



Dedicated to Preserving the Napa River for Generations to Come

April 8, 2013

Conservation, Development and Planning Department – County of Napa
1195 Third Street, Room 210
Napa, CA 94559

SUBJECT: APN 057-270-008 – Leaf and Vine LLC Will Serve
NSD Will Serve #000034

To Whom It May Concern:

The Napa Sanitation District has received a request to provide a "Will Serve" letter for a proposed 3,600 SF wine production and tasting facility to be located on the subject parcel. The subject parcel is currently within the District's Sphere of Influence and within the District's boundaries. The District will provide sanitary sewer service to this parcel.

The following items will be required by the owner/developer:

1. Install the sanitary sewer improvements as specified in the District's Conditions of Approval for the project.
2. Pay the appropriate capacity and inspection fees. The facility shall be subject to all applicable rules and regulations of the District.
3. Enter into a Zero Waste Discharge Permit prior to discharge of any wastewater to the sanitary sewer system.

The proposed wine production facility and tasting room will generate approximately 210 gallons of domestic wastewater per day, which is equivalent to the flow of approximately one single-family dwelling. It is understood that the 216 gallons per day (approximate peak flow) of industrial wastewater generated onsite each day and will be disposed of using a Hold and Haul system; it shall not be discharged to the sanitary sewer.

This "Will Serve" letter for sanitary sewer service is valid for a period of three (3) years from the date of this letter. If the proposed development has not obtained its required Connection Permits from the District at the end of this time, this "Will Serve" letter shall become void. If you have any questions regarding this matter, please contact Kyle Broughton at (707) 258-6030.

Sincerely,

Kyle Broughton, P.E.
Associate Engineer



July 22, 2014

Camino Oruga Condominium Association
C/O JHL Commercial Properties
194 Camino Oruga, Suite 1
Napa, CA 94558

SUBJECT: Request for Water Service "Will-Serve" Letter
190 & 194 Camino Oruga
(APN: 057-270-002 thru -009 and 057-270-012 thru -015)

To Whom It May Concern:

The City of American Canyon has received a request from Scott Hill of JHL Commercial Properties as the Property Manager (Applicant) on behalf of the Camino Oruga Condominium Association (Owner) for a Will-Serve letter for water service to the property located at 190 and 194 Camino Oruga (Property). The City has not received a copy of a Use Permit Application from the Napa County Planning, Building & Environmental Services Department, for the anticipated winery user desiring to occupy one of the existing parcels.

It is the City's understanding that the Property is located within its Extraterritorial Water Service Area¹ and that a Will-Serve letter for water service to the Project is required prior to the County's approval of a Use Permit. In general, the City reviews the impacts of such requests for service taking into account the overall demand within the its system and known supplies available to meet this demand.

The City's understanding of the current request is based on water demand estimates attached to the Will-Serve Questionnaire prepared by the Applicant dated June 13, 2014. At present, the 1.67 acre property has two buildings referred to as 190 and 194 Camino Oruga, which are 17,014 square feet and 12,024 square feet respectively, with a total of 44 suites. The project and requested water demands are as summarized below:

Total Building Size:	29,038 square feet
Total Lot acreage:	1.67 acres
Anticipated water demand:	745 gal/day (annual average)

¹ As defined by Napa County Local Agency Formation Commission Policy 07-27.



Table 1 – Requested Water Demands

Average Daily Water Demand (ADD) in gallons per day:

Domestic:	422 gpd
Irrigation:	30 ² gpd
Industrial:	293 gpd
Total:	745 gpd

Maximum Daily Water Demand (MDD) in gallons per day:

Domestic:	633 gpd
Irrigation:	45 gpd
Industrial:	586 gpd
Total:	1,264 gpd

The City's Zero Water Footprint (ZWF) Policy requires new development to offset all of its water demands in order to prevent reduction in the reliability of existing water supplies or increases in water rates to existing customers. In light of the information submitted in the Questionnaire the City has determined that the Project will not have a Zero Water Footprint because once complete, the site's proposed ADD (745 gpd) will be greater than the established baseline ADD (577 gpd). Because the Owner is requesting service greater than the established baseline demand, the Project will potentially reduce the reliability of existing water supplies and increase costs to existing customers. In accordance with this Policy, because the Project has been determined to not have a Zero Water Footprint, a more detailed Water Supply Report has been prepared, and is attached hereto and made a part of this "Will-Serve" agreement. In order to comply with the ZWF Policy and offset the project's demand, the applicant shall contribute to the City's water conservation fund whereby the City will continue to undertake water conservation efforts to offset the requested ADD increase of 168 gpd. Such efforts will result in this project achieving a net zero impact to the City's water system, therefore adhering to the ZWF Policy.

This Will-Serve letter supersedes any other purported service commitments to the Property for any use. By way of this Will-Serve letter, the City is offering to meet the water service demands shown in the above table. The City's offer is contingent upon the occurrence and/or satisfaction of the following conditions and the continued existence of the following described conditions:

² The project site is also located within the Napa Sanitation District's (NSD) recycled water service area. However, recycled water is not available to the site.

1. Owner shall be subject to all City's rules and regulations, including all fees and charges.
2. At no cost to the City, the Owner shall construct all facilities necessary to serve the Project in accordance with all City standards.
3. Prior to the City's commence of improvement plan review, the Owner shall submit a deposit in an amount deemed sufficient by the City to fully recover the cost of its plan check and inspection services. Should this initial deposit be insufficient, the Owner agrees to make additional deposits as necessary for the City to complete its review and inspection. Any unused deposit funds will be returned to the Owner after the Notice of Completion is recorded.
4. The City faces potential curtailment of its primary source of water supply during dry years that its systems' demands to exceed available supplies. In an effort to forestall this undesirable imbalance, the City is taking steps to reduce customer demands while also seeking to acquire additional supplies. The cost of these additional supplies is unknown at this time, nor is it included in the current City water rates. The City is considering implementing potential changes to its rate structure in order to acquire such supplies. The Owner agrees to waive any protest to such changes during its formulation and implementation and review under the California Environmental Quality Act, Public Resources Code section 21000 *et seq.* ("CEQA"). Moreover, the Owner acknowledges that the City, during dry years, may be unable to meet the Properties' water service demands and that its water service may be reduced and/or curtailed entirely. Owner further agrees to indemnify and hold harmless the City for any and all damages or claims stemming from such reductions or curtailments that may occur.
5. As a result of *Vineyard Area Citizens for Responsible Growth v. Rancho Cordova* (2007) 40 Cal.4th 412, the County, as lead agency pursuant to CEQA, prior to approval of the Project must, at a minimum during its environmental review:
 - a. Present sufficient facts to evaluate the pros and cons of supplying the water that the Project will need; and
 - b. Present 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.
6. The Owner agrees its financial obligation for water service is as follows:
 - a. Monthly water service charges will be billed at the current rate (Outside City Rate) in effect at the time of service and are subject to change. The current rate is \$4.86 per 100 cubic feet.
 - b. The water capacity fee for the Project will be \$0. Water capacity fees previously paid for the property exceed those currently required based on a MDD of 1,264 gpd.
 - c. The in-lieu mitigation (offset) cost for the Project is \$1,551³ in order to achieve compliance with the ZWF Policy. Such mitigation funds are due and payable prior to issuance of a building permit.
 7. The City reserves the right to audit the site's water demand as deemed necessary in order to verify that the Owner's water use is in accordance with this Will-Serve letter.
 8. The Owner shall connect to and use recycled water for all irrigation purposes if and when a recycled water main is extended to within 250-ft of the property line. If not already accomplished, the existing irrigation system shall be designed and installed to use recycled water in the future.
 9. The project shall incorporate the following water conservation best management practices:
 - Ultra low-flow toilets in restrooms
 - Waterless urinals
 - High efficiency dishwashers
 - Installation of an ET Smart irrigation controller

The City's offer expires on July 22, 2016 unless it has been perfected by the Owner's establishment of actual water demand consistent with those uses identified in the Questionnaire, Table 1 above, and approved by the Use Permit. If, after July 22, 2016, no such actual water demands are established, then the Owner agrees that the approved water demand for the Property is 577 gpd. The City reserves the right to further condition and/or deny the extension of water service if Project is different from that which presently proposed and authorized or if events out the City's control impact the City's ability to furnish water.

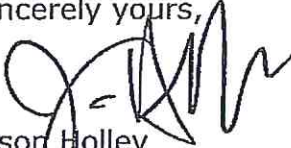
³ Calculation: 168 gpd/65 gpd x \$600 = \$1,551

Letter to Camino Oruga Condo Association
190 & 194 Camino Oruga
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Except to the extent set forth, this letter does not create a liability or responsibility to the Owner 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 becomes effective only upon the express acknowledgement and acceptance of the conditions set forth herein as demonstrated by the execution of the acceptance provision set forth below and the transmittal of the executed acceptance to the City

Sincerely yours,



Jason Holley
Public Works Director

cc: Dana Shigley, City Manager
William Ross, City Attorney
Sean Trippi, Napa County Planning Department
Greg Baer, Development Services Engineer
Susan Presto, Finance Manager
Utility Billing

ACCEPTANCE
of
City's Conditional Offer of Water Service for
Camino Oruga Condominium Association
190 & 194 Camino Oruga Napa, CA
Napa County Assessor's Parcel Numbers 057-270-002 thru -009
and 057-270-012 thru -015

I, _____, accept the conditions
set forth in this communication.

(Print Name and Title)

_____ Date: _____
(Signature)

LEAF AND VINE
12/23/14
P14-00403

Letter to Camino Oruga Condo Association
190 & 194 Camino Oruga
July 22, 2014
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RECEIVED

DEC 23 2014

Napa County Planning, Building
& Environmental Services

**ACCEPTANCE
of
City's Conditional Offer of Water Service for
Camino Oruga Condominium Association
190 & 194 Camino Oruga Napa, CA
Napa County Assessor's Parcel Numbers 057-270-002 thru -009
and 057-270-012 thru -015**

I, RICHARD REICHOW, accept the conditions
set forth in this communication.

RICHARD REICHOW, PRESIDENT
(Print Name and Title)

[Signature] Date: 8/15/14
(Signature)

