

Memorandum

C. Wesley Strickland
Attorney at Law
805.882.1490 tel
805.965.4333 fax
WStrickland@bhfs.com

DATE: April 25, 2012
TO: Hillary Gitelman
FROM: Wes Strickland
RE: Water Supplies for 2,050 Unit Project

You have asked whether Napa Redevelopment Partners, LLC (“NRP”) would be willing to have the Napa Pipe Project (“Project”) use imported surface water supplies from the City of Napa (“City), and whether the City has sufficient water supplies for the Project.

To your first question, NRP would be willing to have the Project use imported water supplies from the City, if the City were to make such supplies available. The City has not yet represented that it would make its water supplies available to the Project, however, so an acceptable condition would need to provide for an alternative water supply in the event that the City refused to make its water supplies available, e.g., local groundwater supplies alone, or conjunctive use of local groundwater and imported surface water supplies.

To your second question, according to the Water Supply Assessment for the Napa Pipe Project, Napa County, California dated September 12, 2011 (“WSA”), potable water demands for the Project are projected to be approximately 620 AFY. Chapter 7 of the WSA analyzed the water supplies of the City and its ability to serve the Project based on current planning documents adopted by the City, including its *Urban Water Management Plan 2010 Update* (June 21, 2011) (“UWMP”).

The WSA concluded that with its existing sources, the City would have sufficient water supplies to meet all current and planned future demands, including the Project, in normal and multiple dry years, which represent approximately 93 percent (13 out of 14) of all years. During the remaining 7 percent of all years (1 of 14), which are classified as single dry years, the City would not be able to meet the entire demands of the Project with its existing supplies. During those years, the Project would be able to rely on local groundwater for part or all of its demands.

As demonstrated in the WSA, based on expert review of the Sonoma Volcanics aquifer underlying the Project site and the Suscol area, extraction of 620 AF in any given year is not expected to have any significant adverse impact on the aquifer or neighboring groundwater users; thus, the Project could use up to 620 AFY of groundwater in constrained “single dry” water supply years for the City without any significant adverse effects. Conjunctively using City water supplies and local groundwater in this manner would result in use of only approximately 44 AF of groundwater per year on average, i.e., 620 AF divided by 14 years, which is substantially less than historical levels of groundwater production from the Project site that have caused no harm over 100 years.

Based on this analysis, it is clear that the City could supply water to the Project if it chose to do so, without adversely impacting other water users within the City or groundwater users in Napa County.