

## Attachment H

### Appellants' Supplemental Information

**APPELLANTS' SUPPLEMENTAL INFORMATION**  
**Appealing Mountain Peak Winery: P13-00320-UP**  
**(Appellants Kosta Arger, Cynthia Grupp, William Hocker, Glenn Schreuder)**

**April 3, 2017**

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**I. INTRODUCTION**

On March 6, 2017, Ms. Belia Ramos, Chair of the Board of Supervisors of the County of Napa ("Chair Ramos"), County counsel, counsel and representatives for Mountain Peak Winery (the "Applicant" or "Project"), and counsel and representatives for Appellants Kosta Arger, Cynthia Grupp, William Hocker, Glenn Schreuder (collectively "Appellants") held a pre-hearing conference ("Conference") to discuss standards and procedures relating to Appellants' appeal of the Project ("Appeal"). During the Conference, Chair Ramos and County counsel indicated that all "supplemental" information – that is, information pertaining to items and issues already raised – relating to the Project must be provided on or before April 3, 2017.

The supplemental information contained within and attached to this letter ("Supplement") relates to items and issues already raised by Appellants and other Opponents of the Project prior to the Planning Commission's approval of the Project, all of which was discussed and/or referenced in the Appeal.<sup>1</sup> Broadly, this Supplement addresses and provides supplemental information relating to: (A) adverse impacts of the Project on the public safety and welfare of all Soda Canyon Road users, (B) adverse environmental impacts posed by the Project, (C) comparative winery analyses conducted by the Applicant, the County, and Project Opponents, and (D) impacts of the recent news regarding the sale of Stagecoach Vineyards to E. & J. Gallo Winery ("Gallo Winery") on Mountain Peak's unsupported grape tonnage figures and production capacity.

In combination with all of the evidence and information already in the administrative record, the supplemental information contained herein leaves no doubt that the Planning Commission committed a prejudicial abuse of discretion when it determined the Project "will not have a significant effect on the environment," adopted a Negative Declaration ("ND"), and approved the Project for a: (1) 100,000 gallon per year (gpy) winery, (2) construction of 33,424 square feet (sf) of caves, (3) a marketing program that permits 14,575 annual visitors, and (4) an exception to the Napa County Road and Street Standards (RSS) to increase the maximum slope for a portion of the commercial and employee access road from 16% to 19.6%.

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<sup>1</sup>Appellants are also referred to as "Opponents," which includes all individuals/entities opposing the Project.



## II. SUPPLEMENTAL INFORMATION

### A. Adverse Impacts on the Public Safety & Welfare of Soda Canyon Road Users

Under Napa County Code (“NCC”) section 18.124.070(C), the Planning Commission or Board of Supervisors “*shall make*” a written finding that “[t]he grant of the use permit, as conditioned will not adversely affect the public health, safety or welfare of the county.” (emphasis added). As described in the Appeal, while the County did make an initial finding that the grant of the Mountain Peak use permit, “as conditioned, will not adversely affect the public health, safety or welfare of the County of Napa,” *see Recommended Findings Planning Commission Hearing – January 4, 2017* at p. 3, such a finding is limited to “*the proposed driveway, grading, drainage, the proposed septic system, parking, building permits, and fire protection,*” and appears to give no consideration whatsoever to the health, safety and welfare impacts of this project on the County or its residents, property owners, or visitors *anywhere other than on the Project site itself*.

In other words, the Project was evaluated in a vacuum and no consideration of the adverse impacts of this Project appears to have been given to other residents and property owners on Soda Canyon Road (or roads accessed by Soda Canyon Road), as well as any and all current and future users and visitors of Soda Canyon Road, which is required under NCC section 18.124.070(C) because all such individuals are within the “County of Napa.”

Opponents of the Project have provided the County of Napa (“County”) with numerous pieces of information regarding the existing dangerous conditions on Soda Canyon Road. Below and attached as exhibits are several pieces of supplemental information that further demonstrate that Soda Canyon Road, *under existing conditions*, is extremely dangerous and the addition of approximately 45,000 car trips, and thousands more commercial vehicle trips per year by Mountain Peak Project will severely exacerbate the abysmal existing conditions and pose a further threat to the public health, safety and welfare of the County.

#### 1. Updated Sheriff’s Calls for Service on Soda Canyon Road

Updated reports from the Napa County Sheriff’s office for Soda Canyon Road further confirm the treacherous and incident-prone area in which Mountain Peak seeks to build its winery event center. Attached to this letter is an updated summary of “Calls for Service” from the Napa County Sheriff’s office from January 9, 2014 to March 6, 2017.<sup>2</sup> (See **Exhibit 1**). Also attached are copies of the actual, updated Napa Sheriff’s reports.<sup>3</sup> (See **Exhibit 2**). ***During that period of just three years and two months, there have been 498 “Calls for Service” on Soda Canyon Road.*** This is an average of 13 calls per month and 157 calls per year, and that is just for the Napa

<sup>2</sup>Anthony Arger, Esq., attorney for Appellants compiled the original and the attached, updated summary reports from the Napa Sheriff’s Department, the California Highway Patrol, and the California Department of Forestry and Fire. As with earlier summaries from these same agencies, Mr. Arger, as an officer of the court, declares under penalty of perjury under the laws of the State of California, that these summaries accurately reflect what is contained in the much longer, more detailed reports from each of the respective agencies.

<sup>3</sup>The attached copies of the Sheriff’s Reports contain a stamp precluding duplication of the reports. However, Lauran Griffiths, the individual who obtained the reports from the Napa Sheriff’s Department, received authorization to duplicate the reports for purposes of this Appeal.



Sheriff's Department. Importantly, the vast majority (366 of 498) took place during the daytime hours, which is precisely when the Applicant seeks to introduce the bulk of its additional traffic in the form of winery employees, wine-imbibing tourists, and other winery patrons to the road. A summary of these calls for service on Soda Canyon Road is as follows:

**Brief Summary of Sheriff Calls for Service on Soda Canyon from Jan. 2014 to Mar. 2017**

<b>Total Number of Calls (1/9/14 to 3/6/17): 498</b>	<b>Napa County Ordinance Violation (NCO): 1</b>
<b>911 Hangup Call (CODE11): 40</b>	<b>Neighbor Problem (NPROB): 2</b>
<b>Abdominal Pain (ABDOM): 3</b>	<b>NSIB Event (NSIB): 2</b>
<b>Agency Assist (AA): 3</b>	<b>OCR: 1</b>
<b>Alarm (1033): 22</b>	<b>Overdose (OVERD): 2</b>
<b>Animal Control Callout (ASO): 73</b>	<b>Patrol Check (PCK): 16</b>
<b>Area Check (ACK): 3</b>	<b>Patrol Info (PATROL): 31</b>
<b>Assault (ASSAU): 4</b>	<b>Ped Check (PEDCK): 3</b>
<b>Attempt to Contact (ATC): 3</b>	<b>Person Down (PDOWN): 2</b>
<b>Barking Dog (1091B): 1</b>	<b>Petty Theft under \$400 Loss (488): 7</b>
<b>Bite Animal Human Insect Reptile (BITE): 1</b>	<b>Phone Message: 1</b>
<b>Bleeding Problem (BLEED): 1</b>	<b>Probation/Parole Search (SEARC): 3</b>
<b>Breathing Problem (BREATH): 2</b>	<b>Prowler (1070): 1</b>
<b>Burglary (459): 4</b>	<b><u>Reckless Driver (RECK): 19</u></b>
<b>Chest Pain (CHEST): 6</b>	<b>Security Check (SCK): 1</b>
<b>Choking (CHOKE): 1</b>	<b>Seizure (SEIZU): 5</b>
<b>Citizen Assist (CA): 10</b>	<b>Shots Fired (SHOTS): 4</b>
<b>Civil Problem (CIVIL): 2</b>	<b>Sick Person (SICK): 3</b>
<b>Coroner Case (1144): 3</b>	<b>Stolen Vehicle (10851): 1</b>
<b>Disturbance of the Peace (415): 12</b>	<b>Stroke (STROK): 1</b>
<b>Drug Activity (DRUG): 2</b>	<b>Suicide (1056): 1</b>
<b><u>Drunk Driver (23152): 28</u></b>	<b>Suspicious Situation (1030): 20</b>
<b>Elder Abuse (EABUS): 2</b>	<b><u>Traffic Collision (TC): 13</u></b>
<b>Embezzlement (EMBEZ): 1</b>	<b><u>Traffic Hazard (1125): 7</u></b>
<b>Follow Up (FU): 25</b>	<b><u>Traffic Stop (TS): 13</u></b>
<b>Found (FOUND): 2</b>	<b>Trauma (TRAUM): 2</b>
<b>Fraud (FRAUD): 4</b>	<b>Trespassing (TRES): 30</b>
<b>Garbage Dump (GDUMP): 2</b>	<b>Unconscious Person (UNCON): 1</b>
<b>Grand Theft over \$400 Loss (487): 3</b>	<b>Vandalism (594): 6</b>
<b>Harassment (HARASS): 1</b>	<b>Vehicle Check (VCK): 11</b>
<b>Hazardous Condition (HAZCON): 2</b>	<b>Welfare Check (WCK): 4</b>
<b>Lost (LOST): 1</b>	
<b>Mail Tampering/Theft (MAIL): 7</b>	<b>Daytime Incidents (6am-6pm): 366</b>
<b>Medical Needed (MEDIC): 8</b>	<b>Nighttime Incidents (6pm-6am): 132</b>
<b>Motorist Assist (MA): 2</b>	

**2. Updated California Highway Patrol Reports for Soda Canyon Road**

Updated reports from the California Highway Patrol ("CHP") provide additional insight and evidence into existing public safety issues and concerns on Soda Canyon Road, including at



the intersection with Silverado Trail.<sup>4</sup> Attached to this letter as **Exhibit 3** is an updated summary of the CHP Incident Reports from January 21, 2013 to March 22, 2017. Also attached as **Exhibit 4** are the individual incident reports from which the summary was compiled. Notably, *30 of the 65 incidents reported by the CHP during the roughly four-year period of reports provided have occurred during the last year* (between April 6, 2016 and March 22, 2017). This indicates that the *existing, increasing traffic levels on or near Soda Canyon Road have already led to a significant increase in the number of incidents that regularly occur on the road*. Furthermore, the vast majority of the incidents (43 of 65) took place during the daytime, precisely when the Applicant seeks to add tens of thousands of additional drivers, many of whom will have consumed alcohol, to the road on an annual basis.

#### **Brief Summary of CHP Incidents on/near Soda Canyon from Jan. 2013 to Mar. 2017**

##### **Total Number of Incidents: 65**

**Number of 2 car collisions: 9**

**Number of 1 car collisions: 15**

(i.e. into tree, ditch, pole, etc.)

**Traffic Hazards: 6**

**Reckless Driving: 7**

**Animal in Roadway: 1**

**Driving Under the Influence: 13**

**2 Car Speed Contest: 1**

**Fire: 3**

**Semi-Trucks Stalls/Accidents: 2**

**Abandoned Vehicle: 2**

**Parking Violation: 1**

**Shots Fired: 1**

**Hit & Run: 2**

**Take a Report: 1**

**Unidentified: 1**

**Daytime Incidents (6am-6pm): 43**

**Nighttime Incidents (6pm-6am): 22**

### **3. Updated CalFire Reports for Soda Canyon Road**

Updated reports from the California Department of Forestry and Fire Protection (“CalFire”) further reveal that there are serious, existing public safety issues and concerns on Soda Canyon Road. Attached to this letter is an updated summary of the CalFire incident reports from January 29, 2007 to December 20, 2016.<sup>5</sup> (See **Exhibit 5**). Also attached to this Supplement are the additional, individual CAIRS incident reports from which the updated summary was compiled. (See **Exhibit 6**). Similar to the Sheriff’s and CHP reports, the majority (122 of 181) of all the CalFire incidents occurred during the daytime, which again is when the Applicant seeks to introduce the vast majority of additional traffic that will be created by the Project.

<sup>4</sup>Note that the Napa County Sheriff has primary jurisdiction over Soda Canyon Road and accordingly has the much larger record of the accidents and incidents that occur annually on Soda Canyon Road. Nonetheless, CHP still responds to calls for service on Soda Canyon Road, and particularly at the intersection with Silverado Trail.

<sup>5</sup>Incident reports provided by CalFire typically run a three-month lag, meaning that while Appellants recently requested updated CalFire reports, the provided reports only run through December 2016 and do *not* include any incidents from the first three months of 2017, during which there have been several incidents responded to by CalFire. Moreover, Appellants are still waiting for additional CalFire incident reports for Soda Canyon Road from 2008, 2009, 2010, and 2013, as the initial set of reports included only six incidents from 2008, ten incidents from 2009, three incidents from 2010, and three incidents from 2013 (contrast to 62, 58, and 74 incidents in 2014, 2015, and 2016, respectively), and thus it does not appear to fully respond to the public records act request. Appellants will distribute any updated CalFire reports and incidents as soon as they become available.



**Brief Summary of CalFire Incidents on Soda Canyon from Jan. 2007 to Dec. 2016**

**Total Number of Incident Calls/Responses: 181\***

**Number of Calls/Incidents for Medical/EMS: 81**

**Number of Calls/Incidents for Residential Fires: 13**

**Number of Calls/Incidents for Wildland Fires: 20**

**Number of Calls/Incidents for Reported Fires/False Alarms/Smoke Checks: 32**

**Number of Calls/Incidents for Traffic Collisions: 11**

**Number of Calls/Incidents for Hazmat/Hazardous Condition: 10**

**Number of Calls/Incidents for PA/Other/No-Description: 15**

**Daytime Incidents (6am-6pm): 122**

**Nighttime Incidents (6pm-6am): 59**

**\*Does not include all 2008, 2009, 2010, or 2013 incidents (see footnote above)**

**4. Analysis of Combined Incidents & Accidents on Soda Canyon Road**

To provide an even better picture of existing incidents and accidents that occur on Soda Canyon Road, it is instructive to analyze the total number of incidents from each agency over the period of time during which the reports overlap, which is from January 2014 through December 2016. (See Exhibits 1, 3, and 5). Such an analysis is important for the Board of Supervisors to consider because it prevents piecemeal analyses and conclusions that could be drawn from only looking at a single agency, for example the CHP, which has a relatively low number of incidents as compared to the Sheriff's Department. A summary of the total number of combined agency incidents is as follows:

**Combined Agency Incidents January 2014 – December 2016:**

**Sheriff's Department:**

**Daytime Incidents (6am-6pm) 2014-Present: 360**

**Nighttime Incidents (6pm-6am) 2014-Present: 129**

**Total Sheriff's Department Incidents 2014-2016: 489**

**CHP:**

**Daytime Incidents (6am-6pm) 2014-Present: 31**

**Nighttime Incidents (6pm-6am) 2014-Present: 21**

**Total CHP Incidents 2014-2016: 52**

**CalFire:**

**Daytime Incidents (6am-6pm) 2014-Present: 63**

**Nighttime Incidents (6pm-6am) 2014-Present: 34**

**Total CalFire Incidents 2014-2016: 97**

**Grand Total Daytime Incidents 2014-2017 (All Agencies Combined): 454**

**Grand Total Daytime Incidents 2014-2017 (All Agencies Combined): 184**

**Grand Total Incidents 2014-2017 (All Agencies Combined): 638**



In summary, a review of the reports from the Napa Sheriff's Department, CHP, and CalFire confirm that Soda Canyon Road is *not* a quiet, uneventful road. In fact, it is quite the contrary. As is evident from above, over the course of just three years, from January 2014 to December 2016, there have been ***a total of 638 reported incidents and accidents*** on Soda Canyon Road. ***That is an average of 212.67 (rounded to 213) reported incidents and accidents per year, 17.7 (rounded to 18) reported incidents per month, and 4 reported incidents per week*** on Soda Canyon Road over the three-year period. Furthermore, the ***vast majority of the incidents (454 of 638) took place during the daytime hours***, precisely when the Applicant seeks to add tens of thousands of annual drivers to the road in the form of winery employees, wine-imbibing tourists, vendors, contractors, and other normal patrons of a large-scale commercial operation such as this one. Yet, the Planning Commission's adopted findings appear to have given no consideration whatsoever to the increasing number of accidents on Soda Canyon Road, and instead focused solely on the Project site itself, effectively ignoring the public safety and welfare of all users of Soda Canyon Road. Given the Project's location 6.1 miles up the dead-end Soda Canyon Road, it was a complete abuse of discretion and a violation of local and State laws regarding the public safety and welfare for the County to have considered only the Project site, as opposed to the entire road, as it relates to the Project's impacts on the public safety and welfare. This Project, particularly considering its remote and rural location, cannot be considered in a vacuum. Soda Canyon Road, under current conditions, is a dangerous road. If the Project is permitted to move forward in its current form, it is very likely that the already large number of annual incidents on the road will increase dramatically, which is not only a serious threat to the public safety and welfare, but could expose the County to significant liability in the event of any accident resulting in serious injury or loss of life. (See California Government Code, § 835; see also Anthony G. Arger Opposition Letter re: Mountain Peak Winery (Use Permit #P13-00320-UP) dated July 19, 2016; Anthony G. Arger Supplemental Opposition re: Mountain Peak Winery (Use Permit #P13-00320-UP) (collectively, "Arger Opposition Letters"))).

### **5. December 15, 2016 & January 8, 2017 Flooding of Soda Canyon Road**

En route to the Project site at the end of Soda Canyon Road, the road ascends steadily and becomes extremely steep for an approximate one-mile stretch beginning around the 4.1-mile mark. As a result of the steepness, even a small rainstorm can lead to flooding of Soda Creek very quickly, which at many points along the road, has and will cause flooding. Particularly vulnerable parts of the road are (1) the hairpin turn at mile 3.95 and (2) the lower portion of the road near the 1.10-mile mark, both of which are well below the proposed Mountain Peak site. And, with rainstorms and flooding comes mudslides, of which there have also been many, some of which have closed the road for several days at a time.

Flooding and mudslide events on Soda Canyon Road relate to public safety and welfare because Soda Creek begins near the top of the steep hill on Soda Canyon Road and follows the road for the majority of the way down, meaning that the addition of Mountain Peak Winery employees and especially the potentially inebriated winery tourists who have no familiarity with road and its dangerous conditions, increase the risk of danger to residents, property owners, and other users of the road alike. Photos of such events and incidents have already been provided to the County. See July 29, 2016 and January 4, 2017 Planning Commission Hearings (collectively, "MPW Hearings"); see also Arger Opposition Letters.



At the January 4, 2017 hearing before the Planning Commission, two videos of the December 15, 2016 flooding on Soda Canyon Road were presented. Attached to this Supplement are additional photos and videos showing the December 15 flooding on lower Soda Canyon Road, as well as a video of flooding that took place on Soda Canyon Road on January 8, 2017. (See **Exhibits 7a-b; 8; and 9**, respectively).<sup>6</sup>

#### **6. Summer 2016 Video of Double Tanker Truck Going up Soda Canyon**

In the MPW Hearings, and in various opposition letters, Opponents of the Project have repeatedly brought up the types of large, commercial trucks that frequent Soda Canyon Road, and the dangers those trucks pose to drivers on the road as a result of the narrow, steep, and serpentine configuration of the road. This is particularly true on the steepest part of the road between the 4 and 5-mile marks because there are *no guardrails* to prevent vehicles from going off the road and into the canyon. Attached to this Supplement as **Exhibit 10** is a video of a double tanker truck heading up the steepest part of Soda Canyon Road, which is before the Mountain Peak Project site.<sup>7</sup> It does not take much imagination to envision how one wrong move by the driver of either truck in the attached video could quickly lead to devastating consequences, especially at this point in the road where there are no guardrails to prevent cars from going off the cliff and into the canyon. In fact, there have been numerous accidents on Soda Canyon Road involving large trucks, resulting in complete blockage of the road for hours at a time. (See **Exhibit 3** – CHP Summary Report at September 10, 2014 where a semi-truck overturned on the steepest part of the road and blocked all traffic for more than 5 hours).

The existing commercial truck traffic on Soda Canyon already poses serious risks to the public safety and welfare given the nature of the road; permitting Mountain Peak to add tens of thousands more car, truck, and other commercial vehicle traffic on an annual basis to this deteriorating and poorly constructed road will result in increased incidents and accidents that could expose the County to significant liability. (See *Arger Opposition Letters*; see also *July 18, 2016 Mountain Peak Winery Initial Study/Proposed Mitigated by Smith Engineering & Management* (hereinafter “*Smith Engineering Traffic Peer Review*”)).

#### **7. November 4, 2016 Traffic Collision on Soda Canyon Road**

Attached as **Exhibit 11** are photographs from the aftermath of yet another accident on Soda Canyon Road that occurred on November 4, 2016 near the two-mile mark. It appears that the Napa Sheriff’s Department responded to this accident. (See **Exhibits 1 & 2** – Sheriff’s Reports, confirming the date and time of accident).

<sup>6</sup>All video exhibits “attached” to the paper copy of this Supplement are merely placeholders; a flashdrive provided to the County in conjunction with this Supplement contains all of the actual video files. The **Exhibit 8** and **9** videos are also available on youtube at <https://youtu.be/OEL4VMOVuOU> and <https://www.youtube.com/watch?v=FzpaQmKdHNI&feature=youtu.be>, respectively).

<sup>7</sup>The **Exhibit 10** video is also available on youtube at <https://youtu.be/Fj6gC8jO64U>.



## 8. January 26, 2017 Traffic Collision on Soda Canyon Road

Opponents of the Mountain Peak Project have provided numerous, specific examples of accidents, both reported and *un-reported*,<sup>8</sup> that have occurred on Soda Canyon Road in recent years. On January 26, 2017, there was yet another accident on Soda Canyon Road, which involved a single car just past the 2.25 mile mark on the road. Attached as **Exhibit 12a-c** are photographs of the accident. (See also **Exhibits 1 & 2** – Sheriff's Reports, confirming the date and time of accident). In addition to providing further proof of how often incidents and accidents already occur on Soda Canyon Road, the position of the car off the roadway demonstrates how much speed cars and trucks alike carry on the road, and how dangerous that speed can be, even without unfamiliar tourists consuming alcohol at the very end of the road, due to the serpentine configuration of the road.

## 9. March 25, 2017 Bus Breakdown on Soda Canyon Road

The Applicant has indicated to the County and Opponents of the Project that the traffic impacts of 14,575 visitors per year will not be as severe because many visitors will travel in groups and utilize shuttle/limousine services. However, as pointed out by Project Opponents, Soda Canyon Road becomes so steep for approximately a one-mile stretch beginning around the 4.1-mile mark that many shuttles, and even large trucks, *literally cannot make it up the hill*. Over the years, innumerable trucks and buses have stalled, overheated, and otherwise been unable to make it up the steep grade, for which Opponents provided several specific examples. (See *MPW Hearings; Arger Opposition Letters*). On March 25, 2017, yet another bus carrying tourists stalled around the 4.3 mile mark on Soda Canyon Road. (See **Exhibit 13a**).

Not only do these types of tourist buses and large trucks pose serious fire danger during the summer months when there is dry vegetation along the road (there have been numerous recorded fires caused by overheating engines and/or sparks from vehicles carrying heavy loads – see *Arger Opposition Letters*), but they also pose severe public safety threats to other drivers on the road. As can be clearly seen from the photo of the March 25, 2017 incident, as well as the previously provided photos of the September 24, 2016 bus incident, see *Arger Opposition Letters*, there is no shoulder onto which these stalled vehicles can pull over and stop. The vehicles literally end up in the middle of the roadway, posing a safety risk to any and all other drivers on the road due to the many blind corners on Soda Canyon Road. In fact, where the stalled bus pulled over on March 25, 2017 is one of the worst possible places it could have happened because that driveway, which services 2431, 2435, and 2439 Soda Canyon Road, is on a downhill slope just past a completely blind corner on the right hand side of the road following the steepest part of Soda Canyon Road, meaning that cars and trucks coming around that corner carry significant rates of speed and could have easily plowed into the back of the bus, which is hanging well out into the road, injuring numerous members of the public. (See **Exhibit 13b-c**).

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<sup>8</sup>As previously noted by Opponents, there are *many* accidents on Soda Canyon Road that go *un-reported*. (See *Arger Opposition Letters*).



### 10. March 27, 2017 Fallen Tree Blocking All Traffic on Soda Canyon Road

Among the many hazards that exist on Soda Canyon Road are falling branches and entire trees. A review of the CHP and CalFire reports for Soda Canyon reveals that since January 2014, there have been *at least* 10 incidents (including the March 27 incident) involving downed branches and trees.<sup>9</sup> (See **Exhibits 1, 3, and 5**). And, just during this past fall and winter (October 2016 to March 2017), there have been four separate incidents involving downed trees blocking the entire roadway, the most recent of which occurred on March 27, 2017. (See **Exhibit 3**). Attached as **Exhibit 14a-e** are photos of the March 27 incident, which depict a tree blocking the entirety of Soda Canyon Road around the 2.6-mile mark. According to individuals at the scene, and supported by photos showing the significant number of stopped cars, the road was completely blocked for approximately an hour and a half while crews worked with chainsaws to cut and remove the large oak tree. Fortunately, nobody was injured, but this incident demonstrates how quickly and easily the dead-end road can and *does* become completely blocked for hours at a time. Had there been a medical emergency and/or a wildfire, rescue crews would not have been able to reach any victims; all residents and visitors of Soda Canyon above the 2.6-mile mark (which is well before the Applicant's proposed Project site at approximately mile 6.1) were trapped and would have been forced to "shelter in place" in the event of another devastating wildfire.

Moreover, the downed tree on March 27, 2017 knocked out both phone and power lines that affected numerous properties on Soda Canyon Road. In fact, as of the date of this letter, *a week after the incident occurred*, there are still several homes on Soda Canyon Road without a landline telephone connection, including Appellant Arger's home, which is directly across from the proposed Project site. Importantly, because there is *no cell service on nearly the entirety of Soda Canyon Road*, and particularly on upper Soda Canyon Road past the 5-mile mark, many home and property owners, and any visitors to the area do not have the ability to call for help in the event of an emergency, of which there are many on this road. Combine this fact with the past many instances in which the road has become blocked for hours at a time (fallen trees, car and large truck accidents, fires, etc., see **Exhibits 1, 3, and 5**), and it is a recipe for disaster, especially when the Project seeks to introduce tens of thousands of vehicles and unfamiliar tourists to the road on an annual basis.

These types of incidents occur with regular frequency on Soda Canyon Road, demonstrating the existing dangers and public safety threats on the road *before* the Applicant seeks to add tens of thousands of wine-imbibing tourists and tens of thousands of car, truck, and other commercial traffic trips to the most remote reaches of Atlas Peak on an annual basis. Upholding the Planning Commission's approval of this Project in its current form poses a severe threat to the public safety and welfare, and cannot be ignored by the Board of Supervisors on appeal as was done by the Planning Commission during the MPW Hearings.

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<sup>9</sup>The Sheriff's reports do not provide enough specificity to determine whether incidents, such as "Hazard," involve downed trees, and not all of the CHP or CalFire reports provide the amount of detail to determine exactly how many incidents involving downed trees have occurred over the years. Accordingly, it is likely that more than 10 downed tree incidents have occurred since January 2014, and many more in the years prior.



### 11. Updated Photos of Pavement Conditions on Soda Canyon Road

As previously described by Opponents of the Mountain Peak project, and plainly acknowledged by former Supervisor Dodd, Supervisor Dillon, Supervisor Pedroza, Commissioner Scott, and Deputy Director of County Engineering, Rick Marshall, the current physical condition of Soda Canyon Road is abysmal. (*See January 4, 2017 Hearing; Appeal*). To supplement previously provided photographs of Soda Canyon Road, attached are recent photos of particularly bad portions of Soda Canyon Road following the wet 2017 winter. (*See Exhibit 15a-t*). As is clearly visible from the photos, the road, in its current state, and without the addition of some 45,000 car trips from Mountain Peak visitor traffic and thousands more trips from employees, heavy trucks and other commercial vehicles necessary to run the commercial winery operation that Mountain Peak proposes, is a disaster.

Critically, and from a public safety and welfare standpoint, Mr. Marshall stated that there “really is no funding to do the kind of improvement that [Soda Canyon] or any other road would need in the foreseeable future.” (*January 4, 2017 Hearing*). Additionally, Mr. Marshall acknowledged that “the collisions that we’ve had [on Soda Canyon Road] are not concentrated, they’re distributed along the length of the road, so there isn’t any specific, definite pattern.” (*Id.*). Accordingly, it is simply incredible that the Planning Commission approved this Project *without any remediation measures* to the road and/or significant scaling back of the Project because there can be no question that the addition of tens of thousands of vehicle trips annually on the road will not only exacerbate the abysmal conditions of the road, but will also pose further safety risks along the entire length of the road.

### B. Adverse Environmental Impacts Posed by the Mountain Peak Project

Section 18.108.010 of the Napa County Code maintains that

[t]he purpose and intent of these [conservation] regulations is to protect the public health, safety and community welfare, and to otherwise preserve the natural resources of the county of Napa. Further, these regulations are intended to ensure the continued long-term viability of county agricultural resources by protecting county lands from excessive soil loss which if unprotected could threaten local water quality and quantity and lead ultimately to loss of economic productivity.

*See also* Napa County General Plan (“*General Plan*”) at CON-10. Section 18.108.010(B) of the Napa County Code goes on to state that the conservation regulations are intended to:

1. Minimize cut, fill, earthmoving, grading operations and other such man-made effects in the natural terrain;
2. Minimize soil erosion caused by human modifications to the natural terrain;
3. Maintain and improve, to the extent feasible, existing water quality by regulating the quantity and quality of runoff entering local watercourses;
4. Preserve riparian areas and other natural habitat by controlling development near streams and rivers;



5. Encourage development which minimizes impacts on existing land forms, avoids steep slopes, and preserves existing vegetation and unique geologic features; and
6. Protect drinking water supply reservoirs in sensitive domestic water supply drainages from sediment, turbidity, and pollution.

During her hearing testimony and letters to the County regarding the Project, Dr. Amber Manfree, who has a PhD in Geography at UC Davis with an emphasis in landscape change, a Masters degree in Geography with an emphasis in plant ecology, and a Bachelor of Arts in Environmental Studies from Sonoma State University, demonstrated that Mountain Peak will violate virtually every single one of the above-described regulations. *See Amber Manfree July 19, 2016 Letter to the County; Amber Manfree October 11, 2016 Supplemental Letter to the County; Amber Manfree January 4, 2017 Speaking Notes; and Amber Manfree July 19, 2016 and January 4, 2017 Testimony* (collectively, “*Dr. Manfree Testimony*”). Violation of several of these regulations is further demonstrated through the *Greg Kamman Peer Review of Initial Study and Negative Declaration Mountain Peak Winery: Use Permit #P13-00320-UP* (hereinafter “*Kamman Hydrology Peer Review*”) and Mr. Kamman’s January 2017 follow-up *Review of Response to Public Comments by Richard C. Slade & Associates LLC in the Mountain Peak Winery matter, use permit #P13-00320-UP*.

The information below and attached further supplements Opponents position that the Project will violate both Napa County Code and the *General Plan*.

### 1. Calculations of Mountain Peak’s Earth Moving Activities

The Mountain Peak Project proposes to build 33,424 square feet of caves, which would be the twelfth largest of 174 caves ever approved in Napa County. (*See Exhibit 16*). An average Best Buy store measures approximately 28,000 square feet, meaning that the Project’s proposed caves would be approximately 5,000 feet larger than the one of Best Buy’s average retail stores. As it pertains to environmental concerns relating to the project, excavation of the caves will yield 29,498 cubic yards (“cy”), or 796,446 cubic feet (“cf”) of spoils. To quantify that figure, if 29,498 cy of spoils were piled onto a football field, including the endzones, which measures approximately 57,600 square feet (“sf”), the spoils would measure approximately 14 feet high – the approximate height of a 1-story house.

Even more environmentally disconcerting than these figures is that after all of the cutting, filling, cave excavation, and topsoil removal, ***the Project will be moving approximately 71,400 cy, or 1,927,800 cf, of earth and soil around the Project site during construction.*** If this amount of earth were piled onto a football field, again including the endzones, it would measure approximately 33 feet high. (*See Exhibit 17*). An even more appropriate visual is that this amount of earth would fill approximately 3.25 Napa County Administration buildings (16,500 sf and 36 feet tall). (*See Exhibit 18*). Critically, the Applicant will keep ***all of the cave spoils and mixed brew of top-soil and earth on-site***, raising serious concerns of adverse environmental impacts, particularly without the benefit of an Environmental Impact Report (“EIR”), which the County, to date, has determined is not necessary.



The calculations for these figures were performed by Appellant Bill Hocker, who is a retired architect. Mr. Hocker obtained and derived the 71,400 cy figure from Mountain Peak's own documents, including the Applicant's Civil Plans and Use Permit Drawings ("Civil Plans"), Updated Cave Plans ("Cave Plans"), and the Cave Feasibility Report ("Feasibility Report"), all of which are on file and publicly available on the County's website. Specifically, the calculations were made as follows:

**Cut and Fill: 49,100 cy**

The "cut" quantity, or total factored (loose) tunnel spoils of 29,498 (rounded here to 29,500) cubic yards (cy) is taken directly from UP2.0 of the Cave Plans, which multiplies the "raw tunnel volume" of 21,070 cubic yards (cy) by the 1.4 "bulking factor" (the soil expansion factor). Additional "cut" of 19,600 cy is derived by multiplying the figure of 14,000 cy (represented on UP4 of the Civil Plan for what is presumed to be the crush pad and parking lot areas) by the same 1.4 bulking factor. This means that the ***total excavated spoils to be redistributed on-site is 49,098 cy*** (rounded to 49,100 cy).

The spoils "fill" areas are shown on UP1 of the Applicant's *Civil Plans*. The *Civil Plans* indicate that 16,000 cy of spoils will be distributed near the two blue-line streams that run through or very near to the Applicant's parcel. Specifically, ***5,900 cy of spoils will be distributed near the blue-line stream on the northeastern portion of the parcel, and 10,100 cy of spoils will be distributed near the blue-line stream on the northwestern portion of the parcel.*** (See Exhibit 19a-b; see also Exhibit 20 – *It Can Happen Again. Is the Rector Watershed Protected? The source of water for the Veteran's Home & Town of Yountville, A White Paper* (hereinafter "White Paper") at p. 2; Civil Plans at UP1;). To put the cave spoils piles in perspective, the amount of earth to be dumped near two blue-line streams would measure ***7.5 feet high if dumped on a football field, including the end zones.***

What is *not* noted in the plans is where the 33,098 (rounded to 33,100) cy of spoils, derived from subtracting the 16,000 cy from 49,100 cy, will be distributed. It appears from the plans that the 33,100 cy of spoils are destined for the service driveway and berms at the southernmost area of the Project site. However, that area is at most 3 acres. The height of 33,098 cy of spoils on 3 acres would average approximately 8 feet high. This begs the question of whether the service driveway and berms around the parking area actually require twice as much in spoils as the designated spoils areas (i.e. 16,000 cy is going to spoils areas, while 33,100 cy is destined for the service driveway and parking area)?

In short, an analysis of the amount of cut and fill shown on the Applicant's plans indicates unanswered questions about the ability of the Project site to accommodate all of said spoils.

**Topsoil Removal: 22,300 cy**

In addition to the above figures, it is important to note that the amount of dirt to be excavated and repositioned on the Project site is much larger than just the cuts that produce spoils. Approximately 2-3 feet of topsoil must be removed in all areas to receive spoils, then stored on the site and re-covered over the spoils. These additional tens of thousands of cubic yards that must be moved around the site are *not* accounted for anywhere in the Applicant's plans.



From the site plan it appears that approximately 7 acres (majority of the southernmost portion of the site, including the two fill areas and the wastewater tanks and holding pond) will have to be stripped of approximately 2 feet of topsoil and replaced after the distribution of spoils. (See **Exhibit 21**). Approximately 7 acres of topsoil, 2 feet deep, would produce ***an additional 22,300 cy of earth that will have to be moved on/around the site.*** This raises further concerns of potentially significant environmental impacts that may result from erosion and sedimentation into the Rector Watershed.

**Total Soil to be Moved Around the Project Site: 71,400 cy**

Putting the figures together – the 49,100 cy of accounted-for spoils and the 22,300 cy of unaccounted topsoil – the total amount of spoils, dirt, and earth that must be moved around the Project site amount to 71,400 cy (1,927,800 cf).<sup>10</sup> Aside from the fact that this figure equates to a football field (including the endzones) being piled 33 feet high, or 3.25 County Administration buildings, ***the bigger questions are (1) how much additional earth (Appellants estimate ~22,300 cy) will be moved around the Project site, and (2) where any leftover earth from the 33,100 cy assumed to be going to the southern portion of the Project site, will end up on the project site?*** If there is any leftover spoils/mixed earth, will the leftover earth be dumped on top of the planned spoils piles near the two blue-line streams and the wetlands area? Under the current plans, ***5,900 cy of spoils will be distributed near the blue-line stream on the northeastern portion of the parcel, and 10,100 cy of spoils will be distributed near the blue-line stream on the northwestern portion of the parcel. Will the applicant simply distribute another ~10,000 to 30,000 cy (rough estimate of leftover spoils) between the two spoil dump sites if in fact the southern portion of the site cannot handle the additional earth?*** With such a large amount of earth and spoils unaccounted for and the fact that the two current spoils piles are very near to two separate blue-line streams, the County *must* require additional investigation, namely through an EIR, to ascertain the answers to these critical questions.<sup>11</sup>

**2. Impacts of Flooding & Sedimentation on/near the Mountain Peak Site**

**a. Sedimentation of Blue-Line Streams on/near Mountain Peak Parcel**

The Project will dispose of “all cave spoils on-site within existing vineyards.” (See *Recommended Conditions of Approval and Final Agency Approval Memos* at pg. 1.) The Applicant has designated two sites to dispose of the *at least* 16,000 cy (as indicated above, this figure could be much larger) of cave spoils on the property; one on the northwestern portion of the western part of the parcel, and the other on the southwestern portion of the northeastern part of the property parcel. Importantly, these proposed spoil locations are approximately 260 and 100 feet, respectively from separate blue-line streams that feed directly into Rector Canyon. (See *Civil Plans* at UP1; see also *County Graphics from January 4, 2017 Hearing* at pg. 4).

<sup>10</sup>In the Appeal document, the figure was 71,700 cy, or 1,935,900 cf. However, after further analysis, that figure has been slightly modified and reduced.

<sup>11</sup>For additional calculations relating to cave spoils, please see **Exhibit 22**.



Between December 2016 and the date of this Supplement, heavy rains have caused the blue-line stream on the northeastern portion of the Mountain Peak parcel *to flood and overrun the gravel road on five (5) separate occasions*. Critically, during each of these events, and even during numerous other rain events of the 2017 winter season when the water did not run over the road, the blue-line stream has clearly demonstrated elevated levels of sediment and likely other contaminants contained in the water during said rain events.

For example, attached as **Exhibits 23a-l** are photographs and of the blue-line stream on the northeastern portion of Mountain Peak's parcel taken on January 3, January 4, and January 8, 2017, respectively.<sup>12</sup> Attached as **Exhibit 24a-b** are videos of the January 8, 2017 flooding of the blue-line stream located on the northeastern portion of the Mountain Peak parcel. As is plainly visible from the photos, over the course of a few short days, the water running through Mountain Peak's parcel goes from relatively clean and clear water, to obviously brown, muddy and sediment-filled water. The same is true for rain events around March 21, 2017. As is evident in **Exhibits 25a-k**, the photographs of the same blue-line stream show that on March 21, 2017 the water is relatively clean and clear, but that on March 22, 2017, the water is noticeably murkier and filled with sediment and likely other contaminants.

The takeaway from these sedimentary events is twofold. First, they refute Mr. Paul Bartelt's statements during the January 4, 2017 that the issue raised by Dr. Manfree that Mountain Peak violated County ordinances by bulldozing over the blue-line stream in 2013 has been remediated. (See **Exhibit 26a-c**). Specifically, during the January 4, 2017 hearing, Dr. Manfree explained and provided evidence that not only did Mountain Peak violate County and Environmental ordinances by illegally bulldozing over the blue-line stream when it first purchased the property in 2013, but that the issue has still not been properly remediated. (See *January 4, 2017 Hearing*). Mr. Bartelt then testified that following "part of the vineyard development going on at that time" his company "remediated the issue" by "plac[ing] rocks across there." (*Id.*). He then went on to state that he has "not been to the site recently, but it is [his] understanding in previous years that that has been remediated and restored to its original condition." (*Id.*). To begin, how is the placement of rocks on a blue-line stream that has been bulldozed proper remediation of the issue? If anything, that seems to be an admission of fault and failure to remediate the issue. It seems that remediation would require the Applicant to put the stream back into the condition before it was disturbed, *not* further disrupting the flow of the stream by placing rocks in it. Moreover, as can be clearly seen in **Exhibit 26c**, a picture of the parcel taken on January 2, 2017, the pile of earth leftover from Mountain Peak's unpermitted bulldozing activities has not been moved or remediated. In fact, that pile still sits immediately adjacent to the stream, and may be a primary reason why there is so much sedimentation of the water running in and through the blue-line stream located on Mountain Peak's parcel. This matter, especially because it has been contested by one of Appellants' experts, Dr. Manfree, and Mountain Peak's engineer, Mr. Bartelt, requires additional investigation by the County to determine if in fact the matter has been "remediated," and if not, what types of impacts the event has and will continue to have in terms of releasing additional sediment into the Rector Watershed.

<sup>12</sup>The **Exhibit 24a-b** videos are also available on youtube at <https://youtu.be/ZAT1pF9INj4> and <https://youtu.be/iK6-Vm1kwQI>, respectively.



Second, the repeated sedimentary events of early 2017 highlight how much sedimentation and pollution of the Rector Watershed, and ultimately the Rector Reservoir, is occurring *before Mountain Peak's proposed placement of at least 16,000 cy of earth within 100 and 260 feet, respectively*, of the *two* blue-line streams on or near the Mountain Peak parcel. As explained above, this amount of earth would pile 7.5 feet high on a football field, including the end zones. What does the County expect will happen once the cave spoils have been placed that close to the two blue-line streams and another heavy rain season arrives? No amount of "erosion control" will prevent this amount of earth from releasing large amounts of sediment and pollution into the blue-line streams. The Applicant, for one, has already acknowledged through its own reports that when "a greater than 10-year storm event" does occur, the "stormwater runoff from the developed area to a detention basin near the western property line . . . *will overflow the detention basin and sheet flow through natural terrain before entering an existing blue line stream on the neighboring parcel.*" See *Bartelt Storm Water Control Plan* at pg. 2 (emphasis added). In other words, the Applicant's own study *admits that erosion into at least one of the blue-line streams that feeds the Rector Creek Watershed will occur* during large storm events, such as those that have been occurring throughout the early part of 2017. Importantly, that particular study produced by the Applicant is referring to the blue-line stream to the northwest of the Project site, *not* the blue-line stream on the northeastern part of the parcel where all the sedimentary events of early 2017 have been clearly documented. In combination with the documented 2017 sedimentary events, this means that the County has been presented with ample evidence that the Project, even with erosion control measures, *will likely cause sediment and other contaminants to be delivered into both blue-line streams feeding the Rector Watershed and the Rector Reservoir by normal weathering processes such as wind and precipitation runoff*. Yet, the County is *not requiring an EIR*, which is contrary to local, state, and possibly even federal environmental and water laws. Given the magnitude of proposed excavation relative to the size of the site, the proximity of dump sites relative to streams, and the potential for Project cave spoil leachate to contain contaminants, environmental impacts of excavation must be rigorously evaluated through a full EIR.

#### **b. Impacts of Sedimentation on Rector Watershed**

The Mountain Peak Project site is located within the Rector Watershed, the most developed of all water supply watersheds in Napa County. The Rector Watershed feeds Rector Reservoir, the source of water for the Veteran's Home and the Town of Yountville. (See **Exhibit 27 – Rector Creek Reservoir Watershed Sanitary Survey 2009 Update**, hereinafter "2009 Rector Update," at p. 9, which provides a review of the Rector Reservoir "public water system for the purpose of evaluating the adequacy of water sources, facilities, equipment, operations and maintenance that together collect, treat, and distribute drinking water"). However, County Staff comments as part of the Project's application stated that the Project is *not* in a "municipal" watershed. (See *County's January 4, 2017 Supporting Document "S," Updated Winery Comparison Analysis*). This is wholly inaccurate.

The Rector Watershed above the Rector Dam covers 6,972 acres. Of this, 1,492 acres (21%) are planted in vineyard, with several additional wildland to vineyard conversion projects presently being considered by Napa County. There are 1,293 acres (19%) in reserve owned by the CA Department of Veterans Affairs, the Napa Land Trust, US Bureau of Land Management, and CA Department of Fish and Wildlife. Of the remaining lands, 1,794 acres (26% of watershed area)



would require a variance to develop due to excessively steep slopes as per Napa County ordinance (NCC section 18.108.040), and most of the remaining acreage is either steep enough to require slope-related permitting to develop, exempt from development as part of the Napa County 60-40 rule, or held privately by entities not currently pursuing development. (See **Exhibit 20 – White Paper**; see also **Exhibit 28 – 2013 Rector Reservoir Water Yield Study** at p. 3). As such, the watershed is nearing build-out in terms of wildland conversion to vineyard.

Atlas Peak frames the eastern boundary of Rector Watershed, catching storms as they move eastward. The Rector Watershed is ringed by steep mountains which drain through alluvial fans then across a small plateau before making an even more dramatic drop into Rector Canyon. (See **Exhibit 19a-b**; see also **Exhibit 20 – White Paper**). This canyon is characterized by frequent waterfalls ranging from a few feet to 30 feet. (See **Exhibit 20 – White Paper** at figures 4a-b). The overall steep topography of the watershed causes precipitation to move rapidly to Rector Reservoir, which is often the earliest reservoir to crest its spillway in Napa County. The complete lack of floodplains in this system means there is nowhere for material to settle out before reaching the reservoir. Accordingly, major storms have the potential to rapidly transport substantial volumes of loose material from throughout the watershed to the reservoir, as occurred after the 1981 Atlas Peak fire and following irresponsible wildland to vineyard conversion practices in the 1990s (see below). (See **Exhibit 27** at pp. 10-18, 37-38). The potential for Mountain Peak to degrade water quality, thereby exacerbating existing impairments, is high.

The Project represents a radically different development style from the two existing Rector Watershed wineries, and would set a bad precedent in the area. The main points of divergence are that it would be (1) permitted to produce far more wine than could be made from grapes grown on-site, and (2) the Applicant's business plan involves aggressive pursuit of direct to consumer sales (i.e. high volume tourism). While these are not in direct threats to Rector Watershed water supply catchment functions, development of Mountain Peak as proposed would set a meaningful standard in the Foss Valley region, paving the way for additional projects of similar size and scope from the perspective of the County. This could have devastating consequences on Rector Reservoir, as the unbridled vineyard expansion of upper Soda Canyon did in the late 1990s.

In the late 1990s, large parcels of land in the Rector Watershed were converted from wildland to vineyards. "Year by year, [Jan Krupp] removed the brush and boulders and planted grapevines. 'I think we removed about a billion tons of boulders,' [Jan Krupp] speculated."<sup>13</sup> In February 1998, powerful storms hit Northern California and the Napa Valley.<sup>14</sup> "State Water Resources Director David Kennedy said the most damage suffered...was along smaller streams."<sup>15</sup> "Napa, with 33.6 inches so far this season, has received more than twice the normal rainfall of 15 inches for this time of year."<sup>16</sup> This figure pales in comparison to the nearly 60 inches (58.80 inches as of March 23, 2017 to be exact) received by the Atlas Peak region thus far during the 2016-2017 season (October to September). (See **Exhibit 30a-b – Summary of California Department of Water Resources historical rainfall data since 1990 for Atlas Peak**).

<sup>13</sup> Napa Valley Register, *The evolution of Krupp*, February 3, 2017, page C1, attached as **Exhibit 29**.

<sup>14</sup> Napa Valley Register, *Hang on tight It May Get Rough*, February 5, 1998, page 1, attached as **Exhibit 29**.

<sup>15</sup> *Id.*, page 4A

<sup>16</sup> Napa Valley Register, *Monster Storm takes a detour*, February 6, 1998, page 4A, attached as **Exhibit 29**.



On March 17, 1998, the *Napa Valley Register* headline read *Veterans' water system a threat to public health*, and went on to state that “[t]he Veterans Home’s aging treatment plant . . . cannot reliably filter the water at Rector Reservoir to meet current drinking water standards . . . .”<sup>17</sup> The article goes on to state that “[d]uring the heavy rains of early February, the plant produced water that exceeded turbidity limits. The facility was shut down immediately when inspectors discovered the water quality violation. The plant remains shut down while state officials plan corrective actions. . . . Yountville has offered to contribute \$50,000 to help the Veterans Home pay for additional water filtration, but the state hasn’t accepted the offer.”<sup>18</sup> The article continues: “Thompson . . . persuaded his budget subcommittee to set aside \$4.4 million in state’s 1998-99 budget to pay for treatment plant improvements . . . .”<sup>19</sup>

On June 11, 1998, the *Napa Valley Register* published an article titled *Daily Briefing, Water supply still a problem*, wherein it was described that “during the heavy rains of early February, the plant produced water that was too muddy to meet standards and had to be shut down temporarily. . . . Sen. Mike Thompson, D-Napa Valley, has been pushing reservoir funding legislation through budget committee hearings, but nothing will be set in stone until the budget is signed by Gov. Pete Wilson.”<sup>20</sup>

On November 7, 1998, the Veterans Home of California received “[a] welcome appropriation of \$4.5 million from the Federal Government in 1998 [to] fund improvements in water treatment facilities at Rector Reservoir.”<sup>21</sup> According to the March 17, 1998 *Napa Register* article, the Department of Water Resources of Rector Reservoir water supply expected the renovations to Rector Reservoir to take approximately four months to complete. A new filtration system was eventually installed.

Fast forward to the present. The proposed Mountain Peak Project is likely to result in transportation of silt to the Rector Reservoir as a result of moving 71,400 cy (1,927,800 cf) of earth and soil of unknown composition on and around the Project site, and placing at least 16,000 cy (432,00 cf) near two blue-line streams. According to the 2009 Rector Survey, two of the sources “most likely to impact water quality in Rector Reservoir’s contributing watershed area” include (1) fire, and (2) erosion and sedimentation. (**Exhibit 27** at p. 107). Specifically, “[e]arth materials delivered to stream systems can adversely impact water quality by causing rapid increases in turbidity levels after initial slope failure, and chronic increases in turbidity levels as disturbed soils are exposed to subsequent rainfall events prior to revegetation.” (*Id.* at pp. 52). Additional sources of “moderate potential to impact water quality include” (3) growth and expansion of land uses in the watershed, (4) landsliding, and (5) incoming raw water quality. (*Id.*).

As outlined above and depicted in photographs and videos from the rain events of 2017, there is already erosion and sedimentation occurring on the Mountain Peak parcel. If the Project is approved, there will be an incredible growth and expansion of the land use in the form of moving

<sup>17</sup>The Veterans Home of California, A Sanctuary for Those Who Served...Veterans Home of California, November 7, 1998, attached as **Exhibit 29**.

<sup>18</sup>*Id.*

<sup>19</sup>*Id.*

<sup>20</sup>**Exhibit 29**.

<sup>21</sup>Napa Valley Register, Veterans' water system a threat to public health, March 17, 1998, attached **Exhibit 29**.



some 1,927,800 cubic feet of earth on and around the site, and then dumping *at least* 432,000 cubic feet of spoils near not one, but *two*, blue-line streams that feed directly into Rector Canyon. This undoubtedly raises serious risks of additional erosion and sedimentation in to the Rector Watershed from the Applicant's site. Yet, the Planning Commission determined the Project will have no 'significant impact' on Rector Watershed or Rector Reservoir. Such a blind expectation by the Planning Commission, without the benefit of an EIR is incredibly irresponsible, and could serve as yet another avenue by which the County exposes itself to liability to the tune of several million dollars from Project Opponents, the City of Yountville, and/or the Veterans Home. Moreover, the failure to require an EIR in this instance goes against the County's own recent policies and practices. As described in the 2009 Rector Survey, the authors state that

Napa County has required an Environmental Impact Report for vineyards development and expansion in the last five years because of the Agricultural Watershed zoning in Rector Creek Watershed, the Yountville municipal and domestic water supply of Rector Reservoir, and the accelerated rate of vineyard expansion. . . . An analysis of erosion, sedimentation, and hydrology is a required component in the CEQA and EIR processes.

(*See Id.* at p. 65).

In short, based on reliable, independent, and historical data and reports, the Project is likely to have potentially significant impacts on the environment, and specifically on the Rector Watershed. Not only could the erosion and sediment adversely impact various biological species in Rector Canyon, *see Dr. Manfree Testimony*, but it may also cause serious damage to Rector Dam, requiring millions of dollars in repairs, as was the case in the late 1990s. Accordingly, the Planning Commission's decision to approve the Project without the benefit of a full EIR was in error and must be corrected on appeal.

### **c. Impacts on Wetlands on Northern Portion of Mountain Peak Parcel**

In addition to the potential impacts of sedimentation of the blue-line streams, another potentially significant environmental impact relates to a wetland area on the northernmost corner of the Project site. As of the date of this Supplement, there is a steady flow of water running from the wetlands area, across Appellant Hocker's property, and into Rector Canyon. According to a review of the Applicant's plans, this wetland area will be ***surrounded on three sides by the spoils area on the northwestern portion of the parcel.*** (*See Civil Plans* at UP1; **Exhibit 21**) To the best of Appellants' understanding and knowledge, the former owner of the Mountain Peak parcel, Dr. Jan Krupp was *not* allowed to plant vines in that area in his original vineyard development plan, and the proposed spoils area on that part of the site appear to just barely, but intentionally avoid the wetland area. This raises yet *another concern* as to potentially significant environmental impacts that this Project, as proposed, may cause, especially on the Rector Watershed.

### **C. A More Appropriate Comparative Winery Analysis of the Project**

In letters opposing the Project, *see Arger Opposition Letters* (among others), as well as during the January 4, 2017 hearing, Opponents of Mountain Peak highlighted the glaring flaws in



(1) the Applicant's "Comparable" Winery analysis, and (2) the County's "Updated Winery Comparison Analysis," and provided a more appropriate list of wineries that should be used for comparison including those located on Atlas Peak Road and Soda Canyon Road. (See **Exhibit 31**). The conclusion from a review of the Applicant's, the County's, and Opponents' initial comparables is that there are ***no comparable wineries to the size and visitation requested by the Applicant on dead-end roads like Soda Canyon Road***. The Applicant's examples included large wineries accessed directly off highways and major through roads. The 100,000-gallon "hillside" wineries presented by the County in fact were on state highways or had tasting rooms on the valley floor. Of the Atlas Peak Road examples provided by Appellant Schreuder during the January 4, 2017 hearing, the only winery with equivalent visitation (Hess Collection) was near the bottom, flat section of the road by the Silverado Country Club. Finally, the only winery with more than 30,000 gallons on Soda Canyon Road, Antica Napa Valley ("Antica"), has 1,200 acres of contiguous land parcels that amount to approximately 30 times the size of Mountain Peak's parcel, yet Antica has only slightly more than ***one third*** the annual visitation (5,200) being requested by Mountain Peak (14,575). (See *Id.*; see also *Arger Opposition Letters*).

During the January 4, 2017 hearing, when speaking about roads, Mr. Marshall made the following statement regarding comparable wineries: "I was trying to think of – you know as soon as I say it, likely somebody will disagree – an example to me that's similar is Diamond Mountain. It's a similar narrow windy, mountainous terrain, and it's a dead end." What Mr. Marshall did not know is that Diamond Mountain's permit only allows for 10,000-gallons in production and 1,520 visitors annually, meaning it is almost exactly ***one-tenth the size*** of the production capacity and annual visitation being sought by Mountain Peak. (See **Exhibit 32b**). Following Mr. Marshall's comments, and the comparisons noted above, Opponents of the Project conducted a more extensive winery comparison. Opponents of the Project have consistently maintained that given the access constraints of Soda Canyon Road, and the intensity of winery activities proposed, Mountain Peak is ***not*** appropriately scaled for the location in which it is being proposed. (See *Napa County Resolution No. 2010-48, Interpretive Resolution to Ordinance No. 1340, Exhibit A, Section III* (hereinafter the "2010 WDO Amendment"), which requires appropriate scaling of wine production, on-site marketing, and visitation programs based on the ***"remoteness of the location"*** and ***"access constraints"***). In response to the Applicant's and the County's approach thus far of analyzing a very small subset of wineries as comparables, Opponents have taken a look at winery development in the watersheds as a whole in order to see how Mountain Peak compares. The results are quite stunning, and reveal that the Mountain Peak Project stands out as the ***largest winery ever proposed in Napa County when considering the remoteness of the location and access constraints posed a dead-end road***. These indisputable facts must be given serious consideration and weight as part of the Board of Supervisors' decision on the Appeal, particularly in the light of the 2010 WDO Amendment.

Attached hereto as **Exhibit 32a-i** is a map and list(s) of the 72 "remote" wineries in Napa County, with the criteria for "remote" including those wineries that are (1) within the hilly areas of the watersheds, and (2) more than one mile from a major highway (for comparison, the average distance between Hwy 29 and Silverado Trail is two miles).<sup>22</sup> For an interactive version of

<sup>22</sup>The map and list of "remote" wineries exclude wineries on the Hwy 12 corridor, as it is outside of watershed areas. Additionally, the map and list have been made using data from the Napa Valley Vintner's ("NVV") Map, attached as **Exhibit 33**, and Napa County's December 15, 2016 Winery Database, attached as **Exhibit 34**.



Opponents' "remote wineries" map (i.e. users can zoom in/out) and list (users can sort list by name, size, visitation, distance on dead-end roads, etc.), please visit: <http://sodacanyonroad.org/remotewineries.php?t=162>. Immediately below is a table demonstrating the average and median figures for the existing 71 "remote wineries" (i.e. average and median figures exclude Mountain Peak because its approval is still pending the appeal) as compared to the Mountain Peak Project:

	Capacity (gal/yr)	Visitors/yr	Employees	^Trips/ day	Distance from Hwy (miles)	Distance on Dead-End Road (miles)
<b>Average</b> w/out Mountain Peak ("MP")	<b>52,344</b>	<b>5,341</b>	<b>6</b>	<b>36</b>	<b>4.4</b>	<b>° 3</b>
Average w/out MP, Antica, Hess	31,921					
<b>Median</b>	<b>20,000</b>	<b>2,127</b>	<b>4</b>	<b>20</b>	<b>4.0</b>	<b>° 2.5</b>
<b>Mountain Peak Winery</b>	<b>100,000</b>	<b>14,575</b>	<b>19</b>	<b>105</b>	<b>6.1</b>	<b>6.1</b>

^ Trips/day calculated from County weekday trip generation formulas

° Null values excluded

An analysis of the Mountain Peak Project demonstrates that when it is compared against the 71-approved watershed, "remote" wineries, it falls in the ***upper 10% for capacity and visitation***. Specifically, the Project:

- Has 2 x the average capacity (3 x if Antica and Hess, both pre-WDO wineries, are excluded);
- Has 5 x the median capacity (only 6 wineries have larger capacity, which are all pre-WDO);
- Has 2.5 x the average yearly visitation;
- Has over 7x the median yearly visitation (only 7 wineries have larger visitation, 4 of which are pre-WDO with public tastings);
- Is 2 miles further from a major highway than average, and 3 miles further up a dead-end road than average;
- Has 3 x the average trips per day generated;
- Has 9 x the median trips per day.

In addition, when the "remote winery" list is sorted by its various criteria/columns, the Project ranks among the highest in nearly every category. When the list is sorted by (1) "Pre/Post WDO," (see **Exhibit 32c**), Mountain Peak comes in as having the ***largest production capacity*** (100,000 gallons/year), and the ***fourth largest visitation allowance of all Post-WDO "remote" wineries***, of which there are 46 (including Mountain Peak). Notably, the three Post-WDO wineries with larger visitation allowances than Mountain Peak (Wools Ranch, Palmaz, and Vineyard 22) are ***not*** located on dead-end roads, meaning that ***Mountain Peak is seeking the largest visitation allowance of any winery in the history of Napa County that is located on a dead-end road***. Additionally, of the seven Post-WDO wineries with (or seeking) more than 10,000 visitors per year (Mountain Peak, Arkenstone Vineyards, Wools Ranch, Palmaz, White Cottage Ranch, Lodestone Winery, and Vineyard 22), only three (Mountain Peak, Arkenstone Vineyards, and Lodestone Winery) are located on dead-end roads. Critically, both Lodestone Winery and Arkenstone Winery, both of which have ***less*** visitation than Mountain Peak seeks, are located only 2.5 miles and 0.3 miles up a dead-end road, respectively, whereas ***Mountain Peak is located 6.1 miles up a dilapidated, dead-end road***. (See *Id.*). In short, a project of this size, in the location it



is being proposed, is truly *un*-precedented in the Napa Valley, and completely ignores the requirements and considerations outlined in the 2010 WDO Amendment.

When the list is sorted by “Capacity Gallons/Year,” Mountain Peak ranks as having the ***seventh largest production*** of the 72 “remote” wineries. (See **Exhibit 32d**). When sorted by “Visitors/Year,” Mountain Peak also ranks as having the ***eighth largest visitation allowance*** of the 72 “remote” wineries. (See **Exhibit 32e**). When sorted by the number of full-time employees, the list reveals that Mountain Peak has the ***sixth largest number of employees*** of the 72 “remote” wineries. (See **Exhibit 32f**). When the list is sorted by “Trips/Day,” Mountain Peak comes in as having the ***fifth largest number of trips*** that it will add to the road on which it is located/being proposed. (See *Id.*). When sorted by “Distance from Highway,” the list demonstrates that Mountain Peak ranks as number 21. (See **Exhibit 32g**). Critically, however, Mountain Peak has the ***largest amount of annual visitation of all 72 “remote” wineries in terms of distance from a highway*** because of its remote location 6.1 miles up Soda Canyon Road. (See *Id.*). In other words, while there are 20 existing wineries in Napa that are located further up on a dead-end road, *all of them have less visitation than is being sought by Mountain Peak*. And, the further up these other wineries are located on a dead-end road, the less visitation they have. (See *Id.*)

Finally, when the list is sorted by “Distance on Dead-End Road,” Mountain Peak ranks as number ***eight*** of the forty-three “remote” wineries located on dead-end roads, meaning it is located farther on a dead-end road than 35 of the other dead-end road “remote” wineries. (See **Exhibit 32h**). Importantly, of those top eight, three of which do not allow any visitation (Kongsgaard, Astrale e Terra, and Amizetta), ***Mountain Peak seeks the largest amount of visitation by nearly three times*** as its closest visitation “competitor,” Antica, which is located approximately 0.5 miles past Mountain Peak on Soda Canyon Road, has more than four times the production capacity at 450,000-gallons per year, and sits on approximately 1,200-acres of contiguous land (approximately 600 acres of which is planted in vine). (See *Id.*; see also *Arger Opposition Letters*). Moreover, with the exception of Antica, of the 8 *existing* wineries located on a dead-end road that have 5,000 annual visitors or more (Antica, Lodestone Winery, Black Sears Winery, Brand Napa Valley, Rogers Winery, Hess Collection, Outpost Winery, and Arkenstone Vineyards), ***all are located within 2.5 miles of the nearest outlet road***. (See **Exhibit 32h**). Thus, even when compared to both the Pre- and Post-WDO “remote” wineries, ***Mountain Peak stands out as the largest Project ever proposed in Napa County when considering the remoteness of the location and access constraints***.<sup>23</sup>

The above, more extensive comparative analysis confirms that the Planning Commission’s approval of this Project was a complete abuse of discretion, especially when the 2010 WDO Amendment requires appropriate scaling of wine production, on-site marketing, and visitation programs based on the “*remoteness of the location*” and “*access constraints*.” The Project, in its current form, and precisely because of its extreme remoteness and access constraints, is clearly *inappropriate*, resulting in a blatant violation of the County’s own policies.<sup>24</sup>

<sup>23</sup>The Project would also have the most – nearly three times the amount – of permitted visitation when compared to any of the existing wineries on Soda Canyon Road. (See **Exhibit 32i**).

<sup>24</sup>See **Exhibit 35** for additional information relating to the “remote” winery comparative analysis.



#### D. Mountain Peak's Phantom Tonnage Calculations Suffer Further Setback

As described in detail in the *Arger Opposition Letters*, as well as during the MPW Hearings, Mountain Peak's claim that "92 percent of the grapes will be grown on site" is without any support and is, frankly, illogical. As a brief recap, once the Project is completed, only 25 acres of the property will be planted in vine. As a result, the maximum amount of tonnage that can be produced "on-site," assuming a generous 3 tons/acre, is 75 tons of grapes. Even allowing for the 25% outside Napa grape sourcing, that means that Mountain Peak can only produce on-site and outsource a maximum of 100 tons of grapes. Mountain Peak is seeking a 100,000 gallon winery permit. This equates to approximately 700 tons of finished wine product. If Mountain Peak can only produce 75 tons, and outsources 25% of grapes, for a total of 100 tons, that means there is a **600-ton shortfall** that Mountain Peak will have to truck in from other vineyards. As a percentage, this means that Mountain Peak can only produce **11% of grapes on-site, NOT 92% as it claims**. And, even if for a moment, it is assumed that Mountain Peak *could* produce 5 tons to the acre as it claims it will be able to, which has been, and continues to be disputed by Project Opponents and numerous vineyard owners in the immediate vicinity of the Project, **the most Mountain Peak could possibly produce "on-site" is 125 tons of grapes**. Allowing for 25% outside grape sourcing, which is just over 30 tons (125 x .25), Mountain Peak can only supply approximately 155 tons of grapes "on-site," **amounting to only 18% of on-site grapes (far less than 92%), which is 545 tons LESS than the approximately 700 tons needed to satisfy a 100,000-gallon permit**.

Incredibly, despite Project Opponents' (1) clearly outlined and articulated arguments that the on-site grape production cannot support anywhere near the 100,000 gallon permit sought by the Applicant, and (2) repeated requests that the Applicant produce contracts and otherwise substantiate its claims that "92% of the grapes will be grown on-site," the County, to date, and to the best of Appellants' knowledge, has not required the Applicant to further support its absurd claim that it can almost entirely support a 100,000-gallon winery from on-site vineyards. Because the Project cannot support its 100,000-gallon permit, it means that the winery will be forced to utilize and otherwise import grapes from other vineyards throughout Napa Valley. Importantly, however, the recent sale of Stagecoach Vineyards indicates that such grapes will not be obtained from nearby vineyards on Atlas Peak, as has been repeatedly suggested by the Applicant.

According to the March 23, 2017 edition of the Napa Valley Register, Gallo Winery announced "that it has agreed to purchase Stagecoach Vineyard" from Dr. Jan Krupp, who is the same individual from whom the Mountain Peak owners purchased the proposed Project site. (See **Exhibit 36a-b**). The Gallo Winery purchase of the 1,300-acre property, 600 acres of which are planted to vine, further discredits any claims and representations made by Mountain Peak that the winery could or would cut down on the amount of truck traffic on Soda Canyon Road because Mountain Peak would serve as the site for processing grapes grown on upper Soda Canyon Road. To begin, the news articles indicate that Gallo will continue to honor the existing contracts, which to the best of Appellants' knowledge does not include Mountain Peak because, of course, Mountain Peak does not yet have a facility at which any grapes could be processed.

More importantly, Roger Nabedian, senior vice president and general manager of Gallo's premium wine division indicated that while Gallo does not have an immediate plan to use all of the grapes, it certainly may in the future, further precluding any notion that Mountain Peak may



obtain from Gallo's Stagecoach the significant amount of grapes needed to support a 100,000-gallon permit. Such a protracted move by Gallo to eventually use all of the grapes from Stagecoach makes sense. The Gallo Winery owns numerous brands and large grape processing facilities both within and outside of the Napa Valley. From an economic standpoint, it makes no sense that it would sell or even custom crush any grapes at the Mountain Peak Facility.

Finally, the sale of Stagecoach Vineyard precisely affirms the concerns raised by Opponents that a separate parcel can be sold at any point in time, especially if it is not contiguous with the winery site, and a lease can be terminated at will. To support its application for a 100,000-gallon permit, the Applicant relies very heavily on claims that grapes that will be sourced from (1) a separate, non-contiguous 84-acre parcel containing vineyards located a few miles from the Project site that was recently purchased by Mountain Peak's owner, and (2) leased vineyards somewhere near the Project site. (*See* MPW Hearings). However, the purchase of the Mountain Peak Winery site by the Applicant's owner(s), and of Stagecoach Vineyards by Gallo confirm these outside grape sources cannot be counted on for a winery permit that *runs with the land forever*. Before the above purchases took place, Dr. Jan Krupp owned *both* of these land areas/parcels, yet sold them to two completely unrelated and separate entities who in all likelihood will *not* be working together because of dissimilar business models and needs. This *exact* scenario could easily play out *at any point in time* with Mountain Peak – the owners could sell the Project site to one buyer, and the separate, 84-acre vineyard parcel to a completely separate buyer (perhaps even Gallo Winery), meaning that if the Mountain Peak Project parcel were to end up with a 100,000-gallon permit, the next owner would have only 25 acres of vineyards, producing an absolute maximum of 125 tons of grapes according to the Applicant's overly generous estimates (and much more likely closer to between 60 and 75 tons of grapes), from which to satisfy a production facility requiring 700 tons of grapes to reach capacity.

Opponents' substantiated concerns over Mountain Peak's inability to produce on-site or obtain from nearby vineyards (including Gallo's Stagecoach Vineyards) anywhere near the amount of grapes needed to support a 100,000 gallon winery, and the fact that Gallo Winery just purchased a significant portion of all the vineyards on Atlas Peak have a clear implication: *Mountain Peak, or any future owner of the parcel if/when Mountain Peak's owners decide to sell, would be forced to truck-in hundreds of tons of grapes up Soda Canyon Road if the sought-after permit is approved on appeal*. This, in turn, will result in further deterioration of the already dilapidated road, and increase the risk for accidents and incidents, posing further threats to the public safety and welfare of the County and all residents, property owners therein, and visitors thereto.

### III. CONCLUSION

To date, the Applicant has done a commendable job of presenting itself to the County as a reasonably sized, environmentally friendly Project. This, in turn, has kept the County's attention focused on inconsequential components of the Project, such as LEED certification,<sup>25</sup> instead of on the numerous and irrefutable facts that this Project, in the remote and rural location where it is being proposed, will have devastating impacts on (1) the public safety and welfare of any user of Soda Canyon Road, (2) numerous aspects of the environment, and (3) the long-term sustainability of Napa County's wine industry because of the terrible precedent the Project will set.

<sup>25</sup>See **Exhibit 37** for additional rebuttal information to the Applicant's heavy reliance on LEED certification.



The information contained within and attached to this Supplement provides further proof and evidence that the Planning Commission committed a prejudicial abuse of discretion when it determined that the Mountain Peak Winery Project “will not have a significant effect on the environment,” adopted a Negative Declaration (“ND”), and approved the Project with all requested conditions without any meaningful remediation or mitigation measures. The Planning Commission’s approval of this truly *un-precedented* Project – literally the ***largest Project ever proposed in Napa County when considering the remoteness of the location and access constraints*** – violates the Napa County Code, the Winery Definition Ordinance, the *General Plan*, State law, and possibly even Federal law.

To correct this abuse of discretion, the Board of Supervisors must either deny the Project outright, or remand the Project to the Planning Commission with direction to County staff to retain the appropriate qualified experts to conduct an impartial EIR consistent with requirements of the California Environmental Quality Act, and further require the Project to comply with the Napa County Code, the WDO, the *General Plan*, and all other applicable State and Federal laws, as outlined above and in the Appeal.