

**DAVID B. GILBRETH**

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Napa, CA 94558  
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July 26, 2011

**RECEIVED**

**JUL 26 2011**

NAPA CO. CONSERVATION  
DEVELOPMENT & PLANNING DEPT.

Napa County Conservation, Development  
& Planning  
Attn: Kirsty Shelton, Planner  
1195 Third Street  
Napa, CA 94559

Re: Domaine Carneros/Use Permit Modification Application  
APN: 047-070-007

Dear Ms. Shelton:

I am writing to you to confirm my conversations recently in person and today on the telephone.

Specifically, enclosed is the original signed Declaration of Eileen Crane which we discussed in person recently. The Declaration is, of course, identical to the signed photocopy we discussed and that I left with you. Please add this to the record.

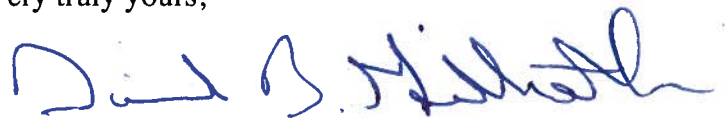
My client believes that this is strong direct legal evidence that clearly confirms the historical approvals including public tours, tasting and marketing activities as set forth in the Use Permit Modification Application.

Additionally, enclosed is a revised interior modification to a limited area in the barrel building. The interior modification is, of course, identical to the photocopy we discussed and that I left with you. There still is no change to the existing building footprint. Accordingly there still is no additional square footage. Please substitute this revised interior modification in lieu of the original exhibit for interior modifications.

I believe the application is complete and would appreciate it if you would continue processing the application. Of course, if you have any questions, please let me know.

Thank you for your courtesy and cooperation.

Very truly yours,



DAVID B. GILBRETH

Enclosures  
cc: Client

## DECLARATION OF EILEEN CRANE

1. I am currently the Chief Executive Officer of the Domaine Carneros Winery and have been continuously employed by the Domaine Carneros Winery since 1987.

2. I was significantly involved during the application and approval process for the Domaine Carneros Winery:

- (a) Initial Use Permit, U-668687, obtained on September 16, 1987.
- (b) Use Permit Modification, U-91-11, obtained on September 20, 1991

(c) Variance, 96642-VAR, obtained on October 3, 1997

(d) Use Permit Modification, 00170 Mod, obtained on July 18, 2001

(e) Use Permit Modification, 01284-Mod, obtained on January 18, 2002

(f) Minor Use Permit Modification, P07-00627, obtained on October 12, 2007.

3. I am now and have always been since 1987 responsible for all Domaine Carneros activities, including but not limited to the construction of the Domaine Carneros Winery, construction of the barrel building facility, public tours and tastings and marketing events.

4. I can tell you that ownership and I used our absolute best efforts to promote the Domaine Carneros Winery and maximize public tours and tastings and marketing activities. The Chateau motif and the premier location allowed us to attract visitors for public tours and tastings and marketing activities. We were successful.

5. The Domaine Carneros Winery approvals and history show, commencing in 1989 and continuing through the years to today, that the Domaine Carneros Winery has and continues (a) to provide public tours and tastings to an average number of 400 plus visitors per day for an average month but of course on the week days the average number of visitors might be less than 200 visitors per week day and on the weekends the average number of visitors were 900 plus per weekend day (b) to provide four marketing activities per month with up to 50 guests and (c) two marketing events per month with up to 25 guests. In essence there has been no change to these marketing events and the current Use Permit Modification Application simply seeks the recognition of these historical visitors for public tours and tastings and marketing activities.

6. The Domaine Carneros Winery was never required to keep records of the public tours and tasting visitors or marketing activities. So like all other wineries

approved prior to the Winery Definition Ordinance (WDO), the Domaine Carneros Winery did not maintain this type of formal records.

Even so, I have diligently searched for any records in 1989 which of course is over 21 years ago. I did find a draft letter from Claude Taittinger and my letter dated January 15<sup>th</sup>, 1990 to Phillipe Court of Champagne Taittinger and a Quarterly Review memo for October 1-December 31, 1989, which confirm my understanding of the history contained in my Declaration.

(A) The draft letter with interlineations, which is attached, from Claude Taittinger, President and CEO, to Shareholders contains the following:

“Dear Shareholder,

...

“Let’s now come back more precisely to 1989.

Concerning the winery,

We have conceived and built a dining room which appeared to us as a very important tool for Domaine Carneros Public Relations.

It is located on first floor (4<sup>th</sup> level of the building) and has been used already in many occasions to welcome VIP’s.

...

The winery has been opened to the public on August 18, 1989, a full-time visitors center’s manager and a few temporary tour guides are taking care of the visitors; since July we have had about X of them (interlineation 40,000 visitors). The visitors are offered to taste at the winery glasses of 1987 cuvee for the price of \$3.50 per glass. By the end of 1989, X (interlineation 260) bottles have been consumed or given as a gift at the winery (interlineation by paying customers or special guests).”

(B) My letter with an interlineation dated January 15<sup>th</sup>, 1990 to Phillipe Court, Champagne Taittinger, contains the following:

...

“Page 2 - The 40,000 visitors are extrapolated from the time when we began keeping this number, back to the opening in August. Although, it is extrapolated, I believe it is correct.

We do not give bottles of wine away to be taken off premises. The 260 bottles (interlineation cases) were poured for paying guests or as public relations to non-paying special guests.”

(C) The quarterly review memo, October 1-December 31, 1989, contains the following:

...  
“VISITORS CENTER

After the October earthquake the number of visitors to the San Francisco area, including the wine regions, dropped sharply. We have, however, had many guests during the holiday season and expect a continued upswing in the number of winery visitors as memory of the quake fades.


In addition to the usual visitors to the winery, we receive requests for four to five special prearranged tours per week. In March, for example, IBM has arranged, over a period of weeks, to bring 1800 of their top salespeople through the winery. Also in March, Domaine Carneros will be the site of a major charity event, S.O.S., that will bring many Napa and Sonoma County residents to our facility for the first time.”

7. The attachments to this Declaration are true and exact copies of the historical records of the Domaine Carneros Winery.

8. The Domaine Carneros Winery approvals included public tours and tastings and marketing activities. The public tours and tastings and marketing activities, set forth above, have taken place and still occur in compliance with all requirements including but not limited to health and safety and fire requirements.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: July 1, 2011

  
Eileen Crane, ~~General Manager~~ CEO  
Domaine Carneros Winery

Dear Shareholder,

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Let's now come back more precisely to 1989.

Concerning the winery,

- we have conceived and built a dining room which appeared to us as a very important tool for Domaine Carneros Public Relations.  
It is located on first floor (4th level of the building) and has been used already in many occasions to welcome VIP's.

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The winery has been opened to the public on August 1st, 1988, a full-time visitors center's manager and a few temporary tour guides are taking care of the visitors; since July we have had about ~~4~~ of them. *40,000 visitors*  
The visitors are offered to taste at the winery glasses of 1987 cuvée for the price of \$3.50 per glass.  
By the end of 1989, ~~260~~ bottles have been consumed ~~or given~~ as a gift at the winery. *260 by paying customers or special guests*

Yours sincerely,

Claude TAITTINGER,  
President C.E.O.

DOMAINE CARNEROS, L.D.

**FAXED**  
1/15/90

January 15, 1990

Champagne Taittinger  
9 Place Saint-Nicaise  
51100 Reims, France

FAX: 48

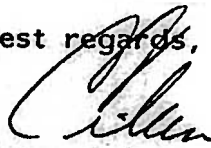
Attention: Philippe Court

Dear Philippe:

Page 2 - The 40,000 visitors are extrapolated from the time when we began keeping this number, back to the opening in August. Although, it is extrapolated, I believe it is correct.

We do not give bottles of wine away to be taken off premises. The 260 <sup>cases</sup> bottles were poured for paying guests or as public relations to non-paying special guests.

Best regards,

  
Eileen Crane

EC/bzb



VISITORS' CENTER

After the October earthquake the number of visitors to the San Francisco area, including the wine regions, dropped sharply. We have, however, had many guests during the holiday season and expect a continued upswing in the number of winery visitors as memory of the quake fades.

In addition to the usual visitors to the winery, we receive requests for four to five special prearranged tours per week. In March, for example, IBM has arranged, over a period of weeks, to bring 1800 of their top salespeople through the winery. Also in March, Domaine Carneros will be the site of a major charity event, S.O.S., that will bring many Napa and Sonoma County residents to our facility for the first time.