

Exhibit to Agenda Item #4

Board Monitoring: **Governance Process GP-2, Governance Focus; Governance Process GP-4, Board/Committee Work Plan and Agenda Planning; and Governance Process GP-13, Core and Key Values.**

Board Policy Committee and Special SMUD Board of Directors Meeting
Wednesday, May 11, 2022, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

GP-2 Governance Focus

5 Board Members responded to the survey

The Board will govern with an emphasis on: (i) outward vision rather than an internal preoccupation; (ii) encouragement of diversity in viewpoints; (iii) strategic leadership more than administrative detail; (iv) clear distinction of Board and CEO/General Manager roles; (v) collaborative rather than individual decisions; (vi) the future rather than past or present; and (vii) proactive thinking.

Specifically: a) The Board will cultivate a sense of group responsibility. It will be responsible for excellence in governing. The Board will be an initiator of policy and use the expertise of individual members to enhance the ability of the Board as a body.

Compliance Scores:

High 3

Med 2

Low

Comments:

As we have discussed recently, it can be difficult to use our individual knowledge/expertise in was that "enhance the ability of the Board as a body." and yet do not violate the spirit of Policy Governance. – GF

The Board needs be more prudent with their requests for information from both our staff and our CEO. - NBT

b) The Board will direct, evaluate and inspire the organization through the establishment of written policies reflecting the Board's values. The Board's major policy focus will be on SMUD's intended impacts outside the organization, not on the administrative or programmatic means of achieving those effects.

Compliance Scores:

High 4

Med 1

Low

Comment:

We generally do this, but as discussed last month, we need frequent reminders to stay in our lane. -- GF

c) Continual Board development will include orientation of new Board members in the Board's governance policies and processes, periodic re-orientation of existing Board members, and regular Board discussion of process improvement.

Compliance Scores:

High 4

Med 1

Low

d) The Board will regularly discuss and evaluate its performance. Self-monitoring will include comparison of Board activities and discipline to policies adopted by the Board. It will be up to the Board president or committee chair to determine the appropriate manner of this feedback and evaluation.

Compliance Scores:

High 4

Med 1

Low

Comment:

We slipped on this without having any offsite meetings for well over a year, but we are back on track now and refocused on having honest conversations on our self-monitoring. -- HS

GP-4 Agenda Planning

5 Board Members responded to the survey

To accomplish its strategic leadership consistent with Board policies, the Board will develop and follow an annual work plan that ensures the Board: (i) focuses on the results the Board wants the organization to achieve; (ii) defines the conditions of SMUD that it considers acceptable and unacceptable; (iii) meets its other obligations as stated by law or policy; and (iv) continually improves its performance through education, feedback, and deliberation. The Board work plan shall guide SMUD staff in preparing the agendas for regular board meetings and standing committee meetings. Specifically:

Compliance Scores:

High 5

Med

Low

Board Work Plan

- a) The Board will develop each year a list of topics and issues that it wishes to explore in the coming years and maintain a work plan that will be regularly reviewed by the Board or a standing committee. b) The Board President shall ensure that the Board's agendas meet the goals of the annual work plan.

Compliance Scores:

High 5

Med

Low

Board Agendas a) Board agendas shall be posted on the SMUD website at www.smud.org least 72 hours prior to a regular Board meeting and at least 24 hours before a special Board meeting. b) Only members of the Board and the Chief Executive Officer and General Manager (CEO/GM) and his or her designees may place items on the Board agenda. c) Items for placement on the agenda fall into the following categories: Items generated by SMUD management; Items placed on the agenda by a Board member; Presentations by outside persons or agencies that have received approval for placement on an agenda from the Board President (see Meeting Procedures of the SMUD Board of Directors for details). d) To the extent possible, when the Board conducts its regular review of the Board Work Plan, a Board member should notify the other Board members if the member intends to place an item on the agenda for discussion at a Board meeting.

Compliance Scores:

High 5

Med

Low

Comment:

If possible, I would like to see the agendas and staff report, and presentations be posted 5 days in advance of the meeting instead of 3. I have had many comments that this is not enough time for the public I wanted to raise this for board/staff discussion. – HS

e) When a Board member wishes to invite people to make a presentation at a Board meeting, the Board member should coordinate with the Board President and CEO/GM. When a Board member invites people to speak at a Board meeting during the public comment period, the Board member should notify the Board President in advance of the meeting to ensure the efficient management of public comment. f) Items may be placed on the agenda on either the consent calendar or the discussion calendar. An item placed on the consent calendar may be moved from the consent calendar to the discussion calendar at the request of any Board member, prior to a motion and a second on the consent calendar. g) A Board member may propose at the beginning of the meeting to pull an item from the agenda. Upon a motion and a second, the Board may vote to approve the agenda as revised. h) Matters not on the agenda for a regular meeting will not be considered by the Board at that meeting except: (1) upon determination by a majority of the Board that an emergency situation exists, severely impairing public health and/or safety; or (2) upon a determination by a two-thirds vote of the Board or by a unanimous vote if less than two-thirds of the members are present, that the need to take action arose subsequent to the agenda being posted; or (3) as otherwise permitted under the Ralph M. Brown Act of the California Government Code. i) Whenever an item has been approved for consideration by the Board under paragraph 2) h) of this policy, the Board President will read, upon introducing the item for Board consideration, a brief summary which shall include the subject title, a short explanation of the subject matter, and, if any, the recommendation. j) Matters on the agenda for regular meetings which have not been considered and acted upon at such meetings or continued to a subsequent meeting will be deemed continued to the following regular meeting until they can be relisted as a regular item. k) Whenever the Board fails to take action on an item on the Board's agenda, the Board will set a date for reconsideration of the item. If for any reason the Board fails to set such a date, the Board Secretary will list all such items as a "pending item" on the action item section of the next regular agenda for which the Board Secretary is accepting items.

Compliance Scores:

High 5

Med

Low

Committee Agendas a) Committee agendas shall be posted on the SMUD website at www.smud.org least 72 hours prior to the committee meeting. b) Items may be placed on a committee agenda either by a decision by the full Board, the Board President, a Board member, or by the CEO/GM and his or her designees. c) To the extent possible, when the Board conducts its regular review of the Board Work Plan, a Board member should notify the other Board members if the member intends to place an item on the agenda for discussion at a committee meeting d) When a Board member wishes to invite people to make a presentation at a committee meeting, the Board member should coordinate with the committee chair and the CEO/GM. When a Board member invites people to speak at a committee meeting during the public comment period, the Board member should notify the committee chair in advance of the meeting to ensure the efficient management of public comment. e) Members of the public may request the opportunity to be listed on a committee agenda for purposes of making a presentation at a committee meeting on matters within SMUD's jurisdiction. The committee chair will review all complete presentation requests and may, at his or her discretion, direct the responsible staff to list the presentation on the committee's agenda. (See Meeting Procedures of the SMUD Board of Directors for details).

Compliance Scores:

High 4

Med 1

Low

Comments:

I think 72 hours is the latest we can post items, I hope we would consider 5 days in advance posting if we can. Maybe we say "no later than" 3 days but target 5 days as a goal to have items posted. -- HS

Issuance of Agendas: a) The Board Secretary's office, under the direction of the CEO/GM and the Board President, shall prepare and issue an agenda for each regular meeting and special meeting of the Board. b) The Executive Management team, under the direction of the CEO/GM and in coordination with the standing committee chairs, shall prepare and issue an agenda for each standing committee meeting. c) Proposed Board agendas will be reviewed by the Board President and proposed committee agendas will be reviewed by the committee chair prior to the development of the relevant public notices.

Compliance Scores:

High 4

Med 1

Low

Comment:

We need to get the PowerPoint presentations from staff before the pre-brief meetings to know what is going to be covered on the Agenda. Right now, we only get the Staff Summary Sheet (Triple S) before the pre-brief. -- RH

GP-13 Core and Key Values

5 Board Members responded to the survey

In articulating its values, the Board distinguishes between “core” values and “key” values. Core values are deemed essential for the success of SMUD and for serving SMUD’s customers. Key values provide added value to our customers. Key values are subordinate to the core values.

Compliance Scores:

High 4

Med 1

Low

Comment:

We haven't reviewed "core" and "key" values in a while and the difference between the two and how it relates to our Zero Carbon Plan. -- RH