

**SALLISAW MUNICIPAL AUTHORITY
REGULAR MEETING**

May 11, 2020

**Time: Immediately Following the
Meeting of the Board of City Commissioners**

**Wheeler Event Center
103 North Wheeler
Sallisaw, OK**

A G E N D A

- 1. Meeting called to order**
- 2. Declaration of a quorum**
- 3. Consider Approval of Minutes of Regular Meeting of April 13, 2020, and
Special Meeting of April 23, 2020**
- 4. Discuss and Consider Approval of Mutual Aid Agreement with the Grand
River Dam Authority**
- 5. Discuss and Consider Approval of Staff's Request to Invest a Sallisaw
Municipal Authority Certificate of Deposit for 63 Days with Firststar Bank;
the High Bidder**
- 6. Administrative Reports**
- 7. Adjourn**

**Posted: MAY 8, 2020
Time: 10:00 A.M.**

Dianna Davis

MINUTES
SALLISAW MUNICIPAL AUTHORITY
SPECIAL MEETING
APRIL 23, 2020

The Sallisaw Municipal Authority met in a special meeting on April 23, 2020, via teleconference. Notice of the meeting and instructions for both council and the public to join the teleconference meeting was given by e-mailing to Sequoyah County Times; by posting at city hall; by posting on the city's website; and, by giving notice to the City Clerk.

Board of City Commissioners participated via teleconference.

Members present: Ernie Martens	Chairman
Ronnie Lowe,	Trustee, Ward 1
Philip Gay,	Trustee, Ward 2
Shannon Vann,	Trustee, Ward 4

Members absent: Julian Mendiola,	Trustee, Ward 3
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Staff participated via teleconference.

Staff present: Keith Skelton,	General Manager
John R. Montgomery,	City Attorney
Dianna Davis,	Secretary
Robin Haggard,	Director of Finance
Sue Reed,	Chief Accountant

Public participated via teleconference.

Others present: Pam Gay; Laura Brown, KXXM; Chris Byrum; Greg Nieto

Chairman Martens called the meeting to order at 3:07 p.m. and declared a quorum was present.

Consider and Adopt a Resolution Authorizing the Sale, Issuance and Delivery of Bonds of the Authority; Designating Bond Counsel and Financial Advisor; Authorizing Sale Thereof at a Discount; Waiving Competitive Bidding Thereon; and Containing Other Provisions Relating Thereto

City Clerk noted this would be SMA resolution number 2020-04. Following discussion, motion was made by Vann, seconded by Gay, for approval of Resolution 2020-04. Vote: Vann aye; Gay aye; Lowe aye; Martens aye. Motion carried 4-0.

Administrative Reports

None.

Adjourn

Motion was made by Lowe, seconded by Vann, to adjourn the meeting there being no further business. Vote: Lowe aye; Vann aye; Gay aye; Martens aye. Motion carried 4-0. The meeting adjourned at 3:10 p.m.

APPROVED the 11th day of MAY 2020.

SECRETARY TO THE AUTHORITY

(SEAL)

MINUTES
SALLISAW MUNICIPAL AUTHORITY
REGULAR MEETING
APRIL 13, 2020

The Sallisaw Municipal Authority met in a regular meeting on April 13, 2020, in the Wheeler Event Center, located at 103 North Wheeler. Notice of the meeting was given by e-mailing the agenda to Sequoyah County Times; by posting at city hall; by posting on the city website and, by giving notice to the City Clerk.

Members Present:	Ernie Martens,	Chairman
	Ronnie Lowe,	Trustee, Ward 1
	Philip Gay,	Trustee, Ward 2
	Shannon Vann,	Trustee, Ward 4

Members Absent:	Julian Mendiola	Trustee, Ward 3
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Staff present:	Keith Skelton,	General Manager
	Dianna Davis,	Secretary
	Robin Haggard,	Finance Director
	Terry Franklin,	Chief of Police
	Keith Miller,	Building Development Director

Others present: Robert Morris; Laura Brown; Roy Faulkenberry.

Chairman Martens called the meeting to order at 6:46 p.m. and declared a quorum was present.

CONSIDER APPROVAL OF MINUTES OF REGULAR MEETING OF MARCH 9, 2020

Motion was made by Lowe, seconded by Gay, for approval. Vote: Lowe aye; Gay aye; Vann aye; Martens aye. Motion carried 4-0.

DISCUSS AND CONSIDER RESCINDING RESOLUTION 2020-02, APPROVED MARCH 9, 2020

Motion was made by Vann, seconded by Lowe, to rescind Resolution 2020-02. Vote: Vann aye; Lowe aye; Gay aye; Martens aye. Motion carried 4-0.

DISCUSS AND CONSIDER APPROVAL OF STAFF'S REQUEST TO REINVEST A SALLISAW MUNICIPAL AUTHORITY CERTIFICATE OF DEPOSIT FOR 28 DAYS WITH NATIONAL BANK OF SALLISAW, THE HIGH BIDDER

Motion was made by Lowe, seconded by Gay, for approval to reinvest a Sallisaw Municipal Authority Certificate of Deposit for 28 days with National Bank of Sallisaw, the high bidder. Vote: Lowe aye; Gay aye; Vann abstain; Martens aye. Motion carried 3-1.

DISCUSSION AND POSSIBLE DIRECTION TO STAFF ON POSSIBLE CURRENT REFINANCING OF THE SERIES 2009 BOND ISSUE AND THE OWRB SERIES 2010 DW LOAN

Financial Advisor, Greg Nieto, joined the meeting via conference call. He reviewed the details of refinancing of the 2009 bond issue and the OWRB SRF loan. Refinancing at a new 20-year, 2.3% loan was discussed. He noted that the City's credit rating was excellent, so refinancing would be no issue. Following discussion, it was the general consensus of council that staff move forward with work on the refinancing. All documents will be brought back to council for final approval.

ADMINISTRATIVE REPORTS

Mayor Martens stated that he would like to revisit the old middle school issue at some point in the near future. Council and staff concurred.

Motion was made by Lowe, seconded by Vann, to adjourn the meeting there being no further business. Vote: Lowe aye; Vann aye; Gay aye; Martens aye. Motion carried 4-0. The meeting adjourned at 7:09 p.m.

APPROVED the 11th day of MAY 2020.

SECRETARY TO THE AUTHORITY

(SEAL)

AGENDA ITEM COMMENTARY

Meeting Date: May 11, 2020
Board: Sallisaw Municipal Authority
Subject: Mutual Aid Agreement With Grand River Dam Authority

ITEM TITLE: Discuss and Consider Approval of Mutual Aid Agreement with the Grand River Dam Authority

INITIATOR: General Manager

STAFF INFORMATION SOURCE: Grand River Dam Authority

BACKGROUND: This new agreement provides for mutual aide from GRDA in times of unforeseen events that may disrupt electric service. It also provides assistance from GRDA for non-emergency aid, where we may need assistance in the form of manpower or equipment for normal maintenance or the building of new services.

EXHIBITS: 1. GRDA.MOU.Mutual Aid Final

KEY ISSUES:

1. SMA will be responsible for any actual costs of the assistance.
2. GRDA will maintain daily personnel records and logs of equipment and materials used during the event.
3. Supplies used will be invoiced at the replacement value of the materials used.

FUNDING SOURCE: N/A

RECOMMENDATION: Staff recommends approval of the agreement.

Master Mutual Aid **Memorandum of Understanding**

This memorandum of understanding (“Memorandum”) is made and entered into as of the date executed below, by and between the GRAND RIVER DAM AUTHORITY (“GRDA”) and the SALLISAW MUNICIPAL AUTHORITY, (“Customer”).

RECITALS

1. Customer has entered into a Power Purchase and Sale Agreement (“Agreement”) with GRDA under which GRDA agrees to supply and Customer agrees to purchase Wholesale Full Requirements Service;
2. Customer operates electrical distribution facilities in and around Customer’s municipal boundaries (“Distribution System”), which Customer uses to supply retail electric service to its end-use customers;
3. Certain unforeseen events can disrupt the ability of Customer’s Distribution System to supply retail electric service (“Outage”);
4. In certain cases, Customer may be unable to quickly resolve an Outage without assistance;
5. GRDA seeks to provide assistance to Customer to the extent that GRDA has sufficient additional personnel, materials, tooling, and/or equipment available (collectively, “Assistance”); and
6. This Memorandum establishes the terms that will govern instances in which GRDA provides Assistance to Customer.

AGREEMENT

In consideration of the mutual terms and conditions contained in this Memorandum, the parties agree as follows:

1. Initiating a Request for Assistance. Customer may request for Assistance from GRDA pursuant to this Memorandum through one of the following methods:
 - a. By telephone: _____, followed by written or e-mailed request;
 - b. By e-mail: _____@grda.com;
2. Contents of Request for Assistance. Requests for Assistance must include at least the following information:
 - a. *Description.* A general description of the events giving rise to the Outage, and the type of Assistance needed;
 - b. *Voltage.* Distribution System voltage;

- c. *Scope of Assistance.* The estimated number of GRDA personnel needed, and the estimated materials, tooling, and/or equipment needed, including the estimated duration of assistance;
 - d. *Weather.* Any unusual weather conditions impacting the Customer's Distribution System;
 - e. *Logistics.* Any logistical obstacles that could interfere with the Assistance (i.e. roadways blocked by trees, loss of telecommunications, etc.), and a description of a place and time that GRDA staff could meet with Customer's staff at Customer's site to commence Assistance.
3. GRDA's Response to Request for Assistance.
- a. *Evaluation.* Upon receipt of Customer's request for Assistance, GRDA will promptly determine, in GRDA's sole discretion, whether GRDA has sufficient available resources to perform the Assistance.
 - b. *Full Assistance.* If GRDA determines that it does have the ability to provide the Assistance, GRDA will develop an internal logistical strategy to coordinate the dispatch of GRDA personnel, materials, tooling, and/or equipment to Customer's location.
 - c. *Partial Assistance.* If GRDA determines that it is only able to provide partial Assistance, GRDA will notify Customer, and will determine whether Customer agrees to the partial Assistance to be provided by GRDA. If Customer agrees to the partial Assistance, the partial Assistance will be performed by GRDA, and governed by the terms of this Memorandum.
 - d. *No Assistance.* If GRDA determines that it is unable to provide any Assistance, GRDA will notify Customer.
4. Written Confirmation Preferred Prior to Assistance. Customer and GRDA will use their best efforts to document the request for Assistance in writing, in substantially the form of the Confirmation attached as **Exhibit A**, prior to GRDA providing Assistance. Provided, if the specific circumstances giving rise to the need for Assistance necessitate the commencement of Assistance prior to executing a Confirmation, the Parties will execute a Confirmation within a commercially reasonable time after Assistance has commenced. Provided further, regardless of whether the request for Assistance is documented in writing before the Assistance commences, Customer will reimburse GRDA for any Assistance provided.
5. Reimbursement for Assistance. Customer will reimburse GRDA for all costs incurred by GRDA arising from or related to the Assistance.
- a. *Calculation of Costs.* The costs of the project will include all expenses arising from or related to the Assistance, including, but not limited to, engineering, equipment, materials, fuel, labor (including, but not limited to, benefits, meals, and lodging, but excluding break periods for meals), testing, and commissioning. Employee compensation costs will be calculated according to the GRDA rules and regulations effective as of the time of the Assistance. To the extent feasible, GRDA will provide a rough estimate of the costs of providing the Assistance, and/or unit rates in the applicable Confirmation for the Assistance. Provided, Customer will pay

GRDA the actual costs arising from or related to the Assistance, even if those costs are less than or greater than the rough estimate provided by GRDA.

- b. *Daily Records.* To the extent feasible under the circumstances, GRDA will maintain daily personnel time records, a log of equipment hours, and a ledger of materials provided.
 - c. *Reimbursement Period Beginning and Ending.* The reimbursement period begins when the first GRDA personnel departs GRDA's facilities en route to Customer's location, and ends when the final GRDA personnel returns to GRDA's facilities.
 - d. *Materials and Equipment.* For materials provided from GRDA's stock, GRDA will invoice Customer the replacement value of the materials. For equipment, Customer will reimburse GRDA in accordance with the rates listed in the Confirmation. If no rates are listed in the Confirmation, Customer will reimburse GRDA at FEMA Schedule of Equipment Rates.
 - e. *Customer Right-of-Way.* Customer will provide any necessary easements, road crossing permits, underground utility locates, and/or other required city authorizations over and across city property and streets at no cost to GRDA for any work, project, planning, or other activity arising from or related to this Memorandum. Customer will, at Customer's cost and expense, secure any additional right of way as determined necessary by GRDA to complete the Assistance.
 - f. *Coordination of Outages.* Customer will coordinate with GRDA regarding any outage determined by GRDA to be necessary to complete the Assistance;
6. Personnel and Equipment Supervision during Assistance. All GRDA personnel and equipment will remain under the direct supervision of GRDA during periods of Assistance. The designated GRDA supervisor will have the exclusive authority to assign work to (and establish the parameters of work for) GRDA personnel. Customer will prevent its employees from operating GRDA equipment.
7. Food and Lodging. Customer will coordinate food and shelter for GRDA personnel, subject to the approval of the GRDA supervisor.
8. Engineering and Design. GRDA intends to utilize its Engineering Department for any applicable design activities required for Assistance, but GRDA may subcontract these tasks to third party engineering firms that GRDA determines, in GRDA's sole discretion, are adequately skilled to perform the tasks.
9. Communications. Customer will facilitate communications between Customer personnel and GRDA personnel.

10. Outages. GRDA will use reasonable efforts to coordinate with CUSTOMER regarding any outages that GRDA determines are necessary for the completion of any project arising under or related to this Memorandum. Provided, GRDA will have no liability for any such outages.

11. Safety. The Customer will inform GRDA of all clearance boundaries, will utilize appropriate lock-out, tag-out procedures, and will not energize any portion of the Distribution System within the clearance boundaries without first notifying and obtaining the approval of GRDA's on-site personnel.

12. Invoices and Customer Payment Schedule. GRDA will deliver one or more invoices to Customer for any amounts due from Customer to GRDA pursuant to this Memorandum. Invoices will be sent to the contact information listed for Customer in paragraph 14 of this Memorandum. Customer will pay any amounts listed in such invoice(s) within thirty days of delivery. For the avoidance of doubt, GRDA may, at GRDA's discretion, separately invoice Customer for costs as they accrue. Provided, if the GRDA Board of Directors must approve the transfer of title to GRDA materials in accordance with section 300-15-5-1 et seq. of the Oklahoma Administrative Code, GRDA will invoice Customer after obtaining such approval, and Customer will pay GRDA following receipt of such invoice. Customer will cooperate with GRDA to obtain such Board approval. If the GRDA Board of Directors does not approve the transfer of legal title of the GRDA Materials, GRDA and Customer will use reasonable efforts to substitute those GRDA Materials with materials provided by Customer.

13. Insurance. Customer will maintain adequate insurance to cover Customer's risk arising from or related to this Agreement.

14. Choice of Law and Venue. This agreement shall be interpreted and construed in accordance with the laws of the State of Oklahoma. The state district courts in Mayes County, Oklahoma, will have exclusive venue over any disputes arising from or related to this Memorandum.

15. Notice. Any written notice required under this Memorandum will be deemed properly delivered if emailed, or mailed, postage prepaid, certified mail, return receipt requested, to the Party concerned as follows:

Grand River Dam Authority Attn: CEO 9933 E. 16 th Street Tulsa, OK 74128 dsullivan@grda.com With copy to: GRDA General Counsel 9933 E. 16 th Street Tulsa, OK 74128	Customer: Sallisaw Municipal Authority P.O. Box 525 115 East Choctaw Sallisaw, OK 74955 Attn: General Manager cityofsallisaw@sallisawok.org
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16. Authorized Personnel. The following personnel are authorized to execute Confirmation(s) under this Memorandum (collectively, “Authorized Personnel”):

GRDA: Tim Brown, COO Mike Waddell, VP, Transmission and Distribution Operations	Customer: Keith Skelton General Manager Sallisaw Municipal Authority
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17. Entire Agreement and Amendment. This Memorandum, and any Confirmations entered into pursuant to this Memorandum, constitutes the entire agreement between GRDA and Customer regarding the subjects addressed in the Memorandum, and supersedes all prior written or oral understandings of the parties. This Memorandum may only be amended, supplemented, modified or canceled by a written instrument executed by an authorized representative of GRDA and an authorized representative of Customer.

18. Indemnification, Limitation of Liability, and No Warranty.

- a. *Indemnification for Third-Party Claims.* To the extent permissible under Oklahoma law, Customer will release, defend, indemnify, and hold harmless GRDA from and against any third-party claims, demands and liabilities whatsoever arising from or related Assistance provided by GRDA pursuant to this Memorandum.
- b. *No Warranty.* NO IMPLIED OR STATUTORY WARRANTIES, AND/OR WARRANTIES OR CONDITIONS OF MERCHANTABILITY, QUALITY, OR FITNESS FOR A PARTICULAR USE SHALL APPLY TO GRDA’S PERFORMANCE OF ASSISTANCE, OR TO ANY OTHER EQUIPMENT, MATERIAL, DUTY OR SERVICE PROVIDED BY GRDA.
- c. *Limitation of Liability.* It is the intent of the parties that GRDA will be completely absolved of liability arising from or related to Assistance provided pursuant to this Memorandum. However, if a court of competent jurisdiction determines that the preceding paragraph does not completely absolve GRDA of liability, in no event will GRDA’s total cumulative liability for all claims arising from or related to this Agreement exceed \$1,000.

19. No Partnership. This Memorandum shall not be construed as, or given the effect of, creating a joint venture, partnership or affiliation or association that would otherwise render the them liable as partners, agents, employer-employee or otherwise create any joint and several liability.

20. Risk of Loss. Customer will retain the risk of loss of any tooling, equipment, and/or materials related to the Assistance.

21. Term and Termination. This Memorandum will become effective as of the Effective Date, and will continue in effect for one year. Unless either party provides written notice to the other party that it seeks to cancel automatic extension, the term of this Memorandum will be automatically extended for one additional year on each anniversary of the Effective Date. Provided further, either Party may terminate this Agreement by delivering a written notice of termination to the other party at least 30 days prior to the requested date of termination.

22. Representation and Warranties of Authority to Execute. Effective as of the date of execution, and as of the date of any Confirmation executed under this Memorandum, GRDA and Customer represent that:

- a. the individuals signing below possess adequate authority and authorization to bind the Parties to the obligations contained in this Memorandum;
- b. all necessary approvals (including Board of Director or Board of Trustee approvals) have been obtained by the Parties, and those necessary approvals are currently effective;
- c. Customer and GRDA Authorized Personnel have been delegated the authority to execute Confirmations under this Memorandum.

(Signature page to follow)

The Parties signing below agree to the terms of the Memorandum effective as of May 11, 2020 ("Effective Date").

GRAND RIVER DAM AUTHORITY

By _____
Daniel S. Sullivan, CEO

ATTEST:

(Seal)

Sheila Allen, Corporate Secretary

CUSTOMER

By _____
Keith Skelton, General Manager

ATTEST:

(Seal)

By _____
Dianna Davis, Secretary

Exhibit A
Confirmation

Date: _____

General description of Assistance to be provided:

Estimated GRDA personnel, equipment, materials, supply, and tooling to be provided:

Estimated timeline of GRDA providing Assistance:

Applicable GRDA personnel, equipment, and materials rates:

Estimated total cost of GRDA providing Assistance: _____

(attach additional pages if necessary)

This Confirmation incorporates by reference the terms of the Memorandum, and is agreed to as of the date listed above.

GRDA:

Customer:

[Name/Title]

[Name/Title]

SALLISAW MUNICIPAL AUTHORITY

**REDEPOSIT
OF
TEMPORARILY IDLE FUNDS**

May 11, 2020

Fund

Amount

Sallisaw Municipal Authority

\$104,928.09

Days

Firststar

National

Armstrong

Arvest

28

.27%

.25%

Days

Firststar

National

Armstrong

Arvest

63

.27%

.25%



115 East Choctaw P.O. Box 525 Sallisaw, OK 74955
918-775-6241 918-775-9550 Fax www.sallisawok.org

SALLISAW MUNICIPAL AUTHORITY

TO: Firststar Bank

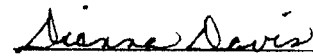
April 30, 2020

The Sallisaw Municipal Authority requests quotes on time deposits of idle funds for the time specified beginning May 13, 2020:

<u>FUND</u>	<u>AMOUNT</u>	<u>DAYS</u>	<u>MATURITY</u>	<u>QUOTE</u>
Sallisaw Mun. Auth.	\$468,444.99	28	June 10, 2020	<u>.27%</u>
		63	July 15, 2020	<u>.27%</u>

Due to COVID-19 quotes will be received by the City Clerk via e-mail; ddavis@sallisawok.org. E-mail quotes must be received by 10:00 a.m., Wednesday, May 6, 2020. Quotes will be reviewed by the City Clerk. Recommendation for award will be presented at the meeting of the Sallisaw Municipal Authority beginning immediately following the Board of City Commissioners at 6:00 p.m. on May 11, 2020.

Please ensure your facility has sufficient collateral pledged, should you be the successful bidder.


Dianna Davis, Secretary

Submitted by:

Firststar Bank

Date: 5-5-20

By: E. Kan



115 East Choctaw P.O. Box 525 Sallisaw, OK 74955
918-775-6241 918-775-9550 Fax www.sallisawok.org

SALLISAW MUNICIPAL AUTHORITY

TO: National Bank of Sallisaw

April 30, 2020

The Sallisaw Municipal Authority requests quotes on time deposits of idle funds for the time specified beginning May 13, 2020:

<u>FUND</u>	<u>AMOUNT</u>	<u>DAYS</u>	<u>MATURITY</u>	<u>QUOTE</u>
Sallisaw Mun. Auth.	\$468,444.99	28	June 10, 2020	<u>0.25%</u>
		63	July 15, 2020	<u>0.25%</u>

Due to COVID-19 quotes will be received by the City Clerk via e-mail: ddavis@sallisawok.org. E-mail quotes must be received by 10:00 a.m., Wednesday, May 6, 2020. Quotes will be reviewed by the City Clerk. Recommendation for award will be presented at the meeting of the Sallisaw Municipal Authority beginning immediately following the Board of City Commissioners at 6:00 p.m. on May 11, 2020.

Please ensure your facility has sufficient collateral pledged, should you be the successful bidder.


Dianna Davis, Secretary

Submitted by:

National Bank of Sallisaw

Date: 5/6/20

By: 