caucus Visit. Mr. Sullivan said there was some conversation around this in that the delegation was curious about what changes could be made to policies to assist with events such as this. He said he passed on information to the delegation from a conference call he was a part of with NERC through LPPC. In that conversation, the consensus was to be careful to put too many policies and procedures in place in response to a single event because overall the system did work. He said the difficulty

was that things outside the control of the electric system, such as the delivery of natural gas, were the main issue.

4. New Business

4.1. Consideration, Discussion and Possible Approval of Contract 43284 – Electrical Equipment Services

Mr. Chris Cornett presented this information for Mr. Ladd in his absence.

Mr. Cornett provided background and budget information to the Board, stating that GRDA's generation facilities often require third party services for routine and emergency electrical equipment repairs on large motors, transformers, and switchgear. He said such services include predictive, preventative and corrective maintenance related to thermal electrical inspections and complete equipment refurbishment. Mr. Cornett stated this contract would be for a 1-year term with provisions for renewal in 1-year increments, with a maximum of 4 renewals. The contract is set at a not-to-exceed amount of \$600,000 like the previous contract. He told the Board the near term contract spend has ranged from \$50,000 to \$250,000 annually. Mr. Cornett showed the 4 bids quoted on multiple rates for time and material based on the electrical field services and hourly rates, with all electrical facilities taken into account. He said Shermco Industries submitted the lowest and best value bid. Mr. Cornett stated they have excellent references and have the large industrial experience necessary to provide all services required under this contract.

Director Sublett asked if GRDA has had prior experience with Shermco Industries. Mr. Cornett confirmed this and said they have previously worked with GRDA's Transmission Department and have done other miscellaneous work at the Grand River Energy Center (GREC).

Director Elam asked if the staff has been pleased with their previous work. Mr. Cornett confirmed this. Director Elam asked if this is a budgeted item. Mr. Sullivan confirmed it is within the budget.

Director Sublett moved Contract 43284 for Electrical Equipment Services be awarded to Shermco Industries, in an annual amount not-to-exceed \$600,000.00, subject to approval of final contract terms and conditions that are satisfactory to the General Counsel and Chief Executive Officer, seconded by Director Westbrook, and voted upon as follows: Elam, Kimball, Meyers, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

4.l. Other New Business, if Any, Which Has Arisen Since the Posting of the Agenda and Could Not Have Been Anticipated Prior to the Time of Posting (25 O.S. § 311(9)).

There was no other new business.

5. Reports

5.a. Board of Directors Committee Reports

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

- a) Consideration, Discussion and Possible Approval of a Request for an Assignment and Amendment of Revocable License to Encroach from Deborah Sue Thompson and Natalie Ann Stone to William and Jordan Reeves for Property Located in Mayes County, Oklahoma.
- b) Consideration, Discussion and Possible Approval of a Request for an Assignment of a Revocable License to Encroach from Bryan Wayne Hendershot and Mary Elizabeth Hendershot, Trustees of the Bryan Wayne Hendershot Revocable Trust Agreement Dated September 29, 2010 to the Lisa Kay Dillingham Revocable Trust dated July 29, 1997 as Restated November 23, 2020 for Property Located in Delaware County, Oklahoma.
- c) Consideration, Discussion and Possible Approval of a Request for an Assignment and Amendment of Revocable License to Encroach from Shane Wilkinson and Keri Wilkinson to Timothy L. Boudrey and Lisa M. Boudrey for Property Located in Delaware County, Oklahoma.
- d) Consideration, Discussion and Possible Approval of a Request for an Assignment and Amendment of Revocable License to Encroach from James Byron Richie, Trustee of the James Byron Richie Revocable Trust Dated February 4, 2004 to Grand White House, LP an Oklahoma Limited Partnership for Property Located in Delaware County, Oklahoma.
- e) Consideration, Discussion and Possible Approval of a Request for an Assignment and Amendment of Lease from Honey Creek Vista Properties, LLC, d/b/a The Landings to Dickson Marina, LLC, an Oklahoma Limited Liability Company for Property Located in Delaware County, Oklahoma.
- f) Consideration, Discussion and Possible Approval of a Request by John Russell Leak and Janet L. Leak, Co-Trustees of the Russell Leak and Janet Leak Revocable Living Trust dated January 30, 2013 for a Revocable License to Encroach for Property Located in Delaware County, Oklahoma.
- g) Consideration, Discussion and Possible Approval of a Request by Kelsey S. Carter for a Revocable License to Encroach for Property Located in Delaware County, Oklahoma.
- h) Consideration, Discussion and Possible Action Related to an Annual Review of Raw Water Rates.
- i) Consideration, Discussion and Possible Approval of Request by Waterfront Development Company d/b/a Colony Cove, for an Extension of a Commercial Permit.

j) Consideration, Discussion and Possible Approval of Oklahoma Water Resources Board Grant Through the Clean Water State Revolving Fund Loan Program.

Director Westbrook said the committee met this morning to discuss a total of 10 items. Most seemed to be very routine. He explained these and said all items were approved in committee.

Regarding item a, Director Westbrook moved to approve the assignment and amendment to a 99-year License to Encroach from Deborah Sue Thompson and Natalie Ann Stone to William and Jordan Reeves in Mayes County, Oklahoma, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Regarding item b, Director Westbrook moved to approve an assignment of a License to Encroach from Bryan and Mary Hendershot, Trustees of the Bryan Wayne Hendershot Revocable Trust dated September 29, 2010 to THE LISA KAY DILLINGHAM REVOCABLE TRUST dated July 29, 1997, as restated November 23, 2020, in Delaware County, Oklahoma for the amount of \$100.00 per year, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Regarding item c, Director Westbrook moved to approve an assignment and amendment of the License to Encroach from Shane and Keri Wilkinson to Timothy L. and Lisa M. Boudrey in Delaware County, Oklahoma, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Regarding item d, Director Westbrook to approve an assignment and amendment of a License to Encroach in Delaware County, Oklahoma, from The James Byron Richie Revocable Trust to Grand White House, LP, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Regarding item e, Director Westbrook moved to approve an assignment and amendment of a lease for property in Delaware County, Oklahoma, from Honey Creek Vista Properties, LLC to Dickson Marina, LLC with monthly rent of \$565.00 beginning May 1, 2021, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Regarding item f, Director Westbrook moved to approve a License to Encroach to JOHN RUSSELL LEAK AND JANET L. LEAK, CO-TRUSTEES OF THE RUSSELL LEAK AND JANET LEAK

REVOCABLE LIVING TRUST dated January 30, 2013, in Delaware County, Oklahoma, for the amount of \$447.00 per year, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Regarding item g, Director Westbrook moved to approve a License to Encroach to Kelsey S. Carter in Delaware County, Oklahoma, for the amount of \$222.00 per year plus survey fee of \$75.00 per month until paid, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Regarding item h, Director Westbrook moved to approve no change to raw water rates, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Regarding item i, Director Westbrook moved to approve a 1-year extension of the commercial permit issued to Waterfront Development Company – Colony Cove, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Regarding item j, Director Westbrook moved to approve the interagency agreement between GRDA and the OWRB for the Clean Water State Revolving Fund Loan Program, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

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

- a. 2020 Financial Statement Audit**
- b. Consideration, Discussion and Possible Approval of Second Amendment to Contract 42963 – Administrative Center Building Package**
- c. Consideration, Discussion and Possible Approval of Work Order #RF019-00995 – Administrative Center Building Package**
- d. Consideration, Discussion and Possible Approval of Microsoft Consulting Services Engagement – GRDA ERP Implementation**

Regarding item a, Director Elam said the committee met last week to discuss the proposed items. He said the audit committee members and GRDA Finance staff did a great job on this. Director Elam stated there would likely be changes related to the Cash Reserve Policy coming to the Board next month. No action is needed on this item.

Regarding items b and c, Director Elam asked Mrs. Hunter to present the information for this item.

Mrs. Hunter provided an update for the Board on the new Administrative Center. She stated this was deferred given the narrow window between the March and April Board meetings, to ensure GRDA was in alignment with acquiring proper approval from the Board of Directors to ensure lead time for the contractor guaranteed pricing is becoming narrower due to cost of materials. Mrs. Hunter went over the project drivers, including the One GRDA culture, replacement of the Vinita Administrative Headquarters, Transmission Building and trailers, relocating employees from overcrowded workspaces, and alleviating substandard working conditions. She showed photos of the current workspaces and building conditions, along with COVID-19 modifications made last year to allow employees to work in the buildings safely. Mrs. Hunter said the current progress to date includes completed design development, site development, site permitting, issuance of 100 percent drawings and specifications, bid for the civil work, mobilization of the civil contractor, bidding for building construction, and completing the blowdown line. She showed a table illustrating the overall contract for the building. This showed the civil package cost, building package cost, and total construction cost for a project work order in the amount of \$20,929,488.00. Mrs. Hunter stated this amount includes engineering and internal labor, IT infrastructure, physical security and overhead costs. She told the Board the previous anticipated building package cost was over \$16 million, but came in at \$15,712,163. Mrs. Hunter said the GRDA Team and the general contractor have done a tremendous job in keeping these costs down and expressed how much their hard work to make this happen is appreciated. She showed a timeline of the estimated spend and milestones of the project if this item is approved today, to include site work beginning, issuance of the contract, and construction mobilization in May 2021, with civil completion for the earthwork, site utilities and storm sewer in June 2021, as well as the estimated move-in date of May 2022. The work order spend by year would be \$12,343,995 for 2021, and \$8,585,493 for 2022.

Director Elam said the committee had a very extensive conversation about this. He said, after seeing the bids come in under budget, the committee felt it was a good time to move forward with this project given the circumstance related to displaced employees and the need for vital communication.

Director Sublett said he agreed and thought it was the right time to move forward, as the committee voted to do.

Director Kimball stated he was shocked the cost was so low at this point given the current market.

Director Meyers asked if this is an expected price per square foot for this type of construction. Those who are familiar, including Directors Westbrook and Kimball, agreed it is in line with expected cost for a building like this. Mrs. Hunter said the GRDA Team also did an internal analysis of some internal projects over time, and this ranked in the middle of the those projects GRDA has seen in the last several years. She said she and the team were very pleased with the cost per square foot.

Mrs. Hunter said the 2 things not included in this are the permanent power for the site and the furniture, as these will come at a later time. She explained there are more benefits to having the long-term power supply other than just for this building, and that the furniture will be up for approval next year.

Director Elam stated the committee was a bit apprehensive given the winter storm recently endured and what the numbers would look like once all was final. He stated he and the committee agreed it is in the best interest of GRDA to keep moving forward with this.

Director Elam moved to approve the Addendum to contract #42963 for the Guaranteed Maximum Price of the structural package in the amount of \$15,712,163 subject to final terms and conditions to be approved by the CEO and General Counsel, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Director Elam moved to approve capital work order #RF019-00995 in the amount of \$20,929,488, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Mr. Sullivan stated the design build process went very well and saved the Authority a lot of time and cost by involving the construction contractor in the design phase. Director Kimball said he believed doing things in this manner likely saved GRDA close to \$3 million. Mrs. Hunter agreed and thanked the Board for their support.

Regarding item d, Director Elam asked Mr. Wall to present the information for this item.

Mr. Wall said GRDA added Microsoft Consulting Services (MCS) to the ERP engagement because Microsoft is the Dynamics D365 platform expert and adding their resources to help augment GRDA's ERP Project work for the staff. He explained this also serves to heighten Sopris' commitment level in the project,

to help get the ERP Project back on track and provides additional system support resources post implementation to keep the ERP going and stable. Mr. Wall stated the objectives of the engagement are to promote quality management, verify the Microsoft recommended best practices are followed, ensure proposed solutions address GRDA's business requirements, and to identify and mitigate risks by providing specific guidance-based recommendations. He said the engagement will also validate the documented architecture, design and customizations are in alignment with GRDA's business needs, comply with the recommended best practices, and ensure the "out-of-the-box" technology is used versus having more customizations than necessary to promote long-term cost savings. Mr. Wall went over the functional guidance and support areas for the project. He said GRDA initially originated a contract with MCS in October 2020. There was a change request issued and approved in January 2021 to reallocate hours for Human Resources portion of the project. In February 2021, a change request was issued and approved to add 526 additional hours to the project to get GRDA through the end of June 2021. Mr. Wall said this third change request would cover the project through November 12, 2021, to support test case development, setup and execution, bug remediation and troubleshooting, data migration efforts, Management Reporter creations, training for configurations performed by GRDA, implementation activities, and post "Go-Live" issues. He stated this request would add \$296,074 to the project.

Director Westbrook asked if GRDA's systems would run parallel to each other for a time. Mrs. Hunter stated there would be functional parallel testing of the system to ensure things are consistent, but there would be a clear cutover at the appropriate time.

Director Elam said the committee agreed 30 days was not enough time for the staff to feel comfortable with the new system and would like to proceed with approval of this item.

Mr. Sullivan said it would not be an understatement to say that GRDA would not be at this place without the efforts of Microsoft, and thanked Mr. Wall for bringing them, as their assistance has made a significant difference in the project.

Directors Meyers commented that none of these types of projects are easy and that he supports this since it is what is necessary to wrap things up.

Director Elam moved to approve the execution of Change Order 3 to extend the current Microsoft Consulting Services Engagement in support of GRDA's ERP Project through November 12, 2021, in the

amount of \$296,074, and the item was voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

3. **Compensation & Marketing Committee:** Director Kimball had no report.
 4. **Fuel and Long-Range Planning Committee:** Director Meyers had no report.
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6. Executive Session:

- a. **Proposed Executive Session Pursuant to 25 O.S. section 307(B)(4) for the Purpose of Confidential Communications Between GRDA and Its Attorneys Concerning a Claim Involving Jerry Lynn Fowler, Jr., Related to 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 City of Miami, Oklahoma vs. Federal Energy Regulatory Commission, United States Court of Appeals for the District of Columbia Circuit, Case Nos. 20–1325, 20–1446 (consolidated).**

Director Sublett moved to go into executive session at 11:02 a.m., seconded by Director Westbrook, and voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Director Kimball moved to return to regular session at 11:45 a.m., seconded by Director Westbrook, and voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

7. Action on Executive Session Items

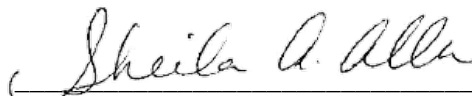
- a. **Action, as Necessary, Concerning a Claim Involving Jerry Lynn Fowler, Jr., Related to Real Property in Delaware County, Oklahoma.**
- b. **Action, as Necessary, Concerning City of Miami, Oklahoma vs. Federal Energy Regulatory Commission, United States Court of Appeals for the District of Columbia Circuit, Case Nos. 20–1325, 20–1446 (consolidated).**

Regarding item a, Director Kimball moved to approve the proposed resolution of the claim involving Jerry Lynn Fowler, Jr., related to real property in Delaware County as discussed in executive

session, seconded by Director Sublett, and voted upon as follows; Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*

Regarding item b, there was not action needed on this item.

Director Meyers moved for adjournment at 11:46 a.m., seconded by Director Sublett, and voted upon as follows: Elam, Kimball, Meyers, Sublett, Westbrook, yes. *Motion passed (5-yes, 0-no, 0-abstained).*



Sheila A. Allen, Secretary

DATE APPROVED:

June 9, 2021

GRDA Board of Directors