Special Board of Directors
Meeting
Agenda

Date:       June 9, 2020
Time:       5:30 p.m.
Location:   Virtual Meeting (online)
NOTICE OF SPECIAL MEETING AND AGENDA

SACRAMENTO MUNICIPAL UTILITY DISTRICT
BOARD OF DIRECTORS MEETING

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

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

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

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

June 9, 2020 – 5:30 p.m.

Call to Order.

a. Roll Call.

1. Approval of the Agenda.

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

Consent Calendar:

2. Approve Board member compensation for service rendered at the request of the Board (pursuant to Resolution 18-12-15) for the period of May 16, 2020, through May 31, 2020.

3. Approval of the minutes of the meeting of May 21, 2020.

   * * * * * * *
**Informational Items:**

4. Provide the Board a briefing on *Time-of-Day (TOD) Rate* assumptions, results, and environmental benefits during the first summer in 2019.  
   *Presenter: Alcides Hernandez*

   * * * * * *

**Discussion Calendar:**

5. Accept the monitoring report for *Strategic Direction SD-4, Reliability*. *(Paul Lau)*  
   *Presenter: Lora Anguay*

6. Approve staff recommendation to suspend funding for new projects in 2020, 2021, and 2022 under *Strategic Direction SD-14, System Enhancement*. *(Paul Lau)*  
   *Presenter: Maria Veloso Koenig*

7. Adopt proposed revisions to *Board-Staff Linkage BL-8, Delegation to the Chief Executive Officer and General Manager with Respect to Procurement*.  
   *Presenter: Gary King*

8. Adopt a resolution honoring the accomplishments and legacy of *S. David Freeman* and discuss options for recognizing his role as a visionary leader in climate change and advancing renewable energy.  
   *Presenter: President Kerth*

   * * * * * *

**Public Comment:**

9. Items not on the agenda.

**Board and CEO Reports:**

10. Directors' Reports.


12. CEO's Report.

   * * * * * *

**Summary of Board Direction**

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

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

<table>
<thead>
<tr>
<th>Date</th>
<th>Meeting</th>
<th>Location</th>
<th>Start Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 14, 2020</td>
<td>Finance and Audit Committee and Special Board of Directors Meeting</td>
<td>Auditorium</td>
<td>5:30 p.m.</td>
</tr>
<tr>
<td>July 14, 2020</td>
<td>Energy Resources &amp; Customer Services Committee and Special Board of Directors Meeting</td>
<td>Auditorium</td>
<td>Immediately following the Finance and Audit Committee and Special Board of Directors Meeting</td>
</tr>
<tr>
<td>July 15, 2020</td>
<td>Policy Committee and Special Board of Directors Meeting</td>
<td>Auditorium</td>
<td>5:30 p.m.</td>
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Regular Meetings of the Board of Directors are held at the SMUD Headquarters Building, 6201 S Street, Sacramento

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

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<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Start Time</th>
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<tbody>
<tr>
<td>June 18, 2020</td>
<td>Auditorium</td>
<td>5:30 p.m.</td>
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<tr>
<td>July 19, 2020</td>
<td>Auditorium</td>
<td>9:00 a.m.</td>
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Pursuant to Resolution No. 20-03-06 adopted on March 17, 2020, Emergency Board Meeting Procedures are in effect:

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

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

ADA Accessibility Procedures: Upon request, SMUD will generally provide appropriate aids and services leading to effective communication for qualified persons with disabilities so that they can participate equally in this virtual meeting. If you need a reasonable auxiliary aid or service for effective communication to participate, please email Toni.Stelling@smud.org, or contact by phone at (916) 732-7143, no later than 48 hours before this virtual meeting.
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 18-12-15) for the period of May 16, 2020, through May 31, 2020.
Sacramento, California
May 21, 2020

The Board of Directors of the Sacramento Municipal Utility District met in regular session via virtual meeting (online) at 5:32 p.m.

Roll Call:

Presiding: President Kerth

Present: Directors Rose, Bui-Thompson, Fishman, Herber, Tamayo, and Sanborn

Present also were Arlen Orchard, Chief Executive Officer and General Manager; Laura Lewis, Chief Legal Officer and General Counsel and Secretary, and members of SMUD’s executive management; and SMUD employees and visitors.

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

President Kerth called for public comment on the consent calendar.

Ms. Lewis stated that public comment had been received for agenda item 3 from Mark Graham, and President Kerth read the comment into the record, a copy of which is attached to these minutes.

President Kerth then addressed the consent calendar consisting of Items 2 and 3. Director Fishman moved for approval of the consent calendar, Vice President Bui-Thompson seconded, and Resolution No. 20-05-01 was unanimously approved.
RESOLUTION NO. 20-05-01

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 18-12-15) for the period of April 16, 2020, through May 15, 2020.

Approved: May 21, 2020

INTRODUCED: DIRECTOR FISHMAN
SECONDED: DIRECTOR BUI-THOMPSON

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<tr>
<th>DIRECTOR</th>
<th>AYE</th>
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<tbody>
<tr>
<td>KERTH</td>
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<td>ROSE</td>
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<td>SANBORN</td>
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Approved: May 21, 2020
President Kerth then turned to Informational Items 4 through 7.

Lisa Limcaco, Controller, gave a presentation on agenda item 4 regarding SMUD’s financial statements through March 31, 2020. A copy of the slides used in her presentation is attached hereto.

President Kerth read comments into the record regarding agenda item 4, copies of which are attached to these minutes, from the following members of the public:

- Mark Graham
- Melissa Andrews
- Whitney Leeman
- Jeff Durbin

With regard to agenda item 5, the Audit Report of the SMUD Headquarters Rehabilitation Construction, no clarifying questions or public comment were forthcoming.

Mr. Orchard gave a presentation on agenda item 6, a briefing on COVID-19 operational and financial impacts to customers, employees, and operations, and an update on actions taken. A copy of the slides used in his presentation is attached hereto.

No public comment was forthcoming on agenda item 6.

Jennifer Davidson, Chief Financial Officer, gave a presentation on agenda item 7, 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 7.

President Kerth then turned the meeting to Discussion Calendar Item 8, to adopt a resolution calling the election for Directors for Wards 1, 2, and 5 and request Sacramento County and Placer County to consolidate that election with the November 3, 2020, general election.

Ms. Lewis provided a presentation. A copy of the slides used in her presentation is attached to these minutes.
President Kerth read comments into the record regarding agenda item 8, a copy of which is attached to these minutes, from the following member of the public:

- Mary Ann Robinson

After some discussion, Director Herber moved for approval of Discussion Calendar Item 8, Director Sanborn seconded, and Resolution No. 20-05-02 was unanimously approved.
RESOLUTION NO.  20-05-02

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

Section 1. That an election is called to be held on the 3rd day of November, 2020, for the purpose of electing three (3) directors of the Sacramento Municipal Utility District ("SMUD"), one of whom shall be a resident and voter of each of Wards 1, 2, and 5. The boundaries of said wards are hereby fixed and established as shown on the sheets appended hereto. Each director shall be elected for a full four-year term from the ward in which he or she resides and the election shall be held and conducted in all respects as required by law.

<table>
<thead>
<tr>
<th>Ward</th>
<th>Incumbent</th>
<th>Expiration of Term</th>
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<tbody>
<tr>
<td>1</td>
<td>Brandon D. Rose</td>
<td>2020</td>
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<tr>
<td>2</td>
<td>Nancy Bui-Thompson</td>
<td>2020</td>
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<tr>
<td>5</td>
<td>Rob Kerth</td>
<td>2020</td>
</tr>
</tbody>
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Section 2. That the Boards of Supervisors of the Counties of Sacramento and Placer are requested to consolidate said election of directors of SMUD with the general election to be held on the 3rd day of November, 2020.

Section 3. That the Boards of Supervisors of the Counties of Sacramento and Placer are requested to reestablish the boundaries of such election precincts as are divided by the boundaries of Wards 1, 2, and 5 of SMUD to provide that the boundaries of the election precincts coincide with the boundaries of said wards.

Section 4. That the Boards of Supervisors of the Counties of Sacramento and Placer are authorized to canvass the returns of the election of directors and to certify the election results to this Board.

Section 5. That in the event of a tie vote between candidates, the election shall be determined by lot.

Section 6. That any candidate for the Board of Directors of SMUD who files a statement of qualifications for printing and distributing pursuant to Section 13307 of the Elections Code shall pay at the Sacramento
Section 7. That SMUD agrees to reimburse the Registrar of Voters for actual costs incurred, such costs to be calculated by the method set forth in the County’s current Election Costs Allocation Procedures, pursuant to Elections Code section 10520.

Section 8. That the Secretary of SMUD is directed to transmit certified copies of this resolution to the Clerk of the Boards of Supervisors of the Counties of Sacramento and Placer, to the County Clerks of the Counties of Sacramento and Placer, and to the Registrars of Voters of the Counties of Sacramento and Placer.

Approved: May 21, 2020

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<th>DIRECTOR</th>
<th>AYE</th>
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<td>Sanborn</td>
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SACRAMENTO MUNICIPAL UTILITY DISTRICT
WARD BOUNDARY DESCRIPTIONS
FROM Sept 1, 2011 TO CURRENT DATE
WARD 1

Beginning at a point of intersection of the Northerly Boundary Line of Sacramento County and the intersection of the centerline of Folsom Dam Road (now no longer in service); thence Southeasterly along the centerline of the Folsom Dam Road (now no longer in service) to the centerline of the American River as it exits Folsom Dam; thence Southwesterly along the centerline of the American River to the Northwesterly prolongation of Fargo Way; thence Southeasterly along the prolongation of Fargo Way to the centerline of Natoma Street; thence Southwesterly along the centerline of Natoma Street to centerline of Coloma Street; thence Southeasterly along the centerline of Coloma Street to merge with the centerline of Bidwell Street; thence Southwesterly along the centerline of Bidwell Street to the centerline of Riley Street; thence Southeasterly along the centerline of Riley Street to the centerline of Blue Ravine Road; thence Southerly along the centerline of Blue Ravine Road to the Northeasterly prolongation of the Southerly Parcel line of Parcel 7 as described in the Quitclaim Deed recorded in the office of the Sacramento County Recorder in Book 19960906 at Page 1665; thence Southwesterly along the Northeasterly prolongation of said parcel and along the Southerly Parcel Line of said Parcel to the centerline of Sibley Street; thence Southerly along the centerline of Sibley Street to merge with the centerline of Prairie City Road; thence Southerly and Southwesterly along the centerline of Prairie City Road to the City of Folsom Boundary Line; thence Westerly and Southwesterly along the City of Folsom Boundary Line to the centerline of Aerojet Road; thence Northwesterly along the City of Folsom Boundary Line and the centerline of Aerojet Road to the centerline of US Highway 50 (the El Dorado Freeway); thence Southwesterly along the centerline of US Highway 50 (the El Dorado Freeway) to the centerline of Hazel Avenue; thence Northwesterly along the centerline of Hazel Avenue to the centerline of the American River; thence Southwesterly, along the centerline of the American River to the southerly prolongation of the centerline of San Juan Avenue; thence Northerly, along the southerly prolongation of the centerline of San Juan Avenue and the centerline of San Juan Avenue to the centerline of Winding Way; thence Westerly, along the centerline of Winding Way to the centerline of Garfield Avenue; thence Northerly, along the centerline of Garfield Avenue to the centerline of Greenback Lane; thence Northwesterly, along the centerline of Greenback Lane to the centerline of Interstate Highway 80; thence Northeasterly along the centerline of Interstate Highway 80 to the City of Citrus Heights Boundary Line; thence Northerly along the City of Citrus Heights Boundary Line to the Southerly prolongation of the Eastern boundary line of the Plat of “Larchmont Foothills Unit No. 9” as recorded in the office of the Sacramento County Recorder in Book 110 at Page 21; thence Northerly along the Southerly prolongation of said Plat and along the Eastern boundary line of said plat to the Eastern boundary of the Plat of “Larchmont Foothills Unit No. 8” as recorded in the office of the Sacramento County Recorder in Book 113 at Page
2; thence Northerly along the boundary line of said Plat to the Eastern boundary of the Plat of “Larchmont Foothills Unit No. 11” as recorded in the office of the Sacramento County Recorder in Book 129 at Page 19 to the centerline of Daly Avenue; thence Northerly along the centerline of Daly Avenue to the Centerline of Roseville Road; thence Northwesterly along the centerline of Roseville Road to the Southeasterly prolongation of the centerline of Poker Lane; thence Northwesterly along the prolongation of the centerline of Poker Lane and the centerline of Poker Lane to the centerline of Antelope North Road; thence Northeasterly along the centerline of Antelope North Road to the Northern Boundary Line of Sacramento County; thence Westerly along the northerly boundary line of Sacramento County to the west line of Section 11, Township 10 North, Range 5 East, M.D.B. &M.; thence Northerly, along the westerly line of Section 11, one-half mile, more or less, to a road running east and west through the center of Section 11; thence Easterly, along east-west road to the west line of Section 12, Township 10 North, Range 5 East, M.D.B. &M.; thence Northerly, along the west line of Section 12, one-half mile, more or less, to the northwest corner of Section 12; thence Easterly, along the north line of Section 12 to the Range line between Township 10 North, Range 5 East, M.D.B. &M. and Township 10 North, Range 6 East, M.D.B. &M.; thence continuing Easterly, along the north lines of Sections 7, 8, 9 and 10 Township 10 North, Range 6 East, M.D.B. &M. to the northeast corner of Lot 28 as shown on the plat of "Hicken Tract", recorded in the office of the Recorder of Placer County in Book A of Maps, Page 31; thence South 00°03'55" West 20 feet; thence South 00°19'40" East 2635.13 feet, thence South 00°28'00" West 20.22 feet to the southerly line of Booth Road; thence Westerly, along the southerly line of Booth Road the following three (3) courses: 1) South 82°05'00" West 513.96 feet; 2) South 89°18'00" West 292.20 feet; and 3) North 85°19'00" West 237.29 feet; thence leaving the southerly line of Booth Road, and along the Roseville City Limits line South 00°02'00" East 794.50 feet; thence South 89°56'00" East 1038.21 feet to the north-south centerline of Section 10, Township 10 North, Range 6 East, M.D.B. &M.; thence along north-south centerline South 00°28'00" West 367.40 feet to a point in the westerly line of Atkinson Street; thence along the westerly line of Atkinson Street South 33°56'00" East 1221.02 feet; thence along a curve to the right, having a radius of 870 feet, the chord of which bears South 61°12'07" West 810.35 feet, to a point in the northerly line of P.F.E. Road; thence Westerly, along the northerly line of P.F.E. Road, 148 foot to the easterly line of Parcel D as shown on "Parcel Map No. 71906", recorded in the office of the Recorder of Placer County in Book 10 of Parcel Maps at Page 133; thence Northerly, along the easterly line of Parcel D, 1564.15 feet, more or less, to the northeast corner of Parcel D; thence Westerly, along the northerly line of Parcel D and the northerly line of Parcels B and C of the Parcel Map, 1629 feet, more or less, to the northwest corner of Parcel B; thence Southerly, along the westerly line of Parcel B and its southerly prolongation, 1631.43 feet, more or less, to the southerly line of P.F.E. Road; thence, along the southerly line of P.F.E. Road, North 89°07'01" East 636.84 feet; thence South 00°02'00" East 450 feet; thence South 89°59'00" West 96.80 feet to the westerly line of Section 15,
Township 10 North, Range 6 East, M.D.B. & M.; thence along the westerly line of Section 15, South 00°02'00 East 1412.00 feet to the northerly boundary line of Sacramento County; thence Easterly along the northerly line of Sacramento County to the centerline of Interstate 80; thence Northeasterly, along the centerline of Interstate 80 to its intersection with the east-west centerline of Section 14, Township 10 North, Range 6 East, M.D.B. & M.; thence Easterly, along the east-west centerline of Section 14 to the southerly prolongation of the east line of Lots 5 and 6 as shown on the plat of "Livoti Tract", recorded in the office of the Recorder of Placer County in Book E of Maps at Page 5; thence Northerly, along the east line of Lots 5 and 6 and its southerly and northerly prolongation 660 feet, more or less, to the northerly right of way line of Livoti Avenue; thence Easterly, along the northerly line of Livoti Avenue 210.13 feet, to the easterly line of Lot 26 of "Livoti Tract"; thence Northerly, along the easterly line of Lot 26, 227 feet, more or less, to a point 3.00 feet northerly of the northerly line of Lot 25 of "Livoti Tract"; thence Easterly, along a line parallel with and 3.00 feet northerly of the northerly line of Lot 25, 138.75 feet; thence Northerly, along a line parallel with and 138.75 feet easterly of the easterly line of Lot 26, 445.23 feet to the northerly line of "Livoti Tract"; thence along the northerly line of "Livoti Tract", North 89°22'20" East 1712.24 feet to the northeast corner of "Livoti Tract"; thence Southerly, along the easterly line of "Livoti Tract", also being the westerly line of Section 13, Township 10 North, Range 6 East, M.D.B. & M., 1332.60 feet to the southwest corner of the Northwest one-quarter of Section 13; thence Easterly, along the southerly line of the Northwest one-quarter of Section 13, 2640 feet, more or less, to the westerly line of Sunrise Boulevard; thence Southerly, along the westerly line of Sunrise Boulevard 112 feet, more or less, to its intersection with the westerly prolongation of the north line of the parcel of land conveyed to Charles R. and Marjory A. Knoche and recorded in Volume 1138 of Official Records of Placer County at Page 138; thence East, along the westerly prolongation of the north line of the Knoche parcel to the east line of Sunrise Boulevard; thence continuing East, along the north line of the Knoche parcel, 344.67 feet to the northeast corner of Knoche parcel, said northwest corner of the Knoche parcel being a point on the east line of Lot 166, as shown on the plat of "Citrus Heights Addition No. 8" recorded in the Placer County Recorder's Office in Book C of Maps, Page 53; thence South 00°01'00" East 635.60 feet along the east line of Lot 166 to a point on the northerly line of Sacramento County; thence South 84°18'41" East 994.92 feet, along the Sacramento County Line to a point on the east line of Lot 169, as shown on "Citrus Heights Addition No. 8"; thence North 00°01'00" West 845.91 feet, along the east line of Lot 169 to the northeast corner of Lot 169, also being a point on the south line of the North one-half of Section 13, Township 10 North, Range 6 East; thence Easterly 652 feet, more or less, along the south line of the North one-half of Section 13 to the northwest corner of Lot 172, as shown on "Citrus Heights Addition No. 8"; thence Southerly, along the west line of Lot 172, 906.6 feet, more or less, to the Sacramento County line; thence along the Sacramento County line, South 85°18'30" East 6391 feet, more or less, to the easterly right of way line of Old Auburn Road; thence along the easterly right of way line of Old
Auburn Road the following five (5) courses: 1) North 50°33'00" East 120 feet; 2) along a curve to the left, having a radius of 90.3 feet, the chord of which bears North 21°15'00" East 89.3 feet; 3) North 08°41'50" West 413.2 feet; 4) along a curve to the right, having a radius of 330 feet, the chord of which bears North 14°16'50" West 257.6 feet; and 5) North 37°14'50" East 815 feet; thence North 30 feet to the centerline of Old Auburn Road; thence Easterly, along the centerline of Old Auburn Road 4100 feet, more or less, to the centerline of Sierra College Boulevard; thence Southerly, along the centerline of Sierra College Boulevard to the Sacramento County line; thence Easterly along the Sacramento County Line to a point on the boundary line of the 75-foot wide canal described that certain Deed to San Juan Suburban Water District recorded in the office of the Recorder of Placer County in Book 664 of Official Records at Page 618; thence Northerly and Easterly along the canal described in said deed to the Northerly line of Section 23; thence Easterly along the Northerly line of Section 23 to the Westerly line of Folsom Auburn Road; thence Southerly along the Westerly line of Folsom Auburn Road to the northerly boundary line of Sacramento County to said point of beginning.

**Ward 2**

Beginning at a point of intersection of the Northerly Boundary Line of Sacramento County and the centerline of Folsom Dam Road (now no longer in service); thence Southeasterly along the centerline of the Folsom Dam Road (now no longer in service) to the centerline of the American River as it exits Folsom Dam; thence Southwesterly along the centerline of the American River to the Northwesterly prolongation of Fargo Way; thence Southeasterly along the prolongation of Fargo Way to the centerline of Natoma Street; thence Southwesterly along the centerline of Natoma Street to centerline of Coloma Street; thence Southeasterly along the centerline of Coloma Street to merge with the centerline of Bidwell Street; thence Southwesterly along the centerline of Bidwell Street to the centerline of Riley Street; thence Southeasterly along the centerline of Riley Street to the centerline of Blue Ravine Road; thence Southerly along the centerline of Blue Ravine Road to the Northeasterly prolongation of the Southerly Parcel line of Parcel 7 as described in the Quitclaim Deed recorded in the office of the Sacramento County Recorder in Book 19960906 at Page 1665; thence Southwesterly along the Northeasterly prolongation of said parcel and along the Southerly Parcel Line of said parcel to the centerline of Sibley Street; thence Southerly along the centerline of Sibley Street to merge with the centerline of Prairie City Road; thence Southerly and Southeasterly along the centerline of Prairie City Road to the City of Folsom Boundary Line; thence Westerly and Southwesterly along the City of Folsom Boundary Line to the centerline of Aerojet Road; thence Northwesterly along the City of Folsom Boundary Line and the centerline of Aerojet Road to the
centerline of US Highway 50 (the El Dorado Freeway); thence Southwesterly along the centerline of US Highway 50 (the El Dorado Freeway) to the centerline of Hazel Avenue; thence Northwesterly along the centerline of Hazel Avenue to the centerline of the American River; thence Southwesterly, along the centerline of the American River to a point on the northerly prolongation of the west line of the plat of "Larchmont Riviera East Unit No. 2", recorded in the office of the Recorder of Sacramento County on July 7, 1970, in Book 85 of Maps, Map No. 16; thence Southerly, along the northerly prolongation of the west line of "Larchmont Riviera East Unit No. 2" and the west line of "Larchmont Riviera East Unit No. 2" to the northwest corner of the plat of "Larchmont Riviera East Unit No. 1", recorded in the office of the Recorder of Sacramento County on September 10, 1969, in Book 84 of Maps, Map No. 15; thence South 105.00 feet, along the west line of "Larchmont Riviera East Unit No. 1", to the southwest corner of Lot 73 as shown on "Larchmont Riviera East Unit No. 1"; thence Southeasterly to the centerline of Hyannis Way; thence Southerly, along the centerline of Hyannis Way to the centerline of Bradshaw Road; thence Southerly along the centerline of Bradshaw Road to the centerline of Jackson Highway (CA State Route 16); thence Southeasterly along the centerline of Jackson Highway (CA State Route 16) to the centerline of Sunrise Boulevard; thence Southerly along the centerline of Sunrise Boulevard to the centerline of Grantline Road; thence Southwesterly along the centerline of Grantline Road to the centerline of Calvine Road; thence Westerly along the centerline of Calvine Road to the centerline of Elk Grove Florin Road; thence Southerly along the centerline of Elk Grove Florin Road to the centerline of Elk Grove Boulevard; thence Easterly along the centerline of Elk Grove Boulevard to the centerline of Waterman Road; thence Southerly along the centerline of Waterman Road to the centerline of Grantline Road; thence Southwesterly along the centerline of Grantline Road to the centerline of the Southern Pacific Transportation Company's Sacramento-Stockton Main Line right of way (now owned by Union Pacific railroad); thence Southeasterly along the centerline of the Southern Pacific Transportation Company's Sacramento-Stockton Main Line right of way (now owned by Union Pacific railroad) to the centerline of the Cosumnes River; thence Southwesterly along the centerline of the Cosumnes River to the Easterly prolongation of the Northern Parcel line of the Parcel as described in the Grant Deed recorded by the Sacramento County Recorder's Office in Book 20080606 at Page 1041; then Westerly along the Easterly prolongation of and along the Northern Parcel Line of said parcel to the Sacramento County Boundary Line; thence Southeasterly and Easterly along the Sacramento County Boundary Line to the Southeastern most point of the Sacramento County Boundary Line; thence Northerly and Northwesterly along the Sacramento County Boundary Line to the Northeastern most point of the Sacramento County Boundary Line; thence Southwesterly and Westerly from the Northeastern most point of the Sacramento County Boundary Line along the Northerly Sacramento County Boundary Line to said point of beginning.
WARD 3

Beginning at a point which is the intersection of the centerline of Howe Avenue with the centerline of Marconi Avenue; thence from said point of beginning Southerly, along the centerline of Howe Avenue to the centerline of Arden Way; thence Westerly, along the centerline of Arden Way to the centerline of Exposition Boulevard; thence Westerly, along the centerline of Exposition Boulevard to the centerline of the Capitol City Freeway (Business 80); thence Southwesterly, along the centerline of the Capitol City Freeway (Business 80) to the centerline of the Southern Pacific Transportation Company's Sacramento-Salt Lake City Right of Way (now owned by Union Pacific Railroad); thence Southwesterly, along the centerline of the Southern Pacific Transportation Company's Sacramento-Salt Lake City Right of Way (now owned by Union Pacific Railroad) to the northerly prolongation of the centerline of Alhambra Boulevard; thence Southerly, along the northerly prolongation of the centerline of Alhambra Boulevard and the centerline of Alhambra Boulevard to the centerline of what was previously known as R Street as shown in Parcel Map recorded at Book 42 at Page 40 in the Sacramento County Recorder's Office; thence Southeasterly along the centerline of said R Street to the centerline of Stockton Boulevard; thence Southeasterly along the centerline of Stockton Boulevard to the centerline of Broadway; thence Easterly, along the centerline of Broadway to the centerline of 57th Street; thence Northerly along the centerline of 57th Street to the centerline of T Street; thence Southeasterly along the centerline of T Street to the centerline of 59th Street; thence Northerly along the centerline of 59th Street to the centerline of Eastbound US Highway 50; thence Easterly along the centerline of Eastbound US Highway 50 to the Eastbound 65th Street Off-Ramp of US Highway 50; thence Easterly along the centerline of Eastbound US Highway 50 to the centerline of the Southern Pacific Transportation Company's Sacramento-Stockton Main Line right of way (now owned by Union Pacific railroad); thence Southeasterly along the centerline of the Southern Pacific Transportation Company's Sacramento-Stockton Main Line right of way (now owned by Union Pacific railroad) to the centerline of Power Inn Road; thence Southerly, along the centerline of Power Inn Road to the centerline of Elsie Avenue; thence Westerly along the centerline of Elsie Avenue to the centerline of Stockton Boulevard; thence Southeasterly along the centerline of Stockton Boulevard and its southerly prolongation to the centerline of California State Highway 99; thence Southerly along the centerline of California State Highway 99 to the Westerly prolongation of the centerline of Geneva Pointe (formerly Old Calvine Road); thence Easterly along the prolongation of the centerline of Geneva Pointe (formerly Old Calvine Road) and the centerline of Geneva Pointe to the centerline of
Calvine Road; then Easterly along the centerline of Calvine Road to the centerline of Grantline Road; thence Northeasterly along the centerline of Grantline Road to the centerline of Sunrise Boulevard; then Northerly along the centerline of Sunrise Boulevard to the centerline of Jackson Highway (CA State Route 16); thence Northwesterly along the centerline of Jackson Highway (CA State Route 16) to the centerline of Bradshaw Road; thence Northerly, along the centerline of Bradshaw Road to the centerline of Hyannis Way; thence Northerly, along the centerline of Hyannis Way and its northerly prolongation to the southwest corner of Lot 73, as shown on the plat of "Larchmont Riviera East Unit No. 1", recorded in the office of the Recorder of Sacramento County on September 10, 1969, in Book 84 or Maps, Map No. 15; thence North 105.00 feet, along the west line of "Larchmont Riviera East Unit No. 1", to the northwest corner of "Larchmont Riviera East Unit No. 1"; thence Northerly, along the west line of "Larchmont Riviera East Unit No. 2" recorded in the office of the Recorder of Sacramento County on July 7, 1970 in Book 85 of Maps, Map No. 16, and the northerly prolongation of the west line of "Larchmont Riviera East Unit No. 2" to the centerline of the American River; thence Northeasterly, along the centerline of the American River to the southeasterly prolongation of the centerline of Arden Way; thence Northwesterly, along the prolongation of the centerline of Arden Way and the centerline of Arden Way to the centerline of Watt Avenue; thence North along the centerline of Watt Avenue to the centerline of Auburn Boulevard and the City of Sacramento Boundary; thence Easterly, Northerly, and Westerly along the City of Sacramento boundary to the centerline of the Roseville Road; thence Southwesterly along the centerline of the Roseville Road to the centerline of Marconi Avenue; thence along the centerline of Marconi Avenue to a point on the centerline of Howe Avenue, said point being said point of beginning.

Ward 4

Beginning at the intersection of the centerline of the Sacramento River and the Sacramento County Boundary with the westerly prolongation of Broadway; thence from said point of beginning Southeasterly, along the westerly prolongation of Broadway and the centerline of Broadway to the centerline of Franklin Boulevard; thence Southerly along the centerline of Franklin Boulevard to the centerline of Sutterville Road; thence Southwesterly along the centerline of Sutterville Road to the centerline of Freeport Boulevard; thence Southerly, along the centerline of Freeport Boulevard to the centerline of Fruitridge Road; thence Westerly along the centerline of Fruitridge Road to the easterly line of the Record of Survey entitled "A Portion of the East 1/2 of Section 2 and the NE 1/4 of Section 11, Township 7 North, Range 4 East, Mount Diablo Meridian and a Portion of Sections 14, 23, 26, and 35, Township 8 North, Range 4 East, Mount Diablo Meridian",
recorded in the office of the Recorder of Sacramento County on November 25, 1991, in Book 49 of Surveys at Page 29; thence Southerly, Easterly, Southerly, and Westerly along the easterly line of said Record of Survey recorded in Book 49 of Surveys at Page 29 to the centerline of Park Village Street; thence Southerly along the centerline of Park Village Street and the southerly prolongation of Park Village Street to the centerline of Freeport Boulevard; thence Southerly along the centerline of Freeport Boulevard and the southerly prolongation of Freeport Boulevard to the centerline of Interstate 5; thence Southeasterly, along the centerline of Interstate 5 to the centerline of Morrison Creek; thence Northeasterly, along the centerline of Morrison Creek to the centerline of Union House Creek (otherwise known as Beacon Creek); thence Easterly, along the centerline of Union House Creek (otherwise known as Beacon Creek) to the centerline of Franklin Boulevard; thence Southerly, along the centerline of Franklin Boulevard to the centerline of Calvine Road; thence Easterly along the centerline of Calvine Road to the centerline of Bruceville Road; thence Northerly along the centerline of Bruceville Road to the centerline of Shasta Avenue; thence Easterly along the centerline of Shasta Avenue to the centerline of California State Highway 99; thence Northwesterly along the centerline of California State Highway 99 to the Westerly prolongation of the centerline of Geneva Pointe (formerly Old Calvine Road); thence Easterly along the Westerly prolongation of the centerline of Geneva Pointe (formerly Old Calvine Road) and the centerline of Geneva Pointe to the centerline of Calvine Road; then Easterly along the centerline of Calvine Road to the centerline of Elk Grove Florin Road; thence Southerly along the centerline of Elk Grove Florin Road to the centerline of Elk Grove Boulevard; thence Easterly along the centerline of Elk Grove Boulevard to the centerline of Waterman Road; thence Southerly along the centerline of Waterman Road to the centerline of Grantline Road; thence Southwesterly along the centerline of Grantline Road to the centerline of the Southern Pacific Transportation Company's Sacramento-Stockton Main Line right of way (now owned by Union Pacific railroad); thence Southeasterly along the centerline of the Southern Pacific Transportation Company's Sacramento-Stockton Main Line right of way (now owned by Union Pacific railroad) to the centerline of the Cosumnes River; thence Southwesterly along the centerline of the Cosumnes River to the Easterly prolongation of the Northern Parcel line of the Parcel as described in the Grant Deed recorded by the Sacramento County Recorder's Office in Book 20080606 at Page 1041; thence Westerly along the Easterly prolongation of and along the Northern Parcel Line of said parcel to the Sacramento County Boundary Line and the centerline of the Mokelumne River; thence Southwesterly, along the centerline of the Mokelumne River to a point located South 85°45'00" East 1534.5 feet and South 76°45'00" East 1181.4 feet from the most southerly corner of Tract 2 as shown on the "Amended Plat of Survey of Property of Green, Harley, Marsh, and Sansforth", recorded in the office of the Recorder of Sacramento County in Book 3 of Surveys at Page 61; thence North 76°45'00" West 1181.4 feet; thence North 85°45'00" West 1534.5 feet to the most southerly corner of Tract 2; thence North 57°32'00" West 1458.64 feet, along the south line of Tract 2 to the easterly right of way line of the
Southern Pacific Railroad (now abandoned); thence Southerly, along the easterly right of way line of the Southern Pacific Railroad (now abandoned); to the south line of that certain Record of Survey recorded in the office of the Recorder of Sacramento County in Book 3 of Surveys at Page 100; thence Westerly, along the south line of the Record of Survey recorded in Book 3 of Surveys at Page 100, to the westerly right of way line of the Southern Pacific Railroad (now abandoned); thence Northerly, along the westerly right of way line of the Southern Pacific Railroad (now abandoned); to the westerly line of Race Track Road; thence Northerly, along the westerly line of Race Track Road to the most southerly corner of Parcel B as shown on the Parcel Map entitled "Swamp Land Survey No 336 Located on Tyler Island", recorded in the office of the Recorder of Sacramento County on September 30, 1985, in Book 89 of Parcel Maps at Page 12; thence North 64°12'51" West along the southwesterly line of the Parcel Map recorded in Book 89 of Parcel Maps at Page 12, and along it's northwesterly prolongation to the centerline of Georgiana Slough; thence Northeasterly, along the centerline of Georgiana Slough to the centerline of the Sacramento River; thence Northerly, along the centerline of the Sacramento River and the Sacramento County Boundary line to a point on westerly prolongation of the centerline of Broadway, said point being the point of beginning.

Ward 5

Beginning at the intersection of the Northerly boundary line of Sacramento County and the centerline of 16th Street; thence from said point of beginning Southerly along the centerline of 16th Street to the centerline of Q Street; thence Easterly along the centerline of Q Street to the centerline of 18th Street; thence Southerly along the centerline of 18th Street to the centerline of Elkhorn Boulevard; thence Southwesterly along the centerline of Elkhorn Boulevard to the centerline of 16th Street; thence Southerly along the centerline of 16th Street to the centerline of Ascot Avenue; thence Easterly along the centerline of Ascot Avenue to the City of Sacramento City Limit Line as shown on the Record of Survey entitled "McClellan Park" recorded in the office of the Recorder of Sacramento County on December 31, 2001 in Book 61 of Records of Survey at Page 25; thence following said City of Sacramento City Limit Line in the Southerly direction to the centerline of North Avenue; thence Easterly along the centerline of North Avenue and the Easterly prolongation of North Avenue to the centerline of Roseville Road; thence Southwesterly along the centerline of Roseville Road to the centerline of Marconi Avenue; thence along the centerline of Marconi Avenue to the centerline of Howe Avenue; thence Southerly along the centerline of Howe Avenue to the centerline of Arden Way; thence Westerly, along the centerline of Arden Way to the centerline of Exposition Boulevard; thence Westerly, along the centerline of Exposition Boulevard of the centerline of the Capital City Freeway; thence Southwesterly, along the centerline of the Capitol City Freeway 80
Business 80) to the centerline of the Southern Pacific Transportation Company's Sacramento-Salt Lake City Right of Way (now owned by Union Pacific Railroad); thence Southwesterly, along the centerline of the Southern Pacific Transportation Company's Sacramento-Salt Lake City Right of Way (now owned by Union Pacific Railroad) to the northerly prolongation of the centerline of Alhambra Boulevard; thence Southerly, along the northerly prolongation of the centerline of Alhambra Boulevard and the centerline of Alhambra Boulevard to the centerline of Broadway; thence Westerly, along the centerline of Broadway and its westerly prolongation to the centerline of the Sacramento River; thence Northerly, along the centerline of the Sacramento River to its intersection with the northerly boundary line of Sacramento County and the southerly boundary line of Sutter County; thence Easterly, along the northerly boundary line of Sacramento County to a point on the centerline of 16th Street, said point being the point of beginning.

Ward 6

Beginning at the intersection of the centerline of Alhambra Boulevard and the centerline of what was previously known as R Street as shown in Parcel Map recorded at Book 42 at Page 40 in the Sacramento County Recorder's Office; thence Southeasterly along the centerline of said R Street to the centerline of Stockton Boulevard; thence Southeasterly along the centerline of Stockton Boulevard to the centerline of Broadway; thence Easterly, along the centerline of Broadway to the centerline of 57th Street; thence Northerly along the centerline of 57th Street to the centerline of T Street; thence Southeasterly along the centerline of T Street to the centerline of 59th Street; thence Northerly along the centerline of 59th Street to the to the centerline of Eastbound US Highway 50, thence Easterly along the centerline of Eastbound US Highway 50 to the centerline of the Eastbound 65th Street Off-Ramp of US Highway 50; thence Easterly along the centerline of the Eastbound 65th Street Off-Ramp of US Highway 50 to the centerline of 65th Street; thence Northerly along the centerline of 65th Street to the centerline of Eastbound US Highway 50; thence Easterly along the centerline of Eastbound US Highway 50 to the centerline of the Southern Pacific Transportation Company's Sacramento-Stockton Main Line right of way (now owned by Union Pacific railroad); thence Southeasterly, along the centerline of the Southern Pacific Transportation Company's Sacramento-Stockton Main Line right of way (now owned by Union Pacific railroad) to the centerline of Power Inn Road; thence Southerly, along the centerline of Power Inn Road to the centerline of Elsie Avenue; thence Westerly along the centerline of Elsie Avenue to the centerline of Stockton Boulevard; thence Southeasterly along the centerline of Stockton Boulevard and its southerly prolongation to the centerline of California State Highway 99; thence Southerly along the centerline of California State Highway 99 to the Easterly prolongation of the centerline of Shasta Avenue; thence Westerly along the Easterly prolongation of the centerline of Shasta Avenue and the
centerline of Shasta Avenue to the centerline of Bruceville Road; thence Southerly along the centerline of Bruceville Road to the centerline of Calvine Road; thence Westerly along the centerline of Calvine Road to the centerline of Franklin Boulevard; thence Northerly along the centerline of Franklin Boulevard to the centerline of Union House Creek (otherwise known as Beacon Creek); thence Westerly, along the centerline of Union House Creek (otherwise known as Beacon Creek) to the centerline of Morrison Creek; thence Southwesterly, along the centerline of Morrison Creek to the centerline of Interstate 5; thence Northwesterly, along the centerline of Interstate 5 to the southerly prolongation of the centerline of Freeport Boulevard; thence Northerly along the southerly prolongation of Freeport Boulevard and Northerly along the centerline of Freeport Boulevard to the southerly prolongation of Park Village Street; thence Northerly along the southerly prolongation of Park Village Street and Northerly along the centerline of Park Village Street to the easterly line of the Record of Survey entitled "A Portion of the East 1/2 of Section 2 and the NE 1/4 of Section 11, Township 7 North, Range 4 East, Mount Diablo Meridian and a Portion of Sections 14, 23, 26, and 35, Township 8 North, Range 4 East, Mount Diablo Meridian", recorded in the office of the Recorder of Sacramento County on November 25, 1991, in Book 49 of Surveys at Page 29; thence Easterly, Northerly, Westerly, and Northerly along the easterly line of said Record of Survey recorded in Book 49 of Surveys at Page 29 to the centerline of Fruitridge Road; thence Easterly, along the centerline of Fruitridge Road to the centerline of Freeport Boulevard; thence Northeasterly along the centerline of Freeport Boulevard to the centerline of Sutterville Road; thence Northeasterly along the centerline of Sutterville Road to the centerline of Franklin Boulevard; thence Northerly along the centerline of Franklin Boulevard to the centerline of Broadway; thence Southeasterly along the centerline of Broadway to the centerline of Alhambra Boulevard; thence Northerly along the centerline of Alhambra Boulevard at to the point of beginning.

**Ward 7**

Beginning at the point of intersection of the northerly boundary line of Sacramento County and the centerline of Watt Avenue; thence from said point of beginning Westerly along the northerly boundary line of Sacramento County to the centerline of 16th Street; thence Southerly along the centerline of 16th Street to the centerline of Q Street; thence Easterly along the centerline of Q Street to the centerline of 18th Street; thence Southerly along the centerline of 18th Street to the centerline of Elkhorn Boulevard; thence Southwesterly along the centerline of Elkhorn Boulevard to the centerline of 16th Street; thence Southerly along the centerline of 16th Street to the centerline of Ascot Avenue; thence Easterly along the centerline of Ascot Avenue to the City of Sacramento City Limit Line as shown in the
Record of Survey “McClellan Park” recorded in the office of the Sacramento County Recorder on December 31, 2001 at Book 61 and Page 25; thence following said City of Sacramento City Limit Line in the Southerly direction to the centerline of North Avenue; thence easterly along the centerline of North Avenue and the Easterly prolongation of North Avenue to the Centerline of Roseville Road; thence Northeasterly along the centerline of Roseville Road to the Westerly prolongation of the City of Sacramento Boundary Line; thence Easterly, Southerly, and Westerly along the City of Sacramento Boundary Line to the centerline of Watt Avenue; then Southerly along the centerline of Watt Avenue to the centerline of Arden Way; thence Easterly along the centerline of Arden Way to the Southeasterly prolongation of Arden Way; thence along the Southeasterly prolongation of Arden Way to the centerline of the American River, thence Northeasterly along the centerline of the American River to the Southerly prolongation of San Juan Avenue; thence North along the Southerly prolongation of San Juan Avenue and the centerline of San Juan Avenue to the centerline of Winding Way; thence Westerly along the centerline of Winding Way to the centerline of Garfield Avenue; thence Northerly along the centerline of Garfield Avenue to the centerline of Greenback Lane; thence Northwesterly along the centerline of Greenback Lane to the centerline of Interstate Highway 80; thence Northeasterly along the centerline of Interstate Highway 80 to the Southerly prolongation of the Eastern boundary line of the Plat of “Larchmont Foothills Unit No. 9” as recorded in the office of the Sacramento County Recorder in Book 110 at Page 21; thence Northerly along the Southerly prolongation of said Plat and along the Eastern boundary line of said plat to the Eastern boundary of the Plat of “Larchmont Foothills Unit No. 8” as recorded in the office of the Sacramento County Recorder in Book 113 at Page 2; thence Northerly along the boundary line of said Plat to the Eastern boundary of the Plat of “Larchmont Foothills Unit No. 11” as recorded in the office of the Sacramento County Recorder in Book 129 at Page 19 to the centerline of Daly Avenue; thence Northerly along the centerline of Daly Avenue to the Centerline of Roseville Road; thence Northwesterly along the centerline of Roseville Road to the Southeasterly prolongation of the centerline of Poker Lane; thence Northwesterly along the prolongation of the centerline of Poker Lane and the centerline of Poker Lane to the centerline of Antelope North Road; thence Northeasterly along the centerline of Antelope North Road to the Northern Boundary Line of Sacramento County; thence Northwesterly along the Northerly Boundary Line of Sacramento County to a point on the centerline of Watt Avenue, said point of beginning.
President Kerth then turned the meeting to Discussion Calendar Item 9, to authorize the Chief Executive Officer and General Manager to award a contract to Mountain F. Enterprises, Inc. for Transmission Corridor Vegetation Management Services during the period May 25, 2020, to December 31, 2023, with one optional one-year extension for a total not-to-exceed amount of $28,681,814.

Attila Miszti, Director of Line Assets, provided a presentation. A copy of the slides used in his presentation is attached to these minutes.

No public comment was forthcoming on agenda item 9.

After some discussion, Director Sanborn moved for approval of Discussion Calendar Item 9, Vice President Bui-Thompson seconded, and Resolution No. 20-05-03 was unanimously approved.
WHEREAS, in January 2020, SMUD issued Request for Proposal No. 190226.JM (RFP) to solicit qualified firms to perform right-of-way vegetation maintenance work on SMUD’s transmission right-of-way in El Dorado County, Sacramento County, and Placer County on a task order basis for a three-year period; and

WHEREAS, two 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, Mountain F. Enterprises, Inc. is hereby determined and declared to be the highest evaluated responsive proposer to provide transmission corridor vegetation management services.

Section 2. The Chief Executive Officer and General Manager, or his designee, is authorized, on behalf of SMUD, to award a contract to Mountain F. Enterprises, Inc. to provide transmission corridor vegetation management services during the period May 25, 2020, to December 31, 2023, with one optional one-year extension, for a total not-to-exceed amount of $28,681,814.

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.

Approved: May 21, 2020

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President Kerth then turned the meeting to Discussion Calendar Item 10, to authorize the Chief Executive Officer and General Manager to award contracts to Aspen Environmental Group, Ascent Environmental, Inc., Area West Environmental, Inc., and AECOM Technical Services, Inc. to provide Environmental and California Environmental Quality Act (CEQA) support services from June 1, 2020, to May 31, 2023, with one optional two-year extension for a total not-to-exceed aggregate amount of $6,000,000.

Ammon Rice, Supervisor of Environmental, Health & Safety Services, provided a presentation. A copy of the slides used in his presentation is attached to these minutes.

No public comment was forthcoming on agenda item 10.

After some discussion, Director Rose moved for approval of Discussion Calendar Item 10, Director Fishman seconded, and Resolution No. 20-05-04 was unanimously approved.
WHEREAS, in October 2019, SMUD issued Request for Proposal No. 190177.PD (RFP) to solicit qualified firms to provide environmental and California Environmental Quality Act (CEQA) support services, including performing environmental review for projects in accordance with CEQA and the National Environmental Protection Act (NEPA), environmental permitting, biological field surveys, construction monitoring, cultural resource studies and AB52 consultation support, avian protection plan support, avian mortality monitoring at wind projects and long range campus and facility planning; and

WHEREAS, 17 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, Aspen Environmental Group, Ascent Environmental, Inc., Area West Environmental, Inc., and AECOM Technical Services, Inc. are hereby determined and declared to be the four highest evaluated responsive proposers to provide environmental and California Environmental Quality Act (CEQA) support services.

Section 2. The Chief Executive Officer and General Manager, or his designee, is authorized, on behalf of SMUD, to award contracts to Aspen Environmental Group, Ascent Environmental, Inc., Area West Environmental, Inc., and AECOM Technical Services, Inc. to provide environmental and CEQA support services from June 1, 2020, to May 31, 2023, with one optional two-year extension for a total not-to-exceed aggregate amount of $6,000,000.

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) are intended to provide a net benefit to SMUD; and (c) do not exceed the authorized contract amounts and applicable contingencies.

Approved: May 21, 2020

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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TAMAYO</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SANBORN</td>
<td>X</td>
<td></td>
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</tr>
</tbody>
</table>
President Kerth then turned the meeting to Discussion Calendar Item 11, to discuss the Board meeting schedule and potential amendments to the Emergency Board Meeting Procedures.

After some discussion regarding the Board meetings scheduled in June as well as providing options for greater public participation, Mr. Orchard requested that the Board allow staff to return to a meeting in June to make some recommendations on technology available to allow greater public participation.

Ms. Lewis stated that the Board was not required to vote on a change to the Board meeting schedule and noted that the Board Office could poll the Board members to find a date a time to hold a special Board meeting that would be noticed to the public, in addition to the regular Board meeting scheduled for June 18, 2020.

President Kerth then turned to agenda item 12, statements from the public regarding items not on the agenda. He stated that in accordance with the Emergency Board Meeting Procedures, public comment for items not on the agenda would be provided to the Board electronically and placed into the record if received within two hours after the meeting ended. Public comment, copies of which are attached to these minutes, was received from the following members of the public:

- Donald Osborn
- Rick Codina
- Lee Miller
- Guy Hall
- Lee Miller
- Alexia Spichka
- Joel Tolentino
- Jeff Durbin
- Esme Plascencia
- Thomas Hall
- Anabel Crouch
- John Wright
President Kerth announced that he was going to move the President’s Report up on the agenda and stated that a sad event had occurred for SMUD and the entire energy community with the passing of SMUD’s former General Manager & CEO, S. David Freeman. He stated that a number of messages had been received requesting that SMUD find a way to recognize Mr. Freeman, and an item would be placed on the June agenda in order that the Board might have a full discussion.

Vice President Bui-Thompson stated that Ray Tretheway of the Sacramento Tree Foundation had proposed partnering with SMUD to commission a bench made from a reclaimed tree to be placed on the SMUD campus in honor of Mr. Freeman. She stated that a suggestion had also been made to dedicate the Rancho Seco solar installation in honor of Mr. Freeman, and these were two options that the Board could discuss at the June meeting.

President Kerth then announced that the Brown Act allows the addition of a future agenda item with a vote of the majority of the Board and asked if the Board would consider adding an item to adopt a resolution declaring a climate emergency for SMUD. Director Herber moved to add the agenda item, Director Sanborn seconded, and the addition of the agenda item was unanimously approved.

Vice President Bui-Thompson reported on her attendance at several National Young Elected Officials virtual meetings and stated her appreciation for the opportunity to share ideas and support each other during this time.
Director Fishman reported on his volunteer activities with a local food bank supported by the Sacramento Food Bank and Family Services and noted cash donations to the food bank and volunteers are immensely helpful. He stated that as he filled boxes, SMUD items were included, and he was grateful that SMUD was helping to meet customer and community needs.

Director Herber reported on her attendance via Zoom at the South Land park Neighborhood Association’s meeting as well as at a presentation Director Sanborn made to the Sacramento Association of Realtors. She also reported on her participation in the Great Plates program where she delivered meals prepared by restaurants to low income senior citizens. She thanked the public for their messages on what they would like to see in a new Chief Executive Officer and General Manager for SMUD, and she reported on her attendance at a Sacramento Regional Transit Authority meeting where it was decided to bring forward to the Board of Supervisors a Measure A that would improve roads and transit.

Director Sanborn reported on her presentation at a webinar for the Sacramento Realtors Association where she and Rachel Huang, Director of Energy Strategy, Research & Development, went through the SMUD website to show where to find current information on SMUD programs. She stated she was a member of Kiwanis Carmichael and they had partnered with the Sacramento Tree Foundation to plant trees at schools and for kids all over Carmichael. She then reported on a Building Association webinar she attended where discussions occurred related to new insights provided by COVID-19, such as the design of the home to include more office space and the need for bike lanes in the neighborhood. She concluded by reporting on an Earth Day live event she and Director Heber had participated in where they spoke on SMUD’s programs and what SMUD is doing to address climate change.

President Kerth thanked the Board for their work and noted that in keeping with the idea that one never knows what can happen from a small thing, he provided an update on Captain Tom, who had raised $37 million by doing laps
in his garden, and the Queen of England had knighted him. He then requested the Summary of Board Direction.

Ms. Lewis stated the Board would be polled for the date for another meeting in June, and staff would return in June with options for increased public participation either through voicemail or some other format.

President Kerth thanked staff and announced that having completed the open session agenda for the meeting, the Board would enter into closed session to discuss the following items:

**Conference with Legal Counsel – Existing Litigation.**

Pursuant to Section 54956.9(d)(1) of the Government Code:

Sacramento Municipal Utility District, et al. v. County of Solano, et al.  Solano County Superior Court Case No. FCS051564

**Conference with Legal Counsel – Significant Exposure to Litigation.**

Pursuant to Section 54956.9(d)(2) of the Government Code:

One case.

**Conference with Legal Counsel – Anticipated Litigation.**

Pursuant to Section 54956.9(d)(4) of the Government Code:

One case.

President Kerth stated the open session was adjourned in honor of S. David Freeman. The Board entered into closed session at 8:37 p.m.

The meeting adjourned at 9:23 p.m. with no reportable action taken.

Approved:

_________________________ _____________________________
President    Secretary
May 20, 2020

Directors and staff,

There are 2 false statements in the minutes. Please correct them. It is a violation of Securities and Exchange Commission rules to make false statements in bond documents.

“SMUD has full power to establish rates and charges for all SMUD services, and the levels of such rates are not subject to review or regulation by any other governmental agency, either federal or state.”

Page 93

Rates and Charges

“SMUD’s Board of Directors has autonomous authority to establish the rates charged for all SMUD services. Unlike IOUs and some other municipal utility systems, retail rate and revenue levels are not subject to review or regulation by any other federal, State or local governmental agencies. Changes to SMUD rates only require formal action by the Board of Directors after two public workshops and a public hearing.”

Page 128

Those statements are false. SMUD’s rate making authority is limited by the California Constitution, Article XIII C on local government taxes.

"Local Government Tax Limitation. Notwithstanding any other provision of this Constitution:

“(d) No local government may impose, extend, or increase any special tax unless

and until that tax is submitted to the electorate and approved by a two-thirds vote.”

“tax” means any levy, charge, or exaction of any kind imposed by a local government, with 7 exceptions, none of which apply to SMUD rates.

Even if you disagree on whether the rates in Resolution 19-06-13 are unconstitutional it must acknowledge that the California Constitution limits SMUD’s power to set rates.
Exhibit to Agenda Item #4
Provide the Board with the financial results from the three-month period ended March 31, 2020.

Board of Directors Meeting
Thursday, May 21, 2020, scheduled to begin at 5:30 p.m.
March 2020 YTD – Change in Net Position
(thousands of dollars)

- Sales to customers – on target
- Transfer from rate stabilization fund - $4M for low carbon and electric vehicle programs
- Net purchased power – 24% over budget
- Net production costs – 20% under budget
- Total operating expenses – 4% under budget
- Change in net position - $30.6M over budget

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total customer sales</td>
<td>$ 293,874</td>
<td>$ 290,847</td>
<td>$ 3,027</td>
</tr>
<tr>
<td>Other operating revenues</td>
<td>$ 9,214</td>
<td>$ 11,972</td>
<td>(2,758)</td>
</tr>
<tr>
<td>Transfer from rate stabilization fund</td>
<td>$ 3,959</td>
<td>-</td>
<td>$ 3,959</td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td>$ 307,047</td>
<td>$ 302,819</td>
<td>$ 4,228</td>
</tr>
<tr>
<td>Net purchased power</td>
<td>$ 50,024</td>
<td>$ 40,217</td>
<td>$ 9,807</td>
</tr>
<tr>
<td>Net production</td>
<td>$ 61,399</td>
<td>$ 76,410</td>
<td>(15,011)</td>
</tr>
<tr>
<td>Transmission and distribution</td>
<td>$ 39,729</td>
<td>$ 38,921</td>
<td>$ 808</td>
</tr>
<tr>
<td>Other operating costs</td>
<td>$ 135,096</td>
<td>$ 150,833</td>
<td>(15,737)</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>$ 286,248</td>
<td>$ 306,381</td>
<td>(20,133)</td>
</tr>
<tr>
<td><strong>Net operating income</strong></td>
<td>$ 20,799</td>
<td>(3,562)</td>
<td>24,361</td>
</tr>
<tr>
<td>Total non-operating revenues</td>
<td>$ 12,691</td>
<td>$ 7,134</td>
<td>$ 5,557</td>
</tr>
<tr>
<td>Total non-operating expenses</td>
<td>$ 25,633</td>
<td>$ 26,332</td>
<td>(699)</td>
</tr>
<tr>
<td><strong>Change in Net Position</strong></td>
<td>$ 7,857</td>
<td>(22,760)</td>
<td>30,617</td>
</tr>
</tbody>
</table>
Sources of energy
• Hydro – 83% under budget
• JPA – 16% under budget
• Purchased Power (net of surplus power sales) – 64% over budget

Customer usage on target
May 20, 2020

My name is Mark Graham and I live in Elk Grove.

This comment is related to the favorable variance of $30.6 million in net position compared to the amount projected in the budget.

The Board has set arbitrary financial minimums not required by the bonds. The following data are from Appendix A to the draft preliminary official statement, page A-5, which is page 249 of the Board information packet for the April meeting.

SMUD’s Board policy sets a minimum fixed charge coverage ratio of 1.50 times for annual budgets, though it generally plans to meet a minimum fixed charge coverage ratio of 1.70 times. Over the past ten years, the actual fixed charge coverage ratio has averaged 2.07 times on a consolidated basis.

SMUD also manages its liquidity position by planning for a minimum of 150 days cash on hand. Over the past ten years, the days cash on hand has averaged 193.

I have two questions:

1) Isn’t this more proof that SMUD has been charging excessively high rates?

2) Given these financial data how do you justify the 3% rate increase scheduled for October 1?

I am sending you this message on Wednesday morning. Staff has two whole days to prepare a response. Please do not blow this off like you did at the April Board meeting. Board President Kerth promised that he would address the public comments and answer the questions later in the meeting. Of course he never did. Don’t think we didn’t notice.

Thank you.
Greetings President Kerth, Directors and staff:
Through February, 2020 SMUD had a favorable variance of $21.8 million compared to its change in net position projected in the budget. Through March that number is $30.6 million. If this trend continues by the end of the year SMUD will have a favorable variance of $120. The budget projected a $50 million increase in net position, so SMUD would have a $170 million increase.
This is a two part question:
1) What assumptions is SMUD presently using for its financial performance for the rest of the year?
2) Based on current financial results, what are your revised figures for the rest of 2020? IF it depends, what does it depend on?
The Board approved four rate increases last June in Resolution 19-06-13, two in 2020 and two in 2021. But the Board also has the power to cancel the rate increases and to actually lower rates. The next rate increase is scheduled to go into effect on October 1, 5 ½ months from now. I recommend that you consider canceling the remaining rate increases and reducing rates.
I am sending you this message on Wednesday morning giving staff two whole days to prepare a response. Please take my inquiry seriously; you serve us. Board President Kerth, you promised to address the public comments and answer questions at the previous meeting, but never did. Don’t think we aren’t paying attention.
Thank you.
Melissa Andrews O’Kane
Sacramento resident/SMUD customer
Good afternoon President Kerth, Directors and staff:

My name is Whitney Leeman and I live in Sacramento.

According to SMUD’s audited Financial Statements, in the last 3 years SMUD had a change in net position of $466 million, a margin of 9.89% of total operating revenues. It was $178 million in 2017, $208 million in 2018 and $79 million in 2019. An increase in net position for SMUD is analogous to net income for an investor owned utility, in other words profit.

As of December 31, 2019 SMUD had unrestricted investments, cash and cash equivalents of $451 million or 29% of its total operating revenues.

This is a two part question:

1) How do you respond to the claim that these financial data show that SMUD has been charging excessively high rates?

2) Given these financial data how do you justify the 3% rate increase scheduled for October 1, 2020?

During the April Board Meeting, President Kerth promised that he would address the public comments and answer the questions later in the meeting, which he did not do. I am hopeful that he will address our public comments this evening, as previously promised.

Thank you.
May 21, 2020

Good evening Board President Kerth, Directors and staff.
My name is Jeff Durbin and I live in Rancho Cordova.
Through March SMUD has a favorable variance in net position of $30.6 million compared to what was projected in the budget. SMUD attributes the favorable variance to higher operating revenues, lower operating expenses, higher non-operating revenue and lower interest expense.
It is nice of SMUD to not cut off customers’ electric service until May 30 but that will not solve people’s problem. SMUD continues to run large surpluses year after year and shows an increase in net position of $466 million for the last 3 years according to audited financial statements.
The next rate increase is scheduled for October 1. In light of your large surpluses will SMUD consider foregoing that rate increase? In other words skipping it, not imposing it. Will you consider offering customers a small refund? Please have a discussion about this.
Please take my inquiry seriously; you serve us. Board President Kerth, you promised to address the public comments and answer questions at the previous meeting, but never did. Don’t think we aren’t paying attention.
Thank you.
Exhibit to Agenda Item #6

Provide the Board with a briefing on COVID-19 operational and financial impacts to customers, employees, and operations, and an update on actions taken.

Board of Directors Meeting
Thursday, May 21, 2020, scheduled to begin at 5:30 p.m.
<table>
<thead>
<tr>
<th></th>
<th>Agenda</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>State and local perspective</td>
</tr>
<tr>
<td>2</td>
<td>Operational update</td>
</tr>
<tr>
<td>3</td>
<td>Workforce update</td>
</tr>
<tr>
<td>4</td>
<td>Customer and community update</td>
</tr>
<tr>
<td>5</td>
<td>Financial update</td>
</tr>
<tr>
<td>6</td>
<td>Metrics</td>
</tr>
</tbody>
</table>
Proactive response and recovery framework

SMUD, like other utilities, is well prepared for unplanned events that impact our operations. Specifically for COVID-19:

- Safety is always SMUD’s priority. Rigorous risk mitigation measures in place for employees in all aspects of our operations.
- Ongoing integrated and robust planning for wide range of major events: Business Continuity, Emergency Management, Disaster Recovery, Crisis Communications
- Regular scenario exercises: internally and with external jurisdictions and partners
- Strong financial management
- Cross-department COVID-19 team began meeting in January for monitoring and response preparedness
- Engaged senior leadership team early to ensure plans in place to support operations, employees and our customers
- Social distancing plans developed and implemented early
- Flexible and nimble response plan: Ability to pivot quickly as data changes
  - Extended campus closures
  - Began sequestration program
  - Proactive financial decisions to minimize impact to business and increase operational flexibility (hiring freeze, reduce R&D pilots, reduced travel/training budget, increased borrowing)
- Conservative re-entry planning focused on employees and public safety
## Updates since April

<table>
<thead>
<tr>
<th></th>
<th>April</th>
<th>May</th>
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</thead>
<tbody>
<tr>
<td>COVID-19 cases – World</td>
<td>2.2 million</td>
<td>5.0 million</td>
</tr>
<tr>
<td>COVID-19 deaths – World</td>
<td>130,000</td>
<td>329,816</td>
</tr>
<tr>
<td>COVID-19 cases – U.S.</td>
<td>635,000</td>
<td>1.6 million</td>
</tr>
<tr>
<td>COVID-19 deaths – U.S.</td>
<td>30,000</td>
<td>93,863</td>
</tr>
<tr>
<td>COVID-19 cases – Sacramento</td>
<td>853</td>
<td>1,266</td>
</tr>
<tr>
<td>COVID-19 deaths – Sacramento</td>
<td>32</td>
<td>56</td>
</tr>
<tr>
<td>Unemployment claims – U.S.</td>
<td>22 million</td>
<td>38.6 million</td>
</tr>
<tr>
<td>Unemployment claims – California</td>
<td>2.17 million</td>
<td>4.4 million</td>
</tr>
<tr>
<td>California unemployment forecast</td>
<td>18.5%</td>
<td>25%</td>
</tr>
<tr>
<td>Recovery</td>
<td>V or U-shaped</td>
<td>W or “Swoosh”</td>
</tr>
</tbody>
</table>
New data since April

National

• Retail sales declined by 16.4%, manufacturing by 13.7% in April

State

• $54.3 billion budget deficit projected for California
  - 10% wage reduction proposed for state workers
  - Reduced funding for education, environment, prisons and other programs
  - California State University system moved to online instruction through the end of 2020

Local

• Pause proposed on several State construction projects
• 24 counties approved for re-opening, with modifications

SMUD

• Re-entry planning underway
Updates: Key staff decisions since April

- Hiring freeze extended to Dec. 31, 2020, CEO approval needed for all exceptions
- Remote work extended to June 14
- Phased approach to re-entry
- Moratorium on disconnections for nonpayment and late fees
- Procurement approval changes: $100,000 or more requires approval from the executive of the requesting business unit
Operational update

✓ No COVID-19 cases among SMUD employees
✓ No impact to our ability to keep the lights on

Highlights

• Extensive ongoing work to keep the lights on
• Comprehensive coordinated COVID-19 effort through
• EOC (multi-department), in collaboration with other utilities and agencies. Reduced to Level 2
• Proactive screening for COVID-19 (sequestered employees and some in Energy Delivery)
• End of sequestration (employees living in RVs)
• Proactive financial decisions to minimize impacts and provide operational flexibility
# Workforce update

## Highlights

- New Health & Safety protocols for those reporting onsite (tailboards, sanitization, temperature screening, split crews and shifts, staggered start times)
- COVID-19 Paid Leave and Catastrophic Leave programs
- Shared Resource program
- 1,400 employees working remotely
  - Accelerated transition to MS Teams
- Communications: Video blogs, COVID-19 SharePoint site, daily email updates
- Re-entry planning underway
Re-opening and re-entry

- Governor’s COVID-19 Resilience Roadmap
  - Guidance documents for industries
  - Utility industry guidelines
  - Moved to phase 2, with sectors and counties gradually re-opening

- SMUD has transitioned from COVID-19 response to planning for re-entry, recognizing our financially modelling and response work will remain critical through re-entry and beyond

- Re-entry planning focuses on four key areas
  - Phases and stages
  - Changes to the workplace
  - Customer and community re-engagement
  - Culture and readiness

- Conservative approach based on employee and public safety

- Increased remote work over long term
Customer & Community update

Highlights

• Our customers and community are hurting and we’re finding new ways to support them during this difficult time.
• Moratorium on disconnections for nonpayment and late fees
• Regular updates: smud.org/coronavirus, email, social media
• New “Stay Well” marketing campaign version 2 launches June 1. Builds on multi-language videos and social media videos featuring SMUD employees
• Sustainable Communities Resource Priorities Needs Map
• Small/medium business social media campaign (“Business Reimagined”)
• Online STEM educational resources
• Virtual solar summer camp
• Kept commitments to community partners and local nonprofits
• Community Aid program
• Big Day of Giving
• Continued support for developers
Customer priorities: Residential

Q: Please think about the areas which SMUD could focus on when delivering services to customers. Now, if you had a total of 100 points, how would you assign them to the following areas to indicate what is most important to you. You can assign points to one or more areas. (n = 505)
Customer priorities: Commercial

Q: Please think about the areas which SMUD could focus on when delivering services to customers. Now, if you had a total of 100 points, how would you assign them to the following areas to indicate what is most important to you. You can assign points to one or more areas. (n = 167)

- Affordable electric bills: 23.5
- Reliable power: 18.2
- Programs to help support low income customers or those with medical needs: 10.5
- Rebates for energy efficient appliances and equipment: 10.2
- Increasing SMUD’s use of renewable energy: 8.9
- Excellent customer service provided by Customer Service Representative: 8.0
- Online tools that help you better manage energy usage (i.e., My Account tools or mobile app): 5.9
- Payment options through financing or loans: 4.1
- Rebates for EV infrastructure (i.e., charging station): 4.1
- Business consultation provided by Strategic Account Advisor: 2.9
- Electrification programs that help customers to transition from gas to electric appliances and equipment: 2.0
- Other: 1.6

May 21, 2020 Board of Directors Meeting
Updates since April: Learnings & improvements

• Significant $49m spending reduction for 2020
• S&P and Fitch reaffirmed SMUD’s AA Rating. “Negative outlook” removed by S&P and Moody’s. Wildfire mitigation plan was key to the negative outlook removal
• Increased borrowing ($400m) was successful, increases cash and gives operational flexibility
• Employees have adjusted to changed realities on campus and at jobsites and organization is getting comfortable with remote work
• Disruption has accelerated positive change
• We launched programs quickly and accelerated deployments
• We’re making good decisions based on imperfect information and pivoting when new information is available – financial modelling critical through 2023
Updates since April: Challenges remain

- Unemployment has spiked, 4.8 million claims in California since March 12
- Gradual re-opening of the local economy
- Gradual re-entry to SMUD locations in phases, likely over months
- Budget cuts in 2020 no longer enough. Now necessary in 2021, 2022 and beyond
- Recession possibly through 2023, maybe longer
- Difficult decisions ahead – 2021 and 2022 budget
We made assumptions for

- Shelter in place lasting through mid June, partial openings through August
- Weather-adjusted load and revenue decrease
  - During Shelter in Place: 6% drop in load
- Duration and depth of recession post COVID
  - 2020 total load decrease 4.0% (shelter in place & recession following)
  - 2021 total load decrease of 4.1% (recession)
  - 2022 total load decrease of 4.6% (recession)
- Amount of successful debt issuance and interest rate ($400m and 3.26%)
- Incurring immediate cost increases due to COVID-19 ($15m); unsure of the long-term costs such as medical premium increases
Customers’ Ability to Pay

- Bad debt is increasing. However, too early to refine early estimates
- Residential customers already struggling, plus now small commercial also struggling
- Past due receivables have grown by 48% since March 21, by about $6.3m.
- Good news that pre-COVID, very low instance of bad customer debt. While the % and dollar amount is increasing, the growth in the count of customers, at this point, appears to be leveling off
- Anticipate more customers will rely on the EAPR low income subsidy
- EAPR subsidy amount forecasted to increase (by $8m in 2020; $11m in 2021; $8m in 2022)
- Anticipate that customers will pay their bill slower and that bad debt will increase
- Growing concern about business recovery as Shelter-in-Place order is lifted, as well as the level of sustained long-term unemployment
### The bottom line

Our goal is to prevent additional rate increases for our customers. It means:

<table>
<thead>
<tr>
<th>Year</th>
<th>Accomplishing our work within the budgeted O&amp;M reductions, expected to be $X based on latest modelling. Forecast includes rate increases approved last year (2019).</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>Accomplishing our work within the reduced operating and maintenance (O&amp;M) budget in the forecast.</td>
</tr>
<tr>
<td>2021</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>Accomplishing our work within budgeted O&amp;M reductions, expected to be $40m based on latest modelling. (e.g., retain $40m of the cuts from the previous year).</td>
</tr>
</tbody>
</table>

Our ability to achieve our goal is based on many factors, but we are working to mitigate factors within our control.
COVID-19 In Summary

Foundational strengths

• Prepared operationally for COVID-19
• Financially strong
• Data analytics providing real time data to support timely quality decisions, pivot when necessary

Clarity of information and taking action

• Additional month of data has provided some clarity; situation remains dynamic
• Proactive steps already taken
• Cash focused, with some successes (successful bond financing)

Planning for continued uncertainty, with signs of hope

• Conservative approach with scenario planning and stress testing
• Controlling what we can control; mitigating what we can’t control
• Planning for re-entry, using state and local public health guidance to guide our strategy
• Staff and the Board will need to make tough decisions to navigate the crisis
Looking ahead: Metrics

Among the SD’s we’re not changing

- SD-6, Safety
- SD-3, Access to Credit markets
- SD-9, Resource Planning
- SD-11, Public Power Business Model
- SD-12, Ethics
- SD-16, Information Management and Security

Future discussion about possible amendment

- SD-5, Customer Relations
- SD-14, System Enhancement
Exhibit to Agenda Item #7
Provide the Summary of SMUD’s current Power Supply Costs.

Board of Directors Meeting
Thursday, May 21, 2020, scheduled to begin at 5:30 p.m.
Precipitation – Pacific House

Plan vs. Actual
<table>
<thead>
<tr>
<th>Month</th>
<th>Plan</th>
<th>Actual</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct-19</td>
<td>1.90&quot;</td>
<td>0.05&quot;</td>
<td>-1.85&quot;</td>
</tr>
<tr>
<td>Nov-19</td>
<td>7.47&quot;</td>
<td>2.82&quot;</td>
<td>-4.65&quot;</td>
</tr>
<tr>
<td>Dec-19</td>
<td>7.75&quot;</td>
<td>10.52&quot;</td>
<td>2.77&quot;</td>
</tr>
<tr>
<td>Jan-20</td>
<td>9.35&quot;</td>
<td>4.12&quot;</td>
<td>-5.23&quot;</td>
</tr>
<tr>
<td>Feb-20</td>
<td>8.69&quot;</td>
<td>0.02&quot;</td>
<td>-8.67&quot;</td>
</tr>
<tr>
<td>Mar-20</td>
<td>6.75&quot;</td>
<td>12.35&quot;</td>
<td>5.60&quot;</td>
</tr>
<tr>
<td>Apr-20</td>
<td>4.28&quot;</td>
<td>4.93&quot;</td>
<td>0.65&quot;</td>
</tr>
</tbody>
</table>

Water Year 2020

Inches of Precipitation

Plan vs. Actual
Commodity Budget: Mitigations and Forecast

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

**Fund Balances:**
- HRSF Balance - $74.7M
- RSF WAPA Balance - $43.3M

**2020 Fund Transfers:**
- Transferred out of HRSF $7.7M (completed in April)
- Projected transfer into WAPA RSF $569k

| 2020 Commodity Costs Forecast (a/o 3/31/20) vs. Budget (in millions) |
|-----------------------------|-----------------------------|-----------------------------|
| Forecast | Budget | Difference |
| $ | 443 | $ | 474 | $ | (31) |

| Hydro Performance as of April 30, 2020 |
|-----------------------------|-----------------------------|-----------------------------|
|                              | Forecasted (GWh) | 2020 Budget (GWh) | Variance (GWh) |
| UARP                        | 1,006 | 1,523 | -517 |
| WAPA                        | 677   | 661   | 16  |
| UARP + WAPA                 | 1,683 | 2,184 | -501 |
Commodity Budget: Mitigations and Forecast

2020 budget is forecasted to be $443 million, which is under budget by $31 million.

- $7M is due to a forecasted load reduction related to the COVID-19 impact on our customers.

- Additional $24M reduction is due to a mix of:
  - lower power and gas prices
  - below average hydro
  - reduced biogas deliveries compared to budget
  - and the sale of the Rosa gas reserves
Exhibit to Agenda Item #8

Adopt resolution calling election for Directors for Wards 1, 2, and 5 and request Sacramento County and Placer County to consolidate that election with the November 3, 2020, general election.

Board of Directors Meeting

Thursday, May 21, 2020, scheduled to begin at 5:30 p.m.
Consolidation with General Election

- MUD Act § 11829 requires the Board to call election and request consolidation with November 3, 2020, general election.

- Deadline
  - Sacramento County – July 27, 2020
  - Placer County – July 1, 2020
Impacted Wards

- Ward 1 – Brandon Rose
- Ward 2 – Nancy Bui-Thompson
- Ward 5 – Rob Kerth

- Election Budget - $375,000
Board Choices

1. Length of Candidate Statements
   - 200 words (historical practice)
   - Estimated cost:
     - Ward 1 – $2,350
     - Ward 2 – $2,400
     - Ward 5 – $2,250
   - 400 words

2. Cost of Candidate Statements
   - Candidate pays (historical practice)
   - SMUD pays

3. Method of Breaking a Tie
   - Lot (historical practice)
   - Special Election
Requested Action

Board adopt a resolution that:

- Consolidates election with the November 3\textsuperscript{rd} general election;
- Establishes length of Candidate Statements at 200 words;
- Places cost responsibility for Candidate Statements on the candidate; and
- Establishes Lot as the methodology to break a tie.
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.

Agenda item 8

Please give first consideration to Directors who commit to a more complete conversion to solar and other alternative energy sources as quickly and completely as possible. If you have any confidence in the science behind global warming, then you know there is no time to lose in moving away from petroleum. I find it astonishing that our country has not yet taken adequate steps to slow global warming. I hope the SMUD Board can lead more aggressively on this.

Thank you.
Mary Ann Robinson
Exhibit to Agenda Item #9

Authorize the Chief Executive Officer and General Manager to award a contract to Mountain F. Enterprises, Inc. for Transmission Corridor Vegetation Management Services during the period of May 25, 2020, to December 31, 2023, with one optional one-year extension for a total not-to-exceed amount of $28,681,814.

Board of Directors Meeting
Thursday, May 21, 2020, scheduled to begin at 5:30 p.m.
Requested Action

Authorize the Chief Executive Officer and General Manager to award a contract to Mountain F. Enterprises, Inc. for Transmission Corridor Vegetation Management Services during the period of May 25, 2020, to December 31, 2023, with one optional one-year extension for a total not-to-exceed amount of $28,681,814.
UARP Wildfire Risk Mitigation – Tier 2/Tier 3

- UARP Transmission Easement
- High Fire Threat District
  - Tier 2 Elevated Fire Risk (Yellow)
  - Tier 3 Extreme Fire Risk (Red)
ROW Widening Project – Serrano (Tower 37/266 East)

Near Town of El Dorado Hills
ROW Widening Project – Serrano (Tower 37/264 West)

Before

Near Town of El Dorado Hills

After

Tower 37/264 at back, facing West (Before)

Tower 37/264 at back, Facing West (After)
Procurement Strategy

• Proposals were solicited by an RFP to allow SMUD to award contracts on a best value basis.

• Themes evaluated
  • SEED Participation
  • Environmental Sustainability
  • Proposer's Company Experience and Qualifications
  • Experience and Qualifications of Key Personnel
  • Customer Relations Approach
  • Project Execution
  • Proposer’s Safety
  • Commercial Terms (Price) and Compliance with SMUD’s Contractual Terms
## Award Outcome

<table>
<thead>
<tr>
<th>Responsive Proposals Received</th>
<th>Pass/Fail</th>
<th>SEED Points</th>
<th>Technical Points</th>
<th>Price Points</th>
<th>Total Score</th>
<th>Rank</th>
<th>Proposal Amount</th>
<th>Evaluated Proposal Amount</th>
<th>Proposed Award Amount</th>
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</thead>
<tbody>
<tr>
<td>MOUNTAIN F. ENTERPRISES, INC.</td>
<td>Passed</td>
<td>-</td>
<td>48.00</td>
<td>40.00</td>
<td>88.00</td>
<td>1</td>
<td>$28,681,814</td>
<td>$28,681,814</td>
<td>$28,681,814</td>
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<tr>
<td>THE ORIGINAL MOWBRAY'S TREE SERVICE, INC.</td>
<td>Passed</td>
<td>-</td>
<td>32.00</td>
<td>23.96</td>
<td>55.96</td>
<td>2</td>
<td>$47,880,735</td>
<td>$47,880,735</td>
<td>$47,880,735</td>
</tr>
</tbody>
</table>

Pre-Proposal Conference Attendance: 6
Proposals Received: 2
Non-Responsive Proposals Received: 0
Requested Action

Authorize the Chief Executive Officer and General Manager to award a contract to Mountain F. Enterprises, Inc. for Transmission Corridor Vegetation Management Services during the period of May 25, 2020, to December 31, 2023, with one optional one-year extension for a total not-to-exceed amount of $28,681,814.
Exhibit to Agenda Item #10

Authorize the Chief Executive Officer and General Manager to award contracts to Aspen Environmental Group, Ascent Environmental, Inc., Area West Environmental, Inc., and AECOM Technical Services, Inc. to provide Environmental and California Environmental Quality Act (CEQA) support services from June 1, 2020, to May 31, 2023, with one optional two-year extension for a total not-to-exceed aggregate amount of $6 million.

Board of Directors Meeting
Thursday, May 21, 2020, scheduled to begin at 5:30 p.m.
Authorize the Chief Executive Officer and General Manager to award contracts to Aspen Environmental Group, Ascent Environmental, Inc., Area West Environmental, Inc., and AECOM Technical Services, Inc. to provide Environmental and California Environmental Quality Act (CEQA) support services from June 1, 2020, to May 31, 2023, with one optional two-year extension for a total not-to-exceed aggregate amount of $6,000,000.
Environmental and CEQA Support

Environmental review of SMUD projects in accordance with CEQA and/or NEPA

Biological Resources Field Support

Facility and Campus Master Plan Support

Environmental Permitting and Compliance

Cultural Resource Studies and AB52 Consultation Support

Habitat Conservation Plan Implementation Support

Business Need
Procurement Strategy

RFP Process
• Award to 4 contractors
• Initial 3-year period, with option to extend each contract for two one-year extensions

Scoring Matrix
• 17 Proposals received; 10 met the minimum technical point requirement of 43.5 points out of 58
• Standard 10% SEED program evaluation points for the 4 selected contractors
Background Information

Proposed Contract $6,000,000 over 3 years
  • Option to extend each contract for two one-year periods

AWE, AECOM, Aspen, Ascent selected from 17 proposals
  • Provide the broad technical expertise needed and requested in the RFP
  • Highest evaluation scores (proposals)
  • Full SEED Participation

Selected firms will bid competitively for proposed tasks that exceed $50,000
# Procurement Award Outcome

## RFP NO. 190177.PD

### Environmental & CEQA Support Services

<table>
<thead>
<tr>
<th>Responsive Proposals Received</th>
<th>Pass/Fail</th>
<th>SEED Points</th>
<th>Technical Points</th>
<th>Price Points</th>
<th>Total Score</th>
<th>Rank</th>
<th>Proposal Amount</th>
<th>SEED Credit</th>
<th>Evaluated Proposal Amount</th>
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<td>Aspen</td>
<td>Passed</td>
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<td>55.1</td>
<td>29.1</td>
<td>94.2</td>
<td>1</td>
<td>$2,679,625</td>
<td>$130,044</td>
<td>$2,549,582</td>
<td>Not to Exceed Aggregate $6,000,000</td>
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<td>Ascent</td>
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<td>58.2</td>
<td>25.9</td>
<td>94.1</td>
<td>2</td>
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<td>$2,864,082</td>
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<td>53.3</td>
<td>30.0</td>
<td>93.3</td>
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<td>AECOM</td>
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<td>58.1</td>
<td>24.6</td>
<td>92.5</td>
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<td>24.1</td>
<td>90.0</td>
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<td>23.4</td>
<td>87.8</td>
<td>6</td>
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<td>Panorama Environmental</td>
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<td>23.4</td>
<td>86.4</td>
<td>7</td>
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<td>HDR Inc</td>
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<td>$130,044</td>
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<td>SWCA Environmental Consultants</td>
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<td>23.3</td>
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<td>Cardio</td>
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<td>$3,230,940</td>
<td>$9,693</td>
<td>$3,221,247</td>
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Action Request

Authorize the Chief Executive Officer and General Manager to award contracts to Aspen Environmental Group, Ascent Environmental, Inc., Area West Environmental, Inc., and AECOM Technical Services, Inc. to provide Environmental and California Environmental Quality Act (CEQA) support services from June 1, 2020, to May 31, 2023, with one optional two-year extension for a total not-to-exceed aggregate amount of $6,000,000.
Please have the following comments read at the upcoming Board meeting. If you need to have me present that, let me know.

Comments to the SMUD Board 5/21/20:

I know that you are saddened as I am at the loss of our former leader, mentor and friend S David Freeman. You may or may not know how much impact Dave's work at SMUD truly changed the world and how SMUD helped truly get the solar revolution under way. Our PV Pioneer Program was the first broad commercialization of grid connected, customer based PV and was recognized world wide (winning the International Energy Globe Award) and led directly to the CA Million Solar Roofs Initiative that transformed the solar market bringing us in to the Solar Century.

At the same time, Dave restored the confidence of our owners/customers in SMUD making all SMUD has done since possible. Dave was also a tireless supporter and promoter of Public Power. Below is the draft of an article that will be in the upcoming Solar Today (ASES) Magazine.

I think that it would be very appropriate that SMUD recognizes Dave by naming the SMUD HDQ Building or the Customer Services Center Building after him. It should be noted that while the large PV systems at Rancho Seco pre and post dated him, what he was known for was partnering with Customers to build energy efficiency and solar "power plants" roof by roof, customer by customer. It would be an enduring honor that would inspire all of us to continue that legacy.

Thank you for your consideration of this.

Don
Donald E. Osborn, President
Spectrum Energy Development Inc.
Email: DEOsborn.solar@gmail.com
Phone: 916-213-5978
www.SpectrumEnergyDev.com
CA Lic #892475

ASES Tribute for SDF:
The ASES community is saddened by the death of S. David Freeman, a true solar PV pioneer and a mover and shaker who was still rabble-rousing within weeks of his passing at age 94. He died from a heart attack in Virginia.

Freeman, known for wearing a cowboy hat, was the first White House Energy Advisor in the 1970s for Presidents Johnson, Nixon and Carter and served as the head of a number of public electric utilities around the country, including the Tennessee Valley Authority, Sacramento Municipal Utility District, Lower Colorado River Authority, New York Power Authority, and the Los Angeles Department of Water and Power. He also consulted to former Gov. Gray Davis of California during an energy crisis.

All his life Freeman advocated strongly for solar and renewables and against nuclear power. Don Osborn, former head of SMUD’s Solar program and friend of ASES, said about his friend Dave Freeman, "Dave Freeman was a true promoter of Public Power and of sustainable, clean energy. It was at SMUD in the early 1990s that he helped spark the solar revolution with his push for energy efficiency and the true commercialization of grid-connected solar. The PV Pioneer Program we developed under his leadership was recognized world wide, winning the International Energy Globe Award, and transformed the fledgling PV market leading directly to the California Million Solar Roofs Initiative and today’s vibrant solar market."

“Dave was not only my boss at SMUD, he was a mentor and a friend. Sacramento and the world has lost a tireless champion for a better tomorrow. He taught us that a small group of people can, indeed, change the world for the better. He truly helped to usher in the Solar Century.”

Freeman held degrees in engineering and law.

He will be deeply missed.
Dear Board members,

As a SMUD retiree with 30+ years of service with the company, I would like to add my support for naming the Customer Service Center after the late general manager S. David Freeman. My tenure included the financial tumult that followed the closure of Rancho Seco and the lack of constructive direction from a series of general managers as the utility struggled with costly bondage to PG&E and other power contracts. I was pleased to hear of Mr. Freeman’s selection to head SMUD during those times. I had purchased his book, A Time to Choose, the Ford Foundation report on future energy options back in the 1970’s and was familiar with his successful work at the TVA.

I was at the time a Commercial Energy Auditor, and a great believer in energy conservation as a replacement power supply – something that he championed as SMUD’s Conservation Power Plant. Nor did he ignore the supply side. He was also a practical visionary, responsible for the eventual construction of the three cogeneration power plants which has helped SMUD achieve more home-grown independence.

Later on his watch, I worked as a demand-side planner helping to integrate many of the innovative and broad-based efficiency programs into SMUD’s portfolio of power options. It is more than fitting than the Customer Service Center, which continues to house SMUD’s most innovative customer-side programs should bear this legendary man’s name.

Rick Codina
Dear SMUD Board Members

The SMUD board has often said that they share our concerns about air quality, and SMUD is working to reduce carbon and other forms of air pollution. But actions of late tell a different story.

In this week’s Scientific America, an article titled: The New Alzheimer’s–Air Pollution Link The article showed

1. Many recent studies show that Alzheimer’s disease occurs more often in people exposed to fine particles in polluted air.
2. Such droplets, a 30th the diameter of a human hair, contain several toxic substances that can damage brain cells.
3. Particles can weaken a protective barrier around the brain and also can enter from nerves near the nose.

The American Lung Association published its annual state of the air report last week. Once again Sacramento County received an "F"

SMUD signed a 10-year contract with Sutter County to buy 100Kwh of gas per year. Instead of signing this contract why not implement dynamic pricing rates. SMUD ran a two-year pilot recently and that pilot was very successful. With enough DR, SMUD could avoid this contract.

We are in a climate crisis. SMUD’s fossil fuel plants are polluting our air and endangering our health. SMUD needs to understand that shifting carbon outside its borders is not an acceptable way to bring about Zero carbon within SMUD. The carbon does not respect borders. The same is true about the neglect of carbon generated in drilling, extraction, and transport of the natural gas from their fields to here.

Sincerely
Lee Miller
Ward 3
My name is Guy Hall and I am a Director of the Sacramento Electric Auto Association. SacEV consists of over 700 members, working to educate our community about clean transportation in the Sacramento region. We have a sense of urgency in fighting climate change by cleaning transportation.

CARB states that transportation is the largest contributor of Green House Gases responsible for climate change. Both the county and city GHG inventories show mobile emissions as being, by far, the largest contributor. Furthermore, the Sacramento AQMD states that mobile sources are responsible for more than half of emissions that cause immediate health impacts. While SMUD must continue to clean its energy production, the importance of its role to drive the transportation sector’s conversion away from fossil fuels can not be overstated.

SMUD’s action is important in disadvantaged communities and locations that carry the brunt of the environmental impacts of dirty transportation. Without access to a public charging infrastructure, half of SMUD residents will not find it practical to switch to clean EVs - locking in poor air quality and GHGs in underserved communities.

I urge you to select a General Manager who understands and recognizes its moral imperative in holistically reducing regional emissions. SMUD’s responsibility is to reduce the emissions of the region, not just its own. SMUD’s path will substantially impact the emissions from regional transportation.

The new General Manager must take an active role in the electrification of dirty transportation by accelerating EV ownership, charging infrastructure, and educational outreach.

Guy Hall
916 717-9158
Chief Strategy Officer, Sacramento Electric Vehicle Association,
President Emeritus, Sacramento Electric Vehicle Association,
Board Secretary Electric Auto Association, Director Sacramento Clean Cities Board
Board Secretary Northern California Reno Tesla Owners Association
Follow me for regional EV News @Guy_Hall
Join our next Sacramento EV Meeting - TBD
Join our next Davis EVA meeting TBD
Web: www.SacEV.org, www.ElectricAuto.org, Facebook, LinkedIn
The SMUD Board of Directors makes the General Manager hiring decisions. This person should lead SMUD in a new direction. A direction that encourages more people to make solar energy at home. A direction to end SMUD's use of fossil fuels in the next decade, and empower the community to become a bigger part of the climate change solution.

The wildfires in California and COVID-19 has shown us that self-sufficiency is the correct path to follow. SMUD must do everything possible to help people become more self-sufficient with solar and storage. Our community wins when more people become more self-sufficient. It means more people can cut their energy bills and keep their lights on during emergencies.

We can't wait 30 years for SMUD to shut down its fossil fuel plants. We are in a Climate Change crisis. The next 10 years matter and the next GM will make important decisions related to climate change. The next GM must end SMUD's use of fossil fuels within the next decade and make decisions that will move rooftop solar and storage forward.

The SMUD GM should be forward-thinking, innovate and GM who will collaborate with the community. By hiring this type of individual, we can better confront the massive challenges ahead.

The SMUD board must be transparent. I stated my criteria for the new GM. What are the boards' criteria for hiring a new GM? What is the boards' point of view?

Sincerely

Lee Miller

Ward 3
Good evening SMUD board members.
My name is Alexia Spichka and I live in Ward 1–Orangevale, CA.
I am writing with regard to the upcoming general manager election. I have written several times before, and I cannot help but to continue to urge efforts toward greater robust sustainability. At one point I felt this fight was insurmountable. But after examining humanity’s history, I realized just how profound an ability our species has to adapt and shift, however seemingly difficult change might seem at the time. Our society, our institutions, and we as individuals only have so much control within our grasp. It is therefore our responsibility to engage any plausible opportunity we can to invest in our planet’s health. As a utility company, you have the opportunity now to elect a leader that puts the future of humanity before short term gains. I understand that my knowledge about the mechanisms of your work is limited. But as a community member I can only rely on and encourage my leaders to improve. If humanity was able to overcome the growing pains of civilization’s construction over millennia, and overcome slavery, and enact laws which take into account humanistic liberties, I cannot help but believe in your growing abilities. I urge you to select a General Manager who is climate conscious. Will you ensure this principle is kept at the forefront during the interview process?
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.

The previous message did not include my last name. Please consider the following letter my official public comment instead:

Hello SMUD board members. My name is Joel Tolentino and I’m from ward 3 in Sacramento CA. I’m sending this email in regards to your selection for the new General Manager. Each time I read a scientific article surrounding climate change I grow increasingly concerned about the direction we’re heading as a country. As forlorn as the prospects may sometimes seem, I know that we do have some control. As a county with a sustainably-led-community-oriented utility company, we have a cleaner and more sustainable route toward which to lean. I urge that your forthcoming interview processes take into account the value of climate change consciousness. I urge that you select a manager who is not only qualified to understand current necessities, but the stakes of our collective well being on a sustainable planet. Will you ensure to guide the interview proceedings with these principles in mind?

Sent from my iPhone

> On May 21, 2020, at 5:15 PM, Joel Tolentino <1120joel@gmail.com> wrote:
> Hello SMUD board members. My name is Joel and I’m from ward 3 in Sacramento CA. I’m sending this email in regards to your selection for the new General Manager. Each time I read a scientific article surrounding climate change I grow increasingly concerned about the direction we’re heading as a country. As forlorn as the prospects may sometimes seem, I know that we do have some control. As a county with a sustainably-led-community-oriented utility company, we have a cleaner and more sustainable route toward which to lean. I urge that your forthcoming interview processes take into account the value of climate change consciousness. I urge that you select a manager who is not only qualified to understand current necessities, but the stakes of our collective well being on a sustainable planet. Will you ensure to guide the interview proceedings with these principles in mind?
May 21, 2020

Hello, my name is Jeff Durbin and I live in Rancho Cordova.
I look forward to when we can meet in person again.
Thank you for reading my comments to the meeting for me.

When SMUD approved the smart electric meters back in 2007 it claimed that they would save customers both time and energy. Attachment E to Resolution 07-08-10 said, "The time based rate schedule shall enable the electric consumer to manage energy use and cost through advanced metering and communications technology."

SMUD spent $360 million on the smart meter program. $125 million of that was a grant from the U.S. Department of Energy. The balance, over $200 million, was rate payer money. Your customers' money.

2019 was the first year of the new time of day rates that the Board approved in June, 2017. SMUD has more than a year of electricity usage and customer bill data under the new time of day rates.
These are the questions that SMUD customers are interested in:

1) How much money have the smart meters saved CUSTOMERS?

2) How much electricity have the smart meters saved CUSTOMERS?

SMUD has never provided this information. You should. This should be a question that you are very willing to answer. Every Director should want to know what happened to that $300 million and whether it is paying off for customers.

At the April Board meeting Director Rob Kerth promised that the Board would respond to comments and answer questions later in the meeting. Of course he didn't. Please do not blow this off. We are watching you.

P.S Question # 3) How much money or credit does SMUD receive from outside companies, for customer's usage time and quantity information etc. derived from smart meter CUSTOMER consumption patterns?

I Thank You in advance.
Dear SMUD Board of Directors,

My name is Esme Plascencia. I live in South Sacramento, SMUD Ward 3. As we've seen with the current COVID crisis, there are many factors why low-income communities and people of color are being affected the most. This has to do with the environmental affects such as higher pollution closer to our homes. I am urging you to search for a general manager who will fight to alleviate this issue by shutting down the five fossil fuel plants we have in our Sacramento region. His will reduce the amount of pollution in our region and change the energy system we see today to a reliable energy system. We need to build a reliable and resilient community now. We need a leader who will act with urgency to mitigate any climate change and crisis risks ahead of us.
My name is Thomas Hall and I am a resident in SMUD’s Ward 5. I am also the Vice President of the Sacramento Electric Auto Association. With over 700 members, we work to accelerate our community into clean transportation. This comes from a sense of urgency in fighting climate change by cleaning transportation.

Transportation is the largest contributor of Green House Gases responsible for climate change across the state and within the county and city of Sacramento. Furthermore, the Sacramento AQMD states that mobile sources are responsible for more than half of emissions that cause immediate health impacts.

While SMUD must continue to clean its energy production, the importance of its role to drive the transportation sector’s conversion away from fossil fuels can not be overstated. Taking the wrong path to SMUD’s carbon neutral target could negatively affect the holistic situation for GHGs and emissions for the region.

Disadvantaged communities carry the brunt of the environmental impacts of dirty transportation. Without access to a public charging infrastructure, half of SMUD residents will not find it practical to switch to clean EVs - locking in poor air quality and GHGs in underserved communities.

I urge you to select a General Manager who will act in holistically reducing regional emissions. SMUD’s responsibility is to reduce the emissions of the region, not just its own. SMUD’s path will substantially impact the emissions from regional transportation.

Time is not on our side. SMUD must chart an intelligent path forward with an active role in driving the electrification of dirty transportation with charging infrastructure.

--
Thomas Hall
Dear SMUD Board,

My name is Anabel Crouch. I live in Elk Grove, SMUD ward #4.

Subject: SMUD General Manager

I urge the board to select a new General Manager that is conscious of our current climate crisis and who will move SMUD to a system of sustainable, clean, green energy through wind and solar and who will shut down the 5 SMUD fossil fuel polluting plants.

I want you to do this to give our next and subsequent generations a more liveable home. A home where asthma and other respiratory ailments are not as prevalent. Where clean water flows from every spiket. Where the entirety of eco systems that make up our home and our being, thrive.

Will you make this a criterion during the interview process? Will you look for a General Manager who will prioritize clean, green, renewable energy for our very near future?

Thank you in advance for your consideration.

Sent from Yahoo Mail on Android
Dear SMUD Board of Directors

My name is John Wright and I live in Folsom, SMUD Ward 1. I want to thank you for allowing me to provide my input as you begin the selection process for a new General Manager. As we are all aware, in just a few short months the world has changed drastically. From what I’ve read there may be a correlation between climate change and our most recent pandemic. Fossil fuels increase carbon dioxide and that heats up our world. We need to continue on our path to move as quickly as possible to renewable energy. In my opinion we need to select a General Manager who understands the benefits for all ratepayers when people like me make and share solar energy at home. Today I hung my laundry outside to dry, not just because it benefits ratepayers but because it decreases my carbon footprint. Solar power went back to the grid, less carbon dioxide into the atmosphere and clean power for someone else to use. Select a new General Manager who has the vision to build an organization that makes ratepayer produced solar energy the main component of SMUD’s energy supply.

Thank you,

John Wright
jright12@pacbell.net
Dear SMUD Board Members,

My name is Peter Mackin and I am the President of the Sacramento Electric Auto Association (SacEV). SacEV consists of over 700 members working to promote electric vehicles and to educate our community about clean transportation in the Sacramento region. Our organization has a sense of urgency to reduce criteria pollutants and fight climate change by cleaning transportation.

CARB states that transportation is the largest contributor of Green House Gases (GHG) that are responsible for climate change. Both the county and city GHG inventories show mobile emissions as being, by far, the largest contributor to GHG emissions. Furthermore, the Sacramento Metropolitan Air Quality Management District states that mobile sources are responsible for more than half of the emissions that cause immediate health impacts. While SMUD must continue to clean its energy production, the importance of SMUD’s role in driving the transportation sector’s conversion away from fossil fuels cannot be overstated.

SMUD’s action is especially important in disadvantaged communities and other locations that carry the brunt of the environmental impacts of dirty transportation. Without access to affordable public charging infrastructure, half of SMUD residents will not find it practical to switch to clean EVs thereby locking in poor air quality and GHGs in disadvantaged communities.

I urge you to select a General Manager who understands and recognizes SMUD’s responsibility in holistically reducing regional emissions. SMUD has a responsibility to reduce the emissions of the region, not just emissions from its own power plants. SMUD’s future path will substantially
impact the emissions from regional transportation.

The SMUD’s new General Manager must take an active role in the electrification of dirty transportation by accelerating EV ownership, increasing charging infrastructure, and providing additional educational outreach. In addition, new resource additions that are needed to provide for transportation and building electrification, as well as general overall load growth, must be, to the greatest extent possible, non-polluting.

Regards,

Peter Mackin

President, Sacramento Electric Vehicle Association
Dear SMUD Board of Directors, My name is Jane Lamborn. I live in Wilton, SMUD Ward 2. I urge you to select a new General Manager who will make it a top priority to end SMUD’s reliance on fossil fuels within the next decade and to develop sources of renewable energy. The threat of climate change and the devastating effects of these changes are now well-documented and acknowledged by governmental authorities across our country and globally. Concerned people in all walks of life understand that this threat is here NOW, and must be addressed NOW. This means winding down the burning of natural gas at SMUD’s five power plants as well as not purchasing fossil fuel power from elsewhere. SMUD’s plans to continue operating these plants means it will be producing a million metric tons of CO2 twenty years from now. That is not acceptable. The Earth’s timeline, with climate change, makes it imperative that we, and SMUD, act NOW. To accomplish reducing the use of fossil fuels and to promote the use of clean energy, SMUD must commit to these goals, and SMUD needs a General Manager who will lead SMUD in accomplishing them. The public needs to know if the Board is looking for a General Manager that will lead it in ending SMUD’s use of fossil fuels and help promote clean energy. Can you please let us know if this is one of the criteria being used in choosing a new General Manager? Thank you,
Hello SMUD Board Members:

My name is Mario Lopez-Mendez - I am a resident in Ward 3. I am concerned that the General Manager selection process is not satisfactorily transparent for constituents. This position holds long-term implications for SMUD and, in light of the COVID-19 pandemic and climate crisis, it is imperative that the incoming General Manager be a climate champion who will act with the urgency and prudence that these crises demand of us. In the spirit of cooperation, I urge you to engage us, your constituents, in the selection process with transparent selection criteria.

Thank you.
May 21, 2020

Rob Kerth continues to be very slippery, unresponsive, and dishonest during Board meetings.

Director Sanborn asked during the meeting on April 16 starting at 29:20 in the meeting video, "I thought there was a lot of um, confusion by some of the commenters and I was wondering if staff would feel comfortable addressing the, the, the information that was presented was through February and there’s a lot that’s changed since then. Um, or is that gonna be addressed later in the agenda that we can point (untelligible) to another item?"

That was a very clear request by Director Sanborn for Board or staff responses to public comments and answers to questions that you had just heard. The Board of course has the power to direct the staff to respond to public comments and to answer questions.

Director Kerth replied at 29:44, “Yeah I think we’ll take care of that later in the agenda. Thanks.” That was a promise. What does it mean to take care of that later in the agenda?

You did not “take care of that later in the agenda.” You blew it off. You are lacking in honesty. The Board and Director Kerth have a very weak commitment to transparency and public input.

SMUD has had all of the public comments from the April 16 meeting for more than a month.

That is plenty of time to answer them, whether by direct email to the customer or during the meeting or posting on the SMUD website.
Dear elected SMUD Board or Directors, My name is Tobi Liston and I live in Sacramento within Ward 5. I desperately urge you to select a General Manager that will prioritize climate change and do SMUD’s part by closing down its 5 fossil fuel plants that are contributing greatly to our carbon emissions. We are currently dealing with a pandemic which we can recover from, but the window to act on climate change is closing, and it will be too late to make these critical changes by the current proposal to reach net carbon zero by 2040. We must not use accounting tricks and instead, become true carbon zero by 2030. As the PPR stands now, SMUD is still planning on burning a million metric tons of CO2 twenty years from now. This is unacceptable for a species that wishes to exist in the near future, let alone, for generations to come. We need a GM that will steer SMUD into a livable future while we have the chance now. Will you make this a criterion during the interview process? Will you make the criterion public information considering this is a municipal utility? I trust you will make the right decision for current and future generations to come. Be the heroes we all need you to be, our window is swiftly closing.

--

-Tobi
I am listening to the meeting tonight. Please hire a General Manager who is an advocate for the planet and SMUD customers, which includes assistance with solar power options for customers in their homes & elsewhere. (not just the current solar program which was passed without public input)

SMUD customers and this community really need SMUD to commit to green practices, so our children and grandchildren have a liveable future. Being the biggest polluter in our area, it is up to you to be a leader and do the right thing by investing in our future. Here is a chance to really make a difference in the survival of our species on the planet. That means SMUD survives too. Thank you!!

I am a SMUD customer who took advantage of your rebates and had a heat pump HVAC and water heater installed in my home, as well as the EV hook up which includes converting to electric appliances. I was so happy to have these options. Thank you for that program Please continue this program too.
Dear Members of the SMUD Board of Directors:

My name is Mark Nemmers. I reside in SMUD Ward 6.

I greatly appreciate this opportunity to submit a comment to you. A 30-year-long customer of SMUD, I have supported and been proud of SMUD’s performance and vision from the beginning.

Lately, however I’ve become increasingly concerned about a seeming pivot in our utility’s policies regarding self-generation of power, specifically solar. When one becomes a grandfather, as I did not long ago, the looming problem of mitigating climate change takes on a heightened sense of urgency. We simply don’t have time to resist proven solutions, such as residential solar power.

That is why I’ve taken a keen interest in your search for a new general manager. While in the past I have always trusted the SMUD board to choose the best leaders possible. Now, however, with its surprising and disappointing actions of the past year regarding solar, I don’t feel assured that the current board will prefer an individual who will commit to returning to and expanding the enlightened politics of alternative energy and customer involvement such as those inspired by the late GM, David Freeman.

Recognizing that the direct effects of climate change are developing and approaching much quicker than scientists had predicted, your choice of the next SMUD general manager will probably be the most important decision you will make. I implore you to make the right choice which will resonate not just for those grandkids of mine, but for millions of other human beings as well.

We will be paying close attention to that process, one that I trust will be open and transparent to the community.

Thank you for your attention.

Sincerely,

Mark Nemmers
**NARRATIVE:**

**Requested Action:** Provide the Board a briefing on Time-of-Day (TOD) Rate assumptions, results and environmental benefits during the first summer in 2019.

**Summary:** Time based pricing is becoming the industry standard in California. SMUD adopted the standard TOD rate and alternate Fixed Rate in 2017 and completed the full rate implementation in 2019. SMUD is leading the way in the industry with the implementation of this type of rate structure. TOD supports carbon reduction goals set by the Board and aligns with SMUD’s commitment to renewable energy and the environment. Most residential customers were on the standard TOD rate during the summer of 2019 and we have results to share with the Board and our customers. The presentation covers background information and assumptions on TOD, a summary of the results and environmental benefits. The analysis performed by staff confirmed that customers shifted and reduced energy usage, saved on their summer bills, lowered carbon emissions and SMUD realized commodity cost savings. Overall, TOD delivered better results than anticipated. Note that the presentation provides the findings of one summer. We will continue to monitor and share results with the Board and our customers.

**Board Policy:** SD-2, Competitive Rates

**Benefits:** Environmental benefits, customers can shift energy usage to save on their monthly bills, SMUD’s system peak has lowered and now occurs when renewable energy is abundant.

**Cost/Budgeted:** n/a

**Alternatives:** n/a

**Affected Parties:** n/a

**Coordination:** Planning, Pricing & Enterprise Performance

**Presenter:** Alcides Hernandez
TO

1. Paul Lau
2. Claire Rogers
3. Nicole Howard
4. Jennifer Davidson
5. 
6. 
7. 
8. 
9. Legal
10. CEO & General Manager

Consent Calendar | Yes | No If no, schedule a dry run presentation. | Budgeted | Yes | No (If no, explain in Cost/Budgeted section.)
--- | --- | --- | --- | --- | ---
FROM (IPR) | DEPARTMENT | MAIL STOP | EXT. | DATE SENT

NARRATIVE:

Requested Action: Accept the monitoring report for Strategic Direction SD-4, Reliability.

Summary: The purpose is to provide the Board with an update on SD-4, Reliability for the year 2019. The information in the monitoring report can be used by the Board to determine if any policies or metrics need to be changed or further developed.

Board Policy: SD-4, Reliability. The information in the monitoring report will provide a summary of system reliability, availability, and related activities for 2019.

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

Cost/Budgeted: N/A

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

Affected Parties: N/A

Coordination: Power Generation, Grid Operations

Presenter: Lora Anguay; Director, Distribution Operations and Maintenance

Additional Links:

SUBJECT

Monitoring Report for SD-4: Reliability

ITEM NO. (FOR LEGAL USE ONLY)

5

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.
TO: Board of Directors

DATE: June 3, 2020

FROM: Claire Rogers

SUBJECT: Audit Report No. 28007206
Board Monitoring Report; SD-4: Reliability

Audit and Quality Services (AQS) reviewed the SD-4 Reliability 2019 Annual Board Monitoring Report and performed the following:

- Reviewed the information presented in the report to determine the possible existence of material misstatements;
- Interviewed report contributors and verified the methodology used to prepare the monitoring report; and
- Validated the reasonableness of a selection of the report’s statements and assertions.

During the course of the review, nothing came to AQS’ attention that would suggest the report did not fairly represent the source data available at the time of the review.

CC:
Arlen Orchard
1. Background

Strategic Direction SD-4 states that:

Meeting customer energy requirements is a core value of SMUD.

Therefore:

a) SMUD will assure all customer energy requirements are met. This will be accomplished through the use of: (i) its generation resources and purchase power portfolio 100 percent of the time; and (ii) its transmission assets to assure an overall availability of at least 99.99 percent.

b) SMUD will achieve distribution system reliability by:

   Limiting the average frequency of outage per customer per year to:

   With major event: 0.99 – 1.33
   Excluding major event: 0.85 – 1.14

   Limiting the average duration of outages per customer per year to:

   With major event: 67.5 – 93.3 minutes
   Excluding major event: 49.7 – 68.7 minutes

   Ensuring that no individual circuits exceed these targets for more than two consecutive years. For circuits that exceed these targets for two consecutive years, a remedial action plan will be issued and completed within eighteen months.

c) SMUD will maintain the electric system in good repair and make the necessary upgrades to maintain load serving capability and regulatory standards.

2. Executive Summary

Improving reliability is essential to meeting customer energy requirements and drives customer loyalty.

**SMUD was in compliance for both generation and transmission availability.** SMUD met all energy supply requirements 100% of the time through its generation resources and purchased power. At a peak load of 2,927 MW (which occurred on August 15), 50% of the generation was provided by internal resources and 50% was provided by purchased power. The transmission availability was at 100% for the year.
SMUD was in compliance for both SAIDI and SAIFI (excluding major events) as well as SAIFI including major events for the distribution system reliability metrics in 2019. The average outage duration (SAIDI) metric was above the limit when major events were included. The outage mitigation and prevention plans put into place have had a significant improvement on system reliability, decreasing outage durations and frequency from the previous years. The 2019 distribution system reliability performance can be seen in Table 1 below.

Table 1: 2019 Distribution System Reliability Performance

<table>
<thead>
<tr>
<th></th>
<th>With Major Events</th>
<th>Excluding Major Events</th>
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<tbody>
<tr>
<td></td>
<td>SD-4 Limit 2019 Results</td>
<td>SD-4 Limit 2019 Results</td>
</tr>
<tr>
<td>SAIFI</td>
<td>1.33</td>
<td>1.14</td>
</tr>
<tr>
<td>SAIDI (minutes)</td>
<td>93.3</td>
<td>68.7</td>
</tr>
<tr>
<td></td>
<td>114.5</td>
<td>66.0</td>
</tr>
</tbody>
</table>

Major events are those defined as events caused by earthquake, fire, or storms of sufficient intensity which result in a state of emergency being declared by the government. Absent the declaration of a state of emergency, any other natural disaster may be excluded only if it affects more than 15% of the system facilities or 10% of the customers, whichever is less.

Of the total number of distribution circuits, 98.4%, or 742 circuits, met the Board’s reliability criteria. Seventeen projects were issued to improve the reliability, of which six have been completed. The remaining eleven projects are on schedule to be completed within the eighteen-month requirement. These projects include cable replacement, avian mitigation, targeted tree-trimming and other work.

3. Additional Supporting Information

Generation

Hydro Generation Facilities

The availability rate for SMUD’s hydro generation system was 84.51% and for the June 1st through September 30th peak period, hydro generation availability was 92.49%. SMUD’s Upper American River Project (UARP) hydro system generated 2,195,537 MWh. The budgeted generation was 1,527,058 MWh.

Gas Pipeline Operations

SMUD’s gas pipeline had a 100% availability rating in 2019 and provided a constant flow of gas to all of SMUD’s thermal generation facilities. All necessary maintenance activities were successfully completed in accordance with our operations and maintenance plans and procedures.
Thermal Generation Facilities

The overall availability rate for SMUD’s thermal generation facilities was 85.93% and for the June 1st through September 30th peak period, thermal plant availability was 97.91%. In all, SMUD’s thermal generation facilities combined, generated a net total of 4,549,388 MWh against the budget of 5,472,343 MWh.

Transmission and Distribution

SMUD has approximately 484 miles of transmission lines and 10,428 miles of distribution lines including 69kV. Approximately 40% of the distribution lines are installed overhead and 60% percent are installed underground. The transmission system is predominately overhead except for 18 miles of underground lines located in the Carmichael and downtown areas.

4. Challenges

In 2019, there was one major event on January 6 and 7. The SAIDI for this major event was 48.5 minutes and the SAIFI was 0.29. According to Strategic Direction 4, the SAIDI limit with major events is 93.3 minutes and the limit excluding major events is 68.7 minutes making the allocated threshold for major events 24.6 minutes per year. The SAIDI contribution from the 2019 major event was almost double that of the threshold. The top outage causes during the major event were: tree related outages, equipment failures, wind related outages, as well as unknown outages. Excessive precipitation as well as wind gusts up to 53 miles per hour played a significant role in causing damage.

The two most important factors leading to extended outage durations during the 2019 Major Event were the cause of outages and the voltage system they occurred on. Of the top 10 outage events, there were 5 that took place on the 69 kV system affecting a greater number of customers. Additionally, Tree related and wind outages have longer restoration times due to the nature of the outage where poles may need to be replaced and lines may need reconductoring. The outage with the greatest SAIDI contribution of 4.4 minutes where 12 poles were down due to wind lasted almost 32 hours for a handful of customers. Although only 72 customers experienced the outage for 32 hours, a total of 10,361 customers were affected by this outage driving the increase in SAIDI. Similarly, an unknown outage on the 69 kV system (EKGFDR7) lasted for 1 hour and 40 minutes affecting 20,490 customers, the SAIDI contribution was 3.3 minutes.

Staff monitors circuit reliability regularly to assess circuits that could potentially exceed the reliability limits. Outage causes, trends, and reliability impacts are analyzed to identify projects that will bring the reliability of these circuits within the acceptable range. This ongoing process ensures that circuit reliability impacts are identified and addressed as they occur throughout the year. The main drivers for the distribution system performance, along with the mitigation measures for each, are summarized below.

Drivers for Reliability Performance

Underground Cable Failures

In 2019, underground cable failures were the third leading driver toward reliability impact behind broken or malfunctioned equipment and outages of unknown cause. The number of outages
due to cable failure in 2019 were reduced by 14% from 2018 totals. Contrarily, SAIDI and SAIFI values rose by 16% and 6% respectively. This is due to increase in cable faults on mainline cable that affect a lot of customers.

In addition to the cable replacement program, a separate project is underway for replacement of two 69kV circuits in the Pocket area. This project will address 52% of SMUD’s direct buried underground 69kV cable and is expected to be completed by year-end 2021. This project will have a large reliability impact by reducing outages in the Pocket area as these two circuits serve over 30,000 customers.

Vehicle Accidents

Vehicle accidents were among the leading drivers toward reliability impact in 2019. Although we saw a 9% decrease in the number of vehicle accidents in 2019 when compared to 2018, there was a 63% increase in SAIDI minutes and 111% increase in SAIFI for 2019 when comparing with 2018. This increase can be attributed to 12 outages on the 69 kV system affecting a total of 124,140 customers, with a combined SAIDI of 5.4 minutes and SAIFI of 0.20.

In 2019, SMUD installed a pole barrier system at 1 pole location, installed new visibility strips on 298 poles, and relocated 2 poles based on the analysis of car-pole incidents that identified assets that have been impacted multiple times. Furthermore, teams and processes have been developed to assess ongoing car-pole incidents and develop appropriate mitigation.

Equipment Failures

The number one reliability driver for 2019 was equipment failure. Equipment related outages are associated with a wide variety of distribution line components, such as fuses, poles, wire hardware, broken connectors, broken jumpers, failed transformers, broken cutouts and more. Outages due to failed equipment continue to be evaluated to locate and address any systemic deficiencies.

Failed equipment was the leading cause of outage events and had the highest impact to SAIDI minutes for 2019. The overall number of outages increased by 140 or 27% while SAIDI and SAIFI increased by 28% and 3% respectively for 2019 when compared to 2018. There were 6 69kV equipment failures in 2019 with a combined SAIDI of 2.6 minutes and SAIFI of 0.03. The largest outage was caused by a broken jumper on EKGFD3 a 69 kV line affecting more than 18,000 customers with a SAIDI of 2.5 minutes and SAIFI of 0.03. This single outage was contributing to 94% of SAIDI and 88% of SAIFI for 69kV equipment failures in 2019.

Correcting deficiencies on the 69kV system has a large reliability impact because 69kV circuits affect a larger number of customers than distribution circuits. Staff is actively looking for ways to reduce equipment failures. Staff reviews outage reports for accuracy and failure trends. Through routine inspections, Inspectors and Troubleshooters try to identify deficiencies before they result in failure. In the event of a failure, remotely operated 69kV switches are used to reinstate power to customers promptly, decreasing the duration of sustained outages.
Unknown Outages

Unknown outages comprised approximately 18% of outages in 2019. This category saw an increase of 10% in the amount of outages and 35% in SAIDI minutes. Contrarily, SAIFI was reduced by 7% for 2019. During an outage, a Troubleshooter is dispatched to patrol the lines to determine the cause of the outage. An outage is classified as “Unknown” if the Troubleshooter cannot find the specific cause. Although direct evidence is not found, the most likely cause of these outages is flashover between phase conductors during windy conditions or from bird or animal contact.

Line reframing addresses outages caused by high winds, birds and animals. The overhead lines are reconstructed with increased spacing between phases, reducing the possibility of flashover between phase conductors.

Tree-Related Outages

Tree-related outages, were another top driver for reliability in 2019. There was an increase in non preventable tree outage events (84%), SAIDI minutes (191%), as well as SAIFI (126%). The spike in 2019 can be attributed to a windstorm on October 27 where wind gusts reached up to 51 miles per hour creating a high fire risk in certain areas. There were 64 unavoidable tree outages yielding 5.7 minutes of SAIDI and a SAIFI value of 0.04.

Overall, there were 155 outages on this windstorm day alone with a contribution to SAIDI of 10.2 minutes and SAIFI of 0.06. The outage durations from this day had a 15% impact on 2019 total SAIDI excluding major events and 9% on 2019 total SAIDI including major events. One reason why the SAIDI minutes for this day are so high is because the entire line had to be patrolled before power was restored to customers in an affected area. This added layer of caution reduced the risk of fire yet caused longer outage restoration times.

We've put several mitigation measures in place to reduce the number of tree-related outages. This includes placing additional focus on inspecting 69kV circuits with dense vegetation, focusing on palm trees and/or diseased trees outside of the right-of-way for potential pruning or removal opportunities.

Foreign Material in Line Outages

Foreign Material In Line outages were added to the top reliability outage drivers for 2019. There were 67 Foreign Material in Line outages in 2019 with a SAIDI contribution of 6.32 minutes and SAIFI of 0.13. 2018 had almost the same number of outages yet had significantly lower impact on SAIDI and SAIFI which was 2.51 minutes and 0.08 respectively. 2019 was an anomaly year due to numerous instances of debris on 69kV and 230kV lines as well as wind gusts in excess of 50 miles per hour. Foreign Material in Line outages are caused by debris landing on electrical equipment which causes an electrical fault. One of the most common causes for these outages is mylar balloons landing on overhead conductors.

5. **Recommendation:** It is recommended that the Board accept the Monitoring Report for SD-4 Reliability.
Appendix 1: Major Generation Maintenance and Construction Activities

**Hydro**
- White Rock tunnel first phase rock bolt augmentation and shotcrete installation
- White Rock Unit 1 controls upgrade
- Jaybird U1 High Pressure Lift and generator dynamic balance
- White Rock Unit 2 pressure relief valve and turbine servomotor refurbishment
- Union Valley pressure relief valve refurbishment
- Camino Unit 2 pressure relief valve refurbishment
- Robbs Peak pressure relief valve refurbishment
- Union Valley Turbine wicket gate bushing replacement
- UARP human machine interface (HMI) server and client PC replacements
- Loon Lake powerhouse elevator controls and drive replacements
- White Rock and Union Valley switchyards 230kV circuit breakers and disconnect switches replacements
- Robbs Peak and Union Valley automatic voltage regulator (AVR) improvements
- Jaybird powerhouse annunciation upgrade
- Loon Lake, Union Valley, and Camino Unit 2 generator partial discharge monitoring system installation
- Jaybird and Union Valley dissolved gas analysis and bushing monitoring system installation
- Robbs Peak 69kV potential transformer replacement
- Robbs Peak heating, ventilation and air conditioning (HVAC) controls upgrade
- Camino and Jaybird grounding systems integrity studies
- Camino and Jaybird 125 VDC station batteries monitoring system

**Gas Pipeline**
- The relocation of the valve body cavity vents at mainline valve stations 8, 9, 10 and the Cosumnes Power Plant (CPP) meter and regulation station
- Phase 2 pipeline air-to-soil transition inspections
• The required seven-year interval internal line inspection engineering analysis following up on 2018 work, and two internal line inspection validation excavations on lines 700 and 800C

• Launching the first iteration of a Geographic Information System platform for gas pipeline assets

• Conclusion of Morrison Creek Pipe Support replacement and corrosion analysis

• Valve station safety assessments

Thermal

• Advanced Gas Path / Dry Low NOx (AGP/DLN2.6+) upgrade performed on CT2 at SMUD Financing Authority’s (SFA) Cosumnes Power Plant (CPP).

• The Sacramento Power Authority (SPA) installed new H3 burners and added a wet compression system to its combustion turbine, and continued to work with the City of Sacramento Department of Utilities, the Sacramento Environmental Management District, and State Water Board – Department of Drinking Water, and the Regional Sanitation District to identify an acceptable path forward to accept recycled water for the cooling tower

• Thorough contract negotiations continued with Procter & Gamble Company to extend the existing steam sales agreement
Appendix 2: Graphs

The graphs below show a decreasing trend in the SAIDI and SAIFI impact of vehicle accidents, tree outages, and bulk substation incidents from 2016 to 2018, as well as a decrease in underground cable failures from 2017 to 2018. Contrarily, equipment failures and their SAIDI and SAIFI impacts increased in 2018 and fell in 2019. With the exception of 2018, SAIDI and SAIFI values for underground cable failures were lowest in 2019 since 2014.

Graph 1: Multi-Year Comparison
System Average Frequency Index (SAIFI)

Graph 2: Multi-Year Comparison
System Average Duration Index (SAIDI)
Appendix 3: Reliability Comparison

Table 2 below provides a comparison between SMUD’s average distribution system performance compared to that of Pacific Gas and Electric’s (PG&E)’s distribution systems. PG&E defines its distribution system as line voltage less than 60kV, while SMUD includes the 69kV line voltage as part of the distribution system. The information regarding PG&E’s system average performance was obtained from the 2018 reliability report posted on the California Public Utilities Commission (CPUC) website. PG&E’s 2019 Reliability Report has not been posted on the CPUC website.

Table 2: Distribution System Reliability Comparison (excluding major events)

<table>
<thead>
<tr>
<th>Year</th>
<th>SAIDI (minutes)</th>
<th>SAIFI</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>SMUD</td>
<td>PG&amp;E</td>
</tr>
<tr>
<td>2015</td>
<td>70.5</td>
<td>72.5</td>
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<tr>
<td>2016</td>
<td>81.2</td>
<td>83</td>
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<td>2017</td>
<td>57.4</td>
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<td>45.0</td>
<td>90.7</td>
</tr>
<tr>
<td>2019</td>
<td>66.0</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Notes:
1. Listed SAIFI and SAIDI numbers are based on outages greater than 5 minutes (CPUC criteria).

Appendix 4: Year-to-Date 2020 Reliability Update

Table 3: 2020 Year-to-Date Distribution System Reliability Performance

<table>
<thead>
<tr>
<th>Excluding Major Events</th>
<th>SD-4 Limit</th>
<th>Jan.1 – March 31, 2020</th>
<th>2020 YE Projection</th>
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<tbody>
<tr>
<td>SAIFI</td>
<td>1.14</td>
<td>0.13</td>
<td>1.06</td>
</tr>
<tr>
<td>SAIDI (minutes)</td>
<td>68.7</td>
<td>8.2</td>
<td>61.1</td>
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</table>

The reliability index for underground cable failures increased from 2019 to 2020, SAIFI from 0.03 to 0.04 and SAIDI from 1.8 to 1.9 minutes. The reliability index for vehicle accidents grew slightly in terms of SAIFI from 0.03 to 0.04. SAIDI for vehicle accidents doubled from the first quarter of 2019 (1.5 minutes) to the first quarter of 2020 (3.1 minutes). The reliability indices for failed equipment are much better for 2020 with SAIFI staying the same at 0.01 and SAIDI decreasing from 1.4 minutes to 0.5 minutes. The reliability indices for improper construction outages are worse for 2020 with a SAIFI increase from 0.00 to 0.01 and a SAIDI increase from 0.0 to 0.5 minutes. The reliability indices for tree-related outages are better for 2020 with a SAIFI decrease from 0.03 to 0.01 and a SAIDI decrease from 2.3 to 0.6 minutes.
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-4, Reliability, substantially in the form set forth in Attachment _____ hereto and made a part hereof.
1. Paul Lau
2. Frankie McDermott
3. Jennifer Davidson
4. Nicole Howard
5. Laura Lewis
6. 
7. 
8. 
9. Legal
10. CEO & General Manager

**Consent Calendar**

<table>
<thead>
<tr>
<th>Consent Calendar</th>
<th>X</th>
<th>Yes</th>
<th>No If no, schedule a dry run presentation.</th>
<th>Budgeted</th>
<th>X</th>
<th>Yes</th>
<th>No (If no, explain in Cost/Budgeted section.)</th>
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<td>Maria Veloso Koenig</td>
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**Requested Action:** Approve staff recommendation to suspend funding for new projects in 2020, 2021, and 2022 under Strategic Direction SD-14, System Enhancement.

**Summary:** In light of financial challenges from COVID-19 impacts, Staff recommends suspending funding of new projects under SD-14 in 2020, 2021 and 2022. Staff also recommends that previously committed projects under the Policy continue to be funded.

**Board Policy:** SD-14, System Enhancement

**Benefits:** The resulting savings would be re-allocated to high priority work that must be completed in 2020, 2021 and 2022.

**Cost/Budgeted:** The 2020 budget is approximately $7,000,000 and the year-end spending forecast is $650,000

**Alternatives:** Continue funding the Policy for new projects.

**Affected Parties:** SMUD, local agencies and commercial/residential mixed-use project developers

**Coordination:** Grid Planning, Grid Assets, Commercial Development, and Government Affairs Departments

**Presenter:** Maria Veloso Koenig; Director, Grid Planning

**Additional Links:**

**SUBJECT:** Staff Recommendation to SD-14, System Enhancement

**ITEM NO. (FOR LEGAL USE ONLY):** 6

**ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.**
RESOLUTION NO. _____________

WHEREAS, Strategic Direction SD-14, System Enhancement (SD-14) provides that SMUD will annually commit up to one-half of one percent of its annual gross electric sales revenue to system enhancements; and

WHEREAS, the COVID-19 (coronavirus) pandemic has caused worldwide disruption to business operations, employment, social, and home life; and

WHEREAS, the resultant impacts of the COVID-19 pandemic include significant projected budget shortfalls and reduction of revenues; and

WHEREAS, staff recommends in light of financial challenges caused by COVID-19, SMUD suspend funding of new projects under SD-14 in 2020, 2021 and 2022; NOW, THEREFORE,

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

Section 1. This Board approves suspension of funding new projects under Strategic Direction SD-14, System Enhancement for 2020, 2021 and 2022.
### NARRATIVE:

**Requested Action:** Approve proposed revisions to **Board-Staff Linkage BL-8, Delegation to the Chief Executive Officer and General Manager with Respect to Procurement.**

**Summary:** A Board Ad Hoc Committee consisting of President Rob Kerth and Director Heidi Sanborn, along with supporting staff (Arlen Orchard, Laura Lewis, Gary King and Casey Fallon) and facilitated by Eric Douglas, was convened last year to review the BL-7 and BL-8 policies for potential revision. The goal of the review was to ensure the policies provided adequate guidance to ensure SMUD does business with reputable companies. The committee considered and discussed concepts to enhance the policy, such as ethical behavior, and a benchmarking analysis for procurement practices of other companies. The outcome of the ad hoc committee’s work are proposed changes to the BL-8 policy.

**Board Policy:** BL-8, Delegation to the Chief Executive Officer and General Manager with Respect to Procurement.

**Benefits:** Provides clarity and updated language for policy guidance to align SMUD’s procurement with the company’s values

**Cost/Budgeted:** Not applicable

**Alternatives:** Maintain BL-8 as currently written.

**Affected Parties:** Supply Chain / Procurement Services and all other SMUD business units.

**Coordination:** Supply Chain / Procurement Services

**Presenter:** Gary King, Chief Workforce Officer

**Additional Links:**

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### BOARD AGENDA ITEM

**STAFFING SUMMARY SHEET**

**TO**

<table>
<thead>
<tr>
<th>Item</th>
<th>Name</th>
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<tbody>
<tr>
<td>1.</td>
<td>Gary King</td>
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<td>9.</td>
<td>Legal</td>
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<td>10.</td>
<td>CEO &amp; General Manager</td>
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</tbody>
</table>

**FROM (IPR) DEPARTMENT MAIL STOP EXT. DATE SENT**

| Joni Downey | Executive Office | 2/29/2020 |

**MAIL STOP**

<table>
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<tr>
<th>Date Sent</th>
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<td>5625</td>
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</table>

**DATE SENT**

**NARRATIVE:**

Requested Action: Approve proposed revisions to **Board-Staff Linkage BL-8, Delegation to the Chief Executive Officer and General Manager with Respect to Procurement.**

Summary: A Board Ad Hoc Committee consisting of President Rob Kerth and Director Heidi Sanborn, along with supporting staff (Arlen Orchard, Laura Lewis, Gary King and Casey Fallon) and facilitated by Eric Douglas, was convened last year to review the BL-7 and BL-8 policies for potential revision. The goal of the review was to ensure the policies provided adequate guidance to ensure SMUD does business with reputable companies. The committee considered and discussed concepts to enhance the policy, such as ethical behavior, and a benchmarking analysis for procurement practices of other companies. The outcome of the ad hoc committee’s work are proposed changes to the BL-8 policy.

Board Policy: BL-8, Delegation to the Chief Executive Officer and General Manager with Respect to Procurement.

Benefits: Provides clarity and updated language for policy guidance to align SMUD’s procurement with the company’s values

Cost/Budgeted: Not applicable

Alternatives: Maintain BL-8 as currently written.

Affected Parties: Supply Chain / Procurement Services and all other SMUD business units.

Coordination: Supply Chain / Procurement Services

Presenter: Gary King, Chief Workforce Officer

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### SUBJECT

Revisions to BL-8 Policy

ITEM NO. (FOR LEGAL USE ONLY)

7
SMUD BOARD POLICY

Category: Board-Staff Linkage

Title: Delegation to the Chief Executive Officer and General Manager With Respect to Procurement

Policy Number: BL-8

Date of Adoption: August 21, 2003
Revision: October 16, 2003
Revision: June 3, 2004
Revision: October 16, 2008
Revision: October 1, 2009
Revision: August 4, 2011
Revision: November 17, 2011
Revision: March 15, 2012
Revision: August 21, 2014
Revision: December 15, 2016
Revision: June 9, 2020

The procurement of goods and services is an integral part of SMUD operations. SMUD’s procurement activities shall take place in accordance with the following principles:

a) **Competition:** SMUD’s procurement activities shall be competitive whenever practical.

b) **Direct Procurement:** Direct procurement may be utilized when it is in SMUD’s best interest. Direct procurement is the purchase of goods or services without competition when multiple sources of supply are available.
c) **Sole Source Procurement:** Sole source procurement shall be performed only in the case of emergency or when a competitive process would be an idle act.

d) **Inclusiveness:** SMUD’s procurement practices shall promote inclusiveness of the entire supplier community in its contracting opportunities.

e) **Economic Development:** SMUD’s procurement practices shall promote the economic development of the rate-paying community we serve.

f) **Environmental Procurement:** SMUD shall minimize the impact on the environment through its procurement practices. In making procurement decisions, staff shall consider the environmental impacts in assessing total cost and benefits.

g) **Responsible Bidder:** SMUD shall only do business with reputable and responsible suppliers. A Responsible Bidder demonstrates the attribute of trustworthiness, as well as quality, fitness, capacity, financial capability, fair labor practices, and experience to satisfactorily perform SMUD work through the bidding and evaluation process. In addition, SMUD will determine Responsible Bidders by considering a supplier’s social, environmental ethical, and safety accountability where applicable.

h) **Best Value Procurement:** SMUD may procure supplies and materials goods and services by the best value at the lowest cost methodology where cost and other factors are used to obtain the maximum value while ensuring a fair and equitable process.

i) **Strategic Alliances:** SMUD may enter into strategic alliance contracts for the procurement of goods or services. A Strategic Alliance is a competitively bid multi-year contract for goods and/or services in which the Supplier and SMUD work collaboratively over the life of the contract to improve quality, and to explore design and process improvements to reduce the cost of production, service delivery, and the total cost of ownership. These benefits are shared both by SMUD and the Supplier.

j) **Supply Chain Risk:** SMUD’s procurement activities shall identify, manage, and mitigate supply chain risks through a coordinated effort across the enterprise.

kJ) **Protest Policy:** SMUD shall ensure that suppliers are afforded the opportunity to have their grievances heard through a fair protest process.

lk) **Delegation of Authority to the Chief Executive Officer and General Manager:** The Chief Executive Officer and General Manager is delegated authority to perform and approve the procurement activities in accordance with the below matrix. This delegation includes establishing memberships or project participation agreements with non-profit entities at any amount. The Chief
Executive Officer and General Manager has the delegation to amend contracts for time extensions or other changes at no cost to SMUD.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
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<tbody>
<tr>
<td><strong>Competitive Awards:</strong></td>
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<tr>
<td>Operational Inventory</td>
<td>$8 million</td>
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<tr>
<td>Non-inventory Materials</td>
<td>$8 million</td>
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<tr>
<td>Construction and Maintenance Services</td>
<td>$8 million</td>
</tr>
<tr>
<td>Information Technology</td>
<td>$8 million</td>
</tr>
<tr>
<td>Professional and Consulting Services</td>
<td>$2 million</td>
</tr>
<tr>
<td>Rents and Leases</td>
<td>$1 million</td>
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<tr>
<td><strong>Sole Source:</strong></td>
<td></td>
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<tr>
<td>All types except Maintenance/Licensing Fees</td>
<td>$1 million</td>
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<tr>
<td>Maintenance/Licensing Fees</td>
<td>$3 million or original approved amount</td>
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<tr>
<td><strong>Direct Procurement:</strong></td>
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<tr>
<td>Materials/Supplies/Services</td>
<td>$50k</td>
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<tr>
<td>Government Entities</td>
<td>$1 million</td>
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<tr>
<td>Nonprofit Entities (services/goods)</td>
<td>$1 million</td>
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<tr>
<td><strong>Emergency Procurements:</strong></td>
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<tr>
<td>All types</td>
<td>$1 million</td>
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<td><strong>Nonprofit Entities:</strong></td>
<td></td>
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<tr>
<td>Memberships/Project Participation Agreement</td>
<td>N/A</td>
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<tr>
<td><strong>Contract Amendments:</strong></td>
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<tr>
<td>Time Extension Only</td>
<td>N/A</td>
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<tr>
<td>Other Non-cost changes</td>
<td>N/A</td>
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<td><strong>Contingencies:</strong></td>
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<tr>
<td>Board Awarded Contracts</td>
<td>Up to 10% of contract award</td>
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</table>

**Monitoring Method:** GM Report  
**Frequency:** Quarterly
RESOLUTION NO. ______________

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

This Board approves the revisions to the Board-Staff Linkage BL-8,

Delegation to the Chief Executive Officer and General Manager with Respect to

Procurement, substantially in the form as set forth in Attachment ___.

DRAFT
TO

1. 

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9. Legal

10. CEO & General Manager

Consent Calendar | Yes | No | If no, schedule a dry run presentation. | Budgeted | Yes | No (If no, explain in Cost/Budgeted section.)
---|---|---|---|---|---|---
FROM (IPR) DEPARTMENT | MAIL STOP | EXT. | DATE SENT
Laura Lewis Office of the General Counsel | B308 | 6123 | 06/05/20

NARRATIVE:

Requested Action: Adopt a resolution honoring the accomplishments and legacy of S. David Freeman and discuss options for recognizing his role as a visionary leader in climate change and advancing renewable energy.

Summary: The Board wishes to honor S. David Freeman, former SMUD General Manager from June 1990 through January 1994, who passed away on May 12, 2020. Mr. Freeman was a visionary leader in climate change and advancing renewable energy. Among other accomplishments, Mr. Freeman initiated SMUD’s unique partnership with the Sacramento Tree Foundation, which has achieved national prominence and continues to be one of SMUD’s most popular customer programs.

Board Policy: GP-3 Board Job Description

Benefits: Public acknowledgment of service.

Cost/Budgeted: This item has no direct budgetary impact.

Alternatives: N/A

Affected Parties: Board of Directors, Legal

Coordination: Board of Directors, Legal

Presenter: President Kerth

Additional Links:

SUBJECT

Resolution Honoring S. David Freeman

ITEM NO. (FOR LEGAL USE ONLY) 8

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.
RESOLUTION
TO
FOLLOW