Mr. Allen Robertson California Department of Forestry and Fire Protection P.O. Box 94426 Sacramento, CA 94244-2460

April 25, 2011

SUBJECT: FAIRFAX CONVERSION PROJECT PARTIALLY RECIRCULATED DRAFT ENVIRONMENTAL IMPACT REPORT COMMENTS

Dear Mr. Robertson;

On July 28, 2009, Grassetti Environmental Consulting (GECo) submitted written comments on the Draft Environmental Impact Report (DEIR) for the Fairfax Conversion Project on behalf of Friends of the Gualala River (FOGR). This letter incorporates by reference those earlier comments and provided additional comments on the recirculated document's Project Description, Cultural Resources and Greenhouse Gas analyses. It also summarizes previously identified deficiencies that, in our opinion, should also have required substantive remedial revisions and recirculation. This review was conducted by Richard Grassetti, the firm's principal, and is based on my nearly 30 years of experience in CEQA document preparation, review, and training of CEQA professionals. In preparing these comments, I reviewed the original DEIR and Partially Recirculated DEIR, visited the site vicinity in Annapolis, and reviewed other available materials including letters from citizens and environmental groups. I also have reviewed and incorporated by reference, either in this letter or in my 2009 letter, the independent expert technical analyses of hydrology, fisheries, forestry/ greenhouse gas, and cultural resources prepared for FOGR. My comments are summarized below:

The Partially Recirculated Draft Fails to Address Substantive Deficiencies Identified in Our July 2009 Comment Letter

Specifically:

- The DEIR remains overly optimistic in its conclusions of impact severity and effectiveness of mitigation measures, and now extends this unsupported optimism to the new greenhouse gas analysis (discussed below).
- The issue of the long-term treatment of non-vineyard lands on the site has not been addressed. What uses might occur on those lands, and what might be the impacts of those uses.
- The failure to consider off-site alternatives has not been addressed; the feasibility of off-site alternatives is now increased because, due to economic conditions, several other vineyards in the Annapolis area are now available for purchase. An

- example is Hamel Winery in Healdsburg, which leases Campbell vineyards, due north of the Artesa site. A web search of Hamel Wines + Annapolis provides evidence of exactly the kind of wine Artesa proposes to produce at their site.
- There is still no written commitment to dry farming, which calls into question assumptions in the hydrologic/water use analysis. The consequence of this lack of commitment is potential significant impacts to groundwater resources from potential future unregulated groundwater extraction to compensate for failed rainfall-dependent irrigation reservoirs during (foreseeable) multiple drought years.
- The total volume of timber to be removed remains unresolved because there has been no disclosed inventory of the site's timber resources (see additional discussion of this below and in Gaman letter).
- Noise associated with mechanical harvesting has not been evaluated.
- County entitlements (including possible lot consolidation) and potential inconsistencies with the County's General Plan and zoning have not been disclosed; absent this disclosure, it is unclear if CDF or the County is the appropriate lead agency under CEQA.
- The inappropriate conclusion that the County's Right-to-Farm ordinance will assure mitigation of any land use conflicts has not been addressed.
- Numerous deficiencies in the biological resources assessment, as detailed in comments on the DEIR by Dr. Peter Baye, have not been remedied.
- Deficiencies in analysis of the project's impacts on fisheries, as detailed in Patrick Higgins' comment letter on the DEIR, have not been addressed.
- Numerous deficiencies in the hydrologic, water supply, and erosion analysis identified in our earlier comment letter and the Kamman Hydrology comment letter on the DEIR have not bee addressed.
- Traffic associated with logging operation has not been addressed.
- Noise significance level criteria remain in error and noise impacts on sensitive receptors remain partially unanalyzed.
- The aesthetic analysis remains flawed, including the change in the landscape character, night lighting, elimination of forest, etc.
- Cumulative impacts associated with other large conversions of forest lands to vineyards in the area remain inadequately evaluated, with the EIR relying on an outdated (now 14 year old) U. C. study in the face of clear evidence that the study does not represent currently planned cumulative projects. This failure is detailed in our previous letter.

The Revised GHG Analysis Remains Deficient

The recirculated document includes a new greenhouse gas (GHG) analysis based on CalFire's new GHG calculator. That analysis has been reviewed by Thomas Gaman,

RPF, and his comments have been submitted to you under separate cover¹. In summary, Mr. Gaman identified a number of substantive deficiencies in the new GHG analysis, specifically with respect to the calculations. These deficiencies are matters of fact, and are not professional disagreements among experts. They are summarized below:

- There is no transparency in the model. Methods are undocumented, no source material is provided, and the accuracy model is impossible to verify. It is a black box and, as such, does not meet CEQA requirements for full disclosure and verification.
- The model is based on assumed quantities of timber resources and not on an actual inventory of existing resources. Absent an inventory of these resources, there is no substantial evidence supporting the quantities of forest resources entered into the model. In forester Gaman's words, "The numbers are imaginary."
- The forest growth estimates have been manipulated to skew the model output. Growth rates have been lowered for the no-project alternative and raised for the project. If growth rates for the two scenarios are normalized, the results are the opposite than those contained in the recirculated DEIR, namely, that the project would result in a net loss in carbon sequestration over the 100-year calculation period. Gaman has provided a normalized spreadsheet supporting this conclusion. (See step 4 rows 6 to 12 in the "Inventory Growth Harvest" worksheet of Appendix R. The growth rates vary dramatically.)
- Other carbon pools presented in the recirculated DEIR analysis are in error and defy both logic and science.
- The GHG analysis' assumption that the site would be heavily logged absent the project is unsupported. First, given the archaeological and sensitive biological resources of the site, a permanent deed restriction limiting forestry operations would likely be applied to a large portion of the site, as with the project. Second, as described by Mr. Gaman, much of the remaining portions of the site are not suitable for logging, just as they are not suitable for viticulture.
- From a practical and economic standpoint the highest and best use of the forest is arguably as redwood forest preserve rather than heavily harvested for forest products or converted to vineyard. The option to conserve the 305-acre forest as a restoration forest preserve should also be considered as a likely no project alternative. Such a preserve would serve, rather than hinder, California's legislated goals to substantially reduce GHG emissions by 2020. Using the proponents' numbers, an estimated additional 98,305 tons of CO2e, above and beyond the vineyard option, would in this case be sequestered in the coming century. In any case, given the site's sensitive resources, the EIR's assumption that the entire site would be repeatedly logged under the No Project Alternative is infeasible and incorrect.

In addition to Mr. Gaman's comments, the revised analysis contains the following

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¹ Letter from Thomas Gaman, RPF, East-West Forestry Associates, to Allan Robertson, CDF, April 10, 2011

substantive CEQA deficiencies:

- In addition, the revised GHG analysis assumes that the application of a "permanent deed restriction" on 151 acres of the property would eliminate any potential forestry activities. However, there's nothing in the Draft EIR stating the terms of that easement, or whether it would, in fact, prohibit forestry on the non-vineyard portions of the property. On March 18, 2011, I sent several emails to you requesting additional description of the terms of that easement, and received the response that no additional information would be provided (see Attachment A to this letter. Absent this information, the DEIR's assumptions are both best-case and unsupported.
- The DEIR states that the proposed project would include the preservation of 151 acres of forested acres, yet much of this acreage is not, in fact, forested, but rather brushy or open. Absent a map and inventory of "forest" lands, it is not possible to accurately address the project's GHG impacts. However, assuming that brushlands are forested lands is clearly in error.
- The GHG analysis still fails to address project-plus-cumulative emissions/loss of storage of GHGs from the project in combination with other planned or approved forest conversion project in the surrounding forests, including the nearby Preservation Ranch project.
- CEQA establishes a firm baseline for analyzing project impacts (see Sunnyvale West Neighborhood Assn. v. Sunnyvale City Council (190 Cal.App.4th 1351). Under that baseline, the project's reduction in carbon sequestration must be compared with existing carbon sequestration on the site, not carbon sequestration in 100 years. The use only of hypothetical baseline conditions is impermissible under the Sunnyvale decision. The EIR's impact assessment should be revised to include a discussion of the significance of the short-term loss of carbon sequestration resulting from logging of the 173 acres proposed for conversion. The results of that short-term analysis should be one of the criteria used to determine the project's significance.

Cultural Resources

• Numerous mitigation measures (e.g. 3.5.2(a), 3.5.2(b), 3.5.2(c)) propose consultation between various archaeologists and representatives of agencies, the applicant, and tribes, to develop fence locations, site boundary markings, monitoring, and post monitoring actions if additional resources are found. The mitigations fail to disclose or address which representative would have final say over these issues. We suggest that either the tribe's representative or CalFire's representative be formally designated as the decision-maker and responsible agent to assure compliance with the mitigation measure. In addition, the mitigations do not say which representative will be responsible for developing and implementing additional mitigation measures should additional finds or expanded sites be encountered. Additionally, no mitigation strategies are identified should such finds occur. The EIR must identify, at a minimum, the range of strategies that could be applied to any newly discovered resources and the parties responsible for implementing those strategies.

Conclusions

In summary, it remains my professional opinion that, given the extent of the flaws detailed above and in our July 2009 letter, this partially recirculated DEIR still does not meet CEQA requirements for full disclosure of potential impacts of the proposed project as well as cumulative projects. It will require substantive revisions including identification of potentially unavoidable adverse impacts; reassessment of biological resources, hydrology, noise, aesthetic, and greenhouse gas impacts; substantial revisions of the alternatives analysis; and re-assessment of many of the cumulative impacts. Once revised, the DEIR should be again recirculated for public review. Please feel free to contact me at 510 849-2354 if you have any questions regarding the comments herein.

Sincerely

Richard Grassetti Principal Grassetti Environmental Consulting

Appendix A – Email Correspondence Between Richard Grassetti, GECO, Allen Roberston, CalFire, and Nick Pappani, Rainey Planning and Management, Regarding Deed Restriction Proposed as Mitigation

Mr. Grassetti:

Understood; however, the RDEIR has been widely distributed for public and agency review and must stand on its own until the comment period ends. Your comments as to the adequacy of the RDEIR, submitted in a manner consistent with CEQA, will be considered by CAL FIRE upon completion of the comment period.

Allen Robertson

From: richard grassetti [mailto:gecons@aol.com]

Sent: Friday, March 18, 2011 3:27 PM

To: Robertson, Allen

Cc: baye@earthlink.net; npappani@raneymanagement.com

Subject: Re: Fairfax Conversion Partially Recirculated Draft EIR Notice of Availability

Mr. Robertson - This is not a comment on the document; those will be submitted later - it is a question regarding the proposed project description. Absent this information it is not possible to acurately evaluate the GHG emissions/analysis in the Recirculated DEIR.

Richard Graseetii

----Original Message-----

From: Robertson, Allen < Allen. Robertson@fire.ca.gov>

To: 'richard grassetti' < gecons@aol.com>

Cc: baye@earthlink.net <baye@earthlink.net>; npappani@raneymanagement.com

<npappani@raneymanagement.com>

Sent: Fri, Mar 18, 2011 3:21 pm

Subject: RE: Fairfax Conversion Partially Recirculated Draft EIR Notice of Availability

Mr. Grassetti.

CAL FIRE will consider your questions and concerns, along with those submitted by other agencies and members of the public, in a formal response to comment at the close of the public comment period. Please submit your comments to CAL FIRE in the manner and by the deadline stated in the Notice or Availability for this project.

Thank you for your inquiry.

Allen Robertson

From: richard grassetti [mailto:gecons@aol.com]

Sent: Friday, March 18, 2011 2:32 PM **To:** npappani@raneymanagement.com **Cc:** Robertson, Allen; baye@earthlink.net

Subject: Re: Fairfax Conversion Partially Recirculated Draft EIR Notice of Availability

Hi Nick - I had a question regarding the project description; the original DEIR summary stated:

The proposed project also includes the establishment of a permanent deed restriction over approximately 134 acres of land composed of the south-draining tributaries to Patchett Creek in the central portion of the site, and additional biologically rich or culturally significant areas.

I haven't been able to find anything more in the EIR regarding the terms of this deed restriction. What would it allow or not allow? Specifically, would some level of timber harvesting be permitted on the part of the land not included in the vineyard or special protected areas?

thanks-

Richard Grassetti 510 849-2354