

# Exhibit to Agenda Item #2

Authorize the Chief Executive Officer and General Manager to:

- a. Select an underwriting team from the Senior Manager Pool, as set forth in Schedule A, on a transaction-by-transaction basis until July 31, 2029; and
- b. Move underwriters between Senior Manager Pool A and the Alternate Pool, as set forth in Schedule B.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Tuesday, February 13, 2024, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

# Role of Underwriters

## Identify financing opportunities for SMUD

- Assist SMUD with managing debt portfolio to provide lowest cost of capital funding
- Develop strategies to manage changes to tax laws and market events

## Facilitate the sale of bonds to investors

- Prepare marketing plans, including determining optimal timing for market conditions
- Optimize debt structure with other existing SMUD debt for lowest cost of borrowing
- Provide detailed pricing results, including total interest cost, savings results and summary of investor orders

## Recommend or provide credit facilities to enhance the sale of specific types of debt

- Commercial Paper, Variable Rate bonds, etc.

## Assist SMUD with managing and enhancing ongoing investor relations

- Advise on ratings strategy, investor presentations and drafting the Official Statement

# Request for Qualifications (RFQ) for Bond Underwriting Services

## RFQ Was held to establish:

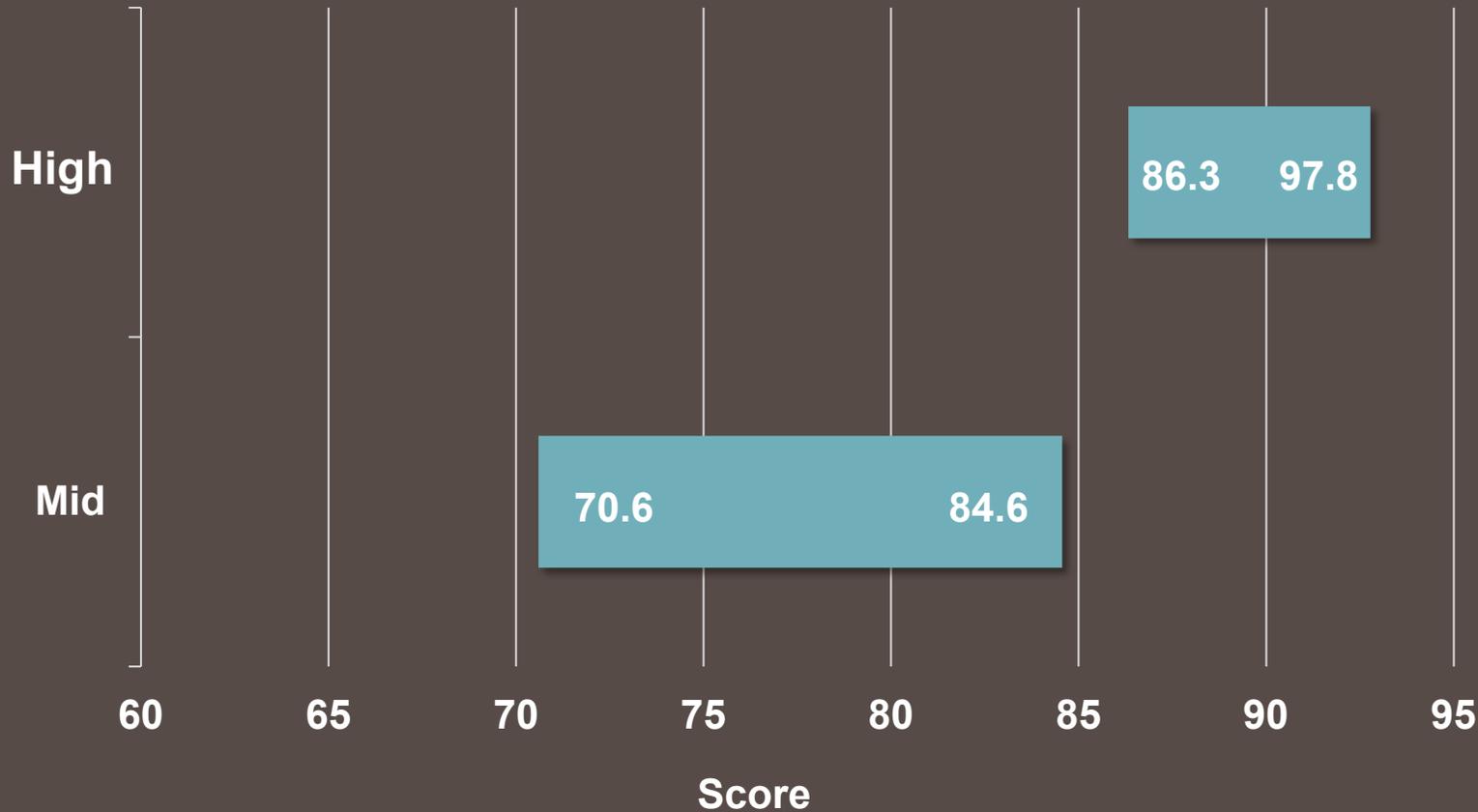
- **Senior Manager Pool:** comprised of the six best qualified firms to serve as senior or co-managing underwriters on a transaction-by-transaction basis
- **Alternate Pool:** comprised of other highly qualified firms, and firms than can potentially provide SMUD with credit services or products

*Firms may be moved from one pool to the other to reflect updated qualifications or based on presentation of unique products or ideas*

# Evaluation Criteria

- Environmental Sustainability: 10%
- Financial Qualifications and Credit of Firm : 30%
- Experience/Qualifications of Personnel : 15%
- Marketing Approach : 15%
- Technical Approach : 30%

# Evaluation Results



**Received 12 responses to RFQ**

## Scoring Results:

- Six Scores 85+
- Six Scores below 85
- Three responses did not qualify

# Recommended Banker Pools

## Senior Manager Pool

- Bank of America
- Barclays
- Goldman Sachs
- JP Morgan
- Morgan Stanley
- Wells Fargo (new member)

## Alternate Pool

- Royal Bank of Canada
- Siebert Williams Shank
- TD Securities

# Questions