

Board of Directors Meeting Agenda

Date: August 21, 2025

Time: 6:00 p.m.

Location: SMUD Headquarters Building, Auditorium
6201 S Street, Sacramento, California

Powering forward. Together.



AGENDA

SACRAMENTO MUNICIPAL UTILITY DISTRICT BOARD OF DIRECTORS MEETING SMUD HEADQUARTERS BUILDING AUDITORIUM – 6201 S STREET SACRAMENTO, CALIFORNIA

August 21, 2025 – 6:00 p.m.

Virtual Viewing or Attendance:

Live video streams (view-only) and indexed archives of meetings are available at:

<https://www.smud.org/Corporate/About-us/Company-Information/Board-Meetings/Watch-or-Listen-online>

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

Webinar/Meeting ID: 160 859 1635

Passcode: 772933

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

Verbal Public Comment:

Members of the public may provide verbal public comment by:

- Completing a sign-up form at the table outside of the meeting room and giving it to SMUD Security.
- Using the “Raise Hand” feature in Zoom (or pressing *9 while dialed into the telephone/toll-free number) during the meeting at the time public comment is called. Microphones will be enabled for virtual or telephonic attendees when the commenter’s name is announced.

Written Public Comment:

Members of the public may provide written public comment on a specific agenda item or on items not on the agenda (general public comment) by submitting comments via email to PublicComment@smud.org or by mailing or bringing physical copies to the meeting. Email is not monitored during the meeting. Comments will not be read into the record but will be provided to the Board and placed into the record of the meeting if received within two hours after the meeting ends.

Call to Order.

a. Roll Call.

1. Approval of the Agenda.

2. Committee Chair Reports.

- a. Committee Chair report of August 13, 2025, Strategic Development Committee
- b. Committee Chair report of August 14, 2025, Policy Committee
- c. Committee Chair report of August 19, 2025, Finance & Audit Committee
- d. Committee Chair report of August 20, 2025, Energy Resources & Customer Services Committee

Items 5 and 6 were reviewed by the August 14, 2025, Policy Committee. Items 7 through 9 were reviewed by the August 19, 2025, Finance and Audit Committee. Items 10 through 13 were reviewed by the August 20, 2025, Energy Resources & Customer Services Committee

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

Consent Calendar:

- 3. Approve Board member compensation for service rendered at the request of the Board (pursuant to Resolution No. 25-04-02) for the period of July 16, 2025, through August 15, 2025.
- 4. Approval of the minutes of the meeting of July 17, 2025.
- 5. Accept the monitoring report for **Strategic Direction SD-13, Economic Development. Policy Committee 8/14. (Jose Bodipo-Memba)**
- 6. Accept the monitoring report for **Strategic Direction SD-14, System Enhancement. Policy Committee 8/14. (Frankie McDermott)**
- 7. Authorize the Chief Executive Officer and General Manager to negotiate and execute a sole source contract with **AMETEK Power Instruments** to manufacture and provide SMUD with Digital Fault Recorders on an as-needed basis for the five-year period from September 1, 2025, to September 1, 2030, in an amount not to exceed \$3 million. **Finance and Audit Committee 8/19. (Frankie McDermott)**
- 8. Authorize the Chief Executive Officer and General Manager to negotiate and award contracts to **Lund Construction Co., Navajo Pipelines, Inc., Arrow Construction, Syblon Reid Construction, Inc. and Teichert Energy & Utilities Group Inc. dba Teichert Utilities** (collectively, the **Contracts**) to provide Urban Civil Annual Construction Services for a five-year term from September 1, 2025, to September 1, 2030, for a total aggregate not-to-exceed amount of \$100 million for the **Contracts. Finance and Audit Committee 8/19. (Frankie McDermott)**
- 9. Authorize the Chief Executive Officer and General Manager to negotiate and execute a sole source contract with **Power Costs, Inc.** for professional services and software maintenance in support of the Generation Supply Management System for a five-year term starting approximately August 25, 2025, in an amount not to exceed \$10.7 million. **Finance and Audit Committee 8/19. (Suresh Kotha)**
- 10. Accept the monitoring report for **Strategic Direction SD-5, Customer Relations. Energy Resources & Customer Services Committee 8/20. (Brandy Bolden)**

11. Accept the monitoring report for **Strategic Direction SD-15, Outreach and Communication**. **Energy Resources & Customer Services Committee 8/20.** (Farres Everly)
12. Approve the terms by which SMUD will schedule its 24/7-shift employees and pay them shift differential so that SMUD complies with the requirements of California Code of Regulations, Title 2, sections 571(a) and 571(b) and may report such earning to the **California Public Employees' Retirement System (CalPERS)** as special compensation, as appropriate, including adoption of:
 - a. Resolution to accept **Side Letter Agreement (SLA)** between SMUD and bargaining unit **SMUD Public Safety Officers' Association (PSOA)**, substantially in form attached;
 - b. Resolution to accept two **SLAs** between SMUD and bargaining unit **International Brotherhood of Electrical Workers Local Union 1245 (IBEW)**, substantially in form attached; and
 - c. Resolution pertaining to the schedules and shift differential payments for unrepresented Energy Trader employees working at the Real Time Desk and Energy Trading Schedulers.

Energy Resources & Customer Services Committee 8/20. (Jose Bodipo-Memba and Laura Lewis)

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Discussion Calendar:

13. Nominate a Board Member for **Sacramento Local Agency Formation Commission (LAFCo)** Special District Commissioner and/or Alternate Commissioner seat(s). **Energy Resources & Customer Services Committee 8/20.**

Presenter: Laura Lewis

* * * * *

Public Comment:

14. Items not on the agenda.

Board and CEO Reports:

15. Directors' Reports.
16. President's Report.
17. CEO's Report.
 - a. Board Video

Summary of Board Direction

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

SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY

* * * * *

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

August 19, 2025	Finance and Audit Committee and Special SMUD Board of Directors Meeting	Auditorium*	6:00 p.m.
August 20, 2025	Energy Resources & Customer Services Committee and Special SMUD Board of Directors Meeting	Auditorium	6:00 p.m.
September 9, 2025	Strategic Development Committee and Special SMUD Board of Directors Meeting	Auditorium	6:00 p.m.
September 10, 2025	Policy Committee and Special SMUD Board of Directors Meeting	Auditorium	6:00 p.m.
September 16, 2025	Finance and Audit Committee and Special SMUD Board of Directors Meeting	Auditorium	6:00 p.m.
September 17, 2025	Energy Resources & Customer Services Committee and Special SMUD Board of Directors Meeting	Auditorium	6:00 p.m.

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

September 18, 2025	Auditorium*	6:00 p.m.
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**The Auditorium is located in the lobby of the SMUD Headquarters Building, 6201 S Street, Sacramento, California.*

Members of the public shall have up to three (3) minutes to provide public comment on items on the agenda or items not on the agenda, but within the jurisdiction of SMUD. The total time allotted to any individual speaker shall not exceed nine (9) minutes.

Members of the public wishing to inspect public documents related to agenda items may click on the Information Packet link for this meeting on the smud.org website or may call 1-916-732-7143 to arrange for inspection of the documents at the SMUD Headquarters Building, 6201 S Street, Sacramento, California.

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 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 1-916-732-7143, no later than 48 hours before this meeting.

RESOLUTION NO. _____

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

That this Board hereby approves Board member compensation for service rendered at the request of the Board (pursuant to Resolution No. 25-04-02) for the period of July 16, 2025, through August 15, 2025.

Sacramento, California

July 17, 2025

The Board of Directors of the Sacramento Municipal Utility District met in regular session simultaneously in the Auditorium of the SMUD Headquarters Building at 6201 S Street, Sacramento, telephonically at 2799 Richmond Highway, Arlington, VA 22202, and via virtual meeting (online) at 6:00 p.m.

Roll Call:

Presiding: President Fishman

Present: Directors Rose, Bui-Thompson, Herber (telephonically), Kerth, Tamayo, and Sanborn

Present also were Paul Lau, Chief Executive Officer and General Manager; Laura Lewis, Chief Legal & Government Affairs Officer and General Counsel and Secretary, other members of SMUD's executive management; and SMUD employees and visitors.

Director Kerth shared the 2030 Climate Action Tip.

President Fishman called for approval of the agenda. Director Sanborn moved for approval of the agenda, Director Kerth seconded, and the agenda was unanimously approved.

President Fishman announced that a portion of the CEO Report would be given now to recognize lineworkers who had participated in the annual Light Up Navajo Project.

Paul Lau, Chief Executive Officer and General Manager, reported on the following item:

- 1) **Light Up Navajo**. Tonight, we will split the CEO Report into two parts so we can recognize some special guests. I am pleased to recognize the SMUD team who spent two weeks bringing electricity to the Navajo Nation in Arizona. Light Up Navajo is a mutual aid initiative of the Navajo Tribal Utility Authority, in coordination with the American Public Power Association (APPA). The effort was created to bring power to the more than

10,000 families in Navajo Nation that currently do not have electricity. Our SMUD team was able to successfully set 80 poles, install roughly 4.5 miles of distribution lines and energize 21 homes. What an incredible accomplishment! Great work all. I will read the names of all the individuals we are recognizing tonight. Some team members could not be here, but I will still recognize them by name. Once I finish, please come up to the front for a group photo.

- Thank you to the first week's crew, led by line foreman Brian Busalacchi alongside lineworkers Byn Cropley, Chris Bernat, and line apprentices Daniel Pearce and Joseph Walker.
- The second week was led by line foreman Chris Worth alongside lineworkers Shane Bazil, Joseph Maese, and line apprentices Josh Wilson, and Kyle Hennen.

We truly do have the best of the best here at SMUD! All, please come up and join me for a group photo.

President Fishman then called for public comment for items on the agenda, but none was forthcoming.

President Fishman then addressed the Consent Calendar consisting of Items 2 through 4. Vice President Tamayo moved for approval of the Consent Calendar, Director Kerth seconded, and Resolution Nos. 25-07-01 and 25-07-02 were unanimously approved.

RESOLUTION NO. 25-07-01

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

That this Board hereby approves Board member compensation for service rendered at the request of the Board (pursuant to Resolution No. 23-06-02) for the period of June 16, 2025, through June 30, 2025.

Approved: July 17, 2025

INTRODUCED: DIRECTOR TAMAYO				
SECONDED: DIRECTOR KERTH				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
FISHMAN	X			
ROSE	X			
BUI-THOMPSON	X			
HERBER	X			
KERTH	X			
TAMAYO	X			
SANBORN	X			

RESOLUTION NO. 25-07-02

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

That this Board hereby approves Board member compensation for service rendered at the request of the Board (pursuant to Resolution No. 25-04-02) for the period of July 1, 2025, through July 15, 2025.

Approved: July 17, 2025

INTRODUCED: DIRECTOR TAMAYO				
SECONDED: DIRECTOR KERTH				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
FISHMAN	X			
ROSE	X			
BUI-THOMPSON	X			
HERBER	X			
KERTH	X			
TAMAYO	X			
SANBORN	X			

President Fishman turned to Discussion Calendar Item 5, to approve the appointment of Laurie Rodriguez as a Retired Annuitant without applying the 180-day waiting period.

Matthew Powell, Manager of Compensation, Classification & Performance, gave a presentation regarding Discussion Calendar Item 5. A copy of the slides used in his presentation is attached to these minutes.

No public comment was forthcoming for Discussion Calendar Item 5.

After some discussion, Director Sanborn moved for approval of Discussion Calendar Item 5, Director Herber seconded, and Resolution No. 25-07-03 was unanimously approved.

Resolution No. 25-07-03
July 17, 2025
RESOLUTION FOR EXCEPTION TO THE 180-DAY WAIT PERIOD
(Gov. Code Section 7522.56)

WHEREAS, in compliance with Government Code section 7522.56 the Sacramento Municipal Utility District (SMUD) must provide CalPERS this certification resolution when hiring a retiree before 180 days has passed since his or her retirement date; and

WHEREAS, Laurie Rodriguez will retire from SMUD in the position of Director People Services & Strategies, effective September 5, 2025; and

WHEREAS, section 7522.56 typically requires that post-retirement employment commence no earlier than 180 days after the retirement date, but grants an exception to that rule if the Board of Directors certifies (a) that a specific retired annuitant has the skills needed to perform work of limited duration and (b) the appointment is necessary to fill a critically needed position before the 180 days have passed; and

WHEREAS, Laurie Rodriguez is retiring on September 5, 2025, from her 14 years of employment with SMUD—the last nine years in which she has been serving as SMUD’s Director People Services & Strategies; and

WHEREAS, Laurie Rodriguez certifies that she has not nor will she receive unemployment dating back one year prior to her being employed as a retired annuitant to SMUD; and

WHEREAS, Laurie Rodriguez’s knowledge and experience is needed in the short term to assist SMUD through Labor Negotiations, provide knowledge transfer to SMUD’s new Director People Services & Strategies, and to complete other ongoing projects of significant impact to SMUD that cannot wait until 180 days after her retirement date. Ms. Rodriguez is familiar with these needs and is uniquely able to assist SMUD; and

WHEREAS, this Resolution was adopted at a properly noticed public meeting and was not placed on the consent calendar, in compliance with Government Code section 7522.56(f)(1).

THEREFORE, BE IT RESOLVED THAT the Board of Directors hereby certifies the nature of the appointment of Laurie Rodriguez as described herein and that this appointment is necessary to fill the critically needed position of human resources consultant that cannot wait until 180 days after Laurie Rodriguez’s retirement. The Board of Directors further certifies that, per SMUD’s discretion, Laurie Rodriguez will be permitted to work up to 960 hours in the CalPERS 2025 and 2026 fiscal years at her

regular hourly rate of pay (\$127.46/hr.) receiving no other compensation and no other benefits except those that are provided to retired employees.

BY



Gregg Fishman

President of the
SMUD Board of Directors

Approved: July 17, 2025

INTRODUCED: DIRECTOR SANBORN				
SECONDED: DIRECTOR HERBER				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
FISHMAN	X			
ROSE	X			
BUI-THOMPSON	X			
HERBER	X			
KERTH	X			
TAMAYO	X			
SANBORN	X			

President Fishman then turned to Informational Item 6 and stated that public comment on informational items could be provided during the general public comment period.

Lisa Limcaco, Director of Accounting & Controller, gave a presentation on agenda item 6, regarding SMUD's financial results from the five-month period ended May 31, 2025, and a summary of SMUD's current Power Supply Costs. A copy of the slides used in her presentation is attached hereto.

No public comment was forthcoming on agenda item 6.

President Fishman then called for public comment items not on the agenda.

Amy Granat, a SMUD customer, spoke about the Coyote Creek Project and her frustration with the lack of public input and planning, since it will encroach into the park at Prairie City and ruin trail systems. She stated that the point of her business, Access for All, is to make sure that disabled people continue to have access to public land. She asked the Board to not harm the state park.

John Weber, a member of the public, reported that he had recently attended an outstanding workshop at SMUD regarding heating and cooling and wanted to commend staff. Mr. Weber submitted a written copy subsequent to the end of the meeting, a copy of which is attached to these minutes.

President Fishman then turned to Directors' Reports.

Director Rose reported on his attendance at the ribbon cutting for the Sloughhouse Solar Project and his meeting, facilitated by a member of his leadership class, with Resolv Rebates, a startup company who does clean tech and combines artificial intelligence with rebate processing. He concluded by reporting on his attendance at the Citrus Heights Chamber of Commerce luncheon event.

Director Bui-Thompson reported on her participation in the Elected Officials Golf Round for the County Team, along with Supervisors Kennedy and Desmond and others, and noted that although the County lost, they would come back next year. She then reported on her attendance at the American River

Parkway Foundation and her meeting with the AI and Robotics Ecosystem District. She concluded by reporting she would be sad to miss SMUD Giving Fridays at the State Fair but that she was able to attend earlier in the week, and it was very enjoyable.

Director Herber reported that she was currently in Washington, DC, attending the American Public Power Association (APPA) Policymakers Conference. She then reported on her attendance at the Rainbow Chamber Mixer and her speaking event at the California Public Utilities Commissioner (CPUC) for Pride where she shared her story. She also reported on her attendance at the Sistah Soul Business Showcase and Networking and the ribbon cutting for the Sloughhouse Solar Project. She concluded her report by thanking Rhonda Staley-Brooks, Director of Community Relations Outreach & Support, for organizing the SMUD Employee Remembrance event as well as the employees who attended and contributed by building the pergola.

Director Kerth reported on his attendance at the ribbon cutting for the Sloughhouse Solar Project and for the Joshua House. He concluded by reporting on his attendance at the memorial service for Mary Watts, who ran the TLC Soup Kitchen in Del Paso Heights and was a pillar of the community.

Vice President Tamayo reported on his attendance at the Midday Matters event held by the Sacramento Asian Pacific Chamber of Commerce with featured speaker Supervisor Patrick Kennedy, as well as his attendance at the groundbreaking for the Fruitridge Community Center.

Director Sanborn reported on her attendance at the grand opening of Cosumnes Community Services District's Core Fitness Center, a 59,000 square foot, all-electric facility. She then reported on her attendance at the ribbon cutting of the Sloughhouse Solar Project as well as her speaking engagement at the Human Build event she attending along with Chief Information Officer Suresh Kotha. She concluded by reporting on her attendance at the Apple Hill Growers Farm to Fork event.

President Fishman reported on his attendance at the American River Parkway Foundation's Summer Solstice event and his speaking

engagement at the Nehemiah Emerging Leaders Program graduation commencement. He then reported on his attendance at the State of the Alliance for the Power Inn Road Alliance, a property and business improvement district as well as the Sloughhouse Solar Project ribbon cutting, and his meeting with Supervisor Rosario Rodriguez facilitated by SMUD's Local Government team. He concluded by reporting on his attendance at the California Conference of Asian American Professionals (CAAPS) Red Carpet Gala where he served as a co-emcee.

Paul Lau, Chief Executive Officer and General Manager, stated that he wanted to recognize the work of Chief Customer Officer Brandy Bolden and her staff in working with customers to reduce \$100 million of debt and for doing it in a caring and compassionate way. He then continued his report on the following items:

- 2) **Giving Fridays at California State Fair.** It is July and that means we are in the middle of a beloved Sacramento tradition – The California State Fair! SMUD has been a longtime supporter of the fair and the nonprofits it features each year. Right now, that is Sacramento Food Bank and Family Services. The Sacramento Food Bank is serving more people than ever before – over 320,000 people in our region every month. Each donated item helps fill the gap for children, families and seniors who are struggling to put food on the table. Through Giving Fridays, we partnered with the State Fair to help Sacramento Food Bank continue its critical work – while also getting Sacramentans into the fair for free! On three Fridays - July 11th, 18th and 25th - anyone who donates five non-perishable items to the Sac Food Bank gets a free, same-day admission ticket. I went to the fair last Friday and had a blast handing out swag and connecting with our community. Great work to everyone involved in making our time at this year's fair a success.

3) Sloughhouse Solar Project. Thank you to our Board

Members who joined us for the official opening of our Sloughhouse Solar Project in partnership with D.E. Shaw Renewable Investments. This is a major milestone in our 2030 Zero Carbon Plan! This 50-megawatt solar project will generate enough clean, affordable energy to power more than 12,000 homes in the Sacramento area. Through this project, we are demonstrating how clean energy and agriculture can work together while strengthening our grid and maintaining the affordability our customers rely on. Congratulations to everyone involved in making this project a reality!

4) Volunteers of America Pilot Program. I am also excited to

share an update on a pilot program we have been running with the Volunteers of America over the past six months providing services to the unhoused population around our infrastructure. This is a collaborative pilot program with teams from Security, Substation Telecommunications, Safety and Sustainable Communities. Through the program, if our crews find unhoused campers in unsafe situations, they send out a social worker from Volunteers of America to help. Over the last six months, Volunteers of America have provided 204 referral services, including food, health care and first aid, as well as alcohol and drug abuse support. This is really making a difference in keeping our infrastructure sites clean and safe and helping people by connecting them with the resources they need. Thank you to everyone involved.

5) Board Video. Tonight's video is our latest social media video

that is aimed at getting our customers familiar with SMUD employees and educating them about how we are out working in neighborhoods every single day. By highlighting our team members, talking about how to identify a SMUD employee and

showcasing the types of work they do to maintain our safe and reliable grid, we are helping to make a safer work environment for our employees while they're out doing their jobs. This video is one piece of the multi-channel campaign we have been running for the past couple of months.

President Fishman requested the Summary of Board Direction, but there were no items.

No further business appearing, President Fishman adjourned the meeting at 6:48 p.m.

Approved:

President

Secretary

Exhibit to Agenda Item #5

Approve the appointment of Laurie Rodriguez as a Retired Annuitant without applying the 180-day waiting period.

Board of Directors Meeting

Thursday, July 17, 2025, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Retiree & Reason for Exception Request

Laurie Rodriguez

- Currently Director, People Services & Strategies.
- Plans to retire from SMUD on September 5, 2025.
- As the department director, Laurie is the most knowledgeable about SMUD's Human Resource policies, practices and procedures.
- No other employee would be able to advise SMUD leaders and the Board to the degree needed before the expiration of the 180-day waiting period.
- Ensures continuity of current people efforts through knowledge capture and consultation services including on-going and scheduled Labor Relations negotiations.

Laurie's availability as an annuitant to provide expert guidance and understanding of the Human Resources function within the Workforce, Diversity and Enterprise Partnerships area is imperative to SMUD operations.

Action Request

Approve resolution creating an exception for Laurie Rodriguez to begin as a retired annuitant without completing the 180-day wait period (Government Code §§ 7522.56 & 21224)

Exhibit to Agenda Item #6

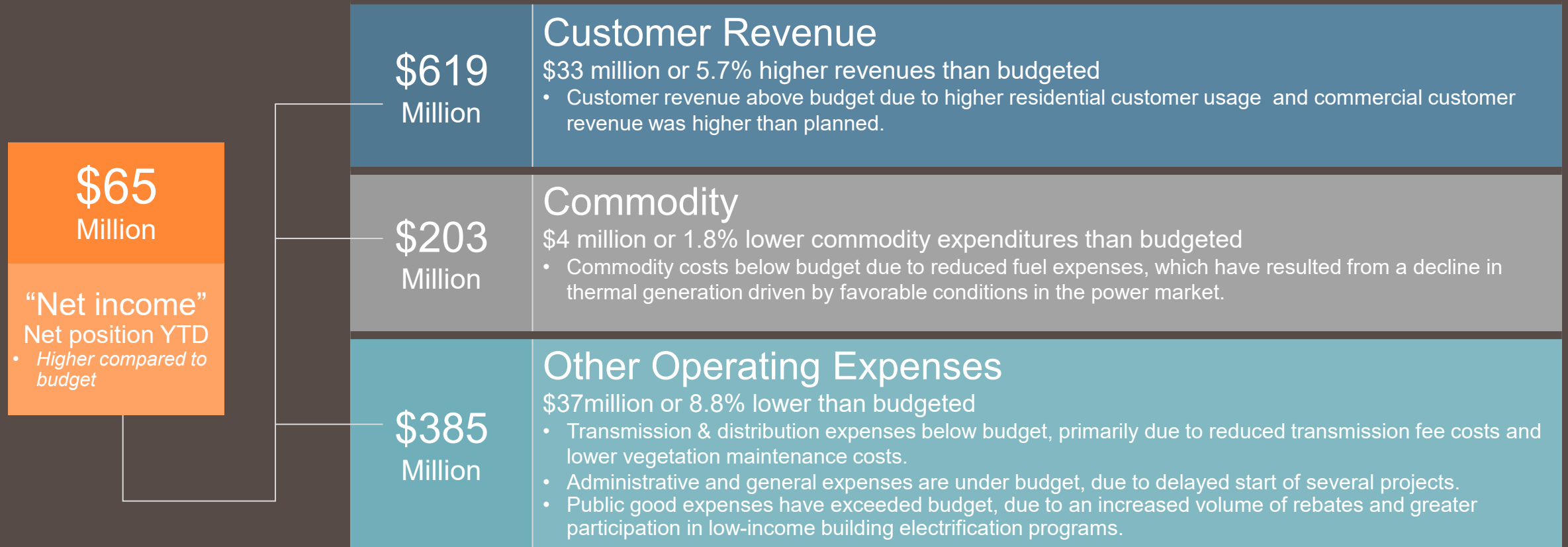
Provide the Board with the financial results from the five-month period ended May 31, 2025, and a summary of SMUD's current Power Supply Costs.

Board of Directors Meeting

Thursday, July 17, 2025, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

May 2025 Financial Highlights



- There are \$34M other net revenue not included in the highlights above

May 2025 Energy Sources



Hydro generation was 8% lower than budget in May due to higher thermal generation and 7% lower year-to-date due to increased purchased power due to favorable market prices through April.

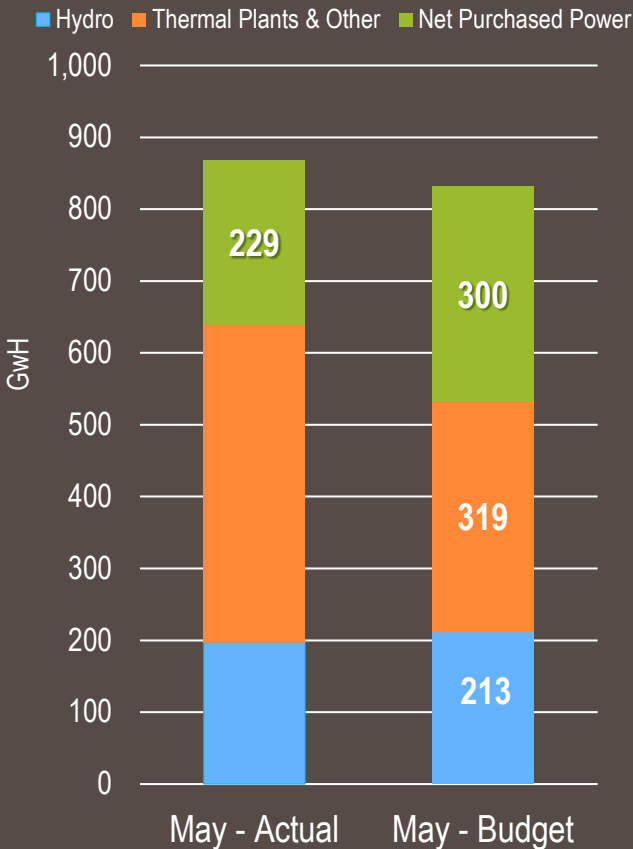


Thermal plants & other generation was 39% higher than budget in May due to higher load and higher market prices; and 1% higher year-to-date.

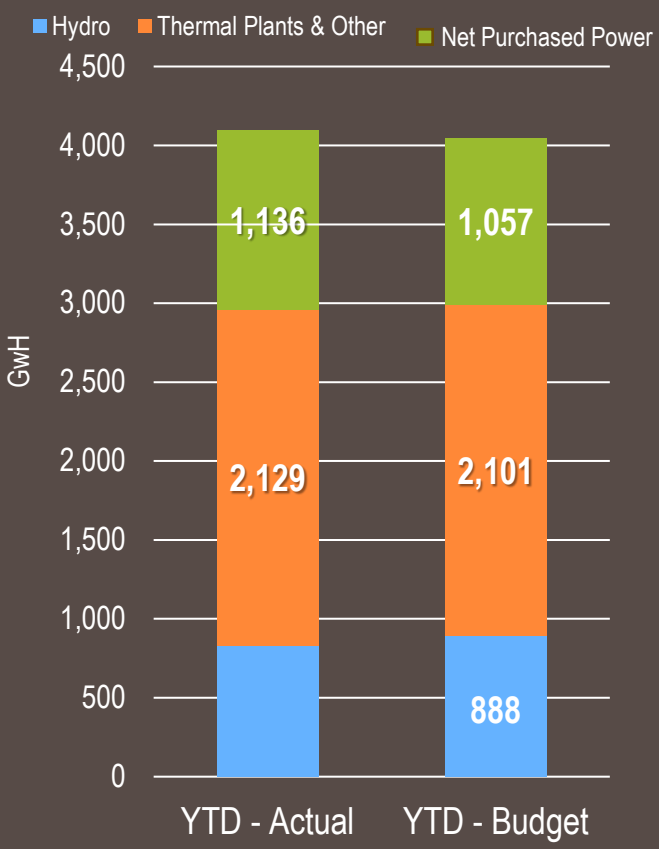


Net purchased power was 24% lower than budget in May due to higher market prices leading to higher thermal generation and 8% higher year-to-date primarily due to favorable market prices through April.

May 2025 Month-to-Date

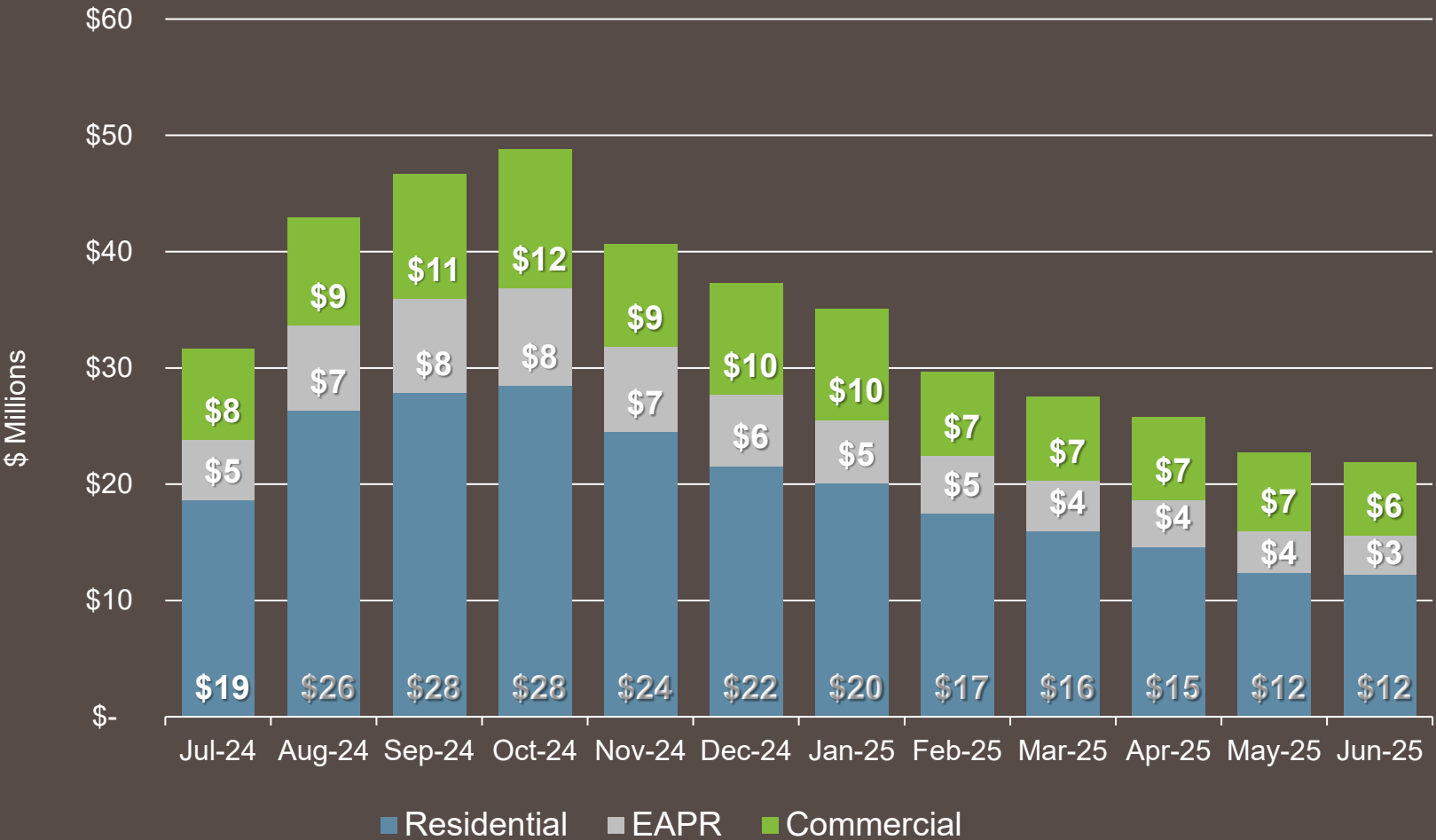


May 2025 Year-to-Date



Delinquency by Account Type

As of June 30, 2025



Delinquency Summary as of 6/30/2025		
	Delinquency (millions)	Number of Customers
Residential	\$12.2	118,177
Energy Assistance Program Rate (EAPR)	\$ 3.4	21,467
Commercial	\$ 6.3	9,091
All other (St. Lighting, Night Light, Agriculture)	\$ 0.0	1,677
Totals	\$21.9	150,412

Commodity Budget: Mitigations & Forecast



SMUD has in place financial mitigation tools that hedge against hydroelectric uncertainty

\$88.0 Million	HRSF balance as of January 1, 2025
-\$7.1 Million	HRSF withdrawal for Water Year, April 2024 through March 2025
\$80.9 Million	HRSF balance as of May 31, 2025
\$14.1 Million	WRSF balance as of January 1, 2025
\$ 3.5 Million	WRSF deposit for Water Year, April 2024 through March 2025
\$17.6 Million	WRSF balance as of May 31, 2025

2025 Commodity Annual Costs as of May 31, 2025	
2025 Forecast	\$552 Million
2025 Budget	\$610 Million
Difference	-\$58 Million

Hydro Performance Annual Forecast as of May 31, 2025			
	UARP	WAPA	UARP + WAPA
2025 Forecast	1,558 GWh	832 GWh	2,390 GWh
2025 Budget	1,645 GWh	748 GWh	2,393 GWh
Variance	-87 GWh	84 GWh	-3 GWh

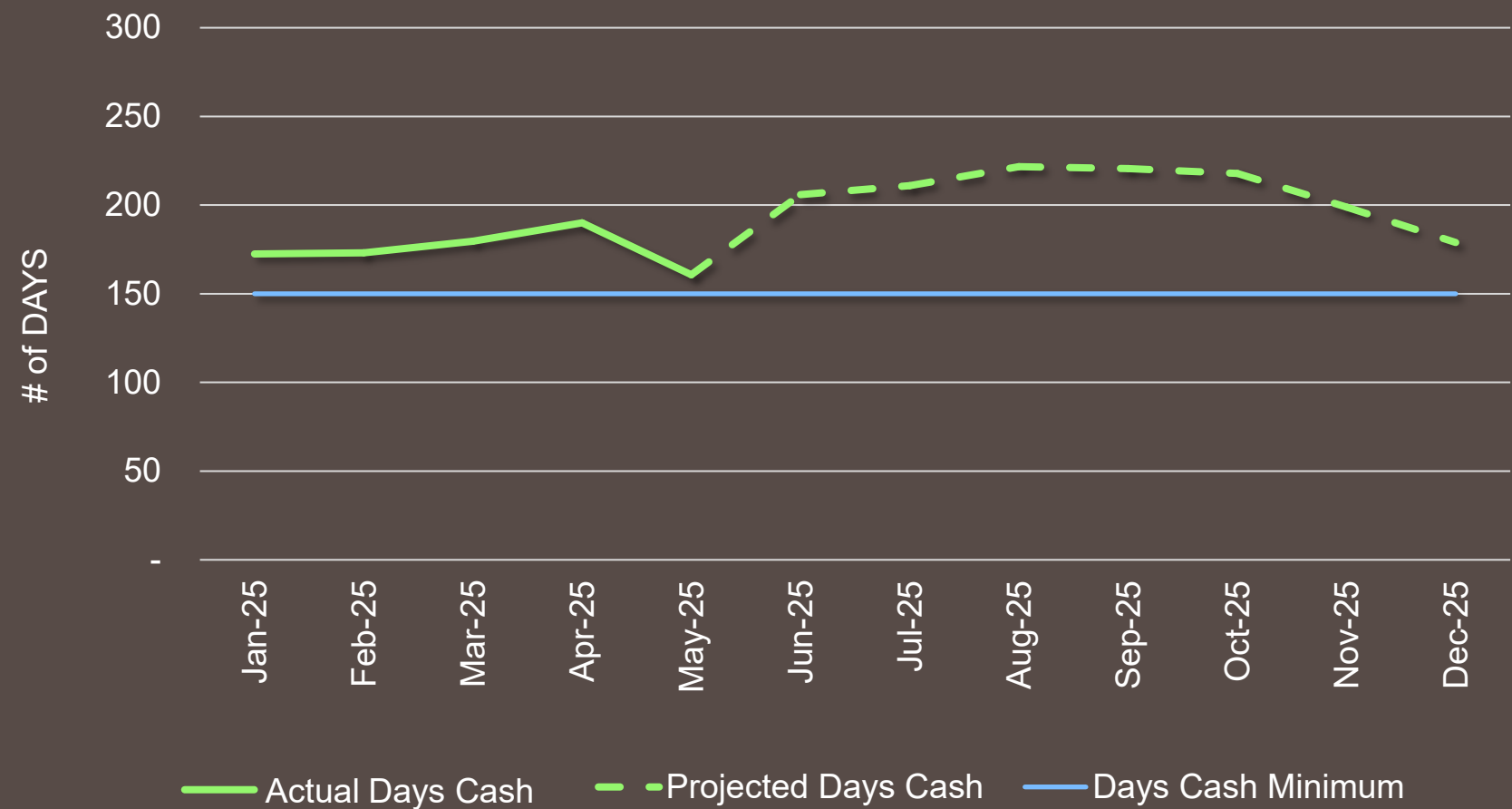
HRSF: Hydro Rate Stabilization Fund

WRSF: Western Area Power Administration (WAPA) Rate Stabilization Fund

UARP: Upper American River Project

Days Cash on Hand

As of May 31, 2025



Days Cash on Hand As of May 31, 2025		
May 31, 2025	Budget	201 days
May 31, 2025	Actual	161 days
Dec. 31, 2025	Budget	164 days
Dec. 31, 2025	Projected	179 days

From: [John W](#)
To: [Public Comment](#)
Subject: [EXTERNAL] Public Comment
Date: Thursday, July 17, 2025 9:14:02 PM

CAUTION: This email originated from outside of SMUD. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Board of Directors and CEO,

I enjoyed watching the video highlighting a couple of SMUD employees. I found it to be well done. I did find something that I found odd. The two employees got into a full-sized pickup truck. It looked like a normal gasoline one, that was likely a Chevy. I have seen other SMUD employees in Maverick hybrid pickups. I have seen many PG&E employees in Chevy full-sized electric pickup trucks. This link is what they drive-[Chevy Commercial Silverado EV | Electric Work Truck | Chevrolet](#) These trucks can likely meet all the demands of the gasoline powered one in the video. I think that improves the image of PG&E. I don't think having SMUD employees driving around in full sized gasoline powered pickup trucks as improving SMUD's image.

I suggest SMUD electrify its vehicle fleet as soon as possible. On every electric vehicle add decals that say "Your Clean Air Partner" and "Join the Charge." SMUD informs customers of all the good reasons they should drive EVs. These same reasons apply to SMUD, plus other reasons. There is low maintenance which means less down time. Fueling can be done while not in use, which means less down time. Fueling can be done during times of surplus electricity. SMUD makes their own electricity, which is much less costly than buying gasoline. EV's don't have tailpipe emissions. By SMUD vehicles being electric, SMUD sets the example for all their customers. Just imagine SMUD being all electric and not having to rely on expensive fossil fuels for any of their operations. It will, besides helping efficiency of employees, cleaning the air for everyone, it will reduce operating cost that will benefit the bottom line.

Please consider my suggestion.

Thank you for your service,
John Weber

"You never change things by fighting the existing reality.
To change something, build a new model that makes the existing model obsolete."
— **Buckminster Fuller**

SSS No. DLSC 25-005

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date
Policy – 08/14/25
Board Meeting Date
August 21, 2025

TO				TO			
1.	Claire Rogers			6.			
2.	Jose Bodipo-Memba			7.			
3.	Farres Everly			8.			
4.	Brandy Bolden			9.	Legal		
5.	Suresh Kotha			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>			
FROM (IPR) Dr. Markisha Webster				DEPARTMENT DEIB, Learning & Sustainable Communities			
MAIL STOP B260		EXT. 7055		DATE SENT 07/18/25			

NARRATIVE:

Requested Action: Accept the monitoring report for **Strategic Direction SD-13, Economic Development**.

Summary: The annual Economic Development Report summarizes accomplishments and status of SD-13 performance by SMUD for the period of January 1 – December 31, 2024.

Board Policy: Strategic Direction SD-13, Economic Development policy states: “Promoting the economic vitality of our region and the growth of our customer base is a key value of SMUD. Therefore, SMUD shall exercise strategic leadership and actively participate in regional economic development”.

Benefits: Provides information on SMUD’s overall compliance with Economic Development to the Board of Directors and Executive Team so they can evaluate compliance with specific Board Policy.

Cost/Budgeted: Contained in budget for internal labor.

Alternatives: Provide the Board with written reports and communications through the CEO & General Manager.

Affected Parties: Board of Directors, Executive Team & Staff

Coordination: Economic Development develops the report with information from Supplier Education & Economic Development (SEED), Sustainable Communities, New Business Development, Commercial Development, Pricing and Commercial Delivery

Presenter: Dr. Markisha Webster, Director, DEIB, Learning & Sustainable Communities

Additional Links:

SUBJECT

Annual Monitoring Report for SD-13, Economic Development

ITEM NO. (FOR LEGAL USE ONLY)

5

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SACRAMENTO MUNICIPAL UTILITY DISTRICT

OFFICE MEMORANDUM

TO: Board of Directors

DATE: July 29, 2025

FROM: Claire Rogers *CR 7/29/25*

**SUBJECT: Audit Report No. 28007866
Board Monitoring Report; SD-13: Economic Development**

Internal Audit Services (IAS) received the SD-13 *Economic Development* 2024 Annual Board Monitoring Report and performed the following:

- Selected a sample of statements and assertions in the report for review.
- Compared sample to the corresponding supporting documentation to identify potential discrepancies.

All items sampled within the SD Report aligns with the supporting documentation provided at the time of review.

CC:

Paul Lau

Board Monitoring Report 2024

Strategic Direction

SD-13, Economic Development



1. Purpose & Background

Strategic Direction 13 (SD-13) Economic Development states that:

Promoting the economic vitality of our region and the growth of our customer base is a key value of SMUD. Therefore, SMUD shall exercise strategic leadership and actively participate in regional economic development.

Specifically:

- a) SMUD shall promote innovation while maintaining rate-affordability and balancing the other strategic directions.
- b) SMUD shall align its economic development activities with regional economic development initiatives.
- c) SMUD shall assist in retaining, recruiting and growing commercial and industrial rate-paying customers.
- d) SMUD shall offer economic development rates and program incentives.
- e) SMUD shall offer a contracting program for certified small businesses who are rate-paying customers.

2. Executive summary

SMUD is compliant with SD-13, Economic Development.

SMUD continues to be a nationally recognized leader for our longstanding commitment to the economic health of the greater Sacramento region. In 2024, we built on successes, worked to accelerate growth and support the health and vitality of the local economy, including businesses (which account for over 50% of SMUD's revenue), the entrepreneurship ecosystem, and regional economic development leadership, collaboration, and advocacy. Through SMUD investment, Community Impact Plan (CIP) resources, in-kind support and subject matter expertise, we worked to enhance the opportunities and access to these resources while mitigating and addressing challenges in the path to regional success and economic prosperity for all. We expanded and deepened our partnership base to further raise awareness and adoption of the 2030 Zero Carbon Plan for all SMUD's service area. We collaborated through key partnerships in support of our shared vision of economic recovery, greater collective impact and advancement of an inclusive and equitable economy. Additionally, we aligned our economic development efforts with SMUD's vision to be a trusted and impactful partner in achieving an inclusive, zero carbon economy. We reinforced key partnerships using CIP funding to continue Business District Electrification opportunities to under-resourced business communities. We leveraged our relationships to accelerate innovation, ensure energy affordability and reliability, protect the environment, eliminate greenhouse gas emissions, catalyze economic and workforce development, promote environmental justice, and enhance community vitality for all.

Our strategy to enhance the economic vitality of the Sacramento region is comprehensive. Key tactics to engage, inform and support the regional business community include:

- Advancing SMUD's 2030 Zero Carbon Goal in inclusive, regional economic development efforts

- Leveraging Community Impact Plan funding to establish key business partnerships in mostly under-resourced business corridors
- Broadening support of the region's innovation ecosystem, including through the Sacramento Economic Growth Alliance (SEGA) and the California Energy, Power, and Innovation Collaborative (CalEPIC)
- Providing a spectrum of business development resources for entrepreneurs
- Strategically collaborating to draw down and allocate funding that uplifts communities, encourages regional investment, and creates living wage jobs
- Enhancing accessibility to the Supplier Education and Economic Development (SEED) contracting program for local small businesses
- Providing energy efficiency programs and electrification incentives and rebates
- Expanding local agency and nonprofit partnerships to support community development
- Deploying significant resources to support a Diversity, Equity, Inclusion and Accessibility and Sustainable Communities plan that can be replicated and measured for effectiveness and impact
- Ensuring our commercial and industrial service connection costs are in line with other West Coast electric utilities
- Providing subject matter expertise and facilitating (power supply) for the developer community projects

SMUD works with over 50 local economic development organizations to enhance regional economic vitality. Our leadership roles in the Greater Sacramento Economic Council (GSEC), Valley Vision, Sacramento Metro Chamber, Urban Land Institute, Downtown Sacramento Partnership, Sacramento Black Chamber, Sacramento Hispanic Chamber, Sacramento Asian Pacific Chamber, Business Environmental Resource Center (BERC), Sacramento Public Agency Consortium (SacPAC) and many others, help to ensure that our activities support the region's efforts to attract, retain and expand companies in our service territory.

Through outreach and education, SMUD's Economic Development & Partnerships team teaches local small businesses how to contract with SMUD through the Supplier Education and Economic Development (SEED) program. SEED offers incentives to local small businesses that participate in SMUD's competitive bid process, and helps prime contractors find local subcontractors, giving them a competitive edge when developing bids or proposals.

In 2024, the Economic Development and Partnerships team collaborated with Supply Chain Services and external partners, coordinating or participating in 299 outreach events. This included facilitating 22 "How to Do Business with SMUD" educational workshops and introducing two new workshops: Proposal Writing 101 and a collaborative small business certification and SEED enrollment workshop with the Department of General Services. These additions resulted in nine additional proposal writing workshops and two collaborative workshops with the CA Department of General Services.

Additionally, SMUD awarded 30.1% of its contracts to SEED-certified small businesses, surpassing the Board-established goal of 20%. SEED program participation grew by 164 new SEED vendors, with 142 SEED contracts awarded in 2024, totaling more than \$200 million.

Business attraction was a key economic development focus in 2024. We participated in 28 business attraction, retention and expansion projects within our service territory. SMUD directly supported the attraction/expansion of 11 companies and the creation of an estimated 775 local jobs in multiple sectors including corporate headquarters, advanced manufacturing, clean-technology, agriculture, and Artificial Intelligence (AI).

3. Information about our 2024 efforts to achieve the specific elements outlined in SD-13 is provided in the following section.

a) SMUD shall promote innovation while maintaining rate affordability and balancing the other strategic directions.

SMUD is an active supporter of the entrepreneurship ecosystem, where startup businesses and innovative new technologies are vital to creating an inclusive, zero-carbon economy. SMUD collaborates with local non-profit organizations that offer training, “maker spaces”, networking and mentorship to startups at no cost. We connect our internal expertise with partner organizations that support education and awareness

The California Mobility Center began a strategic rebrand of its organization, now known as CalEPIC. SMUD has been a partner with CalEPIC since its inception, and it has experienced significant changes in its management and staff since 2023. The new CEO, hired in November 2023, shifted the organizational strategy towards workforce development training, local and regional community organization collaboration, federal and City government grants, and partnered with private-sector energy and transportation companies to accelerate commercialization of zero-carbon technology. The organization’s activities are now geared towards maintaining and strengthening existing relationships in the local and regional workforce development community. It has established new partnerships with more than a dozen partners by leveraging SMUD’s existing relationships in the region to collaborate on workforce development training and job placements. Additional information on CalEPIC can be found in Appendix A.

SMUD continues to effectively balance our goal of fostering innovation with our commitment to keeping rates low. SMUD’s average rates will remain competitive even after the adopted rate increases for 2024. In 2024, SMUD’s average rate was 52.2% below PG&E, which includes their 6 rate changes in January, March, April, July, September, and October. SMUD’s competitiveness rate is provided in detailed summary in Appendix A.

b) SMUD shall align its economic development activities with regional economic development initiatives.

SMUD played a leadership role in regional economic development initiatives in 2024.

Grant Funding: In 2024, SMUD won, or brought under contract, a total of \$102.6 million in grant awards for projects totaling \$265.25 million and an average grant match of 61%. Additionally, SMUD wrote 32 letters of support for regional organizations and businesses for a total of \$169 million in potential awards. SMUD also contributed 19 Letters of Commitment, contributing approximately \$193 million in financial support to non-SMUD projects.

California Jobs First: SMUD played a key role in Sacramento’s regional implementation of the California Jobs First program. Branded locally as “We Prosper Together” and administered through Valley Vision, the inclusive economic development initiative’s goal is to uplift communities, encourage investment in the region and create living-wage jobs. Valley Vision released the Request for Proposal (RFP) for Catalyst Pre-Development funding in late 2024, and SMUD’s Skilled Trades Workforce Pipeline Project was one of 11 projects selected to receive \$508,978. SMUD continued to hold a seat on the Leadership Council overseeing the initiative’s implementation.

Cap-to-Cap: SMUD sent a 14-member delegation to the Sacramento Metro Chamber's 52nd Annual Cap-to-Cap program in Washington D.C. to advocate issues of regional significance to SMUD and our community partners and to further cultivate relationships with influential elected, business and non-profit leaders from the six-county Sacramento region. SMUD subject matter experts reviewed and contributed content to issue papers related to future mobility, air quality, wildfire and forest management, CalEPIC, and workforce development. Also, SMUD staff served in a leadership capacity as a member of the Steering Committee and incoming chair for the overall program.

Property and Business Improvement District (PBID) Outreach: In 2024, SMUD increased engagement with businesses within 15 PBID districts by 58%, participating in 81 outreach events, compared to 52 in 2023. In collaboration with SMUD's formal PBID partners, EDP conducted 19 of its 24 targeted business walks within these districts, promoting Business District Electrification (BDE), sharing SEED and 2030 Zero Carbon Plan information in English and other translated languages. EDP's outreach within these districts resulted in the successful approval of 48 BDE projects and 90 BDE measures.

Internal and External Study Missions: As a member of the steering committees for both the Metro Chamber Study Mission to St. Louis, Missouri, and the Sacramento Asian Pacific Chamber of Commerce Internal Study Mission, SMUD helped set the agenda and drive the dialogue with community leaders around key business issues promoting awareness of SMUD's 2030 Zero Carbon Plan.

Sustainable Business Certifications: SMUD's partnership with the County of Sacramento Business Environmental Resource Center (BERC) resulted in the successful certification of 96 businesses in SMUD service area, of which 54 businesses (56%) were in underserved neighborhoods.

Small and Mid-size Business (SMB) Support: SMUD's SMB team of Strategic Account Advisors continued to assist our customers by directing them to appropriate SMUD programs and services and educating them on SMUD's 2030 Zero Carbon Plan to ensure no business or community is left behind. For more details on the efforts of the SMUD Small & Mid-size Business Team of Strategic Account Advisors, please see Appendix B.

Greater Sacramento Economic Council (GSEC): SMUD's partnership with GSEC is critical to the community as it contributes to regional prosperity by growing the economic base. In addition to Paul Lau's participation on the GSEC Board, SMUD's commercial development staff regularly respond to Request for Information (RFI) proposals from the organization and economic development staff participate in GSEC's Economic Development Directors' Task Force. SMUD has played an increasingly important role in business attraction, retention, expansion and in helping brand the region as an attractive place to do business.

Sustainable Communities Program: SMUD continues targeting inclusive economic development, community/environmental health, and neighborhood engagement activities in under-resourced communities through its Sustainable Communities program, promoting regional workforce and equitable community development. SMUD has invested \$36.7 million in this effort since 2018, leveraging partnerships to increase impact in these areas of need. Additional information regarding Sustainable Communities can be found in Appendix B.

c) SMUD shall assist in retaining, recruiting and growing commercial and industrial rate-paying customers.

Business Attraction: SMUD provided support with the attraction of 11 new companies that will create 755 jobs in SMUD's service territory.

Commercial Development: SMUD actively engaged in 141 commercial, industrial, mixed-use and residential projects throughout our service territory. The team partners with community organizations and municipalities to create economic opportunities and growth. Detailed information about SMUD's role in business attraction and commercial development is provided in Appendix C.

d) SMUD shall offer economic development rates and program incentives.

In 2024, SMUD offered an Economic Development Rate (EDR) to incentivize the attraction, retention, and expansion of businesses within our service territory. A description of the current EDR can be found in Appendix D.

e) SMUD shall offer a contracting program for certified small businesses who are rate-paying customers.

SMUD's SEED program provided incentives to DGS-certified small businesses within its service area to participate in competitive bid processes. As a result of focused outreach, engagement and leveraging of business partnerships, the SEED-qualified vendor base grew by over 24%, with registered SEED vendors representing 48% of all DGS-certified small businesses in the Sacramento region by the end of 2024. The program also assisted prime contractors in finding local subcontractors to enhance their bids or proposals. This work resulted in 1,791 SEED lists provided to contractors in specific categories, representing a 358% increase from the previous year.

Economic Development and Partnerships increased engagement by 25% through

- Hosting 38 informational workshops
- Coordinating SMUD outreach through 9 orientations or panel discussions
- Coordinating participation in 299 outreach events
- Completing 24 business walks

These efforts expanded SMUD's reach by 13% from the previous year, reaching approximately 31,959 individuals. In 2024, SMUD exceeded its annual goal to award 20% of all contracts to certified small businesses and awarded 30.1% of contracts to SEED-qualified vendors, totaling more than \$200 million.

For more details on our 2024 SEED program efforts and achievements, see Appendix E.

4. **Challenges:** California's business climate, cost of doing business, decarbonization goals and regulatory standards present challenges to development. Permitting costs and delays pose barriers to market leading companies to relocate from other states. SMUD continues to work with regional and state partners, such as GSEC, The Governor's office of Business and Economic Development (GO-Biz) and the California Association of Local Economic Development (CALED), to address the state and local regulatory challenges that limit our ability to attract or develop new businesses.
5. **Recommendation:** It is recommended that the Board accept the Monitoring Report for SD-13, Economic Development.

APPENDIX A

SMUD shall promote innovation while maintaining rate affordability and balancing the other strategic directions.

SMUD's approach to innovation includes investments in regional startup business accelerators, incubators, curriculum delivery, and mentorship, supporting business development and entrepreneurship focusing on an inclusive economy. Benefits to the community include job creation, increased revenue, innovation, community involvement, and greater economic opportunity. SMUD's investment, subject matter expertise, and business community collaboration supported the work of these innovation and entrepreneurship partners, drawing 6,398 attendees through 215 events, serving 611 startups, fostering 160 mentor matches, and supporting 11 partnerships, which are highlighted below:

CleanStart Inc. works to build and support the clean technology ecosystem in the Sacramento region by supporting early-stage companies through education, access to capital, and connections to the networks they need to make their innovations commercially successful. CleanStart coached 66 companies in 82 sessions to develop their ideas and prepare them to pitch to investors and granting agencies for funding. CleanStart held the third cohort of its CEO Crash Course where graduates went on to secure more than \$300,000 in funding and prizes.

Hacker Lab EDU provides multifaceted entrepreneurship support, serving as Sacramento's inclusive makerspace, coworking hub, and workforce development incubator. MADE Studio serves as a dynamic studio-style makerspace offering 40+ hands-on monthly classes, serving over 1,100 creatives and entrepreneurs with training in digital fabrication, design, manufacturing, and multimedia. MAKER EDU Pathways is a workforce development program providing an 8-week hands-on technical and career training experience to 20 system-impacted and low-income youth, helping them build lifelong creative and technical skills. MAKEHERS, a women-led small business incubator, directly supported 30 women through an intensive training cohort providing mentorship, access to space, and tools helping women turn creative skills into thriving businesses. Hacker Lab supports over 375 small businesses directly through space, training, events, and promotional support.

InnoGrove continued to offer networking and educational workshops focused on startup and small business development, hosting 8 events reaching approximately 145 attendees, including Women-in-Tech Workshops, Innogrove Startup Resource Directory, Startup Founder Workshops, and by hosting practice sessions for the Pitch Elk Grove Competition (Round of 16). A longer-term role for InnoGrove is to support startup businesses as they develop their products.

StartupSac fueled Sacramento's innovation economy in 2024 by educating, empowering, and connecting entrepreneurs through impactful programs and events. StartupSac hosted 30+ events, engaging more than 1,500 participants. These included three cohorts each of the Founder Mastermind and Warm-Up Pitch programs, supporting 45 founders across 42 startups with mentorship, peer learning, and investor pitch refinement. StartupSac also co-hosted two Startup Challenge weekends with over 150 participants, organized 12 Startup Happy Hours attended by 367 people, and produced 26 podcast episodes spotlighting regional innovators. Additionally, Capital Region Small Business Week Resource Expo connected 250+ attendees with 30 entrepreneurial support organizations.

Startup Folsom was added as a partnership in 2024, holding 36 events serving 523 attendees. The events included AI Meetups, Pitch Coaching sessions and workshops, and networking events for entrepreneurs.

Momentum ASCEND Accelerator had 16 participants who met multiple times focused on cleantech and sustainability with a bent towards public or grant funding traction. SMUD presented on our 2030 Zero Carbon Clean Energy Plan and traction pilots with local startups.

The **Growth Factory** is a nonprofit entrepreneurial development organization with an accompanying venture fund dedicated to fostering innovation, accelerating high-growth startups, and strengthening regional talent pipelines. Growth Factory directly supported 60+ startups and small businesses and 85 students through intensive cohort-based programs focused on founder development and business growth. In addition, Growth Factory produced the 3rd Annual Venture Summit & Startup Showcase GFX2024 sponsored by SMUD. The event attracted 1,500+ attendees and included sector-based innovation tours, panels, and startup pitches. SMUD was the featured sponsor of the Transportation & Climate track. The Summit hosted 40+ regional startups pitches, 102 companies showcased in the Expo Hall which included a Transportation & Climate neighborhood sponsored by SMUD and “The Backyard Awards” party celebrated regional innovators with the early-stage startup awarded to OnSight Technologies of Folsom presented by SMUD Director Rose.

Carlsen Center for Innovation & Entrepreneurship at CSU Sacramento hosted the Startup Challenge and Global Entrepreneurship Week (GEW). At the two Startup Challenges, over 90 participants were supported in growing their ventures (33 final pitches, \$1 million in funding generated post sessions). GEW 2024 featured 20 discussions/panels, pitch events, and a speed mentoring event, with approximately 600 attendees, reaching an additional 150 attendees through LinkedIn live. During the Sacramento Entrepreneurial State of the Union, SMUD Board President Rosanna Herber was featured and moderated a panel on the future of CleanTech/ZEV in the Greater Sacramento region.

As a member of the **Sacramento Entrepreneurial Growth Alliance (SEGA)**, SMUD meets quarterly to discuss areas to collaborate and grow entrepreneurship in the region. The NorCal Entrepreneur Hub, an online tool/platform connecting entrepreneurs to organizations, resources, and events, now highlights over 433 users, 325 organizations, and 488 resources. The Inclusive Innovation Hub, as part of the California Office of the Small Business Advocate, led by SEGA and partnering programs, were able to support over 280 businesses, raised \$32.2 million in equity financing, \$1.15 million in non-dilutive capital raise, and activated \$115,000 in equity investment through NorCal AngelCon.

FourthWave, an accelerator for women-led technology ventures, partnered with the Carlsen Center for Innovation & Entrepreneurship to support 12 startups and 17 founders in 2024, meeting 17 times, and hosted a Funder and Founder panel, and an Investor Salon involving over 25 mentors and coaches. To date, FourthWave alumni have collectively raised over \$100 million in funding and created more than 200 jobs, driving innovation and economic growth.

Sacramento Entrepreneurship Academy (SEA) had 11 entrepreneurs in five cohorts, meeting 15 times, and met with mentors over the course of 11 weeks to support their startups.

CalEPIC developed new organizational policies and procedures required under the grant agreements, while it continued to refine its workforce development and training delivery models. They successfully met all grant reporting deadlines in 2024 with an emphasis on optimizing the recruiting and training strategies under the Federal and City grants. Strong partnerships were continued with community-based organizations serving underrepresented communities. These

partners include, but are not limited to, Women's Empowerment, Saint John's, Greater Sacramento Urban League, Asian Resources Incorporated, CA Asian Chamber of Commerce, La Familia, and Community Resource Project. Partnerships with other leading organizations for trainings were also strengthened by including ChargerHelp!, Rivian, Center for Manufacturing a Green Economy (nonprofit arm of the United Auto Workers), partnership with the California Masonic Foundation and the Sacramento City Unified School District in workforce development programs. For the 2024 calendar year, CalEPIC trained approximately 355 people. The organization is currently working on two grants (one state and one federal) for a battery pilot line for manufacturing and testing and a National Science Foundation grant for accelerating the development of electrochemical technologies to help utilities, and other partners, adopt new technology for grid resilience and reliability in partnership with UC Berkeley, Lawrence Berkeley National Lab, New Energy Nexus, Battery Innovation Center, UC Davis, Sacramento State University, and Southern California Edison, among others.

Commitment to Low Rates: SMUD continues to maintain rates that are below PG&E's, both at a system level and by rate class.

Customer		Rate Categories		Average Annual Rate		Difference	Difference
				PG&E	SMUD	Below PG&E*	Below PG&E*
Class	Description	PG&E	SMUD	2024	2024	2024	2023
Residential	Standard	E-1	TOD	\$0.4269	\$0.1898	-55.5%	-53.0%
	Low Income	CARE***	EAPR & EAPRMED**	\$0.2702	\$0.1328	-50.9%	-48.6%
All Residential				\$0.3610	\$0.1800	-50.1%	-46.8%
Small Commercial	<= 20 kW	B-1	GFN, CITS-0	\$0.4262	\$0.1833	-57.0%	-52.2%
	21 - 299 kW	B-6	CITS-1	\$0.4227	\$0.1698	-59.8%	-55.0%
Medium Commercial	300 - 499 kW	B-10	CITS-2, CITP-2	\$0.3822	\$0.1594	-58.3%	-55.7%
	500 - 999 kW	B-19	CITS-3, CITP-3, CITT-3	\$0.3286	\$0.1493	-54.6%	-51.9%
Large Commercial	=> 1 MW	B-20	CITS-4, CITP-4, CITT-4	\$0.2351	\$0.1330	-43.4%	-47.8%
Lighting	Traffic Signals	TC-1	TS	\$0.4224	\$0.1445	-65.8%	-61.5%
	Street Lighting	various	SLS,NLGT	\$0.4635	\$0.1573	-66.1%	-67.6%
Agriculture	Ag & Pumping	AG	ASN/D,AON/D	\$0.3803	\$0.1591	-58.2%	-53.9%
System Average				\$0.3493	\$0.1670	-52.2%	-50.1%

Notes:

* Projected 2024 average prices for SMUD with the rate increases effective 1-1-24 and 5-1-24. PG&E average prices in 2024 reflect rates effective 10-1-24, per Advice Letter 7382-E. The rate difference in year 2023 reflects PG&E average rates as of 9-1-23, per Advice Letter 7009-E dated 8-25-23, and SMUD rates effective 1-1-23.

** CARE vs EAPR includes EAPR & EAPRMED customers.

*** There is no indication from PG&E that their CARE rates include customers who have a medical allowance only.

Figure 1: Provides a detailed picture of the difference between SMUD's and PG&E's projected average rates by class in 2024 as well as the difference between rates in 2023. The competitive rate by class varies for the different customer classes and is at least 43.4% below comparable PG&E class average rates. Since the creation of the annual rate monitoring report in 2007, SMUD has consistently maintained rates that were more than 18% below PG&E.

APPENDIX B

SMUD shall align its economic development activities with regional economic development initiatives.

Leadership Roles: Throughout 2024, SMUD staff held visible leadership roles in regional economic development initiatives and organizations, helping ensure regional stakeholders are working in concert on business development, attraction, retention and expansion efforts and that our efforts are aligned with regional priorities. SMUD's leadership roles in regional economic development organizations included:

- California Jobs First / We Prosper Together
- 50 Corridor Transportation Management Authority, Board of Directors
- Business Environmental Resource Center, Advisory Committee
- CAAPS, Board of Directors
- Capitol Area Development Authority, Board of Directors
- Cap-to-Cap, Steering Committee Member
- California Foundation on Environment and the Economy, Board of Directors
- Cal EPIC, Board of Directors
- Carmichael Chamber of Commerce, Board of Directors
- Citrus Heights Chamber of Commerce, Board of Directors
- Cleaner Air Partnership, Executive Committee
- Downtown Sacramento Partnership, Board of Directors
- El Dorado Chamber of Commerce
- Florin Square Community Development Corporation, Board of Directors
- Folsom Tourism and Economic Development Corporation, Board of Directors
- Greater Sacramento Economic Council, Board of Directors
- Greater Sacramento Urban League, Board of Directors
- Internal Study Mission, Steering Committee
- Metro EDGE, Leadership Council
- Midtown Business Association, Board of Directors
- North Sacramento Chamber of Commerce, Board of Directors
- Northern California World Trade Center, Board of Directors
- Power Inn Alliance, Board of Directors
- R Street Sacramento Partnership, Board of Directors
- Rancho Cordova Chamber of Commerce, Board of Directors
- River District (Sacramento), Board of Directors
- Roseville Chamber of Commerce, Board of Directors
- Sacramento Asian Pacific Chamber of Commerce, Board of Directors
- Capital Black Chamber of Commerce, Board of Directors
- Sacramento Employment and Training Agency, Board of Directors
- Sacramento Hispanic Chamber of Commerce, Board of Directors
- Sacramento Metro Chamber of Commerce, Executive Committee
- Sacramento Metro Chamber Foundation, Board of Directors
- Sacramento Metro Chamber Study Mission, Steering Committee
- Sacramento Transportation Management Authority, Board of Directors
- Sacramento Works, Board of Directors
- Stockton Blvd. Partnership, Board of Directors
- Urban Land Institute, Executive Committee
- Valley Vision, Executive Committee

Grant Funding: SMUD aligned its grant funding activities with regional economic development activities by pursuing awards to fund planned work, research and development initiatives, and potential new business partnerships. This funding will directly help SMUD keep its rates low while also moving crucial projects forward with potential to economically benefit both SMUD and the larger region.

- Grants awarded in 2024: **California Energy Resilience and Reliability Infrastructure (CERRI) Grant:** \$25.5 million awards funded by the Federal Department of Energy and administered via the State California Energy Commission. The CERRI grant will pay for 192 and 148 network transformers and protectors as well as 350,000-400,000 circuit feet

of underground cable. All work will be executed between 2026-2030 and supports economic development with reliable energy at reasonable rates.

- **Reliable, Equitable, and Accessible Charging for Multi-Family Housing-(REACH 2.0):** \$2.2 million award funded by the California Energy Commission to install over 400 charging handles at multifamily housing throughout SMUD territory 2025-2028.
- **Extreme Heat & Community Resilience Grant:** \$750,000 award funded by the Office of Planning & Research out of the California State Governor's Office. Project is in partnership with the Sacramento City Unified School District to plan, design, and engineer a micro-grid resilience center installing solar and batteries at Hiram Johnson High School. To be executed in 2025-2026.
- **ESS Tech Inc.- Direct Award:** \$10 million Award given by the California Energy Commission to develop the non-lithium-ion battery bank at the Hedge Training Facility.

Into contract in 2024:

- **Connected Clean Power City (CCPC):** \$50 million award via the Federal Department of Energy. Integration of Distributed Intelligence (DI) at the Grid Edge, an enhanced Distributed Energy Resource Management System (DERMS), and an advanced Outage Management System (OMS) to maintain and improve grid resiliency. Installation of 200,000 residential meters. Expended through 2028.
- **Fast and Available Charging for All Californians (FAST) Grant:** \$5 million award by the California Energy Commission to fund 15 DC "fast chargers" at SFO, Amtrak and Sacramento State to support ride share drivers and nearby disadvantaged communities. Executed through 2027.
- **Reliable, Equitable, and Accessible Charging for Multi-Family Housing (REACH 1.0):** \$5.3 million award by the California Energy Commission to fund over 200 EV charging handles in disadvantaged community multifamily housing locations. Executed through 2027.
- **Pole Clearing Area Fire Hardening Grant:** \$5 million Award by the Federal Emergency Management Agency (FEMA) to replace outdated electrical components in select SMUD-owned transmission locations. Executed through 2025.

Regional Workforce Development Strategic Plan Update: In 2024, SMUD continued working through the Regional Workforce Development Strategic Plan, training 4,478 people to position them for clean energy and other economic opportunities and facilitating the employment of 825 members of our community. This regional strategy has worked to galvanize and prepare the region with an inclusive, diverse, skilled, and empowered future workforce. Through the Regional Workforce Development Strategic Plan initiatives, SMUD supported 49 community partners to rapidly deploy workforce development and training throughout the Sacramento Region, with a high emphasis on bringing opportunities to under-resourced communities. By fostering a responsive career ecosystem, SMUD continued to close economic equity gaps, build the requisite workforce to meet SMUD's regional zero carbon goals, and attract new business investments to the region by supporting a skilled and work-ready workforce.

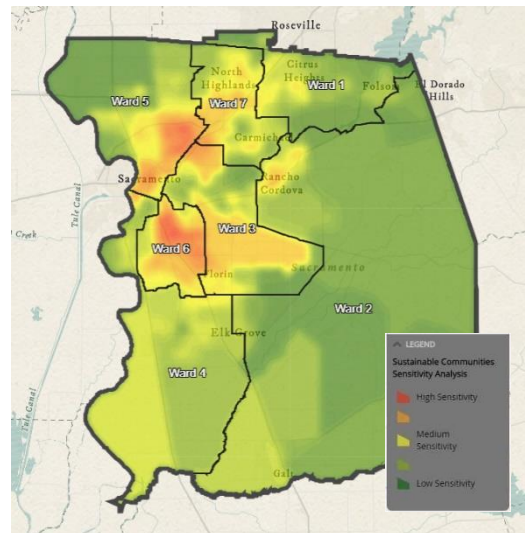
Energy Career Pathways: SMUD's 2024 Energy Career Pathways recruited and trained individuals from SMUD's Sustainable Communities target neighborhoods in solar, battery, EV, and electrification technologies. Our 2024 training partners, Grid Alternatives, Northern California Construction and Training Inc., and Cosumnes River College, supported graduates with employment services, such as connecting with employers, resume help, and career coaching. Our efforts closed the year with 177 individuals graduating and 64 being placed in relatively high-paying jobs and career paths.

Sustainable Communities Program: SMUD's Sustainable Communities promotes environmental equity and economic vitality, focusing on historically under-resourced

neighborhoods. Through partnerships with private industry, government agencies, and local community-based organizations, we invest in initiatives that ensure equitable access to clean energy, STEM education, regional workforce development, and inclusive economic opportunities. As part of our 2030 Zero Carbon Plan, we are committed to partnering with all communities, especially those lacking access to essential resources, such as affordable housing, livable wages, education, and a healthy environment. We work with community organizations and small businesses to address disparities, foster inclusion, and support long-term economic development opportunities. By collaborating with policymakers, transit providers, technology companies, and healthcare organizations, we aim to enhance workforce training, clean energy, and economic development in under-resourced communities.

SMUD's Sustainable Communities Priority Map:

Answering the call for an equitable clean energy transition, SMUD revised its Sustainable Communities Resource Priorities Map in 2024 to include the California Climate Investments Priority Populations 4.0 and Mapping Inequality: Redlining in New Deal America. The Sustainable Communities Resource Priorities Map helps inform resource allocation, reduce growing economic disparity in Sacramento County and ensures the benefits of SMUD's 2030 Zero Carbon Plan are equitably shared among all communities. SMUD and its partners will better understand where clean energy infrastructure, customer programs, facility improvements, economic development investment and workforce development opportunities need to occur to achieve our decarbonization goals in an equitable manner.



Shine Program: Now in its eighth year, the Shine program invests in community nonprofit partners that deliver inclusive and equitable projects through collaborations and partnerships supporting historically under-resourced communities. In 2024, 98 organizations submitted applications with compelling and competitive projects, requesting more than \$4.4 million in funding. These projects aim to increase access to zero carbon workforce development training and placement, promote inclusive economic development, enhance clean energy and STEM education, implement energy efficiency projects, and advance environmental justice and equity. For the 2024 – 2025 cohort, Shine will fund 22 projects totaling over \$530,000. The diverse portfolio of partners will support under-resourced and under-represented communities by developing the next generation of the zero-carbon workforce through skills training and work placement. Additionally, the Shine program will aim to increase clean energy and STEM education, update energy-efficient equipment, and improve natural habitats through environmental justice and equity projects. We will support inclusive economic development with a project from 80 Watt PBID, where we will identify three businesses to provide clean energy upgrades. We will increase access to zero carbon workforce skills programs for 240 under-represented and under-resourced community members in the region. Also, we will increase our clean energy, STEM education and careers, and environmental justice activities to over 4,050 under-represented youth.

2024 Small and Mid-size Business (SMB) Support: In 2024, SMUD's Small and Mid-size Business (SMB) team of Strategic Account Advisors (SAAs) made significant strides in engaging local businesses. To meet customers "where they are", the team collectively attended almost 200 community events. These included community gatherings, chambers of commerce meetings, and PBID-hosted events. The SAAs served as trusted advisors, providing education

on SMUD's programs, services, rates, and long-term vision while also offering technical assistance on topics such as infrastructure capacity, solar and storage, EVSE installation, and the benefits of electrification.

Finally, to bring SMUD's Community Impact Plan (CIP) funding to underserved business members of the Stockton Boulevard Partnership, The Tower District, Rancho Cordova Chamber of Commerce, and the Citrus Heights Chamber of Commerce, SAAs presented and shared electrification information with hundreds of business owners and community members at several business walks, community workshops, and onsite meetings. The work resulted in 80 CIP-funded business-electrification projects. The success of our 2024 outreach will continue in 2025 as we partner with five more community organizations to bring electrification to their member businesses.

Electrification and Energy Efficiency: Our Custom Retrofit, Complete Energy Solutions (CES), and Integrated Design Solutions (IDS) programs were well-positioned to lead electrification and energy efficiency projects for commercial customers in 2024. Commercial customers continued to take advantage of technical support along with a comprehensive list of incentive opportunities available through the commercial programs suite of offerings catered by business type. Additionally, SMB customers utilized the ease of the CES program, implementing turnkey solutions for them to complete energy projects. Many commercial customers were able to participate in both energy efficiency and Go Electric measures where they received incentives for multiple measures and saved money while reducing their carbon footprint. In 2024 we were able to increase the number of projects that took on multiple measures, and there was a 700% increase in projects that took on electrification as a measure as a direct result of equitable commercial heat pump incentives. Commercial program managers contributed and participated in quarterly Business Go Electric campaigns and community engagement events. Overall, the commercial programs completed 13 CIP projects with a combined total of 258 commercial projects completed in 2024.

APPENDIX C

SMUD shall assist in retaining, recruiting and growing commercial and industrial rate-paying customers.

One of the more significant barriers to customer growth in 2024 was persisting supply chain issues. Global supply chain delays continued to impact SMUD's ability to purchase equipment, including some types of transformers, resulting in longer lead times. SMUD's Commercial Development team dedicated significant time and resources to managing a transformer issuance policy to ensure customers were electrically ready to receive their equipment. This impacted our work significantly on residential housing and commercial development projects throughout the service territory.

Projects announced in 2024 included 11 companies and the creation/retention of 775 new jobs:

- **AMD** – a semiconductor company located a branch in Folsom with (120 jobs).
- **Arcadian** – Technology company located a branch in Sacramento (5 jobs.)
- **Bekonix** – the startup technology company opened its headquarters in Folsom (14 jobs).
- **Bequall** – specializing in ADUs and services located its headquarters in Sacramento County (6 jobs).
- **California Safe Soil** – renewable products within food and agriculture located its headquarters in Sacramento (50 jobs).
- **NZT** – opened its headquarters focusing on clean technology (20 jobs).

- **Onsight Technologies** – established new headquarters as they pioneer hardware-based AI and robotic with clean technology (60 jobs).
- **Rhombus Systems** – moved their headquarters to Sacramento specializing in technology (300 jobs).
- **Samsung** – opened a R&D branch in Folsom where they produce semiconductor (50 jobs).
- **Sparkz** – selected Sacramento to open a manufacturing site producing clean technology (141 jobs).
- **Tiami** – a headquarters technology company opened headquarters in Elk Grove (9 jobs).

Commercial Development: In 2024, our Commercial Development team actively engaged with approximately 143 commercial, mixed-use, and residential project developers throughout our service area. Highlights for the year include:

- Outreach to builders and developers on 2030 Clean Energy Vision program opportunities
- High-profile and critical projects include transitional and low-income projects, and transformational and major developments projects across our service territory
- Commercial development received a significant increase in prospective large load requests, predominantly from data centers due to artificial intelligence (AI), as it requires significant power delivered from large data centers.

APPENDIX D

SMUD shall offer economic development rates and program incentives.

SMUD offers economic incentives to help attract new businesses and expand existing ones to grow the regional economy. Incentives range from helping design new construction to offering energy-efficient upgrades for equipment to proposing our Economic Development Rate (EDR).

Economic Development Rate: Customers that exceed 299kW for three consecutive months may qualify for the EDR. This rate has multiple options for our customers, including a front-loaded rate to help reduce initial operating costs, or a fixed discount over the ten-year period. Customers located in a disadvantaged community have the same options, but with a larger discount. Additionally, the Greater Sacramento Economic Council verifies the economic impact of the project. This ensures the customer is aware of other economic development programs and incentives.

Economic Development Rate:

Size	Term	Industry Requirements	Job Requirements	Full Service Requirement	Discount
300kW+	10 years	No limitations	No minimum requirement	No	<p>Two options for customers to choose:</p> <p>Standard EDR <u>Opt A:</u> 6% for years 1-5, declining 1% per year for years 6-10 <u>Opt B:</u> 4.5% for 10 years</p> <p>Rate for Disadvantaged Communities <u>Opt A:</u> 8% for years 1-5, declining 1.5% per year for years 6-10 <u>Opt B:</u> 6% for 10 years</p>

Program Incentives: SMUD offered electrification and energy efficiency incentives to help meet the financial responsibility goals and sustainability needs of all our commercial customers. Commercial incentives and technical support help customers implement new energy-saving equipment and make electrification modifications to their buildings as part of SMUD's goal to

achieve 100% net-zero-carbon by 2030. Incentives offered include, but are not limited, to heat pump space heating and cooling, domestic hot water, kitchen electrification, and vehicle electrification. Overall, we provided incentives for improvements to 258 commercial projects for a combined total program energy savings of 21.8 GWh and over 1,895 all-electric equivalent homes of building electrification. SMUD contributed \$5.37 million dollars to commercial customers in 2024 to influence our commercial community to partner with us in our carbon reducing efforts.

APPENDIX E

SMUD shall offer a contracting program for certified small businesses who are rate-paying customers. In 2024, we exceeded our SEED Program goal of awarding at least 20% of all contracts to certified small businesses. Specifically, we awarded 30.1% through 142 SEED contracts totaling approximately \$204 million to local small businesses within SMUD service area.

Award Type	2024		
	Total Award \$	Award Count	Program %
SEED Prime	\$142,942,523.15	66	46%
SEED Sub-Contractors	\$61,190,540.86	75	53%
Sheltered Market	\$260,000	1	1%
Grand Total	\$204,888,362.29	142	100%

The SEED team focused its efforts on the following key outreach initiatives:

- **Business Walks:** Economic Development and Partnerships conducted 24 business walks throughout the region with an emphasis on high priority areas identified on the Sustainable Communities Priorities Map. These business walks helped SMUD build trust through repeated customer outreach to more than 1,500 businesses, identifying language barriers, promoting Business District Electrification and increasing SEED participation.
- **Expanded Education & Certification Support:** EDP launched Proposal Writing 101 and a collaborative SEED enrollment workshop with the Department of General Services (DGS). Proposal Writing 101 builds on the "How to Do Business with SMUD" workshop, while the DGS workshop helps businesses obtain certification to qualify for and enroll in the SEED program.
- **Business Advisory Committee (BAC) & Economic Development Summit:** EDP continued to lead the Business Advisory Council (BAC), hosting four quarterly meetings that connected business organization leaders with each other and with information on the SEED program, the 2030 Zero Carbon Plan, best practices, sponsored events, incentives, and commercial contracting opportunities. In 2024, approximately 55 SMUD contracts were awarded to members and affiliates of BAC members organization, representing an estimated \$181,107,287 in awarded contracts (including SEED and non-SEED recipients). To further support regional business development, EDP facilitated its inaugural Economic Development Summit, featuring partners who are key business leaders and offering insights into the region's economic health and strengthening collaboration among key stakeholders.
- **"Meet the Buyers" Conference:** Economic Development & Partnership's 13th Annual Meet the Buyers Conference returned in a hybrid format, attracting 309 attendees total (241 in-person and 68 online attendees). The event featured a greeting by Board President Herber, two panel discussions and an Expo of SMUD procurement and external business partner exhibitors. The

event was well-reviewed by attendees and resulted in 5 new SEED vendors registered and a 13% average increase in SMUD solicitation views.

- **SEED Marketing & Language Accessibility:** Economic Development & Partnerships added Tagalog to the growing list of SEED material languages translations to enhance accessibility and engagement, including translating SEED and Meet the Buyers materials and expanding outreach to a broader audience.
- **Sheltered Market Initiatives:** The SEED team continually explores innovative ways to foster small business participation in solicitations and worked closely with Supply Chain to identify a sheltered market contracting opportunity in professional services. The contracts are specific only to verified SEED vendors and resulted in 13 suppliers being awarded a total of \$3,198,000 in potential awards.
- **SEED Priorities Map & Data-Driven Outreach:** To support SMUD's commitment to an equitable clean energy transition, Economic Development & Partnerships integrated SEED awards and enrollment data into the Sustainable Communities Resource Priorities Map. This addition helps SMUD identify enrollment and contract award trends by ward, enabling targeted outreach in areas with lower SEED participation.
- **SEED Quarterly Newsletter:** Economic Development & Partnerships relaunched the SEED newsletter in an updated format for SMUD employees to access through SharePoint. Content included SEED supplier success stories, recent contract awards, volunteer opportunities for SEED Ambassadors to promote the program at SMUD-sponsored event, and SEED program successes including winning the Department of General Services State Agency Recognition Award for Reciprocity Partner of the Year. The EDP team also led an internal "Think SEED First" campaign, which included the creation of the "Find a SEED Vendor" intranet link, in-person canvassing across multiple business units, communication in SEED Ambassador presentations and newsletters, and the incorporation of live testimonials from 3 community partners to highlight the positive impact of buying from SEED vendors during the 2024 Learn@SMUD presentation.
- **Reciprocity Partner of the Year Award:** The SEED program again was recognized by the California Department of General Services as the "Reciprocity Partner of the Year" at their State Agency Recognition Awards (SARA) as a successful contracting incentive program that uses DGS's certification designation for SEED vendors. This is the third time the SEED program has received the award in 5 years since its inception.

RESOLUTION NO. _____

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board accepts the monitoring report for **Strategic Direction SD-13, Economic Development**, substantially in the form set forth in **Attachment ____** hereto and made a part hereof.

SSS No. DP&O 25-003

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date
Policy – 08/14/25Board Meeting Date
August 21, 2025

TO				TO			
1.	Claire Rogers			6.			
2.	Frankie McDermott			7.			
3.	Suresh Kotha			8.			
4.	Brandy Bolden			9.	Legal		
5.	Farres Everly			10.	CEO & General Manager		
Consent Calendar		X	Yes	No		If no, schedule a dry run presentation.	
Budgeted		X	Yes	No (If no, explain in Cost/Budgeted section.)			
FROM (IPR) Amandeep Singh				DEPARTMENT Distribution Planning and Operations			
MAIL STOP		EXT.		DATE SENT			
EA403		5631		07/18/25			

NARRATIVE:

Requested Action: Accept the monitoring report for **Strategic Direction SD-14, System Enhancement**.

Summary: The purpose is to provide the Board with the annual update on SD-14, System Enhancement, for the year 2024. The information in the monitoring report could be used by the Board to determine if the policy needs to be revised or further developed. If so, those items could be scheduled for subsequent meetings.

Board Policy: Strategic Direction SD-14, System Enhancement
(Number & Title)

Benefits: Allows the Board of Directors a better understanding of Board Policies and gives them an opportunity to make revisions if necessary.

Cost/Budgeted: In June 2020, the Board approved suspension of funding new projects under SD-14 for 2020, 2021 and 2022 (Resolution 20-06-23). Previously committed projects, a total of three, under the Policy would continue to be funded during these years. The total 2024 budget for these three projects was \$4 million, and the actual spending was approximately \$140,000. The large variance between plan and actuals is due to local agency schedule adjustments.

Alternatives: Provide the Board written reports and communications through the CEO & General Manager.

Affected Parties: N/A

Coordination: Line Assets and Regional & Local Government Affairs

Presenter: Amandeep Singh, Director, Distribution Planning & Operations

Additional Links:

SUBJECT

Strategic Direction SD-14, System Enhancement Monitoring Report

ITEM NO. (FOR LEGAL USE ONLY)

6

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SACRAMENTO MUNICIPAL UTILITY DISTRICT

OFFICE MEMORANDUM

TO: Board of Directors

DATE: July 29, 2025

FROM: Claire Rogers *CR 7/29/25*

**SUBJECT: Audit Report No. 28007867
Board Monitoring Report; SD-14: System Enhancement**

Internal Audit Services (IAS) received the SD-14 *System Enhancement* 2024 Annual Board Monitoring Report and performed the following:

- Selected a sample of statements and assertions in the report for review.
- Compared sample to the corresponding supporting documentation to identify potential discrepancies.

All items sampled within the SD Report aligns with the supporting documentation provided at the time of review.

CC:

Paul Lau

Board Monitoring Report 2024

Strategic Direction

SD-14, System Enhancement



1. Background

Strategic Direction 14, the System Enhancement Board policy states that:

As a community-owned utility, SMUD recognizes that the relocation or underground placement of primary voltage power lines may be desirable to local jurisdictions to improve aesthetics, economic vitality, safety and disabled access. Therefore, it is a key value of SMUD to make selected distribution system enhancements, such as permanent relocation or underground placement of primary power lines below 69 kV.

- a) SMUD will, at its expense and where technically feasible, permanently relocate or underground existing overhead distribution facilities provided the governing body of the city or county in which the electric facilities are and will be located has:
 - i) Identified, after consultation with SMUD, a specific system enhancement project;
 - ii) Determined the project is in the public interest;
 - iii) Ensured all existing overhead communication facilities related to the project will also be permanently relocated or placed underground;
 - iv) Obtained and provided SMUD with all easements necessary for the project.
- b) After achievement of core financial targets, SMUD will annually commit up to one-half of one percent of its annual gross electric sales revenue to system enhancements. The proposed projects will be subject to SMUD's annual budget approval process, and uncommitted funds from any given year will not be carried over to future years. Funding will be assigned to projects brought forward by local cities or counties based on applying the following criteria (not in order of preference):
 - i) Project scale and/or cost when measured against available SMUD resources.
 - ii) Requesting entity has developed full scope, obtained all necessary easements, and development plan for customer service conversion from overhead to underground, as required.
 - iii) Extent to which the costs are borne by others.

2. Executive summary

The policy states that SMUD “*will annually commit up to one-half of one percent of its annual gross electric sales revenue to system enhancements.*” For 2024, this threshold was approximately \$8.91 million.

SMUD is in compliance with SD-14, System Enhancement.

The planning and execution of SD-14 projects is typically a multi-year process that starts with a preliminary work scope that is used to determine a ballpark cost estimate, to the finalization of the work scope that includes a detailed design and detailed cost estimate. After necessary permits and easements are obtained, the project is released for execution/construction. Table 1 below shows the committed projects and their design and construction schedules. The budget for these four multi-year projects were included in the approved operational plans and budgets.

Table 1: Committed Projects in Progress

Local Jurisdiction	Project Title	Total Cost Estimate	2024 Project Budget	2024 Project Spend	Project Status
Sacramento County	Greenback Lane Road Improvements (0.8 miles)	\$1,000K	\$0K ^(a)	\$10K	Design in 2025; Construction in 2026
City of Citrus Heights	Auburn Blvd. Rusch Park to I-80 (0.75 miles)	\$2,900K	\$2,808K ^(a)	\$129K	Under Construction 2025
City of Elk Grove	Elk Grove Blvd. Waterman to School St. (0.5 miles)	\$1,500K	\$1,194K ^(a)	\$1.2K	Design in 2025; Construction in 2026
City of Sacramento	Arden Way Heskett Way to Morse Ave. (0.5 miles)	\$750K	\$0K ^(b)	\$0K	Design in 2025; Construction in 2027

(a) The original schedule called for the project construction to start in 2022 but the local agency deferred construction to later years.

(b) New project approved in August 2024 for the City of Sacramento.

3. Additional supporting information

Since the adoption of the SD-14 policy, eleven projects have been funded through the policy for a total of \$12.06 million. Table 2 below lists the projects completed by year.

Table 2: Completed Projects Since Policy Adoption

Local Jurisdiction	Project Description	SMUD Construction Completion	SMUD Project Cost
Sacramento County	Fair Oaks Blvd Landis to Angelina (0.3 miles)	2021	\$0.25 M
Sacramento County	Hazel Avenue Phase 3 Sunset to Madison (0.7 miles)	2021	\$1.22 M
City of Sacramento	Sutter Village (~200 feet)	2019	\$0.12 M
City of Sacramento	Ice Blocks Project R Street b/w 16th & 18th Streets (1,000 ft.)	2017	\$0.47 M
Sacramento County	Hazel Avenue Phase 2 b/w Curragh Downs & Sunset Ave. (1 mile)	2017	\$2.3 M
Sacramento County	Fair Oaks Blvd. b/w Landis Ave. & Engle Rd. (0.5 miles)	2016	\$1.2 M
City of Sacramento	16th and O Streets (1,000 ft.)	2013	\$0.3 M
Citrus Heights	Auburn Blvd. b/w Sylvan Corners & Rusch Park (1 mile)	2013	\$2.6 M
Sacramento County	North Highlands Town Ctr. at Watt Ave. & Freedom Park Dr. (0.5 mile)	2012	\$1.1 M
City of Sacramento	7th St. b/w North B & Richards Blvd. (1,500 ft.)	2012	\$1.3 M
City of Sacramento	Richards Blvd. b/w North 5th & North 7th Streets (1,000 ft.)	2012	\$1.2 M

4. Challenges

There were no challenges encountered with the implementation of the Board policy in 2024.

5. Recommendation

It is recommended that the Board accept the 2024 Monitoring Report for SD-14, System Enhancement.

6. Appendices

N/A

RESOLUTION NO. _____

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board accepts the monitoring report for **Strategic Direction SD-14, System Enhancement**, substantially in the form set forth in **Attachment ____** hereto and made a part hereof.

SSS No. SCS 25-201

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date
Finance & Audit – 08/19/25

Board Meeting Date
August 21, 2025

TO					TO				
1.	Eric Poff				6.	Jose Bodipo-Memba			
2.	Casey Fallon				7.				
3.	Frankie McDermott				8.				
4.	Scott Martin				9.	Legal			
5.	Lora Anguay				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>	
FROM (IPR) Jose Noriega			DEPARTMENT Procurement			MAIL STOP EA404		EXT. 6687	DATE SENT 07/25/25
NARRATIVE:									
<p>Requested Action: Authorize the Chief Executive Officer and General Manager to negotiate and execute a sole source contract with AMETEK Power Instruments (Ametek) to manufacture and provide SMUD with Digital Fault Recorders on an as-needed basis for the five-year period from September 1, 2025, to September 1, 2030, in an amount not to exceed \$3 million.</p> <p>Summary: Procurement, in coordination with Substation Engineering, recommends awarding a sole source contract to Ametek for the supply of Digital Fault Recorders (DFRs) to support SMUD's substation and generation projects from 2025 through 2030.</p> <p>Ametek DFRs are required to maintain consistency and interoperability across SMUD's system. Each DFR manufacturer uses proprietary software and interfaces, making integration across platforms challenging. Ametek's DFR solution allows SMUD to maintain, compile, share, and access records in a standardized way that ensures continuity, North American Electric Reliability Corporation (NERC) compliance, and efficient system analysis. This eliminates risks associated with software incompatibility and data fragmentation. Transitioning to a different manufacturer would require SMUD to replace all existing DFRs installed across the grid with another manufacturer's DFR, resulting in significant cost and disruption.</p> <p>Awarding a long-term contract to Ametek allows SMUD to secure favorable pricing and align with existing system architecture. SMUD's Bulk Electric System already relies on Ametek DFRs, and standardizing future installations will reduce complexity and support efficient operations.</p> <p>Recommendation: Award Sole Source Contract to AMETEK Power Instruments</p> <p>Board Policy: Board-Staff Linkage BL-8, Delegation to the CEO with Respect to Procurement; Strategic Direction SD-4, Reliability <i>(Number & Title)</i></p> <p>Benefits: SMUD secures a long-term contract directly with the manufacturer to provide digital fault recorders for future substation and power generation projects.</p> <p>Cost/Budgeted: \$3,000,000; Budgeted for 2025-2030 by Energy Delivery and Operations, Substation Engineering</p> <p>Alternatives: Change DFR requirements to a different manufacturer. Transitioning to a different manufacturer would require SMUD to replace all existing DFRs installed across the grid with another manufacturer's DFR, resulting in significant cost and disruption.</p> <p>Affected Parties: Energy Delivery & Operations, Procurement, and Contractor</p> <p>Coordination: Energy Delivery & Operations and Procurement</p> <p>Presenter: Eric Poff, Director, Substations, Telecommunications & Metering Assets</p>									

Additional Links:

SUBJECT	Sole Source Contract with AMETEK Power Instruments	ITEM NO. (FOR LEGAL USE ONLY) 7
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ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

RESOLUTION NO. _____

WHEREAS, SMUD currently uses and relies upon **Digital Fault Recorders (DFRs)** manufactured by **AMETEK Power Instruments (Ametek)** to detect and monitor data related to our Bulk Electric System required to maintain consistency and interoperability; and

WHEREAS, each **DFR** manufacturer uses proprietary software and interfaces, making integration across platforms challenging; and

WHEREAS, **Ametek's DFR** solution allows SMUD to maintain, compile, share, and access records in a standardized way that ensures continuity, **North American Electric Reliability Corporation (NERC)** compliance, and efficient systems analysis while eliminating risks associated with software incompatibility and data fragmentation; and

WHEREAS, transitioning to a different **DFR** manufacturer would require SMUD to replace all existing **DFRs** installed across the grid with another manufacturer's **DFR** resulting in significant cost and disruption; and

WHEREAS, executing a contract with **Ametek** allows SMUD to secure favorable pricing and align with existing system architecture to support SMUD's substation and generation projects from 2025 through 2030; and

WHEREAS, it would not be productive or in the best interest of SMUD to advertise for competitive bids for the products and services referred to above because they can only be obtained from **Ametek**; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

Section 1. That the Chief Executive Officer and General Manager, or his designee, is authorized on behalf of SMUD to negotiate and execute a sole source contract with **AMETEK Power Instruments** to manufacture and provide SMUD with Digital Fault Recorders on an as-needed basis for the five-year period from September 1, 2025, to September 1, 2030, in an amount not to exceed \$3,000,000.

Section 2. The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the terms and conditions of the contract that, in his prudent judgment: (a) further the primary purpose of the contract; (b) are intended to provide a net benefit to SMUD; and (c) do not exceed the authorized contract amount and applicable contingencies.

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date
Finance & Audit – 08/19/25

Board Meeting Date
August 21, 2025

TO				TO			
1.	Eric Poff			6.	Jose Bodipo-Memba		
2.	Casey Fallon			7.			
3.	Frankie McDermott			8.			
4.	Scott Martin			9.	Legal		
5.	Lora Anguay			10.	CEO & General Manager		
Consent Calendar	X	Yes	No If no, schedule a dry run presentation.	Budgeted	X	Yes	No (If no, explain in Cost/Budgeted section.)
FROM (IPR)		DEPARTMENT		MAIL STOP		EXT.	
Greg Hovious		Procurement		EA404		4860	
						DATE SENT	
						07/25/25	

NARRATIVE:

Requested Action: Authorize the Chief Executive Officer and General Manager to negotiate and award contracts to Lund Construction Co., Navajo Pipelines, Inc., Arrow Construction, Syblon Reid Construction, Inc. and Teichert Energy & Utilities Group Inc. dba Teichert Utilities (collectively, the “Contracts”) to provide Urban Civil Annual Construction Services for a five-year term from September 1, 2025, to September 1, 2030, for a total aggregate not-to-exceed amount of \$100 million for the Contracts.

Summary: Request for Proposals No. Doc5112258551 (RFP) was issued April 9, 2025, to solicit qualified firms to provide all supervision, labor, materials, equipment, and incidentals necessary to perform Urban Civil Annual on a task order basis. The urban construction services scope includes construction services in Downtown Sacramento in the road right-of-way in high pedestrian and vehicular traffic to repair or modify existing high voltage electrical facilities and build new high voltage electrical structures or facilities in Downtown Sacramento. A pre-proposal conference was held on April 15, 2025. On May 13, 2025, ten proposals were received. An initial evaluation was conducted to assess whether the proposals received, including pricing and other factors, are fair and reasonable. After the initial evaluations were concluded, SMUD staff negotiated with the top six ranked Proposers to achieve fair and reasonable pricing from the five Proposers being recommended for award.

Recommendation: Award to the five Highest Evaluated Responsive Proposers: Lund Construction Co., Navajo Pipelines, Inc., Arrow Construction, Syblon Reid Construction, Inc., and Teichert Energy & Utilities Group Inc. dba Teichert Utilities.

Proposers Notified by Procurement: 29

Proposers Downloaded: 29

Pre-Proposal Conference Attendance: 15

Proposals Received: 10

Responsive Proposals Received	P / F	10 Points SEED	50 Points Technical	40 Points Pricing	Total Score	Rank	Proposal Amount	Evaluated Proposal Amount	Proposed Award Amount
Lund Construction Co	P	10	48.17	39.47	97.64	1	\$22,448,575.00	\$22,198,575.00	NTE \$100 Million, Aggregate of all Task Authorizations
Navajo Pipelines Inc.	P	10	45.33	38.74	94.07	2	\$22,867,075.00	\$22,617,075.00	
Arrow Construction	P	10	43.83	40.00	93.83	3	\$22,153,950.00	\$21,903,950.00	
Syblon Reid Construction, Inc.	P	10	45.00	37.75	92.75	4	\$23,459,024.25	\$23,209,024.25	
Teichert Energy & Utilities Group Inc. dba Teichert Utilities	P	10	43.33	38.83	92.16	5	\$22,813,032.50	\$22,563,032.50	
Moreno Trenching, LTD	P	10	46.17	33.01	89.17	6	\$26,794,237.50	\$26,544,237.50	
Myers & Sons Construction, LLC	P	10	45.83	26.91	82.75	7	\$32,806,200.00	\$32,556,200.00	

Doug Veerkamp General Engineering, Inc.	P	10							
			44.67	26.59	81.14	8	\$33,199,950.00	\$32,949,950.00	
Ample Electric, Inc	P	10	45.00	24.68	79.68	9	\$35,753,799.75	\$35,503,799.75	
GSW Construction Inc.	P	10	43.83	22.05	75.88	10	\$39,982,200.00	\$39,732,200.00	

Comments:

Supplier Diversity Program: All five recommended contractors achieved the maximum Supplier Education & Economic Development (SEED) participation level.

Board Policy: Board-Staff Linkage BL-8, Delegation to the CEO with Respect to Procurement; Strategic Direction SD-4, Reliability; Strategic Direction SD-6, Safety Leadership; Strategic Direction SD-13, Economic Development
(Number & Title)

Benefits: Qualified contractors to keep SMUD's Urban Civil projects on schedule.

Cost/Budgeted: \$100,000,000; Budgeted for 2025 to 2030 by Energy Delivery and Operations, Civil Engineering

Alternatives: Negotiate current contracts with incumbent contractors for an extended term.

Affected Parties: Energy Delivery and Operations, Supply Chain Services, and Contractor

Coordination: Civil Engineering and Supply Chain Services

Presenter: Eric Poff, Director, Substations, Telecommunications & Metering Assets

Additional Links:

SUBJECT

Contract Award for Urban Annual Civil Construction

ITEM NO. (FOR LEGAL USE ONLY)

8

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

RESOLUTION NO. _____

WHEREAS, on April 9, 2025, SMUD issued Request for Proposal No. Doc5112258551 (RFP) to solicit qualified contractors to provide Urban Civil Annual Construction Services for a five-year period; and

WHEREAS, 10 proposals submitted in response to the RFP were evaluated; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

Section 1. As a result of such examination, **Lund Construction Co., Navajo Pipelines, Inc., Arrow Construction, Syblon Reid Construction, Inc., and Teichert Energy & Utilities Group Inc. dba Teichert Utilities** are hereby determined and declared to the highest evaluated responsive proposers to provide urban civil annual construction services.

Section 2. The Chief Executive Officer and General Manager, or his designee, is authorized, on behalf of SMUD, to negotiate and award contracts to the highest evaluated responsive proposers, **Lund Construction Co., Navajo Pipelines, Inc., Arrow Construction, Syblon Reid Construction, Inc., and Teichert Energy & Utilities Group Inc. dba Teichert Utilities** (collectively, the **Contracts**), to provide urban civil annual construction services for a five-year term from September 1, 2025, to September 1, 2030, for a total aggregate not-to-exceed amount of \$100,000,000 for the **Contracts**.

Section 3. The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the terms and conditions of the

Contracts that, in his prudent judgment: (a) further the primary purpose of the **Contracts**; (b) is intended to provide a net benefit to SMUD; and (c) does not exceed the authorized contract amount and applicable contingencies.

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date
Finance & Audit – 08/19/25

Board Meeting Date
August 21, 2025

TO					TO							
1.	Amber Connors				6.	Scott Martin						
2.	Jon Olson				7.	Lora Anguay						
3.	Casey Fallon				8.	Jose Bodipo-Memba						
4.	Suresh Kotha				9.	Legal						
5.	Frankie McDermott				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>		
FROM (IPR) Tasha Crawford					DEPARTMENT Supply Chain Services					MAIL STOP EA404	EXT. 6205	DATE SENT 07/25/25
NARRATIVE:												
<p>Requested Action: Authorize the Chief Executive Officer and General Manager to negotiate and execute a sole source contract with Power Costs, Inc. (PCI) for professional services and software maintenance in support of the Generation Supply Management System for a five-year term starting approximately August 25, 2025, in an amount not to exceed \$10.7 million.</p> <p>Summary: Energy Trading & Contracts and Information Technology (IT) are seeking approval to negotiate and execute a sole source contract with PCI. The contract will provide professional services and software maintenance and support for an upgrade to the Generation Supply Management System (GSMS) in support of SMUD's entrance into the Extended Day Ahead Market (EDAM). Entering into the EDAM will extend participation in the day-ahead market to other Western Energy Imbalance Market (EIM) entities beyond the California Independent System Operator (CAISO), which will add opportunities for SMUD to sell excess or buy additional supply at optimal rates. It will improve market efficiency by integrating renewable resources using day-ahead unit commitment and scheduling across a larger area, which will result in better financial outcomes for SMUD. PCI is the manufacturer of the proprietary System and is the sole provider of maintenance and support as there are no resellers. Therefore, a solicitation would be an idle act. SMUD staff negotiated a discount of \$380,000, and the price is considered fair and reasonable.</p> <p>Recommendation: Award Sole Source Contract to Power Costs, Inc.</p> <p>Board Policy: Board-Staff Linkage BL-8, Delegation to the CEO with Respect to Procurement; Strategic Direction SD-4, Reliability; Strategic Direction SD-7, Environmental Leadership <i>(Number & Title)</i></p> <p>Benefits: Entering the EDAM will increase regional coordination, support SMUD's environmental goals, and meet demand cost-effectively.</p> <p>Cost/Budgeted: \$10,700,000; Budgeted for 2025-2031 by IT</p> <p>Alternatives: SMUD could solicit for a new GSMS, which is not in SMUD's best interest as it is cost and resource prohibitive and will delay the schedule for SMUD's October 2027 entrance into the EDAM.</p> <p>Affected Parties: IT, Energy Trading and Contracts, Supply Chain Services, and Contractor</p> <p>Coordination: IT and Supply Chain Services</p> <p>Presenter: Amber Connors, Director, Customer & Grid Operations Tech Center</p>												

Additional Links:

SUBJECT

Sole Source Contract with Power Costs, Inc.

ITEM NO. (FOR LEGAL USE ONLY)

9

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

RESOLUTION NO. _____

WHEREAS, by Resolution No. 23-08-06, adopted on August 17, 2023, this Board authorized the Chief Executive Officer and General Manager to negotiate and execute all agreements necessary to facilitate SMUD's participation in the **California Independent System Operator Corporation (CAISO) Extended Day-Ahead Market (EDAM)**; and

WHEREAS, SMUD is currently scheduled to enter the **EDAM** in October 2027, which will extend participation in the day-ahead market to other **Western Energy Imbalance Market (EIM)** entities beyond **CAISO** and thus add opportunities for SMUD to sell excess or buy additional supply at optimal rates; and

WHEREAS, participation in the **EDAM** will improve market efficiency by integrating renewable resources using day-ahead unit commitment and scheduling across a larger area resulting in better financial outcomes for SMUD; and

WHEREAS, an upgrade to SMUD's **Generation Supply Management System (GSMS)** is required to support SMUD's entrance into **EDAM**; and

WHEREAS, **Power Costs, Inc. (PCI)** is the manufacturer of the proprietary **GSMS** and is the sole provider of maintenance and support as there are no resellers; and

WHEREAS, staff has negotiated a discount of \$380,000, and the price is considered fair and reasonable; and

WHEREAS, it would not be productive or in the best interest of SMUD to advertise for competitive bids for the products and services referred to above because they can only be obtained from **PCI**; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

Section 1. That the Chief Executive Officer and General Manager, or his designee, is authorized on behalf of SMUD to negotiate and execute a sole source contract with **Power Costs, Inc.** for professional services and software maintenance in support of SMUD's Generation Supply Management System for a five-year term starting approximately August 25, 2025, in an amount not to exceed \$10,700,000.

Section 2. Maintenance fees for future years will be approved by this Board with approval of the annual budget.

Section 3. The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the terms and conditions of the contract that, in his prudent judgment: (a) further the primary purpose of the contract; (b) are intended to provide a net benefit to SMUD; and (c) do not exceed the authorized contract amount and applicable contingencies.

SSS No. CS 25-003

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date
ERCS – 08/20/25
Board Meeting Date
August 21, 2025

TO					TO				
1.	Claire Rogers				6.	Frankie McDermott			
2.	Farres Everly				7.				
3.	Brandy Bolden				8.				
4.	Suresh Kotha				9.	Legal			
5.	Lora Anguay				10.	CEO & General Manager			

Consent Calendar	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No <i>If no, schedule a dry run presentation.</i>	Budgeted	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No <i>(If no, explain in Cost/Budgeted section.)</i>
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FROM (IPR) Tracy Carlson	DEPARTMENT Customer Success	MAIL STOP A151	EXT. 7248	DATE SENT 07/24/25
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NARRATIVE:

Requested Action: Accept the monitoring report for Strategic Direction SD-5, Customer Relations.

Summary: Communicate status of key metrics as they relate to customer relations.

Board Policy: Strategic Direction SD-5, Customer Relations. This report provides the measurement of customer relations as specified in SD-5.
(Number & Title)

Benefits: Provide Board Members with an update on the compliance of the Strategic Direction and allow an opportunity to make corrections, additions, or changes if necessary.

Cost/Budgeted: Costs contained in internal budget for labor.

Alternatives: Provide via written report through the Chief Executive Officer and General Manager.

Affected Parties: Customer Success, Communications, Marketing & Community Relations, Legal, and SMUD customers

Coordination: Customer Success

Presenter: Tracy Carlson, Director, Customer Success

Additional Links:

SUBJECT

Strategic Direction SD-5, Customer Relations Monitoring Report

ITEM NO. (FOR LEGAL USE ONLY)

10

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SACRAMENTO MUNICIPAL UTILITY DISTRICT

OFFICE MEMORANDUM

TO: Board of Directors

DATE: August 6, 2025

FROM: Claire Rogers *CR 8/6/25*

**SUBJECT: Audit Report No. 28007868
Board Monitoring Report; SD-5: Customer Relations**

Internal Audit Services (IAS) received the SD-5 *Customer Relations* 2024 Annual Board Monitoring Report and performed the following:

- Selected a sample of statements and assertions in the report for review.
- Compared sample to the corresponding supporting documentation to identify potential discrepancies.

All items sampled within the SD Report aligns with the supporting documentation provided at the time of review.

CC:

Paul Lau

Board Monitoring Report 2024 SD-5 Customer Relations



1) Background

Strategic Direction 5 Customer Relations states that:

Maintaining a high level of customer relations is a core value of SMUD. Additionally, the Board sets a customer satisfaction target of 95 percent with no individual component measured falling below 85 percent. In addition, the Board establishes an overall customer experience “value for what you pay” target of 70 percent by the end of 2025 and 80 percent by the end of 2030, with neither the average commercial customer score falling below 69 percent nor the average residential customer score falling below 65 percent in any year.

As part of this policy:

- a. SMUD customers shall be treated in a respectful, dignified and civil manner.
- b. SMUD shall communicate a procedure for customers who believe they have not received fair treatment from SMUD to be heard.

2) Executive summary

To ensure customers are receiving the highest quality of service, SMUD measures the satisfaction of key interactions with SMUD: Outages, Tree Trimming, Bill Inquiries, New Connections, IVR Payments, and IVR Payment Arrangements.

In addition, we measure Value for What You Pay as value drives customer loyalty. Value is defined as the trade-off between the perceived benefits a customer gets to the cost they have to pay for the benefits. Knowing what customers value allows SMUD to tailor services, products, and offerings to sustain customer relationships as the utility market evolves. SMUD is measuring customer perceived value because SMUD believes it is an effective early indicator of customer loyalty. When customers have options to choose alternatives, whether alternatives in energy, energy advisement, and other related services, we want our customers to continue choosing SMUD.

High satisfaction in these key interactions below and a high Value for What You Pay score support SMUD’s purpose and vision to act in the best interests of our customers and community.

- a) SMUD is in compliance with SD-5.**

- SMUD has exceeded the target of 95% with an overall Customer Satisfaction of **97%**. All six components exceeded the goals.
- SMUD achieved a **70%** overall Value for What You Pay score, with neither Residential nor Commercial falling below their prescribed floors.

Metric	2024 performance	2023 performance	2022 performance	2021 performance	2020 performance
Customer Satisfaction Level	97%	97%	97%	97%	97%
Tree Trimming	95%	96%	95%	96%	95%
New Connects	99%	98%	98%	99%	99%
Bill Inquiries	94%	94%	96%	96%	96%
Outage Communication	97%	94%	96%	94%	95%
IVR Payment	97%	97%	98%	98%	97%
IVR Payment Arrangement	95%	95%	95%	94%	93%
Value for What You Pay	70%	71%	71%	76%	77%
Commercial	70%	72%	73%	79%	79%
Residential	69%	70%	70%	73%	75%

3) Additional supporting information:

Respectful Customer Treatment: Compliant

SMUD customers are treated in a respectful, dignified and civil manner. SMUD employees are trained to deliver quality customer experience through extensive, multi-channel employee competency development.

Respectful Customer Treatment Supporting Information:

- Instructor Led training –1,153 attendees
- Real Time Training –308 bulletin items
- Customer touchpoints and journey assessed and designed – 16

Hearing Appeal Process: Compliant

Customers are made aware of SMUD's Hearing and Appeal process through multiple channels. The back page of every paper bill describes the process. In addition, the process is described in detail on the SMUD website and is linked from the digital bill in My Account.

Zero hearings were conducted in 2024, as staff successfully resolved all escalations within standard customer communication channels.

4) **Challenges**

There are opportunities and headwinds on the horizon. Core customer needs include affordability, safety, health, quality of life and hope/optimism about the future. While we continue to see the ongoing impacts of inflation, we understand the direct influence on affordability particularly for some customer segments. We continue to enhance how we support customers through a range of programs and initiatives, like our Community Impact Plan, Meet SMUD events and more. These events provide direct access to our assistance programs and a range of resources provided by our knowledgeable staff to show that we truly care about our customers, and aim to be a tangible, positive force in the region.

Customer expectations and reliance on technology also continue to increase quickly. Artificial intelligence brings both opportunities and challenges as technology is core to nearly all customer interactions. We're investing in technology to continually enhance customer experience, whether it be in the contact center or on self-service channels like My Account and our website. Our challenge is to enable and leverage this technology in a cost-effective manner while also staying authentic with our customers and providing them hyper-personalized information and solutions.

We're also monitoring the change in federal administration closely for impacts on energy policy and areas that may impact our customers as we continue to prioritize providing safe, affordable and low-cost energy while bringing customers along in the clean energy transition.

Fulfilling customer needs and expectations will require SMUD to balance priorities, which could impact the customer experience.

5) **Recommendation**

It is recommended that the Board accept the Monitoring Report for SD-5

6) **Appendices**

Not applicable.

RESOLUTION NO. _____

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board accepts the monitoring report for **Strategic Direction SD-5, Customer Relations**, substantially in the form set forth in **Attachment ____** hereto and made a part hereof.

SSS No. M&CC 25-002

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date

ERCS – 08/20/25

Board Meeting Date

August 21, 2025

TO					TO				
1.	Claire Rogers				6.	Frankie McDermott			
2.	Farres Everly				7.				
3.	Lora Anguay				8.				
4.	Brandy Bolden				9.	Legal			
5.	Suresh Kotha				10.	CEO & General Manager			

Consent Calendar	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No <i>If no, schedule a dry run presentation.</i>	Budgeted	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No <i>(If no, explain in Cost/Budgeted section.)</i>
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FROM (IPR)	DEPARTMENT	MAIL STOP	EXT.	DATE SENT
Cara Chatfield	Marketing and Corporate Communications	B411	5145	07/25/25

NARRATIVE:

Requested Action:	Accept the monitoring report for Strategic Direction SD-15, Outreach and Communication.
Summary:	The Board of Directors will be presented with overall customer communications activities for 2024.
Board Policy: <i>(Number & Title)</i>	Strategic Direction SD-15, Outreach and Communication
Benefits:	As a customer-owned utility, SMUD has a responsibility to communicate with all of our customers. Consistent, integrated, purpose-driven communications enhance our relationship with our customers and create an environment of partnership and engagement.
Cost/Budgeted:	Contained in budget for internal labor.
Alternatives:	Provide the Board with written reports and communication through the Chief Executive Officer and General Manager.
Affected Parties:	Communications, Marketing, & Community Relations, Customer & Community Services, Zero Carbon Energy Solutions and SMUD customers
Coordination:	Marketing and Corporate Communications
Presenter:	Cara Chatfield, Director, Marketing and Corporate Communications

Additional Links:

SUBJECT

Annual Monitoring Report for SD-15, Outreach and Communication

ITEM NO. (FOR LEGAL USE ONLY)

11

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

SACRAMENTO MUNICIPAL UTILITY DISTRICT

OFFICE MEMORANDUM

TO: Board of Directors

DATE: August 6, 2025

FROM: Claire Rogers *CR 8/6/25*

**SUBJECT: Audit Report No. 28007869
Board Monitoring Report; SD-15: Outreach and Communication**

Internal Audit Services (IAS) received the SD-15 *Outreach and Communication* 2024 Annual Board Monitoring Report and performed the following:

- Selected a sample of statements and assertions in the report for review.
- Compared sample to the corresponding supporting documentation to identify potential discrepancies.

All items sampled within the SD Report aligns with the supporting documentation provided at the time of review.

CC:

Paul Lau

Board Monitoring Report 2024

SD-15 Board Strategic Direction on Outreach and Communication



1) Background

Strategic Direction 15 states:

Providing broad outreach and communication to SMUD's customers and the community is a key value of SMUD.

Specifically:

- a. SMUD shall provide its customers the information, education and tools they need to best manage their energy use according to their needs.
- b. SMUD will use an integrated and consistent communication strategy that recognizes the unique customer segments that SMUD serves.
- c. SMUD's communication and community outreach activities shall reflect the diversity of the communities we serve. SMUD shall use a broad mix of communication channels to reach all customer segments. This communication shall be designed to ensure that all groups are aware of SMUD's major decisions and programs.

2) Executive summary

Strategic Direction 15 requires SMUD's communication and community outreach activities to reflect the diversity of our customers and the community we serve, using a broad mix of communication channels. In accordance, we look at the level of our marketing and outreach activities by communication channel, as well as the customer awareness of various programs and services by ethnicity.

SMUD is in compliance with SD-15 Outreach and Communication.

A storm in early February 2024 brought eight hours of 65+ mile per hour tropical storm force winds, causing extensive outages throughout our service territory. We responded quickly with timely messages in multiple communication channels, providing regular updates and tips through smud.org, social media and local media outlets. We encouraged customers to report and check outage status on the SMUD mobile app, and we saw a significant increase in downloads during this time. Enhancements to our storm response following the January 2023 storms resulted in accurate restoration times and an enhanced customer experience.

In late spring, we launched the next phase of our Clean PowerCity® campaign – Clean Power Promise. This multi-language and multi-channel campaign highlighted our commitment to deliver clean energy while maintaining low rates and world-class reliability. Reinforcing SMUD's key commitments to customers was a central message as we headed into the 2024 election cycle. The campaign encouraged customers to join the charge with 99 tips to save energy and reduce their carbon footprint. The campaign ran in new channels, specifically retail outlets including Amazon Fresh and Whole Foods. After our summer Time-of-Day (TOD) reminder campaign featuring energy-saving tips, we launched an all-new "low rates" campaign. This educated customers about SMUD's rates, which are on average at least 50% lower than those

of PG&E, saving our customers about \$1.7 billion per year. The campaign ran primarily in digital and outdoor channels.

SMUD could be seen or heard in more than a dozen customer-facing communication channels (in addition to at events). We continue to pursue community events and other new opportunities to reach customers, recognizing communication channels can be limited in our service territory for those that prefer communications in languages other than English. We expanded our in-language communications and outreach in 2024, with information in up to 23 languages and dialects, including Braille. This includes 5 new languages, including Gujarati, Hindi, Iu Mien, Punjabi and Telugu to support community events. In the summer of 2024, we took a significant step forward in reaching customers in languages other than English with the addition of automatic translation on smud.org, our primary customer-facing digital channel. Customers now can visit any one of our pages and instantly select their preferred language for instant translation into 15 different languages.

We delivered more than 20 marketing campaigns and participated in 1,792 community events, workshops and partnerships. At all community events, we continued to encourage customers to “Join the charge,” provided information to attendees about why reducing carbon is important and promoted dozens of tips so customers could show support for and take actions supporting SMUD’s 2030 Zero Carbon Plan. We launched a campaign to engage with those who had joined the charge, and shared stories of how they’re taking action on our blog, in emails and social media.

Events and partnerships reflected the diversity of our community, including cultural, ethnic and/or special populations. Events and partnerships supported LGBTQ+, low income, military, seniors, disabilities, education, environmental, health & safety, STEM, agriculture, all electric, electric vehicles, faith, literacy, homeowner associations, young adults (18-30) and youth (0-17). See Appendices A and B.

We also look at trends related to the overall awareness of a cross-section of SMUD’s programs and services, segmented by ethnicity. The segments include Asian and Pacific Islander, Hispanic, Black and White. The programs measured are Rebates, Energy Assistance Program Rate (EAPR), Greenergy, Electric Vehicle (EV) discount rate, SMUD Mobile App, and Gas-to-Electric Appliance Conversion, added in 2022. See charts in Appendix B.

Key activities by SD requirement

SD Requirement	Program/initiative/policy	Purpose	Outcome
Education and tools to manage energy use	In 2024, we expanded upon our Clean PowerCity campaigns with the Clean Power Promise campaign educating customers about our efforts to reduce carbon while maintaining low rates and reliability. It also encouraged them to join the charge with 99 tips to save energy and reduce their carbon footprint. In the summer, we encouraged efficiency with a TOD summer rate reminder on billboards and	To provide customers with the education and tools for managing their energy use and their bills, while also working with SMUD to reduce carbon.	Successfully implemented campaigns that informed our customers of resources and tools available to them. Also successfully participated in over 1,700 community events with employees volunteering more than 15,000 hours. Awareness of most programs were steady year-over-year. All the 1,792 events and partnerships included at least some cultural, ethnic and/or special populations, including

	<p>savings tips with a series of summer emails. Throughout the year, we continued to share energy savings tips with customers in a wide variety of channels, from print and email newsletters to social media, billboards, digital ads speeches and events.</p> <p>In all, we implemented more than 20 campaigns in 2024 promoting energy savings, customer programs and services, including EAPR, MED Rate, SMUD Energy Store, Budget Billing and Custom Due Date and others.</p>		<p>LGBTQ+, low income, military, seniors, disabilities, education, environmental, health & safety and STEM, agriculture, all electric, Electric Vehicles, faith, homeowner associations, young adults (18-30) and youth (0-17). (Appendices A, B)</p>
Integrated and consistent communication that recognizes unique customer segments	<p>Implemented communications, including collateral and advertisements in 23 languages, including 5 new languages. We also leveraged 17 communication channels to ensure we reach our customers in the channel they prefer, at the time they need it and with information specifically targeted to them. We launched automatic translation on smud.org in 2024, which reaches customers in 15 different languages. We also participated in over 1,700 community events including Community Resource Expos and the new Lobby Days to reach our many unique customer segments.</p>	<p>To have consistent, integrated messages available for various customer segments, including those based on ethnicity and other unique audiences along with those customers who may not see our messages in mainstream communication channels.</p>	<p>We had more than 496 million ethnic customer impressions. All 1,792 community events included some cultural, ethnic and/or special populations. Special populations include arts, LGBTQ, low income, military, seniors, disabilities, education, environmental, health & safety and STEM, agriculture, all electric, Electric Vehicles, faith, homeowner associations, young adults (18-30) and youth (0-17). (See Appendices)</p>
Broad mix of communication channels	<p>In 2024, we used 17 customer-facing communication channels, including community outreach events and partnerships, digital search and display, 6 active social media channels, broadcast and streaming television and radio, billboards, bus signs and train wraps, surveys, direct mail, email and customer bill. We supported 1,792 community events. By leveraging customer behavior data, machine learning and artificial intelligence, along with using a broad mix of channels, we reached customers in the communication channel they prefer. (See Appendix B)</p>	<p>To reach customers with our messages in the communication channels they prefer.</p>	<p>More than 895 million customer impressions across multiple communication channels and support of 1,792 community outreach events and partnerships in 2024 (see Appendices A, B). Just measuring TV and radio, the average SMUD customer had the opportunity to see or hear a SMUD commercial 41 times in 2024.</p> <p>In 2024 we continued to ramp up our presence on Over-The-Top (OTT) and Connected TV (CTV) streaming television increasing our presence to 4 major platforms. This enabled more precise geographic and other targeting than traditional broadcast and cable programming.</p>

3) Additional supporting information for SD-15, Outreach and Communication

a) SMUD shall provide its customers the information, education, and tools they need to best manage their energy use according to their needs.

In 2024, we developed and implemented more than 20 marketing and communication campaigns, including:

- Battery Storage
- Budget Billing & Custom Due Date
- Clean Power Promise
- Clean Power My Business
- Community-Owned, Not-For-Profit
- Complete Energy Solutions
- Energy Assistance Program Rate (EAPR)
- Economic Development
- Contact SMUD First (Drive Electric)
- EnergyHELP
- Greenergy
- HomePower
- Integrated Design Solutions
- Low rates
- Medical Equipment Discount (MED) Rate
- Paperless Billing/My Account
- Powering Futures (Scholarships)
- Safety (Drive safe, Wildfire, Call 811, Work zone alert, Plan before planting)
- SMUD Energy Store
- Shade Trees
- Shine Awards
- Time-of-Day (Save this summer)

b) SMUD will use an integrated and consistent communication strategy that recognizes the unique customer segments that SMUD serves.

In 2024, our marketing and communications could be seen and heard in as many as 23 languages, including Braille, and in 18 customer-facing channels, including:

TV	Digital	Radio	Print	Direct Mail	Email
Community Events	Surveys, focus groups	News Media	smud.org	Billboards	Social Media
Door-to-door	Partnerships	Workshops	Buses & Lightrail	Retail	Bill package inserts

c) SMUD's communication and community outreach activities shall reflect the diversity of SMUD. SMUD shall use a broad mix of communication channels to reach all customer segments. This communication shall be designed to ensure that all groups are aware of SMUD's major decisions and programs.

With thousands of events and sponsorships, millions of emails and bill inserts, ads on tens of thousands of websites and apps and multiple social media channels, and our schedule of broadcast and streaming TV, radio and print advertisements, it's clear that

we used a broad mix of channels to reach all our customers. This includes in-language media such as broadcast and streaming TV and radio, print advertising, digital and social media and customer collateral in more than 20 languages.

These tactics delivered 895,551,963 customer impressions in 2024. Of these, 496,135,788 were ethnic impressions. For TV and radio alone, the average SMUD customer had the opportunity to see or hear a SMUD commercial 41 times in 2024.

Summary by channel:

- | | | |
|-----------------------------------|----------------------------------|---|
| • 11,302,265 bill package inserts | • 509 billboards, transit boards | • 94,457 websites and apps |
| • 17,810,724 emails | • 36 print publications | • 21 broadcast, cable and streaming TV stations |
| • 6 active social media channels | • 1,338,092 direct mail pieces | • 3 sports partnerships |
| | • 22 radio stations | |

4) Challenges

We've seen significant changes in the media landscape in recent years, and we've evolved our approach to leverage traditional channels, such as broadcast television, to help make sure SMUD's messages are shared with customers when it matters most. During the February 2024 storm, which saw sustained high wind gusts for more than eight hours, we created a template with key stats that we shared with the TV stations at set times, three times a day. This resulted in key information, such as the number of customers restored, number of downed trees, poles and power lines, and estimated restoration times being communicated to customers in a timely and consistent way. This created efficiencies for SMUD and local newsrooms and complemented our extensive communications via social media and other channels.

Not all programs and services are intended for all customers. This is why we use segmentation, targeted marketing and digital channels that leverage machine learning and artificial intelligence to target our communications and outreach to customers most likely to qualify and benefit from a particular program or service.

We use a broad mix of channels and tactics to ensure SMUD messages reach our diverse customers in the communication channels they prefer and when it's relevant to them. The proliferation of new channels and evolution of the media landscape provides challenges and opportunities. Customer communication preferences continue to evolve in response to the increasingly fragmented market. Advances in Artificial Intelligence (AI) are having a growing impact on the communications landscape. AI is helping improve targeting in digital platforms to reach the right customers with the right message at the right time. AI is an important tool in our marketing and communications toolkit, and an area staff monitors and uses regularly to continue to learn and grow.

5) Recommendation

It is recommended that the Board accept the Monitoring Report for SD-15 Outreach and Communication.

6) Appendices

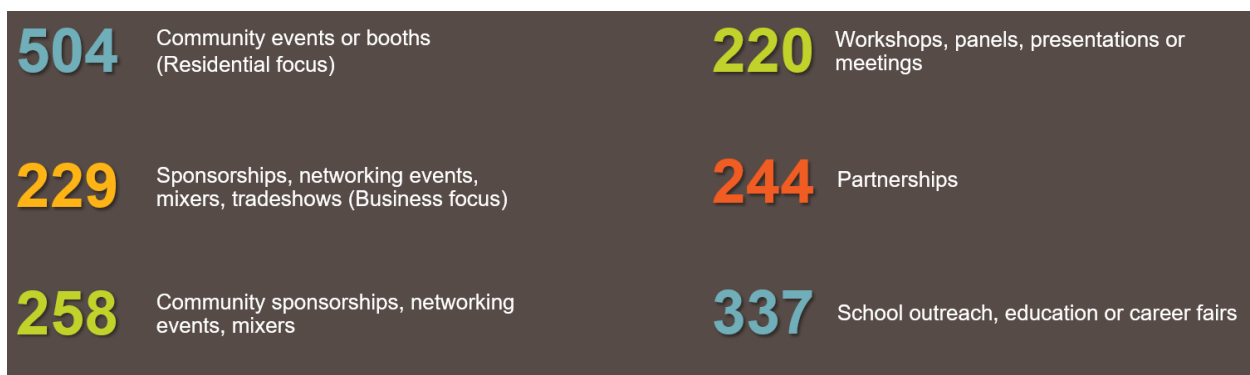
APPENDIX A

Community Outreach and Engagement

In 2024, we continued to be very active in the community through our support of efforts that improve the quality of life in our region. SMUD participated in 1,792 events and partnerships, and SMUD employees volunteered 15,412 hours.

1,792
Total events & partnerships

15,412
Total volunteer hours

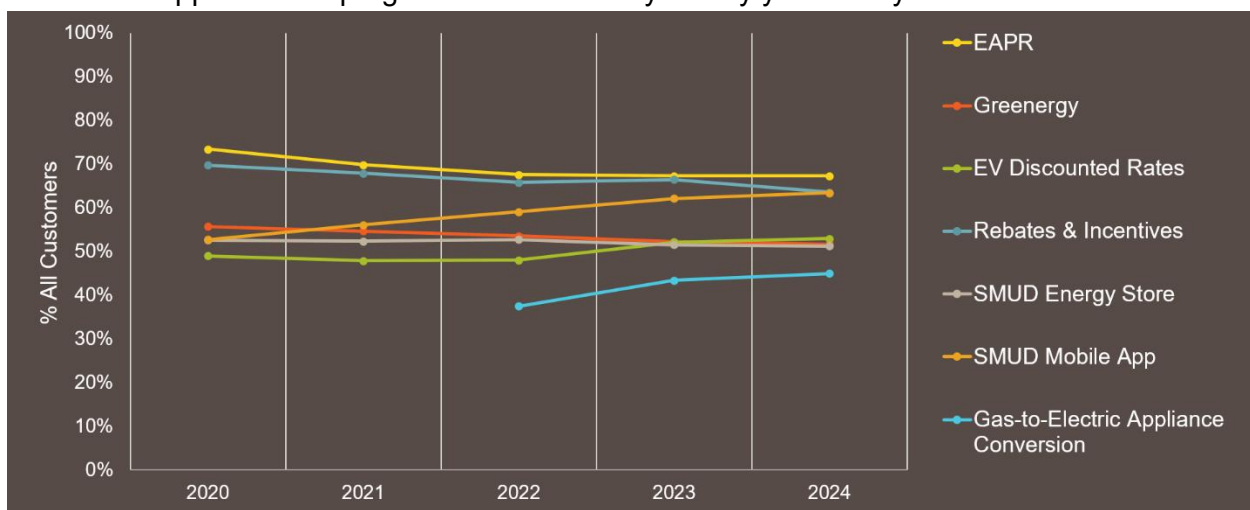


APPENDIX B

Awareness of Programs by Ethnicity

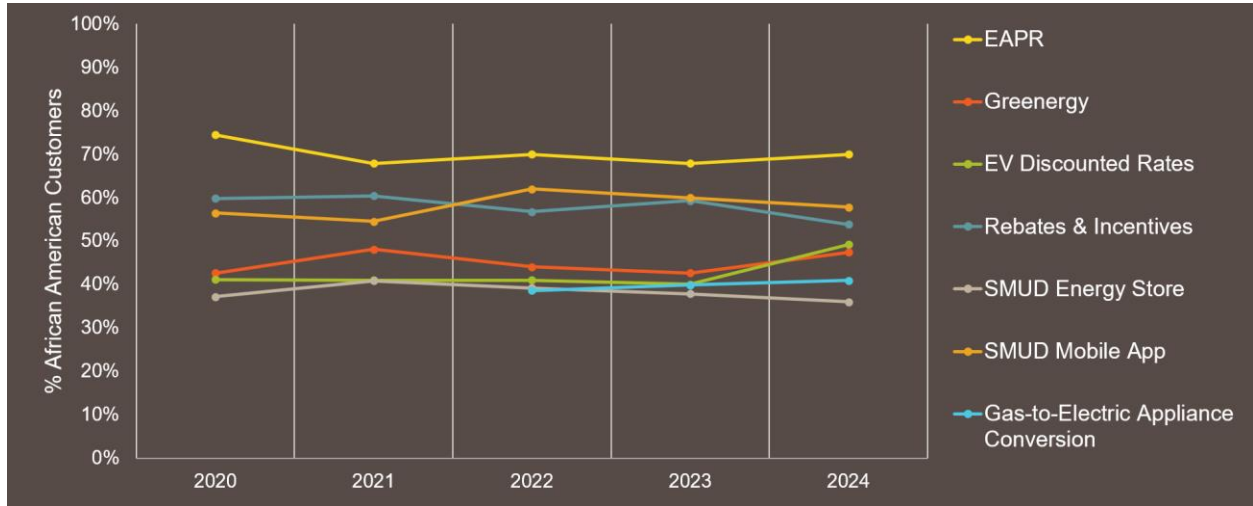
All Customers – Overall Awareness Trends

Notable increases in awareness of gas-to-electric appliance conversion, EV discounted rates and mobile app. All other programs were relatively steady year over year.



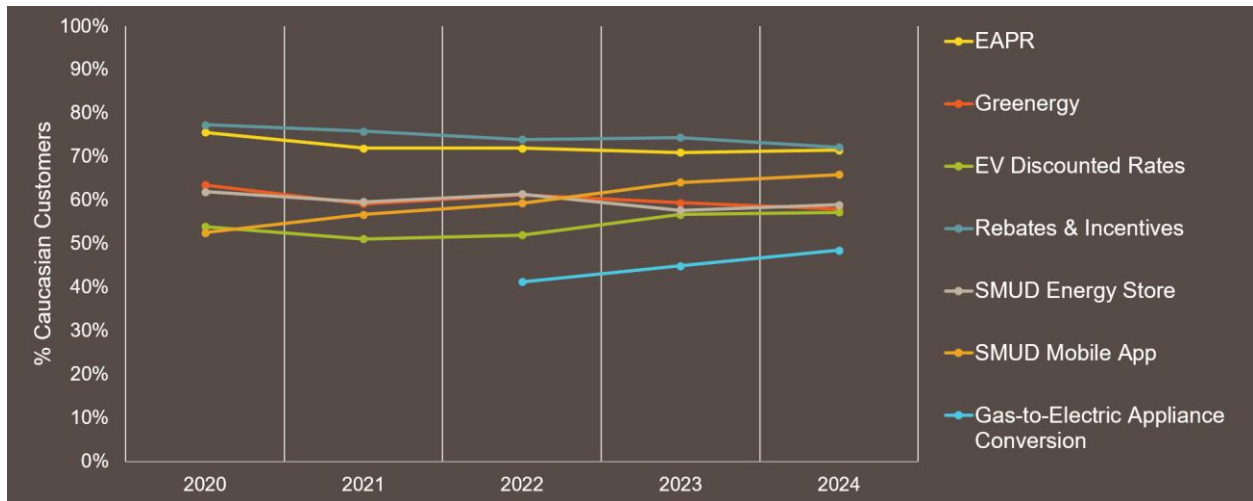
Black – Overall Awareness Trends

For Black customers, we saw a slight uptick in the awareness of EV discounted rates. There was a very slight increase in awareness of EAPR and Greenergy.



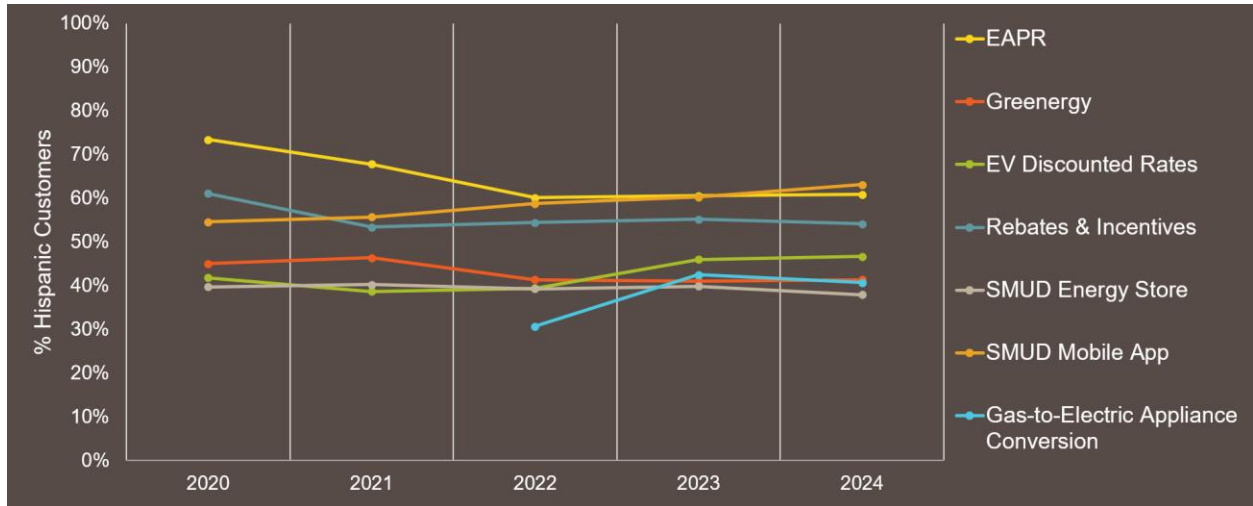
White – Overall Awareness Trends

Among our White customers, we saw nice lifts in awareness of gas-to-electric conversion and the SMUD mobile app.



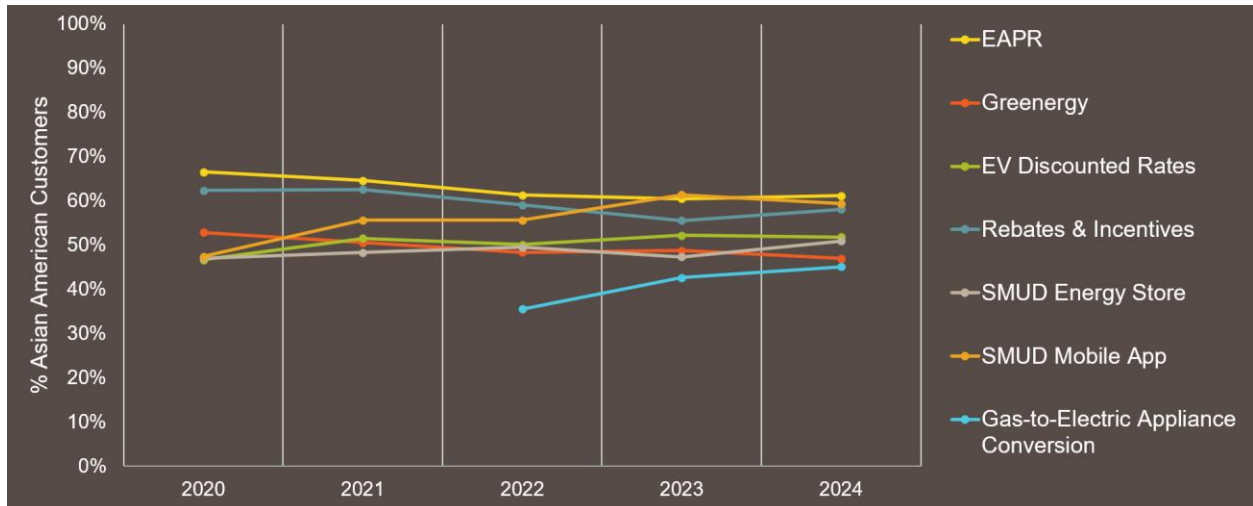
Hispanic– Overall Awareness Trends

Among Hispanic customers, in 2024, we saw good increases in awareness of our mobile app, with little movement on the others.



Asian Pacific Islander – Overall Awareness Trends

For Asian Pacific Islander customers, we saw the most notable increases in awareness of rebates & incentives and gas to electric conversion.



RESOLUTION NO. _____

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board accepts the monitoring report for **Strategic Direction SD-15, Outreach and Communication**, substantially in the form set forth in **Attachment _____** hereto and made a part hereof.

SSS No. PSS 25-006

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date

ERCS – 08/20/25

Board Meeting Date

August 21, 2025

TO					TO				
1.	Jose Bodipo-Memba				6.				
2.	Frankie McDermott				7.				
3.	Brandy Bolden				8.				
4.	Lora Anguay				9.	Legal			
5.	Suresh Kotha				10.	CEO & General Manager			
Consent Calendar	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No <i>If no, schedule a dry run presentation.</i>	Budgeted	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No <i>(If no, explain in Cost/Budgeted section.)</i>
FROM (IPR) Laurie Rodriguez				DEPARTMENT People Services & Strategies			MAIL STOP B251	EXT. 5628	DATE SENT 07/25/25
NARRATIVE:									
<p>Requested Action: Approve the terms by which SMUD will schedule its 24/7-shift employees and pay them shift differential so that SMUD complies with the requirements of California Code of Regulations, Title 2, sections 571(a) and 571(b) and may report such earning to the California Public Employees' Retirement System (CalPERS) as special compensation, as appropriate, including adoption of:</p> <ul style="list-style-type: none"> a. Resolution to accept Side Letter Agreement (SLA) between SMUD and bargaining unit SMUD Public Safety Officers' Association (PSOA), substantially in form attached; b. Resolution to accept two SLAs between SMUD and bargaining unit International Brotherhood of Electrical Workers Local Union 1245 (IBEW), substantially in form attached; and c. Resolution pertaining to the schedules and shift differential payments for unrepresented Energy Trader employees working at the Real Time Desk and Energy Trading Schedulers. <p>Summary: To fulfill a CalPERS requirement found in 2 California Code of Regulations (CCR) section 571(a) and 571(b), People Services & Strategies requests the Board publicly approve how SMUD regularly schedules overtime hours and pay shift differential for PSOA and IBEW employees working 24/7 shifts. Similarly, People Services & Strategies requests the Board publicly approve how SMUD regularly schedules eligible Energy Trader employees working special shifts at the Real Time Desk. SMUD has historically treated these items as special compensation for eligible employees. Items of special compensation are added or included to a retiree's pension benefit calculations.</p> <p>Board Policy: Governance Process GP-3, Board Job Description, j) Take such other actions as may be required by law.; (Number & Title) Strategic Direction SD-8, Employee Relations</p> <p>Benefits: Ensure regulatory compliance with government code for PSOA, IBEW, and Energy Traders retirement benefits.</p> <p>Cost/Budgeted: The associated costs are factored into the bi-weekly payroll contributions for retirement/pension purposes.</p> <p>Alternatives: If not approved, this could jeopardize the employee's final pension calculations and non-compliance with CalPERS requirements / Retirement Law.</p> <p>Affected Parties: Public Safety Officers' Association (PSOA), International Brotherhood of Electrical Workers (IBEW), eligible Energy Trader Employees, and SMUD</p> <p>Coordination: People Services & Strategies, Legal, and CalPERS</p> <p>Presenter: Laurie Rodriguez, Director, People Services & Strategies Randall Hakes, Senior Attorney</p>									

Additional Links:

SUBJECT	CalPERS Reporting for 24/7 Employees	ITEM NO. (FOR LEGAL USE ONLY) 12a
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ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.



May 8, 2025
LR 25-16

Shaun Du Fosee, Labor Consultant for PSOA
Mastagni Holstedt
1912 I Street
Sacramento, CA 95811

Roy Todd, PSOA
6100 Folsom Blvd., Mailstop K111
Sacramento, CA 95819

Subject: Letter Agreement Memorializing Regular Work Hours and Shift Differential Pay for PSOA Shift Employees

The purpose of this letter agreement is to clarify and define current shift schedules and memorialize the application of shift differentials for regularly scheduled hours worked by Security Operations personnel, in accordance with the current Memorandum of Understanding (MOU) which is anticipated to expire on December 31, 2026.

Effective with the 2023 payroll year beginning December 17, 2022, the Security Operations shift differentials are calculated by Workforce Software, SMUD's new timekeeping system on all eligible shifts.

PSOA Shift Schedules

Article 3.4 states in part:

- 1) Day (D) Shift
Regularly scheduled between the hours of 0700 hours and 1900 hours.
 - a. Day Shift TEAM A 0700-1900 Hours, Sun/Mon/Tue/Alt Wednesdays (see example)
 - b. Day Shift TEAM B 0700-1900 Hours, Alt Wednesdays/Thurs/Fri/Sat

Pay Period/ Wk	Bi-Weekly Rotation Cycle	SAT	SUN	MON	TUE	WED	THU	FRI
PP – WK 1	Sun – Wed		12D	12D	12D	12D		
PP – WK 2	Sun – Tue		12D	12D	12D			

- 2) Night (N) Shift
Regularly scheduled between the hours of 1900 hours and 0700 hours.
 - a) Night Shift TEAM A 1900-0700 Hours, Sun/Mon/Tue/Alt Wednesdays
 - b) Night Shift TEAM B 1900-0700 Hours, Alt Wednesdays/Thurs/Fri/Sat (see example)

Pay Period/ Wk	Bi-Weekly Rotation Cycle	SAT	SUN	MON	TUE	WED	THU	FRI
PP – WK 1	Sat, Thu – Fri	12N					12N	12N
PP – WK 2	Sat, Wed – Fri	12N				12N	12N	12N

Shift Differential Wage Premiums

In accordance with Article 6, employees who work the night shift (regardless of shift assignment) shall receive a shift differential wage premium equal to 8% of their base hourly rate of pay.

Example –

- Employee Base Hourly Rate of Pay - \$53.79
- Employee Shift Differential Rate - $\$53.79 \times 8\% = \$4.30/\text{per hour}$
- Total Hourly Pay + Shift Differential - $\$53.79 + \$4.30 = \$58.09$

When an employee who is receiving a shift differential wage premium works above 40 hours in a workweek, the overtime rate of pay shall also be applied to their shift differential wage premium.

Example –

- Employee Overtime Hourly Rate of Pay - \$107.58
- Employee Shift Differential Rate - $\$107.58 \times 8\% = \$8.61/\text{per hour}$
- Total Hourly Overtime + Shift Differential Pay = \$116.19

Overtime

Overtime will be paid in accordance with Article 5 of the applicable MOU. For the purposes of reporting compensation to the California Public Employees' Retirement System ("CalPERS"), subject to the Public Employees' Retirement Law, enabling regulations, and CalPERS' administrative interpretations, compensation for the alternate schedules will be reported as described below. However, no compensation is included for pension purposes unless affirmatively permitted by CalPERS and applicable law.

CalPERS Classic Members:

Employees' base hourly rate as provided on the publicly available pay schedule will be reported for all regularly scheduled hours in the work schedules identified above. An additional .5 premium will be reported for all regularly scheduled overtime hours identified above, in accordance with CalPERS' regulations concerning reportable overtime.

CalPERS New Members:

Employees' base hourly rate as provided on the publicly available pay schedule will be reported for all regularly scheduled hours in the work schedules identified above.

It is understood that this side letter of agreement is of no force and effect whatsoever until the SMUD Board of Directors adopts the side letter.

If the above language reflects your understanding of our agreement, please sign in the space provided below.

Michelle Dungca

Digitally signed by Michelle
Dungca
Date: 2025.05.08 12:29:30 -07'00'

Michelle Dungca *Principal Labor Relations Analyst*

05/27/2025

Shaun A Du Fosee

Shaun Du Fosee, *Labor Consultant for PSOA*

Roy Todd

Roy Todd *PSOA President*

RESOLUTION NO. _____

WHEREAS, the **California Public Employees' Retirement System (CalPERS)** requires Board approval of the terms by which the Sacramento Municipal Utility District (SMUD) recognizes regularly scheduled overtime and payment of shift differential so that the amounts SMUD has reported in the past (and going forward) will continue to be treated by **CalPERS** as special compensation, as appropriate; and

WHEREAS, items of special compensation are added or included to a retiree's pension benefit calculations; and

WHEREAS, SMUD has been reporting regularly scheduled overtime as special compensation; and

WHEREAS, it is anticipated that **CalPERS** will resolve its concerns with SMUD related to these reported items if the procedures that require SMUD's Board to approve the terms of the regularly scheduled overtime and shift differential are met;

NOW, THEREFORE,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

That this Board approves the side letter agreement between SMUD and the **Public Safety Officers' Association (PSOA)** related to the terms by which SMUD

DRAFT

recognizes and pays regularly scheduled overtime and shift differential in substantially similar form as set forth in **Attachment** ____.

Dated:

BY:

Gregg Fishman
President of the
SMUD Board of Directors

SSS No. PSS 25-006

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date

ERCS – 08/20/25

Board Meeting Date

August 21, 2025

TO					TO					
1.	Jose Bodipo-Memba				6.					
2.	Frankie McDermott				7.					
3.	Brandy Bolden				8.					
4.	Lora Anguay				9.	Legal				
5.	Suresh Kotha				10.	CEO & General Manager				
Consent Calendar	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No <i>If no, schedule a dry run presentation.</i>	Budgeted	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No <i>(If no, explain in Cost/Budgeted section.)</i>	
FROM (IPR) Laurie Rodriguez					DEPARTMENT People Services & Strategies			MAIL STOP B251	EXT. 5628	DATE SENT 07/25/25
NARRATIVE:										
<p>Requested Action: Approve the terms by which SMUD will schedule its 24/7-shift employees and pay them shift differential so that SMUD complies with the requirements of California Code of Regulations, Title 2, sections 571(a) and 571(b) and may report such earning to the California Public Employees' Retirement System (CalPERS) as special compensation, as appropriate, including adoption of:</p> <ul style="list-style-type: none"> a. Resolution to accept Side Letter Agreement (SLA) between SMUD and bargaining unit SMUD Public Safety Officers' Association (PSOA), substantially in form attached; b. Resolution to accept two SLAs between SMUD and bargaining unit International Brotherhood of Electrical Workers Local Union 1245 (IBEW), substantially in form attached; and c. Resolution pertaining to the schedules and shift differential payments for unrepresented Energy Trader employees working at the Real Time Desk and Energy Trading Schedulers. <p>Summary: To fulfill a CalPERS requirement found in 2 California Code of Regulations (CCR) section 571(a) and 571(b), People Services & Strategies requests the Board publicly approve how SMUD regularly schedules overtime hours and pay shift differential for PSOA and IBEW employees working 24/7 shifts. Similarly, People Services & Strategies requests the Board publicly approve how SMUD regularly schedules eligible Energy Trader employees working special shifts at the Real Time Desk. SMUD has historically treated these items as special compensation for eligible employees. Items of special compensation are added or included to a retiree's pension benefit calculations.</p> <p>Board Policy: Governance Process GP-3, Board Job Description, j) Take such other actions as may be required by law.; <i>(Number & Title)</i> Strategic Direction SD-8, Employee Relations</p> <p>Benefits: Ensure regulatory compliance with government code for PSOA, IBEW, and Energy Traders retirement benefits.</p> <p>Cost/Budgeted: The associated costs are factored into the bi-weekly payroll contributions for retirement/pension purposes.</p> <p>Alternatives: If not approved, this could jeopardize the employee's final pension calculations and non-compliance with CalPERS requirements / Retirement Law.</p> <p>Affected Parties: Public Safety Officers' Association (PSOA), International Brotherhood of Electrical Workers (IBEW), eligible Energy Trader Employees, and SMUD</p> <p>Coordination: People Services & Strategies, Legal, and CalPERS</p> <p>Presenter: Laurie Rodriguez, Director, People Services & Strategies Randall Hakes, Senior Attorney</p>										

Additional Links:

SUBJECT

CalPERS Reporting for 24/7 Employees

ITEM NO. (FOR LEGAL USE ONLY)

12b

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.



August 5, 2025
LR 25-011

Dylan Gottfried
Senior Assistant Business Manager
P O Box 2547
30 Orange Tree Circle
Vacaville, CA 95687

Subject: Letter Agreement Memorializing 12-Hour Rotations for Special Shift Employees

Dear Mr. Gottfried,

The purpose of this letter agreement is to provide clarification for and define the current shift schedules for Special Shift employees in the Distribution System Operator (DSO) and Power System Operator (PSO) series, in accordance with Article 5, Section 3.C.

Effective the 2023 Payroll Year beginning December 17, 2022, the DSO and PSO shift schedules will be built into Workforce Software, SMUD's new timekeeping system, as indicated below.

DSO Shift Schedules:

Senior DSO: Bi-weekly rotation including one week of four, 10-hour days and one week of four, 12-hour days (see example).

PayPeriod/Wk	Rotation Cycle	SAT	SUN	MON	TUE	WED	THUR	FRI
	Bi-Weekly							
PP 1, WK 1	M-TH (10 hr)			10	10	10	10	
PP 1, WK 2	M-TH (12 hr)			12	12	12	12	
PP 1, WK 1	T-F (10)				10	10	10	10
PP 1, WK 2	T-F (12)				12	12	12	12

Lead DSO: Five pay period cycle consisting of two, five-week rotations with a relief shift occurring every fifth week. Rotation will consist of one week of three, 12-hour days, one week of four, 12-hour days, one week of three, 12-hour nights, one week of four, 12-hour nights, and one relief week of five, 8-hour days (see example).

PayPeriod/Wk	Rotation Cycle	SAT	SUN	MON	TUE	WED	THUR	FRI
	5 Week							
PP 1, WK 1	M, T, F (12) DAYS			12	12			12
PP 1, WK 2	Sat, Sun, W, TH (12) DAYS	12	12			12	12	
PP 2, WK 1	M, T, F, (12) NIGHTS			12	12			12
PP 2, WK 2	Sat, Sun, W, TH (12) NIGHTS	12	12			12	12	
PP 3, WK 1	Relief M-F (8)			8	8	8	8	8
PP 3, WK 2	M, T, F, (12) DAYS			12	12			12
PP 4, WK 1	Sat, Sun, W, TH (12) DAYS	12	12			12	12	
PP 4, WK 2	M, T, F, (12) NIGHTS			12	12			12
PP 5, WK 1	Sat, Sun, W, TH (12) NIGHTS	12	12			12	12	
PP 5, WK 2	Relief M-F (8)			8	8	8	8	8

DSO I/II: A nine pay-period cycle consisting of two, nine-week rotations with a relief shift occurring every ninth week. Rotation will consist of two weeks of three, 12-hour days, two weeks of four, 12-hour days, two weeks of three 12-hour nights, two weeks of four, 12-hour nights, and one relief week of five, 8-hour days (see example).

PayPeriod/Wk	Rotation Cycle	SAT	SUN	MON	TUE	WED	THUR	FRI
	9 Week							
PP 1, WK 1	M, T, F, (12) DAYS			12	12			12
PP 1, WK 2	Sat, Sun, W, TH (12) DAYS	12	12			12	12	
PP 2, WK 1	M, T, F, (12) NIGHTS			12	12			12
PP 2, WK 2	Sat, Sun, W, TH (12) NIGHTS	12	12	12			12	
PP 3, WK 1	M, T, F, (12) DAYS			12	12			12
PP 3, WK 2	Sat, Sun, W, TH (12) DAYS	12	12			12	12	
PP 4, WK 1	M, T, F, (12) NIGHTS			12	12			12
PP 4, WK 2	Sat, Sun, W, TH (12) NIGHTS	12	12			12	12	
PP 5, WK 1	Relief M-F (8)			8	8	8	8	8
PP 5, WK 2	M, T, F (12) DAYS			12	12			12
PP 6, WK 1	Sat, Sun, W, TH (12) DAYS	12	12			12	12	
PP 6, WK 2	M, T, F, (12) NIGHTS			12	12			12
PP 7, WK 1	Sat, Sun, W, TH (12) NIGHTS	12	12			12	12	
PP 7, WK 2	M, T, F, (12) DAYS			12	12			12
PP 8, WK 1	Sat, Sun, W, TH (12) NIGHTS	12	12			12	12	
PP 8, WK 2	M, T, F, (12) DAYS			12	12			12
PP 9, WK 1	Sat, Sun, W, TH (12) NIGHTS	12	12			12	12	
PP 9, WK 2	Relief M-F (8)			8	8	8	8	8

Note: DSO I on training schedules will be assigned a 9/80 schedule as defined in the MOU.

PSO Shift Schedule:

PSO Apprentice, Shift PSO Journey, and Shift PSO Senior (formally PSO (E), PSO I, PSO II, and Senior PSO until March 22, 2025): Five pay period cycle consisting of two, five-week rotations with a relief shift occurring every fifth week. Rotation will consist of one week of three, 12-hour nights and one, 12-hour day, one week of 3, 12-hour days, one week of three, 12-hour days, one week of four, 12-hour nights, and one relief week of four, 10-hour days (see example).

PayPeriod/Wk	Rotation Cycle	SAT	SUN	MON	TUE	WED	THUR	FRI
	5 Week							
PP 1, WK 1	Sat - Mon (12) NIGHTS, Fri DAY (12)	12	12	12				12D
PP 1, WK 2	Sat - Mon (12) DAYS	12	12	12				
PP 2, WK 1	Tue - Thurs (12) DAYS				12	12	12	
PP 2, WK 2	Tue - Fri (12) NIGHTS				12	12	12	12
PP 3, WK 1	Relief M-Thurs (10)			10	10	10	10	
PP 3, WK 2	Sat - Mon (12) NIGHTS, Fri DAY	12	12	12				12D
PP 4, WK 1	Sat - Mon (12) DAYS	12	12	12				
PP 4, WK 2	Tue - Thurs (12) DAYS				12	12	12	
PP 5, WK 1	Tue - Fri (12) NIGHTS				12	12	12	12
PP 5, WK 2	Relief M-Thurs (10)			10	10	10	10	

Note: PSO Apprentices will work a 40-hour training schedule until completion of their initial NERC certification.

Overtime:

Overtime will be paid in accordance with Article 7 of the applicable MOU. Compensation and overtime will be reported in conformance with the Public Employees' Retirement Law, enabling regulations, and CalPERS' administrative interpretations and guidance. No compensation is included for pension purposes unless affirmatively permitted by CalPERS and applicable law.

It is understood that this side letter of agreement is of no force and effect whatsoever until the SMUD Board of Directors adopts the side letter.


Tiffany Navarrette
Manager, Employee Relations


Dylan Gottfried
Senior Assistant Business Manager



August 5, 2025
LR 25-012

Dylan Gottfried
Senior Assistant Business Manager
P O Box 2547
30 Orange Tree Circle
Vacaville, CA 95687

Subject: Letter Agreement Memorializing 12-Hour Rotations for Special Shift Employees

Dear Mr. Gottfried,

The purpose of this letter agreement is to memorialize how shift differential is paid on regularly scheduled hours for Special Shift employees in the Distribution System Operator (DSO) and Power System Operator (PSO) series, in accordance with Article 4, Section 2 of the current MOU anticipated to expire December 31, 2025. This letter is declarative of SMUD's long standing practice for paying shift differentials.

Effective the 2023 Payroll Year beginning December 17, 2022, the DSO and PSO shift differentials will be calculated by Workforce Software, SMUD's new timekeeping system on all eligible shifts.

Per Article 4.2.A, 12-Hour-Shift employees who are scheduled the 12-hour rotating night shift are paid a premium at the third shift rate which is 8% of the Journey Electrician wage provided on the publicly available pay schedule.

12-Hour Shift Employees will receive the following night shift premium amounts:

- In 2023, the shift differential premium is \$4.88 on hours up to 40. Shift differential is \$9.76 on hours regularly scheduled above 40 in a workweek.
- In 2024, the shift differential premium is \$5.02 on hours up to 40. Shift differential is \$10.04 on hours regularly scheduled above 40 in a workweek.
- In 2025, the shift differential premium is \$5.19 on hours up to 40. Shift differential is \$10.38 on hours regularly scheduled above 40 in a workweek.

It is understood that this side letter of agreement is of no force and effect whatsoever until the SMUD Board of Directors adopts the side letter.



Tiffany Navarrette
Manager, Employee Relations



Dylan Gottfried
Senior Assistant Business Manager

RESOLUTION NO. _____

WHEREAS, the **California Public Employees' Retirement System (CalPERS)** requires Board approval of the terms by which the Sacramento Municipal Utility District (SMUD) recognizes regularly scheduled overtime and payment of shift differential so that the amounts SMUD has reported in the past (and going forward) will continue to be treated by **CalPERS** as special compensation, as appropriate; and

WHEREAS, items of special compensation are added or included to a retiree's pension benefit calculations; and

WHEREAS, SMUD has been reporting regularly scheduled overtime as special compensation; and

WHEREAS, it is anticipated that **CalPERS** will resolve its concerns with SMUD related to these reported items if the procedures that require SMUD's Board to approve the terms of the regularly scheduled overtime and shift differential are met;

NOW, THEREFORE,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

That this Board approves the side letter agreements between SMUD and the **International Brotherhood of Electrical Workers Local Union 1245 (IBEW)** related to the terms by which SMUD recognizes and pays regularly scheduled overtime

DRAFT

and shift differential in substantially similar form as set forth in **Attachment ____** and
Attachment ____.

Dated:

BY:

Gregg Fishman
President of the
SMUD Board of Directors

SSS No. PSS 25-006

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date

ERCS – 08/20/25

Board Meeting Date

August 21, 2025

TO					TO				
1.	Jose Bodipo-Memba				6.				
2.	Frankie McDermott				7.				
3.	Brandy Bolden				8.				
4.	Lora Anguay				9.	Legal			
5.	Suresh Kotha				10.	CEO & General Manager			
Consent Calendar	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No <i>If no, schedule a dry run presentation.</i>	Budgeted	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No <i>(If no, explain in Cost/Budgeted section.)</i>
FROM (IPR) Laurie Rodriguez				DEPARTMENT People Services & Strategies			MAIL STOP B251	EXT. 5628	DATE SENT 07/25/25
NARRATIVE:									
<p>Requested Action: Approve the terms by which SMUD will schedule its 24/7-shift employees and pay them shift differential so that SMUD complies with the requirements of California Code of Regulations, Title 2, sections 571(a) and 571(b) and may report such earning to the California Public Employees' Retirement System (CalPERS) as special compensation, as appropriate, including adoption of:</p> <ul style="list-style-type: none"> a. Resolution to accept Side Letter Agreement (SLA) between SMUD and bargaining unit SMUD Public Safety Officers' Association (PSOA), substantially in form attached; b. Resolution to accept two SLAs between SMUD and bargaining unit International Brotherhood of Electrical Workers Local Union 1245 (IBEW), substantially in form attached; and c. Resolution pertaining to the schedules and shift differential payments for unrepresented Energy Trader employees working at the Real Time Desk and Energy Trading Schedulers. <p>Summary: To fulfill a CalPERS requirement found in 2 California Code of Regulations (CCR) section 571(a) and 571(b), People Services & Strategies requests the Board publicly approve how SMUD regularly schedules overtime hours and pay shift differential for PSOA and IBEW employees working 24/7 shifts. Similarly, People Services & Strategies requests the Board publicly approve how SMUD regularly schedules eligible Energy Trader employees working special shifts at the Real Time Desk. SMUD has historically treated these items as special compensation for eligible employees. Items of special compensation are added or included to a retiree's pension benefit calculations.</p> <p>Board Policy: Governance Process GP-3, Board Job Description, j) Take such other actions as may be required by law.; <i>(Number & Title)</i> Strategic Direction SD-8, Employee Relations</p> <p>Benefits: Ensure regulatory compliance with government code for PSOA, IBEW, and Energy Traders retirement benefits.</p> <p>Cost/Budgeted: The associated costs are factored into the bi-weekly payroll contributions for retirement/pension purposes.</p> <p>Alternatives: If not approved, this could jeopardize the employee's final pension calculations and non-compliance with CalPERS requirements / Retirement Law.</p> <p>Affected Parties: Public Safety Officers' Association (PSOA), International Brotherhood of Electrical Workers (IBEW), eligible Energy Trader Employees, and SMUD</p> <p>Coordination: People Services & Strategies, Legal, and CalPERS</p> <p>Presenter: Laurie Rodriguez, Director, People Services & Strategies Randall Hakes, Senior Attorney</p>									

Additional Links:

SUBJECT

CalPERS Reporting for 24/7 Employees

ITEM NO. (FOR LEGAL USE ONLY)

12c

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

RESOLUTION NO. _____

WHEREAS, the **California Public Employees' Retirement System (CalPERS)** requires written Board approval during an open meeting of the terms whereby the Sacramento Municipal Utility District (SMUD) reports the regularly scheduled overtime of both Energy Trading Schedulers ("Schedulers") and Energy Traders working the Realtime Trading Desk ("Realtime Traders") who are **CalPERS** Classic Members (generally those hired prior to 2013) as special compensation so that the amounts SMUD has reported in the past (and going forward) will continue to be treated by **CalPERS** as special compensation; and

WHEREAS, **CalPERS** requires written Board approval during an open meeting of the terms whereby SMUD reports the shift differential pay for both Energy Schedulers and Realtime Traders as special compensation so that the amounts SMUD has reported in the past (and going forward) will continue to be treated by **CalPERS** as special compensation; and

WHEREAS, items of special compensation that qualify under applicable regulations and statutes are added to or included in a retiree's pension benefit calculations; and

WHEREAS, it is anticipated that **CalPERS** will resolve its concerns with SMUD related to these reported items of special compensation if SMUD's Board approves both (1) the regularly-scheduled and reoccurring shifts of Schedulers and Realtime Traders, and (2) the terms by which shift-differential is paid; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

That this Board approves the following terms of payment related to the payment of overtime for Schedulers and Real Time Desk, effective beginning December 17, 2022. The Schedulers and Realtime Traders work shifts that are scheduled 24 hours per day and 7 days per week. In some weeks they are scheduled to work 48 hours. The normal required duties are achieved by working regular reoccurring schedules as follows:

Realtime Traders. Every five (5) workweeks, Realtime Traders work the same number of hours in a regular reoccurring pattern of workweeks. They work two workweeks totaling 48 hours each, two workweeks totaling 36 hours each, and one workweek totaling 40 hours. Here is an example:

PayPeriod/Wk	Rotation Cycle	SUN	MON	TUE	WED	THU	FRI	SAT
	5 Week							
PP 1, WK 1	Sat - Mon NIGHTS, Fri DAY (12)	12	12				12D	12
PP 1, WK 2	Sat - Mon (12) DAYS	12	12					12
PP 2, WK 1	Tue - Thurs (12) DAYS			12	12	12		
PP 2, WK 2	Tue - Fri (12) NIGHTS			12	12	12	12	
PP 3, WK 1	Relief M-Th (10)		10	10	10	10		
PP 3, WK 2	Sat - Mon NIGHTS, F DAY (12)	12	12				12D	12
PP 4, WK 1	Sat - Mon (12) DAYS	12	12					12
PP 4, WK 2	Tue - Thurs (12) DAYS			12	12	12		
PP 5, WK 1	Tue - Fri (12) NIGHTS			12	12	12	12	
PP 5, WK 2	Relief M-Th (10)		10	10	10	10		

Schedulers: Every twenty-five (25) workweeks, Schedulers work the same number of hours in a regular reoccurring pattern of scheduled workweeks. They work nine weeks totaling 48 hours each, nine weeks totaling 36 hours each, and five weeks totaling 40 hours per week. Here is an example (weeks in bold are showing where the schedule is repeating):

		Rotation Cycle - 25 Weeks	Sat	Sun	Mon	Tue	Wed	Thur	Fri
PP 1	Wk 1	T, W, TH, F -12 hours/day				12	12	12	12
PP 1	Wk 2	M, T, W, TH - 10 hours/day			10	10	10	10	
PP2	Wk 1	Sat, Sun, M, F - 12 hours/day	12	12	12				12
PP2	Wk 2	Sat, Sun, M, - 12 hours/day	12	12	12				
PP3	Wk 1	T, W, TH -12 hours/day				12	12	12	
PP 3	Wk 2	Sat, Sun, M, F - 12 hours/day	12	12	12				12
PP 4	Wk 1	Sat, Sun, M, - 12 hours/day	12	12	12				
PP 4	Wk 2	T, W, TH -12 hours/day				12	12	12	
PP 5	Wk 1	T, W, TH, F -12 hours/day				12	12	12	12
PP5	Wk 2	M, T, W, TH - 10 hours/day			10	10	10	10	
PP 6	Wk 1	Sat, Sun, M, - 12 hours/day	12	12	12				
PP6	Wk 2	T, W, TH -12 hours/day				12	12	12	
PP7	Wk 1	T, W, TH, F -12 hours/day				12	12	12	12
PP7	Wk 2	M, T, W, TH - 10 hours/day			10	10	10	10	
PP8	Wk 1	Sat, Sun, M, F - 12 hours/day	12	12	12				12
PP 8	Wk 2	T, W, TH -12 hours/day				12	12	12	
PP 9	Wk 1	T, W, TH, F -12 hours/day				12	12	12	12
PP 9	Wk 2	M, T, W, TH - 10 hours/day			10	10	10	10	
PP 10	Wk 1	Sat, Sun, M, F - 12 hours/day	12	12	12				12
PP10	Wk 2	Sat, Sun, M, - 12 hours/day	12	12	12				
PP 11	Wk 1	M, T, W, TH - 10 hours/day			10	10	10	10	
PP 11	Wk 2	Sat, Sun, M, F - 12 hours/day	12	12	12				12
PP12	Wk 1	Sat, Sun, M, - 12 hours/day	12	12	12				
PP12	Wk 2	T, W, TH -12 hours/day				12	12	12	
PP13	Wk 1	T, W, TH, F -12 hours/day				12	12	12	12
PP 13	Wk 2	T, W, TH, F -12 hours/day				12	12	12	12
PP 14	Wk 1	M, T, W, TH - 10 hours/day			10	10	10	10	
PP 14	Wk 2	Sat, Sun, M, F - 12 hours/day	12	12	12				12
PP 15	Wk 1	Sat, Sun, M, - 12 hours/day	12	12	12				
PP15	Wk 2	T, W, TH -12 hours/day				12	12	12	
PP 16	Wk 1	Sat, Sun, M, F - 12 hours/day	12	12	12				12
PP 16	Wk 2	Sat, Sun, M, - 12 hours/day	12	12	12				
PP17	Wk 1	T, W, TH -12 hours/day				12	12	12	
PP17	Wk 2	T, W, TH, F -12 hours/day				12	12	12	12
PP18	Wk 1	M, T, W, TH - 10 hours/day			10	10	10	10	
PP 18	Wk 2	Sat, Sun, M, - 12 hours/day	12	12	12				
PP 19	Wk 1	T, W, TH -12 hours/day				12	12	12	
PP 19	Wk 2	T, W, TH, F -12 hours/day				12	12	12	12
PP 20	Wk 1	M, T, W, TH - 10 hours/day			10	10	10	10	
PP 20	Wk 2	Sat, Sun, M, F - 12 hours/day	12	12	12				12
PP 21	Wk 1	T, W, TH -12 hours/day				12	12	12	

PP 21	Wk 2	T, W, TH, F -12 hours/day				12	12	12	12
PP 22	Wk 1	M, T, W, TH - 10 hours/day			10	10	10	10	
PP 22	Wk 2	Sat, Sun, M, F - 12 hours/day	12	12	12				12
PP 23	Wk 1	Sat, Sun, M, - 12 hours/day	12	12	12				
PP 23	Wk 2	M, T, W, TH - 10 hours/day			10	10	10	10	
PP 24	Wk 1	Sat, Sun, M, F - 12 hours/day	12	12	12				12
PP 24	Wk 2	Sat, Sun, M, - 12 hours/day	12	12	12				
PP 25	Wk 1	T, W, TH -12 hours/day				12	12	12	
PP 25	Wk 2	T, W, TH, F -12 hours/day				12	12	12	12

Compensation and overtime is and will be reported in conformance with the Public Employee's Retirement Law, enabling regulations, and CalPERS' administrative interpretations and guidance. No compensation is included for pension purposes unless affirmatively permitted by CalPERS and applicable law.

In addition to receiving overtime for hours above 40 hours per week, Schedulers and Realtime Traders are paid shift differential premium as follows:

- Since December 17, 2022, the shift differential premium has been and will continue to be 8% of the Scheduler's or Realtime Trader's hourly base pay for work on the night shift for employees routinely and consistently assigned to the night shift.
- Since December 17, 2022, the shift differential premium for night-shift work has been and will continue to be 16% of the Scheduler's or Realtime Traders hourly base pay on regularly scheduled hours over

DRAFT

40 in the workweek for employees routinely and consistently assigned to the night shift.

Dated:

BY:

Gregg Fishman
President of the
SMUD Board of Directors

BOARD AGENDA ITEM

STAFFING SUMMARY SHEET

Committee Meeting & Date

ERCS – 08/20/25

Board Meeting Date

August 21, 2025

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 type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	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>	
FROM (IPR) Laura Lewis				DEPARTMENT Executive Office				MAIL STOP B308	EXT. 6123	DATE SENT 08/05/25	

NARRATIVE:

Requested Action: Nominate a Board Member for the Sacramento Local Agency Formation Commission (LAFCo) Special District Commissioner and/or Alternate Commissioner Seat(s).

Summary: Sacramento LAFCo Commissioners are selected from the groups affected by its decision(s): the public, cities, the County, and special districts. The Sacramento LAFCo is composed of seven members, each of whom serves a four-year term.

Currently, Sacramento LAFCo is accepting nominations for the below Special District Representation:

Office	Term
Special District Commissioner (Voting)	Jan. 1, 2026 – Dec. 31, 2029 (4-year term)
Special District Commissioner (Voting)	Finish out term through Dec. 31, 2027 (2-year term)
Alternate Special District Commissioner (non-Voting)	Jan. 1, 2026 – Dec. 31, 2029 (4-year term)

Communications from LAFCo are attached. Nominations must be submitted by 5:00 p.m. on Sunday, August 31, 2025. At the end of the nominating period, Sacramento LAFCo will send to each Independent Special District one ballot listing candidates and voting instructions, which ballot will include the names of all nominees submitted for open Special District seats. Each special district must return the ballot by the date specified in the voting instructions. The candidate with the most votes will be determined the winner outright. In the event of a tie, there will be a run-off election held in the same format as the initial election.

Board Policy: Governance Process GP-2, Governance Focus; Governance Process GP-3, Board Job Description
(Number & Title)

Benefits: No direct impact to SMUD.

Cost/Budgeted: There is no budgetary impact for this item.

Alternatives: Decide not to nominate anyone for Special District Commissioner or Special District Alternate Commissioner.

Affected Parties: SMUD Board of Directors, Sacramento LAFCo, Special Districts

Coordination: Board Office, Executive Office, and Legal

Presenter: Laura Lewis, Chief Legal & Government Affairs Officer

Additional Links:

SUBJECT	Nomination of Sacramento LAFCo Special District Representatives for Special District Commissioners	ITEM NO. (FOR LEGAL USE ONLY) 13
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ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.



MEMO

DATE: June 20, 2025

TO: Special District Presiding Officer

FROM: José C. Henríquez, Executive Officer 
Sacramento Local Agency Formation Commission

SUBJECT: Election of Special District Representatives to Sacramento LAFCo
Nominations for Special District Commissioners (Two Regular and One Alternate Seats)

The Special District Selection Committee is electing representatives to serve on LAFCo. The seats are:

- **Regular (Voting) Special District Representative:** Serves on the Commission as a full, voting member. In this election, two seats are open:
 - A four (4) year term
 - A two (2) year term to finish out the term of former Commissioner Lindsey Carter
- **Alternate Special District Representative:** Serves on LAFCo in a non-voting capacity; however, the Alternate can vote whenever one of the Regular members is absent, recused or ineligible to vote. The person elected to this seat will serve a new 4-year term.

Newly-elected commissioners will begin their respective terms in January 1, 2026.

Due to the size of the Special District Selection Committee, it has been difficult to establish a quorum when meeting in person. Therefore, pursuant to the provisions of Government Code §56332(f), the Executive Officer has determined that the business of the Special District Selection Committee will be conducted in writing.

Commissioners

Rich Desmond, Pat Hume, County Members ■ *Rosario Rodriguez, Alternate*
Lisa Kaplan, Mat Pratton, City Members ■ *Phil Pluckebaum, Dr. Jayna Karpinski-Costa, Alternates*
Chris Little, Public Member ■ *Timothy Murphy, Alternate*
Gay Jones, Vacant, Special District Members ■ *Charlea Moore, Alternate*

Staff

José C. Henríquez, Executive Officer ■ *Desirae Fox, Kristi Grabow, Policy Analyst*
Nancy Miller, DeeAnne Gillick, Commission Counsel

Special District Commissioners, Regular and Alternate Seats

The Regular, 4-year voting seat is currently held by Gay Jones of Sacramento Metropolitan Fire Protection District. Her term will expire on December 31st, 2025. The Alternate seat is held by Charlea Moore from the Rio Linda Elverta Recreation & Park District. Her term will also expire on December 31st, 2025. Each new seat has a term of office of four years.

A second Regular seat has opened because of former Commissioner Carter's resignation. The person elected to this seat will finish out her term. This seat has a term of two years.

Nomination Requirements

The nomination period is now at 41 days; all nominations are due in writing on or before 5:00 pm on July 31st, 2025. Nominations received after that date cannot be accepted and will be returned to your District. A nominee must be a Director from an independent special district within Sacramento County. To be valid, all nominations must include the following:

- 1) Name and district of the nominee;
- 2) Name of the nominating district; and
- 3) Signature of the Presiding Officer of the District's Board of Directors or the record of nomination made by majority vote at an official meeting of your District's Board (Resolution or Minute Order can be attached), certified by the Board Secretary, Board Clerk or District Manager.

Please submit a statement of qualifications (not to exceed one page) for each nominee.

Special District Representative Election (to be held after August 1, 2025)

Once the nomination period is closed, the Executive Officer will prepare and distribute, by certified mail or by email, one ballot listing valid candidates and voting instructions to each Independent Special District. The one-page statement of qualifications, if provided, will be included as submitted. The ballot will include the names of all nominees submitted for these positions. The Districts must return their ballot to the Executive Officer by the date specified in the voting instructions, which will be at least 30 days from the date the ballots were distributed. Any ballot received after the specified date will not be valid.

Within 14 days of the election date, the Executive Officer will announce the winner of the most votes.

If you have any questions, please contact the LAFCo office at (916) 874-6458.

Enclosure: Election Nomination Ballot

Government Code §56332



SPECIAL DISTRICT NOMINATION

Special District Representative to LAFCo, Regular and Alternate

Position	Nominee's Name	Originating District

SIGNATURE OF PRESIDING OFFICER: _____
(Original Signature Required)

Note: *Presiding Officer is the Chair/President. Any other signature invalidates this ballot, unless accompanied by Meeting Minutes designating an alternate.*

PRINTED NAME OF PRESIDING OFFICER: _____
(Required)

NAME OF NOMINATING DISTRICT: _____

MINUTES ATTACHED (Optional): Yes ☐ No ☐

NOMINEE IS RUNNING FOR POSITION: Regular (Voting): ☐ 4-year term ☐ 2-year term
Alternate ☐

Attest:

District Secretary, Clerk or General Manager

**Nominations must be received by LAFCO before
5:00 p.m. on July 31, 2025**

Return to:

Sacramento LAFCo (clerk@saclafco.org or at the address above)

Commissioners

Rich Desmond, Pat Hume, County Members ■ Rosario Rodriguez, Alternate
Lisa Kaplan, Mat Pratton, City Members ■ Phil Pluckebaum, Dr. Jayna Karpinski-Costa, Alternates
Chris Little, Public Member ■ Timothy Murphy, Alternate
Gay Jones, Vacant, Special District Members ■ Charlea Moore, Alternate

Staff

José C. Henríquez, Executive Officer ■ Desirae Fox, Kristi Grabow, Policy Analyst
Nancy Miller, DeeAnne Gillick, Commission Counsel



GOVERNMENT CODE - GOV

TITLE 5. LOCAL AGENCIES [50001 - 57607] (Title 5 added by Stats. 1949, Ch. 81.)

DIVISION 3. CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000 [56000 - 57550] (Heading of Division 3 amended by Stats. 2001, Ch. 388, Sec. 1.)

PART 2. LOCAL AGENCY FORMATION COMMISSION [56300 - 56430] (Part 2 added by Stats. 1985, Ch. 541, Sec. 3.)

CHAPTER 2. Formation of Commission and Selection of Commissioners [56325 - 56337] (Chapter 2 added by Stats. 1985, Ch. 541, Sec. 3.)

56332. (a) The independent special district selection committee shall consist of the presiding officer of the legislative body of each independent special district. However, if the presiding officer of an independent special district is unable to participate in a meeting or election of the independent special district selection committee, the legislative body of the district may appoint one of its members as an alternate to participate in the selection committee in the presiding officer's place. Those districts shall include districts located wholly within the county and those containing territory within the county representing 50 percent or more of the assessed value of taxable property of the district, as shown on the last equalized county assessment roll. Each member of the committee shall be entitled to one vote for each independent special district of which he or she is the presiding officer or his or her alternate as designated by the governing body. Members representing a majority of the eligible districts shall constitute a quorum.

(b) The executive officer shall call and give written notice of all meetings of the members of the selection committee. A meeting shall be called and held under one of the following circumstances:

- (1) Whenever the executive officer anticipates that a vacancy will occur within the next 90 days among the members or alternate member representing independent special districts on the commission.
- (2) Whenever a vacancy exists among the members or alternate member representing independent special districts upon the commission.
- (3) Upon receipt of a written request by one or more members of the selection committee representing districts having 10 percent or more of the assessed value of taxable property within the county, as shown on the last equalized county assessment roll.
- (4) Upon the adoption of a resolution of intention pursuant to Section 56332.5.
- (5) Upon receipt of a written request by one or more members of the selection committee notifying the executive officer of the need to appoint a member representing independent special districts on an oversight board pursuant to paragraph (3) of subdivision (j) of Section 34179 of the Health and Safety Code.

(c) The selection committee shall appoint two regular members and one alternate member to the commission. The members so appointed shall be elected or appointed members of the legislative body of an independent special district residing within the county but shall not be members of the legislative body of a city or county. If one of the regular district members is absent from a commission meeting or disqualifies himself or herself from participating in a meeting, the alternate district member may serve and vote in place of the regular district member for that meeting. Service on the commission by a regular district member shall not disqualify, or be cause for disqualification of, the member from acting on proposals affecting the special district on whose legislative body the member serves. The special district selection committee may, at the time it appoints a member or alternate, provide that the member or alternate is disqualified from voting on proposals affecting the district on whose legislative body the member serves.

- (1) The executive officer may prepare and deliver a call for nominations to each eligible district. The presiding officer, or his or her alternate as designated by the governing body, may respond in writing by the date specified in the call for nominations, which date shall be at least 30 days from the date on which the executive officer mailed the call for nominations to the eligible district.
- (2) At the end of the nominating period, if only one candidate is nominated for a vacant seat, that candidate shall be deemed appointed. This paragraph shall be operative only if the written notice of the meeting provided pursuant to subdivision (b) discloses that, if nominations are received for only one candidate by the end of the nominating period, the candidate shall be deemed appointed and the meeting may be cancelled.

(d) If the office of a regular district member becomes vacant, the alternate member may serve and vote in place of the former regular district member until the appointment and qualification of a regular district member to fill the vacancy.

(e) A majority of the independent special district selection committee may determine to conduct the committee's business by mail, including holding all elections by mailed ballot, pursuant to subdivision (f).

(f) If the independent special district selection committee has determined to conduct the committee's business by mail or if the executive officer determines that a meeting of the special district selection committee is not feasible, the executive officer shall conduct the business of the committee by mail. Elections by mail shall be conducted as provided in this subdivision.

- (1) The executive officer shall prepare and deliver a call for nominations to each eligible district. The presiding officer, or his or her alternate as designated by the governing body, may respond in writing by the date specified in the call for nominations, which date shall be at least 30 days from the date on which the executive officer mailed the call for nominations to the eligible district.
- (2) At the end of the nominating period, if only one candidate is nominated for a vacant seat, that candidate shall be deemed appointed. If two or more candidates are nominated, the executive officer shall prepare and deliver one ballot and voting instructions to each eligible

district. The ballot shall include the names of all nominees and the office for which each was nominated. Each presiding officer, or his or her alternate as designated by the governing body, shall return the ballot to the executive officer by the date specified in the voting instructions, which date shall be at least 30 days from the date on which the executive officer mailed the ballot to the eligible district.

(3) The call for nominations, ballots, and voting instructions shall be delivered by certified mail to each eligible district. As an alternative to the delivery by certified mail, the executive officer may transmit materials by electronic mail. All notices and election materials shall be addressed to the presiding officer, care of the clerk of the district.

(4) Nominations and ballots may be returned to the executive officer by electronic mail.

(5) Each returned nomination and ballot shall be signed by the presiding officer or his or her alternate as designated by the governing body of the eligible district.

(6) For an election to be valid, at least a quorum of the special districts must submit valid ballots. The candidate receiving the most votes shall be elected, unless another procedure has been adopted by the selection committee. Any nomination and ballot received by the executive officer after the date specified is invalid, provided, however, that if a quorum of ballots is not received by that date, the executive officer shall extend the date to submit ballots by 60 days and notify all districts of the extension. If ballots from a quorum of the districts have not been received at the end of the 60-day extension period, the executive officer shall extend the period to return ballots for a length of time at his or her discretion until a quorum is achieved, unless another procedure has been adopted by the selection committee. The executive officer shall announce the results of the election within seven days of the date specified.

(7) For a vote on special district representation to be valid, at least a quorum of the special districts must submit valid ballots to the executive officer by the date specified in the voting instructions, which date shall be at least 30 days from the date on which the executive officer mailed the ballot to the eligible district. If ballots from a quorum of the districts have not been received at the end of the 60-day extension period, the executive officer shall extend the period to return ballots for a length of time at his or her discretion until a quorum is achieved, unless another procedure has been adopted by the selection committee. By majority vote of those district representatives voting on the issue, the selection committee shall either accept or deny representation. The executive officer shall announce the results of the election within seven days of the date specified.

(8) All election materials shall be retained by the executive officer for a period of at least six months after the announcement of the election results.

(g) For purposes of this section, "executive officer" means the executive officer or designee as authorized by the commission.
(Amended by Stats. 2018, Ch. 86, Sec. 6. (AB 3254) Effective January 1, 2019.)

RESOLUTION TO BE DRAFTED BASED ON BOARD DISCUSSION