

AGRICULTURAL MANAGEMENT PLAN

FOR

THE GEORGE RANCH

SONOMA, CALIFORNIA

AGRICULTURAL MANAGEMENT PLAN

This plan sets forth the agricultural components of the George Ranch residential project located two miles West of the City of Sonoma in the Valley of the Moon. Of the site's 950.5 acres (measured by survey) over 500 acres have been set aside specifically for agricultural uses in the form of two vineyard lots (approximately 25 acres) and two lots (494.5 acres) of grazing and pasture. The vineyards and grazing programs are described below.

1. **EXTENSIVE AGRICULTURAL LOTS:** The Declaration of Covenants, Conditions, and Restrictions ("CC&Rs") of the George Ranch require that the areas designated "Extensive Agricultural Lots" be grazed by cattle as a means of controlling fire fuel buildup (tall grasses) and for maintaining a level of agricultural productivity. The CC&Rs require grazing to occur for the long term as to Lots 55 and 56 by any future property owner of either of the two extensive agricultural parcels, or as a last resort by the Community Association.

A. Size and General Location:

South Ag Parcel 285.0 acres (Lot 35)
 North Ag Parcel 209.5 acres (Lot 15)
 (see attached map)

B. Specific Location and Improvements: (prior to or immediately after Final Map recording and subject to bonding):

	<u>Pasture</u>	<u>Location and Size</u>	<u>Improvement</u>
LOT 15:	Field 1	southeast corner (30 ac.) mixture of seed and fertilizer	All pastures will be improved by a and applied aerially.
	Field 2	south, near boundary (30 ac.)	
	Field 3	south, west of Field 2 (22 ac.)	
	Field 4	southwest corner (49 ac.) (ridge top)	The standard mixture is described below.
LOT 35:	Field 5	west boundary (12 ac.) (ridge top)	The "south plateau" (in Field 2) will be further improved by subsequent tractor grading/discing and fencing.
	Field 6	northwest corner (11 ac.) (off Elderberry Court)	
	Field 7	northwest corner (45 ac.) (ridge top)	

Standard seed and fertilizer mixture:

Seed per Acre

5 lbs.	Woogenellup sub-clover
5 lbs.	Mt. Barker sub-clover
2 lbs.	Jemalong barrel medic
5 lbs.	Annual Rye grass
5 lbs.	Perennial Rye grass
400 lbs.	0-20-0 fertilizer

All seed and fertilizer applied by airplane.

D. Total cost to be bonded for or otherwise expended for the pasture improvement (seeding & fertilizer), based on 1981 figures, is \$15,000.00 for the 200 acres or \$75.00/acre.

E. Fencing: For proper rotation of grassland, to optimize grass production, and protect from over-grazing, fencing will occur as shown on the attached map. The southeast block of grassland will be separated from the southwest block by fencing off of the south plateau as shown. Pasture separation will occur between the two ag parcels. A "dog-proof" type of fencing will be installed at the interface of the residential with the extensive ag parcels. An alternate form of fencing, the New Zealand Electric Fence, may be used as the "dog-proof" interface fence depending on costs, maintenance and other factors currently under review.

To properly manage a pesky type of weed (Medusa Head) approximately 60-70 acres will be intensively grazed to allow for the cattle to concentrate grazing until a desirable balance of grass types is achieved.

1)19,000 lineal feet of "dog-proof" fencing as follows:

	<u>Material Costs (Mile)</u>
39" woven wire	\$1,360.00
5 strand barb wire	500.00
420 steel posts at \$2.50/ea	1,050.00
60 wood posts at \$5.00/ea	<u>300.00</u>
MATERIAL COST	\$3,210.00
ESTIMATED LABOR COST	<u>3,500.00</u>
	<u>\$6,710.00</u> (per mile)

Estimated total "dog-proof" fencing costs for 3.6 miles \$24,156.00. Since the alternate electric fence is less expensive than the above modified standard fence, the price estimated above is

sufficient to cover electric fence costs.

2) 2,800 lineal feet of standard pasture fence -- 5 strand barb wire cost of approximately \$1.00/ foot.

Total estimated cost of standard fencing for .45 miles is \$3,000.00.

3) Fence repair costs, "south plateau" area, Field # 2 are \$500.00.

Estimated total fencing costs are \$27,656.00.

Exhibit "A" illustrates standard pasture separation fences and the residential-pasture interface fence.

F. Water: Cattle water troughs will be located around the ag parcels as shown on the attached map - basically one source for each pasture. Estimated costs in pastures are \$2,500.00 (\$500.00 per location).

Location criteria: Minimum of 300' from nearest dwelling site; sufficient shade.

Source: Water will be provided by the water system for the subdivision or by independent wells as provided in the CC&Rs.

G. Total cost of "immediate" improvements to be installed or bonded for by the developer (and costs in D, E, & F) \$45,156.00.

H. Long term improvements: (after initial improvements are installed; responsibility of parcel owner--backed up by Community Association regulations).

1. Fencing of Ag Parcel Homesites: The dwelling for each of the ag parcels may be fenced off from the remaining grassland. Fenced area can range up to 5 acres; standard field-stock fence is adequate.

2. Maintenance of fields/fences: Some ag related maintenance will be done by the Association's ranch caretaker (like fences along roads and residential parcels); the bulk of provisions for ag maintenance are set forth in the lease between the parcel owner and cattle operator.

3. Initial seeding responsibility of the developer. Subsequent seeding and fertilizing, if needed to maintain the pastures in a good and farm-like manner and to maintain historical grazing levels, will be the responsibility of the parcel owner or ag operator.

4. Future Grazing Assurances: The existing lease with the current operator will be extended a minimum of three years unless one or both of the extensive agricultural parcels are sold, in which case the new owner(s) will decide whether to maintain the lease. In the event the new

owner(s) do not maintain the lease he (they) must, according to the conditions, covenants, and restrictions of the Community Association, operate a similar cattle grazing program to assure proper fire management and continued agricultural productivity.

2. VINEYARDS: The vineyard areas described in the CC&Rs may be developed by lot owners. The development of these vineyards will proceed pursuant to all applicable regulations and economic feasibility. Two specific areas of the George Ranch (consisting of approximately 25 acres) have been identified for possible vineyard development.

A. Types of Grapes: Chardonnay/Sauvignon Blanc or other prime varietal wine grapes.

B. Location: Vineyard #1 = central plateau, identified as the Intensive ag Parcel; Vineyard # 2 = portion of Lot 20.

C. Status:

1) Reservations pursuant to the Preliminary Public Report are expected within the next ten days from prospective vineyard purchasers of Lot 20 and the Intensive Ag Parcel. Because of Department of Real Estate (DRE) restrictions, the developer cannot contract with those persons at this time. Provided DRE and other regulators can be satisfied, the developer will cooperate with those persons to begin preparations (ripping, discing, drainage, etc.) for vineyards as soon as reservations are received.

2) Other: Wells, other than those serving the subdivision, are permitted by the CC&Rs on the said parcels for frost protection and irrigation or for domestic use. No diversion of springs for domestic or agricultural purposes is permitted.

3. OTHER AGRICULTURAL USES: The CC&Rs have been proposed so as to permit other agricultural uses of the lots, e.g., horse and cattle raising and orchards, as may be desired by lot owners to further the maintenance of the George Ranch as a rural residential/agricultural area.

4.RELATIONSHIP OF CC&Rs TO THE AG MANAGEMENT PLAN: It is a priority goal of the developer that those families which live on the George Ranch be fully informed as to the types of ag operations taking place, expected methods of operation, and their responsibility to the farmers to assure compatibility between the homes and the ag uses.

An important portion of the CC&Rs describes how the various ag operations relate to the responsibilities of both the ag operators and residential inhabitants.

The following CC&Rs are proposed by the developer but are subject to revision as required by the County of Sonoma and by the DRE. Provisions of the CC&Rs may impact on the use of the said parcels.

5.4 AGRICULTURAL LOTS: USES AND RESTRICTIONS.

5.4.1. General. In order to further the purposes of maintaining the George Ranch as a rural residential/agricultural area, the following provisions shall, to the extent inconsistent with the other provisions of this Declaration, control such other provisions and the use and enjoyment of the George Ranch.

In addition to the agricultural uses contemplated for Lot numbers I-1, I-2, I-3, I-4, and I-B, other lots may be suitable for husbandry of general types. It is the intent of Declaration that, to the extent such uses are not specifically described and permitted herein, the Governing Body shall exercise its discretionary powers to encourage and permit such agricultural uses by Owners.

5.4.2. Extensive Agricultural Lot I-3.

(a) As a condition of subdivision approval by Sonoma County, Declarant has entered into a Conservation Easement for the use and purpose of precluding future land division and of setting land use guidelines for this lot. The provisions of that easement bind and are an obligation of the Owner. The use of this lot shall also be subject to such easements for equestrian and hiking purposes as are reserved in Article VI, Section 7.3.

(b) As a further condition, the Declarant has developed an Agricultural Management Plan for the George Ranch ("Ag Plan"), the purpose of which is to assure that this Lot I-3 will be used by the Owner for residential uses otherwise provided for in this declaration and for open space and grazing of domestic livestock. The provisions of the Ag Plan are incorporated herein by this reference. A further purpose of this restriction is to provide fire protection for the project.

(c) It shall be the obligation of the Owner to utilize the land for the stated purposes, all in a good farm-like manner and to discharge the obligations and perform the duties required by the Ag Plan pertaining to Lot I-3. As is provided in the Ag Plan, compliance may be effected by a lessee, but the ultimate responsibility for such compliance shall remain with the Owner.

(d) The Association shall have the right at reasonable times and after three (3) days' written notice to the Owner of Lot I-3 to enter upon Lot I-3 to determine whether the obligations and duties required by the Ag Plan are being met and performed by the Owner. In the event of a default or non-compliance by the Owner, the Association shall declare such default or non-compliance by a certification of the Secretary of the Association and serve that certification upon the Owner in accordance with '415.20 of the California Code of Civil Procedure. If, in the sole discretion of the Governing Body, the default or non-compliance is not corrected within ninety, (90) days of such service, the Association may correct such matter at the Owner's expense and such cost shall become a charge which is immediately due and payable and enforceable as a lien against the lot in accordance with Article IV of this Declaration. The power and rights of the Association in this regard shall include the right to lease the lot for the agricultural purposes of the Ag Plan and retain the profits therefrom.

(e) Provided that the Owner complies with all pertinent County and other governmental regulations, the Owner may erect a residence structure, in addition to the Owner's dwelling for the exclusive use of persons employed from time to time as farm or ranch managers or laborers as may be necessary for the discharge of the obligations of the Ag Plan. The design of such structure shall be subject to the provisions of Section 5.5 and Article VI.

(f) The Ag Plan contemplates use of this lot for open space and cattle grazing. All usual and customary farming and ranching procedures, otherwise lawful, are permitted. Such uses may include but are not limited to the following:

(1) Plowing, planting, fertilizing, fumigation of fields, spraying and the husbandry of livestock and crops related thereto;

(2) Employment of non-resident labor;

(3) Storage of fuel necessary for the operation;

(4) Access to the lot on streets and roads of the George Ranch by all vehicles including tractors, trucks, and trailers as are customary to farming and ranching;

(5) Fencing as may be desirable to protect crops and livestock;

(6) The like--such list not being exclusive of other appropriate practices.

(g) In the event of a dispute between the Owners and the Governing Body as to the provisions of this section, the question shall be submitted to the County Agricultural Advisor whose decision shall be final.

(h) To the extent compatible with the other provisions of this Section 5.4, Extensive Agricultural Lot I-3 shall be subject to the restrictions on Residential Lots set forth in Section 5.2.

5.4.3 Extensive Agricultural Lot I-4.

(a) As a condition of subdivision approval by Sonoma County, Declarant has entered into a Conservation Easement for the use and Purpose of precluding future land division and of setting land use guidelines for this lot. The provisions of that easement bind and are an obligation of the Owner. The use of this lot shall also be subject to such easements for equestrian and hiking purposes as are reserved in Article VI, Section 7.3.

(b) As a further condition, the Declarant has developed an Agricultural Management Plan for the George Ranch ("Ag Plan"), the purpose of which is to assure that this Lot I-4 will be used by the Owner for residential use otherwise provided for in this declaration and for

open space and grazing of domestic livestock. The provisions of the Ag Plan are incorporated herein by this reference. A further purpose of this restriction is to provide fire protection for the project.

(c) It shall be the obligation of the Owner to utilize the land for the stated purposes, all in a good farm-like manner and to discharge the obligations and perform the duties required by the Ag Plan pertaining to Lot I-4. As is provided in the Ag Plan, compliance may be effected by a lessee, but the ultimate responsibility for such compliance shall remain with the Owner.

(d) The Association shall have the right at reasonable times and after three (3) days' written notice to the Owner of Lot I-4, to enter upon Lot I-4 to determine whether the obligations and duties required by the Ag Plan are being met and performed by the Owner. In the event of a default or non-compliance by the Owner, the Association shall declare such default or non-compliance by a certification of the Secretary of the Association and serve that certification upon the Owner in accordance with '415.20 of the California Code of Civil Procedures. If, in the sole discretion of the Governing Body, the default or non-compliance is not corrected within ninety (90) days of such service, the Association may correct such matter at the Owner's expense and such cost shall become a charge which is immediately due and payable and enforceable as a lien against the lot in accordance with Article IV of this Declaration. The power and rights of the Association in this regard shall include the right to lease the lot for the agricultural purposes of the Ag Plan and retain the profits therefrom.

(e) Provided that the Owner complies with all pertinent County and other governmental regulations, the Owner may erect a residence structure, in addition to the Owner's dwelling for the exclusive use of persons employed from time to time as farm or ranch managers or laborers as may be necessary for the discharge of the obligations of the Ag Plan. The design of such structure shall be subject to the provisions of Section 5.5 and Article VI.

(f) The Ag Plan contemplates use of this lot for open space and cattle grazing. All usual and customary farming and ranching procedures, otherwise lawful, are permitted. Such uses may include but are not limited to the following:

- (1) Plowing, planting, fertilizing fumigation of fields, spraying and the husbandry of livestock and crops related thereto;
- (2) Employment of non-resident labor;
- (3) Storage of fuel necessary for the operation;
- (4) Access to the lot on streets or roads of the George Ranch by all vehicles including tractors, trucks and trailers as are customary to farming and ranching;
- (5) Fencing as may be desirable to protect crops and livestock;
- (6) The like--such list not being exclusive of other appropriate practices.

(g) In the event of a dispute between the Owners and the Governing body as to the provisions of this section, the question shall be submitted to the County Agricultural Advisor whose decision shall be final.

(h) To the extent compatible with the other provisions of this Section 5.4, Extensive Agricultural Lot I-4 shall be subject to the restrictions on Residential Lots set forth in Section 5.2.

5.4.4. The Intensive Agricultural Lot I-B.

(a) As a condition of subdivision approval by Sonoma County, Declarant has developed an Agricultural Management Plan for the George Ranch ("Ag Plan").

(b) The Ag Plan contemplates the development of a portion of this lot as a vineyard. Because this lot is contained within the first of four proposed phases, Declarant has an interest in the manner in which it is to be developed. Thus, absolutely no vineyard development, including without limitation, clearing, ripping, plowing, or construction of vineyard-related structures, shall take place until Declarant has reviewed and approved in writing a comprehensive development plan drafted by the Owner's agricultural advisor.

(c) Provided that the Owner can develop and maintain a vineyard on this Lot, as a viable economic activity and in compliance with all pertinent County and other governmental rules and regulations, such a use is permitted and vineyard agricultural practices are permitted and they shall include, but not be limited to, the following:

- (1) Plowing, planting, staking, husbandry and harvesting of grape vines;
- (2) Fertilizing, spraying and fumigation of fields by any usual and lawful method;
- (3) Employment of non-resident labor;
- (4) Frost protection systems but not including: smudge or other burning systems or overhead type fans excepting, however, that portable overhead type fans may be used when necessary under the following conditions:
 - (aa) Such fans shall be operated only by electric motors, at less than one thousand revolutions per minute;
 - (bb) Such fans shall be located in the field only while in use and must be stored in an enclosed structure at all other times; and
 - (cc) The noise level from such fans may not exceed forty (40) decibels, DBA, as measured at the boundary of the Agricultural Lot;

(5) Access to the vineyard on streets and roads of the George Ranch by all vehicles including tractors, trucks and trailers as are customary to such farming;

(6) Fencing as may be desirable to protect the vineyard area from deer and other animals; and

(7) The like--such list not being exclusive of other appropriate practices.

(d)The Owner may erect such structures as are necessary for the storage and repair of equipment and vehicles necessary and related to the vineyard. The design of such structures shall be subject to the provisions of Section 5.5 and Article VI.

(e)In the event of a dispute between the Owner and the Governing Body as to the provisions of paragraphs (c) or (d) above, the question shall be submitted to the County Agricultural Advisor whose decision shall be final.

(f) As a condition of subdivision approval by Sonoma County, Declarant has entered into a Conservation Easement for use and purpose of precluding future land division and of setting land use guidelines for this lot. The provisions of that easement bind and are an obligation of the Owner.

(g)No residential structure is allowed on this lot.

(h)To the extent compatible with the other provisions of this Section 5.4, the Intensive Agricultural Lot I-B shall be subject to the restrictions on Residential Lots set forth in Section 5.2.

5.4.5. Intensive Agricultural Lot I-1.

(a)As a condition of subdivision approval by Sonoma County, Declarant has developed an Agricultural Management Plan for the George Ranch ("Ag Plan").

(b)The Ag Plan contemplates the development of a portion of this lot as a vineyard in addition to the residential uses otherwise provided for in this Declaration. Because this lot is contained within the first of four proposed phases, Declarant has an interest in the manner in which it is to be developed. Thus, absolutely no vineyard development, including clearing, ripping, plowing or construction of vineyard-related structures, shall take place until Declarant has reviewed and approved in writing a comprehensive development plan drafted by the Owner's agricultural advisor.

(c)Provided that the Owner can develop and maintain a vineyard on this Lot, as a viable economic activity and in compliance with all pertinent County and other governmental rules and regulations, such a use is permitted and encouraged. Consistent therewith, all usual and customary vineyard agricultural practices are permitted and they shall include, but not be limited to, the following:

- (1) Plowing, planting, staking, husbandry and harvest of grape vines;
 - (2) Fertilizing, spraying and fumigation of fields by any usual and lawful method;
 - (3) Employment of non-resident labor;
 - (4) Frost protection systems but not including: smudge or other burning systems or overhead type fans excepting, however, that portable overhead fan may be used when necessary under the following conditions:
 - (aa) Such fans shall be operated only by electric motors, at less than one thousand revolutions per minute;
 - (bb) Such fans shall be located in the field only while in use and must be stored in an enclosed structure at all other times; and
 - (cc) The noise level from such fans may not exceed forty (40) decibels, DBA, as measured at the boundary of the Agricultural Lot;
 - (5) Access to the vineyard on streets and roads of the George Ranch by all vehicles including tractors, trucks and trailers as are customary to such farming;
 - (6) Fencing as may be desirable to protect the vineyard area from deer and other animals; and
 - (7) The like--such list not being exclusive of other appropriate practices.
- (d)The Owner may erect such structures as are necessary for the storage and repair of equipment and vehicles necessary and related to the vineyard. The design of such Structures shall be subject to the provisions of Section 5.5 and Article VI.
- (e)In the event of a dispute between the Owner and the Governing Body as to the provisions of paragraphs (c) or (d) above, the question shall be submitted to the County Agricultural Advisor whose decision shall be final.
- (f) As a condition of subdivision approval by Sonoma County, Declarant has entered into a Conservation Easement for the use and purpose of precluding future land division and of setting land use guidelines for this lot. The provisions of that easement bind and are an obligation of the Owner.
- (g)To the extent compatible with the other provisions of this Section 5.4, Intensive Agricultural Lot I-1 shall be subject to the restrictions on Residential Lots set forth in Section 5.2.

5.4.6. Agricultural Lot I-2.

(a) As a condition of subdivision approval by Sonoma County, Declarant has entered into a Conservation Easement for the use and purpose of precluding future land division and of setting land use guidelines for this lot. The provisions of that easement bind and are an obligation of the Owner.

Residential uses are provided for this lot in this Declaration, to the extent compatible with the other provisions of this Section 5.4, Agricultural Lot 1-2 shall be subject to the restriction on Residential Lots set forth in Section 5.2.

5.4.7. Wells and Water.

(a) Spring water may not be diverted for domestic or agricultural use.

(b) Subject to all local and state governmental regulations applicable thereto, the Owner may drill private wells and construct and maintain such independent water supply systems as are necessary for the agricultural and residential uses permitted on lot numbers I-1, I-2, I-3, I-4 and I-B. Further, private wells may be drilled and independent water supply systems constructed and maintained on those Lots in subsequent phases or other property annexed to the George Ranch which are determined by Declarant to have agricultural potential and are so designated in the annexation document.

5.4.8. Winery Use.

(a) If the Owner of Intensive Agricultural Lot I-B also purchases a Residential Lot adjacent thereto, he may, provided all other county and state governmental regulations are met and provided that the provisions of Article VI are satisfied, construct and maintain on that Residential Lot a winery for the production of wine solely from grapes grown on the George Ranch. In connection with the winery, the usual and customary winery practices are permitted, including but not limited to, grape collection, crushing, processing, bottling, labelling, packing and shipping; provided, however, the operation must be pursuant to all required permits and in conformance with all applicable standards and regulations. Without limiting the foregoing: (1) efficient disposal must meet Sonoma County Health Department & Regional Water Quality Control Boards' standards; (2) structures must conform to Sonoma County building codes and be sited in accordance with Sonoma County Planning Department Use Permit approval; (3) operations must be within reasonable hours and in accordance with noise conditions of the Sonoma County Health Department.

In the event of a dispute with the Governing Body as to whether such a use is reasonably necessary for the operation of the winery, the question shall be submitted to the County Agricultural Advisor whose decision shall be final.

(b) In the event that another lot is suitable for a vineyard as otherwise provided in this

Declaration, construction and maintenance of a winery, including the provisions of operations described in subsection (a) above, are a permitted use, subject, to the control of the Governing Body as is otherwise provided in this Declaration.