ENGROSSED SENATE
BILL NO. 779

By: Easley of the Senate

and

Rice of the House

An Act relating to Grand River Dam Authority; amending 82 O.S. 1991, Sections 863 and 864, as amended by Section 1, Chapter 299, O.S.L. 1993 (82 O.S. Supp. 1995, Section 864), which relates to the Board of Directors and employee compensation; updating statutory language; authorizing certain compensation for directors; authorizing GRDA to implement certain compensation adjustments; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 82 O.S. 1991, Section 863, is amended to read as follows:

Section 863. A. There is hereby created the Grand River Dam Authority Board of Directors Nominating Committee, hereinafter referred to as the "Committee", which shall consist of representatives from:

1. Each municipal customer of the Grand River Dam Authority. A single representative shall be selected by the governing body of each municipality to serve at the pleasure of that governing body;

2. Each rural electric cooperative customer of the Grand River Dam Authority, including any rural electric cooperative receiving its electricity from any wholesale cooperative. Each representative

shall be selected by the governing body of the rural electric cooperative to serve at the pleasure of that governing body; and

3. The industrial customers of the Grand River Dam Authority. The industrial customers shall meet and select from among themselves five (5) representatives to serve on the Committee and to serve at their pleasure. The five (5) representatives shall be selected at a meeting of at least two-thirds (2/3) of the industrial customers of the Grand River Dam Authority.

On and after the effective date of this act, as vacancies occur on the Board of Directors of the district, the Committee shall meet and nominate three (3) candidates to fill such vacancy by majority vote. The list of the three nominees shall be forwarded to the Governor within thirty (30) days of the meeting of the Committee. In making such nominations, the Committee shall consider the following regarding the composition of the Board:

1. Each Board member shall be a resident of the district;

2. One director shall be selected from the industrial customers of the district;

3. One director shall be an official of a municipality served by the Grand River Dam Authority;

4. One director shall be an official of a rural electric cooperative served by the Grand River Dam Authority;

5. Remaining directors shall be selected at large; and

6. Each director shall have a demonstrated capability in business, finance or professional fields.

No member of the Committee shall serve on the Board nor receive any compensation or reimbursement for service on the Committee.

B. The powers, rights, privileges and functions of the district shall be exercised by a board of seven (7) directors, herein called the Board, to be appointed from nominees supplied by the Committee by the Governor with the advice and consent of the Senate.

No more than one of such directors shall be residents of the same county; provided, that no person shall be eligible for such appointment if he or she has, during the three (3) years before ~~his~~ their appointment, been employed by any investor-owned utility company of any kind or character whatsoever, or holding a federal, state or county office, elective or appointive; and, further, provided, that such director shall have lived in said district five (5) years prior to his or her appointment.

The terms of office of the directors first taking office after the approval of this act in 1965 shall expire as designated by the Governor at the time of nomination; one on the second Tuesday of January, 1966; one on the second Tuesday of January, 1967; one on the second Tuesday of January, 1968; one on the second Tuesday of January, 1969; one on the second Tuesday of January, 1970; one on the second Tuesday of January, 1971; and one on the second Tuesday of January, 1972. A successor to a director of the Board shall be appointed in the same manner as the original directors and shall have a term of office expiring seven (7) years from the date of the expiration of the term for which his or her predecessor was appointed. Any director appointed to fill a vacancy in the Board occurring prior to the expiration of the term for which his or her predecessor was appointed shall be appointed for the remainder of such term. Each director shall qualify by taking the official oath of office prescribed by general statute. Any director may be removed from office for just cause by majority vote of the Committee.

Each director shall receive a fee not to exceed Seventy-five Dollars ($75.00) per day for each day spent in attending meetings of the Board and, in addition, each director shall be allowed ~~his~~ actual and necessary expenses incurred in attending the meetings of the Board and in attending to the authorized business of the district pursuant to the State Travel Reimbursement Act, Section

500.1 et seq. of Title 74 of the Oklahoma Statutes. No director shall, at the same time he or she is serving on the Board of Directors as a director, hold any other position with the Grand River Dam Authority.

The time and place of the regular meetings and the manner in which special meetings may be called shall be set forth in the bylaws of the said Authority. Four directors shall constitute a quorum at any meeting, and, except as otherwise provided in this act or in the bylaws, 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 Five Thousand Dollars ($5,000.00), 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 four directors.

SECTION 2. AMENDATORY 82 O.S. 1991, Section 864, as amended by Section 1, Chapter 299, O.S.L. 1993 (82 O.S. Supp. 1995, Section 864), is amended to read as follows:

Section 864. A. The Board shall select a secretary who shall keep true and complete records of all proceedings of the Board. Until the appointment of a secretary, or in the event of his or her absence or inability to act, a secretary pro tem shall be selected by the Board. The Board shall also select a general manager, who shall be the chief executive officer of the district, and a treasurer, who may also hold the office of secretary. All such officers shall have such powers and duties, shall hold office for such term and be subject to removal in such manner as may be provided in the compensation of such officers.

B. The Board may appoint such officers, agents, and employees, fix their compensation pursuant to the provisions of this section, and term of office and the method by which they may be removed, and delegate to them such of its power and duties as it may deem proper.

C. The compensation of employees of the Grand River Dam Authority shall be computed as follows:

1. Beginning July 1, 1993, and biannually thereafter, the Office of Personnel Management shall conduct a comprehensive classification and compensation study of all positions in the Grand River Dam Authority. The study shall include, but not be limited to, an analysis of prevailing rates of pay for all positions in electrical generating utilities for jobs comparable to those performed by employees of the Grand River Dam Authority. A report shall be provided to the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives and the Board of Directors of the Grand River Dam Authority by January 1, 1994. The report shall include an analysis of all positions and classifications and recommend an average comparable pay scale developed through the study. The Grand River Dam Authority shall bear the cost of the study; ~~and~~

2. Beginning July 1, 1994, the Board of Directors of the Grand River Dam Authority shall implement the classification and compensation recommendations as appropriate if fiscal constraints and commitments to ratepayers permit. Such implementation shall be within existing guidelines of the Merit System as determined by the Office of Personnel Management; and

3. Beginning July 1, 1996, the Board of Directors of the Grand River Dam Authority may implement adjustments in compensation to correct internal inequities as determined by the Board of Directors. The total of these adjustments and those described in paragraph 2 of this subsection shall not increase the base payroll in excess of the recommendation in the Office of Personnel Management study.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 28th day of February, 1996.

President of the Senate

Passed the House of Representatives the ____ day of _____, 1996.

Speaker of the House of Representatives