APPENDIX F

Water Supply Assessment

Placer County Water Agency

(530) 823-4850

800-464-0030

Business Center: 144 Ferguson Rd. • Mail: P.O. Box 6570 • Auburn, California 95604-6570 www.pcwa.net

BOARD OF DIRECTORS Pauline Roccucci • Alex Ferreira Otis Wollan • Lowell Jarvis Michael R. Lee David A. Breninger, General Manager Ed Tiedemann, General Counsel

A Public Agency

September 8, 2006 File No. Rocklin Crossings



Mr. David Mohlenbrok, Senior Planner City of Rocklin 3970 Rocklin Road Rocklin, CA 95677

SUBJECT: SB221 and SB610 Analysis for Rocklin Crossings

Dear Mr. Mohlenbrok:

This letter is in response to your request of June 20, 2006 for an analysis pursuant to SB221 and SB610 (Government Code 65858) for the proposed Rocklin Crossings Project.

The Rocklin Crossings Project is being proposed by the Donahue Schriber Asset Management Corporation and is located on approximately 52 acres at the north east corner of Interstate 80 at Sierra College Boulevard. It is proposed that this land will be subdivided into approximately 18 parcels and that a variety of retail and commercial developments will be constructed. In addition, other traveler servicing uses such as gas stations and a hotel could also be developed on the project site. Preliminary plans indicate 23 buildings with totaling 543,500 square feet. It is anticipated that this project will have build out demands of about 130 acre feet per year, a maximum day demand of 230,000 gallons and a fire flow of 4,000 gpm.

The Placer County Water Agency Board of Directors discussed and approved this response to your request at the meeting of September 7, 2006.

Additional comments, information and conditions relevant to water service to the Project follow.

SURFACE WATER

The Agency has several sources of surface water supply entitlements available for use in Western Placer County.

1. The first is a surface water supply contract with PG&E for 100,400 acre feet annually (afa) of Yuba/Bear River water that is delivered through PG&E's Drum Spaulding hydro system. This has been the Agency's primary source of supply for Zone 1 since the Agency began retailing water in 1968. The term of this contract is to 2013, but the Agency expects the contract to be renewed after the expiration of the present term.

This source of water has a high reliability during except under the most severe drought conditions. For example, between 1987 and 1992 the state experienced 5 years of drought, during which many areas in the state had reduced supplies. During that period, the Agency had a full Yuba/Bear river supply each year. However, in 1977 the Agency was only able to obtain a 50% supply from PG&E and had to impose drought restrictions on its customers. The Agency's 2005 Urban Water Management Plan was adopted on December 15, 2005 and contains a water shortage contingency analysis that includes a five stage rationing plan that will be invoked, to the extent necessary, during a declared water shortage. Also, see the section below entitled Allocation of Dry Year Water Shortages for further analysis on the impact of shortages from the PG&E supply in dry years.

Renewal of the PG&E Zone 1 Water Supply Contract

Most of the present supply of water used by PCWA to meet the demands of its customers in Zones 1 & 5 is supplied by Pacific Gas & Electric Company pursuant to the Agency's June 18, 1968 water supply contract with that company. While that contract states it will terminate May 2013, PG&E cannot change the place of use of that water if such a change in place of use would injure any legal user of that water. This is so whether PG&E's right to that water is based upon a pre-1914 appropriation or an appropriation pursuant to the Water Code. Sections 1706 and 1725 of the California Water Code state that a permittee or licensee may temporarily change the place of use provided that it would not injure any legal user of the water. That rule is also applicable to pre-1914 appropriations. That this is so with regard to pre-1914 appropriations is evidenced in Wells A. Hutchins' treatise entitled "The California Law of Water Rights" wherein he states on page 177:

The invariable rule has come to be that the right to change the place of use can be exercised only when and to the extent that the change will not injure the rights of others.

This is supported by reference to the decisions in Southern Cal Investment Co. v. Wilshire, 144 Cal. 68 (1904) and Southside Improvement Co. v. Burson, 147 Cal. 401 (1905) and former Civil Code 1412 which was the derivation of Water Code Section 1206.

There can be no question that a change in the place of use of the water now furnished to the Agency by PG&E for use in Zone 1 would be extremely injurious to the Agency's customers served from that supply. These are the residents, industries, agricultural and commercial users in and around Auburn, Rocklin, Lincoln and Loomis who number many thousands. While the price and other terms may change from those in the 1968 contract after 2013, under California law the place of use for that water must continue to be the same, because any change in that place of use would be injurious to the present legal beneficiaries using that water.

Relicensing the Drum-Spaulding Hydroelectric Facility

The Drum-Spaulding Hydroelectric Project is a FERC licensed facility, owned by PG&E, located primarily within the South Yuba and Bear River watersheds. The Project provides wholesale water to PCWA for consumptive use in Placer County and produces electricity which PG&E uses to meet the demands of its retail electric customers. Generally, the facility

diverts water from Fordyce Creek and the South Fork of the Yuba River into storage. The main storage reservoirs are Lake Fordyce, with a storage capacity of 49,903 acre-feet, and Lake Spaulding, with a capacity of 74,800 acre-feet. The system conveys most of this water via canals and penstocks through a series of regulating reservoirs and powerhouses to Rollins Reservoir on the Bear River and then finally into Folsom Reservoir on the American River.

PG&E delivers Yuba-Bear River water to PCWA for consumptive use at numerous delivery points along the system. Portions of Drum Spaulding water system were built in the 1860s to supply water for mining and agriculture. Fordyce Lake was originally constructed in 1874. Hydroelectric generation capacity was added to the system in the early 1900s. The Drum Powerhouse was originally constructed in 1913. The current FERC license for the Drum Spaulding Hydroelectric Project expires in 2013.

FERC'S Relicensing Process

Under the 1920 Federal Power Act, FERC has the regulatory power to evaluate and approve license applications for hydropower projects and establish Protections, Mitigations and Enhancements as conditions for their operation. Under the Integrated License Process (ILP), the current default process that license applicants must use, five years before a hydropower license expires the applicant initiates the relicensing process by submitting a Pre-Application Document to FERC and filing a Notice of Intent to prepare and accompanying environmental documents. Over the next 3 years the applicant conducts environmental studies, consults with responsible resource agencies and prepares its license application with supporting environmental documentation. Concurrently, responsible agencies prepare recommended license conditions for submittal to FERC. Over the last 2 years FERC finalizes the environmental documents and issues final license conditions for the Project.

Water Quality Certification

The applicant must also prepare a Section 401 permit application under the Clean Water Act as part of the relicensing process. Section 401 allows the State Water Resources Control Board (SWRCB) to prescribe conditions necessary to ensure the facility complies with the Clean Water Act and any other applicable state laws. Section 401 also "provides that State certification conditions shall become conditions of any Federal license or permit for the facility."

License Conditions

Generally, FERC evaluates the entire relicensing application to determine what conditions to impose on the applicant. Due to particular system constraints, including physical or environmental factors, FERC may set license conditions that mandate minimum flows, reservoir levels, and temperature limitations.

Under the Federal Power Act (FPA), Congress allows some federal agencies, including the Secretary of the Interior and the Secretary of Commerce, to develop operating conditions for FERC licenses "in order to adequately and equitably protect, mitigate damages to, and enhance, fish and wildlife" (16 U.S.C. Section 803(j)(1)). "[S]uch conditions shall be based on recommendations received pursuant to the Fish and Wildlife Coordination Act from the National Marine Fisheries Service, the United States Fish and Wildlife Service, and State fish and wildlife agencies" (16 U.S.C. Section 803(j)(1)). However, FERC can reject in whole or in part any recommended condition if it is inconsistent with the stated purposed of 16 U.S.C. Section 803(j)(1) or any other applicable laws.

Section 27 of the Federal Power Act, 16 U.S.C. § 821, however, provides:

That nothing herein contained shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective States relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired therein.

This statutory provision attempts to draw a bright line between water for hydroelectric purposes, which use is governed under the Federal Power Act, and water rights associated with consumptive purposes, in which latter case State water right law prevails.

Allocation of Dry Year Water Shortages

The Yuba-Bear River supply purchased from PG&E (the PG&E supply) has historically been the primary water supply for western Placer County. The original water system dates back to the California gold rush and the Zone 1 facilities operated by PCWA today were purchased from PG&E in 1968. All of the Agency's Zone 1 raw water customers and the Auburn/Bowman treated water system are served exclusively from the PG&E supply. Most of the present demands on the Foothill/Sunset treated water system and some of the irrigation demands in Zone 5 are also met with the PG&E supply. The remainder of the Foothill/Sunset and Zone 5 demands are currently met from diversion of MFP water from the American River at Auburn. As the treated water demands on the Agency's system grow in the future it will be necessary to further develop the Agency's currently unused MFP and CVP supplies to meet these demands.

Surface water supplies from the Yuba-Bear River system are subject to reductions during dry periods. In any dry year the South Sutter Water District supply is assumed to be reduced to zero and we have assumed a PG&E supply cutback of 25% in multiple year droughts and a 50% cutback in the driest single year event, such as a repeat of 1977 hydrology.

Due to the physical and geographic layout of PCWA's water supply and raw water delivery system (open channel configuration, location and altitude), dry year reductions in the PG&E supply cannot be reasonably mitigated with other sources of supply. Water which is delivered from the Yuba-Bear River serves a geographical area that will continue to be mostly separated from the PCWA's other water sources as they are developed to meet the urban development proposed in western Placer County. There are physical, environmental, and economic constraints that will likely prevent supplying any significant backup water from other sources to supply PCWA's raw water system.

As a result, raw water customers that are supplied by the Yuba-Bear River System would be subject to more significant supply reductions than other customers during dry years.

The analysis of the allocation of the PG&E supply in the IWRP indicates that in a future multi-year drought, the reduction in deliveries through the Yuba-Bear system would be 30,000 ac-ft/yr. Although it would be the subject of Board policy at the time it occurs, it is assumed in the modeling that raw water cutbacks would be allocated as follows: Raw water to Zone 5 would be cut to zero first because they have greatest access to groundwater to replace PCWA deliveries; and then Zone I raw water customers would be cut to 97 percent of their normal supply as 10,000 AF of treated water demands in the Foothill/Sunset system are shifted to groundwater in this scenario.

In the single driest year, the reduction in Yuba-Bear system deliveries would be 55,000 acft/yr. The modeling for this scenario is driven primarily by the inability to shift much additional water within the Yuba-Bear system from treated water deliveries to raw water deliveries. All of the rest of the loss in Yuba-Bear supply must be allocated to the raw water system. The result is that raw water deliveries would be reduced from a normal year supply of 75,000 ac-ft/yr to only 34,000 ac-ft/yr (57% supply in Zone 1, 45% overall) in a single driest year event.

Conclusions:

The Agency has begun negotiations with PG&E on the renewal of its Zone 1 water supply contract. The primary issue will be price. The parties agree that the price for water should represent an equitable sharing of the cost of operating the delivery system between power generation and water deliveries purposes. The Agency expects to conclude a new water supply contract with PG&E well before the expiration of the existing contract in 2013.

The Agency understands that there will be considerable emphasis on aquatic resource impacts associated with the diversion of water from the Yuba and Bear rivers for hydroelectric generation and consumptive use in Placer County. The Agency intends to be an active participant in this relicensing in an effort to find mutually beneficial solutions to improve the environment and protect its customers. The other participants will have to recognize however, that the consumptive uses predate the hydroelectric generation and under the Federal Power Act, FERC has limited ability to impose conditions on the hydroelectric operations which would adversely affect those consumptive uses.

Finally, because of the physical separation of the Agency's historic water systems that were supplied exclusively from PG&E's water system from the new systems being built for the proposed urban growth in western Placer County that will be met with MFP and CVP supplies, shortages in PG&E supply, whether as a result of drought or because of regulatory action, do not result in reduced supplies for new development.

2. The Agency's second source of surface water for consumptive use is its Middle Fork Project (MFP) water rights. Pursuant to agreements with the United States, the Agency is limited to a maximum consumptive use of 120,000 afa from this source. The Agency's MFP water right permits provide that this water supply may be diverted from the American River at either Auburn or at Folsom Reservoir. The Agency has done extensive modeling of the MFP system to determine its reliability during drought events using California's hydrologic record, which dates back to 1921. The conclusion of that analysis is that the MFP can provide 120,000 afa, even in dry years as severe as the 1976-1977 hydrologic event.

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- 3. The Agency's third source of surface water is its federal Central Valley Project (CVP) Municipal and Industrial water supply contract with the United States Bureau of Reclamation. This contract is for 35,000 afa. This supply is subject to 25% deficiencies during single-dry and multiple-dry years. The contract presently provides that this water is to be provided to the Agency at Folsom Dam or other locations mutually agreed to by the parties. Reclamation and the Agency are now studying the feasibility of diverting this supply off of the Sacramento River instead of at Folsom. Under the Agency's Integrated Water Resources Plan, discussed in more detail below, the Agency plans to supplement its CVP contract supply with groundwater in dry years to improve the reliability to the point where the full contract amount can be relied upon to serve urban development needs.
- 4. The Agency also has a surface water contract to purchase up to 5,000 afa from South Sutter Water District (SSWD), but this supply is only available when it is surplus to SSWD's needs. Delivery is only available into the Auburn Ravine. The Agency's Board has directed that this water is to be made available as a supplemental supply to agricultural customers in Zone 5. This SSWD source is considered temporary because it is expected that the available supply will eventually be fully utilized by SSWD.

Under the Board's policy for the use of SSWD water, it is not anticipated that the loss of the SSWD supply, either due to drought or prior use by SSWD, would affect the water supply to Zone 1.

The total surface water supply available to the western Placer County area that includes Zones 1 & 5 is 255,400 afa of permanent supply in normal years, plus 5,000 afa of temporary surplus water. Out of that permanent supply, the Agency has contracted to deliver up to 25,000 afa to San Juan Water District for use within the Placer County portion of its service area and up to 30,000 afa to the City of Roseville.

The Agency has also contracted to deliver up to 29,000 afa to Sacramento Suburban Water District for groundwater stabilization in that district's service area, but only when the supply is surplus to the needs of Placer County. Because of the surplus nature of this contract, it is not a factor in determining water availability for the Agency's service area.

On going water delivery efficiency efforts and Board policies relating to the Agency's raw water system have reduced the amount of water that must be committed to meet the Agency's customers demand by an estimated 5,000 af over the past 5 years. Through August 17, 2006, the Agency has committed approximately 115,181 af to meet the needs of its Zone 1 & 5 customers plus the 55,000 af committed to Roseville and San Juan Water District. Subtracting these amounts from the Agency's entitlements leaves 85,219 afa of surface water available in normal years for use in Western Placer County to meet future demands.

GROUNDWATER

Although groundwater use in Placer County by individual homes, farms and businesses is estimated to be about 90,000 acre-feet per year, the Agency does not currently use significant amounts of groundwater to meet its customers' demands. The Agency has a single well located in the Sunset

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Industrial area that meets all drinking water standards but has not been utilized for several years due to customer concerns regarding water quality (hardness and silica) related to industrial use.

The following findings with regards to the use of groundwater can be concluded from the Agency's draft Integrated Water Resources Plan:

- The historic average annual rate of groundwater use within the Placer County portion of the North American River Groundwater Basin is estimated to be about 90,000 acre feet per year.
- According to semi-annual well data collected by the State Department of Water Resources since the 1940s, the subsurface groundwater level in western Placer County in the area west of Roseville has been relatively stable since the early 1980s following decades of steady decline.
- Based upon this information we believe that the current groundwater use and natural recharge rate are in balance and that current average annual groundwater pumping rates within the basin can be sustained indefinitely without a further decline in the subsurface groundwater level.
- Therefore, as urban development replaces historic groundwater irrigated agriculture, there is an opportunity to develop groundwater for use in meeting urban domestic and irrigation demands without adversely affecting groundwater levels or long term groundwater reliability.

PCWA's surface water supplies, particularly its 35,000 afa CVP contract entitlement and its Yuba Bear 100,400 afa contract with PG&E, may be subject to shortages in future dry years. To make up for such dry year shortfalls and for backup in the event of emergency or planned outages, PCWA is planning on developing groundwater resources as its service area expands west over the groundwater basin and into the area most likely to be served long term from the Sacramento River using the Agency's CVP contract supply. But to insure that there is no adverse long term impact of such dry year groundwater use there must be groundwater banking in normal and wet years to offset the planned dry year use. That banking can most efficiently occur through "in-lieu recharge" which is the reduction of historic groundwater use in normal and wet years allowing the natural recharge flow to accumulate in the aquifer. However, the Agency may also utilize groundwater resources as part of a conjunctive use aquifer storage and recovery program.

RECYCLED WATER USE

Recycled water use by projects within a reasonable service perimeter of reclaimed water supplies is assumed in the Agency's draft Integrated Water Resources Plan and in it's 2005 Urban Water Management Plan. This project is not located in an area that can utilize recycled water for irrigation purposes.

WATER SUPPLY ASSESSMENT

On December 15, 2005, the Agency Board of Directors adopted the 2005 Urban Water Management Plan update. This plan projects water supply and water demands for normal, single dry

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and multiple dry years for 20 years into the future. The proposed Rocklin Crossings Project is included in this plan.

Through the integrated use of existing surface water entitlements, recycled water and demand reduction resources and groundwater as proposed herein, the Agency has an adequate water supply to meet the anticipated build out demands of the Rocklin Crossings Project in addition to the rest of the build out demands currently anticipated within the Agency's projected service area in western Placer County in normal, single dry and multiple dry years, subject to the qualifications set forth below.

INFRASTRUCTURE CAPACITY

To provide water service to a project the Agency must have both the water supply resources (discussed above) and adequate treatment and delivery infrastructure capacity. This section provides an assessment of the infrastructure capability and needs of the Agency to serve the Rocklin Crossing Project.

Raw Water Delivery from the Yuba/Bear River

There are no infrastructure limitations to the delivery of 100% of the Agency surface water supply entitlements under its PG&E (100,400 afa) and SSWD (5,000 afa) contracts.

Raw Water Delivery from the American River

The only facility that the Agency currently has to deliver water to its service area from its American River supplies is the temporary American River Pump Station at Auburn. Under an agreement between the Agency and the United States, the U.S. is required to install temporary pumps in the American River so that the Agency can access up to 25,000 afa of its MFP water at a rate of 50 cubic feet per second (cfs). Because of flooding concerns which necessitates the seasonal removal of the temporary pumps, and other technical limitations, the Agency estimates that it can only reliably divert up to 13,000 afa with the current configuration installed by the U.S.

As limited by the temporary American River Pump Station, the total current raw water delivery capacity available to Zones 1 & 5 is 117,332 afa on a permanent basis and 122,332 afa on temporary basis in normal/wet years.

Progress by the Agency and the U.S. Bureau of Reclamation is being made in completing a new, permanent American River Pump Station. On June 13, 2003, Reclamation entered into a contract to construct Phase I of the American River Pump Station. It is anticipated that Phase I will be completed in December of 2006. On August 24, 2006, Reclamation entered into a contract to construct Phase 2, which includes construction of the diversion facility and rewatering of the river It is estimated that completion will be in 2008.

Completion of this project will increase the Agency's raw water delivery capacity to Zone 1 and Western Placer County to 135,900 afa on a permanent basis in normal/wet years. Subtracting 115,181 afa of current and committed demands will leave 20,719 afa of uncommitted raw water delivery capacity available for new development once the permanent American River pump station is complete in 2008.

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Raw Water Delivery with Proposed Sacramento River Diversion Facilities

Because of environmental concerns, the Agency has agreed in the Water Forum Agreement, dated January 2000, to limit the Agency's diversions from the American River to 35,500 afa, provided the Agency is able to obtain a diversion off the Sacramento River for the remainder of its MFP and/or CVP water not delivered off the American River.

The Agency is studying the feasibility of a project in which a new treatment plant would serve proposed developments in southwest Placer County with water diverted from the Sacramento River north of the Sacramento Airport. The project would provide an additional 35,000 afa of raw water supply, and 65 mgd of treatment capacity into the Agency service area. In 2001, Congress authorized Reclamation to complete a feasibility study and EIS/EIR on the project. If the project is approved, the Agency anticipates construction of the project could be completed by about 2016.

Completion of both the permanent American River Pump Station and the Sacramento River Diversion facilities would increase the amount of surface water available to the Agency's west Placer service area to 175,900 af and should enable the Agency to meet the projected increase in the raw water delivery needs of its service area in western Placer County until 2030.

Treatment, Transmission and Storage

The Agency completed the most recent expansion of its Foothill WTP in Newcastle in 2005. The treatment plant capacity of this facility is 55 million gallons per day (mgd). Combined with the Sunset WTP, which has a capacity of 8 mgd, the Foothill/Sunset system has a treatment capacity of 63 mgd. The Agency reserves capacity for new customers upon payment of the Agency's Water Connection Charge (WCC). There is typically an average time lag of approximately 18 months between the payment of WCC and the full development of demand from the occupied units. At this time, the Agency estimates that this reserved capacity for development that has already paid the WCC to be 5.3 mgd but these demands are not reflected in the 2006 maximum day demand of 51.8 mgd. This leaves 5.9 mgd of unallocated capacity that can serve approximately 5,130 equivalent dwelling units (EDUs) and which is available on a first-come, first-served basis.

The Agency has completed design of the Auburn Tunnel Pump Station No. 2 project. This pump station is located on Ophir Road in the Ophir area. This pump station will be capable of delivering American River water from the Auburn Tunnel to the existing Foothill WTP, to the proposed Ophir area WTP as well as to the Agency's canal system. This project has been bid and awarded. Construction started in February of 2006. It is anticipated it will be completed in 2007.

The Agency is currently working on the design of modifications to the Auburn Tunnel Outlet. These modifications will allow the Agency to control the water discharged into the Auburn Ravine and to more efficiently utilize the Agency's American River Water Supply. This project is scheduled for completion in 2008.

In addition, the Agency is in the design phase for a new Ophir Water Treatment Plant that will be located on Ophir Road in the Newcastle/Ophir area. This plant is scheduled for completion in 2010. This plant is being designed with an initial capacity of 30 mgd. When compete, this facility will be able to serve an additional 26,000 EDUs.

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The proposed project would be served treated water from the Foothill WTP plant via the 20 inch pipeline in Taylor Road. This pipeline was the original pipeline from the Foothill Water Treatment Plant and delivers water from the Penryn area south on Taylor Road to the end of the system adjacent to the City of Roseville in the Stoneridge area. Due to the large demand currently placed on this pipe significant pressure fluctuations occur. Proposed project demands and fire flow cannot be served from this pipeline under Agency pressure and velocity criteria, therefore, off-site pipelines providing service from another transmission line will need to be constructed by the project. The project designer can meet with the Agency to discuss options.

PCWA'S DEMAND MANAGEMENT MEASURES

The Agency was created by the Placer County Water Agency Act, a special act of the California Legislature. The California Urban Water Management Planning Act requires water purveyors that serve more than 3,000 customers prepare a long-term water supply plan every five years. The Agency's most recent Urban Water Management Plan (UWMP) was adopted in December 2005.

The Agency is providing a comprehensive suite of demand management measures to its customers. All customers are metered. The Agency has implemented inclining block rates based upon water usage. System wide water audits are being conducted and customer usage is tracked on a monthly basis. Leak detections are conducted whenever unaccounted water exceeds 10%. Agency rules and regulations require discontinuance of service upon excessive wasting of water. Residential water surveys are provided upon request. The Agency has a full time water conservation coordinator on staff.

The long term effects of the Agency's demand management measures on per capita water use will be quantitatively evaluated in the Agency's Integrated Water Resources Plan and are included in the 2005 UWMP.

ADDITIONAL CONDITIONS FOR DELIVERY OF WATER SUPPLY

The Agency reserves water supply only when a project is located within an Agency service zone, a project proponent submits an application for water service and the Water Connection Charges are paid.

In 2002 the U.S. Fish and Wildlife Service (USFWS) imposed the following requirements on water service from the Agency's American River Pump Station:

- 1. PCWA shall only serve water to developments which have gone through section 7 or section 10 compliance.
- 2. PCWA shall not supply retail treated water service to new developments within environmentally sensitive areas of western Placer County until the Service has determined that the new development is consistent with current interim conservation strategies or any future Habitat Conservation Plan if developed.

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These requirements were imposed due to USFWS concerns over adverse affects to the threatened vernal pool fairy shrimp, the endangered vernal pool tadpole shrimp, and the threatened California red-legged frog, and do not represent any new requirements for major land development projects proposed in western Placer County.

CONCLUSIONS

Through the integrated use of existing surface water entitlements, recycled water and demand reduction resources and groundwater as proposed herein, the Agency has an adequate water supply to meet the anticipated build out demands of the Rocklin Crossings Project in addition to the rest of the build out demands currently anticipated for 20 years within the Agency's projected service area in western Placer County in normal, single dry and multiple dry years.

However, depending upon the timing of water needs from this project and because the Agency has a first-come, first-serve policy for serving new customers, the completion of any or all of numerous Agency planned infrastructure projects may be required before the Agency can provide water service for the build out of the Rocklin Crossings Project. Those projects include completion of the permanent American River Pump Station, which is currently under construction, completion of the Auburn Tunnel Pump Station and completion of additional treatment capacity and transmission facilities associated with the Agency's planned Ophir Water Treatment Plant project, which are currently under design.

In addition, the Rocklin Crossings Project will need to enhance the Agency's existing transmission infrastructure to the project site and construct the needed onsite infrastructure.

If you have any questions on this subject, please call Brian Martin at (530) 823-4886.

Sincerely,

PLACER COUNTY WATER AGENCY

Lewell M. Jarvis for alex Forreire

Alex Ferreira Chair, PCWA Board of Directors

AF/BCM/vf

pc: PCWA Board of Directors Rocklin City Council