

AGENDA

SACRAMENTO MUNICIPAL UTILITY DISTRICT BOARD OF DIRECTORS MEETING

In accordance with the Governor's Executive Order N-29-20 and the Emergency Board Meeting Procedures adopted by the SMUD Board of Directors, the regular Board meeting and other public meetings are closed to the public to align with state, local, and federal guidelines and social distancing recommendations for the containment of the coronavirus.

Live video streams and indexed archives of meetings are available at:
http://smud.granicus.com/ViewPublisher.php?view_id=16

Members of the public may register to provide verbal comments at an upcoming Board or Committee meeting by e-mailing a request to speak to PublicComment@smud.org. Please include the date of the meeting, name, and topic or agenda item the requestor wishes to speak on. The request may also be submitted while the meeting is in progress during the standard time for the agenda item or topic. **Pre-registration is strongly encouraged by no later than 3:00 p.m. on the day of the meeting.**

Members of the public may provide written public comments on a specific agenda item or on items not on the agenda (general public comment) by submitting comments via e-mail. Comments may be submitted to PublicComment@smud.org and will be placed into the record of the meeting.

Members of the public that are listening to or watching the live stream of a Board meeting and wish to submit written comments on a specific agenda item as it is being heard may submit their comments, limited to 250 words or less, to PublicComment@smud.org, noting the agenda item number in the subject line. The Board President may read comments for items on the agenda into the record, in his discretion, based upon such factors as the length of the agenda or the number of e-mail comments received. General public comment for items not on the agenda will not be read into the record but will be provided to the Board and placed into the record of the Board meeting if it is received within two hours after the meeting ends.

December 10, 2020 – 5:30 p.m.

Zoom Webinar Link: [Join SMUD Board of Directors Meeting](#)

Webinar ID: 160 433 1144

Password: 949577

Phone Dial-in Number: 1-669-254-5252

Call to Order.

a. Roll Call.

1. Approval of the Agenda.
2. Commendation Resolution for Ray Tretheway.

3. Committee Chair Reports.

- a. Committee Chair report of December 1, 2020, Strategic Development Committee
- b. Committee Chair Report of the December 2, 2020, Policy Committee
- c. Committee Chair report of December 8, 2020, Finance and Audit Committee
- d. Committee Chair report of December 9, 2020, Energy Resources & Customer Services Committee

Item 6 was reviewed by the November 11, 2020, Finance and Audit Committee. Items 7 through 9 were reviewed by the Policy Committee on December 2, 2020. Items 10 through 13 were reviewed by the Finance and Audit Committee on December 8, 2020. Items 14 and 15 were reviewed by the Energy Resources & Customer Services Committee on December 9, 2020. Item 16 was reviewed by the Finance and Audit Committee on November 11, 12, and 17, 2020.

Comments from the public are welcome when these agenda items are called.

Consent Calendar:

4. Approve Board member compensation for service rendered at the request of the Board (pursuant to Resolution 18-12-15) for the period of November 16, 2020, through December 10, 2020.
5. Approval of the minutes of the meeting of November 19, 2020.
6. Adopt **SMUD's Pay Schedule** and **Special Compensation** items for employees pursuant to California Code of Regulations, Title 2, sections 570.5 and 571(b). **Finance and Audit Committee 11/11. (Jennifer Davidson)**
7. Accept the monitoring report for **Strategic Direction SD-11, Public Power Business Model**. **Policy Committee 12/2. (Laura Lewis)**
8. Accept the monitoring report for **Strategic Direction SD-6, Safety**. **Policy Committee 12/2. (Gary King)**
9. Approve proposed revisions to **Board-Staff Linkage BL-6, Evaluating the GM's Performance**. **Policy Committee 12/2. (President Kerth)**
10. Approve an increase in the aggregate not-to-exceed amount for Contract No. 4600001356 with **Diversified Utility Services, Inc.** and Contract No. 4600001355 with **Hot Line Construction, Inc.** by \$5 million, from \$8 million to \$13 million. **Finance and Audit Committee 12/8. (Gary King)**
11. Certify November 3, 2020, election results from the County of Sacramento electing **Rob Kerth** to serve as **SMUD's Director for Ward 5** for the four-year term beginning January 1, 2021. **Finance and Audit Committee 12/8. (Laura Lewis)**

12. Authorize SMUD's Accountant to defer recognition of \$35 million of 2020 operating revenues to offset future one-time specific expenditures in order to match such expenditures in the appropriate accounting period for rate-making purposes. **Finance and Audit Committee 12/8. (Jennifer Davidson)**

13. Accept the monitoring report for **Strategic Direction SD-17, Enterprise Risk Management**. **Finance and Audit Committee 12/8. (Jennifer Davidson)**

14.
 - a. Adopt a resolution stating SMUD's intent to exercise the authority in Section 12773 of the California Municipal Utility District Act, where SMUD may hold nonstock security in a corporation or other private entity if such security is acquired as part of a procurement of goods or services from that entity, provided no separate funding is expended solely for the nonstock security, and not more than three nonstock security acquisitions are made during the period starting January 1, 2020, to January 1, 2025.

 - b. Adopt a pilot program and policy governing the acquisition of nonstock security.

 - c. Authorize the Chief Executive Officer and General Manager to operate the **Nonstock Security Pilot Project Program**.
Energy Resources & Customer Services Committee 12/9. (Lora Anquay)

15. Accept the monitoring report for **Strategic Direction SD-16, Information Management and Security**. **Energy Resources & Customer Services Committee 12/9. (Stephen Clemons)**

Discussion Calendar:

16. Adopt the following:
 - a. **2021 Budget** which, among other things, establishes:
 - An Operations and Maintenance Budget of \$1,140 million (including Public Goods Charge of \$68.1 million);
 - A Debt Service budget of \$213.7 million;
 - A Capital and Reserve Budget of \$390.9 million; and
 - Authorized contingencies.

 - b. Declaration of Intent to Issue Debt to create \$200 million of additional bonding authority to reimburse for qualifying capital expenditures, and Official Intent to reimburse for 2021 and 2020 capital expenditures from bond proceeds, which is required to maintain tax-exempt financing capability.

Finance and Audit Committee 11/11, 11/12, and 11/17. (Jennifer Davidson)
Presenter: Jennifer Restivo

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Informational Items:

17. Financial Report: October 2020 Financial Results and Operations Data.
Presenter: Lisa Limcaco

- 18. Audit Report: Power Source Disclosure Program Report.
Presenter: Claire Rogers
- 19. Provide the Summary of SMUD's current Power Supply Costs.
Presenter: Jennifer Davidson

Public Comment:

- 20. Items not on the agenda.

Board and CEO Reports:

- 21. Directors' Reports.
- 22. President's Report.
- 23. CEO's Report.
 - a. Board Video re: A Look Back at 2020

Summary of Board Direction

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FOLLOWING ADJOURNMENT OF THE FOREGOING SMUD BOARD OF DIRECTORS MEETING, THE SPECIAL MEETINGS OF THE FOLLOWING JOINT POWERS AGENCIES WILL CONVENE:

CENTRAL VALLEY FINANCING AUTHORITY
 NORTHERN CALIFORNIA GAS AUTHORITY NUMBER 1
 SACRAMENTO COGENERATION AUTHORITY
 SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY
 SACRAMENTO POWER AUTHORITY
 NORTHERN CALIFORNIA ENERGY AUTHORITY

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Board Committee Meetings and Special Meetings of the Board of Directors are held at the SMUD Headquarters Building, 6201 S Street, Sacramento

The SMUD Board of Directors is currently operating under Emergency Board Meeting Procedures. In response to local, state, and federal directives, the following meetings will be held virtually (online).

December 8, 2020	Finance and Audit Committee and Special SMUD Board of Directors Meeting	Virtual Meeting (online)	5:30 p.m.
December 9, 2020	Energy Resources & Customer Services Committee and Special SMUD Board of Directors Meeting	Virtual Meeting (online)	5:30 p.m.

January 12, 2021	Strategic Development Committee and Special SMUD Board of Directors Meeting	Virtual Meeting (online)	5:30 p.m.
January 13, 2021	Policy Committee and Special SMUD Board of Directors Meeting	Virtual Meeting (online)	5:30 p.m.
January 19, 2021	Finance and Audit Committee and Special SMUD Board of Directors Meeting	Virtual Meeting (online)	5:30 p.m.
January 20, 2021	Energy Resources & Customer Services Committee and Special SMUD Board of Directors Meeting	Virtual Meeting (online)	5:30 p.m.
January 26, 2021	Strategic Development Committee and Special SMUD Board of Directors Meeting	Virtual Meeting (online)	5:30 p.m.

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Regular Meetings of the Board of Directors are held at the SMUD Headquarters Building, 6201 S Street, Sacramento

The SMUD Board of Directors is currently operating under Emergency Board Meeting Procedures. In response to local, state, and federal directives, the following meeting will be held virtually (online).

January 21, 2021	Virtual Meeting (online)	5:30 p.m.
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Pursuant to Resolution No. 20-06-08 adopted on June 18, 2020, Emergency Board Meeting Procedures are in effect:

Members of the public may make either a general public comment or comment on a specific agenda item by submitting comments via email. Comments may be submitted to PublicComment@smud.org. Comments will be provided to the Board and placed into the record of the Board meeting if it is received within two hours after the meeting ends.

Members of the public that are listening or watching the live stream of a Board meeting and wish to comment on a specific agenda item as it is being heard, may submit their comments, limited to 250 words or less, to PublicComment@smud.org. The Board President may read the comments into the record, in his discretion, based upon such factors as the length of the agenda, the number of email comments received, and whether the Board is in danger of losing a quorum. Comments will be provided to the Board and placed into the record of the Board meeting if it is received within two hours after the meeting ends.

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ADA Accessibility Procedures: Upon request, SMUD will generally provide appropriate aids and services leading to effective communication for qualified persons with disabilities so that they can participate equally in this virtual meeting. If you need a reasonable auxiliary aid or service for effective communication to participate, please email Toni.Stelling@smud.org, or contact by phone at (916) 732-7143, no later than 48 hours before this virtual meeting.