## **CERTIFIED**

1	NAPA COUNTY PLANNING COMMISSION
2	
3	000
4	
5	IN RE: ITEM 9A GIRARD WINERY USE PERMIT #P14-00053-UP
6	
7	000
8	
9	TRANSCRIPT OF VIDEO-RECORDED PROCEEDINGS
10	MEETING OF JANUARY 21, 2015
11	
12	000
13	PRESENT:
14	HEATHER PHILLIPS, Chair MATT POPE, Vice-chair
15	MICHAEL BASAYNE, Commissioner ANNE COTTRELL, Commissioner
16	TERRY SCOTT, Commissioner
17	
18	000
19	
20	
21	
22	
23	Transcribed by: Kathryn Johnson
24	
25	000
26	
27	

28

CHAIR PHILLIPS: Okay. So that brings us to the Public Hearing items. First is Item 9A. And before we hear the Staff Report we have some additional materials that came in. And I guess my question would be in light of the materials that have arrived, if the recommendation is going to be to continue, and to hear public testimony in light of that. Or are we going to just move ahead?

DEPUTY DIRECTOR MCDOWELL: Chair Phillips, if I may, thank you for asking that question. This is a continued hearing so the Public Hearing is already open and as you recall you received testimony at the previous hearing. So it really is at the Commission's discretion. But what we're recommending is that you take additional testimony today from anyone who wishes to speak and then continue the item at the end of that testimony to a date certain so that Staff will have an opportunity to go through the materials that were submitted and provide responses. And at this point we'd be recommending that a one-month continuance occur. So it could—there—if folks have taken time out of their day to come down here and speak, so I really think it would be appropriate to hear from them.

CHAIR PHILLIPS: Right.

DEPUTY DIRECTOR MCDOWELL: Plus it would help us in forming up our responses to the written materials.

CHAIR PHILLIPS: Make that clarification is helpful. Thanks.

DEPUTY DIRECTOR MCDOWELL: And then unless Wyntress has anything to add in the presentation I think we're ready to just pick up where we left off from the last meeting.

WYNTRESS BALCHER: I did want to respond to the questions that the Commissioners had asked at the last hearing. If they want to hear that now I have that.

COMMISSIONER SCOTT: Yes.

MS. BALCHER: Okay. Wyntress Balcher. And the Commission requested clarification on various things and İ did the research and located—the Commission requested clarification of the size of the Clos Pegase as discussed in the Staff Report, the Use Permit application Number 4U458687, which approved the increased production capacity at Clos Pegase Winery, identified the existing winery as 25,000 square—feet in area plus 19,000 square—feet in caves.

Let's see. There was a question regarding the size of the project's height, and we found a couple of typos in the Staff Report and one in the location on the Mitigated Neg.

Declaration. And the size of the parcel is 26--is 26.53 acres in area. The typo in the Mitigated Negative Declaration document has been corrected.

The Commission also asked for background information about transient, non-community water systems. A transient non-community water system is a water system which serves at least 15 service connections for 25 or more persons for at least 60 days of the year. Napa County has a contract with the California Department of Public Health to oversee water systems with less than 200 service connections. And permits are issued. So therefore the permits are issued through the Environmental Health Division.

The Environmental Health Department referred me to a very JANUARY 21, 2015

informative presentation of background information regarding small water systems. And I included that in your Staff Report so that you may be educated to the extent that you wish. That is my additional information that I've provided you. Do you have any questions?

CHAIR PHILLIPS: I, actually, I have a question. My question hadn't been on the--actually on how the water service works, but about the policy behind having a parcel that is encumbered by a winery, and then actually developing on that parcel. So, to me, it was kind of the context, the policy context, of making that decision.

DEPUTY DIRECTOR MCDOWELL: Well, why don't I touch on that if I may. The Winery Definition Ordinance states that wineries should be on a single parcel of ten acres or greater in size. In practice, since the adoption of the Winery Definition Ordinance, there have been cases where the septic system, or other, I'll say utility elements, of a winery have been allowed to occur on a separate parcel. I'll use the example of Cuvaison since that was the first winery I worked on. This is the Cuvaison in Carneros where the septic system is completely on a separate parcel than the winery. And it was found acceptable and consistent with the Zoning Ordinance because it was the utility component and not something like the parking or the visitation area or production area, that sort of thing.

But the Environmental Management Department, as well as the Planning Division required the property to be linked to the use permit, and I'm going to say this in a funny fashion, where they have to convey together, or--because we'd have a problem on our

hands if there were a situation where the septic system was owned by a different entity than the remaining elements of the winery. So...

1.5

CHAIR PHILLIPS: Well then, and actually to make that an apt analogy then, Cuvaison would be coming in to develop on the parcel that had the septic on it. That would make it more similar to the situation that we're looking at today.

DEPUTY DIRECTOR MCDOWELL: Correct. So, in that Cuvaison example, if someone proposed a winery on the parcel that had the septic system on it, it would raise a situation that I don't think we've had before. I don't think it's necessarily inconsistent with Napa County Code, but it does bring up an interesting policy question of adding a winery to a property that already has the septic system.

CHAIR PHILLIPS: But is encumbered by existing winery.

DEPUTY DIRECTOR MCDOWELL: Of a different winery, yeah.

CHAIR PHILLIPS: And that's what I--that had been the original question, so.

DEPUTY DIRECTOR MCDOWELL: So there are some other situations that have some similarities to this. I think down in the Rutherford area there's a shared septic system for some of the commercial uses, as well as some of the wineries down in that area that are out on an agricultural parcel. And I believe up near Krug Winery and the Ballentine Winery there's another shared system out in that area as well.

CHAIR PHILLIPS: But those were all done quite a long time ago and have never come in for any kind of a modification, which might entail a cleanup.

DEPUTY DIRECTOR MCDOWELL: I believe there's been modifications but the original establishment of those mutual systems I think in those two cases both pre-date the Winery Definition Ordinance. And they also pre-date Measure J because in at least one of those cases you've got commercial effluent out on agriculturally designated land. We can provide some more research as well since this item's going to be continued.

CHAIR PHILLIPS: Okay. Great. Are there any other questions from the Commission? Seeing as there are none, I'm going to--the Public Hearing is open. I will ask if there's anybody that would like to speak to this matter to please come to the microphone and state your name and address.

NORMA TOFANELLI: Norma Tofanelli, 1001 Dunaweal Lane. First I would like to apologize to the Commission, Staff, and the applicant for the amount of information submitted just before this hearing. The timing of the continuance granted on December 17 included two major holiday weeks, Christmas and New Year's, limiting the time available to find experts, complete research, and compile data. So, I know it's a lot of information that you received late and we don't like to do that, but we really didn't have a choice.

Please note, for the record, that although the Tofanelli family are adjacent neighbors to both the proposed Girard parcel and the Clos Pegase parcel, and we spoke at the December hearing, the Tofanelli family did not receive any legal notice of this hearing today.

Many of our concerns are detailed in the letter to you from Ellison Folk, Shute, Mihaly, & Weinberger. But others remain.

23

24

25

26

And they are in what I am distributing today and would like to review. As immediate neighbors we will be forever impacted by the massive change in operations on these parcels. The Girard Winery building with faux stone front and tall cupolas will block the most beautiful down valley view on Dunaweal Lane. There's nothing else like it. As well as the incredible view of the western hills that I have enjoyed all of my life. These views will be gone for our entire lifetimes. Our farming operations will be irrevocably altered. Fences and gates will have to be installed to keep winery visitors from wandering into our homelands, adding to the increasing burden from tourist trespass and theft. Mr. Roney, of Girard, has agreed to install fences and gates at mutually agreeable locations as conditions of approval. We really appreciate that, we had a very good meeting. These must be installed before the winery is allowed to open for business because of the likelihood of direct trespass.

Mr. Roney has also agreed to conditions of approval to control construction dust to protect our organic vineyards. And again, we really appreciate his attitude. As many signs around the Valley point out, dust is harmful to grapes, it really is. And most particularly to those that are farmed organically. It is critical that the dust be controlled and not creep over to our vines. Mr. Roney appears to understand and be willing to work with us on that.

While Mr. Roney has been very gracious and accommodating, we are still very concerned about operations of Girard and Clos Pegase and the changes they bring to a once-quiet rural area.

Clos Pegase is a pre-WDO winery with a permit for 200,000

gallons, although it produces currently only 25,000 cases, or about 60,000 gallons of wine. Warnings from neighbors, so many, many years ago, 30, that the clay soils of the parcel would not perk proved true. And we watched as truck after truck hauled out winery waste. Then we watched the mound system fail as toxic winery wastewater inched toward the Napa River. We protested when they sought to pipe the waste under Dunaweal to be treated in ponds on the second, now Girard, parcel.

County Code at the time, long time ago, mandated the merger of contiguous parcels under same ownership when the use on one parcel required services from another parcel. The County disregarded its own Code and the neighbors didn't sue. Too bad.

We warned, too, that the Clos Pegase parcel could not provide water as claimed. We laughed at the well drilling rig atop a huge pile of cave tailings at the base of the hill.

Watched as well drilling and the original well failed and water had to be piped in from the second parcel.

As long as the winery exists on the Clos Pegase parcel, the two parcels are inextricably linked. The Clos Pegase parcel cannot produce its own water, nor get rid of its own waste. To grant another winery on this parcel is contrary to the intent of the WDO. The parcel has been used. Another winery should not be allowed.

Where once there were approximately 50 acres of prime producing farmland, with a modest farmer's house and barn, there will now be two industrial processing plants with retail and commercial uses in their place. This appears to be a policy issue for the Board of Supervisors. When has the parcel been

used?

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Once again, neighbors are concerned about water. According to Staff, the County has no record of problems or complaints of diminished groundwater supplies at the project site or in the general vicinity. And I quote from the Staff Report. I find that astonishing. You should too. You've seen me here with my well logs many times. We have been submitting data to support our water concerns for over 30 years. I have presented to this very Commission the attached area well log. This packet is part of your packet. I've presented these to you so many times. Most recently Pavitt, Venge, Fisher. They should be quite familiar to you by now. Familiar also should be the pages from the 1989 WDO FEIR, in which Jill Pahl, Senior Environmental Health Specialist, noted that the Dunaweal Lane area warranted study as it appears to be a, quote, existing problem yield area where quote, water is in short supply. What happens to these documents that we labor to produce as evidence? Are they disappeared down Orwell's memory hole?

While much of the County and Napa City is grappling with the problem of water being trucked to increasingly unsustainable projects, Staff appears unaware of water trucking in the Dunaweal area, and again assures there's plenty of water. One acre-foot of water for each acre of land can supposedly be continuously extracted on the Valley floor with no harm.

However, as I read GRAC and Luhdorff Scalmanini they do not provide data to support that assumption. Indeed they state there is insufficient data to assume anything. And instead repeatedly identify the Calistoga area as quote, high priority for study

because it is particularly data deficient.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

A small winery, Venge Vineyards, about 8,000 cases, less than a mile away, was approved in 2009, also with assurances of ample water from four wells. The 12-acre parcel had a small vineyard and private residence, but needed four wells to survive. Neighbors were told their water concerns were baseless. One acre of water for every acre of land. Well, Venge was built in 2010, and now trucks water in regularly. At least one Venge neighbor now also has to truck in water periodically. The problem in our area is the alluvium capable of storing water is very thin. Geothermal waters with vineyard-killing boron, are very close to the surface and the hills are so fissured from volcanic activity, it is unclear how much water received in those eastern hills actually recharges here. Apparently unknown to the County and admittedly perhaps unknown also to the applicant, is that Clos Pegase has also recently been trucking in water. I watched in 2012, 2013 as water trucks regularly chugged up the hill to the storage tank near the residence, day after day.

The new owners plan to boost production at Clos Pegase to 200,000 gallons, as permitted, an increase of over 300 percent. If water has had to be trucked in to produce 60,000 gallons, how many more water trucks will be needed when production grows threefold? How many will be needed when Girard is also in production?

What is most concerning is the change that the new owners have brought to Clos Pegase. It is well known that weddings are illegal at Napa County wineries. One of the principals, Leslie

1 Rudd, has apparently owned a winery here since the late 1980s and surely must be aware of this unwavering WDO policy. Yet the major marketing plan to grow Clos Pegase appears to be via 3 weddings. Almost immediate to the change in its ownership, Clos 4 Pegase began an intense wedding marketing program. In your 5 packet are a few screen captures downloaded from the Internet. 6 If you Google Clos Pegase, weddings is the first item that comes 7 up as you can see on the Google page. Click on Clos Pegase 8 weddings and up pops the wedding home page, which is the second 9 item in that wedding packet. Click through and you will see they 10 have pulled out vineyard to make way for a portable altar and 11 chairs. They aren't kidding. They're promoting the actual 12 13 wedding ceremony as well as the receptions and dinners. Lovely, expensive photography, with brides and grooms all over the 14 vineyard, winery, and caves. Weddingspot.com, which is also in 15 your packet, provides more detail. Maximum outdoor wedding 16 ceremony, 250 quests. Maximum indoor reception, 250 quests. 17 Average wedding cost is between \$17,000 and \$27,000 per 18 weddingspot.com for 100 quests. Extrapolate that. That would be 19 about 70,000 dollars for the maximum 250 quests. And make no 20 mistake; this is all about weddings, and not wine marketing. 21 Only beer and wine are allowed per the data on the Internet, and 22 alcohol is noted to be BYO, bring your own. They aren't even 23 required to drink Clos Pegase wines at these weddings. 24

We have recently observed events for wedding planners, as well as the weddings themselves. Napa County Sherriff's complaint logs contain the detail. Code Enforcement should check with the Sherriff's Department. One deputy responding to a

25

26

27

28

recent wedding complaint told me that he could not do anything other than request the music be turned down because, he said, weddings are legal in Napa County. They happen up and down the Valley all the time. When I cited the facts that weddings are illegal here he responded, if that's true and you can put a stop to them, you have no idea how many calls you will save this department. We are always out on wedding calls. I repeat, the Napa County Sherriff's deputies appear to be responding regularly to complaints generated by weddings occurring all over the valley, but do not shut them down because they are considered legal activities. Perhaps the Board of Supervisors should chat with the Sherriff, and perhaps Code Enforcement should start opening some files.

The new owners have at least one more trick up their marketing sleeve. See the California Winegrowers promo piece, which is the last page in the wedding packet. And I quote, the winery now hosts weddings among other events. And the remodel of the house on the property will create a new event space. Not only is this a wedding mill, the private residence is intended to be a new event space for yet more illegal special events.

I have searched the file and I am very familiar with the Clos Pegase from day one. It does not hold permits to allow these activities. We are reminded that these same winery owners also own Cosentino, which uses State Highway 29 as a loading and unloading zone because the parcel is too small for the winery activities it contains. The neighbors suffer. It is astounding to me that the County, CHP, and Caltrans could possibly allow this to continue, when one of the biggest problems we have in

Napa County is traffic. We are not looking forward to policing our new neighbors. Weddings and illegal events were apparently conducted at the site by the former owner as well.

Included in the packet is, the last page, I believe, this letter, which was anonymously put into my mailbox by an irate neighbor who expected me to stop the shenanigans. I'm presenting it at this time so they know their efforts were not in vain.

Every day we learn that Napa County has very serious problems that are not being addressed. Thousands of winery wastewater trucks are apparently a surprise to planners. At one Raymond hearing Staff revealed that quote, dozens of left-turn lanes throughout the county, mandated as CEQA mitigations have never been installed, and traffic is one of our biggest issues.

This Commission has been asking for at least a year for a nexus between marketing and production. For definitions of marketing events versus food and wine pairings. And I've attached a request from Heather—Commissioner Phillips, from the July 16, 2014 Planning Commission meeting where she asked many of these questions. The much-heralded NCTPA traffic study hasn't been completed. I'm glad to hear that's coming up, finally. How can you assess cumulative traffic impacts? No one knows yet how many water trucks are delivering how much water to which unsustainable projects all over the county. And yet Wine Business Journal recently reported that there are 80 winery projects quote, in the pipeline. How can this continue? How can you keep compounding the problem by approving more projects without current and complete data? And how can you issue a new use permit to owners, who, while they have been very

accommodating in our request for a fence and dust control, are openly and flagrantly violating the WDO and Napa County Code? Thank you.

COMMISSIONER SCOTT: I hope everybody doesn't get that much time.

CHAIR PHILLIPS: No.

GARY MARGADANT: Good morning Commissioners. My name is Gary Margadant, I live up on Mt. Veeder Road at 4042. I have a couple of comments here. Norma has spoken at length about a lot of things that I would have spoken to, but—and I thank her for that. The one thing that I would mention on this is that it sounds like if there's a water problem in the area up there, one of the things that you really need to do is—and the County needs to do, is investigate whether this is actually the case. And I think one of those things ought to be a requirement that the wells in the area be tested, and they be tested for the water quality also. I think water quality is going to be a big measure that's going to give us a lot of insight into what is actually going on in these aquifers.

If Venge is having a problem, and its neighbors are having a problem, I'm sure that the water quality measurement will actually begin to tell you something about how it is progressing over the years, whether it's deteriorating, whether there's plumes coming in from boron, whether there's plumes coming in of chlorine, whether the aquifer underneath the ground is deteriorating to a point that it's going to be unusable in the future, you know, and if this is the case, well, that's really, really not healthy.

If Dunaweal Lane turns into Calistoga hot water baths, it's not going to be pleasant. And I would suggest to you that I think that's one very important thing that we actually do look at in the water availability analysis. Thank you very much.

CHAIR PHILLIPS: Thank you.

DAVID HALLETT: Good morning Commissioners. Chairman Phillips. Commissioners. David Hallett on Soda Canyon Road. I hadn't intended to speak this morning on the subject that I'm going to address you on now, but after Ms. Tofanelli's remarks I want to ask you about compliance.

I've had meetings, both in his office, and socially with Director Morrison about the compliance that the County is activating here in our business and on the enforcement of the use permits that you as a Commission and the Board of Supervisors regularly have issued in the last two years. My question to you is how can you continue to issue use permits that you know the County will not enforce the conditions of that permit? Mr. Morrison's group doesn't have the manpower. I've told this Commission, I've told the Board of Supervisors. He doesn't. Earlier today he asked you to find him six people. I don't know what those people are going to do, whether they're going to be in compliance, whether they're going to be in planning.

It seems to me that the planners have plenty. They are producing recommendations for you with great regularity. I know you don't like to hear the word moratorium, it makes your toes curl. So let's call it something else. Put a pause on the consideration of these 80 permits that are in the pipeline. Just

tell the applicants you can't continue considering them because the County cannot enforce the use permits that you are requested to produce. It's that simple. You don't have to write an ordinance saying you're going to have a moratorium. Just stop considering them. You have that choice. Thank you.

CHAIR PHILLIPS: Thank you, Mr. Hallett. And I didn't know if Director Morrison, you moved your speaker, if you wanted to say anything in response to that? Or? I'm not trying to put you on the spot.

DIRECTOR MORRISON: No, no, no. I will certainly entertain any questions from the Commission. But I don't think it's necessarily productive for Staff and speakers to engage in any kind of debate. I think that really all communication should be directed back and forth to the Commission and not from speakers to the Staff. My own personal preference.

CHAIR PHILLIPS: Okay. Thank you. I saw you go for your microphone. I thought...

GINNA BEHARRY: Hi. My name is Ginna Beharry. I live at 3167 Dry Creek Road. I hadn't intended to comment either, but after hearing Ms. Tofanelli, and dealing with the Anthem issue that we spoke at at the last Commission meeting, it seems to me that, I don't know if anyone's ever framed an argument like this in terms of an involuntary wealth transfer. As these projects creep closer to neighbors, I have very little doubt that Ms. Tofanelli's property value will decrease significantly if something like the Girard Winery is approved. And as, you know, in terms of the anthem project as well, that there are these large event center wineries close to residential neighborhoods,

or residences in Ag watersheds that if it decreases the property values or the home equity of a number of, you know, by millions of dollars, of people around them, is it fair to add to the value of the property of the winery applicant at the expense of devaluing the property of the people around it, who happen to be there first?

1.6

And, I mean, I just, you know, I had studied economics in college and went to business school, and I truly see this as an involuntary wealth transfer that is really not taking into account what's just for all citizens, not, rather than just caring about what winery applicants want. That's my only comment.

CHAIR PHILLIPS: Thank you. Okay, well I appreciate the comments and is there anyone else who would like to speak? Yes.

COMMISSIONER SCOTT: Oh yeah.

DAVID CLARK: Good morning Commissioners. My name is David Clark, 4704 Silverado Trail. And I live near the proposed Girard Winery where Dunaweal hits Silverado Trail. My brother's a hydrogeologist. We both grew up here in the Valley. And I could have asked him to produce yet another report for you. But you might have thought it was biased, and you have plenty of reports.

What's needed now is some common sense from everybody and some actual data about the project area. The GRAC report is an intelligent consolidation of previous studies and available data, highly professional, and beautifully illustrated. It may be the bible of water reports in this county. But it recognizes its limitations. Even if those referring to it don't.

In my letter to County I've detailed some quotes from the GRAC report. Quote, except for near St. Helena, the upper valley was not examined for this study. Quote again, the upper Napa Valley and MST area were largely excluded from the present study because of the small size of the upper valley in the previous detailed studies of the MST. Another quote, as with the calculated depth to groundwater values along the Napa River, the groundwater evaluation contours in spring 2010 were interpreted with limited well control. And therefore calculated values in many areas of the valley have great uncertainty.

Another quote, the stream flow gates near Calistoga was only in operation for eight years. As to aquifer testing it says as explained in this report, the distribution of the hydraulic conductivities in the Napa Valley was based on data recorded on historical drillers' reports. During the current study that became evident based on approximately 1,300 reports reviewed, that most of the test data are insufficient to adequately determine or estimate aquifer characteristics. Since most of these data were recorded during airlift operations rather than a pumping test. Pumping is recommended to gather the appropriate data to reliably determine well yield.

As to the groundwater monitoring network the report illustrates the distribution of current groundwater level monitoring locations, which is primarily located in the Napa Valley floor, Napa, and MST sub areas. Very little groundwater level monitoring is currently conducted elsewhere in Napa County outside these two sub areas.

Maps in the report show far fewer wells in the Girard JANUARY 21, 2015

project area, and in St. Helena, and south. Some maps go no farther north than St. Helena. These are not defects in the report, but they are limitations. The County's, Girard Environmental Determination Analysis reads, the subject property is not located in a groundwater deficient area. And it goes on to name various studies, including the GRAC report, concluding, in general, recent studies have found that groundwater levels in the Napa Valley floor exhibit stable, long-term trends with a shallow depth to water.

However, given the many disclaimers I've just quoted in the GRAC report, which refers to all available studies and information of the valley, the County's analysis is certainly not true for areas near Calistoga.

I've been present at past County meetings where Norma

Tofanelli has presented extensive material regarding water

shortages in wells near this project. This information provided

more detail in the immediate project area than the GRAC report

does and should be considered. I personally have information

that's even more critical for this hearing.

Given the reported lack of data and studies in the Clos Pegase/Girard region, the current experience of those living and working there becomes the main source of factual information. My wife and I own 33 acres where Dunaweal hits the trail. We have three wineries bordering our parcel. Our well is on the valley floor. And originally it provided plenty of water. When a neighbor's 12.5-acre valley floor vineyard and home needed more water than their existing three wells could provide, he asked me about my well, then drilled another well 50 feet from it. Our

available water then decreased, and I learned a valuable lesson about wells. Nobody talks about them.

Years later Venge Winery was built in that vineyard. During the growing season, despite pumping as much as possible from groundwater and affecting our well, their system does not supply enough water. They've trucked water in regularly for years, sometimes more than once a week. They probably would have had to show sufficient supply was available to get their winery permit, but that proof clearly turned out to be wrong.

Properties around us have multiple wells, some abandoned, in order to try and meet their water needs. After the neighboring vineyards reduced our well's output, we drilled three or four dry wells on our property before we found water. Only the variety of terrain on our property allowed that. We could have drilled on the valley floor forever without success, and simply drilling deeper to reach more water, it's not an option, because the drillers want to avoid the boron, the arsenic, and the geothermal common in the Calistoga area.

In my letter I've detailed how there is no real proof demonstrating that the designated well can provide enough water for both wineries, it only supplies production water for 60,000 gallons of wine now. There have been no tests proving it can pump enough water for the 400,000 combined gallons of production for both wineries. That's 6.7 times the volume of wine and water needed that it currently produces. The feasibility study only calculated the production without considering or testing the drawdown effects of long-term pumping at such a high volume. In fact, the drillers' data shows the well runs near dry after

pumping only 5,400 gallons. Far shy of the 15,000 gallons required daily for the wineries.

No consideration is given to the effects on neighboring wells. If this well can't produce sufficient water the application mentions one or two other existing wells, which currently may be disconnected and/or not potable sources. The production of these wells has not been referenced, and the same concerns about proving actual production exist. The fact that the Girard and Clos Pegase properties are to be linked through sharing a water system raises doubts about the quality of other wells on the property.

Drilling additional wells is possible, but as my neighbor and I have experienced on our properties, it's no guarantee of water. If sufficient water isn't available from the property, Girard and Clos Pegase would end up trucking lots of water. That's poor planning, and it isn't a sustainable policy.

With the water information before you now the Girard project should not be allowed to proceed and become a precedent for trucking water instead of proper planning. If wine can't be made on a site, there should not be a winery there. It's that simple. This is exactly what has happened to Venge's 20,000-gallon winery even after drawing as much water as possible from multiple wells on a 12-and-a-half-acre valley floor site. The Girard/Clos Pegase Wineries will need 20 times more water. Will Girard get lucky? Will the County bet on that?

Furthermore, the winery process water comes from well number two. And a significant volume of processed wastewater, 920,000 gallons, is earmarked from that for vineyard irrigation.

If that well doesn't produce enough water for the winery, the calculated wastewater would not be available for irrigation. All the project calculations fall apart. So, if there's a need to truck water for winery production, that same trucked water would end up as processed wastewater for irrigation. I understand that the trucked water comes from municipalities. Is irrigation with that water legal in this County?

In the absence of factual, or accurate, data from the GRAC report for the Girard region, the known facts from other sources concerning existing wells in the area become much more important. The water situation at Venge Winery is one of the few comparisons available, and does not bode well for the much larger Girard project. At the very least, this project needs further data and studies. Tripling production at Clos Pegase to the permitted 200,000 gallons may alone create water problems. Granting the Girard Winery permit will double that effect. Even if the subject properties can produce the water, there have been no studies of the effects to neighbors, or to the region in general.

As in the case of the Venge Winery, repercussions to neighbors do exist. The effects from the Girard/Clos Pegase project will be 20 times as great. No permit should be issued to Girard, unless more extensive studies demonstrate a favorable outcome. Given the concerns expressed, approving this project would set a precedent for irresponsible winery planning and with wineries trucking water from the cities. This is not a sustainable model for our valley. Thank you.

CHAIR PHILLIPS: Thank you, Mr. Clark.

BEN MONROE: Good morning. Ben Monroe, Always Engineering, 1 2 131 Stony Circle, Santa Rosa. I just wanted to provide a bit of clarification on what was touched on earlier and has kind of 3 come up through these other comments, too, regarding the 4 transient non-community water systems. Part of the application 5 for that through environmental management, as they've been 6 allowed through the State of California, is to look at 7 consolidation feasibility as part of your permit application. 8 There's a specific question in the application that says is 9 there any public water systems within one mile of this project, 10 and have you looked at consolidating with that system. So, in 11 this case, we already had a water line on our property, the well 12 on our property as well. And that's the reason that we've 13 decided to combine these two projects as a single water system. 14 Could we look at, you know, separating them, yes. There was a 15 well on the Clos Pegase parcel that was connected to the system. 16 It had been abandoned because it didn't meet the sanitary seal 17 depth that was required for the water system. So to remain in 18 compliance, that well was disconnected. 19

20

21

22

23

24

25

26

27

So, I just wanted to point that out, that, you know, there was a reason that the systems were combined, and that is what the State is asking you to look at. So, I just wanted to shed some light on that, thank you.

SCOTT GREENWOOD-MEINERT: Scott Greenwood-Meinert,
Dickenson, Peatman, and Fogarty on First Street in downtown
Napa. I'm an attorney for the applicant. I'm going to keep this
really short because we're going to come back after we discuss
with Staff the letter and the information that came in very late

yesterday afternoon and this morning, which we haven't had ample time to review either.

There are two issues that came up in the public comment that we do need to address. One of them is the wedding issue. Clos Pegase is a pre-WDO winery, and weddings are allowed. And the other issue is the trucking of water at Clos Pegase does not occur and has not occurred. Thank you.

CHAIR PHILLIPS: Actually, can we--can I ask for clarification from Laura in terms of the question of the--this--weddings being allowed. I know that some pre-WDO wineries have wedding rights, but do they all?

DEPUTY COUNTY COUNSEL LAURA ANDERSON: John can correct me if I'm wrong, but my understanding is that only wineries that were conducting weddings prior to the pre-WDO, you know, before the WDO went into existence, and can demonstrate that, are able to do that. Is that correct, John?

DEPUTY DIRECTOR MCDOWELL: I would agree with that. Yes.

COUNSEL ANDERSON: And as far as I know, isn't it only-what's the one I'm thinking of?

DEPUTY DIRECTOR MCDOWELL: Sattui?

COUNSEL ANDERSON: Yes. That's the only one that we're aware of, is that true?

CHAIR PHILLIPS: No there's -- the Beaulieu...

DEPUTY DIRECTOR MCDOWELL: I know we went through a process on Sattui to--it was similar to our certificate of legal non-conformity process, where they submitted the evidence indicating that they were conducting a certain level of weddings at a certain intensity prior to the adoption of the Winery Definition

Ordinance. And that option remains open to any other pre-WDO facility that wishes to come forward and request acknowledgement of weddings if their use permit doesn't already acknowledge weddings as part of their use permit entitlement.

MR. GREENWOOD-MEINERT: If I may.

2.0

CHAIR PHILLIPS: Please state your name in for the record.

MR. GREENWOOD-MEINERT: Sure. Scott Greenwood-Meinert, again, Dickenson, Peatman, and Fogarty on behalf of the applicant. Clos Pegase was conducting weddings in the 1980s and has extensive information to that point, so it is something that was done prior to the WDO repeatedly, and as a prominent practice.

CHAIR PHILLIPS: Well, I'm going to ask for more clarification for Staff on--and when we come back regarding the weddings with the background that we've just received.

COMMISSIONER POPE: Along those lines, too, I'd also like to find out a little bit more about what's meant in their marketing materials about bring your own. It's just something I hadn't seen before.

DEPUTY DIRECTOR MCDOWELL: So since this is heading in the direction of continuance we'll be happy to work with the applicant on that. I guess for the benefit of the audience, the matter before us today is, of course, the Girard Winery across the street, so the decision making needs to be on Girard. And to the degree that we're discussing Clos Pegase can really only be as it relates to the Girard facility and not specific to the Clos Pegase facility. That really needs to be handled separately.

CHAIR PHILLIPS: Thank you for that clarification. Well I'm going to ask the Commission now if they have any additional comments that they would like to make, or questions of Staff.

Commissioner Pope?

COMMISSIONER POPE: Did I volunteer?

CHAIR PHILLIPS: Oh I thought--no?

COMMISSIONER POPE: Just, yeah, I think obviously given the volume of information that's been brought in at a late hour here, that obviously we all concur, I think, with the idea of a continuance. You know, I think as we just discussed in the new water availability analysis, and we talked a little bit about the language of, you know, factually demonstrating concerns about water and challenging the assumptions made in our existing water availability, you know, I think some pretty salient points were raised here and would like to hear some, you know, really specific responses to particularly the items raised in Ms.

Tofanelli's letter. And I made notes, and now I can't interpret them. But--well, anyway.

CHAIR PHILLIPS: We can come back. Sorry I didn't mean to put you on the spot.

COMMISSIONER POPE: Yeah, no, I mean, a number of—yeah, I mean, I just think the number of pretty concerning questions are raised in the letter, and I think, you know, I just would like to hear Staff call out specifically, I think, for example, the second page of the letter, second paragraph starting with Clos Pegase as a pre-WDO winery. Talk about some of the issues raised there. The notion that, you know, the idea that perhaps the parcel has already been used. I'd like to hear discussion in

that regard in terms of receiving wastewater. And yeah, I certainly remember the information that Ms. Tofanelli has brought up in the past, and that usually ran up against the water availability analysis that we had at the time. So I'd like to see some addressing of those issues and how they relate to the current development in the Dunaweal area. I think that's it for now, but if I think of anything else I'll bring it up before we're done.

CHAIR PHILLIPS: Any other comments?

COMMISSIONER BASAYNE: I would concur. I believe that a continuance is important. Certainly in light of the additional information that's been provided and the need to analyze it, certainly for the benefit of the applicant, but also for the benefit of the neighbors.

COMMISSIONER SCOTT: I would agree that a continuance is very appropriate. And I'd like to express some concern based on the information that has been provided, by—in particular by the neighbors, because in addition to the GRAC report, I don't think that we can discount the actual life experience of the people who are there. I mean, that has value to me. And I place a certain amount of credibility, in fact, a great deal of credibility with the experience. Particularly with neighbors who have been there for many years, and have gone through various seasons, various droughts, etcetera.

So I think that it is incumbent on us as a Planning Commission to look at long-term impacts and to apply, or interpret, if you will, the County ordinances and the WDO to the extent that we've done our job as thoroughly and as completely

as possible. And based on the information that we've received, I for one, would have to have more time, and I would request that Staff make the necessary time to determine the information that will allow us to make a reasonable decision based on fact and the application of our Planning principles that we have tried to maintain and live up to for many, many years here in Napa County.

COMMISSIONER COTTRELL: I would concur with my fellow

Commissioners about the need for a continuance here. And also I would just echo Commissioner Scott's gratitude to the speakers this morning to help provide some more data about water availability, because I think we do need to continue to gather more information on that front.

Two other issues I just wanted to bring up briefly to Staff. A question I had about traffic impacts of the events. And I know that we're talking about, you know, few events over the course of the year, but we're also in an environment of lots of wineries doing these single large events, and I'm wondering about the cumulative impact of the 500-person event when it's happening in multiple locations around the county.

And then my final comment, I guess, is a little bit--a-30,000-foot viewpoint. We have a situation here where we are
looking at the Girard parcel, but as Clos Pegase is in common
ownership, I think it's worth noting we have a situation where
there is a pre-WDO winery that is not subject to that 75-percent
production, or grape--local production rule, and one that is.
And so it's a kind of classic fact pattern for grapesource
shifting, and I think I would look to Mr. McDowell or Mr.

1 | 1 | 2 | 3 | 4 | | 1 |

Morrison to provide some information to the Commission about how the General Plan contemplates that kind of source shifting scenario. And also if the environmental documents in that General Plan EIR, look at that, and how they provide an analysis for that.

CHAIR PHILLIPS: In that vein I have a few additional things that I would like to pass on to Staff. The first being the 2,628 square feet of covered seating area, I would like to see that counted towards the production to accessory ratio number. I feel that once you put a roof on, it becomes, what I consider, or would be considered, a structure. So I'd like to see that added to that calculation.

With regards to the water, I think that--I echo my Commissioners' concerns about the evaluation of the situation.

And in terms of traffic on the mitigation measures, one of them, the mitigation measures for traffic is to schedule employee work shifts to commence include outside of p.m. peak periods between four and six. So, a few questions on this, that we don't require them to be scheduled between peak morning hours, just peak p.m. hours. And then ten days after the issuance of the final occupancy, do they need to put in a plan of how they would meet this? And I mean, it's pretty difficult to say that you're going to have nobody—everyone has to leave before four that is working, or after six. It's going to be a difficult thing to monitor.

But, lastly, it seems like this is a mitigation measure that we're seeing more frequently within the last few applications. And my fear is that we are just shifting our--that

we're just shifting the traffic. We're shifting the peak period of traffic. And we need to be cognizant of that.

.28

And I guess—and lastly, I guess I agree with a continuance, but almost before the continuance, I am wondering if this does need to go before the Board. I do feel that this is a policy issue, and I am not necessarily sure that it is within our purview to decide on this without their guidance.

COMMISSIONER POPE: Specifically what aspect?

CHAIR PHILLIPS: The aspect of when is it considered being used? You have a parcel that is already encumbered by a winery.

COMMISSIONER POPE: Yeah. It's kind of a--it's a little bit chicken before the egg. You know, does the Board need a recommendation for us on this particular question to take it up, or do we postpone the question until we get some guidance from the Board.

DEPUTY DIRECTOR MCDOWELL: If I could weigh in, John McDowell, representing the Planning Division. The jurisdiction of this project is firmly in the Planning Commission's court. So, the, really, the only vehicle as I understand it, unless Laura wants to correct me, is you need to make a decision on this project at some point, and then that—if somebody's aggrieved by that decision that it would work its way up to the Board of Supervisors.

DIRECTOR MORRISON: Yeah, I would strongly--David Morrison,
Planning and Building. I would strongly concur with Mr.
McDowell's comments. I'm not aware of any mechanism for the
Planning Commission to refer a matter up to the Board. The Board
can refer matters down, but it doesn't usually work the other

way. But, more importantly, this is a pending application that could be heard on appeal to the Board and the Board can't prejudice itself on a pre-appealed matter.

CHAIR PHILLIPS: True. True.

DIRECTOR MORRISON: So, this really is the Planning
Commission's issue to wrestle with. If there's some areas in
which the Commission wants further clarification or direction,
then I would encourage Commission members to make those comments
known to Staff so that we can respond when this comes back. But
ultimately it will be the Commission's decision to weigh
whatever factors it feels are appropriate based on its own
individual interpretation to the General Plan as they see it
currently.

COMMISSIONER POPE: Well, I would--yeah, I would say, I appreciate that clarification. And that would be my understanding of the process as well. Yeah, it is an interesting policy question. It's not one that I recall seeing before. And I think there's a compelling argument to be made there, this notion of the parcel being used already. And I would definitely like to hear further exposition from Staff on--to look at that, I won't say for or against, but I guess the mechanics surrounding that determination, if a parcel is used because it is currently receiving wastewater from an existing winery.

CHAIR PHILLIPS: It's already an encumbered parcel.

COMMISSIONER POPE: Yes, thank you. I would also concur with Chair Phillips' point about the--I forget the numbers you just read off with accessory usage.

CHAIR PHILLIPS: The 2,628 square feet of covered space.

5 6

8

7

10

11

13

15 16

17 18

19 20

21

22

23

26 27

28

25

Well, usually I'm being told that I try to make policy, and I can't. So this is a new day when I'm actually within my jurisdiction. [Laughter.]

DIRECTOR MORRISON: For clarification, I did not say that the Commission could make policy, I said the Commission, just as Staff does every day with literally dozens of decisions that come across my desk every day, and those of the planners and others, we are constantly making our best interpretation of policy, we're not asking you to set policy, we're asking you to interpret the existing policy.

CHAIR PHILLIPS: Understood. Understood.

COMMISSIONER POPE: But Heather heard we are making policy now. [Laughter.]

CHAIR PHILLIPS: That's right.

COMMISSIONER POPE: That's what she heard. She wrote it down, I can see it's right here.

CHAIR PHILLIPS: Well, with that being said I would entertain a motion.

COMMISSIONER POPE: One question would be when would be the time to continue this. Because I know a month from now is about the 18<sup>th</sup>, and we have Syar, so I don't know if this would be...

CHAIR PHILLIPS: It would--so it would be to--well it's not necessarily a motion, but to a date certain.

DEPUTY DIRECTOR MCDOWELL: Yeah. In my discussion with the applicant's team prior to the meeting, we discussed a one-month continuance, and that will at least, that would take us out to February 18, which would coincide with the Syar item. But with that said, we're either going to be able to figure this out

within the next couple of weeks, or we're going to need to drop the item from the agenda and re-notice it for a hearing date once we line everything up.

DIRECTOR MORRISON: For the Commission's information, there's been emails this morning. We are looking at likely continuing Syar to the March 18 meeting at this point. That's not a set date, but that is tentatively what we're looking at, so if you're worried about a conflict with Syar on February 18, I don't think that would be a problem.

COMMISSIONER POPE: Okay.

CHAIR PHILLIPS: That's good to know. And actually, before we discuss about that date, I also did want to reiterate that—Commissioner Cottrell's comments regarding the grapesourcing, and I, too, did have some questions about where the, you know, you have 12 planted acres, three acres that would come in in five or so years, and about the grapesourcing as well. Okay.

COMMISSIONER POPE: So, John, if I understood you, that perhaps...

DEPUTY DIRECTOR MCDOWELL: The Staff's recommending the continued date certain to February 18 with the understanding that we may come back later and ask that it be dropped from the agenda.

COMMISSIONER POPE: With that proviso I would make a motion that we continue this item to a date certain February 18, unless otherwise advised by Staff.

COMMISSIONER BASAYNE: Second.

CHAIR PHILLIPS: All in favor?

ALL COMMISSIONERS: Aye.

CHAIR PHILLIPS: Opposed? Passes unanimously. And we'll take a five-minute break.

--000--

I, Kathryn F. Johnson, do hereby certify and believe:

That the foregoing pages are a true and correct transcript of the proceedings before the Napa County Planning Commission, County Building, Board Chambers, Napa, California, excepting words noted "inaudible" or words placed in [brackets] to the best of my ability. Speech disfluencies, discourse markers and pause fillers have been deleted, except when deemed function words. Commas may be used for emphasis as well as for grammar.

I further certify that I am not interested in the outcome of said matter or connected with or related to any of the parties of said matter or to their respective counsel.

Dated this 8th day of December, 2015.

Kathryn F. Johnson

THE FCREBOING INSTRUMENT IS A CORRECT COPY THRE OF COMPANY SALES OF THIS OF MORE

CANNEX OF THE BOARD OF BUFERMACHS OF