



COUNTY of NAPA
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

STEVEN LEDERER
Director

CHRISTINE M. SECHELI, R.E.H.S.
Assistant Director

TO: Napa County Planning Department
Hillary Gitelman, Planning Director

FROM: Napa County Environmental Management Department
Christine Secheli, R.E.H.S., Assistant Director

SUBJECT: Use Permit Application for Headwaters (Napa Valley Distribution Center)
Located at Devlin Road
Assessor Parcel #057-090-069
File # P07-00412

DATE: September 3, 2008

We have reviewed the above proposal and recommend approval of the application providing the following are included as conditions of approval:

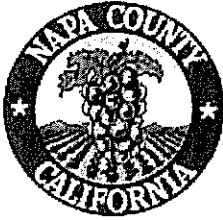
1. If any food or beverage facilities are included in the project, plan review and approval shall be obtained from the County Department of Environmental Management prior to issuance of any building permits. An annual food permit will also be required.
2. Pursuant to Chapter 6.5 & 6.95 of the California Health and Safety Code, businesses that generate hazardous waste and/or store hazardous materials above threshold amounts shall file a Hazardous Waste Generator Application and/or Hazardous Materials Business Plan with the Department of Environmental Management within 30 days of said activities. All businesses must submit the required Business Activities Form which can be obtained from the Department of Environmental Management
3. Any hazardous waste produced on the site including any laboratory wastes, must be stored and disposed of in a manner consistent with Division 20, Chapter 6.5 of the California Health and Safety Code and with Title 22, Division 4.5, of the California Code of Regulations.
4. Discharges of wastewater or wash water from activities including (but not limited to) equipment washing, vehicle washing, auto body related activities, parking lot washing and mobile detailing that may contain oil, grease, metals, or other deleterious materials must be properly disposed of. Contact your local sewer agency for discharge requirements. If sanitary sewer is not available and sewage disposal is via an on-site septic system, all such wastewater must be characterized and properly disposed of off site or by an on-site closed loop treatment system. If the waste stream is determined to be a hazardous waste, the waste must be stored and

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disposed of in accordance with the requirements of Division 20, Chapter 6.5 of the California Health and Safety Code and Title 22, Division 4, Chapter 30 of the California Code of Regulations.

5. All waste water lines of the proposed development must be connected to the City of American Canyon.
6. The proposed parcel(s) must be connected to the American Canyon water system.
7. All solid waste shall be stored and disposed of in a manner to prevent nuisances or health threats from insects, vectors and odors.
8. During the construction, demolition, or renovation period of the project the applicant must use the franchised garbage hauler for the service area in which they are located for all wastes generated during project development, unless applicant transports their own waste. If the applicant transports their own waste, they must use the appropriate landfill or solid waste transfer station for the service area in which the project is located.
9. Adequate area must be provided for collection of recyclables. The applicant must contact the franchised garbage hauler for the service area in which they are located, in order to determine the area and the access needed for the collection site.

cc: Sean Trippi, CDPD
Doug Calhoun, Environmental Health Supervisor
Kevin W. Teague, Dickenson, Peatman & Fogarty, 809 Coombs St., Napa, CA 94559



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TO: Napa County Planning Department
Hillary Gitelman, Planning Director

FROM: Napa County Environmental Management Department
Christine Secheli, R.E.H.S., Assistant Director

SUBJECT: Parcel Map Application for Headwaters (Napa Valley Distribution Center)
Located at Devlin Road
Assessor Parcel #057-090-069
File # P08-00131-PM

DATE: September 3, 2008

We have reviewed the above proposal and recommend approval of the application providing the following are included as conditions of approval:

1. All waste water lines of the proposed development must be connected to the City of American Canyon sewer system.
2. The proposed parcel(s) must be connected to the City of American Canyon water system.

cc: Sean Trippi, CDPD
Doug Calhoun, Environmental Health Supervisor
Kevin W. Teague, Dickenson, Peatman & Fogarty, 809 Coombs St., Napa, CA 94559

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PUBLIC WORKS DEPARTMENT INTER-OFFICE MEMO




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NAPA CO. CONSERVATION
DEVELOPMENT & PLANNING DEPT.

DATE: December 2nd, 2008

TO: Conservation Development and Planning Department

FROM: Drew Lander, Assistant Engineer 

SUBJECT: Headwaters Development – Napa Commerce Center, APN# 057-090-076,
File # P07-00412, P08-00131

The application will allow the subdivision of a 218ac lot into two parcels and the construction of a 645,000sqft wine storage warehouse with 632,100sqft of storage area and 12,900sqft of office space; construct a 370 space parking lot and 62 vehicle loading areas. Parcel is located South of S. Kelly Road. The South-East property line borders the proposed alignment of the future Devlin Road extension. This proposal includes an overpass crossing over the existing active Pacific Railroad rail line. The application proposes an alignment for a secondary access road and is referred to in this application as "Headwaters Road". The following conditions apply to a winery storage warehouse use; any proposed change in use will require further analysis regarding roadway access and traffic improvements.

EXISTING CONDITIONS:

1. No improved access serves this parcel.
2. There are no existing road or drainage improvements on the proposed parcel.
3. The Eastern boundary is bordered by the Pacific Railroad rail line.
4. The Northern boundary is bordered by an un-named drainage facility which conveys basin drainage to the West.
5. Parking surface is currently nonexistent.

RECOMMENDED CONDITIONS:

GROUNDWATER

1. The applicant has submitted a will serve letter from the City of American Canyon for water service dated ~~June~~ ^{July} 29th, 2008. No on site wells will be used to serve this parcel. No further analysis is necessary.

2. *The Developer must comply with all associated requirements and exhibits relating to water conditions to be imposed on all parcels as described in Napa County Agreement No. 7070, between the County of Napa and the City of American Canyon. This agreement and all its parts shall be effective as of July 3rd, 2008. (See Attached Exhibits E,F,G,H)*

NEW DRIVEWAY/ROADWAY:

3. All roadway construction associated with this application shall conform to the current Road and Street Standards of Napa County at the time of permit submittal and accepted construction and inspection practices.
4. Prior to issuance of construction permits, improvement plans for the construction of Devlin Road, from South Kelly Road to the southerly boundary of the property, to the full width of the typical section recommended in the Airport Industrial Area Specific Plan shall be prepared, and shall be submitted to the Department of Public Works for approval. Plans shall comply with Napa County Road & Street Standards, and shall include the following:
 - a) Street plan and profile.
 - b) Drainage ditches, culverts, and other structures (if drainage calculations require).
 - c) Water plan (County Environmental Management and American Canyon).
 - d) Sewer plan (County Environmental Management and Napa Sanitation District).
 - e) Grading and erosion control plan for development related improvement locations.
 - f) Public utility plan, showing all existing utilities and installation of all utilities to serve the proposed development.
 - g) Design of a grade-separated crossing of the Union Pacific Railroad tracks.
 - h) Schematic design demonstrating the feasibility of the extension of Devlin Road from the property to Green Island Road.
 - i) The County will confer with the City of American Canyon to determine concurrence with the proposed design, prior to County approval of the plans.
5. Developer shall extend Devlin Road to access the proposed development. The extension of Devlin Road must conform to an acceptable alignment approved by Napa County with the intent to connect to Green Island Road. This Roadway shall be irrevocably offered and dedicated for public acceptance and shall conform to the Airport Industrial roadway standards of a three lane collector with the exception of the proposed grade-separated crossing the railroad. The roadway grade-separated crossing need only meet the standards for a Two Lane Industrial Collector with bike lanes (County Road and Street Standards pgC-9).
6. Prior to occupancy of any new structure, the Developer shall offer for dedication to the public, sufficient right-of-way to contain all the required public improvements.
7. Prior to issuance of construction permits, the Developer shall document that an Order authorizing construction of a grade-separated crossing of Union Pacific Railroad tracks has been issued by the California Public Utilities Commission.

8. Developer shall provide a secondary access “through road” (Headwaters Roadway) connecting Airport Road to the Devlin Road extension. The required roadway right of way shall be dedicated or irrevocably offered for dedication to Napa County for public acceptance and shall conform to the County road standard for an Industrial Minor roadway (County Road and Street Standards pgC-9), providing 56feet of right of way, two 18ft travel lanes and 10ft of shoulder on either side of the roadway. Developer shall install a gate at the connection with Airport Road to prevent access onto Airport Road until such time that the County adopts the secondary access road as a public street. Gate shall be keyed to allow emergency vehicle access only. When this road is accepted as a county road the Developer shall remove the gate from the roadway.
9. Appropriate standard road signing will be required at all roadway intersections and roadway terminations.
10. Prior to issuance of construction permits, the Developer shall enter into a Development Agreement with the County for all required public improvements that shall be dedicated to the County including but not limited to the improvements for the Devlin Road extension, the Headwaters Road, and the grade-separated railroad crossing.
11. Prior to occupancy of any new structure, the Developer shall complete all public improvements, including the construction of Devlin Road from South Kelly Road to the southerly boundary of the property with a grade-separated crossing of the Union Pacific Railroad tracks.
12. A temporary construction easement for the construction of the proposed bridge abutments shall be obtained from Union Pacific Railroad prior to issuing a grading permit.
13. The following improvements were identified in the traffic impact analysis and shall be constructed prior to occupancy of any structure:
 - a) Construction of a fourth lane on the eastbound leg of South Kelly Road at Highway 29.
 - b) Construction of a second left turn lane on the westbound leg of South Kelly Road at Highway 29.
 - c) Lengthen the left turn lane on northbound Highway 29 at South Kelly Road to minimum 450 feet.
 - d) Construction of a right turn lane on northbound Highway 29 at Green Island Road/Newell Road.
 - e) Lengthen the right turn lane on southbound Highway 29 at South Kelly Road to minimum 100 feet.
14. Access driveways shall be designed to meet the Airport Industrial Area standards. Structural section shall be a minimum section equivalent to support an H20 load designed by a licensed Civil or Geotechnical Engineer and shall not be less than two inches of asphalt concrete over

five inches of Class II Aggregate or equivalent. (County Road and Street Standards, Page 9, Par. 12)

PARKING:

15. Any additional parking proposed by the Developer or required by the Planning Commission as a condition of this use permit must have a minimum structural section equivalent to support an H20 load designed by a licensed Civil or Geotechnical Engineer and shall not be less than two inches of asphalt concrete over five inches of Class II Aggregate. (County Road and Street Standards, Page 27, Section 19).
16. Parking lot details shall conform to the requirements of the latest edition of the Napa County Road and Street Standards.

SITE IMPROVEMENTS:

17. Proposed drainage for the development shall be shown on the improvement plans and shall be accomplished to avoid the diversion or concentration of storm water runoff onto adjacent properties. Plan shall also indicate the path and changes in runoff.
18. Grading and drainage improvements shall be constructed according to the latest "Napa County Road and Street Standards" and the 2007 California Building Code Appendix J.
19. Developer must obtain an encroachment permit from the Public Utilities Commission (PUC) prior to installing or connecting a railroad spur line to access this facility. All construction of the rail line must be done as approved by the PUC and in accordance with industry standards.
20. The Developer must obtain an encroachment permit for any work performed within the Napa County Right-of-Way.

PARCEL MAP CONDITIONS:

21. Prior to final occupancy of any structures the Developer is to submit a Final/Parcel Map to the Department of Public Works for review and approval by the County Surveyor. The Developer is to pay the map checking fee as established by resolution of the Napa County Board of Supervisors in effect at the time of submittal of the map.
22. Any improvements proposed after the Parcel map has been issued shall be constructed according to plans prepared by a registered civil engineer and shall be reviewed and approved by this office prior to construction. Improvement plans shall be submitted with the building permit. A plan check fee will apply.

23. Developer shall provide a 20' wide Public Utility Easement (PUE) from Headwaters Road to the proposed Pump Station.
24. Developer shall provide all easements/dedications on the Final Map to the satisfaction of the County of Napa Public Works Department and in agreement with the requirements of the Napa County Airport Industrial Area Specific Plan.
25. The proposed Headwaters Road shall be constructed and complete prior to occupancy of any structure and shall be privately maintained until such time as the County Board of Supervisors accepts the offer of dedication.
26. In addition to the required dedications for road right of way the Developer shall offer an additional 20' adjacent to the grade-separated crossing, over the entire length of all constructed toe of slopes, to the County of Napa, or assigned authority, for maintenance purposes. Within the 20' easement, the Developer shall provide a 12' all weather surface road meeting current County of Napa Road and Street Standards with vehicular turnarounds prior to the railroad right of way. The vehicular turnaround shall be designed for a standard vacuum pump truck. A safe and reliable entrance to the 20' maintenance easement shall be provided along Devlin Road. An exhibit shall be provided showing how a standard vacuum truck can maneuver from Devlin Road to the 20' maintenance easement.

AIRPORT SPECIFIC CONDITIONS:

27. Developer will pay all applicable Napa County Airport Road Improvement and Development Fees prior to receiving any building permits for this project. Upon approval of this use permit, the Developer should contact our office to obtain information regarding the determination of this fee.
28. All Public Works related improvements shall conform to the latest Napa County Road and Street Standards and the latest Napa County Airport Area Specific Plan.
29. As part of any tentative map, or final parcel map the Developer shall dedicate to Napa County the necessary width and alignment of the future Devlin Road extension and access roads serving the development parcel as described under the Parcel Map Conditions section of this memo. This dedication shall not be less than a minimum of a 56' wide and may be increased as required to incorporate all structures required to support the public roadway.
30. The Developer shall provide to this department complete construction drawings for the entire portion of Devlin Road and the Headwaters Road access that serves this development and borders the development parcel prior to the approval of any Construction plans.
31. The Developer is to build the portion of Devlin Road to access the parcel including curb, gutter, sidewalk improvements and other storm drain infrastructure improvements called out in the Airport specific plan to support the full build-out of the drainage basin and all drainage improvements shall be sized accordingly.

32. All driveway access points must meet the minimum distance of 200 feet from an intersection. The Napa County Airport Area Specific Plan on page 120, "b. Direct Access Limitations" states that "Private driveways along collectors should be separated by a minimum distance of 200 feet and shall not be permitted within 200 feet of an intersection".

POST-CONSTRUCTION RUNOFF MANAGEMENT REQUIREMENTS:

33. Project must conform and incorporate all appropriate site design Best Management Practices as required by the Napa County manual for *Post-Construction Runoff Management Requirements* which is available at the Public Works office.
34. Parking lots and other impervious areas shall be designed to drain through grassy swales, buffer strips, sand filters or other sediment control methods which will be approved by this Department. If any discharge of concentrated surface waters is proposed into any "Waters of the State," the permittee shall consult with and secure any necessary permits from the State Regional Water Quality Control Board prior to the issuance of applicable construction permits.
35. The application shall incorporate Site Design, Source Control and Treatment control Best Management Practices to comply with County and State water quality standards.
36. Prior to final occupancy the property owner must legally record an "implementation and maintenance agreement" approved by the Public Works department to ensure all post-construction structures on the property remain functional and operational for the indefinite duration of the project.
37. Each year the entity responsible for maintenance is required to complete an annual report that includes copies of completed inspection and maintenance checklists to document that maintenance activities were conducted during the previous year. The annual report shall be retained for a period of at least five years and made available upon request by the County.
38. Loading/unloading dock and processing areas must be covered or designed to preclude stormwater run-on and runoff. All direct connections to storm drains from depressed loading docks (truck wells) are prohibited.
39. Post-development runoff volume shall not exceed pre-development runoff volume for the 2-year, 24-hour storm event. Post-development runoff volume shall be determined by the same method used to determine pre-development conditions. If post-development runoff volume exceeds pre-development runoff volume after the site design BMPs are incorporated into the project's overall design, a structural BMP (e.g. bio-retention unit) may be used to capture and infiltrate the excess volume. Waivers from this requirement can only be granted by the Director of Public Works.
40. Provide concrete stamping, or equivalent, of all stormwater conveyance system inlets and catch basins within the project area with prohibitive language (e.g., "No Dumping – Drains to

Napa River"). Signage shall identify the receiving water the drain discharges to and include a message in Spanish.

41. Trash storage areas shall be paved with an impervious surface, designed not to allow run-on from adjoining areas, and screened or walled to prevent off-site transport of trash. Trash storage areas must contain a roof or awning to minimize direct precipitation or contain attached lids on all trash containers that exclude rain.

CONSTRUCTION STORMWATER MANAGEMENT REQUIREMENTS:

42. The site plans indicate that the construction activity will result in disturbance of greater than one acre of total land area. Therefore, the permittee will be required to obtain coverage in accordance with Napa County's General Permit for Discharges of Storm Water Associated with Construction Activity (Construction General Permit, 99-08-DWQ) issued by the Regional Water Quality Control Board (SRWQCB). To achieve this, the permittee shall file a Notice of Intent with the SRWQCB prior to any grading or construction activity. Construction activity subject to this permit includes but is not limited to clearing, grading and disturbances to the ground such as stockpiling, or excavation
43. All hazardous materials stored and used on-site that could cause water pollution (e.g. motor oil, cleaning chemicals, paints, concrete, etc.) shall be stored and used in a manner that will not cause pollution, with secondary containment provided. Such storage areas shall be regularly cleaned to remove litter and debris. Any spills shall be promptly cleaned up and appropriate authorities notified. Parking lots and other impervious areas shall be designed to drain through grassy swales, buffer strips, sand filters or other sediment control methods which will be approved by this Department. If any discharge of concentrated surface waters is proposed into any "Waters of the State," the permittee shall consult with and secure any necessary permits from the State Regional Water Quality Control Board. All trash enclosures must be covered and protected from rain, roof, and surface drainage.
44. The Construction General Permit requires the development and implementation of a Storm Water Pollution Prevention Plan (SWPPP). The SWPPP should contain a site map(s) which shows the construction site perimeter, existing and proposed buildings, lots, roadways, storm water collection and discharge points, general topography both before and after construction, and drainage patterns across the project. The SWPPP must list Best Management Practices (BMPs) the discharger will use to protect storm water runoff and the placement of those BMPs. Additionally, the SWPPP must contain a visual monitoring program; a chemical monitoring program for "non-visible" pollutants to be implemented if there is a failure of BMPs; and a sediment monitoring plan if the site discharges directly to a water body listed on the 303(d) list for sediment. Section A of the Construction General Permit describes the elements that must be contained in a SWPPP.

OTHER RECOMMENDATIONS:

45. All improvements shall be constructed according to plans prepared by a registered civil engineer which will be reviewed and approved by this office. Improvement plans shall be submitted with the building permit. A plan check fee will apply.
46. Developer shall comply with Napa County Cooperative Agreement No. 7138, dated October 21st, 2008, as it applies to the Counties assistance in the permitting of the grade-separated crossing over the Pacific Railroad rail line.
47. As applicable to future development, the Developer must comply with all associated requirements and exhibits relating to development on all parcels described in Napa County Agreement No. 7070, between the County of Napa and the City of American Canyon. This agreement and all its parts effective as of July 3rd, 2008.
48. Prior to the issuance of any grading or building permit, or the signing of improvement plans, the permittee and County shall survey and document the condition of County roads before construction begins, and then reevaluate conditions at the end of construction. Prior to Occupancy of any buildings or commencement of any use, the permittee shall be responsible for repair of any pavement degraded due to its construction vehicles.
49. The 40' Public Utility Easement for future sanitary sewer as illustrated on sheet UP1 of the plan submittal may require significant redesign prior to final improvement plans since a Conceptual Sanitary Sewer System Improvement Plan has yet to be developed. No engineering forethought has been provided to the County of Napa or the City of American Canyon regarding its location. Therefore, prior to issuing of any grading or building permits through the County of Napa, a Conceptual Sanitary Sewer System Improvement Plan shall be submitted to the County and shall be approved by the City of American Canyon prior to construction.
50. Prior to issuing a Grading Permit by this department, the following items shall be provided:
 - a) A statement from the engineer stating all three alternatives for the future alignment of Devlin Road extension to terminate on Green Island Road have been designed to the most stringent Road and Street standard between the County of Napa and City of American Canyon.
 - b) A temporary construction easement for the Bridge dirt hauling operation from Union Pacific Railroad.
 - c) A temporary construction easement for the installation of the sanitary sewer main shall be obtained from Pannatoni (APN 057-090-075) prior to issuing a grading permit
 - d) A construction plan for the Sanitary Sewer pipe installation shall be provided showing the temporary excavation in relation to the Pannatoni property line and construction easement and shall be approved and permitted by the appropriate OSHA representative.

- e) A construction plan for the abutment installation shall be provided showing temporary excavations in relation to the RR ROW and construction easement.
 - f) A geotechnical engineer shall evaluate the slope stability for the proposed location of the sanitary sewer line running along the toe of slope.
 - g) Provide a design report stating the Standard used in designing bridge's horizontal and vertical curves. Show that the design will meet both Napa County and American Canyon roadway design standards.
 - h) Provide an explanation regarding the traffic conditions assumed for the bridge construction.
 - i) A statement from the project Landscape architect stating enough shoulder is being provided to install the trees shown on the UP landscape plans.
51. Developer shall provide a striping plan showing transitions from standard three lane collector to a two lane roadway over bridge.
52. For the grade-separated crossing the Developer shall install the 12" water main, 12" reclaimed water main, gas main, and joint trench utilities in accordance with the responsible agency standards.
53. The Public Improvement plans shall include a joint trench design for the proposed Devlin Road Extension.
54. Developer shall pothole existing utilities prior to Building Permit or Public Improvement plan submittals. Potholing existing utilities will not be required for an onsite Rough grading permit.
55. Metal beam guard rails along the bridge shall be constructed per the latest Caltrans Standard Specifications.
56. Bridge Railing shall be designed to Caltrans FHWA Test Level standard of **TL-4**.
57. There shall be no retaining walls within the County of Napa Public ROW.
58. Sizing of energy dissipaters relating to roadway improvements shall be designed per Caltrans Standards.
59. Engineer shall provide manufacturer verification confirming that the proposed storm drain pipe can be bent as proposed.
60. Storm drain calculations within the Public Right of way shall be analyzed using the following design criteria:
- a) 10 year storm is conveyed within the pipe
 - b) 100 year storm event is conveyed without overtopping the roadway
 - c) 100 year storm events can be carried within Curb and Gutter pan.

61. The span length of the bridge shall be increased in order to convey drainage from the "Pannatoni Development" (APN 057-090-075) in an open ditch and without the use of 2-24" RCP pipes under the bridge.
62. The Developer shall consider the construction of an armored swale to convey the water from the South East bridge abutment of the proposed County ROW to the existing wetlands within an open ditch along the Rail Road. If the Developer can not design an open ditch they must provide a statement as to why it is not feasible.
63. Cover over the storm drain lines shall meet the County standard trenching requirements. Therefore, Engineer shall provide a design report confirming that the County standards can be met or equivalent.
64. Street lights shall be installed per the County of Napa standards or the City of American Canyon lighting requirements, whichever is more stringent.
65. Culvert for proposed rail spur shall be constructed per the latest edition of the American Railway Engineering Association "Manual for Railway Engineering" for Cooper E80 live loading. This culvert shall be designed to pass the 100 year event with no backwater.
66. All cuts and fills shall be designed per the latest California Building Codes. Specifically, all cuts and fills slopes shall be setback to meet the latest CBC.

Any changes in use may necessitate additional conditions for approval.

If you have any questions regarding the above items please contact Erich Kroll or Drew Lander at 253-4351. For groundwater questions, please contact Anna Maria Martinez.

EXHIBIT E

Water Conditions To Be Imposed On All Parcels (City Customers and Outside Customers) For Which New Water Service is Requested

The City of American Canyon ("City") may impose the conditions listed below on new water services for Outside Customers by including these conditions in the "will-serve" letters that the City provides to such Outside Customers, but only if the City also imposes the same conditions on all new water services for parcels with similar uses within the City's limits. The County shall include these same conditions in all new land use development permits for parcels within the Airport Industrial Area Specific Plan area.

1. **City Capacity Fees and Conditions of Approval for Water Service.** Capacity Fees charged for parcels within the City's Water Service Area shall be established by the City and will be periodically reviewed and updated. Capacity Fees (also known as Connection Fees) will be uniform throughout the Water Service Area, regardless of whether the parcel to which the fee applies is inside or outside the City's Limits. The Capacity Fee and any conditions on new water service will be determined based on the Water Supply Report, which shall contain the analysis described in Part II.C. of Exhibit "F" of this Agreement, and which will be consistent with the City's Zero Water Footprint Policy, adopted by the City on October 23, 2007.
2. **Cost of Water Service.** The cost of new water service shall be imposed through the capacity fees in the City's Ordinance 2007-09 or through new capacity fees approved by the County and enacted in a new City ordinance. However, if the Water Supply Report finds, consistent with the City's Zero Water Footprint Policy (see Exhibit F), that the City will have to obtain additional water supplies to meet "dry year" shortfalls, then the cost of water to meet such "dry year" shortfalls will be the sole responsibility of the Applicant. In determining whether or not such "dry year" shortfalls will occur, the City shall include in the base supplies available to the City during "dry years" the new water supplies that have been or will be included in the calculations used to set the City's Capacity Fees and water rates. The City will conclude that "dry year" shortfalls will occur only if such base supplies will not be adequate to meet anticipated "dry year" demands. The City may not impose any costs on the Applicant under this section to reimburse the City for any capital or operating costs that have been or will be included in the calculations used to set the City's Capacity Fees or water rates. The City may impose the additional costs described in the preceding sentence on Outside Customers only if the City also imposes such additional costs uniformly on City Customers.
3. **Maximum Allowable Water Use.** Water received from the City for use on parcels within the Airport Industrial Area Specific Plan area and on parcels with similar uses within the City's limits shall be limited to an average of 650 gallons of water per day per acre (measured monthly), and Applicants for new or increased City water service for all such parcels shall be required to demonstrate to the City while the City is preparing the Water Supply Report for the Applicant the maximum extent to which the Applicant can further reduce its water consumption by applying the following best management practices:

- **No Flow or Low Flow Fixtures.** These Applicants shall be required to install no flow or low flow water fixtures, and to implement other reasonable water conservation measures that are described in the City's Water Conservation Guidelines adopted in the City's Resolution No. 2008-08 or in new City water conservation guidelines approved by the County and adopted in a new City ordinance or resolution.
- **Drought Tolerant Landscape & Irrigation with Recycled Water.** These Applicants shall be required to use only drought tolerant landscaping, and they may only irrigate landscaped areas with recycled water, when it is available.
- **Purple Pipe.** These Applicants shall be required to dual plumb their buildings and install "purple pipe" in all landscape areas in anticipation of the availability of recycled water and shall use the recycled water when available.
- These Applicants shall follow the water conservation methods that are described in the Water Conservation Guidelines adopted in the City's Resolution No. 2008-08 or in new City water conservation guidelines approved by the County and adopted in a new City ordinance or resolution.

The City may apply the provisions of this Paragraph 3 to Applicants for new or increased City water service for parcels within the Airport Industrial Area Specific Plan area only if the City also uniformly applies these provisions to all Applicants for new or increased City water service for parcels with similar uses within the City's limits.

4. **Water Offsets.** Applicants for City water service for parcels within the Airport Industrial Area Specific Plan area and for parcels with similar uses within the City's limits that wish to use more than an average of 650 gallons of water per day per acre (measured monthly) shall offset the proposed water use over 650 gallons per day per acre (measured monthly) through the use of one or more options that are made available by the City to the Applicants. These options include, but are not limited to, retrofitting of existing residences with low flow fixtures, purchase of otherwise developable land as permanent open space, or acquisition of other water supply resources as provided for by a water supply analysis that follows the Zero Water Footprint Methodology described in Exhibit F. The City shall make all such options available uniformly to Applicant for City water service for parcels within the Airport Industrial Area Specific Plan area and for parcels with similar uses within the City's limits, and that seek such offsets.

5. **Drought Restrictions.** To the extent permitted by law, the City may curtail or ration the use of water provided by the City below the limit of 650 gallons per day per acre (measured monthly) in dry years through the imposition of drought restrictions that are uniformly applied throughout the City's Water Service Area.

EXHIBIT F

Zero Water Footprint and Water Supply Report Methodology

I. PURPOSE

To implement the Zero Water Footprint Policy adopted by the City Council on October 23, 2007. In this policy, "Zero Water Footprint" is defined as:

"No loss in reliability or increase in water rates for existing water service customers due to requested increased demand for water within the City's Water Service Area."

II. PROCEDURES

- A) **Initial Request.** Applicants for all projects requiring additional water supplies from the City of American Canyon, either inside City limits or in the City's Water Service Area but outside of City limits, shall complete a water supply worksheet estimating average and peak use for indoor and outdoor uses and provide the completed worksheet to the City's Engineering Division.
- B) **Evaluation of Water Footprint.** The Engineering Division shall evaluate the water footprint of the project, using the water supply worksheet provided by the Applicant, to determine whether a Water Supply Report is required. A Water Supply Report will not be required if the project meets the adopted Zero Water Footprint definition. This can be accomplished by projects with no additional water demand or by projects which offset increased water demand by off-site conservation measures.
- C) **Water Supply Report.** A Water Supply Report shall be prepared for all projects that do not meet the adopted Zero Water Footprint definition. The Water Supply Report shall be prepared by the City of American Canyon at the cost of the project applicant. The Water Supply Report shall be substantially in the form of the report approved in the City's Resolution No. 2008-02, or in a new form approved by the County and approved by the City in a new resolution and shall include the following analysis:
 - 1) Water service request
 - a) Description of project
 - b) Water service request
 - (i) Average Daily Demand
 - (ii) Peak Day Demand
 - c) Conservation Measures Included in Project
 - 2) Consistency
 - a) Urban Water Management Plan
 - b) Recycled Water Facilities Plan
 - c) Water Conservation Implementation Guidelines
 - 3) Water footprint
 - a) Zero Water Footprint Definition
 - b) Project's impact on reliability
 - c) Project's impact on rates

- d) Project's water footprint
- 4) Project's contribution
 - a) Capacity fee
 - b) Reimbursable improvements
- 5) Capital program status
 - a) Summary
 - b) System planning status
 - c) Water supply
 - (i) Water supply implementation status
 - (ii) Water supply alternatives
 - d) Water treatment
 - (i) Water treatment implementation status
 - (ii) Water treatment alternatives
 - e) Water storage, transmission, and distribution status
 - f) Water capital program financial status
- 6) Vineyards analysis
 - a) Vineyards decision
 - b) Facts with respect to solutions to water supply problems
 - c) Water supply over the life of the project
 - d) Impacts of likely future water sources
 - e) Possible replacement sources and their impacts
- 7) Recommended mitigations
 - a) Long term water mitigations
 - b) Short term water mitigations
- 8) Opportunities to reduce project's water footprint
 - a) On-site conservation opportunities
 - b) Off-site conservation opportunities

D) Applicant Review of Water Supply Report. The Water Supply Report, once approved by the City, will be furnished to the project applicant. If the applicant elects to revise the project to reduce the water footprint, the Water Supply Report may be revised at the applicant's cost.

E) Water Will Serve Letter. Water will-serve letters are required for projects outside of the Napa Valley Gateway project limits that are requesting increased water services from the City. The Napa Valley Gateway project is subject to the terms and conditions of a will-serve letter for the entire project agreed upon between the City of American Canyon and Charles Slutzkin of Napa Valley Gateway Limited in a will-serve letter agreement dated December 13, 2002. So long as the terms and conditions of that will-serve letter agreement are complied with, developments of parcels within the Napa Valley Gateway project limits will not require any Water Supply Report or additional will-serve letters.

EXHIBIT G

Appeal Procedure: Zero Water Footprint Methodology

1. **Grounds for Appeal- Conditions of Approval.** If the water service application is for a parcel outside the City's limits, then the City shall, within 30 days of receipt of such application, provide to the Applicant and the County any conditions of approval that the City proposes to impose on the parcel at least 90 days before imposing the conditions of approval.

Conditions of approval that result from the Water Supply Report and that the City proposes to include in a water service will-serve letter that will be issued by the City for a parcel outside of the City's limits may be appealed by an Applicant under the process described in Section 3 below.

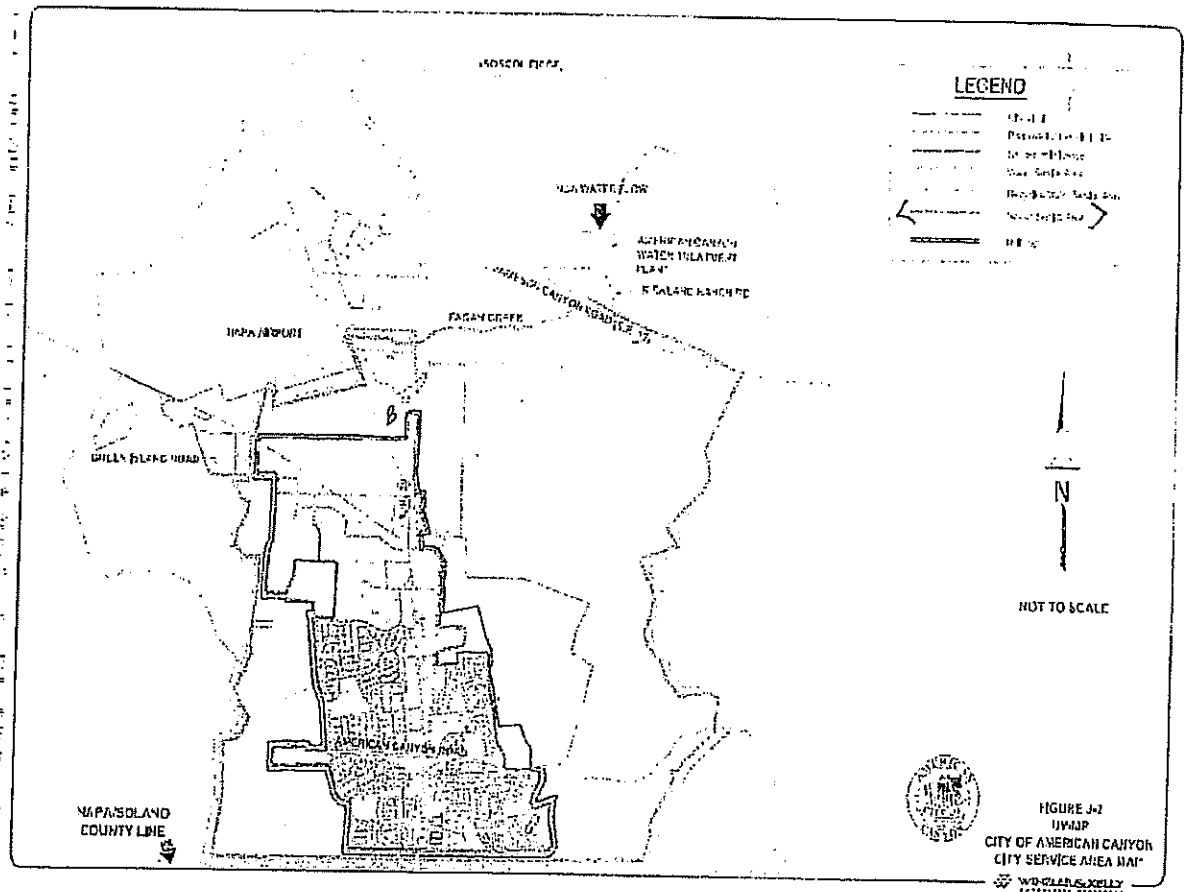
2. **Exceptions:** An appeal may not challenge water rates imposed by the City that are consistent with *Hansen v. City of San Buenaventura* (1986) 42 Cal.3d 1172, and the City's Ordinance 2007-13. An appeal also may not challenge Capacity Fees that are set pursuant to the City's Ordinance 2007-09, or new capacity fees approved by the County and enacted in a new City ordinance.

3. **Appeal Process and Appeal Panel.** An appeal of water service conditions of approval that the City proposes for a parcel outside the City's limits may be filed within ninety (90) days after the proposed conditions are forwarded to the Applicant and the County for inclusion in a development permit. The appeal will be heard by the panel described in the following paragraph, and this panel will determine whether any of the conditions under appeal is inconsistent with any provision of this Agreement.

The Appeal Panel will be made up of one member selected by the County Executive Officer, one member selected by the City Manager and one member selected by the two appointed members. If the two appointed members cannot agree on the third member, the name of each candidate shall be placed in a hat to be drawn for selection. The decision of the Appeal Panel will be final, but subject to judicial review pursuant to Code of Civil Procedure section 1094.5. The reasonable cost of the Appeal Panel shall be borne by the Applicant.

EXHIBIT H

City's Water Service Area



COUNTY *of* NAPA

PATRICK LYNCH
Assistant Director

TO: Building & Inspection Director

DESCRIPTION OF PROJECT: Construct 600,000 sq ft office
warehouse building.

RESPONSE REQUEST DATE: 7-3-07 RESPONSE RETURN DATE: 7-17-07

PLEASE RESPOND VIA E-MAIL TO: Strippi @co.napa.ca.us
OR FAX TO (707) 299- 4235

This application (see enclosed project description and maps) is being sent to you for your review and comment .

With respect to environmental analysis, the County is assuming Lead Agency status for the project and will be preparing the necessary environmental documents.

1. Do you have any comments on this project? ☒ Yes ☐ No
2. Do you have jurisdiction by law over this project? ☒ Yes ☐ No
3. Attach your agencies comments, or list below: ☒ Comments attached
☐ Comments below.

~~See print out
from Accela~~

Name of contact person: Eric Barward Telephone #: 299-1359

Email: ebarnard@co.napa.ca.us
Title: Plans & Permit Supervisor
Date: 8.5.07



Napa County

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User ID: EBANVARD

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SmartManager	Application	Property	People	Fees	Workflow	Attachments	Reports	Condition
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Workflow

Application #: P07-00412

Submit

Application Type: Planning / PL Permits / Use Permit / Use Permit General

Address: CA

<ul style="list-style-type: none">✓ Application Acceptance• Environmental Review• Public Works Review• Fire Review• EM Review• County Council Review• Planning Review✓ Building Review<ul style="list-style-type: none">Planning ApprovalClosure	Task Details - Building Review Assigned Date: 07/03/2007 Due Date: Assigned To: Department: Building Department Current Status: Approved Status Date: 08/12/2007 Action By: Eric Banvard Department: Building Department Status Comment: Must obtain all applicable building permits and comply with all applicable code requirements, including accessibility requirements of CBC Chapter 11B; submit complete and appropriate plans, specifications, energy compliance and engineering, etc. when applying for permits.
--	---



HILLARY GITELMAN
Director

old FILE # ~~707-00412~~
P08-00131
COUNTY of NAPA

CONSERVATION, DEVELOPMENT AND PLANNING

PERMIT APPLICATION AND INITIAL STUDY
REQUEST FOR COMMENTS

TO: BUILDING INSPECTION DIVISION

APPLICATION TITLE: Redwood Innstruck APN: 057-090-069

DESCRIPTION OF PROJECT: Construction of a 643,000 Square foot
residential (home)

RESPONSE REQUEST DATE: 3.5.08 RESPONSE RETURN DATE: 3.19.08

PLEASE RESPOND VIA E-MAIL TO: S.guntz@co.napa.ca.us
OR FAX TO (707) 299- 4677

This application (see enclosed project description and maps) is being sent to you for your review and comment.

With respect to environmental analysis, the County is assuming Lead Agency status for the project and will be preparing the necessary environmental documents.

1. Do you have any comments on this project? ☐ Yes ☐ No
2. Do you have jurisdiction by law over this project? ☐ Yes ☐ No
3. Attach your agencies comments, or list below: ☐ Comments attached
☐ Comments below.

Name of contact person: Eric Baird Telephone #: 299-1359

Email: ebaird@co.napa.ca.us
Title: Plans & Permit Supervisor
Date: 3/15/08



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Workflow

Application #:

Application Type: Planning / PL Permits / Land Division And Mergers / Tentative Subdivision Map

Address: 999 TEMP ADDRESS, AMERICAN CANYON, CA 94503

<ul style="list-style-type: none"> ✓ Application Acceptance • Environmental Review • Public Works Review • Fire Review • EM Review • County Council Review • Planning Review ✓ Building Review <ul style="list-style-type: none"> Planning Approval Closure <div style="text-align: center; margin-top: 20px;"> <input type="button" value="Task Activation"/> </div>	<p>Task Details - Building Review</p> <p>Assigned Date: 03/05/2008 Due Date:</p> <p>Assigned To: Department: Building Department</p> <p>Current Status: Approved Status Date: 03/15/2008</p> <p>Action By: Eric Banvard Department: Building Department</p> <p>Status Comment:</p> <p>Prior to any construction work applicable building permits for the work must first be obtained; all work must comply with all applicable code requirements, including accessibility requirements of CBC Chapter 11B; submit complete & appropriate plans, specifications, energy compliance and engineering, etc. when applying for permits.</p>
--	--

Vt



INTER-OFFICE MEMO

TO: Conservation, Development, and Planning Department

FROM: Brian Hampton, Fire Department

DATE: March 17, 2008

SUBJECT: Napa Commerce Center - Use Permit Comments
Apn: 057-090-069 PO7-00412 & P08-00131

Site Address: Devlin Rd, Napa

The Napa County Fire Marshal staff has reviewed the Use Permit application to construct a 645,000 square foot warehouse. We recommend the following items be incorporated as project conditions or mitigation measures if the project is approved.

1. **All construction and use of the facility shall comply with all applicable standards, regulations, codes and ordinances at the time of building permit issuance.**
2. An approved automatic fire sprinkler system shall be provided for the proposed project where the total fire area is 3,600 square feet or greater, as required by the Napa County Fire Code. The fire sprinkler system shall be installed and maintained in accordance to the *National Fire Protection Standard #13 (Installation of Sprinkler System, 2002 edition)*.
3. The minimum required fire flow for the protection of the proposed project is 8,000 gallons per minute for 4 hour duration at 20 pounds residual water pressure. If the project is required to install automatic fire sprinkler protection, the fire flow required will be reduced by 50%.
4. A fire pump may be required to meet the fire flow requirements. The fire pump shall be installed and maintained in accordance to the *National Fire Protection Standard #20 (Installation of Stationary Pumps for Fire Protection 2002 edition)*. Fire pumps are required to be either diesel driven or electric. Electric fire pumps will also require a generator as a secondary source of power.
4. The private fire service mains shall be installed and maintained in accordance to the *National Fire Protection Standard # 24 (Installation of Private Fire Service Mains and Their Appurtenances 2002 edition)*.

The location, number and type of fire hydrants connected to the water supply shall be in accordance with the *California Fire Code, 2007 edition*.

5. All post indicator valves, control valves, waterflow devices shall be monitored by an approved remote station or central alarm monitoring company. Digital alarm communicator system panel shall be installed and maintained accordance with the *National Fire Protection Standard #72 (Fire Alarm Code, 2002 edition)*.
6. Fire apparatus access roads shall be provided to within 150 feet of all exterior portions of the structure.
7. Access roads from the public and/or private right-of- ways to the project/ building site shall comply with Napa County Road and Street Standards and shall be reviewed by the Napa County Public Works Department.
8. The request for beneficial occupancy will not be considered until all fire and life safety issues have been installed, tested and finalized.
9. A defensible space zone shall be created around all structures. This defensible space zone shall be 100' from all portions of a structure. Flammable vegetation shall be removed and/or modified in the defensible space zone to create a fuel break that will help protect the structures from an encroaching wildland fire and will protect the surrounding wildland areas from a structure fire originating on-site.
10. An approved access walkway shall be provided to all exterior doors and openings required by either the California Fire Code or the California Building Code 2007 edition. A concrete sidewalk or other approved hard surface will meet the intent of the access walkway requirement. Adequate space adjacent to the access walkway, vertically and horizontally, shall be provided to allow firefighters to access required building openings in order to effectively perform rescue operations, to allow for equipment maneuverability. Any landscaping adjacent to the access walkway shall be such that it does not obstruct the functional purpose of the walkway upon maturity.
11. Fire apparatus access roads shall be designed and maintained to support the imposed loads of fire apparatus and shall be provided with a surface so as to provide driving capabilities in all weather conditions. Said access shall be provided prior to any construction or storage of combustible materials on site.
12. The approved address numbers shall be placed on each building by the applicant in such a position as to be plainly visible and legible from the street fronting the property and shall be placed as to be seen from all entrances. Proposed address shall be indicated on the elevation drawings contained within the building plan submittal. The address numbers shall be a minimum of 4" in height, contrasting in color with their background and shall be illuminated.
13. An approved project sign shall be placed at vehicle access points into the project during

construction to assist emergency responders. The sign shall identify the project name and address. Such signs shall be clearly visible and legible from the street fronting the project.

14. The applicant shall properly identify all required fire lanes. Fire lanes shall be painted red with white letters to read "NO PARKING FIRE LANE CVC 22500.1, stenciled every 30 feet on top of the curb.
15. A Knox box or a Knox Cabinet shall be installed at approved location by the Napa County Fire Marshal's Office. Since the building will require a fire alarm system the box/cabinet will require "tamper" monitoring.

The Knox rapid entry system shall have one or all of the following items placed in the Knox cabinet, dependent on requirements of this facility:

- a. A minimum of 2 master keys to the structure(s) for emergency access.
 - b. 2 scaled site plans of the facility, identifying all buildings, hydrants, fire department access around the facility, and location of all water, electric, and gas shut-off valves.
 - c. 2 scaled floor plans of all structures showing doors, offices, etc.
 - d. A digital file of the site plans in a PDF format must be submitted at building final in addition to the hard copies listed above.**
 - e. Napa County Hazardous Materials Business including all MSDS forms, etc.
16. A complete set of Building Plans shall be submitted to the Fire Department for review and approval for egress requirements.
 17. Barricades shall be provided to protect any natural gas meter, fire hydrant, or other fire department control device, which may be subject to vehicular damage. Approved signs may be required to identify the location of fire protection devices.
 18. Plans detailing compliance with the fire and life safety conditions-of-approval shall be submitted to the Napa County Fire Marshal's Office for review and approval prior to building permit issuance and /or as described above.
 19. Technical assistance in the form of a fire protection engineer or consultant acceptable and reporting directly to the Napa County Fire Marshal's Office shall be provided by the applicant at no charge to the county (California Fire Code section 103.1.1) for the following circumstances:
 - A. Independent peer review of alternate methods proposals and/or plan review.

Brian Hampton
Fire Prevention Specialist II

CITY OF AMERICAN CANYON

Public Works Department

July 29, 2008

Gateway to the Napa Valley



RECEIVED

AUG 06 2008

NAPA CO. CONSERVATION
DEVELOPMENT & PLANNING DEPT.

SUBJECT: June 13, 2008, Request for Water Service "Will Serve" Letter
Napa County APN 057-090-069
Napa Valley Distribution Center (Headwaters)

Dear Ms. Gitelman:

The City of American Canyon ("City") has received a request from Carl Butts of Riechers Spence & Associates (RSA) on behalf of Headwaters Construction ("the Applicant") for a "Will Serve" letter for improvements and use as described below related to the proposed improvement of real property located on Devlin Road south of South Kelly Road at Napa County Assessor's Parcel Number 057-090-069 ("the Property"). The request is subject to both City and State legal requirements as detailed below.

At the May 6, 2000, City Council meeting, the City of American Canyon adopted Ordinance No. 2000-04, which revised the City's "Will Serve" policy for development outside the City's Urban Limit Line but inside its Water Service Area. Under City Ordinance No. 2000-04, the City is required to impose certain conditions and exactions prior to receiving water service for the above parcel. On October 23, 2007, the City Council of the City of American Canyon adopted a Zero Water Footprint Policy, further defining its water policy. The City's understanding of the development of this property is based on the representations of the Applicant in a communication dated June 13, 2008 from Mr. Butts which states that the proposed development and use of the Property is warehouse, office and light industrial space.

The Applicant is proposing to develop a project which consists of a 645,000 square foot Mixed Use Commercial, Warehouse and Office building on a portion of an approximately 218.06 acres. The attached Water Supply Report outlines the anticipated water usage at the proposed development.

The use and water use are as follows:

Mixed Use Commercial, Warehouse and Office Building:	645,000 square feet
Total lot acreage:	218.06 acres
Portion of Lot to be developed	39.60 acres
<u>Maximum Daily Water Demand</u> in gallons per day:	
Domestic:	10,568 gpd
Irrigation:	22,730 gpd
Industrial:	0 gpd
Combined peak daily water usage:	32,298 gpd

Annual Average Daily Water Demand in gallons per day:

Domestic:	5,284 gpd
Irrigation:	11,365 gpd
Industrial:	0 gpd
Combined annual avg. daily water usage:	16,649 gpd

City Review

The City review of the proposed development is required as described previously, as well as established by City procedures which are meant to ensure that Will Serve Letters are only issued based on assumed water and sewer demands for specified allowed densities of development, taking into account the overall demand for water and the overall demand for effluent discharge within the City's system.

The City will provide the level of water service requested by the Applicant, subject to the following conditions and/or the continued existence of the following described conditions:

1. Applicant shall be subject to the City's rules and regulations in force at the time application for service for the authorized and described development is made, including all fees and charges, unless otherwise agreed in writing.
2. Applicant shall construct all facilities required to serve the development property which shall be determined by the City based on the authorized and described development. Applicant shall bear 100% of the costs of the facilities required to serve the development property, subject to review and approval of the City's Public Works Department. Applicant shall also be responsible for paying its proportionate fair-share allocation of any additional regional facilities required to serve the development property, including, but not limited to, participation in a mutual beneficial assessment district to be initiated by others.
3. Applicant shall submit to the City cost estimates for the construction of all on- and off-site public water facilities required for the authorized and described development. If the City finds the costs reasonable, the Applicant shall pay to the City an amount equal to Applicant's proportionate fair share of 5% of the agreed-upon construction costs to cover inspection services by the City during construction. This fee is fixed and non-refundable. This Will Serve Letter is conditional upon the City's agreeing in writing to the estimated costs.
4. The Applicant shall waive all present and future protest(s) to a 40% surcharge on water rates for outside-the-City users or such other surcharge on water rates for outside-the-City uses as may be formulated by the City.
5. Because the City faces a cutback of up to 96% in its allocation from the State Water Project during extremely dry years, as documented by the City's Urban Water Management Plan, it is seeking additional water supply in the form of transfers of rights. The cost of this water supply is not known, nor is it included in the current City rates. The City is considering a drought surcharge on all customers, existing and new, in order to finance a drought reserve. The Applicant agrees to waive any protest to such a drought surcharge during its formulation and implementation and review under the California Environmental Quality Act, Public Resources Code section 21000 *et seq.* ("CEQA").

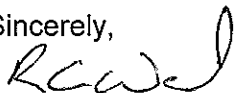
6. The City of American Canyon has submitted an application to the Local Agency Formation Commission ("LAFCO") to expand the City's Sphere of Influence to be consistent with its approved and adopted General Plan. The Applicant, Owner and its agents agree to actively support in writing the City in its SOI application before LAFCO.
7. LAFCO is currently considering how the City may extend water service outside its City Limits and SOI in association with the provisions of Government Code section 56133. The City represents that the provision of water service set forth in this communication is subject to LAFCO review as may be provided consistent with the provisions of Government Code 56133.
8. As a result of *Vineyard Area Citizens for Responsible Growth v. Rancho Cordova* (2007) 40 Cal.4th 412, the lead agency as defined under CEQA, here the County, in its environmental review of a development project, including what is currently proposed by the Applicant, must at a minimum accomplish an environmental review under CEQA that: (a) presents sufficient facts to evaluate the pros and cons of supplying the water that the project will need; (b) presents an analysis that assumes that all phases of the project will be built and will need water, and includes an analysis to the extent reasonably possible of the consequences of the impacts of providing water to the entire project; and (c) where it is impossible to determine that anticipated future water sources will be available, some discussion of possible replacement sources or alternatives to use of anticipated water and of the environmental consequences of those impacts must be presented. *Vineyard, supra*, 40 Cal.4th 430-434.
9. The Project shall be subject to the long-term and short-term mitigation recommended in the attached Water Supply Report.

This Will Serve Letter supersedes all prior purported Will Serve Letters and service commitments to the development of the Property with any use. This Will Serve Letter will remain valid for a period of two years from its date and is only valid for the authorized development. The City reserves the right to further condition extension of water service if development different from that presently proposed and authorized is pursued or if events out the City's control impact the City's ability to furnish water.

Except to the extent set forth, this letter does not create a liability or responsibility to the Applicant or to any third party on behalf of the City. The City does not make a determination as to land use entitlements required for the proposed project, and the issuance of this Will Serve Letter shall not be construed to be an expression of the City of a position regarding the use or intensity of use of the development property or that the County has complied with applicable law in assessing the proposed project under CEQA.

This Will Serve Letter only becomes effective upon acceptance of the conditions set forth in this letter by execution of the acceptance provision set forth below and the transmittal of the executed acceptance to the City Public Works Department.

Sincerely,



Robert C. Weil
Public Works

cc: Richard Ramirez, City Manager
William D. Ross, City Attorney
Carl Butts, RSA, for Headwaters Construction

ACCEPTANCE

I, Napa Industrial LLC, accept the conditions set forth in this communication.

Headwaters Development Company LLC
By: Douglas W Pope, Manager Date: 8/4/08
(Title)

Hilary Gitelman
(Title) Date: _____



CITY OF AMERICAN CANYON
PUBLIC WORKS DEPARTMENT
205 WETLANDS EDGE ROAD
AMERICANCANYON, CA 94503

WATER SUPPLY REPORT

Napa Valley Distribution Center

Napa County Assessor's Parcel Number
057-090-069

Prepared by:

Robert C. Weil, P.E.

RCW
Approved



7/30/09
Date

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WATER SERVICE REQUEST

DESCRIPTION OF PROJECT

Headwaters Construction (Headwaters) is seeking a Use Permit for a 645,000 square foot building on a 218.06 acre parcel located on Devlin Road in the vicinity of South Kelly road. The zoning is IP (Industrial Park)/AC(Airport Compatible) and the anticipated usage for the building is mixed use commercial, warehouse/office.

WATER SERVICE REQUEST

Average Daily Demand

Mr. Carl Butts of Riechers Spence & Associates (RSA) submitted a will-serve questionnaire on June 13, 2008. The questionnaire concluded that the total water demand, excluding irrigation, will be 5,284 gallons per day. Based on review of the calculations submitted Mr. Butts this demand is a reasonable estimate.

Based on four years of data for five landscaped industrial projects in the City of American Canyon, the average landscape irrigation demand is 287 gallons per acre per day. Thus the estimated average landscape irrigation demand for the 39.5 acre portion of the project site subject to the current request will be 11,365 gpd.

The total annual demand equals 16,649 gallons per day or 18.65 acre feet per year (AFY)

Peak Day Demand

Mr. Damron, in his response to the City of American Will Serve Questionnaire estimates that the maximum day demands will be twice the average day demands. Thus the maximum day demand is 33,298.

Conservation Measures Included in Project

The project includes numerous water conservation measures, including:

- Dual plumbing for future conversion of toilets to recycle water.
- Drought-tolerant landscaping
- Future use of recycled water for landscaping

CONSISTENCY

URBAN WATER MANAGEMENT PLAN

The project's estimated total annual demand of 18.65 AFY, is substantially consistent with the demands estimated in the Urban Water Management Plan. The Urban Water Management Plan estimated 158.75 AFY for the entire 218 acre site. The project's estimated annual demand represents only 11.7% of the total estimate for the site, whereas the 39.5 acres represents over 18% of the land area of the site.

RECYCLED WATER FACILITIES PLAN

The project site is inside the City's recycle water service area. The project is consistent with the Recycled Water Facilities Plan, which included service to industrial properties along the Devlin Road alignment. The project's 12.73 AFY of estimated recycle water demand will provide a stable rate base of the recycled water enterprise.

WATER CONSERVATION IMPLEMENTATION GUIDELINES

The project has not yet been reviewed for consistency with the Water Conservation Guidelines adopted by the City Council on 10/23/07. This should be accomplished prior to issuance of a building permit.

CONSISTENCY WITH ORDINANCE 2000-08

Ordinance 2000-08 states that all projects within the City of American Canyon conforming to City zoning as industrial and all projects within the unincorporated area of Napa County, for which the city provides water connections pursuant to Municipal Code Section 13.10.040 are subject to a limit of 650 gallons per acre per day average annual water demand. The projects water demand is 421 gallons per acre per day for the initial 39.5 acres to be developed. Thus, it is consistent with the ordinance.

WATER FOOTPRINT

ZERO WATER FOOTPRINT DEFINITION

On October 23, 2007, the City Council of the City of American Canyon adopted the following definition of Zero Water Footprint (ZWF).

No loss in water service reliability or increase in water rates to the City of American Canyon's existing customers due to the requested increased demand for water in the City's water service area.

Appendix A provides the process for water service requests considered by the City Council as part of their policy decision on Zero Water Footprint.

The important ZWF policy decision followed shortly after the Napa County Local Agency Formation Commission (LAFCO) adopted Policy Resolution 07-27 on October 15, 2007, which established that water service requests outside the City of American Canyon city limits but within the Airport Industrial Area are not subject to LAFCO review. Because the City of American Canyon lacks land use jurisdiction in this area, it became necessary to implement a policy and process that protects the reliability and financial viability of the City's water enterprise while providing a predictable outcome for those seeking new or increased water service.

It is the City of American's policy that the ZWF policy and process apply equally both within the City limits and within the approved extraterritorial service area.

PROJECT'S IMPACT ON RELIABILITY

The Urban Water Management Plan finds that, as of 2005, the City of American Canyon would experience a shortfall in water supplies in multiple-dry-years of up to 427 acre feet and single-dry-years of up to 897 acre feet. Due to increased demand, the shortfall would worsen even as additional supplies are obtained. By the year 2015, the City of American Canyon would experience a shortfall in multiple-dry-years of up to 1,037 acre feet and in single-dry-years of up to 1,557 acre feet. By contributing to the shortfall, the project would reduce the reliability of American Canyon water service.

PROJECT'S IMPACT ON RATES

The project would not have an impact on rates.

PROJECT'S WATER FOOTPRINT

The project does not have a zero water footprint. It would result in a loss in water service reliability due to the increased annual water demand without an offsetting source of supply. Thus, this Water Supply Report has been prepared to analyze the project's contributions and impacts in detail.

PROJECT'S CONTRIBUTION

CAPACITY FEE

Based on the Water and Wastewater Rate and Fee Study prepared by Bartle Wells and Associates for the City of American Canyon and the December 18, 2007 approval of the Water Capacity Fee Ordinance, the project would generate water capacity fees of **\$569,729** based on the peak day demand of 33,298 gpd times \$17.11 per gallon.

REIMBURSEABLE IMPROVEMENTS

The project will be required to complete a recycle water main along the future Devlin Road alignment. This recycle water main is not eligible for reimbursement from the City under Ordinance 2001-03.

The project will also be required to complete a new water main along the future Devlin Road alignment. To the extent that this water main exceeds the standard water main size, it will be eligible for reimbursement.

CAPITAL PROGRAM STATUS

SUMMARY

The City of American Canyon's Water Capital Program will address the supply shortfalls identified in the 2005 Urban Water Management Plan and will meet the treatment, storage, and distribution needs as the City implements its General Plan. Appendix B describes the program in detail.

SYSTEM PLANNING STATUS

The City of American Canyon is currently preparing an Integrated Water Management Plan, which will address all water resources – drinking water, recycled water, wastewater, groundwater, creeks and wetlands in a comprehensive way. The study was initiated in December 2006 and Phase I is complete. The work products within Phase I include a technical review of the water treatment plant, goal setting and performance criteria, a water loss audit, an analysis of existing conditions, a report on threatened and endangered species constraints, , feasibility study of a well in the Newell Open Space Preserve, a funding assistance survey, an investigation into corrosion problems in a portions of the water system, a unified hydrology analysis, and a Strengths, Weaknesses, Opportunities and Threats report.

Phase II of the Integrated Water Management Plan has been initiated. Phase II will include an estimate of anticipated resource demands, feasibility study of a high capacity well field a wastewater source identification and local limits study, a facilities plan for wastewater improvements, and an analysis of the alternative water resource solutions, a water conservation feasibility study, assessment of a possible well at the American Canyon High School property, Geographical Information Systems (GIS) Data Entry, and pilot testing of Water Treatment Plant modifications.

A water and wastewater rate and capacity fee report was prepared. It proposed substantial increases in water and wastewater rates and in capacity fees. It was endorsed by the City's Blue Ribbon Committee on Water Resources and was approved by the City Council at a public hearing on December 18, 2007.

The Blue Ribbon Committee on Water Resources was formed in March 2007 to serve as a sounding board on all water related issues. The committee includes elected and appointed City leaders, long-term residents, newer residents, developers with interests inside and outside the City limits, vineyard owners, business owners, agency representatives, a County Supervisor and a retired water professional. Water, Wastewater, Recycled Water, Finance and Creeks/Wetlands Subcommittees have been formed. The full committee has met monthly, and the subcommittees have met numerous additional times. The Blue Ribbon Committee is expected to remain active for the next two years as the Integrated Water Management Plan is completed and initial projects are implemented.

WATER SUPPLY

Water Supply Implementation Status

The status of the water supply projects in the Final Water and Wastewater Rate and Fee Study is as follows:

- Water rights - Purchase of 1,560 annual acre feet of water rights from Sacramento Valley agricultural interests. The City of American Canyon, the City of Napa and the Napa County Flood Control and Water Conservation District have met with one interested seller, who provided a letter summarizing the availability and possible terms for the water supply. They indicated that the requested amount would be available to the City of American Canyon for long-term transfer. During cutbacks north of the Delta of the Central Valley Project, the transfer would be subject to a reduction of 25%. The long-term transfer of appropriative rights would require approval by the State Water Resources Control Board. The City of American Canyon and the City of Napa are currently seeking a proposal from a water transfer consultant to assist with this purchase. About three years would be needed to complete the long-term transfer. Short-term transfers are also available on a year-to-year basis.

Water Code Section 109 contains a declaration of state policy favoring voluntary water transfers, and directs the Department of Water Resources, the State Water Resources Control Board and all other state agencies to encourage voluntary water transfers. Water Code section 475 contains legislative findings and declarations favoring voluntary water transfers.

The Sacramento Valley Integrated Water Management Plan promotes water transfers, both within the Sacramento Valley and outside of it, as one of its key water management strategies.

On May 20, 2008, the City Council approved a consulting contract to evaluate three potential sellers. After the City selects a preferred seller, the consultant will describe the next steps needed to complete a transfer. The schedule for the consulting contract calls for completion in 2008.

- North Bay Aqueduct expansion - Project to expand the ability of the North Bay Aqueduct to deliver more water. An increase of 5.5 cubic feet per second (cfs) in conveyance capacity would allow the City of American Canyon to treat an additional 3.5 million gallons per day during peak months of the year. It would provide conveyance capacity for approximately 3,300 acre feet per year.

The Department of Water Resources completed a study in 2005 which confirmed the feasibility of expanding the conveyance capacity of Reach 3a of the North Bay Aqueduct from 46 to 65 cfs. The project would replace the four existing pumps and motors, furnish and install a new air chamber, furnish and install new check valves, furnish and install required electrical equipment, and furnish and install a parallel 36-inch steel pipeline from the surge tank to the terminal tank(s).

Currently, the County of Napa and the California Department of Transportation (Caltrans) are performing environmental review on a project to widen Jameson Canyon Road (SR 12). When it is constructed, about half of the length of the North Bay Aqueduct will need to be relocated out of the roadway at the expense of the highway project. This would be an appropriate time to expand the North Bay Aqueduct. The agenda for the November 2007 meeting of the Napa County Water Technical Advisory Committee included a discussion of this opportunity.

Solano and Napa County water agencies have contracted with CDM to evaluate future water demands and NBA capacity. Their consulting services are in progress.

- North Bay Aqueduct terminal tank replacement - Project to replace and expand the seismically deficient water tank at the end of the North Bay Aqueduct. One 7 million-gallon open air tank is being replaced with two 5-million gallon enclosed tanks. This project is under construction. The first two million-gallon tank is complete and the 7-million gallon tank is being demolished.
- Vallejo water rights purchase - Exercise remaining potable water contract options from city of Vallejo for use in times of drought. The 1996 contract between the City of American Canyon and the City of Vallejo currently provides the City of American Canyon with treated water in the following amounts:
 - A maximum of 2.15 million gallons per day on a peak day or
 - A maximum of 1.3 million gallons per day for a peak month or
 - A maximum of 1,351 acre feet per year

The contract also provides for 500 acre feet of raw water, available through Vallejo's riparian permit. It also provides for an additional 500 acre feet of raw water per year during emergency conditions.

The contract provides options for the City of American Canyon to purchase additional capacity in the following periods:

- 2007-2011, 1.15 million gallons per day on a peak day
- 2012-2016, 0.9 million gallons per day on a peak day
- 2017-2021, 0.9 million gallons per day on a peak day

The total water supply available under the remaining options is 1,854 AFY.

The Integrated Water Management Plan will guide the City's decision on whether to execute the remaining potable water contract options with Vallejo or to use the capacity fees for more cost-effective supply sources.

On June 16, 2008, the City of American Canyon received an offer from the City of Napa to evaluate as an alternative to the 2007-2011 Vallejo Water Supply option.

- Emergency groundwater bank - American Canyon's share of project to "bank" groundwater for times of emergency. The feasibility of this project is currently being investigated as part of the Integrated Water Management Plan. It is conceived as a high-yield well field which serve as a regional facility for municipalities in Napa County. Based on initial hydrogeology investigation, Soscol Creek would be one probable location for such a high-yield well field. In 2007, the City of Napa denied a request to install a commercial well on Anselmo Court, which would have tapped this resource. The reports provided to the City of Napa indicated that wells in this vicinity have been found to produce high-quality water at rates of 1,000 to 2,000 gpm. A feasibility report on high-capacity wells at

this location was approved by the Blue Ribbon Committee at their May 2008 meeting.

- Water conservation program implementation - Project to fully implement the City-approved Water Conservation Guidelines. The City's current water conservation program includes rebates for low-flow toilets, public education, leak detection, and a master irrigation controller for City parks. A Water Conservation Implementation Plan has been drafted to fully implement the Best Management Practices of the California Urban Water Conservation Council, of which the City of American Canyon is a member. It sets forth guidelines for new development and provides an implementation plan for new programs such as conservation pricing, a water conservation ordinance, enhancement of the leak detection programs, enhancements to the public awareness program, and enhancements to the rebate programs. It estimates that 744 AFY will ultimately be supplied through water conservation. Startup costs for several of these programs are included in the capacity fee, and several startups are already in progress.

On January 1, 2008, the City initiated a clothes washer rebate program in partnership with other Bay Area water agencies and PG&E. The rebate program is partly funded through a State of California Proposition 50 grant. It will provide rebates ranging from \$125 - \$200 depending on the washing machine efficiency.

Phase II of the Integrated Water Management Plan calls for a water conservation feasibility study. Cleanup of the historical billing record data has been completed to allow for selection of representative sample homes to participate in a detailed survey of water use. As of June 2008, letters have been sent to 200 homes soliciting up to 25 participants in the study. The feasibility study will be complete in 2008 and will lead to a more precise estimate of future water demands.

- Recycled water implementation – Project to implement the Recycled Water Facilities Plan approved by the City Council in 2003. Currently, the City of American Canyon recycles 100 AFY of wastewater to a vineyard directly adjacent to the Wastewater Treatment Plant. The permit for recycled water distribution was issued in 2005. Further expansion of the system will require completion of one remaining segment of pipeline and a storage tank. The 1.0 million gallon storage tank, Recycled Water Tank #1, has been designed and has received environmental approval and all necessary permits. It will be completed concurrently with East Tank #1 by December 31, 2009. The pipeline will be completed with prior to improvements to American Canyon Road West. A consulting contract has been awarded for the pipeline design. It will be completed by December 31, 2009. The City has received a \$2.5 million Proposition 50 grant for constructing the recycled water distribution system, which requires that the system be completed by 2010 and achieve 1,000 AFY of distribution by 2011.

Additionally, the Napa Sanitation District is implementing a recycled water system in the City's extraterritorial service area, which includes the Airport Industrial Area. Landscape irrigation within significant portions of the

Napa Valley Gateway Business Park have been converted to recycled water. Based on analysis of the water use since this conversion has taken place, potable water use has been reduced by approximately 50% for the properties served by recycled water. The Napa Sanitation District has adopted a Recycled Water Strategic Plan which calls for converting all of the landscape irrigation in the Airport Industrial Area to recycled water. Additionally, several industrial users are committed to using recycled water for their process demands. The Urban Water Management Plan estimated the ultimate yield from this source of supply to be 226 acre feet per year, which represents less than 20% of the ultimate Airport Industrial Area demand and appears to be conservative (low). The scope of the Integrated Water Management Plan includes a more comprehensive estimate of ultimate recycled water demand in this area.

The Napa Sanitation District is also pursuing a recycled water Aquifer Storage and Recovery (ASR) project. They have completed a hydrogeological investigation of five alternate sites, which concluded that two locations in Jameson Canyon were feasible. They are now performing detailed investigation of the preferred site, which is located in lower Jameson Canyon. The ASR project would benefit American Canyon's water supply by improving the reliability of the NSD recycled water supply. It could also serve as a supplemental source to the City of American Canyon during peak summer irrigation periods when the wastewater treatment plant does not generate sufficient supply.

In summary, the City's long term water supply and demand situation is as follows:

Table 1

LONG TERM WATER SUPPLY AND DEMAND			
Source	Normal Year	Multiple-Dry-Year	Single-Dry-Year
State Water Project	3,640	1,976	1,508
Current Vallejo Potable Water Contract	1,351	1,216	1,216
Current Vallejo Contract for Raw Permit Water	500	450	450
Current Vallejo Contract for Raw Water during Emergencies		450	450
Subtotal, Current Supplies	5,491	4,091	3,623
City of American Canyon Recycled Water	1,000	900	900
Napa Sanitation District Recycled Water	226	203	203

Water Conservation	744	744	744
Water Transfer from Sacramento Valley	1,560	1,170	1,170
Remaining Vallejo Potable Water Contract Options	1,854	1,668	1,668
Subtotal, Additional Supplies	5,384	4,685	4,685
Total Long Term Water Supply	10,875	8,776	8,308
(Demand)	(7,026)	(7,026)	(7,026)
Surplus/(Shortfall)	3,849	1,750	1,282

The City of American Canyon has developed a capacity fee program which, when implemented, will ensure an adequate supply of potable and recycled water to meet demands under normal years, multiple-dry-years and single-dry-years

Water Supply Alternatives

The Blue Ribbon Committee is currently evaluating alternative water supplies. One of the most promising would be to harvest the rain that currently falls on American Canyon by tapping into groundwater supplies. If groundwater wells yielding 4.5 mgd could be developed, it would not be necessary to purchase additional Vallejo options or to expand the North Bay Aqueduct. Bulletin 118 from the California Department of Water Resources states that wells up to 300 gallons per minute are found in American Canyon's groundwater subbasin, the Napa-Sonoma Lowlands. A well reportedly yielding 400 gallons per minute is located on the American Canyon High School property would require 11 wells yielding 300 gallons per minute to meet the peak demand. Groundwater research was recommended by the Urban Water Management Plan and is being completed through the Integrated Water Management Plan. A 72-hour test will be performed on the High School well in Summer 2008. The City of American Canyon and the Napa Valley Unified School District have entered into an Memorandum of Understanding (MOU) regarding the high school project; one provision of this MOU is an agreement to cooperate on development of the well.

During 2008, the City of American Canyon experienced a 65% cutback in the State Water Project allocation. This would have resulted in a shortfall of 2,300 AFY. However, a number of alternate sources were developed, and implementation of the Water Shortage Contingency Plan has not been necessary as of May 23, 2008. These sources include:

- Table A Previous Year Carryover. The City is able to carry its unused Table A water over from the previous year to the current year. This additional water is treated as if it were additional Table A water, except it is lost as soon as State Water Project (SWP) storage at the San Luis Reservoir fills and spills due to pumping from the Banks Pumping Plant.
- Other Cities in Napa County Carryover Water. When available, the City can purchase carryover SWP water from the previous year from other cities in Napa County. This additional carryover water has the same

conditions as our carryover water; that is, it is treated as if it were additional Table A water, except it is lost once the San Luis Reservoir “fills and spills” because of pumping at the Banks Plant.

- **Article 21 Water.** Article 21 water is available after the City uses its SWP scheduled monthly allotment when unbalanced conditions exist in the Delta. The Delta is considered to be in an unbalanced condition when rain and snowmelt water is flowing out under the Golden Gate Bridge into the Pacific Ocean.
- **SWP Dry-Year Program.** It is possible to purchase additional water through the SWP during dry years, when Sacramento Valley farmers willingly let their land lie fallow and make their water available to State Water Contractors. In addition, there are occasional reservoir re-operation activities that some water agencies can do that make water available for sale to buyers. Approvals from DWR and/or SWRCB are often required to allow transfer and conveyance of the water from seller to buyer.
- **Pool A and B Water.** State Water Contractors that decide not to draw all or a portion of their entitlements in any given year may place their unused water into a pool for resale by DWR to other State Water Contractors.
- **Yuba River Accord.** This agreement between the Yuba County Water Agency, the Department of Fish and Game, and several other regulatory agencies and environmental groups would revise the operation to provide higher flows in the lower Yuba River and allow the Department of Water Resources to purchase and transfer this water to State Water Project and Central Valley Project contractors in dry years.
- **Vallejo Water Service Addendum No. 1** This addendum would allow American Canyon to receive up to 500 acre feet per year of raw water when the City’s entitlement is reduced due to environmental or other constraints.

WATER TREATMENT

Water Treatment Implementation Status

The City has two water treatment facilities, side-by-side on the same site at 205 Kirkland Ranch Road: a 2.5 million gallon per day (mgd) conventional treatment plant completed in 1976, and a 3.0 mgd advanced technology treatment plant completed in 2004. The advanced technology treatment plant uses membranes manufactured by Zenon Corporation, as does the wastewater treatment plant.

Additional treatment capacity is needed to achieve the General Plan EIR peak day demand estimate of 10.0 mgd. The membrane plant was designed to accommodate an additional 3.0 mgd expansion within the existing structure. This is included in the capital fee capital program. Expansion to the North Bay Aqueduct (NBA), as discussed above, would be needed to meet the peak day flow requirements for this additional treatment. Under this approach, the total treatment plant capacity would be 8.5 mgd. The

remaining 1.5 mgd of peak treated water capacity could come from the City of Vallejo through the water supply contract discussed above. The Vallejo contract currently provides up to 1.3 mgd of peak day capacity during a peak month, which would be more than adequate to meet the treatment gap. If all of the remaining options were executed, the Vallejo contract would provide up to 3.1 mgd of peak day capacity during a peak month. An additional metering station would be needed to deliver this water to the City of American Canyon distribution system; this metering station is included in the capacity fee capital program.

Water Treatment Alternatives

The City of American Canyon also enjoys a physical connection to the City of Napa's treated water supply. Currently, the City of Napa treated water is provided on an informal basis in the absence of an agreement. On June 17, 2008, the City Council will consider approval of a one-year agreement with the City of Napa to treat and wheel water on behalf of the City of American Canyon. The agreement provides up to 1 mgd of treatment capacity in normal circumstances and up to 2.25 mgd when the North Bay Aqueduct is out of service.

WATER STORAGE, TRANSMISSION, AND DISTRIBUTION STATUS

Two additional storage tanks for treated water are needed to support anticipated fire flows and daily demands for the cumulative condition. East Tank #1, a 2.5 million gallon potable water tank, has been designed for a site to the east of Newell Drive. The base of the tank will be set at elevation 195 to match the existing Oat Hill #1 tank. The two tanks together will serve the main pressure zone in the City of American Canyon. Negotiation is underway for the site for East Tank #1. A mitigated negative declaration has been completed, the plans and specifications are 95% complete, and regulatory permits have been obtained. The land is to be acquired by June 30, 2008 and construction is to be completed by December 31, 2009.

A variety of projects are included in the capacity fee capital program to expand the water distribution system, to repair existing deficiencies, or a combination of the two. Recently, Flow Control Valve (FCV) #9, which overly restricted water flow from the treatment plant to the distribution system was removed. The backbone of the distribution system is a 14" diameter transmission main which runs down SR 29; it was built in the 1950s, is badly corroded and is being replaced in segments as part of a biennial water main replacement program and by new development. As it is replaced, additional capacity will be added and water loss will be reduced. As demands grow, there is a need for additional connections across SR 29; project is planned to complete three connections. Similarly, development on the east side of SR 29 will require closing gaps in the existing water main. Ultimately, increased flows from the water plant will require transmission improvements, either a pump station or another pipeline, on the east side of SR 29.

WATER CAPITAL PROGRAM FINANCIAL STATUS

The Water Capital Program is primarily funded by capacity fees, supplemented by capital funds from the Water Operations Fund. The City of American Canyon has adopted a fiscal policy which requires new development to fully fund improvements needed to serve that development. Accordingly, the City's Blue Ribbon Committee on Water Resources recommended that the City Council approve a significant increase in the water capacity fee. The capacity fee for a single-family residence has been

increased from the prior rate of \$6,445 to a new rate of \$11,634. The fees were approved at a public hearing on December 18, 2007.

VINEYARDS ANALYSIS

VINEYARDS DECISION

The California Supreme Court decision "Vineyard Area Citizens for Responsible Growth v. City of Rancho Cordova and Sunrise Douglas Property Owners Association et. al" sets forth guidelines for evaluating the water supply of a project under the California Environmental Quality Act (CEQA). It requires that water supplies not be illusory or intangible, that water supply over the entire length of the project be evaluated, and that environmental impacts of likely future water sources, as well as alternate sources, be summarized.

Facts with respect to solutions to water supply problems

The City of American Canyon has developed a capacity fee capital program which, when implemented, will ensure an adequate supply of potable water and recycled water to meet demands under normal years, multiple-dry-years, and single-dry-years.

Water supply over the life of the project

The Water Supply Report is based on the will serve questionnaire dated June 13, 2008 which requests a will serve letter for a 39.6 acre portion of a 218 acre site. The potable and recycled water demands for the entire project site have not been estimated. The project site will be developed in phases. Accordingly, an analysis of water supply for later phases will be required. However, development of the initial phase of the site is consistent with water demands assumed for the overall site, as stated earlier in this report.

Impacts of likely future water sources

Potential environmental impacts of purchasing a permanent transfer of 1,560 acre feet per year of water rights from Sacramento Valley agricultural interests have not yet been evaluated. However, because the water would be used to make up shortfalls in the State Water Project supplies and would be conveyed using existing State Water Project facilities, the transfer would not require the construction of any new facilities. Also, such an intra-regional transfer would be consistent with the Sacramento Valley Integrated Regional Water Management Plan, which has been subject to significant public input and environmental review. Lastly, several of the potential sellers of water rights have completed environmental review of similar permanent transfers.

The environmental review of North Bay Aqueduct expansion has not been initiated. However, the area of disturbance of the pipeline would largely be included within the area impacted by the Jameson Canyon (SR 12) widening project, which is currently being evaluated by Caltrans through a mitigated negative declaration.

No environmental review has been performed for a potential emergency groundwater bank. However, such a groundwater bank is intended to improve the reliability of water supplies and is not to serve as a primary water source. Also, it should be noted that wells in the vicinity of Soscol Creek historically served the American Canyon area as well as portions of Solano and Contra Costa counties with potable water supply. The wells have been inactive since the mid-20th century.

No additional environmental review would be needed to execute the remaining options for treated water supply from the City of Vallejo because these options are included within the 1996 contract.

Water conservation would result in no negative impacts to the physical environment.

A mitigated negative declaration was prepared for the recycled water distribution system when the Recycled Water Facilities Plan was adopted by the City Council in November 2003. Impacts were minimal because the pipelines were to be located in existing public rights of way.

Possible replacement sources and their impacts

Development of groundwater as an alternative municipal supply is currently under study as part of the Integrated Water Management Plan. Potential environmental impacts have not yet been evaluated. However, 41 existing wells are included in the Department of Water Resources records for the City of American Canyon area. The average flow rate for these wells varies from approximately 5 to 20 gpm, with the total between all wells of approximately 500 gpm. This does not include the well on the high school property. Most, if not all, of these wells will eventually go out of service as City of American water service is supplied. Thus, a minimum of 500 gpm, which would equate to 807 AFY, would be available without increasing the rate of withdrawal of groundwater.

RECOMMENDED MITIGATIONS

LONG TERM WATER MITIGATIONS

The potable and recycled water impacts of the Napa Valley Distribution Center project will be fully mitigated by the financial contribution it will make to the water capacity fee program and through construction of a recycled water main in Devlin Road Extension along the project frontage.

SHORT TERM WATER MITIGATIONS

It is assumed that the project will be occupied by May 1, 2009 which would represent 50% of the demand for the 2008/09 water year. It is assumed that 100% of the project is occupied for the 2009/10 and 2010/11 water years.

The additional source of supply from acquiring a permanent transfer of water rights from Sacramento Valley agricultural interests will not be available until the 2011/12 water year, based on three years from the anticipated completion of the evaluation of potential sellers, which is currently underway and is expected to be completed by December 31, 2008.

The recycled water system will not be fully implemented until 2010/11 water year, based on completion of Recycled Water Tank #1 by December 21, 2009 and the remaining pipeline by December 31, 2010.

A decision will not be made as to executing the 2007-2011 option under the Vallejo water contract until after the Integrated Water Management Plan is completed in 2009. If an alternate supply is chosen, it would require a minimum of two years to implement.

Thus the project would result in potential reliability impacts during multiple-dry-year and single-dry-year conditions during the 2009/10 and 2010/11 water years. This impact can feasibly be mitigated, however, by providing funds to the City of American Canyon to purchase dry-year water, if necessary. Dry-year water is available either through the State Water Project Contractor's Association or from individual sellers. The cost of dry-year water is currently on the order of \$200 per AF per year, and no environmental review is required on a one-year transfer. Acquisition of one-year water transfers for the 2009/10 and 2010/11 water years will mitigate short term impacts, as follows:

Table 3

SHORT TERM MITIGATION					
Water Year	Percent occupied	Annual demand (AF)	Water needed (AF)	Estimated cost/AF	Short-term mitigation
2008-09	0%	18.65	0	\$220	\$0
2009-10	100%	18.65	18.65	\$240	\$4,476
2010-11	100%	18.65	18.65	\$260	\$4,849
Total					\$9,325

The project will contribute the above amounts as non-refundable payments to the water operations fund to allow the City to acquire dry-year water, if necessary. If the long-term mitigations are not in place prior to the 2011-12 water year, the project will continue to make annual non-refundable payments until the short-term impacts are mitigated by completion of long-term improvements.

OPPORTUNITIES TO REDUCE PROJECT'S WATER FOOTPRINT

ON-SITE CONSERVATION OPPORTUNITIES

The project will be reviewed for additional on-site conservation opportunities during the building permit plan review process.

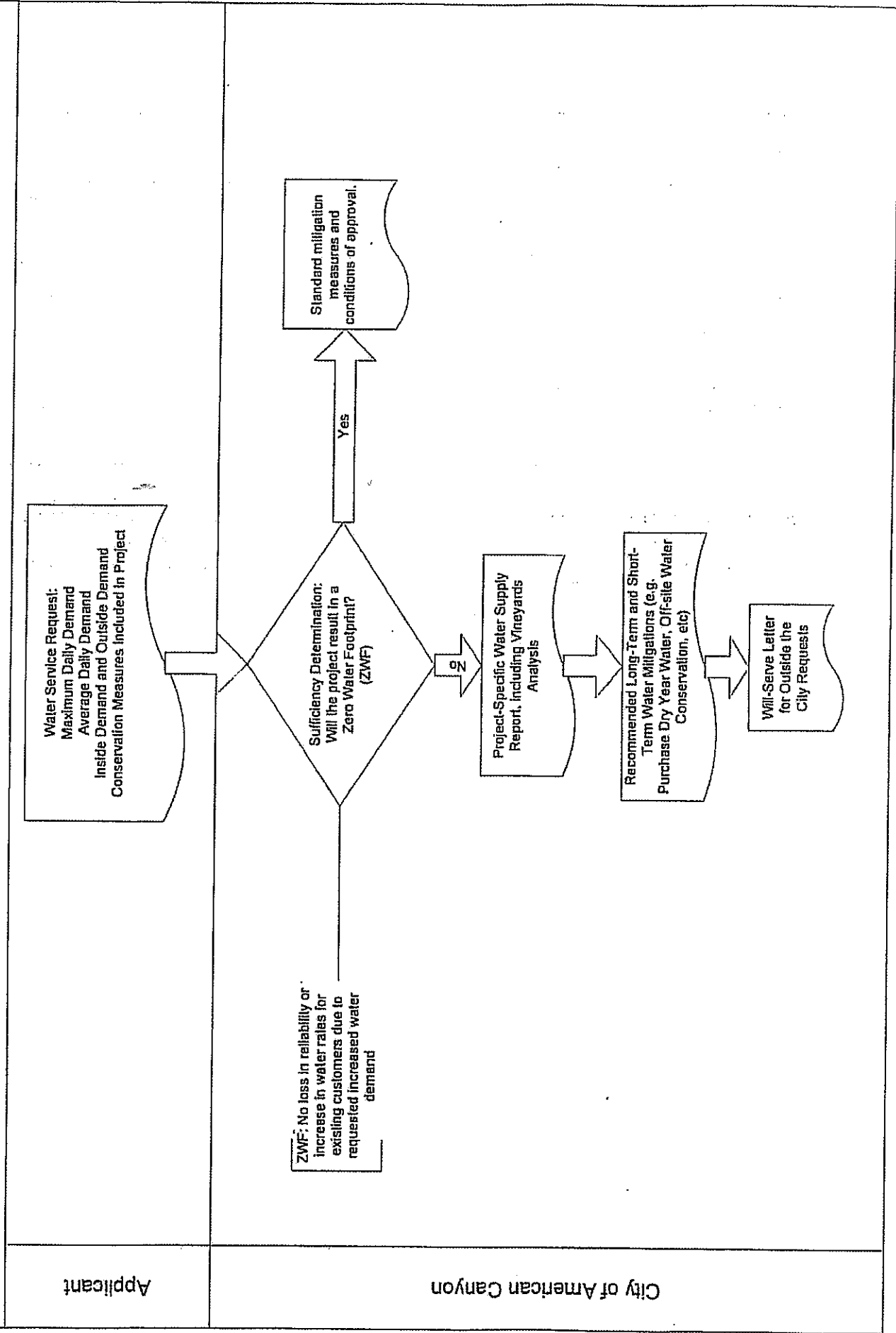
OFF-SITE CONSERVATION OPPORTUNITIES

The project could reduce its water footprint by including one or more of the following off-site water conservation opportunities:

- Conversion of existing toilets to high-efficiency toilets
- Conversion of existing washing machines to high-efficiency, front-loading washing machines
- Conversion of existing urinals to waterless urinals
- Conversion of existing irrigation demands from potable water to recycled water
- Conversion of existing industrial demands from potable water to recycled water
- Completion of a landscape conversion project

APPENDIX A
WATER SERVICE REQUEST PROCESS

City of American Canyon Water Service Request Process



Applicant

City of American Canyon

APPENDIX B

WATER CAPACITY CAPITAL PROGRAM PROJECTS

City of American Canyon

Water Enterprise Capital Improvement Program Summary

Project Name	Project Description/Need	Projected cost and financing		
		Cost	Ratepayers	Development
Water supply				
Water rights				
North Bay Aqueduct expansion	Purchase of 1,660 annual acre feet of water rights from Sacramento Valley agricultural interests	\$7,500,000	0%	100%
North Bay Aqueduct interest payments	Project to expand the ability of the North Bay Aqueduct to deliver more water	4,400,000	0%	100%
North Bay Aqueduct terminal tank replacement	Ongoing interest payments for ban to build North Bay Aqueduct	1,440,000	47%	53%
Vallejo water rights purchase	Project to replace and expand the seismically deficient water tank at the end of the North Bay Aqueduct	2,165,000	47%	53%
Emergency groundwater bank	Exercise remaining potable water contract options from city of Vallejo for use in times of drought?	12,285,908	0%	100%
Water conservation program implementation	American Canyon's share of project to "bank" groundwater for times of emergency	1,200,000	0%	100%
	Project to fully implement the City-approved Water Conservation Guidelines	400,000	0%	100%
Water treatment				
Zenon cassette addition	Project to improve treatment of water at membrane treatment plant, anticipating future regulations	50,000	0%	100%
Zenon plant expansion	Project to expand potable water treatment from 5.5 mgd to 8.5 mgd	3,000,000	0%	100%
Sludge handling expansion	Project to increase ability to handle sludge generated during water treatment	500,000	0%	100%
Recycled water				
Phases 1-6	Projects required to develop recycled water as a water source, includes new pipelines and a recycled water reservoir	15,608,500	0%	100%
Transmission, Distribution and Storage				
East Tank #1	New water tank in main pressure zone required to meet needs of future growth	4,500,000	0%	100%
East Tank #2 (High School Tank)	New water tank in high pressure zone provides benefits for both new growth and reduced pumping costs to City	4,000,000	0%	100%
Hwy. 29 crossings	Projects required to increase connections across SR 29 as demand grows	400,000	0%	100%
14" realignment/replacement	Replacement of badly corroded pipeline to reduce water loss and increase capacity	3,000,000	47%	53%
Waterline Eastside of 29 (W-14 and W-15)	Project to close gaps in new water line to serve development on east of SR 29	1,500,000	30%	70%
Broadway Vallejo potable water metering station	Required to increase the capacity of potable water delivery from Vallejo	300,000	0%	100%
Eastern sphere transmission improvements	Improvements to handle increased water supply from treatment plant	400,000	0%	100%
Repairs/Upgrades				
Conventional plant electrical upgrade	Electrical system at conventional water treatment plant require replacement	300,000	100%	0%
Conventional plant valve replacement	Flow control valves at conventional water treatment plant require replacement	75,000	100%	0%
FCV #8 Modification (relocation of tank outlet)	The flow control valve #8 overly restricts water flow from the plant and will be relocated	100,000	100%	0%
Enhanced treatment process	Enhancements at treatment plant to meet higher water quality standards	750,000	47%	53%
Conventional plant filter media replacement	The treatment media at the conventional water treatment plant is due for replacement and upgrade	125,000	47%	53%
Acid addition system	Project to upgrade treatment to allow for acid addition during treatment process	175,000	47%	53%
Water system SCADA	Supervisory Control and Data Acquisition system allows for remote sensing and control of water system.	300,000	47%	53%
Other				
Integrated Water Management Plan - Phase I and II	Long-range planning project that allow the City to develop comprehensive technical plan for entire water system	800,000	47%	53%
Corp yard improvements	Project to replace the City Corporation Yard, which lies in the floodplain and is subject to disruption in emergency situations	5,000,000	47%	53%
		\$69,984,408	\$7,304,154	\$62,680,254

City of American Canyon
Wastewater Enterprise Capital Improvement Program Summary

Project Name	Project Description/Need	Projected cost and financing		
		Cost	Ratepayers	Development
Pump station upgrades Phase 1	Pumps replaced to handle increased wastewater flows	\$320,000	0%	100%
Wellands Edge Rd force main upgrade	Critical project required to replace and upgrade force main which carried 90% of wastewater flow in City	2,100,000	67%	33%
Zanon cassette	Additional cassettes to increase wet weather flow capacity	867,631	67%	33%
Phase 1 treatment upgrades (1)	Increases capacity from current 1.9 mgd to 2.5 mgd	3,000,000	0%	100%
Phase 2A treatment upgrades (2)	Increases capacity from 2.5 mgd to 2.75 mgd and lays foundation for future expansions	6,600,000	0%	100%
Phase 2B treatment upgrades (3)	Increases capacity from 2.75 mgd to 3.75 mgd to meet General Plan requirements	10,950,000	0%	100%
Sludge pond #2 liner replacement	Liner in Pond #2 must be replaced	1,200,000	100%	0%
WWTP electrical system repair	Existing electrical system in plant must be repaired and upgraded	1,200,000	80%	20%
Wastewater system SCADA	System for monitoring and controlling the wastewater treatment system	300,000	67%	33%
IWMF (50%)	Long-range planning project that allow the City to develop comprehensive technical plan for entire water system	500,000	0%	100%
Force main addition (Sunset to WWTP)	Program that reduces wet weather infiltration into sewer pipes which improves function of wastewater treatment plant	6,000,000	10%	90%
Corp yard improvements	Second forcemain required to bring wastewater flows to treatment plant to meet buildout flow levels	3,000,000	0%	100%
Lombard pump station	Project to replace the City Corporation Yard, which lies in the floodplain and is subject to disruption in emergency situations	5,000,000	67%	33%
Main pump station replacement	New pump station required to meet planned flows in northeastern portion of City	2,500,000	0%	100%
Broadway & American Canyon Road Sewer Upsizing	Project to replace the Main Pump Station to meet code requirements when expanded	2,000,000	0%	100%
Broadway & S. Napa Jct. Rd. Sewer Upsizing	Gravity sewers along Broadway from Donaldson Way and American Canyon Rd. must be upsized to handle increased flows	2,100,000	0%	100%
Upgrade Green Island Pump Station	Gravity sewers along Broadway from Napa Jct. Rd. to Donaldson Way must be upsized to handle increased flows	700,000	0%	100%
	Pump station must be expanded to handle increased industrial flows from Green Island area	250,000	0%	100%
		\$48,607,631	\$8,312,713	\$40,294,918

APPENDIX C
HEADWATERS WATER DEMAND CALCULATIONS

City of American Canyon Will Serve Questionnaire

Date: June 13, 2008	
Owner Name: Headwaters Construction	Applicant Name: Same
Owner Address: 50 Fullerton Court, Ste 203 Sacramento, Ca. 95825	Applicant Address: 50 Fullerton Court, Ste 203 Sacramento, Ca. 95825
Owner Phone #: (916) 564.8899	Applicant Phone #: (916) 564.8899
Owner Signature:	Project Engineer: Carl Butts
Project Name: Napa Valley Distribution Center	Project Address: To be Determined
Project APN: 057-090-069	
Project Description: Mixed use commercial, Warehouse / Office building. Approximately 645,000 sq.ft. building on 39.6 acre site.	
Permit Number: UP Submitted	Time of Operation: 8am to 4pm
Status of Environmental Clearance: Pending	hours/day: 8
Permit Status: In Process	days/week: 6
Land Use: Commercial	months/year: 12
Property Zoning: IP/AC	
Lot Size (acres): 39.6	Building Size (sqft) : 645,000
Anticipated Potable Water Demand*	
Average day demand (annual):	Maximum day demand: (x2 peak factor)
domestic 5,284 gpd	domestic 10,568 gpd
irrigation 11,365 gpd	irrigation 22,730 gpd
industrial n/a gpd	industrial n/a gpd
Total 16,649 gpd	Total 33,298 gpd
* attach references used and calculations for water demand	
<p>The City of American Canyon Municipal Code 13.10 (Code) gives first priority for new water and sewer connections and services to residences and businesses located within the city corporate boundary. The Code states the City shall provide water and sewer connections and services to other residences and businesses located within the urban limit line of the city only after one of the following two conditions has occurred; upon annexation to the city and the district, where that has not already occurred; or upon securing a revenue sharing agreement involving the county, the city and where applicable the district. The Code also states the City may provide water service to developments outside of the city urban limit line but within the water service area of city, as available, provided the applicant agrees to an "in lieu of" revenue-sharing agreement with city.</p>	
<p>If outside the corporate city boundary please describe how you intend to address the provisions of the Code.</p>	

Napa Valley Distribution Center (NVDC)
Water & Wastewater Demand Calculations
APN 057-090-069
#4106054.1
06/13/08

This study was conducted to determine the feasibility of the City of American Canyon to provide water for the proposed 39.6-acre, 645,000 square foot warehouse and office project. The City has expressed an upper bound of 650 GPD/Acre. This equates to 23,920 GPD maximum for the development area. With water demand data from similar properties and a few assumptions, we were able to project a more accurate figure.

Knowns:

Water Demand Data -

Project	Average Demand ¹ (GPD)	Building Size (SF)	Average Demand (GPD/SF)	Site Acreage
75 S. Kelly	2,184	198,000	0.011	8.95
175 Tower	5,327	260,000	0.020	11.74
770 Skyway	3,783	101,200	0.028	5.39
660 Airpark	5,405	119,430	0.055	6.22
Averages	4,175	169,658	0.029	8.10

¹ The demand data is based on billing and water meter information provided by City of American Canyon.

NVDC Project office space = 6% of total building area.

Assumptions:

Mixed use, office and warehouse
90% warehouse, 10% office for existing sites water with water demand information

Key:

A_T = Total Building Area
 A_O = Office Area
 A_W = Warehouse Area
 W_D = Total Water Demand

W_O = Office Water Demand
 W_W = Warehouse Water Demand
 W_B = Total Building Demand
 W_I = Irrigation Water Demand

The following is a summary of the methodology used to generate the water demand numbers on the Will Serve Questionnaire.

Average Warehouse Consumption = 0.0290 *gpd/sf*.

Reduction for irrigation (assume 10% landscape area and irrigation demand = evapotranspiration of 36" of water during year)

Irrigation Usage = $0.1 \times 43,560 \text{ sf} \times 3 \text{ ft} \times 7.48 \text{ gal / cf} = 270 \text{ gpd}$
Assume 50% bldg coverage = $270 \text{ gpd} \div 21,780 \text{ sf} = 0.0126 \text{ gpd / sf}$

***Based on the assumption that $A_T = 1$

This gives us one equation: $W_B = 0.0290 - 0.0126 = 0.0164 \text{ gpd/sf}$
 $0.0164 = 0.94 W_W + 0.06 W_O (1)$

Assuming $W_O = 20 \times W_W$, we may solve two unknowns with two equations

$\therefore W_O = 0.0213 \text{ gpd / sf}$
 $\therefore W_W = 0.0077 \text{ gpd / sf}$

Projected consumption (building square footage allocation taken from Use Permit floor plans)

Total Building SF	= 645,000 <i>sf</i>
6% office	= 38,700 <i>sf</i>
94% warehouse	= 606,300 <i>sf</i>
Total Site Area	= 39.6 <i>Acres</i>

Building domestic water demand calculation.

$W_B = (A_O \times W_O) + (A_W \times W_W)$
= $(38,700 \times 0.0213) + (606,000 \times 0.0077)$
= 5,491 *gpd*

Anticipated Water Savings Features

Dual Flush Toilets – 0.8/1.6 gal per flush

Assume: 25% savings

High Efficiency Urinals – 0.125 gal per use versus 1 gal per flush

Assume: 75% savings

Average Savings: $(0.25 + 0.75)/2 = 0.5$ or 50%

Assume: Urinals and Toilets = 50% overall office water demand

$$\text{Total Savings} = 0.5 \times 0.5 = 0.25 \text{ or } 25\%.$$

$$W_{O(w/savings)} = (A_O \times W_O) \times 0.75 = (38,700 \times 0.0213) \times 0.75 = 618 \text{ gpd}$$

$$W_{B(w/savings)} = W_{O(w/savings)} + W_w = 618 \text{ gpd} + 4,666 \text{ gpd} = 5,284 \text{ gpd}$$

Irrigation domestic water demand calculation.

$$\begin{aligned} W_I &= 287 \text{ gpd/ac (Per City of American Canyon)} \times 39.6 \text{ ac} \\ &= 11,365 \text{ gpd} \end{aligned}$$

Total projected consumption

$$\begin{aligned} W_D &= W_{B(w/savings)} + W_I / \text{Total Acres} \\ &= 5,284 \text{ gpd} + 11,365 \text{ gpd} / 39.6 \text{ ac} \\ &= 420 \text{ gpd / Acre} \end{aligned}$$

Based on a coverage factor of 37% we can expect a water demand of 420 *gpd/Acre*.

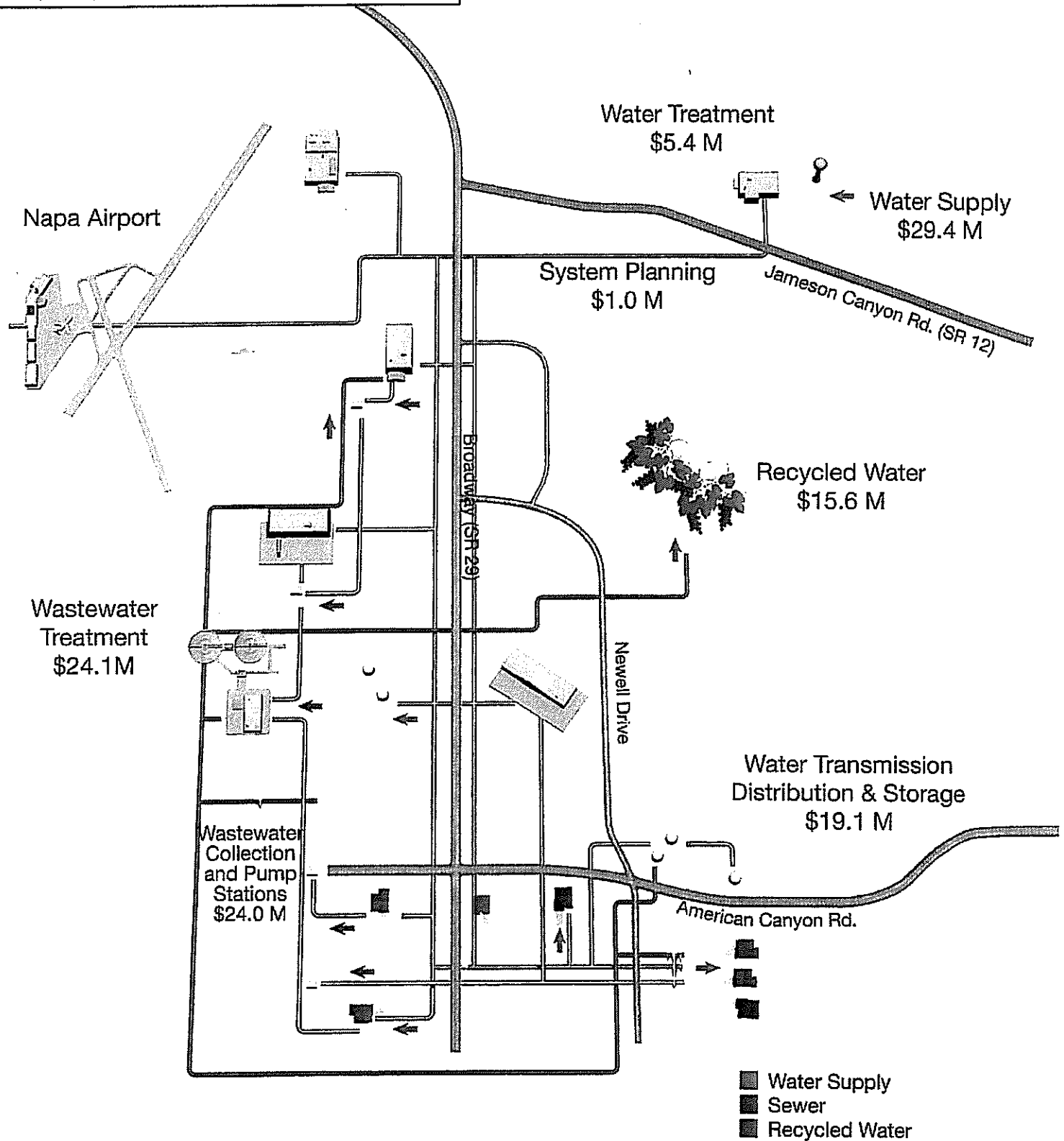
Total projected wastewater production

Assume:

$$\text{Wastewater produced} = 0.9 \times W_{B(w/savings)} = 0.9 \times 5,284 \text{ gpd} = 4,756 \text{ gpd}$$

APPENDIX D
WATER CAPACITY CAPITAL PROGRAM SCHEMATIC

City of American Canyon
Capacity Fee Capital Program Schematic





DEPARTMENT OF FISH AND GAME

<http://www.dfg.ca.gov>

POST OFFICE BOX 47
YOUNTVILLE, CALIFORNIA 94599
(707) 944-5500

SUZIE



RECEIVED

MAR 19 2008

NAPA CO. CONSERVATION
DEVELOPMENT & PLANNING DEPT.

March 18, 2008

Ms. Suzy Gambill
County of Napa
1195 Third Street, Suite 210
Napa, CA 94559

Dear Ms. Gambill:

Subject: Napa Commerce Center, Devlin Road, City of Napa, Napa County

The Department of Fish and Game (DFG) has reviewed the documents provided for the subject project, and we have the following comments.

Please provide a complete assessment (including but not limited to type, quantity and locations) of the habitats, flora and fauna within and adjacent to the project area, including endangered, threatened, and locally unique species and sensitive habitats. The assessment should include the reasonably foreseeable direct and indirect changes (temporary and permanent) that may occur with implementation of the project. Rare, threatened and endangered species to be addressed should include all those which meet the California Environmental Quality Act (CEQA) definition (see CEQA Guidelines, Section 15380). DFG recommended survey and monitoring protocols and guidelines are available at http://www.dfg.ca.gov/wildlife/species/survey_monitor.html.

If you have any questions, please contact Ms. Corinne Gray, Environmental Scientist, at (707) 944-5526 or Mr. Greg Martinelli, Water Conservation Supervisor, at (707) 944-5570.

Sincerely,

Charles Armor
Regional Manager
Bay Delta Region

DEPARTMENT OF TRANSPORTATION

111 GRAND AVENUE
P. O. BOX 23660
OAKLAND, CA 94623-0660
PHONE (510) 286-5505
FAX (510) 286-5559
TTY 711



*Flex your power!
Be energy efficient!*

RECEIVED

March 7, 2008

MAR 11 2008

NAPA CO. CONSERVATION
DEVELOPMENT & PLANNING DEPT.

NAP029836
NAP-29-3.93

Ms. Suzie Gambill
Napa County Planning Department
1195 Third Street, Suite 210
Napa, CA 94559

Dear Ms. Gambill:

NAPA COMMERCE CENTER PROJECT – PROJECT REFERRAL

Thank you for including the California Department of Transportation (Department) in the early stages of the environmental review process for the Napa Commerce Center project. The following comments are based on the Project Referral; additional comments may be forthcoming pending final review. As the lead agency, the County of Napa is responsible for all project mitigation, including any needed improvements to state highways. The project's fair share contribution, financing, scheduling, implementation responsibilities and lead agency monitoring should be fully discussed for all proposed mitigation measures. Required roadway improvements should be completed prior to issuance of the Certificate of Occupancy. Since an encroachment permit is required for work in the state right of way (ROW), and the Department will not issue a permit until our concerns are adequately addressed, we strongly recommend that the County work with both the applicant and the Department to ensure that our concerns are resolved during the CEQA process, and in any case prior to submittal of a permit application. Further comments will be provided during the encroachment permit process; see the end of this letter for more information regarding encroachment permits.

Storm Water

All discharges, construction as well as permanent runoff, originating from within the project's limits, entering into the state ROW must comply with the Department's statewide National Pollutant Discharge System (NPDES) permit. In order to ensure water quality standards are being met prior to discharge into the state ROW, the project also needs to be compliant with the County of Napa's NPDES permit. Please forward documentation that demonstrates the project will meet compliance criteria for both the Department and the County's NPDES permit.

If permanent treatment Best Management Practices (BMPs) will be used to ensure storm water runoff meets applicable standards, list which BMPs will be used and in what capacity. Please provide documentation, specifications, and any other pertinent material describing any applicable BMPs.

Traffic Analysis

Please include the information detailed below in the Traffic Impact Study (TIS) to ensure that project-related impacts to State roadway facilities are thoroughly assessed. We encourage the County to coordinate preparation of the study with our office, and we would appreciate the opportunity to review the scope of work. The Department's "*Guide for the Preparation of Traffic Impact Studies*" should be reviewed prior to initiating any traffic analysis for the project; it is available at the following website:

<http://www.dot.ca.gov/hq/traffops/developserv/operationalsystems/reports/tisguide.pdf>

The TIS should include:

1. Site plan clearly showing project access in relation to nearby state roadways. Ingress and egress for all project components should be clearly identified. State right-of-way (ROW) should be clearly identified. Please include a vicinity map.
2. Project-related trip generation, distribution, and assignment. The assumptions and methodologies used to develop this information should be detailed in the study, and should be supported with appropriate documentation.
3. Average Daily Traffic, AM and PM peak hour volumes and levels of service (LOS) on all significantly affected roadways, including crossroads and controlled intersections for existing, existing plus project, cumulative and cumulative plus project scenarios. Calculation of cumulative traffic volumes should consider all traffic-generating developments, both existing and future, that would affect study area roadways and intersections. *The analysis should clearly identify the project's contribution to area traffic and degradation to existing and cumulative levels of service. Lastly, the Department's LOS threshold, which is the transition between LOS C and D, and is explained in detail in the Guide for Traffic Studies, should be applied to all state facilities.*
 - a. Scheduling of other development projects and roadway improvements in the project study area, as well as the timing for all phases of the project, should be clearly identified for all study scenarios. This information should be included in both the TIS and environmental document in order to clearly establish project baseline conditions. Please include a list of cumulative development projects, including estimated completion dates and trip generation for each project.
 - b. While the 2000 Highway Capacity Manual (HCM) may not be the preferred level of service methodology, it should be used for analyzing impacts to state facilities, particularly where previous analysis employing alternative methodologies has identified impacts. The residual level of service, assuming mitigation has been implemented, should also be analyzed with HCM 2000.
4. Schematic illustration of traffic conditions including the project site and study area roadways, trip distribution percentages and volumes as well as intersection geometrics, i.e., lane configurations, for the scenarios described above.
5. The project site building potential as identified in the General Plan. The project's consistency with both the Circulation Element of the General Plan and the Napa County Transportation Planning Agency's Congestion Management Plan should be evaluated.

6. *Mitigation should be identified for any roadway mainline section or intersection with insufficient capacity to maintain an acceptable LOS with the addition of project-related and/or cumulative traffic.* The project's fair share contribution, financing, scheduling, implementation responsibilities and lead agency monitoring should also be fully discussed for all proposed mitigation measures.
7. Special attention should be given to the following trip-reducing measures:
 - Encouraging mixed-use,
 - Coordinating with VINE to increase transit/rail use by expanding routes and emphasizing express service to regional rail stations, and by providing bus shelters with seating at any future bus pullouts,
 - Providing transit information to all future project employees, and
 - Encouraging bicycle- and pedestrian-friendly design.

Encroachment Permit

Please be advised that work that encroaches onto the State ROW requires an encroachment permit that is issued by the Department. To apply, a completed encroachment permit application, environmental documentation, and five (5) sets of plans, clearly indicating State ROW, must be submitted to the address below. Traffic-related mitigation measures will be incorporated into the construction plans during the encroachment permit process. See the following website link for more information: <http://www.dot.ca.gov/hq/traffops/developserv/permits/>

Michael Condie, Chief
Office of Permits
California DOT, District 4
P.O. Box 23660
Oakland, CA 94623-0660

Please forward copies of the environmental document and the TIS to the address below as soon as they are available:

Sandra Finegan, Transportation Planner
Community Planning Office, Mail Station 10D
California DOT, District 4
P.O. Box 23660
Oakland, CA 94623-0660

Please feel free to call or email Sandra Finegan of my staff at (510) 622-1644 or sandra_finegan@dot.ca.gov with any questions regarding this letter.

Sincerely,



LISA CARBONI
District Branch Chief
IGR/CEQA