

# 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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## PCWA-L-340

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

A handwritten signature in cursive script that reads "Stephen J. Jones". The signature is written in black ink and is positioned above the printed name and title.

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

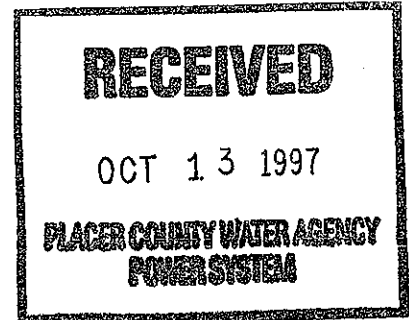
(916) 265-4531  
TDD (916) 478-6118  
FAX (916) 478-6109

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





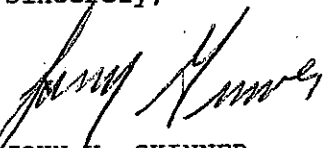
Mr. Stephen Jones, PCWA

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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

Caring for the Land and Serving People





UNITED STATES  
DEPARTMENT OF  
AGRICULTURE

FOREST  
SERVICE

Tahoe  
National  
Forest

Highway 49  
and Coyote Street  
Nevada City, CA 95959  
POWER SYSTEMS DIVISION

RECEIVED

JAN 14 1986

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 Geri B. Larson*  
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

4112  
Tahoe NAT'L Forest  
U.S. Forest Service  
- A Public Agency -  
Board of Directors

E.W. Horton • Joaquin Farinha  
Edwin Koster • J.K. Norman  
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  
Forest

Highway 49  
and Coyote Street  
Nevada City, CA 95959

RECEIVED

JAN 24 1986

POWER SYSTEMS DIVISION

Reply To: 2330

Date: JAN 17 1986

Mr. Steve Jones  
Placer County Water Agency  
P.O. Box 667  
Foresthill, Calif. ~~95961~~  
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,

*Ger B. Larson*  
GERI B. LARSON  
Forest Supervisor

