

Exhibit to Agenda Item #1

Make findings that conveyance of the following Assessor's Parcel Numbers (APNs) is exempt from the **Surplus Land Act**:

- a. Former substation property exchanged for replacement site [132-0332-014];
- b. Former landfill site conveyed to local agency for its use [001-0160-006, 001-0160-018, 001-0160-034];
and
- c. Former pole/corporation yard conveyed for climate change demonstration, utility sites, and revenue to support SMUD operations on the site [008-0010-090; 011-0073-001 to 011-0073-008; 011-0081-001 to 0081-003; 011-0081-008].

Board Energy Resources & Customer Services Committee and Special SMUD
Board of Directors Meeting

Wednesday, February 15, 2023, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

SURPLUS LAND ACT

AB 1486, as of 2000, made many 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.

Surplus land includes so-called exempt surplus land.

Surplus Property

Staff recommends the Board declare the following properties surplus to SMUD's operational needs.

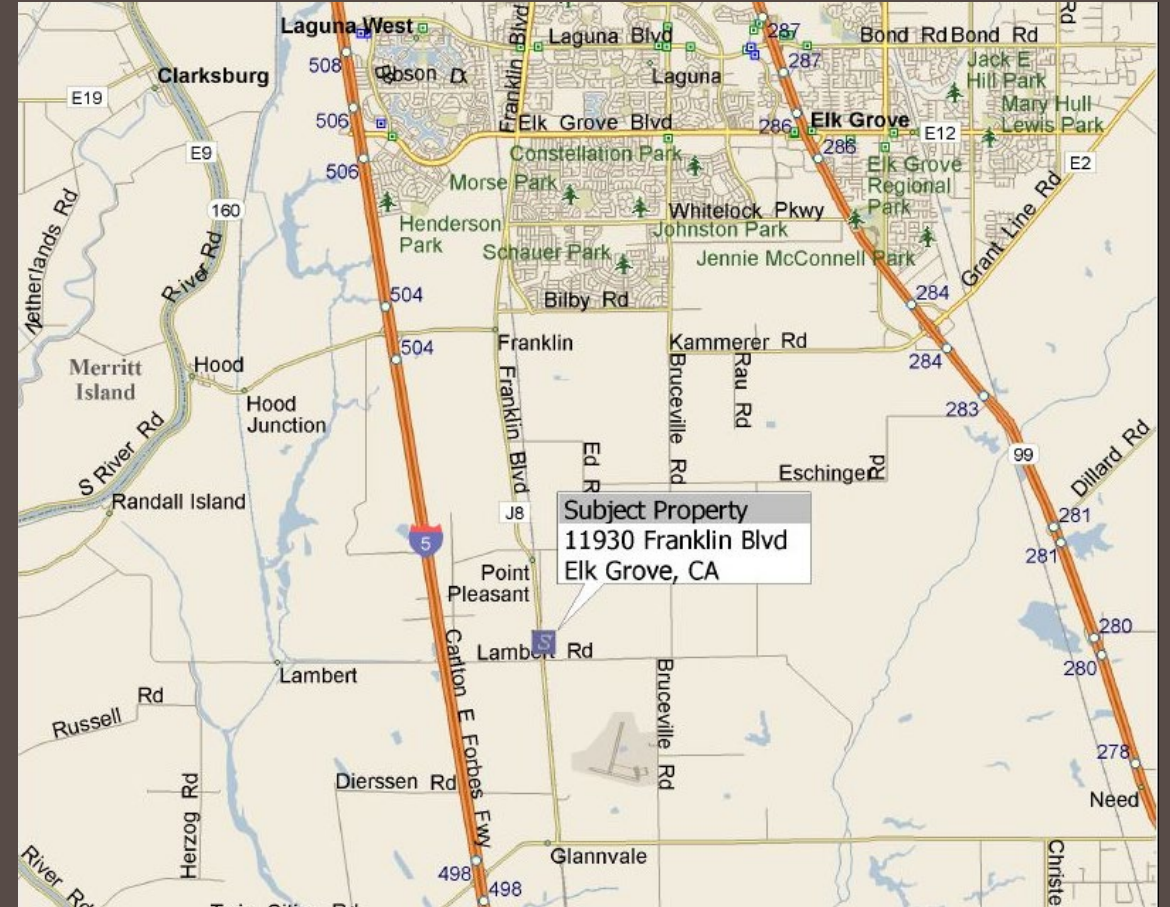
- Lambert Substation
- North City Substation
- 59th Street

Lambert Substation

Lambert Substation is located on the west side of Franklin Blvd. approximately 100 feet north of Lambert Rd, in Elk Grove.

The property is 0.262 acres and zoned AG-80 (Agricultural).

The substation facilities and fencing have been removed; the property was cleaned of all environmental contamination.



Lambert Substation Declaration



View of subject property looking westerly from Franklin Boulevard
Existing electrical equipment will be removed

The following supports a finding that Lambert substation is surplus to SMUD's needs:

- Substation was decommissioned after the completion of Franklin Lambert Substation.
- The Real Property Committee deemed the property is not needed for any other business purpose.
- SMUD entered into an agreement with the former property owner whereby they sold SMUD a bigger parcel in exchange for SMUD selling the old site back to them.

If the property is exchanged for another property, the sale is exempt from the Surplus Land Act (as exempt surplus land).

North City Substation

North City Substation is 11.83 acres and located by north of B Street between 20th and 21st Street in the River District.

It is comprised of 3 parcels zoned Heavy Industrial and one parcel as American River Parkway Floodplain.

SMUD has removed all substation facilities and capped the property for the City of Sacramento's future plans to build a bike path.



North City Declaration

The following support a finding that North City is surplus to SMUD's needs:

- Substation was decommissioned after the completion of Station E.
- SMUD then installed a cap over the site in compliance with CalRecycle regulations.
- SMUD entered into a Master Parcel Agreement with the City of Sacramento dated December 20, 2020, to deed the property to the City. In return, the City will maintain the site and indemnify SMUD in perpetuity.
- City plans to develop a Bike path under SMUD transmission lines and within the transmission easement that SMUD reserved.

Transferring the property to the City of Sacramento the sale would be exempt from the Surplus Land Act (as exempt surplus land) because transfers to public agencies for their own use are exempt.



North City Cap and Infiltration Basin



Photo 3 - Infiltration Basin on the City of Sacramento's Lot 31

59th Street

59th Street is located off 59th street between Folsom Blvd. and S Street.

The property is separated by Regional Transit tracks and totals 19.41 acres.

The northerly parcel zoning is mixed Light Industrial/Single Family Residential.

The southerly parcel is zoned Heavy Industrial (5 parcels) and Single Family Residential (4 parcels).



59th Street Declaration

The following both individually and collectively support a finding that the 59th Street Property qualifies as exempt surplus property under the Surplus Land Act:

- (1) The sale of the property directly and substantially furthers SMUD's work and operations. This is manifest in the detailed rights SMUD will secure as part of the sale for the use of the property in for utility sites and for demonstration, exhibition, or educational purposes related to greenhouse gas emissions.
- (2) Use of the site will include commercial or industrial uses or activities, including nongovernmental retail, entertainment, or office development and generate revenue to support SMUD's work or operations on the site, including environmental remediation, utility services, and energy storage and grid management.

Requested Action

Adopt a resolution declaring the Lambert Substation, North City Substation and 59th Street properties as exempt surplus land under the Surplus Land Act.