

Special Meeting of Sacramento Municipal Utility District Financing Authority

**Campbell Power Plant/McClellan Power Plant
Carson Power Plant
Cosumnes Power Plant
Procter & Gamble Power Plant**

Date: October 20, 2022

Time: Immediately following the SMUD Board of Directors
meeting scheduled to begin at 5:30 p.m.

Location: Virtual Meeting (online)

NOTICE AND AGENDA

SPECIAL MEETING OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY (SFA)

Pursuant to Government Code section 54953(e) and the Emergency Board Meeting Procedures adopted by the SMUD Board of Directors, the regular Board meeting and other public meetings are currently conducted solely via virtual (online/teleconference) meeting to align with state, local, and federal guidelines 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 Commission 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 Commission 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 Commission 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 Commission and placed into the record of the Commission meeting if it is received within two hours after the meeting ends.

***October 20, 2022 – Immediately following adjournment of the
SMUD Board of Directors meeting scheduled to begin at 5:30 p.m.***

Zoom Webinar Link: [Join SFA Special Meeting Here](#)

Webinar/Meeting ID: 161 365 4516

Passcode: 648099

Phone Dial-in Number: 1-669-254-5252 or 1-833-568-8864 (Toll Free)

Call to Order.

a. Roll Call.

1. Approval of the Agenda.

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

Consent Calendar:

2. Make findings pursuant to Government Code section 54953(e) to continue holding meetings virtually during proclaimed state of emergency (recurring item, every 30 days). **Energy Resources & Customer Services Committee 9/14. (Laura Lewis)**
3. Approve amendment to the **2022 SFA Budget Resolution** to augment the Capital Expenditures line item by \$18.61 million. **Finance and Audit Committee 10/18. (Lora Anguay)**

Public Comment:

4. Items not on the agenda.

Summary of Commission Direction

Dated: October 12, 2022

Brandon D. Rose, President
Sacramento Municipal Utility District Financing Authority

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 Commission and placed into the record of the Commission 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 Commission 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 Commission 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 Commission is in danger of losing a quorum. Comments will be provided to the Commission and placed into the record of the Commission meeting if it is received within two hours after the meeting ends.

Members of the public may register to provide verbal comments at an upcoming Commission meeting by emailing 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.

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.

SSS No. LEG 2022-0126

SFA COMMISSION AGENDA ITEM

Sacramento Municipal Utility District Financing Authority STAFFING SUMMARY SHEET

Committee Meeting & Date

ERCS – 09/14/22

Commission Meeting Date

October 20, 2022

Please use a separate sheet if you have any comments.

TO					TO					
1.	Frankie McDermott				6.					
2.	Brandy Bolden				7.					
3.	Lora Anguay				8.					
4.	Suresh Kotha				9.	Legal				
5.					10.	CEO & General Manager				
Consent Calendar		<input checked="" type="checkbox"/>	Yes		No (If no, schedule a dry run presentation.)					
Budgeted		<input checked="" type="checkbox"/>	Yes		No (If no, explain in Cost/Budgeted section.)					
FROM (IPR)			DEPARTMENT			MAIL STOP		EXT.		DATE SENT
Joe Schofield			Legal			B406		5448		09/01/22

NARRATIVE:

Requested Action: Make determination pursuant to Government Code section 54953(e) to continue meetings via virtual (online/teleconference) meeting for the next 30 days.

Summary: Pursuant to Executive Order N-29-20 issued on March 17, 2020, and Executive Order N-35-20 issued on March 21, 2020, as well as the Emergency Board Meeting Procedures adopted by this Board via Resolution No. 20-06-08 on June 18, 2020, this Board has conducted regular Board meetings and other public meetings via remote (online/teleconference) meetings.

On September 16, 2021, Governor Newsom signed Assembly Bill 361 (AB 361), which became effective immediately upon signature, containing language that eased Brown Act requirements to allow local agencies to meet remotely. AB 361 allows meetings to continue to be conducted by teleconference, similar to the process used during the current COVID-19 pandemic, but only when there is a declared state of emergency when the local governing body makes findings that there are imminent health risks to meeting in person.

On February 25, 2022, Executive Order N-04-22 was issued leaving the California State of Emergency due to the threat of COVID-19 in effect for the foreseeable future. Though the State of Emergency remains in effect, mask mandates have been dropped locally and at the State level.

On April 21, 2022, CAL/OSHA re-adopted its workplace COVID-19 Emergency Temporary Standards (ETS), as modified, effective May 6, 2022, through December 31, 2022, including outbreak reporting; SMUD staff continue to report COVID-19 infections, though at a decreasing rate; the lack of a requirement to sign in at SMUD Board meetings with contact information could make contact tracing nearly impossible; and the most recently reported COVID-19 data published, by the Sacramento County Department of Public Health on its Epidemiology COVID-19 Dashboard, and covering the period up to August 31, 2022, indicated a local COVID-19 case rate of 16.9% and 4 deaths since the last update. Sacramento County is currently in the medium severity tier for COVID-19 with surrounding counties being in the high and medium tiers. Wastewater testing for the presence of COVID-19 in the Sacramento sewershed indicates levels that, as of late August, were slightly lower than the dominant strain at the peak of the Delta variant.

Commission meetings immediately follow adjournment of SMUD Board or Committee meetings, and when SMUD Board and Committee meetings were held in person, they could last as long as four hours with all participants in a single room. And although we could space out participants, they would still be breathing one another's respirated air for what could be a lengthy period.

By Resolution 21-SFA-12-02 adopted on December 9, 2021, and Resolution No. 22-SFA-04-01 adopted on April 21, 2022, this Commission has previously made findings to continue to hold regular Commission meetings and other public meetings via solely virtual (online/teleconference) format.

Staff's recommendation is to continue to hold Commission meetings and other public meetings via solely virtual (online/teleconference) meeting and continue to monitor developments related to the COVID-19 pandemic. Pursuant to Government Code section 54953(e), this Commission must make findings every 30 days that conditions warrant continuing to meet virtually instead of in-person.

Board Policy: Governance Process GP-3, Board Job Description – j) Take such other actions as may be required by law.
(Number & Title)

Benefits: Making the determination to continue remote meetings will allow for efficient conduct of Commission business.

Cost/Budgeted: Contained in Business Unit budget for internal labor.

Alternatives: Take no action and comply with all original Brown Act requirements.

Affected Parties: SMUD, Commissioners, Public

Coordination: Executive Office, Board Office, Legal Department, Information Technology, Communications

Presenter: Laura Lewis, Chief Legal & Government Affairs Officer

Additional Links:

SUBJECT

Make Findings to Continue Online/Teleconference Meetings (SFA)

ITEM NO. (FOR LEGAL USE ONLY)

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ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING

RESOLUTION NO. _____

WHEREAS, Sacramento Municipal Utility District Financing Authority (SFA) is committed to preserving public access and participation in meetings of the Commissioners and to the safety of meeting attendees; and

WHEREAS, all meetings of the Commissioners are open and public, as required by the Ralph M. Brown Act (Gov't Code, §§ 5495054963) ("Brown Act"), so that any member of the public may attend, participate in, and watch SFA's governing body conduct its business; and

WHEREAS, the newly enacted Government Code section 54953(e) authorizes a local agency's governing body, during a proclaimed state of emergency, to participate in its public meetings using remote teleconferencing without compliance with the requirements of Government Code section 54953(b)(3), under specified conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, another condition is that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body determines that meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, on February 28, 2022, the California Department of Public Health rescinded the mask requirement effective March 1, 2022, for all individuals

regardless of vaccination status and instead issued a strong recommendation that all persons, regardless of vaccine status, continue indoor masking; and

WHEREAS, the Sacramento County Department of Public Health on its Epidemiology COVID-19 Dashboard continues to show elevated case and death data that appears to have been stable for weeks, and this is supported by ongoing wastewater sampling; and

WHEREAS, Sacramento County and surrounding counties currently have low community transmission rates for COVID-19 as defined by the Centers for Disease Control and Prevention; and

WHEREAS, on April 21, 2022, the California Department of Industrial Relations, Division of Occupational Safety and Health (Cal/OSHA) re-adopted its workplace COVID-19 Emergency Temporary Standards (ETS), as modified, effective May 6, 2022, through December 31, 2022, including outbreak reporting; and

WHEREAS, SMUD employees are the staff for SFA, and SMUD staff and other community members are still reporting infections with lasting symptoms; and

WHEREAS, adoption of the new bivalent booster is still relatively low; and

WHEREAS, Commission meetings immediately follow adjournment of SMUD Board or Committee meetings, and SMUD Board and Committee meetings can last as long as four hours, with participants sitting in the same room sharing air the entire time; and

WHEREAS, it would be impractical for SFA to take steps necessary to prevent imminent risks to the health and safety of attendees, such as by holding public meetings outdoors, ensuring public meeting attendees are vaccinated, have appropriate face coverings, and wear them consistent with public health guidance; and

WHEREAS, all meetings, agendas, meeting dates, times, and manner in which the public may participate in the public meetings of SFA and offer public comment by telephone or internet-based service options including video conference are posted on the SMUD website and physically outside of SMUD's Headquarters Building; and

WHEREAS, by Resolution No. 21-SFA-12-02 adopted on December 9, 2021, this Commission made findings that requisite conditions exist for the Commissioners to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, by Resolution No. 22-SFA-04-01 adopted on April 21, 2022, this Commission made findings that requisite conditions exist for the Commissioners to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE COMMISSIONERS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY:**

Section 1. Risks to Health and Safety of Attendees. The Commission has reconsidered the circumstances of the state of emergency and hereby finds that the state of emergency continues to directly impact the ability of the members to meet safely in person and holding Commission meetings in person would present imminent risks to the health and safety of attendees.

Section 2. Remote Teleconference Meetings. SMUD staff are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with section 54953(e) and other applicable provisions of the Brown Act.

Section 3. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of

(i) November 19, 2022, or (ii) such time the Commission adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Commission may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

SSS No. SFA-CPP 22-006

SFA COMMISSION AGENDA ITEM

**Sacramento Municipal Utility District Financing Authority
STAFFING SUMMARY SHEET**

Committee Meeting & Date Finance & Audit – 10/18/22
Commission Meeting Date October 20, 2022

TO	TO
1. Ryder Couch	6. Jennifer Davidson
2. Joel Ledesma	7.
3. Russell Mills	8.
4. Lora Anguay	9. Legal
5. Scott Martin	10. CEO & General Manager

Consent Calendar	<input checked="" type="checkbox"/>	Yes		No <i>If no, schedule a dry run presentation.</i>	Budgeted	<input checked="" type="checkbox"/>	Yes		No <i>(If no, explain in Cost/Budgeted section.)</i>
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FROM (IPR) Laurie Johnson	DEPARTMENT Power Generation, Thermal Generation	MAIL STOP EA405	EXT. 4822	DATE SENT 10/06/2022
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NARRATIVE:

Requested Action: Provide an overview of the Cosumnes Power Plant (CPP) steam turbine generator stator ground fault failure and approve the proposed amendment to the 2022 SFA Budget Resolution to augment the Capital Expenditures line item by \$18.61 million for Sacramento Municipal Utility District Financing Authority (SFA).

Summary: Present overview of SFA-CPP STG Stator Ground Fault Failure and proposed 2022 Budget Augmentation

Board Policy: Strategic Direction SD-4, Reliability
(Number & Title) Governance Process GP-3, Board Job Description – j) Take such other actions as may be required by law.

Benefits: Keeps Commissioners informed regarding the ongoing results of project operations.

Cost/Budgeted: \$18.61 million

Alternatives: N/A

Affected Parties: Zero Carbon Energy Solutions, Accounting, Treasury, Risk Management, Legal

Coordination: Zero Carbon Energy Solutions, Accounting, Treasury, Risk Management, Legal

Presenter: Joel Ledesma, Director, Power Generation

Additional Links:

SUBJECT SFA-CPP STG STATOR GROUND FAULT PRESENTATION	ITEM NO. <i>(FOR LEGAL USE ONLY)</i> 3
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ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

CPP STG REPAIR	2022		2023
	O&M	CAPITAL	CAPITAL
GENERATOR EXPENSES			
<i>Initial Testing and inspection to determine damage</i>	\$ 950,000.00		
<i>Full core restack with new laminants</i>		\$ 4,550,000.00	\$ 1,000,000.00
<i>Rewind of generator stator</i>		\$ 1,875,000.00	\$ 650,000.00
<i>Generator rotor rewind</i>		\$ 2,625,000.00	\$ 875,000.00
<i>Shipping and inspection of generator rotor at MEC in St Louis Includes high speed balance and new retaining rings</i>		\$ 275,000.00	
<i>Site Labor assembly, tooling, plan development, & engineering support</i>		\$ 415,000.00	\$ 135,000.00
<i>Through bolts + OEM Kits</i>		\$ 844,169.00	\$ 281,389.00
<i>MHI support</i>		\$ 1,150,000.00	\$ 350,000.00
<i>New Vent Plates</i>		\$ 251,250.00	\$ 83,750.00
<i>Additional Insurance for Rotor coming back to CPP</i>		\$ 2,500,000.00	
<i>Additional estimated labor due to extended work plan</i>		\$ 1,400,000.00	
<i>Misc contingencies (Parts,Labor, Supply Chain)</i>		\$ 1,500,000.00	\$ 500,000.00
BYPASS OPERATION / RESTORATION			
<i>Inspection and repairs for 2X0 operation</i>		\$ 375,000.00	\$ 128,000.00
<i>Engineering support for 2X0 operation</i>		\$ 100,000.00	
<i>Misc parts and valves including repalcment and repairs when the plant is restored to 2X1 operation</i>			\$ 400,000.00
<i>Restore the LP turbine</i>		\$ 750,000.00	\$ 750,000.00
<i>Labor to perform the modification and to restore the plant after repairs have been completed</i>			\$ 200,000.00
GRAND TOTAL	\$ 950,000.00	\$ 18,610,419.00	\$ 5,353,139.00
			\$ 24,913,558.00

***Augmented 2022 Capital Budget Requested**

Note: O&M Cost covered in 2022 Budget Contingency

RESOLUTION NO. _____

WHEREAS, by Resolution No. 21-SFA-12-01, adopted on December 9, 2021, this Commission approved the 2022 SFA Budget Resolution, including a line item expenditure for \$19,630,935 for Capital Expenditures; and

WHEREAS, there is now a need to augment the 2022 SFA Budget, which will increase the line item expenditure for Capital Expenditures by \$18,610,419, **NOW**,

THEREFORE,

**BE IT RESOLVED BY THE COMMISSIONERS OF THE
SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY:**

Section 1. Section 2. of Resolution No. 21-SFA-12-01 is hereby amended to increase the funds budgeted for the line item for Capital Expenditures to \$38,241,354.

Section 2. In all other respects, the 2022 SFA Budget Resolution is reaffirmed.

