

SMUD BOARD POLICY

Category: Board-Staff Linkage	Title: Delegation To The General Manager With Respect To Real and Personal Property
	Policy Number: BL-10
Date of Adoption: September 21, 2006	Resolution No. 06-09-11
Revision: December 7, 2006	Resolution No. 06-12-03
Revision: December 18, 2008	Resolution No. 08-12-11
Revision: August 4, 2011	Resolution No. 11-08-04
Revision: August 21, 2014	Resolution No. 14-08-03

Normal business operations require SMUD to engage in: (i) the acquisition, disposition, and lease of interests in real property; and (ii) the disposition and lease of surplus personal property.

- a) **Delegation of Authority:** The General Manager is delegated decision making and approval authority within the parameters that follow.
- b) **Real Property:**
 - i) Purchase, Sale or Exchange of Real Property. The purchase price does not exceed \$5 million and is within 115% of the appraised value of the property. The sale of real property shall be at fair market value and offered in accordance with California Government Code section 54220 et seq. and other applicable law. In an exchange of real property, SMUD shall remain financially whole or benefit from the transaction.
 - ii) Lease of SMUD Real Property. Leases shall be for fair market value and shall not adversely impact SMUD's current or anticipated future operations.
 - iii) Easements, Rights of Way, Licenses or Quitclaim Deeds. Easements, rights of way, licenses and quitclaim deeds may be granted to third parties where SMUD's current or anticipated future operations are not adversely

impacted. Lease, easements, licenses and rights-of-way from third parties may be obtained within 125% of fair market value.

- iv) Special Assessments, Governmental Fees and Property Taxes. Cast all ballots, negotiate, pay taxes, assessments, fees, levies or charges arising from or related to SMUD's ownership or other interests in real property.

c) **Personal Property:**

- i) Disposal of Surplus, Scrap or Obsolete Personal Property. The disposal of surplus, scrap, or obsolete personal property shall be done in accordance with applicable law.
- ii) Lease of SMUD Personal Property. Leases shall be for fair market value and shall not adversely impact SMUD's current or anticipated future operations.

Monitoring Method: GM Report
Frequency: Annual