

1 ENGROSSED SENATE
2 BILL NO. 248

By: David and Fields of the
Senate

3 and

4 Rousselot of the House
5
6

7 An Act relating to the Grand River Dam Authority;
8 amending 82 O.S. 2001, Section 862, as last amended
9 by Section 1, Chapter 301, O.S.L. 2008 (82 O.S. Supp.
10 2010, Section 862), which relates to powers, rights
11 and privileges of the district; authorizing certain
12 rural water districts to take water from certain
sources with no fee; updating language; and providing
an effective date.

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

14 SECTION 1. AMENDATORY 82 O.S. 2001, Section 862, as last
15 amended by Section 1, Chapter 301, O.S.L. 2008 (82 O.S. Supp. 2010,
16 Section 862), is amended to read as follows:

17 Section 862. The ~~district~~ Grand River Dam Authority herein
18 referred to as the "district" shall have and is hereby authorized to
19 exercise the following powers, rights and privileges:

20 ~~(a)~~ 1. To control, store and preserve, within the boundaries of
21 the district, the waters of Grand River and its tributaries, for any
22 useful purpose, and to use, distribute and sell the same within the
23 boundaries of the district; provided, however, that any municipal
24 corporation or Rural Water District organized under the provisions

1 of Section 1324.1 et seq. of this title within the area included
2 within the jurisdiction of the ~~said~~ Grand River Dam Authority shall
3 be entitled to take water from the Grand River and any of its
4 tributaries in any quantities that may be needed by such municipal
5 corporation or rural water district without payment of any fee or
6 charge for such water;

7 ~~(b)~~ 2. To develop and generate water power, electric power and
8 electric energy, from whatever source, within the boundaries of the
9 district; to acquire coal or other minerals to be used for the
10 purposes of providing energy sources for electrical generating
11 plants; to acquire or lease any and all railroad connections,
12 equipment, rolling stock, trackage and otherwise, necessary to the
13 transporting of coal and other minerals to generating plant sites
14 within the district; and to buy, sell, resell, interchange and
15 distribute electric power and energy in order to carry forward the
16 business and functions of the district now or hereafter authorized
17 by law and may enter into contracts for such purposes, such
18 contracts to run for a period of not to exceed fifty (50) years
19 except those contracts provided for in paragraphs ~~(f)~~ 6 and ~~(g)~~ 7 of
20 this section. All contracts may contain such reasonable provisions,
21 limitations, qualifications, protective clauses and rights and
22 obligations of purchase and sale, and such provisions for the
23 dedication of the use of facilities and the construction of
24 additional facilities to serve the load requirements of all the

1 parties as may be deemed advisable by the district to safeguard the
2 business and properties of all the parties to such contracts, all
3 within the limits of sound business judgment and practice, good
4 conscience, and not contrary to the public policy of the state;

5 ~~(e)~~ 3. To prevent or aid in the prevention of damage to person
6 or property from the waters of the Grand River and its tributaries;

7 ~~(d)~~ 4. To forest and reforest and to aid in the foresting and
8 reforesting of the watershed area of the Grand River and its
9 tributaries and to prevent and to aid in the prevention of soil
10 erosion and floods within ~~said~~ the watershed area;

11 ~~(e)~~ 5. To acquire by purchase, lease, gift, or in any other
12 manner, and to maintain, use and operate or to contract for the
13 maintenance, use and operation of any and all property of any kind,
14 real, personal, or mixed, or any interest therein, including trucks
15 of any size or weight and passenger vehicles and to own, construct,
16 operate and maintain any project or works in conjunction or jointly
17 with, as tenants in common, any public or private corporation duly
18 authorized and qualified to do business within this state including,
19 but not limited to, rural electric cooperatives of the State of
20 Oklahoma or the United States of America, or any department,
21 subdivision or agency of the State of Oklahoma or the United States
22 of America, or with any "public agency" as defined under the
23 Interlocal Cooperation Act, Sections 1001 through 1008 of Title 74
24 of the Oklahoma Statutes, within or without the boundaries of the

1 district, necessary, incidental or convenient to the exercise of the
2 powers, rights, privileges and functions conferred upon it by ~~this~~
3 ~~act~~ Section 861 et seq. of this title;

4 ~~(f)~~ 6. In addition to any other powers conferred, the district
5 shall have power and authority to participate and enter into
6 agreements with any public or private corporation duly authorized
7 and qualified to do business within the State of Oklahoma including,
8 but not limited to, rural electric cooperatives, the state or the
9 United States of America or any department, subdivision or agency of
10 the state or the United States of America, or with any "public
11 agency" as defined under the Interlocal Cooperation Act, Sections
12 1001 through 1008 of Title 74 of the Oklahoma Statutes, for the
13 purpose of planning, acquiring, financing, owning, operating and
14 maintaining an undivided ownership of any steam, oil, gas,
15 coal-fired, thermal, geothermal, solar, waste or refuse reclamation
16 powered electric generating plant or plants or any facilities of
17 every kind necessary, incidental or convenient for the production,
18 generation and transmission of electric power and energy including,
19 but not limited to, any and all related transmission facilities,
20 which shall be used as common facilities. The agreements shall
21 provide that the district and any participants therein shall have
22 the incidents of tenant in common to any plant or facility. It
23 shall also be provided in the agreements that the district and any
24 participant in the project shall own a percentage of any common

1 facility equal to the percentage of the money furnished or the value
2 of property supplied by it for the acquisition and construction
3 thereof and shall own and control a like percentage of the
4 electrical output thereof.

5 Each participant shall defray its own interest payments and
6 other payments required to be made or deposited in connection with
7 any financing undertaken by it to pay its percentage of the money
8 furnished or value of property supplied by it for the planning,
9 acquisition and construction of any common facility, or any
10 additions or betterments thereto. The agreement shall further
11 provide a uniform method of determining and allocating operation and
12 maintenance expenses of the common facility.

13 In carrying out the powers granted in this section, the district
14 and each participant shall be severally liable only for its own acts
15 and not jointly or severally liable for the acts, omissions or
16 obligations of others. No money or property supplied by the
17 district or any participant for the planning, financing, acquiring,
18 constructing, operating or maintaining of any common plant or
19 facility shall be credited or otherwise applied to the account of
20 any other participant therein, nor shall the undivided share of the
21 district or any participant therein be charged, directly or
22 indirectly, with any debt or obligation of any other participant or
23 be subject to any lien as a result thereof. No action in connection
24 with a common facility shall be binding upon the district except as

1 expressly authorized and provided for in the participation
2 agreement;

3 ~~(g)~~ 7. In addition to the powers conferred in paragraph (f) of
4 this section, the district shall have power and authority to
5 participate and enter into agreements with any public or private
6 corporation duly authorized and qualified to do business within this
7 state including, but not limited to, rural electric cooperatives,
8 the State of Oklahoma or the United States of America or any
9 department, subdivision or agency of the State of Oklahoma or the
10 United States of America, or with any "public agency" as defined
11 under the Interlocal Cooperation Act, Sections 1001 through 1008 of
12 Title 74 of the Oklahoma Statutes, for the purpose of planning,
13 acquiring, financing, owning, operating and maintaining undivided
14 ownership interests in any steam, oil, gas, coal-fired, thermal,
15 geothermal, solar, waste or refuse reclamation powered electric
16 generating plant or plants or any other facilities of every kind
17 necessary, incidental or convenient for the production, generation
18 and transmission of electric power and energy including, but not
19 limited to, any and all related transmission or other facilities
20 which are to be used as common facilities and to cooperate with
21 other state agencies and public trusts to promote economic
22 development in the state and to assist in attracting industry to the
23 state. Such undivided ownership interests may be created by an
24 agreement entered into with respect to property to be acquired by

1 the district. Any such agreement may be a sale agreement, with the
2 purchase price payable at one time or in installments at such time
3 and over such period as shall be agreed to by the parties thereto, a
4 lease agreement, with a nominal purchase option, or any other type
5 of agreement. In addition to the purchase price, the district shall
6 be fully indemnified as to operation, maintenance, administrative
7 and other expenses incurred with respect to such undivided interest.
8 Any payment received in respect to any such agreement shall be
9 deemed revenues of the Authority. The district is hereby authorized
10 to enter into any such agreement in order to sell, lease or
11 otherwise convey undivided ownership interests in any such property.
12 Any such agreement shall specify the undivided interest to be owned
13 or acquired by each of the participants, provide for a waiver of
14 partition, prescribe the time of vesting of such interest and the
15 amount of electrical output to be owned and controlled by any
16 participant.

17 Each participant shall defray its own interest and other
18 payments required to be made or deposited in connection with any
19 financing undertaken by it to pay its percentage of the money
20 furnished or value of property supplied by it for the planning,
21 acquisition and construction of any common facility, or any
22 additions or betterments thereto. The agreement shall provide a
23 uniform method of determining and allocating operation and
24 maintenance expenses of the common facility.

1 In carrying out the powers granted in this section, the district
2 and each participant shall be severally liable only for its own acts
3 and not jointly or severally liable for the acts, omissions or
4 obligations of others. No money or property supplied by the
5 district or any participant for the planning, financing, acquiring,
6 constructing, operating or maintaining of any common plant or
7 facility shall be credited or otherwise applied to the account of
8 any other participant therein, nor shall the undivided share of the
9 district or any participant therein be charged, directly or
10 indirectly, with any debt or obligation of any other participant or
11 be subject to any lien as a result thereof. No action in connection
12 with a common facility shall be binding upon the district except as
13 expressly authorized and provided for in the participation
14 agreement;

15 ~~(h)~~ 8. To acquire by condemnation any and all property of any
16 kind, real, personal, or mixed, or any interest therein, within or
17 without the boundaries of the district, necessary, incidental or
18 convenient to the exercise of the powers, rights, privileges and
19 functions conferred upon it by ~~this act~~ Section 861 et seq. of this
20 title, in the manner provided by general law with respect to
21 condemnation; provided that nothing in ~~this act~~ Section 861 et seq.
22 of this title shall ever be construed to authorize the district to
23 acquire by condemnation any privately, municipally or publicly owned
24 electric public utility system or any part thereof outside of the

1 high-water mark of a reservoir area or outside a properly located
2 damsite, except the districts may require the relocation of
3 transmission lines and substations so owned where such relocation is
4 necessary for the construction and maintenance of dams, reservoirs,
5 levees, spillways and floodways, and in such event just compensation
6 shall be paid. Provided that the Grand River Dam Authority shall
7 have the right to cross transmission lines of other electric utility
8 companies under proper engineering standards of construction as
9 approved by the Corporation Commission;

10 ~~(i)~~ 9. Subject to the provisions of ~~this act~~ Section 861 et
11 seq. of this title, from time to time sell, which shall include, but
12 not be limited to, an installment sale agreement, lease with nominal
13 purchase options, or otherwise dispose of any property of any kind,
14 real, personal or mixed, or any interest therein, which shall not be
15 necessary to the carrying on of the business of the district;

16 ~~(j)~~ 10. To overflow and inundate any public lands and public
17 property and to require the relocation of roads and highways in the
18 manner and to the extent necessary to carry out the purposes of ~~this~~
19 ~~act~~ Section 861 et seq. of this title; provided, that ~~said~~ the
20 district shall be liable in damages to the State of Oklahoma or any
21 subdivision thereof for any injury occasioned or expense incurred by
22 reason thereof;

23 ~~(k)~~ 11. To construct, extend, improve, maintain and
24 reconstruct, to cause to be constructed, extended, improved,

1 maintained and reconstructed, and to use and operate any and all
2 facilities of any kind necessary, incidental or convenient to the
3 exercise of such powers, rights, privileges and functions;

4 ~~(l)~~ 12. To sue and be sued in its corporate name in contracts,
5 reverse condemnation, tort, equity, mandamus and similar actions and
6 in its own name plead and be impleaded~~7;~~ provided, however, that any
7 and all actions of law or in an equity against the district shall be
8 brought in the county in which the principal office of the district
9 shall be located or in the county where the cause of action arose;

10 ~~(m)~~ 13. To adopt, use and alter a corporate seal;

11 ~~(n)~~ 14. To make bylaws for the management and regulation of its
12 affairs;

13 ~~(o)~~ 15. To appoint officers, agents and employees, to prescribe
14 their duties and to fix their compensation; and enter into contracts
15 with labor unions, provided, that contracts with labor unions shall
16 not abrogate the rights of the district to cooperate and carry out
17 Veterans on the Job Training;

18 ~~(p)~~ 16. To make contracts and to execute instruments necessary,
19 incidental or convenient to the exercise of the powers, rights,
20 privileges and functions conferred upon it by ~~this act~~ Section 861
21 et seq. of this act;

22 ~~(q)~~ 17. To borrow money for its corporate purposes and, without
23 limitation of the generality of the foregoing, to borrow money and
24 accept grants from the United States of America, or from any

1 corporation or agency created or designated by the United States of
2 America, and, in connection with any such loan or grant, to enter
3 into such agreements as the United States of America or such
4 corporation or agency may require; and to make and issue its
5 negotiable bonds for money borrowed, in the manner provided in ~~this~~
6 ~~act~~ Section 861 et seq. of this title. Nothing in ~~this act~~ Section
7 861 et seq. of this title shall authorize the issuance of any bonds,
8 notes or other evidences of indebtedness of the district, except as
9 specifically provided in ~~this act~~ Section 861 et seq. of this title;

10 ~~(r)~~ 18. To prescribe and enforce rules for the use for
11 recreational and commercial purposes of the lakes created by the
12 district by impounding the waters of ~~said~~ the lakes, and the
13 shorelands of the district bordering thereon, including the use of
14 firearms, the inspection of all boats of every character proposing
15 to operate or operating on ~~said~~ the lakes, the issuance of permits
16 for the operation of boats, surfboards, aquaplanes, sea-skis or
17 similar devices on ~~said~~ the lakes for hire; the charging and
18 collection of fees for the inspection or operation of such boats,
19 surfboards, aquaplanes, sea-skis or other similar devices on ~~said~~
20 the lakes for hire; preventing the launching or operation of any
21 commercial or for-hire boat, surfboard, aquaplane, sea-ski or
22 similar device for hire, on the waters of ~~said~~ the lakes, without a
23 certificate of inspection and a permit for such use; prescribing the
24 type, style, location and equipment of all wharves, docks and

1 anchorages along the shores and upon the water of ~~said~~ the lakes;
2 the issuance of permits for wharfage, dock or anchorage privileges
3 and charging fees for such commercial or private permits; and the
4 establishment and maintenance of public wharves, docks or anchorages
5 and the charging and collection of fees for the use thereof by the
6 public; to appoint or employ such persons as the district may deem
7 proper and suitable for the purpose of enforcing such rules and
8 regulations as may be issued hereunder, or as may be issued pursuant
9 to the provisions of Sections 4200 et seq. of Title 63 of the
10 Oklahoma Statutes, and for the enforcing of the provisions of ~~this~~
11 ~~act~~ Section 861 et seq. of this title, and all violations of
12 criminal laws occurring within the boundaries of the counties where
13 real property owned or leased by the Grand River Dam Authority is
14 located, which employees shall have the power of peace officers
15 during the performance of those duties, except in the serving or
16 execution of civil process;

17 ~~(s)~~ 19. To do any and all other acts or things necessary,
18 incidental or convenient to the exercise of the powers, rights,
19 privileges or functions conferred upon it by ~~this act~~ Section 861 et
20 seq. of this title or any other act or law. Provided ~~said~~ the
21 district shall be liable for damage caused by ~~said~~ the district, its
22 agents, servants and employees in creating, constructing,
23 maintaining or operating ~~said~~ the district to any corporation,
24 partnership, person or individual whose property, either real or

1 personal, within or without ~~said~~ the district, has been damaged and
2 ~~said~~ the damages may be determined by appropriate action as provided
3 by law. Nothing in ~~this act~~ Section 861 et seq. of this title shall
4 be construed as rendering the district liable for damage where it is
5 not liable on general principles of law or statute or Constitutional
6 provision.

7 Provided, however, that in the course of exercising its powers
8 as herein enumerated, the ~~said~~ district shall at all times consider
9 the rights and needs of the people living within and upon the land
10 lying within the watershed of the rivers or streams developed by the
11 district; provided, however, that nothing herein shall prevent the
12 district from selling for irrigation purposes within the boundaries
13 of the district any water impounded by it under authority of law,
14 provided that nothing herein contained shall authorize the state to
15 engage in agriculture except for educational and scientific purposes
16 and for the support of its penal, charitable, and educational
17 institutions; ~~and~~

18 ~~(t)~~ 20. To support and assist the efforts of state, regional
19 and local development organizations, political subdivisions,
20 industrial committees, chambers of commerce, tourism organizations,
21 agricultural organizations, environmental organizations and other
22 similar public and private agencies to obtain new and foster
23 expansion of existing service, industrial and manufacturing
24 facilities, businesses and enterprises to enhance the quality of

1 life for the citizens of the district and the state. Provided,
2 support and assistance shall be limited to an amount not to exceed a
3 total of Twenty-five Thousand Dollars (\$25,000.00) per year for one
4 or more projects or efforts that are for the benefit of or impact
5 the quality of life for each city or community located within the
6 boundaries of the district-; and

7 ~~(u)~~ 21. Notwithstanding any other provision of law, the General
8 Manager, department heads and other essential employees of the
9 district, as designated by the General Manager, may be permitted to
10 use a district-owned vehicle to provide transportation between the
11 employee's residence and the assigned place of employment and
12 between the residence and any location other than the assigned place
13 of employment to which the employee travels in the performance of
14 the employee's official duty.

15 SECTION 2. This act shall become effective November 1, 2011.
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1 Passed the Senate the 10th day of March, 2011.

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3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2011.

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8 _____
9 Presiding Officer of the House
10 of Representatives