

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 HOUSE BILL 2770

By: Cox

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5  
6 AS INTRODUCED

7 An Act relating to the Grand River Dam Authority;  
8 amending 82 O.S. 2001, Section 874, as last amended  
9 by Section 1, Chapter 163, O.S.L. 2007 (82 O.S. Supp.  
10 2007, Section 874), which relates to the mortgage,  
11 sale, lease, or other disposition of property; making  
12 an exception to restrictions on encumbrance of Grand  
13 River Dam Authority property; granting certain  
14 easements to certain adjacent landowners; making  
15 easements subject to certain flowage easements and  
16 covenants; providing for codification; and declaring  
17 an emergency.

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

19 SECTION 1. AMENDATORY 82 O.S. 2001, Section 874, as last  
20 amended by Section 1, Chapter 163, O.S.L. 2007 (82 O.S. Supp. 2007,  
21 Section 874), is amended to read as follows:

22 Section 874. A. ~~Nothing~~ Except as otherwise provided for in  
23 Section 2 of this act, nothing in Sections 861 through 890 of this  
24 title shall be construed as authorizing the district and it shall  
not be authorized to mortgage or otherwise encumber any of its  
property of any kind, real, personal or mixed, or any interest  
therein, or to acquire any property or interest subject to a

1 mortgage or conditional sale, provided that this section shall not  
2 be construed as preventing the pledging of the revenues of the  
3 district as herein authorized. Nothing in Sections 861 through 890  
4 of this title shall be construed as authorizing the sale, lease or  
5 other disposition of any property or interest of the district by the  
6 district or any receiver of any of its properties or through any  
7 court proceeding or otherwise. The district may sell for cash,  
8 subject to competitive bidding as provided by the Board of Directors  
9 of the Grand River Dam Authority, any property or interest in an  
10 aggregate value not exceeding the sum of Five Hundred Thousand  
11 Dollars (\$500,000.00) in any one (1) year, except that the district  
12 may sell any or all surplus property that the district may have  
13 acquired without regard to the limitations herein, if the Board, by  
14 the affirmative vote of five or more of the members, shall have  
15 determined that the same is not necessary to the business of the  
16 district and shall have approved the terms of any sale.

17 B. The district may lease any of its lands if the Board, by the  
18 affirmative vote of five or more of the members, shall have  
19 determined that the same can be leased without injury to or without  
20 interference with the operations of the project, and shall have  
21 approved the terms of any lease. Except as otherwise provided, no  
22 shorelands (lands lying between the low and high water marks) shall  
23 be leased for a term longer than two (2) years and not more than  
24 one-fourth (1/4) mile of the lake front shall be leased to any one

1 person, firm or corporation. The district may lease shorelands for  
2 a term longer than two (2) years and more than one-fourth (1/4) mile  
3 of lake front may be leased to any one person, firm, or corporation  
4 without regard to the limitations herein, if the Board, by the  
5 affirmative vote of a majority of the members, determines that the  
6 lease is necessary or beneficial to the business of the district.  
7 The district may lease shorelands to political subdivisions,  
8 agencies of the State of Oklahoma, or tax-exempt public trusts, for  
9 any public purpose, on such terms as are mutually satisfactory to  
10 the parties, notwithstanding the limitations herein. No lease shall  
11 deprive the owner of any land adjacent to the shorelands or lake  
12 front, or abutting thereon, of ingress or egress to and from the  
13 water of the lakes and shall not deprive the owner of any wharf,  
14 dock or boat anchorage privileges that would belong to the owner if  
15 the shorelands or lake front were not leased.

16 C. It is the intention of Sections 861 through 890 of this  
17 title that, except by sale, lease or agreement as expressly  
18 authorized in Sections 861 through 890 of this title or by grant of  
19 easement as provided for in Section 2 of this act, no property or  
20 interest of the district shall ever come into the ownership or  
21 control, directly or indirectly, of any person, firm or corporation  
22 other than a public authority created under the laws of the State of  
23 Oklahoma. Nothing in this section shall be construed as preventing  
24 the district from contracting with the United States or any agency

1 thereof for the temporary possession, control and use of properties  
2 by the United States or any agency thereof for the safety and  
3 defense of the United States in time of a national emergency or in  
4 anticipation thereof.

5 D. All property of the district shall be at all times exempted  
6 from forced sale, and nothing contained in Sections 861 through 890  
7 of this title shall authorize the sale of any of the property of the  
8 district under any judgment rendered in any suit, and such sales are  
9 hereby prohibited and forbidden. The provisions of this subsection  
10 shall not apply to any property constructed on a lease or the  
11 interest in a lease of shoreland that has been entered into by the  
12 district pursuant to subsection B of this section for a term of  
13 longer than two (2) years, provided the provisions of the lease  
14 authorizing the mortgage and forced sale of the property or lease  
15 interest has been approved by an affirmative vote of a majority of  
16 the members of the Board.

17 E. The provisions of this section shall not apply to any sale  
18 agreement, lease agreement or other agreement entered into by the  
19 district pursuant to paragraphs (f) or (g) of Section 862 of this  
20 title, provided that the agreement is in compliance with any  
21 applicable provision restricting the sale or leasing of property by  
22 the district contained in any resolution of the district providing  
23 for the issuance of revenue bonds.

24

1 SECTION 2. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 874.3 of Title 82, unless there  
3 is created a duplication in numbering, reads as follows:

4 There is hereby granted to all owners of any lands adjacent to  
5 the shoreland or lake front of Grand Lake O'The Cherokees, or  
6 abutting thereon, a general all-purpose easement covering any  
7 property on and along the shoreline of Grand Lake O'The Cherokees  
8 owned by the Grand River Dam Authority, which lies above seven  
9 hundred fifty (750) feet Sea Level Datum Elevation. The easement  
10 granted pursuant to this section shall be subject to the flowage  
11 easements and covenants therein held by the United States for flood  
12 purposes.

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

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