

RESOLUTION 08-16 OF THE BOARD OF DIRECTORS OF THE PLACER COUNTY WATER AGENCY ESTABLISHING A POLICY FOR THE DISTRIBUTION AND USE OF NET POWER SALE REVENUES FROM THE MIDDLE FORK AMERICAN RIVER HYDROELECTRIC PROJECT

WHEREAS, the citizens of Placer County approved a bond measure in 1962 to fund the construction of the Middle Fork Project with assurances that the Project would provide benefits to the residents of Placer County; and,

WHEREAS, the existing Middle Fork Project power sale contract, which funded the repayment of the bonds which funded the construction of the Middle Fork Project and its annual operating and maintenance costs, will expire in March 2013; and,

WHEREAS, under the terms of a new power sale contract after March 2013 PCWA anticipates that there will frequently be net power sale revenues in excess of the operating costs of the Middle Fork Project, available to provide public benefits; and,

WHEREAS, PCWA intends to invest net revenues into projects and programs which benefit of the people of Placer County consistent with its authorities under the PCWA Act.

NOW THEREFORE the Board of Directors of the Placer County Water Agency does hereby adopt the attached Policy as a guide for the use of Middle Fork Project Net Revenues.


The foregoing resolution was duly passed at a regular meeting of the Board of Directors of the Placer County Water Agency held on June 5, 2008, by the following roll call vote:

AYES DIRECTORS: Gray Allen, Alex Ferreira, Lowell Jarvis, Otis Wollan,
Chairman Mike Lee

NOES DIRECTORS: None


ABSENT DIRECTORS: None

Signed and approved by me after its passage this 5th day of June, 2008.



Mike Lee, Chairman of the Board
Placer County Water Agency

ATTEST:



Clerk, Board of Directors

PCWA POLICY FOR THE USE OF MIDDLE FORK PROJECT NET REVENUES

This policy is intended to guide future PCWA Boards of Directors in the distribution of the Agency's share of net revenues from the sale of power from the Middle Fork Project.

The Board of Directors should allocate net revenues from the sale of power from the Middle Fork Project for disbursement to public agencies within Placer County, including PCWA's own water systems, in the form of loans or grants for projects and programs which are consistent with PCWA's authorities under the PCWA Act.

PCWA may establish by separate action such rules and procedures as it deems appropriate for the distribution of these funds.

The following is a list of the types of projects that will be eligible for funding:

Water Supply:

Water Rights protection

Water supply development; including needs assessment studies, supply feasibility studies, infrastructure design, and environmental studies – but not including construction of water supply infrastructure intended to supply new land development projects.

Water conservation and water recycling programs; including program development studies, meter installation or replacement, installation of devices for water use efficiency, leak detection, conservation education programs, conservation rebate and incentive programs, and infrastructure construction

Groundwater management; including planning and implementation, aquifer recharge management and facilities, and agriculture groundwater supply protection programs

Renewal and replacement of ageing infrastructure, including planning and assessment programs

Development of new or extension of existing water systems to serve existing homes, neighborhoods and communities that do not have adequate domestic water supplies

Water Supply Reliability:

Projects; including installation of supply facilities for use during water outages, installation of backup power generation facilities for use during power outages, increased storage capacity, control system improvements, and mapping for improved planning and emergency response

Water Quality:

Treatment process improvements; including compliance with mandated water quality requirements and projects to improve water treatment process reliability

Source water quality protection programs; including watershed management to reduce or prevent contaminants from entering the water system, watershed management to sustain or enhance flow and timing, or watershed management to reduce the risk of fire to infrastructure or the sustainability of watershed function.

Ecosystem protection:

Habitat conservation plan support; including the management of Agency lands for protection of water supplies

Aquatic system management; including removal and replacement of fish migration obstacles, installation of fish screens on intakes, stream/river bed management, listed species protection and riparian habitat management of Placer County water systems

Carbon footprint and greenhouse gas emission reduction programs, including renewable energy projects and energy efficiency programs.

Recreation:

Creation or enhancement of recreation opportunities associated with Placer County water or power facilities

Public Education:

Projects and programs designed to educate and inform the public on important water, energy, and resource issues

Financial:

Emergency financial aid to Placer County public water systems

Energy System Supply and Reliability:

Enhancements and betterments to the energy generation system, expansion of the energy portfolio consistent with the PCWA act