



United States
Department of
Agriculture

Forest
Service

American River
Ranger
District

PCWA-L-423

Foresthill, CA
95631
530 367-2224
530 367-2226 TDD
530 367-2992 FAX

File Code: 2330

Date: December 16, 2005

Mr. Steve Jones
Power Systems Manager
Placer County Water Agency
PO Box 667
Foresthill CA 95631

RECEIVED

DEC 19 2005

PLACER COUNTY WATER AGENCY

Dear Mr. Jones:

Per the Federal Energy Regulatory Commission's October 13, 2005 request for an update on the repair and maintenance of the French Meadows Recreation Facilities, the following is a summary of what has been completed and what will be completed by an estimated date.

1. **Prairie Wolf Group Campground Gate** The gate was removed October 20, 2005 and there are no plans to replace it. Large rocks were installed to replace the gate. This will prevent vehicle access into the group area and reduce the maintenance cost. (Photograph enclosed)
2. **Lewis Campground Bear-Proof Lockers** There are 40 sites at Lewis. Bear-proof containers were installed in sites 1-27. We plan to install containers for sites 28-40 by August 2006.

As referenced in our September 4, 2005 letter to you, and in FERC's July 21, 2005 inspection letter, the following have been completed:

1. **French Meadows Day Use Picnic Area** The boards across the ephemeral stream were removed November 7, 2005. The boulders were removed and the gravel bed reworked for safe foot traffic crossing. (Photograph enclosed)
2. **McGuire Picnic Area** The brush piles were burned October 26, 2005. The larger logs did not burn completely but will be cut up and removed by July 2006. (Photograph enclosed)

We hope that the follow-up maintenance items identified by FERC have been completed to the satisfaction of both the Water Agency and the Commission.

If you have any questions, feel free to call me.

Sincerely,

JAN CUTTS
District Ranger





French Meadows Picnic Stream Crossing

Wooden footbridge removed from the site, large rocks removed from the stream bed. Stream crossing smoothed with gravel for easy foot traffic accessing to the picnic area.

Prairie Wolf Group Campground

Green bent pipe gate removed. Large boulders were installed with a backhoe to prevent vehicle access into the campground area.



Mc Guire Picnic Area

Brush piles have been burned. Logs and unburned material will be removed from picnic area.



United States
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22830 Foresthill Road
Foresthill, CA
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File Code: 1580

Date: DEC 13 2005

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DEC 15 2005

Stephen J. Jones
Placer County Water Agency
P. O. Box 667
Foresthill, CA 95631

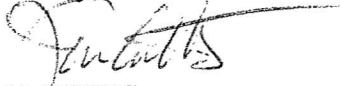
Dear Mr. Jones:

The following is a summary of the 2005 accomplishments of the Tahoe National Forest, American River Ranger District as per Collection Agreement No. 03-CO-11051754-014 for operation and maintenance:

- ❖ Fire Rings – Removed 12 old concrete grill stoves and corrugated fire rings and installed Pilot Rock Model L-32/TB combination adjustable grill and fire rings. The grill and fire rings were installed at Lewis Campground, sites: 24, 28, 29, 31, 32, 34, 37, and 39. And, at French Meadows Campground, sites: 70, 73, 74, and 75. This completes the fire ring replacement.
- ❖ Bear Proof Food Storage Lockers – Installed 40 bear proof food storage lockers. The lockers were installed at Lewis Campground sites: 1-27 and at French Meadows Campground sites: 63-75. This completes the installation of lockers at French Meadows Campgrounds.
- ❖ Installed a gate at the entrance of the Aspen Group Campground.
- ❖ Replaced 127 camp unit number posts at the following campgrounds:
 - French Meadows 75
 - Lewis 40
 - Ahart 12
- ❖ Replaced the culvert in the road bed near site #29 in French Meadows Campground.

We are in the process of updating Exhibit B of the Financial Plan to cover the years 2006 – 2009. If you have any questions contact Ed Moore at the number listed above.

Sincerely,


JAN CUTTS
District Ranger



FEDERAL ENERGY REGULATORY COMMISSION
Office of Energy Projects
Division of Hydropower Administration and Compliance
901 Market Street, Suite 350
San Francisco, CA 94103

RECEIVED

October 13, 2005

OCT 17 2005

FERC No. 2079
Middle Fork American River Project
Placer County Water Agency

Mr. Steve Jones
Power Systems Manager
Placer County Water Agency
P. O. Box 667
Foresthill, CA 95631

Subject: Environmental Follow-up Matters

Dear Mr. Jones:

We received your letter dated October 13, 2005, regarding the follow-up matters from the July 2005 Environmental Inspection. We note that the several routine maintenance items were completed soon after the inspection was conducted. We appreciate your attention to these matters.

You propose the following schedule to complete the major repair items listed:

Hell Hole Reservoir Overlook Path	October 2005
Hell Hole Reservoir Panoramic Display	May 2006
Big Meadows Campground Upgrade, Study	December 2006
Big Meadows Campground Upgrade, Phase 1	December 2007
Big Meadows Campground Upgrade, Phase 2	December 2008
French Meadows Information Kiosk	August 2006
Prairie Wolf Campground Gate	August 2006
Lewis Campground Bear-Proof Lockers	August 2006

Please call me or send me an e-mail confirming the completion of these matters as they occur. If the proposed schedule changes for any item, you should notify the Commission by sending an original and 8 copies of the revised completion date to:

Office of the Secretary
Federal Energy Regulatory Commission
888 First Street, Northeast
Washington, D. C. 20426

A copy of the letter should be sent under separate cover to:

Mr. Philip Scordelis
FERC, DHAC
901 Market Street, Suite 350
San Francisco, CA 94103

If you have any additional information or questions about these matters, contact me at (415) 369-3335 or at philip.scordelis@ferc.gov.

Sincerely,



Philip Scordelis
Fishery Biologist
Division of Hydropower Administration
And Compliance

cc: Robert Hawkins, Manager
Land Uses and Hydropower Program
U. S. Forest Service
1323 Club Drive
Vallejo, CA 94592

Forest Supervisor
Tahoe National Forest
631 Coyote
Nevada City, CA 95959

Forest Supervisor
El Dorado National Forest
100 Forni Road
Placerville, CA 95667

Placer County Water Agency

Power System: 24625 Harrison St. • Mail: P.O. Box 667 • Foresthill, California 95631
(530) 367-2291 (530) 885-6917 FAX (530) 367-4440



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Michael R. Lee
David A. Breninger, General Manager
Ed Tiedemann, General Counsel

October 5, 2005

Office of the Secretary
Federal Energy Regulatory Commission
888 First Street, Northeast
Washington, D. C. 20426

Subject: FERC Project No. 2079, Middle Fork American River Project
Environmental Inspection Follow-Up Matters

Dear Sir or Madam:

The purpose of this letter is to reply to the letter dated August 16, 2005 from George H. Taylor, Chief, Biological Resources Branch, Division of Hydropower Administration and Compliance, with our responses to the items noted in his letter. These items resulted from the Environmental Inspection of the Project completed by Philip Scordelis, staff fishery biologist, on July 20-21, 2005. The items requiring our attention were grouped under the headings, "Hell Hole Reservoir", and "French Meadows Reservoir." The items are listed under the same headings below with our responses in italics.

Hell Hole Reservoir

Several of the stones used to construct the stairs at the Hell Hole Reservoir Overlook were loose and posed a tripping hazard. These stones should be grouted back into place. Additionally, the material used to effect earlier repairs to the stairs, which appears to be a caulking compound, created a harsh contrast to the original mortar; this should be removed and replaced with a material similar to the original grout. Please provide us with your schedule to complete this work.

The Hell Hole Reservoir recreation facilities are located in Eldorado National Forest (ENF). The operation and maintenance of these Middle Fork American River Project (the "Project") recreation facilities are performed by ENF under an agreement between Placer County Water Agency (the Agency) and ENF. On September 26, 2005, we met with representative of ENF to talk about the plan for future operation and maintenance of the Project recreation facilities and to review the items noted during the environmental inspection. At this meeting the ENF representatives told us they would make the requested repairs to the stairs by the end of October, 2005.

The panoramic display at the overlook has weathered and is no longer fully legible. A schedule to replace the display is needed.

ENF representatives notified us the panoramic display will be replaced by the end of May, 2006.

Those campsites at the Big Meadows Campground located within the archaeological area have not been upgraded, although you reported the required survey has been funded. Information on the cause of the delay and the schedule to complete the upgrades is required.

ENF cultural resources staff prepared a study plan that was submitted to the California State Historical Preservation Office (SHPO) in August, 2004. The study plan is still at SHPO awaiting their review. A large work backload, lack of qualified staff, and higher priority projects have prevented SHPO from reviewing the study plan. Before upgrades can be made to the campsites within the archaeological area, ENF and SHPO must reach agreement on the required study plan and memorialize the agreement in a Memorandum of Understanding (MOU). Then ENF will contract for the necessary archaeological testing, evaluation and documentation that must be completed before planned improvements are made. ENF will also prepare an environmental analysis for the planned improvements.

Presently, ENF and we are working on the assumption that the following will be accomplished by the end of 2006:

- *SHPO will review the study plan*
- *SHPO and ENF will reach agreement on a study plan which will be memorialized in an MOU*
- *Archaeological testing, evaluation and documentation will be completed*

Upgrading will then occur in two phases: Phase 1 in 2007 and Phase 2 in 2008. Phase 1 will consist of the following improvements:

- *The original vault toilet restrooms will be replaced with modern, handicapped accessible vault toilet buildings.*
- *The non-handicapped accessible flush toilet building on the East side will be replaced with a modern, handicapped accessible flush toilet building.*
- *Seven water faucets will be replaced and brought up to current standards and made handicapped accessible.*

Phase 2 will consist of the following improvements:

- *Rehabilitate remaining campsite parking spurs*
- *Replace and install parking barriers as needed*

Grass has grown around the fire ring at the Hell Hole Family Campground site closest to the lake (site number not observed). The grass should be cut immediately to eliminate the potential for a wildfire.

The grass was cut.

French Meadows Reservoir

The planks that provide a crossing of the ephemeral stream at the French Meadows Day-Use Area are worn, out of position, and have several large protruding nails. A plan and schedule to improve this crossing is required.

The French Meadows Reservoir recreation facilities are located in Tahoe National Forest (TNF). The operation and maintenance of these Project recreation facilities are performed by TNF under an agreement between the Agency and TNF. In a letter dated September 4, 2005 from Jan Cutts, District Ranger for the American River Ranger District, Ms. Cutts wrote: "The boards that cross the ephemeral stream will be removed by October 30, 2005. This structure is not an approved Forest Service design. The boards have created a dam holding back the larger boulders and gravel. The large boulders will be removed for safe crossing. If a foot-traffic crossing structure is needed we will utilize our Best Management Practices Guidelines for a stream crossing with an approved Forest Service design."

The abandoned information kiosk at the new RV sanitary dump poses both a health and safety hazard. A plan and schedule to remove this facility is needed if there are no plans to refurbish it.

In the previously mentioned letter, Ms. Cutts wrote: "The Forest Service has no desire to restore or maintain the building and will prepare a plan to have it removed by August 2006."

Snow loading has damaged the gate that prevents vehicles from entering the prohibited area at the Prairie Wolf Group Campsite. A schedule to repair or replace this gate is needed.

In the previously mentioned letter, Ms. Cutts wrote: "The Forest Service will remove this gate by October 30, 2005. Rock barriers will be set in place to prevent vehicle access into the group area or the Forest Service will replace the gate with a new one by August 2006."

Grass has grown around the fire ring at Site 37 in the Lewis Family Campground. This grass should also be cut immediately.

In the previously mentioned letter, Ms. Cutts wrote: "The concrete grill and fire ring were removed August 8, 2005 and replaced with a fire ring and adjustable

grill combination. A 5-foot diameter fire clearance to mineral soil was completed."

Not all sites at the Lewis Family Campground have bear-proof food lockers. A camper reported that a bear had entered their vehicle to access to food in an ice chest. A schedule to provide bear-proof food lockers at sites in this campground is required.

In the previously mentioned letter, Ms. Cutts wrote: "Containers were installed August 30, 2005 for campsites 1-27. This was accomplished using funding from PCWA to the Forest Service through the 2005 Collection Agreement Operating Plan. Campsites 28-40 will be completed by August 15, 2006."

The McGuire Point Day-Use Area continues to be a concern, as problems noted during the 2000 Environmental Inspection persist. Trails to access the individual day-use sites are either non-existent or severely overgrown, the legs of one picnic table had sunk into the ground, the informational sign at one entrance was demolished and lying on the ground, multiple piles of cleared brush have been left lying on the ground throughout the area, and vegetation around the cooking stoves is tall enough to pose a wildfire threat, should anyone attempt to use the area. This day-use area must receive immediate attention to bring it up to standards typical for Commission-approved facilities. You must notify us by the due date described below that:

- The area has been brushed so that trails to all day-use sites are clearly delineated, and that all vegetation near the cooking stoves has been cleared.
- All picnic tables are properly set, with table tops at the correct height and all tables level.
- The informational sign has been replaced.
- All brush piles have been burned in place or physically removed from the area.

In the previously mentioned letter, Ms. Cutts wrote: "The following maintenance items were completed on August 31, 2005:

- a. All (ten) picnic sites have been cleared of flammable vegetation to mineral soil around the tables and grills for a 10-foot radius.*
- b. The picnic tables have been repainted, leveled, and adjusted to the proper height per Forest Service specifications.*
- c. A new information/bulletin board (kiosk) has been installed and the old one removed.*
- d. The Forest Service will burn the brush piles in the fall within the burn prescription. The piles are on the Forest Service Burn Plan to be completed when the moisture conditions are within prescription. Forest Service will notify PCWA when the piles are burned. The goal is to accomplish this by November 15, 2005, depending on weather conditions."*

You mentioned the possible conversion of this day-use area to a group campground. Before any conversion is undertaken you must file to amend the approved Recreation Plan, but the above deficiencies must be completed first, as required recreation facilities

must be adequately maintained and available for public use until the amendment is approved. Your application should include the following:

- Use data that show the need for another group campground at French Meadows Reservoir.
- Design drawings for the proposed group campground.
- Evidence of consultation with the U. S. Forest Service and the California State Historic Preservation Officer.

In the previously mentioned letter, Ms. Cutts wrote: "The Forest Service does not have the use figures to justify converting this facility from a picnic area to a group campground by 2007. The Forest Service will remove this funding request proposed in the 2007 Collection Agreement Operating Plan. Before the Forest Service requests funding for future expansion for a group site, use figures will be provided to PCWA to justify the need."

We greatly value our good working relationship with both national forests and we appreciate the knowledge and experience they bring to the operation and maintenance of the Project recreation facilities. Please call me at (530) 885-6917 if you have any questions.

Sincerely,



Stephen J. Jones
Power System Manager

cc: David A. Breninger
Philip Scordelis
Edward J. Tiedemann

bcc: Ed Horton
Einar Maisch
Mal Toy

Placer County Water Agency

Power System: 24625 Harrison St. • Mail: P.O. Box 667 • Foresthill, California 95631
(530) 367-2291 (530) 885-6917 FAX (530) 367-4440



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Otis Wollan • Lowell Jarvis
Michael R. Lee*

*David A. Breninger, General Manager
Ed Tiedemann, General Counsel*

August 29, 2005

Mr. Steven T. Eubanks, Forest Supervisor
TAHOE NATIONAL FOREST
631 Coyote Street
Nevada City, CA 95959-2250

Re: FERC Environmental Inspection of the Middle Fork American River Project
FERC Project No. 2079

Dear Mr. Eubanks:

Mr. Philip Scordelis, Staff Fishery Biologist, FERC Division of Hydropower Administration and Compliance, conducted an Environmental Inspection of the Middle Fork American River Project on July 20-21, 2005. Enclosed is a follow-up letter dated August 16, 2005, from Mr. George H. Taylor, Chief, Biological Resources Branch, Division of Hydropower Administration and Compliance. This letter lists a number of items that require our attention, ten of which concern the recreation facilities in the French Meadows area that are operated and maintained by Tahoe National Forest (TNF) under Collection Agreement 03-CO-11051754-014 between Placer County Water Agency (PCWA) and TNF. One of our employees has cut the grass growing around the fire ring at Site 37 in the Lewis Campground. We need to provide a plan and schedule to FERC by October 15, 2005, and we are hoping TNF can take care of these items as part of the operation and maintenance performed under the collection agreement.

The McGuire Picnic site presents a special challenge since FERC has ordered that a considerable amount of work be completed by October 15, 2005. We have already contacted the American River Ranger District of Foresthill in regard to the rapid response required. The letter also addresses the proposal to convert the McGuire Picnic site to a 50 person group campground, which our letter dated August 16, 2005 also addressed.

We would be happy to meet with you to discuss the items requiring attention. If you have any questions or concerns, please contact me at 530-885-6917.

Sincerely,

PLACER COUNTY WATER AGENCY

Stephen J. Jones
Power System Manager



United States
Department of
Agriculture

Forest
Service

American River
Ranger
District

22830 Foresthill Road
Foresthill, CA
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File Code: 2730

Date: September 4, 2005

Mr. Steve Jones
Power Systems Manager
Placer County Water Agency
PO Box 667
Foresthill CA 95631

RECEIVED

SEP 09 2005

PLACER COUNTY WATER AGENCY

Dear Mr. Jones:

Per the Federal Energy Regulatory Commission's July 21, 2005 inspection of the French Meadows Recreation Facilities, the following is a schedule of the items that will be maintained, repaired or replaced that pose a health and safety risk identified in the inspection.

1. French Meadows Day-Use Picnic Area

The boards that cross the ephemeral stream will be removed by October 30, 2005. This structure is not an approved Forest Service design. The boards have created a dam holding back the larger boulders and gravel. The large boulders will be removed for safe crossing. If a foot-traffic crossing structure is needed we will utilize our Best Management Practices Guidelines for a stream crossing with an approved Forest Service design.

2. RV Dump Station Building

The Forest Service has no desire to restore or maintain the building and will prepare a plan to have it removed by August 2006. There are two options for removal: (1) the Forest Service could remove the building using funding provided by PCWA through the revised 2006 Collection Agreement Operating Plan. Rather than spend \$7000 for design of a new group campground, this funding could be readjusted for building removal; or (2) PCWA could remove the building at the request of the Forest Service.

3. Prairie Wolf Group Campsite Gate

The Forest Service installed this gate. This was an approved Forest Service design and PCWA should not be held responsible for repair or replacement. The Forest Service will remove this gate by October 30, 2005. Rock barriers will be set in place to prevent vehicle access into the group area or the Forest Service will replace the gate with a new one by August 2006.

4. Lewis Campground Site #37

The concrete grill and fire ring were removed August 8, 2005 and replaced with a fire ring and adjustable grill combination. A 5-foot diameter fire clearance to mineral soil was completed.

5. Lewis Campground Bear-Proof Food Storage Containers

Containers were installed August 30, 2005 for campsites 1-27. This was accomplished using



funding from PCWA to the Forest Service through the 2005 Collection Agreement Operating Plan. Campsites 28-40 will be completed by August 15, 2006.

6. McGuire Picnic Area

The following maintenance items were completed on August 31, 2005:

- a. All (ten) picnic sites have been cleared of flammable vegetation to mineral soil around the tables and grills for a 10-foot radius.
- b. The picnic tables have been repainted, leveled, and adjusted to the proper height per Forest Service specifications.
- c. A new information/bulletin board (kiosk) has been installed and the old one removed.
- d. The Forest Service will burn the brush piles in the fall within the burn prescription. The piles are on the Forest Service Burn Plan to be completed when the moisture conditions are within prescription. Forest Service will notify PCWA when the piles are burned. The goal is to accomplish this by November 15, 2005, depending on weather conditions.

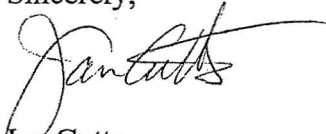
7. McGuire Group Campground Conversion

The Forest Service does not have the use figures to justify converting this facility from a picnic area to a group campground by 2007. The Forest Service will remove this funding request proposed in the 2007 Collection Agreement Operating Plan. Before the Forest Service requests funding for future expansion for a group site, use figures will be provided to PCWA to justify the need.

We hope that the maintenance items identified in the FERC inspection have been completed within the time frame to satisfy both the Water Agency and the Commission.

If you have any questions, feel free to call me.

Sincerely,



Jan Cutts
District Ranger

Placer County Water Agency

Power System: 24625 Harrison St. • Mail: P.O. Box 667 • Foresthill, California 95631
(530) 367-2291 (530) 885-6917 FAX (530) 367-4440



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Michael R. Lee

David A. Breninger, General Manager
Ed Tiedemann, General Counsel

August 29, 2005

Mr. John D. Berry, Forest Supervisor
Eldorado National Forest
100 Forni Road
Placerville, CA 95667

RE: FERC Environmental Inspection of the Middle Fork American River Project
FERC Project No. 2079

Dear Mr. Berry:

Mr. Philip Scordelis, Staff Fishery Biologist, FERC Division of Hydropower Administration and Compliance, conducted an Environmental Inspection of the Middle Fork American River Project on July 20-21, 2005. Enclosed is a follow-up letter dated August 16, 2005, from Mr. George H. Taylor, Chief, Biological Resources Branch, Division of Hydropower Administration and Compliance. This letter lists a number of items that require our attention, five of which concern the recreation facilities in the Hell Hole area that are operated and maintained by Eldorado National Forest (EDNF) under Collection Agreement 03-CO-11050353-012 between Placer County Water Agency (PCWA) and EDNF. One of our employees has cut the grass growing around the fire ring at the Hell Hole Campground, and on August 19th Jon Jue and I discussed the deteriorated condition of the panoramic sign at the Hell Hole Vista. We need to provide a plan and schedule to FERC by October 15, 2005, and we are hoping EDNF can take care of these items as part of the operation and maintenance performed under the collection agreement. A meeting has already been scheduled for September 26, beginning at 10:00 a.m., at the Georgetown Ranger District Office for representatives of EDNF, Pacific Gas and Electric Company and PCWA to meet to discuss the proposed 2006 Financial Project Plan listed in Amendment #2 to the collection agreement. We would like to request that we also discuss the items listed in FERC's follow-up letter.

If you have any questions or concerns, please contact me at 530-885-6917.

Sincerely,

PLACER COUNTY WATER AGENCY

Stephen J. Jones
Power System Manager

FEDERAL ENERGY REGULATORY COMMISSION
Washington, D. C. 20426

RECEIVED

AUG 16 2005

OFFICE OF ENERGY PROJECTS

FERC No. 2079
Middle Fork American River Project
Placer County Water Agency

Mr. Steve Jones
Power Systems Manager
Placer County Water Agency
P. O. Box 667
Foresthill, CA 95631

AUG 16 2005

Subject: Environmental Inspection Follow-Up Matters

Dear Mr. Jones:

Philip Scordelis, staff fishery biologist, completed an Environmental Inspection of the Middle Fork American River Project on July 21, 2005. He noted several items that require your attention.

Hell Hole Reservoir

Several of the stones used to construct the stairs at the Hell Hole Reservoir Overlook were loose and posed a tripping hazard.; these stones should be grouted back into place. Additionally, the material used to effect earlier repairs to the stairs, which appears to be a caulking compound, creates a harsh contrast to the original mortar; this should be removed and replaced with a material similar to the original grout. Please provide us with your schedule to complete this work.

The panoramic display at the overlook has weathered and is no longer fully legible. A schedule to replace the display is needed.

Those campsites at the Big Meadow Campground located within the archaeological area have not been upgraded, although you reported the required survey has been funded. Information on the cause of the delay and the schedule to complete the upgrades is required.

Grass has grown around the fire ring at the Hell Hole Family Campground site closest to the lake (site number not observed). The grass should be cut immediately to eliminate the potential for a wildfire.

French Meadows Reservoir

The planks that provide a crossing of the ephemeral stream at the French Meadows Day-Use Area are worn, out of position, and have several large protruding nails. A plan and schedule to improve this crossing is required.

The abandoned information kiosk at the new RV sanitary dump poses both a health and safety hazard. A plan and schedule to remove this facility is needed if there are no plans to refurbish it.

Snow loading has damaged the gate that prevents vehicles from entering the prohibited area at the Prairie Wolf Group Campsite. A schedule to repair or replace this gate is needed.

Grass has grown around the fire ring at Site 37 in the Lewis Family Campground. This grass should also be cut immediately.

Not all sites at the Lewis Family Campground have bear-proof food lockers. A camper reported that a bear had entered their vehicle to access to food in an ice chest. A schedule to provide bear-proof food lockers at sites in this campground is required.

The McGuire Point Day-Use Area continues to be a concern, as problems noted during the 2000 Environmental Inspection persist. Trails to access the individual day-use sites are either non-existent or severely overgrown, the legs of one picnic table had sunk into the ground, the informational sign at one entrance was demolished and lying on the ground, multiple piles of cleared brush have been left lying on the ground throughout the area, and vegetation around the cooking stoves is tall enough to pose a wildfire threat, should anyone attempt to use the area. This day-use area must receive immediate attention to bring it up to standards typical for Commission-approved facilities. You must notify us by the due date described below that:

- The area has been brushed so that trails to all day-use sites are clearly delineated, and that all vegetation near the cooking stoves has been cleared.
- All picnic tables are properly set, with table tops at the correct height and all tables level.
- The informational sign has been replaced.
- All brush piles have been burned in place or physically removed from the area.

You mentioned the possible conversion of this day-use area to a group campground. Before any conversion is undertaken you must file to amend the approved Recreation Plan, but the above deficiencies must be completed first, as required recreation facilities must be adequately maintained and available for public use until the amendment is approved. Your application should include the following:

- Use data that show the need for another group campground at French Meadows Reservoir.
- Design drawings for the proposed group campground.
- Evidence of consultation with the U. S. Forest Service and the California State Historic Preservation Officer.

Within 60 days of the date of this letter, send an original and seven copies of your responses to these matters to:

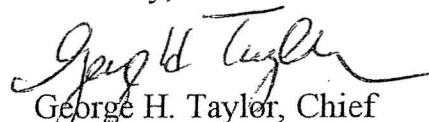
Office of the Secretary
Federal Energy Regulatory Commission
888 First Street, Northeast
Washington, D. C. 20426

A copy of your response should be sent under separate cover to:

Mr. Philip Scordelis
FERC, DHAC
901 Market Street, Suite 350
San Francisco, CA 94103

The inspection report should be available at the Commission's website (e-Library at <http://elibrary.ferc.gov>) in approximately 45 days. If you have any additional information or questions about these matters, contact Mr. Scordelis at (415) 369-3335.

Sincerely,



George H. Taylor, Chief
Biological Resources Branch
Division of Hydropower Administration
and Compliance

Placer County Water Agency

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Otis Wollan • Lowell Jarvis
Michael R. Lee
David A. Breninger, General Manager
Ed Tiedemann, General Counsel*

August 16, 2005

Mr. Steven T. Eubanks, Forest Supervisor
TAHOE NATIONAL FOREST
631 Coyote Street
Nevada City, CA 95959-2250

Re: Proposed Future Recreation Improvements – New Group Campground

Dear Mr. Eubanks:

In April 2005 the Tahoe National Forest (TNF) and the Placer County Water Agency (PCWA) approved Amendment #2 to the Collection Agreement for the operation and maintenance of the recreation facilities primarily in the French Meadows Reservoir area. One of the improvements that TNF has proposed in this amendment concerns converting the McGuire Picnic site to a 50 person group campground. TNF has proposed that \$7,000 be budgeted in 2006 for planning and designing this conversion, and that \$280,000 be budgeted in 2007 for implementing the conversion. Proposed improvements of this kind are addressed in the FERC Order issued on April 27, 1992 concerning the Revised Recreation Plan. Under the heading, "Future Recreational Development", on page 2 of the order, the possible future development of an additional group camp and/or a 30 unit campground is mentioned.

The Order states on Page 3:

Although the licensee's proposed triggering mechanism does not completely answer the questions of when and what recreational development is warranted, it is an indication of possible need and should be retained in the plan. If the need for new development is triggered, the licensee should file an application to amend its recreation plan to allow the Commission to evaluate the effects of the licensee's development proposals. However, the Commission will not rely on the triggering mechanisms as the sole means to determine when additional recreation development is necessary.

The Order goes on to state that the project license will be amended to include a new article, article 46, and that "the article will permit additional review of recreational facilities needs, and allow for such additional recreational development as demonstrated to be necessary."

The revised recreation plan states on page 18, "Licensee also believes the provision of additional Project recreation facilities should be based upon demonstrated need . . ." The "triggering mechanism" proposed in the revised recreation plan on page 24 is presented as follows:

Licensee also proposes that a 50 PAOT group camp be constructed on the basis of demonstrated need and consistent with the carrying capacity of the area. The need will be demonstrated when six of the seven group camp sites are reserved to groups of 75 percent of the designed PAOT capacity for 14 weekend days between Memorial Day weekend and Labor Day weekend, but excluding these weekends and the July fourth weekend, for two consecutive years. This facility will be constructed three years after the year in which the need is demonstrated and will be constructed near the McGuire Beach area. Components will include parking to accommodate large vehicles, cooking grills, picnic tables, vault-type sanitary facilities, and potable water.

Concerning the use of a "triggering mechanism" to validate demonstrated need, the Order states on page 3:

Problems exist with the triggering mechanism scheme for group camps so the scheme should not be relied upon as the sole means of determining the recreational needs of the project. The licensee's triggering mechanism puts too much emphasis on the separate group camps being used to capacity. The group camps will presumably be occupied by one group at a time. Occupancy by any size group will fully utilize a given group camp regardless of the number of campers at the site. Thus, the licensee's triggering mechanism, requiring a site to be reserved to 75 percent of capacity, would tend to underestimate the use of the camps. As such, the size of the group should not be considered in determining the need for new facilities. In addition, the mechanisms will not take into account the potential for changing public preference in recreation activities (if group camps fall out of favor) over the course of time.

Based on direction given in the FERC order, before TNF proceeds with the planning and design to convert the McGuire Picnic site to a 50 person group campground, PCWA needs to file an application to amend its recreation plan with the Commission and provide the Commission the present use data of the group campgrounds and any other information that the Commission should take into account to determine if this proposed conversion has been demonstrated to be necessary. We would like to have the use data for the most recent two consecutive years and any other reasons the Forest Service has for proposing this conversion.

We also will need to present this proposal to the California State Department of Water Resources (DWR) in accordance with the terms of a contract between DWR and PCWA (known as the Davis-Grunsky contract) under which funds were provided for the initial construction of the recreation facilities.

If you have any questions or concerns, please contact me at 530-885-6917.

Sincerely,

PLACER COUNTY WATER AGENCY

A handwritten signature in cursive script that reads "Stephen J. Jones".

Stephen J. Jones
Power System Manager

cc: David Breninger
Kevin Goishi
Philip Scordelis
Ed Tiedemann
Mal Toy
Matt Triggs, Acting District Ranger

Placer County Water Agency

Power System: 24625 Harrison St. • Mail: P.O. Box 667 • Foresthill, California 95631
(530) 367-2291 (530) 885-6917 FAX (530) 367-4440



A Public Agency

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Ed Tiedemann, General Counsel*

August 12, 2005

Mr. Philip Scordelis, Staff Fishery Biologist
FEDERAL ENERGY REGULATORY COMMISSION
901 Market Street, Suite 350
San Francisco, CA 94103

Re: FERC Project No. 2079-CA

Dear Mr. Scordelis:

Following up on your Environmental Inspection of the Middle Fork Project on July 20-21, 2005, and your request made over the phone on August 9, 2005, enclosed are copies of the following documents:

1. Agreement between PCWA and the Forest Service for the O&M of the recreational facilities, dated August 3, 1965.
2. Letters dated January 10 and 17, 1986, from Geri Larson to Steve Jones and letter dated January 15, 1986 from Steve Jones to Geri Larson concerning O&M of the recreation facilities.
3. Letter dated October 10, 1997 from John Skinner to Steve Jones concerning financing recreation facilities' O&M.
4. A copy of the current O&M collection agreement between PCWA and the Forest Service.
5. A copy of the current planned and projected O&M work out through 2008.

Sincerely,

PLACER COUNTY WATER AGENCY

Stephen J. Jones
Power System Manager

cc: David Breninger



United States
Department of
Agriculture

Forest
Service

Tahoe
National
Forest

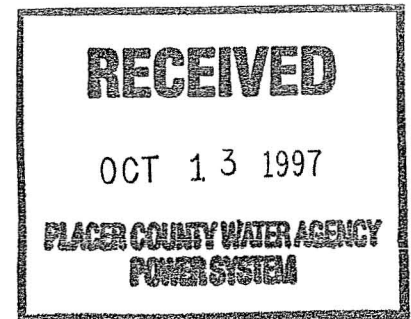
631 Coyote Street
Nevada City, CA 95959-2250

(916) 265-4531
TDD (916) 478-6118
FAX (916) 478-6109

File Code: 2770

Date: OCT 10 1997

Mr. Stephen Jones
Power System Manger
Placer Co. Water Agency
P.O. Box 667
Foresthill, CA 95631



Dear Mr. Jones:

I was pleased to hear that you and Dave Breninger were able to meet with members of my staff and the Eldorado National Forest on Monday, October 6, 1997. As agreed by the participants that day, this letter will serve to document the meeting and the discussion items.

In attendance were:

Steve Jones and Dave Breninger of Placer County Water Agency (PCWA); Rich Johnson, Harlan Hamburger, and Pete Brost of the Tahoe National Forest; and Art Allen and Lester Lubetkin of the Eldorado National Forest.

The purpose of the meeting was to discuss your French Meadows - Hell Hole F.E.R.C. Project #2079, and specifically the responsibilities of recreation management regarding this project.

Pete Brost and the Forest Service personnel discussed with you the consistently declining Forest recreation budget that has been on-going for the past 10 years or so, and the staffing reductions that have resulted. It was because of these reductions that the Forest Service initiated the campground concession program over the past 10 years. Continuing budget and staffing reductions, however, are currently not adequate to properly administer the campground concession permits, respond to facility operation/maintenance/replacement needs, or manage recreation activities and users outside of permitted concession sites but within the project boundary. There is nothing to indicate this trend will not continue. Because of this situation the Tahoe and Eldorado National Forest's reluctantly must resort to implementing Clause C.4 in the

"AGREEMENT BETWEEN THE PLACER COUNTY WATER AGENCY AND THE U.S. FOREST SERVICE FOR THE ADMINISTRATION, OPERATION, AND MAINTENANCE OF THE RECREATION FACILITIES ON THE MIDDLE FORK AMERICAN RIVER PROJECT ON THE ELDORADO AND TAHOE NATIONAL FOREST'S.",

dated July 29, 1965, by PCWA and August 3, 1965, by Forest Service which states,

Caring for the Land and Serving People





"That during any period in which Federal appropriations do not permit the Service to carry out its obligations under this agreement, the Service will permit the Agency, pursuant to the provisions of Section 7 of the Granger-Thye Act (16 USC 580d) or any other applicable Federal law, to administer, operate, and maintain the recreation facilities at the District's expense."

The effective date of PWCA accepting the responsibility of Clause C.4 is January 1, 1998.

The group briefly discussed the range of options open to PCWA in taking over the recreation responsibilities described above. At one end of the spectrum was taking over all administration, operation, and maintenance with PCWA employees, or operating with a combination of PCWA employees and PCWA concessionaires. The other end of the spectrum seemed to be keeping operations as they currently are. That is, Forest Service operating and managing, through employees, concessionaire, or both, and PCWA paying for these costs. The latter approach seemed to be your preference. I want you to know that I support that approach, and my staff and I are willing to work with you on a mutually beneficial arrangement that would accomplish that objective.

The group discussed the existing concession operation at French Meadows, and estimated a very rough cost of about \$25,000 for the routine, annual operation, maintenance, and administration of this permit. Recreation management needs outside the concession permit boundary, but within the project boundary still need to be factored in. Also discussed were the Forest Service employee-operated facilities in the Big Meadows and Hell Hole areas of the Eldorado National Forest where they very roughly estimated their annual operating and maintenance costs at about \$35,000. These figures were estimates. It was explained we would have to more specifically itemize costs to display for you assuming you choose the approach of Forest Service operating facilities for you through a Collection Agreement. What these estimates clearly do not include are the capitalization costs (heavy maintenance, reconstruction, replacement, etc.) that are necessary for the protection of the investment. These amounts would most likely vary annually based on needs, problems and priorities. However, they do need to be considered, planned for, and built into a long-term budget.

Apparently we still need to follow-up on the question of administration sites (at French Meadows and Hell Hole), as our interpretation is that they are a support facility, listed in Exhibit II of the previously referenced Agreement, and therefore would be under your responsibility along with the recreation improvements. You had information that suggested otherwise and we would like to explore that with you. There also were discussions regarding investigating the opportunities of a Forest Service concession operation at the Hell Hole - Big Meadows area. We will continue to discuss this with you and explore opportunities for implementation or a similar operation that meet your needs.

If you could let me know as soon as possible regarding the management and operational approach you would like to use in 1998, I will notify my staff and concessionaire as soon as I hear from you. Assuming your preference is that which was discussed at the meeting, then our next steps would be to develop more detailed cost estimates, with itemization, operational changes if desired (e.g., Hell Hole), and prepare a Collection Agreement. Whatever approach you





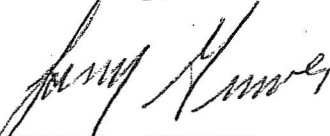
Mr. Stephen Jones, PCWA

3

select we still need to notify FERC of this change. As was stated at the meeting, I recommend a joint letter to FERC, demonstrating a cooperation between our organizations.

In summary, this was a first step in moving into a new way of doing business for both our organizations. A significant financial burden is being shifted from the Forest Service to PCWA. I want you to know I recognize and understand the implications of this change. I also want you to know that my entire staff and I regret having to take this action. Providing recreation services and opportunities for the public is one of the basic missions of the Forest Service. We see ourselves as professional and competent recreation providers. Furthermore, we enjoy the partnership that exists between the various water agencies (FERC licensees), FERC, and the Forest Service. The arrangement that has been in place since 1966 has met everyone's needs and served the public well. It is unfortunate that for the past 10-15 years Forest Service ability to contribute to the original intent of the Agreement has been constantly eroding. So it is now very disappointing to us to require the burden of responsibility for providing recreation services and facilities for the public within this project area to be borne so heavily by PCWA.

Sincerely,

for 
JOHN H. SKINNER
Forest Supervisor

cc:

Pete Brost, S.O.
Bill Haire, S.O.
Bonnie Petitt, S.O.
Rich Johnson, FHRD
Lester Lubetkin, ENF





UNITED STATES
DEPARTMENT OF
AGRICULTURE

FOREST
SERVICE

Tahoe
National
Forest

Highway 49
and Coyote Street
Nevada City, CA 95959

RECEIVED
JAN 14 1986

POWER SYSTEMS DIVISION

Reply To: 2330

Date: JAN 10 1986

Mr. Steve Jones
Placer County Water Agency
P.O. Box 667
Foresthill, Calif. ~~95631~~
95631

Dear Mr. Jones:

As Bill Haire informed you on January 8, 1986, the Tahoe National Forest will soon issue a prospectus for the operation and maintenance of the recreation facilities at Bullards Bar Reservoir. Before we issue the prospectus we need to know that the Yuba County Water Agency does not wish to operate the recreation facilities. From your conversation with Mr. Haire, it is my understanding that the Water Agency does not want to operate the facilities. I also understand that you have no objection to the Forest Service issuing a special use permit for the private operation of the facilities. I will appreciate it if you will confirm this.

A copy of the prospectus will be mailed to you.

Sincerely,

for Gerald J. Walden
GERI B. LARSON
Forest Supervisor





PLACER COUNTY WATER AGENCY

POWER SYSTEMS DIVISION

P.O. BOX 667

FORESTHILL, CALIFORNIA 95631

TELEPHONE (916) 367-2291 / (916) 885-6917

4110
Tahoe National Forest
US Forest Service
- A Public Agency -

Board of Directors

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R.G. Riolo

S.J. Jones, Manager

January 15, 1986

Ms. Geri B. Larson
Forest Supervisor
UNITED STATES DEPARTMENT OF AGRICULTURE
TAHOE NATIONAL FOREST
Highway 49 and Coyote Street
Nevada City, CA 95959

Dear Ms. Larson:

Enclosed is a copy of the letter we received on January 14th, which we found a little confusing. When I talked to Bill Haire on January 8th, 1986, he stated that you folks would be issuing a prospectus for the operation and maintenance of the recreational facilities in the French Meadows Reservoir area. We have no objection to the Forest Service issuing a special use permit for the private operation of the facilities in that area. We know that the Forest Service has experience in contracting with private concessionaires to operate recreational facilities, and we hope that this arrangement will work out well in the coming year.

Sincerely,

PLACER COUNTY WATER AGENCY

Stephen J. Jones
Power Systems Manager

SJ:lk

Enclosure First County in California to Develop Its Own Water Resources



UNITED STATES
DEPARTMENT OF
AGRICULTURE

FOREST
SERVICE

Tahoe
National
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Highway 49
and Coyote Street
Nevada City, CA 95959

RECEIVED

JAN 14 1986

POWER SYSTEMS DIVISION

Reply To: 2330

Date: JAN 17 1986

Mr. Steve Jones
Placer County Water Agency
P.O. Box 667
Foresthill, Calif. ~~95901~~
95631

Dear Mr. Jones:

Please disregard our letter dated January 10, 1986. It should have read as follows:

As Bill Haire informed you on January 8, 1986, the Tahoe National Forest will soon issue a prospectus for the operation and maintenance of the recreation facilities at French Meadows Reservoir. Before we issue the prospectus we need to know that the Placer County Water Agency does not wish to operate the recreation facilities. From your conversation with Mr. Haire, it is my understanding that the Water Agency does not want to operate the facilities. I also understand that you have no objection to the Forest Service issuing a special-use permit for the private operation of the facilities. I will appreciate it if you will confirm this.

A copy of the prospectus will be mailed to you.

Sincerely,

Gerard J. Walden
GERI B. LARSON
Forest Supervisor



FEDERAL ENERGY REGULATORY COMMISSION
Office of Energy Projects
Division of Hydropower Administration and Compliance
901 Market Street, Suite 350
San Francisco, CA 94103

RECEIVED

JUN 16 2005

June 14, 2005

FERC No. 2079
Middle Fork American River Project
Placer County Water Agency

Mr. Steve Jones
Power Systems Manager
Placer County Water Agency
P. O. Box 667
Foresthill, CA 95631

Subject: Environmental Inspection

Dear Mr. Jones:

This letter confirms arrangements I made with you for an Environmental Inspection of the Middle Fork American River Project. I will meet you at your Foresthill office at 8 a.m. on July 20, 2005. The inspection will include all project-related recreational, biological, cultural, pollution control, and public safety features. I anticipate the inspection will require two days.

You may incur some additional expenses from shared transportation during my inspection. I will bring forms and instructions so that you may request reimbursement from FERC for any pro-rated vehicle or aircraft expenses used for the inspection.

By copy of this letter, appropriate state and Federal agencies are informed of the inspection arrangements in the event they wish to arrange for a representative to accompany the inspection party. Agency staff interested in attending the inspection should notify me at (415) 369-3335.

Sincerely,



Philip Scordelis
Staff Fishery Biologist
Division of Hydropower Administration
and Compliance

cc: FERC Coordinator
Habitat Conservation Division
California Department of Fish and Game
1416 Ninth Street
Sacramento, CA 95814

State of California
Department of Fish and Game
Region 2
1701 Nimbus Road, Suite A
Rancho Cordova, CA 95670

State of California
Water Resources Control Board
Division of Water Rights
P. O. Box 2000
Sacramento, CA 95812-2000

State of California
Department of Parks and Recreation
1416 Ninth Street
Sacramento, CA 95814

State of California
Office of Historic Preservation
P. O. Box 942896
Sacramento, CA 94296-0001

Field Supervisor
Ecological Services
U. S. Fish and Wildlife Service
2800 Cottage Way, Room W-2605
Sacramento, CA 95825

FERC Liaison
U. S. Geological Survey
8550 23rd Avenue
Sacramento, CA 95826

California Hydro Program
National Park Service
2800 Cottage Way W-1834
Sacramento, CA 95825

Mr. Robert Hawkins
Regional Hydropower Coordinator
U. S. Forest Service
650 Capitol Mall, Suite 8-200
Sacramento, CA 95814

Forest Supervisor
Tahoe National Forest
631 Coyote
Nevada City, CA 95959

Forest Supervisor
El Dorado National Forest
100 Forni Road
Placerville, CA 95667