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8.14 SOCIOECONOMICS ENVIRONMENTAL EFFECTS

This section describes potential impacts to socioeconomics under the Proposed Action for the Middle Fork American River Project (MFP or Project). Section 4.0 – Proposed Action (including Tables 4-4, 4-5, and 4-6) provides a description of routine operation and maintenance activities to be implemented under the Proposed Action compared to the No-Action Alternative. Appendix A – Modified or New Facilities Construction Activities and Concept Designs includes a description of facility modification and construction activities to be implemented under the Proposed Action.

Potential impacts to socioeconomics have been identified based on changes in routine maintenance activities, implementation of non-routine recreation facility activities, and modification of existing or construction of new facilities. Impacts to socioeconomics are evaluated as follows:

- Changes in temporary and long-term workforce;
- Changes in housing demand and real estate/property tax base;
- Demand for public services;
- Effects on local and regional economy and local and state tax revenue;
- Displacement of residences/business establishments and effects on property value; and
- Environmental justice effects.

A description of potential impacts to socioeconomics from implementation of the Proposed Action is provided below. Unavoidable adverse effects are also discussed at the end of this section.

8.14.1 Changes in Temporary and Long-term Workforce

The total Placer County workforce consisted of approximately 137,700 individuals in 2008 (Table 7.14-4). Under the Proposed Action, the workforce associated with the MFP will increase on a temporary basis to complete the required construction and modification of Project facilities, Project recreation facilities, and Project roads. These activities are concentrated during the first six years following license issuance and result in a very modest increase of approximately 53–120 temporary workers (total for all project activities spread over the six year period). In addition, the project activities only occur between the months of June through December in each year (Table 8.14-1). To the extent practical, local workforce and resources will be utilized during these activities.

Placer County Water Agency's (PCWA) workforce will increase by three full-time employees (from 179 to 182) to implement the Proposed Action over the term of the new license. These employees will work out of offices in either Auburn or Foresthill.

Overall, the increase in the temporary and full-time workforce necessary to implement the Proposed Action will have a negligible impact on employment in Placer County.

8.14.2 Changes in Housing Demand and Real Estate/Property Tax Base

The workforce necessary to complete the construction and modification projects under the Proposed Action will be comprised of local residents and/or temporary workers. Depending on the specific project, the temporary workers will be housed in commercial lodging in Auburn and Foresthill or at the MFP Dormitory Facility. Due to the temporary and seasonal nature of the work and the use of existing commercial lodging, housing demand in the area will be unaffected by the construction and modification projects. Similarly, the addition of three full-time workers to PCWA's workforce (currently 179) over the term of the new license will have a negligible effect on housing demand. In both cases, the real estate/property tax base in the local communities will remain unchanged under the Proposed Action.

8.14.3 Demand for Public Services

The demand for public services including law enforcement and public safety; fire protection; emergency services/response; road maintenance and repairs; and educational facilities does not measurably increase under the Proposed Action. The minor increase in demand for public services from the temporary workforce necessary to complete the construction and modification projects during the first six years following license issuance is negligible. Similarly, the addition of three full-time workers to PCWA's workforce over the term of the new license will have a negligible effect on the demand for public services.

8.14.4 Effects on Local and Regional Economy and Local and State Tax Revenue

The local and regional economy will benefit under the Proposed Action. The total average annual income of the temporary employees generated from construction and modification projects during the first six years following license issuance will be approximately \$493,267 (range \$308,467–\$678,067). A portion of temporary worker earnings will be spent in local area generating both revenue for businesses and sales tax for state and local government. Similarly, a portion of the annual income of the three additional PCWA employees (total of \$375,000 annually over the term of the new license) will generate revenue for businesses and sales tax proceeds for state and local governments. State income tax revenue will also increase based on taxes on temporary and full-time worker earnings under the Proposed Action.

Although benefits to the local and regional economy will occur under the Proposed Action, these benefits are relatively small in comparison to the overall economy of Placer County. In 2008, the most recent year data is available, total personal income in Placer County was approximately \$16 billion.

Net revenue produced from the sales of MFP electricity generated after April 30, 2013 will contribute to the local and regional economy. Currently, the generation output of the

MFP is contractually obligated to Pacific Gas & Electric Company (PG&E) pursuant to the Middle Fork Project Power Purchase Contract, dated April 30, 1963. PCWA does not receive any net revenue from MFP generation provided to PG&E in accordance with the current contract. The contract expires on April 30, 2013. After that time, net revenue from MFP power sales will be split equally (50/50) by PCWA and Placer County. These revenues will be used by PCWA and Placer County during the term of the new license to fund local projects to benefit the people of Placer County.

Under the Proposed Action, implementation of the Instream Flow and Reservoir Minimum Pool Measure (IFRM) (PCWA 2011; SD A) reduces average annual generation by approximately 4.59% and results in a change in net annual benefit from the No-Action Alternative of \$3,953,060. Similarly, implementation of new environmental measures, programs, and facilities under the Proposed Action further reduces net revenue by a total annualized cost of \$1,609,500 (refer to Section 11.0 – Economic Analysis). These reductions in net revenue result in a corresponding decrease in the funding of local projects by PCWA and Placer County. The combined annual budgets of the County of Placer and PCWA for the 2010 fiscal year is \$872 million. Therefore, the overall reduction to the local economy from implementation of the Proposed Action is considered negligible.

However, the Proposed Action enhances recreation resources in the vicinity of the MFP. As described Section 8.9 – Recreation Resources Environmental Effects, benefits to recreation resources include:

- Increased recreational boating opportunities in the bypass and peaking reaches;
- Improved stream-based angling opportunities and experience;
- Greater access to Project reservoirs;
- Facilitates trip planning by providing publicly available real-time flow and reservoir water surface elevation information, and brochures and maps;
- Enhanced recreation opportunities by providing additional group camping;
- Relieves congestion and improves recreational experience at Indian Bar Rafter Access; and
- Improves dispersed recreation opportunities.

Implementation of the Proposed Action maintains recreation use of the vicinity of the MFP and continues to benefit the economy of local communities.

8.14.5 Displacement of Residences/Business Establishments and Effects on Property Value

The MFP is located in a heavily forested, rural in nature, and sparsely populated area. The Project facilities are situated on public land managed by the Eldorado National

Forest (ENF) and Tahoe National Forest (TNF) or private property owned by PCWA. There are no residential or commercial developments in the immediate vicinity of the Project. The nearest population center is Foresthill (population 1,791) located approximately four miles west-northwest of Ralston Afterbay. The construction and modification projects will occur at or in the immediately vicinity of existing Project facilities and Project recreation facilities. As such, no residences or business establishments will be affected by the Proposed Action. Property values will be unaffected by implementation of the Proposed Action.

8.14.6 Environmental Justice Effects

Environmental justice effects occur if low-income or minority populations incur a disproportionately high share of adverse socioeconomic effects cause by implementation of an action. There are no adverse socioeconomic effects incurred by the Proposed Action. Therefore, there are no impacts related to environmental justice.

8.14.7 Unavoidable Adverse Effects

There are no unavoidable adverse socioeconomic effects under the Proposed Action.

LITERATURE CITED

Placer County Water Agency. 2011. Instream Flow and Reservoir Minimum Pool Measure. Available in PCWA's Application for New License – Supporting Document A.

TABLES

Table 8.14-1. Number of Construction Personnel by Project Activity.

Activity	Construction Window	Construction Duration (days)	Actual Working Days	Implementation Schedule Year Following License Issuance	Total Workforce over 6-Year Period	Total Number of Person-days over 6-year Period		Total Wages over 6-Year Period ^{1, 2}		
						Min	Max	Min	Max	
Hell Hole Reservoir Seasonal Storage Increase Improvement	July–October	120	80	3, 4, or 5	10-20	800	1600	\$560,000	\$1,120,000	
Outlet Works Modifications										
French Meadows Outlet Works Modification	June–December	30	20	1 or 2	2-10	40	200	\$28,000	\$140,000	
Hell Hole Outlet Works Modification	July–November	60	40	2 or 3	6-20	240	800	\$168,000	\$560,000	
Middle Fork Interbay Outlet Works Modification	June–December	30	20	1 or 2	2-15	40	300	\$28,000	\$210,000	
Small Diversion Modifications										
Duncan Creek Diversion Modification	July–November	120	80	2 or 3	6-15	480	1200	\$336,000	\$840,000	
North Fork Long Canyon Creek Diversion Modification	July–November	120	80	3 or 4	6-10	480	800	\$336,000	\$560,000	
South Fork Long Canyon Creek Diversion Modification	July–November	120	80	3 or 4	6-10	480	800	\$336,000	\$560,000	
New Gage Construction										
Middle Fork American River below Interbay Dam (MFARIB)	July–October	7	7	1 or 2	3-4	21	28	\$14,700	\$19,600	
North Fork Long Canyon Creek below Diversion Dam (NFLCC)	July–October	7	7	3 or 4	3-4	21	28	\$14,700	\$19,600	
South Fork Long Canyon Creek below Diversion Dam (SFLCC)	July–October	7	7	3 or 4	3-4	21	28	\$14,700	\$19,600	
North Fork American River above American River Pump Station (NFARPS)	October	7	7	1 or 2	3-4	21	28	\$14,700	\$19,600	
Total						53-120	2644	5812	\$1,850,800	\$4,068,400
Annual Average									\$308,467	\$678,067

¹Assumes 10-hour workday.²Average hourly wage is \$70.

Table 8.14-2. Construction Costs by Project Activity.

Activity	Costs ¹		
	Labor	Materials	Total
Hell Hole Reservoir Seasonal Storage Increase Improvement	\$2,500,000	\$2,500,000	\$5,000,000
Outlet Works Modifications	\$1,250,000	\$1,250,000	\$2,500,000
Small Diversion Modifications	\$3,250,000	\$3,250,000	\$6,500,000
New Gage Construction	\$50,000	\$50,000	\$100,000
Total	\$7,050,000	\$7,050,000	\$14,100,000

¹For the purposes of this spreadsheet we have assumed a 50/50 split between labor and materials costs.