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Supplemental Information - Staff Response to Comments

STAFF RESPONSE TO COMMENTS

Staff has summarized the comments received from Ellison Folk in the Shute, Mihaly & Weinberger LLP letter dated October 1, 2019 (the SMW October Letter) and from neighbors opposing the Project. Staff has categorized the issues by topic and provided a response as set forth below.

GROUNDWATER:

The SMW October Letter alleges that the Mitigated Negative Declaration (MND) fails to adequately analyze groundwater impacts and in particular:

1) The MND fails to include a recharge analysis for the project site and therefore the analysis is incomplete.

Staff Response:

Per the County's Water Availability Analysis (WAA) Guidelines, projects located on the Valley Floor that meet the Tier 1 (water use) criteria are generally not subject to a rate of recharge analysis unless substantial evidence in the record indicates the need to do so. The Tier I WAA (dated January 2018 (revised)), prepared by Bartelt Engineering, Inc., determined the estimated water use of the existing development, the proposed project and water availability (Staff Report of October 2, 2019 - Attachment F). The Bartelt WAA projected that overall water demand for the Project plus existing uses would be 29.40 AF/YR (primary residence - 0.75 AF/YR, guest cottage - 0.30 AF/YR, vineyard irrigation - 18.20 AF/YR, vineyard frost protection - 9.10 AF/YR, and proposed Winery - 1.05 AF/YR). This represents a 0.15 AF/YR decrease in the existing water demand of 29.55 AF/YR. Therefore, projected demand is well below the 47.17 AF/YR Tier 1 (water use) allotment. In addition, long-term well monitoring in the vicinity of the Project confirms that groundwater availability in this subarea is stable.

Since the Bartelt WAA presents water use estimates for both current and proposed uses, at rates consistent with the County's current WAA Guidance and because there is no substantial evidence in the record supporting the need for a rate of recharge analysis one was not performed. To ensure the Project remains compliant with the water use thresholds set by the County to maintain groundwater availability, has incorporated a new project specific condition of approval restricting all parcel usage to 29.40 AF/YR and requiring the submittal of groundwater monitoring reports on a regular basis. (See COA Nos. 4.20(a), 6.15(b) and 9.9(a)).

2) According to the Kamman Report, the MND's technical appendix demonstrates that groundwater levels and associated aquifer storage beneath the project site are not stable, but in a state of long-term decline. (Kamman Report, page 3.) The Project would result in a small decrease in groundwater demand but it is unclear whether the changes in land-use/-cover, the relatively large increase (nearly 300%) in impervious surface area, and surface drainage improvements will lead to a net decrease in the annual volume of groundwater recharge that exceeds the decrease in demands. If the reduction in annual groundwater recharge volume exceeds the decrease in annual demand volume associated with the Project, the result would be reduced annual recharge, which would exacerbate the current declines in local groundwater supply.

Staff Response:

Staff engaged Luhdorff & Scalmanini Consulting Engineers (LSCE) to peer review the Bartelt WAA, the MND, the Bartelt Engineering Stormwater Control Plan (the Plan), the SMW October Letter, public comment and issues raised in the Kamman Report. LSCE's peer review confirmed that based on the most current available information in the vicinity of the proposed Scarlett Winery, including data not cited by commenters nor Kamman, the data reflects long-term stable groundwater levels in a well (Napa County-132) in the project vicinity that has been monitored by the County for over five decades. The hydrograph extracted from the County's 2016 Basin Analysis Report and cited in the Kamman Report mischaracterizes the groundwater conditions and failed to recognize below median precipitation, periods of drought, replanted vineyard in the area and most importantly that monthly monitoring of the well (Napa County-132) since 2015 shows that the water levels have remained stable and that groundwater levels have recovered to levels consistent with levels observed since the early 1970s. (See Attachment "D" for LSCE Peer Review Letter dated November 22, 2019.)

The Plan shows approximately 1.37 acres of additional impervious surface would be added to the project parcel. The Plan includes maintaining natural drainage patterns and retaining runoff from the new impervious areas within the vineyard. LCSE opined that even if none of the stormwater runoff generated by the new impervious area is able to infiltrate on other parts of the parcel, the estimated potential reduction in groundwater recharge, 2.06 AF/YR represents less than 12% of the 17.77 acre-foot per year water use allotment which the Project does not propose to use. This supports the finding that the Project would have a less than significant impact on groundwater supplies or groundwater recharge such that management of the basin is impeded.

STORMWATER:

The SMW October Letter alleges that the MND fails to adequately analyze erosion and sediment impacts and in particular:

- 1) The Project has the potential to increase erosion and siltation to off-site receiving drainages and waterways and that the MND does not describe the existing water quality of Conn Creek or of the Napa River, the ultimate receiving body for storm water from this site. This is important information from which to establish a baseline.
- 2) The Project includes mass grading of approximately three acres and the MND fails to analyze the potential for erosion and siltation and subsequent impacts resulting from increased sediment load into local drainage channels and ultimately Conn Creek and the Napa River and fails to incorporate any mitigation measures to reduce flow velocity and peak discharge.

Staff Response:

The Project has been conditioned such that all earth disturbing activities include measures to prevent erosion, sediment, and waste materials from leaving the site and entering waterways both during and after construction in conformance with the Napa County Stormwater Code Chapter 16.28 and the latest adopted state regulations. Best Management Practices (BMPs) would also be implemented to minimize dust at all times.

Furthermore any construction activity that equals or exceeds one acre of total disturbed area shall require the permittee to file a Notice of Intent (NOI) with the State Regional Water Quality Control

Board (SRWQCB) and prepare a Storm Water Pollution Prevention Plan (SWPPP) in accordance with Napa County's General Permit for Discharges of Storm Water Associated with Construction Activity and the latest version of the Construction General Permit issued by 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. 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. Prior to issuance of a construction permit (building or grading), the Applicant must provide to the Engineering division a copy of the NOI that is filed with the SRWQCB and the associated WDD issued by the SRWQCB.

NOISE:

The SMW October Letter and neighbors allege that the MND fails to adequately analyze noise impacts and in particular:

- 1) The Project requests marketing events. The ambient noise environment at the Scarlett Winery site is similar to the Raymond Winery site in that both are located in rural areas with noncommercial activity. However, for the Raymond Winery, the closest sensitive receptor was approximately twice as far from the event venue as the closest receptor would be from the Scarlett Winery. A noise study is needed determine anticipated project-related noise impacts.
- 2) A thorough evaluation of the project's noise impacts should be prepared and used in the planning and layout of the buildings together with architectural and landscaping features to demonstrate that facility noise can be effectively shielded. (Papadimos Report, page 3.) Winery operations would begin as early as 6 a.m., which could result in sleep interference at nearby residences but the MND includes no such analysis. The MND states that landscape features will be incorporated into the Project to buffer noise from the neighboring homes; however, the landscape features the amount of reduction expected from them, has not been analyzed.

Staff Response:

Additional information has been provided herein to respond to comments that noise generated by outdoor marketing events located on the AB 2004 East Terrace Deck (Hospitality Building) and the AB 2004 Picnic Area located between the winery parking lot and proposed Hospitality Building entrance, as well as, any production activities conducted in the Winery Building located behind the Hospitality Building.

As proposed by Scarlett Winery, production operations would occur between 6:00 a.m. and 6:00 p.m. (excluding harvest) with visitation hours occurring 10:00 am and 6:00 pm, and marketing events generally occurring between 10:00 am and 6:00 pm or 6:00 pm and 10:00 pm. The winery has the potential to generate additional noise as compared to existing conditions from the

marketing events outdoors to be held on the west and east side of the Hospitality Building, wine production (grape and other deliveries, and bottling within the covered area located in the center of the Production Building) and the employee parking area on the north side of the proposed Production Building. The Applicant requests 27 marketing events per year: two events per month with up to 10 guests each, one event per year with up to 100 guests, one event per year with up to 125 guests, and one event per year with up to 200 guests. The events would occur both inside the Hospitality Building and on the west outdoor patio deck and possibility in the outdoor area located between the parking and the entrance of the Hospitality Building on the north side of the property. There would be no amplified music during the events.

The nearest off-site residence in proximity to the winery guest parking area, the AB 2004 picnic area is approximately +/- 560 feet to the north. The AB 2004 West Terrace connected to the Hospitality Building Tasting Room is located further away from these other uses. This same residence would also face the north side of the proposed Production Building where employee parking would occur behind this building and crush activities, deliveries, and bottling activities would take place within the enclosed 3,445 sf crush area/covered work area located in the center of the Production Building. It should be noted that there is a smaller covered outdoor work area approximately 1,280 sf in size. The on-site residence located to the south is the Applicant's, so it is not considered in the evaluation of potential noise impacts of the proposed project.

Noise sampling performed under County authority (RGD Acoustics, November 16, 2015), as part of the analysis for the Bell Winery (P13-00055), measured sound from an 85-person event using a meter placed 123 feet from the sound source (event). The Bell Winery marketing program is similar to Scarlett Winery's so that noise analysis is relevant to this Project. Measurements taken from the sound meter for the Bell Winery indicated that sound from the 85-person event exceeded 56 decibels half of the time. Because the studied event had fewer attendees than the largest, 200-person event proposed by Scarlett, the noise level measured from the Bell Winery event has been adjusted upward by five decibels (based on a standard rate of 3 dB per doubling of number of noise sources) to an estimated 61 decibels exceeded 50 percent of the time, to estimate the noise level from the largest marketing event of the proposed Project. Even with this adjustment, these levels are considered conservative because Bell Winery had a live music act included in its events. No outdoor amplified sound would occur at the Scarlett Winery.

The Bell Winery noise study further states that sound levels are reduced with distance in accordance with the "inverse square law", which yields a six (6) dB sound reduction for each doubling of the distance from the source. Thus, using the Bell Winery study as a model, and applying a six-decibel reduction per doubling of distance from the noise source, for Scarlett Winery it is anticipated that exterior noise experienced at the nearest residence 560 feet to the southwest of the winery patio (estimated 49 decibels for half of the event duration) would not exceed the County Code standard of 50 decibels during 50 percent of daytime hours. With regards to noise associated with the Production Building (predominately bottling activities), the proposed orientation and layout of this building muffles noise directing any noise out toward Silverado Trail and not to the west.

With Scarlett Winery the largest event that would occur would have an attendance of no more than 200 people, and all events would end by 10:00 p.m., with a quiet clean-up conducted afterwards. Continuing enforcement of Napa County's Noise Ordinance by the Division of Environmental Health and the Napa County Sheriff, including the prohibition against amplified music, would further ensure that marketing events and other winery activities do not create a

significant noise impact. Amplified music or sound systems would not be permitted for outdoor events as identified in Standard Condition of Approval No. 4.10. Any temporary events would be subject to County Code Chapter 5.36, which regulates proposed temporary events.

To further address any perceived potential noise impacts by the neighbors, the Applicant proposes to remove the A.B. 2004 designation from the West Terrace, which is closest to the road (300 feet away per the WDO setback) and is closest to the Montgomery residential access on Ponti Road. The applicant states that purpose of the West Terrace is to provide an outdoor experience for visitors after they have enjoyed a wine tasting inside the winery. During temperate weather, the winery may host some of their food-and-wine pairing luncheons there. And, visitors would be allowed on the terrace for larger events, which occur only several times per year. There will be some outdoor furniture on the terrace (seating and coffee table, for example) for visitor comfort. But there will be no "picnics" or wedding parties or events of a nature not specifically provided for in the use permit. As per the standard condition for wineries, there will be no outdoor amplified music.

The proposed project would not result in long-term significant permanent noise impacts as a result of hospitality and production activities. However, to address concerns of neighbors, Staff recommends conditions of approval that prohibit visitation activities during scheduled marketing events (COA No. 4.3(f)) and would also prohibit any hospitality activities including AB 2004 in the picnic area adjacent to the guest parking area (COA No. 4.3(g)).

GRAPE SOURCING:

The SMW October Letter alleges that the MND fails to adequately analyze grape sourcing impacts. The Project is requesting a use permit for 30,000 gallons, more than 7,300 gallons in excess of the production capacity of the project site. The MND assumes that only 10 percent (10%) of the grapes used for production at the proposed winery would be imported from off-site. (MND, page 24.) It will be difficult for the County to monitor and ensure that this figure is not exceeded. The MND must analyze the full impacts of a winery that exceeds current on-site capacity by 30 percent.

Staff Response:

The site currently contains 38 acres of vineyards. Through construction of the winery, the vineyard area will be reduced by approximately 2+/- acres and 0.4 acres would be replanted for a total of 36.4+/- acres of vineyards of which produces approximately 145.6 tons of grapes, and represents approximately 16 out haul grape trucks per year. Approximately 10% of the grapes required will be grown off site. The Applicant also owns a second parcel with 28 acres of grapes (1055 Ponti Road). This gives Scarlett Winery a total of 74.4 acres of estate-grown grapes, which translates into 30,912 gallons of wine, which is more than the maximum production requested of 30,000 gallons per year. About 10% or 30 tons of grapes is assumed to be off-haul because of some interim contracts for grapes sales, allowance for a winemaker's label, and allowance for on-haul for blending. The grapes would be transported to the site in about one (1) truck per day over 22 days. As a general practice in production of wine, not all wineries utilize 100% of on-site grape sources. Sourcing of other grapes allows for variety in blending and to address any anomalies in growing grapes during a particular harvest season. Also, harvest activity throughout the Valley generally occurs during off-peak hours in the later evenings or early mornings (August 16 through October 31st and sometime later with the harvesting of red grapes) and does not impact peak

hours during winery visitation operations, residential, or non-winery related business activities. The Traffic Study took this into account as part of the overall project description.

As part of the County's Code Compliance Program (Resolution No. 2018-64), the Board of Supervisors also directed staff return with a proposed ordinance requiring annual winery production and grape source reporting. This proposed program is expected to be implemented later this year and would require Scarlett Winery to provide information on grape sourcing and production activities to the County.

PONTI ROAD:

The SMW October Letter alleges that the MND fails to include any analysis of the adequacy of Ponti Road to accommodate project-related traffic and in particular:

- 1) Truck traffic on Ponti Road. Standard truck widths will consume over half of the available road width (15 feet) along Ponti Road and will preclude other vehicles from using the road at the same time creating a safety issue.
- 2) Ponti Road is of substandard width. The MND should have analyzed whether it could safely accommodate traffic during an emergency, such as during a fire especially given the inadequate parking on the project-site and the likelihood that overflow parking would take place along Ponti Road, narrowing the road even further.

Staff Response:

To assess whether Ponti Road could be widened, on November 10, 2019, Bartelt Engineering submitted a supplemental report (Attachment "E") regarding the feasibility of widening Ponti Road to a minimum paved width of 20 feet with two-foot gravel shoulders on each side of the roadway. Ponti Road currently consists of a paved roadway varying in width from 13.5 feet to 17 feet with an average width of approximately 15 feet. Due to this variation, any widening of Ponti Road from Skellenger Lane to the Scarlett Winery would require additional right-of-way acquisition to accommodate the widening. Furthermore, widening would have to occur on the east side of the road due to the existing PG&E utility poles located along the west side of the road. In addition, it is likely that 52 English walnut trees along the east side of the road would need to be removed to accommodate this widening.

Because the Applicant and neighbors expressed a desire to keep the existing trees, the Applicant submitted a report from Denise Britton of California Tree & Landscaping Consulting, Inc., dated November 11, 2019 (CalTLC), to review the condition of the existing walnut trees and the resulting impact to them if Ponti Road was widened (See Attachment "E"). According to CalTLC, some of the trees are in good condition; however, most have injuries and health conditions that will limit their longevity. According to CalTLC, the more vigorous trees that are growing out over the Road need to be pruned for clearance. CalTLC recommends pruning techniques to protect these trees should widening of Ponti Road occur.

In discussing potential widening and researching the history of Ponti Road, the Department of Public Works determined that Ponti Road is a public road and that the County has authority over the road from pavement edge to edge, but not beyond that. (See Attachment "D" - Memorandum from Public Works Department (DPW) dated December 18, 2019.) The DPW Memorandum states that if the Applicant desires to repave or do other maintenance/upgrades to the Road within the bounds for the existing pavement, DPW would have no objections but that it is not required

by the County. The unpaved portion where existing trees have been planted are not located in the County's right-of-way and are solely the responsibility of the adjacent property owners. Any tree replacement/maintenance, or parking for residential purposes, winery or agricultural operations would require permission from the adjacent property owner.

Given the above reassessment of the paved and unpaved portions of Ponti Road, DPW and the Fire Department continue to conclude that Ponti Road in its current width and unpaved shoulders can safely accommodate traffic during an emergency because of the straight alignment of the Road from Skellenger Lane. A condition of approval prohibits parking on public roads to prevent any impediment of emergency vehicle access in the neighborhood or to the winery. (See COA No. 4.12) This prohibition would also apply to the unpaved portions in front of parcels owned by the Applicant. Furthermore, Condition of Approval 4.19(a) – Operational Mitigation Measures – (a) MMTrans-1 and Condition of Approval 6.12(a) has been revised to clarify that landscaping maintenance only on the Applicant's parcels.

PARKING:

The SMW October Letter and neighbors allege that the MND fails to include any analysis of the adequacy of parking and in particular:

- 1) The Project proposes only 13 on-site parking spaces, which is significantly less than would be needed during events hosting up to 100 guests and fails to consider the impacts resulting from this parking shortfall and the probability that visitors will park along Ponti Road.
- 2) The MND completely fails to address impacts associated with the proposed use of shuttle services for larger events at the winery. The Use Permit Application does not include shuttle service as part of the Project nor does it require the shuttle as a mitigation measure. Thus, the MND fails to adequately consider impacts from larger events without the use of a shuttle provides no information about the shuttle service, such as the location, type of vehicles, or number of shuttles to be employed.

Staff Response:

The Project proposes 13 parking spaces. Staff believes this number of parking spaces is commensurate with the proposed number of employees and visitation. During regular visitation hours not all daily visitors authorized would be arriving at the same time. Visitation programs are generally staggered based upon the desired wine experience envisioned in the winery business plan. Given this, the proposed parking will meet the anticipated parking demand and prevent excess unused parking, and therefore have no impact.

For marketing events, typically wineries utilize valet service and park vehicles in production areas of the winery and/or along existing vineyard rows to accommodate higher guest numbers and/or catering staff. Scarlett Winery is only requesting one event per year at 100, 125, 200 persons and possibly an Auction Napa Valley Event, if selected. The Applicant has offered the use of shuttle buses for marketing events of 75 persons or larger. The Applicant envisions using smaller HOV buses for some of the service and larger shuttle buses for larger events. In some cases, shuttle service may operate from different venues at various times, based on the type and size of the event, as well as, where visitors will originate from. Providing such service would alleviate any parking issues on-site. No parking is permitted or proposed within the County's

right-of-way or unpaved portions of Ponti Road.

WINERY DESIGN:

The SMW October Letter and neighbors expressed concern regarding potential winery design issues associated with the character of the neighborhood as follows:

1) The proposed Project will transform a bucolic, scenic area into one dominated by large buildings situated in close proximity to a rural road and within full view of residents along Ponti Road and fails to analyze the Project's impacts on the character of the area.

2) The MND fails to analyze the Project's aesthetic impacts on the area and provides only a skeletal description of the proposed buildings (building height and building materials) and states the buildings would have decorative landscaping to screen the buildings from Silverado Trail. It summarily states that the Project would not degrade the existing character of the site and concludes that the Project's aesthetic impacts will be less than significant.

Staff Response:

The winery is not proposed in a location that is subject to the County's Viewshed Protection Program (Chapter 18.106 of the Napa County Code). The property is not located on a slope of 15 percent or more and Ponti Road and/or Skellenger Lane are not considered designated scenic roads per the General Plan.

The winery has been designed in a scale and scope that is consistent with other wineries in the Valley and blend with its surroundings. The County's General Plan Community Character Element Policy CC-2 states that "New wineries and other uses requiring the issuance of a Use Permit should be designed to convey their permanence and attractiveness." Although the County does not have design review guidelines that define attractiveness or whether a design would degrade the existing character of neighborhood, staff evaluates winery design for compliance with existing zoning regulations, standard conditions of approval developed over the years, and the Winery Development Ordinance Mitigation Measures. Those regulations, which include but are not limited to setbacks, building height, lighting, color palette, and the screening of buildings, mechanical equipment, loading and parking areas. As proposed, the hospitality building will be placed in front of the production building with all winery functions occurring behind the building which will also be screened with decorative landscaping and vineyards to provide screening of the back of house operations from Silverado Trail. The façade of the winery is plaster with steel sash doors and metal windows, a redwood screen wall, and a corrugate metal roof and will comply with County's required earth tone color palette. The maximum height of the slope-roof hospitality building is 15 feet and 25 feet for the slope-roof production building. The project also includes the installation of a five (5) foot high painted four (4) inch steel square tube frame with bronze anodized aluminum louver gate and a plaster finish wall with a laser cut metal Scarlett logo sign. Staff found that the winery's design would not degrade the existing character of the site and its surrounding neighborhood.

PROJECT ALTERNATIVE ACCESS:

The SMW October Letter and neighbors expressed concern that access to the proposed winery should be provided from Silverado Trail and located as far as possible from existing residents on

Ponti Road. (See graphic of Proposed Project Alternative by Jared Ikeda, GIS Specialist included as Attachment I.

Staff Response:

From staff's perspective, relocating a proposed winery or access roads is generally only required only if necessary to avoid potentially significant environmental impacts or to achieve compliance with County regulations such as setbacks, slopes and viewshed. In this case, the winery and its access has been designed in a manner that complies with County requirements and avoids potential environmental impacts.

The Applicant has provided a letter from Bartelt Engineering dated November 20, 2019 documenting the reasons that relocating the proposed winery access from Ponti Road to Silverado Trail is not feasible. (See Attachment "E") According to the Applicant's engineer, relocation of the access driveway to a point along Silverado Trail would necessitate the installation of a left turn lane on Silverado Trail and widening of Silverado Trail to accommodate the left turn lane. The Applicant's infeasibility analysis identifies steep slopes, limited right-of-way availability, removal of mature Eucalyptus trees, the relocation of one joint utility pole and one guy pole, the extension and/or relocation of two 36 inch storm drain culverts flowing under Silverado Trail, the construction of roadway embankments ranging from 4 feet to 8 feet in height, as well as the relocation of approximately 700 lineal feet of overhead electrical and telephone lines and the construction of a 600± lineal foot driveway from Silverado Trail to the relocated winery due to the setback requirements from Silverado Trail and the removal of approximately three (3) acres of existing vineyard in support of infeasibility. The Applicant also asserts this alternative would require completely redesigning the winery, drafting new technical reports, and filing a new application.

Both Caltrans and County of Napa Public Works also prefer to limit driveway connections along high speed high volume roadways, such as Silverado Trail or State Route 29, assuming there is an alternative access route to a property. The fewer the driveway connections, the fewer the potential locations for vehicle conflicts or disruptions to traffic flow. It would be preferable to direct all Scarlett Family Winery turn movements to/from Silverado Trail at the existing Skellenger Lane intersection.

For these reasons, DPW and the Planning Division cannot find any justification (technical or environmental) to recommend a redesign of the Project to require relocation of the proposed winery access from Ponti Road to Silverado Trail.