December 19, 2010

Via Electronic Submittal

Hon. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N. E.
Washington, DC 20426

Re Comments on Placer County Water Agency’s Draft License Application for the Middle Fork American River Project #2079

Dear Secretary Bose:

Foresthill Residents for respOnsible Growth, Inc., aka FROG, submits this letter in response to Placer County Water Agency’s submission of its Draft License Application (DLA) for project #2079 on September 27, 2010.

FROG is a non-profit organization whose members are local Foresthill residents. We are concerned about all social, economic and environmental decisions that are made within and around the Middle Fork American River Watershed which could lead to adverse impacts that might ultimately affect the quality of life for local “Hill” residents, the town of Foresthill as well as the pristine beauty of the American River canyons.

1 General Comments

The Middle Fork American River Project with its five hydroelectric powerhouses lies within the Middle Fork American River Watershed and its sub-watersheds. The Foresthill Divide Community Plan area is 109 square miles, includes the town of Foresthill, and has a significantly large portion of privately owned land south of the Foresthill Road within the same watershed (see Exhibit 1a and 1b). The 2000 U. S. Census indicated that the plan area had 2,307 housing units and a population of 5,703. In December, 2008, the Placer County Board of Supervisors approved a Community Plan Amendment substantially increasing the density to 62,948 persons (more than doubling the previous 1981 plan of 28,000).

Foresthill is published in the Federal Register as one of the “urban wildland interface communities in the vicinity of Federal lands that are at high risk from wildfire” because we have
“steep slopes” and a “one way in and...out route”. Additionally CAL FIRE has rated the Foresthill area as a Very High Fire Hazard Severity Zone on their SRA (State Responsibility Area) map. We also understand that twenty-three miles of the Middle Fork American River (which is the Community Plan’s southern boundary and is included in the Middle Fork American River Watershed) are eligible for Wild and Scenic designation under the Wild and Scenic Rivers Act (WSRA) of 1968.

2 Socioeconomics

When Placer County Water Agency (PCWA) established the Technical Working Groups, apparently a Socioeconomic Working Group was not considered by any interested parties nor was it of any urgency at that time for Foresthill residents. Since the approval of the community plan and the possibility of a substantially increased population, traffic congestion, fire danger and jobs-housing imbalance have become primary concerns for the community. If a Socioeconomic Working Group had been established, a much broader discussion could have been included with the Pre-Application Document (PAD) and the DLA about the social and economic condition in the project vicinity...which is Foresthill and the Foresthill Divide Community Plan (FHDCP) area. Foresthill’s general land use patterns (i.e. doubling density), population patterns and sources of employment (i.e. inadequate jobs-housing balance) should have been included in the discussion at some point.

We have noted that there is little discernable information in the PCWA DLA about Foresthill other than the town’s location to the project (4 miles) and its population (1,791). There is no discussion about the remaining 4,000 residents who live within a four to five mile radius of the town. Additionally, the DLA states that “the community of Foresthill is defined as a disadvantaged community with a median household income in 2000 of $34,348”.

Our community has a significant jobs-housing imbalance as recognized by Placer County and is discussed in the FHDCP Policy Document. We were a thriving logging community with lumber mills that processed our timber. But since that time, with the closure of the mills due to changes in the timber industry, Foresthill has become a bedroom community to Auburn and Sacramento with some of our residents traveling many miles to and from work. In the FHDCP Amendment, the County set aside an Industrial Park Zoned District (see Exhibit 2a) with the recommendation that “no other public institutions should be permitted in the area so as to leave as much land as possible for job-generating land uses” (see Exhibit 2b). With the recent purchase (10/30/09) by PCWA of 9.1 acres, they now own more than 50% of the land in the Industrial Park Zoned District (see Exhibit 2c). The property that was purchased consisted of two industrial complex buildings, a 56,624 sq feet structure and a 45,000+/- sq feet structure, as well as a large 11,624 sq feet concrete building (see Exhibit 2d). We understand that PCWA will be moving their operations from another smaller site in town to this much larger site for the necessary daily maintenance and operation of the Middle Fork American River Project. The total full-time employee positions for the Proposed Action will be three...and “they will work out of offices in either Auburn or Foresthill”. 
Attached is a statement that was read during the Public Comments portion of a PCWA Board meeting on September 16, 2010, which voiced our concerns over the loss of valuable jobs-generating land and the lack of references to Foresthill in the Socioeconomic portion of the PAD (see Exhibit 2e).

We request that the socioeconomic portion of the DLA be re-evaluated due to the impact of Foresthill's loss of industrial land to a public entity (PCWA). This land was “to provide opportunities for...job-generating businesses” and is now expected to become part of a much larger on-going, daily operation of the Middle Fork American River Project with little or no benefit to Foresthill.

3 Safety and Flow Recommendations

There’s a nexus with PCWA’s operation of the five hydroelectric dams in the Middle Fork American River Project that will sell electricity, as well as water, and the amount of water released. We feel that flow releases, which are related to generating electricity and marketing water, should also benefit boaters and anglers...both recreational and commercial. The license to operate the Project is for 50 years and many changes will occur during that time. Therefore, we support a more prudent, long-term vision of water availability, transfers, supply obligations and access to same within the Project. This includes, but is not limited to, real-time flow information, precise flow data throughout the Project, increased storage in Ralston Afterbay, improved recreational campsites and sanitation facilities, current safety informational signs and debris cleanup along streams that pose a health and safety issue.

The increased recreational use of the Middle Fork American River brings with it the additional concern of potentially higher fire risk. There is a significant risk of a devastating wildfire that could destroy the Foresthill’s Todd Valley Subdivision (see Exhibit 1b). The Placer County Local Hazard Mitigation Plan suggests that if a fire starts at the Middle Fork American River, it would travel in 15 minutes on the right day to the subdivision in question. There are approximately 750 to 900 homes in that project.

We request that PCWA more fully address the concerns of increased fire protection that would be needed with the increased recreational use of the Middle Fork American River.

4 Conclusion

Our community needs to be included in the decisions made by PCWA’s DLA for FERC re-licensing. The decisions about operations, maintenance and future facilities of the Middle Fork American River Project will affect our community in many ways. We are concerned about maintaining a sustainable business community, future increased traffic congestion, potential wildfire threats with limited evacuation routes, viable summer and winter recreational facilities and the stewardship of the forest resource that surrounds us.
We hope that this letter brings the necessary attention required for our community as PCWA moves through the re-licensing process because the decisions made could affect us for many years to come. Thank you for your consideration and if you have any questions, please contact me at sherrywicks@saveforesthill.com or 530-367-4803.

Sincerely,

Sherry Wicks, Chairman
32-year Foresthill Resident

Cc    Placer County Board of Supervisors
      Placer County Water Agency
      Foresthill Forum
      Foresthill Public Utility District
      Foresthill Chamber of Commerce
      Shute, Mihaly & Weinberger LLP
      Foothill Water Network
      Placer County Planning Department
      Foresthill Fire Protection District

Attachments

"Every man holds his property subject to the general right of the community to regulate its use to whatever degree the public welfare may require it."

Theodore Roosevelt
Outline of Foresthill Divide Community Plan in red.
FORESTHILL DIVIDE COMMUNITY PLAN
MIXED USE AREAS

57 acres Industrial Park Zoned District
(PCWA has approx 50% ownership.)

New Canyon Mixed Use Area
(General Commercial/Medium Density Residential)

New Historic Downtown Mixed Use Area
(Neighborhood Commercial/Low Density Residential)

Mill Mixed Use Area
(Public Facility/Industrial)

Foresthill Townsite

[Map diagram with labels and locations as described in the text]
increase its desirability for new development. The unique topography of many of the parcels within this area would be attractive for multi-level commercial and residential uses (such as small crafts shops, artists’ studios, etc.) in the future. All new commercial or multi-family development within the area will be analyzed on a case by case basis. The larger parcels in this Mixed-Use area could provide opportunities for transient lodging, restaurants and other facilities to serve the increasing tourist population that frequents the Divide. There may also be opportunities for larger commercial/residential complexes where the commercial uses are constructed at the level of Foresthill Road with apartment units below. In that instance, both levels could take advantage of the views from these properties, and some businesses could have employees very close at hand. Appropriate land uses for this Mixed-Use district would be: offices, retail uses, restaurants, hotels/motels, single and multi-family residences, senior care/assisted living facilities, churches, recreational vehicle parks/campgrounds (in certain areas where the campsites could be located out of sight of Foresthill Road on existing lower “benches” of land). It will be very important to provide pedestrian circulation and trails through this Mixed-Use area from the middle school to historic downtown. Pedestrian open spaces will also serve to attract tourists to stop and move about the area on foot, thereby reducing traffic congestion and enhancing economic viability. Preservation of existing trees within this area should be a high priority, and architectural design guidelines should be established so that the community retains its rustic ambiance. Parking areas should be located to the side or rear of buildings along Foresthill Road, or, if the parking is located between the buildings and Foresthill Road, it must be visually screened from Foresthill Road by a combination of berms and landscaping in order to preserve the unique scenic qualities of this Mixed-Use area. Shared driveways should be encouraged in order to minimize the number of entrances onto Foresthill Road. At the same time, views to the Sierra Nevada Mountains and into the North Fork American River Canyon should be maintained and incorporated into new developments so that the residents of these properties, the patrons of the businesses located on these parcels and the motoring public all share equally in the aesthetic benefits.

3. **Mill Mixed-Use Area (Public Facility/Industrial)**

**SETTING:** One of the industrially-designated sites is the Mill Site area located along the north side of Foresthill Road. This area consists of approximately 57 acres of land that was formerly occupied by the Georgia-Pacific lumber mill. Lumber milling operations occupied this site until 1993 when the mill was closed for the last time. Since that time, the site has been cleaned up and several of the old sawmill-related structures have been removed from the property.

The Mill Site area is owned by private interests and still contains some of the original sawmill buildings. Some of these buildings are being utilized for traditional industrial, manufacturing and heavy commercial uses. The current owners are involved with the Placer County Economic Development Department in seeking “Brownfields” grant funding that will help provide site planning and infrastructure to attract new job-generating businesses that will replace the jobs lost when the lumber mill closed. Planning efforts are underway to evaluate circulation and infrastructure needs and to develop a “master plan” for the property.
ANALYSIS: The Mill Site area is generally characterized by level ground that has been intensively utilized for lumber mill operations and similar industrial uses for many years. Consequently, the site is mostly without vegetative cover. The property has a Pacific Gas & Electric substation located in the central portion of the site, and a large water main that conveys treated domestic water to the western portion of the Foresthill Divide crosses the site. Due to the generally level nature of the land within the area, as well as the availability of utilities, it is ideally positioned to provide land for the establishment of new job-generating businesses.

DEVELOPMENT VISION: With the school site adjacent to the Mill Site area, no other public institutions (schools, churches, public gathering places, etc.) should be permitted in the area so as to leave as much land as possible for job-generating land uses. The Mill Site area should be developed primarily to provide opportunities for such job-generating businesses to locate in the Foresthill community to ensure local jobs lost when the old lumber mill closed are replaced, as well as to stimulate a new, more diversified economy on the Divide. Other appropriate land uses for the Mill Site area are light industrial uses, offices, mini-storage facilities, gyms, public service agencies (corporation yards, public or quasi-public utilities, etc.) and accessory outdoor storage areas adjacent to principal uses (when adequately screened from surrounding properties). Also permitted in the northern portion of the property (away from Foresthill Road and screened from street view by solid fences and landscaping) would be retail equipment, trailer and truck rental establishments, nursery uses, landscaping supplies, building materials stores and storage yards/sales lots. Uses located in the southern portion of the property and along the Foresthill Road frontage should have an attractive appearance consistent with design guidelines found elsewhere in this Plan. The industrial and commercial areas that are located closest to the school site(s) and the existing adjacent residential uses should be compatible from the standpoint of noise, traffic circulation, aesthetics and the presence of potentially hazardous substances.

5. IMPLEMENTATION

1. Review development projects for compliance with the Environmental Review Ordinance and to determine that all feasible mitigation measures have been identified.

   Responsible Agency/Department: Land Development Departments
   Time Frame: Ongoing
   Funding: Application Fees

2. Review development projects for specific compliance with the goals and policies contained in the Land Use section and the entire FDCP.

   Responsible Agency/Department: Land Development Departments/Foresthill Forum (MAC)/Planning Commission/Board of Supervisors
   Time Frame: Ongoing
   Funding: Application Fees

3. Provide consistent zone districts in appropriate locations to meet the intent of the FDCP Land Use Diagram, goals and policies. The Chart in Chapter VI, Implementation, shall be utilized in the implementation of the FDCP.
MILL MIXED USE (INP-DC) = 57 acres

PCWA owns approximately 50% of a prime industrial park zoned district within close proximity of Foresthill townsite.

Note: PCWA owns 9.1 acres
PCWA
5.0 acres
PCWA
14.6 acres
PCWA

RF-B-43

PD = 1
Agent Detail with Addl Photos Report

Listings as of 12/18/10 at 7:42pm

Withdrawn/Canc. 11/02/09 Listing # 90062288
County: Placer
Cross St: Foresthill Dr
Prop Type: Commercial
Prop Subtype(s): Industrial
Area: 12304
Year Built: 2002
APN: 007-030-021-000
Price/Sq Ft: $ Lot Acres (approx)
Showing Instr. Call Listing Agent
DOM/CDOM 83/83

Directions: Take Foresthill exit off I-80 and make a left at Sunset Drive in Foresthill.

Property Description: A must-sell 2 bldg. lt. industrial complex of +/-56,624SF: 5825 Sunset-a +/-45,000SF high bay manufacturing bldg w/ attached corporate offices; & 5835 Sunset-a +/-11,624SF concrete building w/ 7 large truck doors. These improvements sit on a flat +/-9.1 acre lot w/ ample room for add'l parking. Industrial zoning allows for a wide range of uses including mfg, whse, recreation, agriculture, recycling, churches, vehicle, medical, public facilities, & mini-storage. Also for lease at only $.43/sf net.

Listing Agent: Lachlan M Richards (ID:PRICHLAC) Phone: 530-470-1740 x1, FAX: 530-470-0989
Listing Office: Sperry Van Ness-Highland Comm. (ID:01SVHC) Phone: 530-470-1740, FAX: 530-470-0989

Transaction Type: Lease
Variable Price: No
Total Units: 2
Heat: Other-Rmks
Other Expenses: Other-Rmks

Exhibit 2d
http://prospector.metrolist.net/scripts/mgrqispi.dll

1 of 3
<table>
<thead>
<tr>
<th>Possession</th>
<th>Type Listing</th>
<th>Exclusive Right</th>
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<tbody>
<tr>
<td>By Agreement</td>
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All measurements and calculations of area are approximate. Information provided by Seller/Other sources, not verified by Broker. All Interested persons should independently verify accuracy of information. Provided properties may or may not be listed by the office/agent presenting the information.

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U.S. Patent 6,910,045
September 16, 2010

Board Members,

My name is Sherry Wicks and I’ve live in Foresthill for approximately 32 years. I’m here today representing Foresthill Residents for responsi ble Growth, also known as FROG. We are a non-profit organization whose supporters are local Foresthill residents. We are concerned about the social, economic and environmental decisions that are made which affect our quality of life on the “Hill”.

As you are aware, the Foresthill Divide Community Plan was approved in December, 2008. In fact, I saw that you had it referenced in the online library at PCWA’s Middle Fork American River Project website.

I am here today to bring to your attention to an issue that seems to have been overlooked and could pose a problem for Foresthill’s future prosperity. The Community Plan has several land use districts, one of which is called the Mill Mixed-Use Area. This area’s land use designation is primarily industrial/commercial. It lends itself to this use because it is the site of the old lumber mill and has had similar industrial uses for many years. Additionally, it is level and currently has a PG&E substation located in the central portion of this site.

This Mill Mixed-Use Area consists of approximately 57 acres. We have learned that PCWA has purchased almost 30 acres in this area which exceeds 50% of this designated land use. The Development Vision statement in the Community Plan policy document suggests that because a school site is adjacent to the Mill Mixed-Use Area “no other public institutions...should be permitted in the area so as to leave as much land as possible for job-generating land uses”. As you might also be aware we have a significant problem with jobs/housing imbalance and it becomes more problematic when our community loses the land use in question to public entities where it could have been accessible to private industries that might have employed more Foresthill residents.

You can probably see our predicament. We support PCWA’s FERC relicensing and although the property in question may not be directly related to the Integrated Licensing Process, we feel that had there been a Socioeconomic working group, issues of this sort could have been resolved. We understand that the Socioeconomic portion of the PAD just
slightly referenced Foresthill and it probably should have been more inclusive since we are in the “vicinity of the project”.

We will be submitting a letter of comment and/or a statement of interest concerning this matter because we feel there’s a nexus between the Middle Fork Project, land use reduction of the Mill Mixed-Use Area and subsequent impacts to our community. We did, however, want to bring this issue to your attention in advance.

Thank you for your consideration.