

# Exhibit to Agenda Item #2

Board Finance & Audit Committee Meeting and Special SMUD Board of Directors Meeting

Tuesday, October 2, scheduled to begin at 5:30 p.m.

Customer Service Center, Rubicon Room

# Action Request

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Authorize the Chief Executive Officer and General Manager to award a sole source contract to the Sacramento Tree Foundation to provide free shade trees to customers.

- Contract Term January 1, 2019 to December 31, 2022
- Total Contract Amount not-to-exceed \$4,100,000

# Key Features of the Redesign

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- Align program goals with environmental benefits of trees—measuring stored and avoided carbon
- Investigate methodologies to formalize the tangible benefits of trees
  - air quality, avoided CO<sub>2</sub>, rain interception, energy saved
- Focus on environmental justice/equitable canopy growth for all communities and neighborhoods
- Modify available tree species
- Improve tree survivability through continuous stewardship and monitoring
- Includes up to 500 hours for consultation support for SMUD's long term campus master plan

# Environmental Benefits of Trees

- Focus on carbon reduction by modifying available tree species list
  - Add trees that store more carbon (evergreens)
  - No longer offer tree species that require large amounts of water
  - Increase diversification of the region’s tree canopy by modifying the tree species list to limit trees that are currently over planted in our region
- Create new planting scenarios, maximize planting potential
  - Multiple planting options for every lot size and tree species
  - Increase the number of available locations per lot to plant trees

	2018 (forecast)	2019	2020	2021	2022
Carbon Storage (Metric Tons)	16,560	17,570	19,315	26,085	31,715
Carbon Avoided (energy not used)	4,968	5,365	5,650	6,495	7,055

# Environmental Justice/Canopy Equity

- Offer every customer their very own “best urban forest”
- Continue to work with communities to bring trees to neighborhood parks, schools and streets
- Continue to grow NeighborWoods program by creating community sustainability in underserved areas

	2018 (forecast)	2019	2020	2021	2022
% of program that is dedicated to underserved areas	36%	37%	38%	39%	40%
Trees planted per customer	2.75	3.0	3.2	3.3	3.5

# Improve Tree Survivability/Stewardship

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- Continue to lead the industry in tree survivability and target a 65% survivability rate by 2022
- Test new tree species that are more resilient to climate change
- Support customers wanting to make an environmental impact with their landscape planning
- Community Foresters will continue to meet with customers face-to-face to educate them on tree planting and care
- Measure survivability annually

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