Board Strategic Development Committee
Meeting and Special Board of Directors Meeting

Date:      Tuesday, March 10, 2020
Time:      Scheduled to begin at 5:30 p.m.
Location:  SMUD Headquarters Building, Auditorium
           6201 S Street, Sacramento, CA
AGENDA
BOARD STRATEGIC DEVELOPMENT COMMITTEE MEETING
AND SPECIAL SMUD BOARD OF DIRECTORS MEETING

Tuesday, March 10, 2020
SMUD Headquarters, Auditorium
6201 S Street, Sacramento, California
Scheduled to begin at 5:30 p.m.

This Committee meeting is noticed as a joint meeting with the Board of Directors for the purpose of compliance with the Brown Act. In order to preserve the function of the Committee as advisory to the Board, members of the Board may attend and participate in the discussions, but no Board action will be taken. The Strategic Development Committee will review, discuss and provide the Committee’s recommendation on the following:

INFORMATIONAL ITEMS

1. Laurie Rodriguez
   Provide status update on the new child development center including the center’s design and initial construction cost projections.
   Presentation: 20 minutes
   Discussion: 20 minutes

2. Russell Mills
   Provide the Board with an informational presentation on Green Bonds and other financing opportunities.
   Presentation: 15 minutes
   Discussion: 10 minutes

3. Public Comment

4. Nancy Bui-Thompson
   Summary of Committee Direction.
   Discussion: 1 minute

Members of the public wishing to address the Committee should complete a sign-up form available at the table outside of the meeting room. Members of the public shall have up to three (3) minutes to provide public comment. The total time allotted to any individual speaker shall not exceed nine (9) minutes for the entire Committee meeting time.

Members of the public wishing to inspect public documents related to agenda items may call 916-732-7143 to arrange for inspection of the documents at the SMUD Headquarters, 6201 S Street, Sacramento, California.
NOTE: Accommodations are available for the disabled public. If you need a hearing assistance device or other aid, please call 916-732-7143 in advance of this Committee Meeting.
TO
1. Laurie Rodriguez
2. Frankie McDermott
3. Gary King
4. Paul Lau
5. Rohne Jauernig

TO
6.
7.
8.
9. Legal
10. CEO & General Manager

Consent Calendar
Yes X No | If no, schedule a dry run presentation |
---|---|---|
1. Laurie Rodriguez
2. Frankie McDermott
3. Gary King
4. Paul Lau
5. Rohne Jauernig

DEPARTMENT
Human Resources, Diversity and Inclusion

MAIL STOP
B251

EXT.
5672

DATE SENT
3/4/20

NARRATIVE:

Requested Action: Brief the Board on the new Child Development Center including the Center’s design and initial construction cost projections.

Summary: The Child Development Center is a collaborative effort between UC Davis Health, Sacramento State and SMUD. Status updates to include progress on center operations, parent relations/communications and construction plans. The initial SMUD contribution toward the Child Development Center was to be $1.13M. University Enterprises, Inc. (UEI) (a non-profit auxiliary organization of Sacramento State) is projecting additional construction costs of $958,591 per employer in the multi-party arrangement. The total contribution most recently requested by UEI is $2.09M. It is believed that there is room for reductions in the cost estimate, and additional study and review with UEI is recommended.

Board Policy:
Employee Relations SD-8 – Provides a benefit offering for employees and may serve to facilitate work-life balance

Benefits: The Child Development Center will provide an affordable, quality child care option in the vicinity of the workplace.

Cost/Budgeted: 2020 Budget for Child Development Center Tenant Improvements: $1.13M

Alternatives: N/A

Affected Parties: SMUD Employees, UC Davis Health, and Sacramento State

Coordination: Human Resources, Diversity and Inclusion, Legal

Presenter: Laurie Rodriguez, Director of Human Resources, Diversity & Inclusion

Additional Links:

SUBJECT
Child Development Center

ITEM NO. (FOR LEGAL USE ONLY)

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.
Laurie Rodriguez
Director, Human Resource Services, Diversity & Inclusion

Laurie brings 20 years of experience in the areas of human resources, leadership and organizational effectiveness.

She has led and supported small, medium, and large operations in a number of industries throughout her extensive career and currently oversees recruitment, hiring, compensation and classification, employee benefits, fair employment, policy, payroll, employee relations, labor relations, integrated disability management, culture, learning and development at SMUD – the nation's sixth largest community-owned electric utility. Laurie is also responsible for embedding diversity and inclusion into enterprise-wide strategies, services, and solutions.
### BOARD AGENDA ITEM
**STAFFING SUMMARY SHEET**

**TO**  | **TO**
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2. Gary King | 7.  
4. Frankie McDermott | 9. Legal  
5. | 10. CEO & General Manager

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<td>FROM (IPR)</td>
<td>Russell Mills</td>
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**NARRATIVE:**

**Requested Action:**
Provide the Board with an informational presentation on Green Bonds and other financing opportunities.

**Summary:**
SMUD issued its first ever Green Bonds in July 2019, selling bonds to generate $75 million to pay for the LEFD-Gold Headquarters Renovation. The Green Bond market is growing and may provide SMUD the opportunity to issue Green Bonds in the future if qualifying expenditures exist. SMUD’s Financial Advisor will provide information about the growing investor base, ratings agency perspectives and benefits and challenges to issuers.

The current interest rate market volatility has provided opportunities; the Board will receive a short description of recent events and potential opportunities for future consideration.

**Board Policy:**
- SD-3 Access to Credit Markets  
- SD-7 Environmental Leadership

**Benefits:**
Provides SMUD access to capital markets in a growing investment sector and opportunity to show leadership for a low carbon future by embracing an effort to grow awareness to green investments and help grow the investor base that can provide affordable funding for carbon free projects.

**Cost/Budgeted:**
There is no budgetary impact for this informational overview.

**Alternatives:**
Choose not to receive the informational presentation.

**Affected Parties:**
Treasury, Board of Directors

**Coordination:**
Treasury, Board of Directors

**Presenter:**
Russell Mills, Director of Treasury and Treasurer

**Additional Links:**

**SUBJECT**
Green Bonds Overview and Other Financing Opportunities
Russell Mills
Director, Treasury & Treasurer

Russell (Rusty) Mills has been named SMUD's new treasurer. Mills comes to SMUD from the Southern California Public Power Authority (SCPPA) where he served as CFO. SCPPA is a Joint Powers Authority serving 12 member cities in Southern California.

There, he oversaw a debt portfolio of $2.8 billion and a project and administration budget of $900 million. He also chaired the Finance Committee making recommendations to the SCPPA Board on financial management matters on behalf of SCPPA members.

"We're excited to have Rusty join us here at SMUD," said Chief Financial Officer Jennifer Davidson. "He has extensive experience with utilities and finance and is a great addition to our team and SMUD."

Mills also spent 15 years with the California Department of Water Resources (DWR) serving as the CFO of the $11 billion Electric Power Fund and Power Supply Program set up in the aftermath of the energy market crisis in 2001.

He also served as DWR's Executive Division financial policy advisor, managing DWR's water supply revenue bond program. Mills also spent 2 years working for Montague DeRose & Associates in public finance advisory, assisting issuers and utilities with debt issuance and risk management functions.

Mills obtained a Bachelor of Science degree in Economics from Towson University in Baltimore, MD and a Master's in Business Administration from Loyola Marymount. He holds the Energy Risk Professional (ERP) designation and is a CRA level II candidate.
# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

### SSS No.

BOD 2020-003

### Committee Meeting & Date

STRATEGIC DEVELOPMENT 2020

### Board Meeting Date

N/A

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**FROM (IPR)**

Nancy Bui-Thompson / Donna Lofton

DEPARTMENT: Board Office

MAIL STOP: B307

EXT.: 5079

DATE SENT: 12/23/19

### NARRATIVE:

**Requested Action:**
Provide a summary of committee direction from the Board to Staff.

**Summary:**
During a Board discussion at the January 2017 Policy Committee, the Board requested having an on-going opportunity to do a wrap up period at the end of each committee meeting to summarize various Board member suggestions and requests that were made at the meeting in an effort to make clear the will of the Board. The Committee Chair will summarize Board member requests that come out of the committee presentations for this meeting.

**Board Policy:**
GP-4 Agenda Planning states the Board will focus on the results the Board wants the organization to achieve.

**Benefits:**
Having an agendized opportunity to summarize the Board’s requests and suggestions that arise during the committee meeting will help clarify what the will of the Board.

**Cost/Budgeted:**
N/A

**Alternatives:**
Not summarize the Board’s requests at this meeting.

**Affected Parties:**
Board of Directors and Executive Staff

**Coordination:**
Donna Lofton, Special Assistant to the Board

**Presenter:**
Nancy Bui-Thompson, Strategic Development Committee Chair

### Additional Links:

**SUBJECT**

Summary of Committee Direction