

# Exhibit to Agenda Item #1

Adopt a resolution declaring the **Gerle Meadows** property is surplus land and, if sold to the **United States Forest Service**, exempt surplus land.

Board Policy Committee and Special SMUD Board of Directors Meeting  
Wednesday, May 12, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

# AB 1486 SURPLUS LAND ACT

The Surplus Land Act has long required public entities to provide notice to certain types of organizations prior to the sale of surplus real property. Noticed parties include low-income housing sponsors, school districts, and public owners of open space and recreational areas. An interested noticed parties may, if it chooses, try to negotiate with the disposing entity on terms of sale for the property in question.

Historically, SMUD staff declared property surplus, made the appropriate notifications and disposed of the property pursuant to BL-10 (Delegation to the General Manager with Respect to Real and Personal Property).

The recently adopted AB 1486 (effective in 2020), however, made many technical changes to the Surplus Land Act, one being to define surplus land only as “land owned in fee simple by any local agency for which the local agency’s governing body takes formal action in a regular public meeting declaring that the land is surplus and is not necessary for the agency’s use.” The surplus declaration must be supported by written findings.

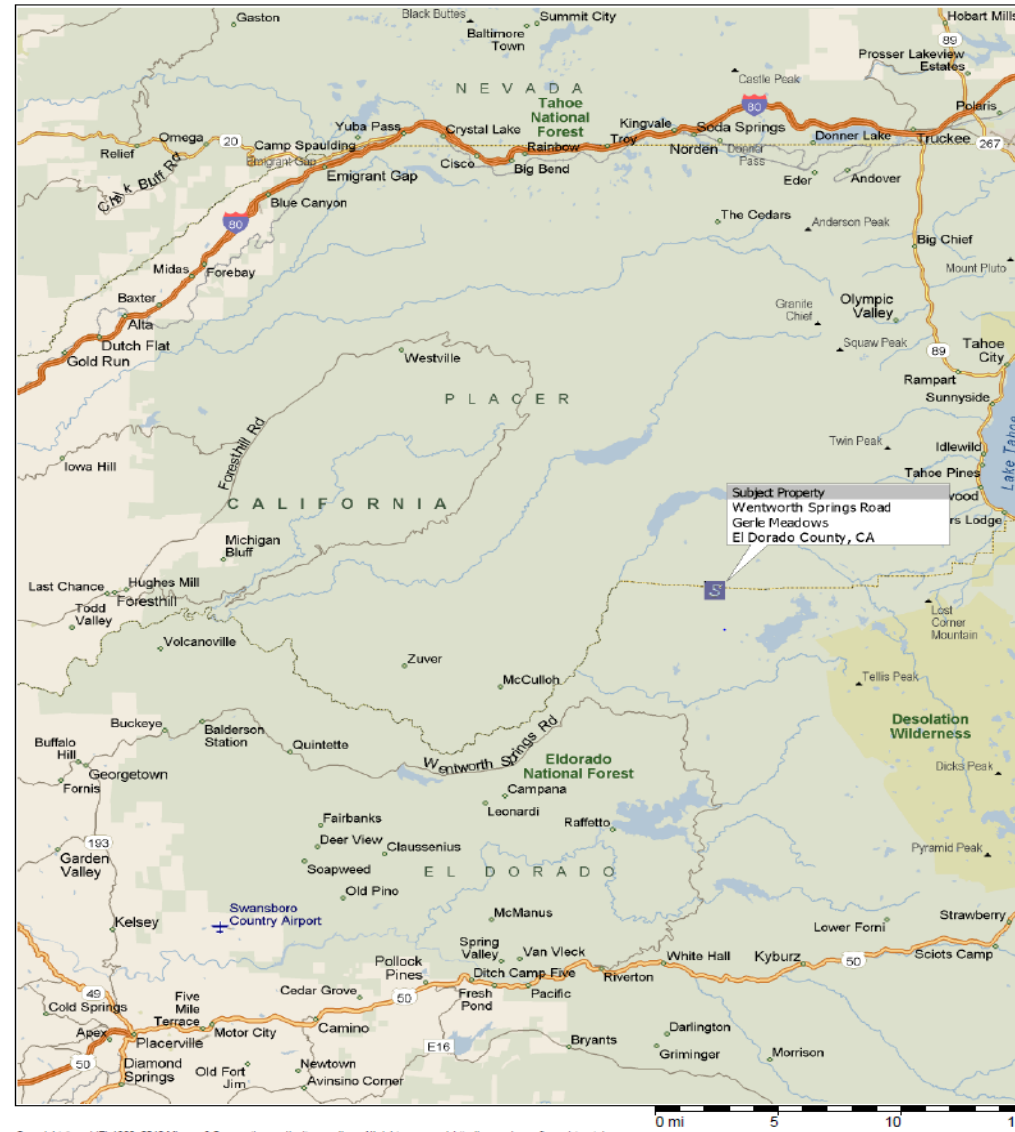
The Board approval process provides greater certainty for purchasers of surplus public land.

# Gerle Meadows Property

- Gerle Meadows is a vacant parcel consisting of 319.61 acres in El Dorado County, located off Wentworth Springs Road. It is in the boundaries of the national forest.
- SMUD purchased the property in April 2010 to exchange it with the US Forest Service for land needed for the since-abandoned Iowa Hill Project.
- Currently zoned for Timber Preserve
- Appraised in May 2020 for \$640,000



### AREA MAP



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# Gerle Meadows Surplus Declaration

The following support a finding that Gerle Meadows is surplus to SMUD's needs:

- (1) The project for which the property was acquired (Iowa Hill) has been canceled.
- (2) The Real Estate Department surveyed other business units across the enterprise and obtained concurrence that the property is not needed for any other SMUD business purpose, including 2030 Clean Energy Vision efforts.

In addition, if the land is sold to the U.S. Forest Service the sale would be exempt from the Surplus Land Act (as exempt surplus land) because transfers to federal agencies for their own use are exempt.

# Requested Action

The Real Property Committee is recommending the Board declare Gerle Meadows as Surplus to our operational needs, allowing the process to sell the property pursuant to SMUD policy to proceed.