

APPENDIX C

- **Draft Agricultural Cluster Management and Buffers Plan
(RRM Design Group, 2004)**

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November 5, 2004

Laetitia Ag Cluster Management & Buffers Plan

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Introduction

The goal of the Laetitia Management Plan is to ensure that agriculture remains a viable enterprise on the Laetitia property into the long-term future. This is a key goal of the County of San Luis Obispo Agricultural Clustering Ordinance. Another goal of the Management Plan is to help ensure that owners/occupants of the home sites are able to live comfortably, safely, and in harmony with the adjacent and nearby agricultural and open space uses. Throughout this document, homeowners are referred to as the HOA. The agriculture operator/operations are referred to as the AO.

1. Agriculture Goals and Objectives.

Short Term Agriculture Objectives

- Assure that there is no net loss of agriculture
- Improve access to the existing agriculture operations.
- Modify existing plantings to more closely reflect existing soil types.
- Upgrade existing winery and tasting room facilities as needed.
- Employ BMP in vineyard operations and farming practices.
- Improve irrigation water storage facilities.
- Maximize existing water supply through appropriate management techniques (BMP's)

Long Term Agriculture Objectives

- Assure that the lands designated for agriculture and open space remain available for agriculture and open space uses in perpetuity.
- Assure that conflicts between agriculture operations and homeowners are minimized.
- Assure that there is a formal communication protocol between the agriculture operators and the homeowners through the HOA..
- Provide an environment within which agriculture operations can be pursued without on-site impediments that would significantly reduce financial viability.
- Provide for the safety of agriculture workers and for home site owners within Laetitia.
- Provide for the safety of visitors to the Laetitia agriculture operations.
- Through the successful implementation of the cluster extract the development potential of the property and provide it to the owners for use and reinvestment sufficient to sustain long-term agriculture.
- Maximize the existing water supply through appropriate management techniques (BMP's).

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2. Description of the Proposed Project (summary only)

Total Land Areas

Agriculture Category: 828 acres

Rural Lands Category: 1082 acres (includes 388 acre Dude Ranch Parcel)

Home Sites Proposed

Agriculture Category: 40 sites (including existing home)

Rural Lands Category: 62 sites (excludes existing farm labor housing units)

Other Facilities Proposed

Rural Lands Category

Dude Ranch: 75-room dude ranch facility located on separate 388.5 acre Parcel including sleeping, dining, health, fitness and spa treatment, and recreation facilities. The dude ranch may share the use of the equestrian facility with the HOA. The dude ranch may have a separate source of domestic water supply and fire protection supply. Alternatively it may be served by the HOA, but shall be separately metered. The dude ranch will be served by a separate sewage treatment and disposal system. The dude ranch will have separate power and other utility systems. Guests of the dude ranch will use the Ag Cluster gate entrance and residential roads and the dude ranch may be connected to any gate control/call in system.

Equestrian Center: Boarding stalls, riding arena, hay barn, paddocks, tack room fences, parking and trailer turn-around area, and restrooms. The equestrian facility use may be shared between the HOA and the dude ranch users. Water (domestic and fire protection) for the equestrian facility will be supplied by the HOA. Irrigation water may be supplied by the AO and/or the HOA. The equestrian center will be served by a separate sewage treatment and disposal system. Maintenance of the equestrian center will be provided by the HOA, select members of the HOA and may include proportional participation by the Dude Ranch operator.

Homeowners Recreation Facility: Meeting room, kitchen, living room, swimming pool, 1 tennis court, outdoor patios, spa pool, parking, trellis, barn and landscape areas. Maintenance and utility services will be provided by the HOA.

Entry Feature and Mailboxes: Landscape entry feature with walls, gates, guardhouse and road improvements, vehicle pullout area for access to grouped, covered mailboxes. Maintenance and utilities will be provided by the HOA.

Farm Labor Housing: Farm labor will be provided by continuing to utilize 2 existing buildings currently used for this purpose with a maximum of 2 additional farm labor housing units on the ranch. Maintenance of these facilities will be provided by the AO. Utility services may be provided by the AO. Water service may be provided by the AO or by the HOA system.

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Agriculture Improvements: New and/or modified wells, fences, gates, roads, pipelines, plantings, irrigation ponds, etc. as necessary for continued successful agriculture operations shall be provided and maintained by the AO.

Domestic Water System and Fire Water Storage: New water tank, pipelines, hydrants, and appurtenances sized to serve the HOA, dude ranch facilities, equestrian center, and HOA recreation facility.

Existing Land Uses and Facilities to Remain

Agriculture Category: Vineyards and other farm lands and open space, winery, tasting room, winery waste water processing facility, maintenance sheds and buildings, irrigation ponds, composting areas, wells, fences, gates, farm roads, signs and other facilities, utility facilities, and pipelines needed to continue successful farm operations.

Rural Lands Category: Vineyards and other farmlands and open space, fences, gates, roads, utility facilities, irrigation ponds, wells, water tanks, pipelines, utility infrastructure, access easements, and other existing facilities needed to continue successful farm operations.

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3. Description of Existing Agriculture/Operations

A. Agriculture Lands Category (828 acres)

Vineyards and Orchards: There are approximately 481.3 acres of existing irrigated vineyards planted to several grape varieties. There are approximately 4.9 acres of irrigated lemon orchards. There are approximately 1.5 acres of non-irrigated lavender. The balance of the land is 340.68 acres

Winery and Tasting Room: The existing winery and tasting room and support facilities are located on approximately 1.8 acres. It is supported by paved outdoor working area and employee parking. The tasting room contains wine tasting, retail sales, storage, press area and public restrooms for visitors. There are 35 to 40 visitor parking spaces.

Water Supply and Water Facilities

Agriculture: There are 8 existing wells located on the property. The irrigation water supply is distributed to 2 irrigation ponds through pipelines to the vineyard irrigation system. Other facilities serve the existing residences, sheds, winery and other existing facilities.

Residential: The existing owner's residence and two farm labor quarters are served by wells.

Winery Waste Water Treatment and Disposal: The wine making operation generates waste water as a by product of the wine making process (wash down water, etc.). This existing facility is approved by the RWQCB through a waste water discharge permit specifying the amount of discharge permitted, quality of discharge, and method of disposal, etc..

Solid Waste Disposal: The wine making process generates small amounts of solid waste called pomace (leaves, stems, skins, etc). This material is treated by composting and then disposed of by tilling into the vineyards as a source of nutrients. Other solid waste disposal is provided by South County Sanitation.

Other Uses and Facilities: The vineyard and orchard operations are supported by 3 existing farm support buildings to house equipment and supplies. There is one existing residence occupied by the property owner and 2 residences for farm employees.

B. Rural Lands Category (1082 acres)

Vineyards: There are approximately 145.8 acres of existing vineyards located within the boundary of the rural lands category.

Grazing/Open Space: There are approximately 694 acres of open lands used for grazing.

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Residential: There is one existing residence and out buildings on the Rural lands portion of the property.

C. Water Supply and Water Facilities

Agriculture: Existing uses consist of 8 water wells and pipelines to transmit irrigation water to existing vineyards. There are 2 irrigation water storage ponds.

Residential: Existing uses consist of a water well to supply the existing residence.

Other Uses and Facilities: There is an existing mobile/modular home located at the eastern end of the property. There are also several out buildings/sheds associated with the existing residence. This residence and associated buildings will be removed as part of the proposed project.

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4. Agriculture Setbacks & Buffers from Residential Home Sites

General Approach

The general approach to the creation of the proposed buffers between agriculture uses and residential uses is to use the existing characteristics of the site when possible to provide effective buffering. The purpose of the buffers is to provide passive protection of the residents of the home sites from the activities of agriculture. Protection can also be provided by the use of Best Management Practices (BMP's) and by the use of agriculture practices designed in recognition of the home site/agriculture interface that exists in an Agricultural Cluster. Agriculture practices such as spraying, night work in the vineyards, frost protection, use of "poppers", pesticide application, etc. are considered in this management plan. Other built measures such as fencing, dual glazing, etc. may also be built into the residential cluster homes and sites to provide buffering from farm activity. Lastly, the HOA documents, CC&R's, and other documentation will provide positive awareness of the setting for these home sites and acknowledge the presence of Agriculture activity in the vicinity of the home sites.

Physical Criteria

In conditions where home sites are downwind from farming, horizontal distance is a primary consideration, with vertical separation an additional consideration. In conditions where home sites are located up wind from farming, vertical separation is a primary consideration with horizontal distance an additional consideration. The basic criteria to be used in the creation/design of buffers are as follows:

- Horizontal distance
- Vertical separation/topography
- Prevailing wind direction
- Existing and/or installed buffer/open space vegetation
- BMP's and specific Laetitia farming practices

These criteria are reflected in the proposed Agriculture Buffer Map and individual home site (1 - 102) buffer diagrams located in the appendix of this plan.

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5. Operations, BMP's and Management in the Future

Description of Vineyard Farming Practices

Introduction

Laetitia Vineyard is fully aware of the proposed Ag Cluster Development and intends to operate harmoniously with the proposed residential development. Our goal is to cooperate in establishing an open line of communication between the Ag Cluster Residents and the Agricultural Operation. Laetitia Vineyard and Winery consists of 614 acres wine grapes, 5 acres of lemons, approximately 150 acres of open ground suitable for irrigated crop production and roughly 1025 acres of rangeland. Laetitia Vineyard and Winery's main focus is sustainable Agriculture.

Sustainability rests on the principle that we must meet the needs of the present without compromising the ability of future generations to meet their own needs. Therefore, stewardship of both natural and human resources is of prime importance. Sustainable farming systems are biologically-based and designed to be productive in both the short- and long-term. Sustainable agriculture integrates three main goals—environmental health, economic profitability, and social equity. Because it is more a philosophical approach to agriculture than a set of farming practices, the specific practices that can be called sustainable vary depending on the crop and the specific environmental and social issues important to a region.

Below is a brief description of farming operations that are currently being employed at Laetitia Vineyard and Winery. However these operations are only to be used as an overview and may change from time to time.

Pesticides Use

Laetitia Vineyard and Winery (LTA) doesn't use or have any intention of using Class I and Restricted Use Pesticides. LTA uses the following Integrated Pestiticide Management (IPM) techniques to minimize pesticide usage.

Scouting and Trapping of Insects

Provide habitat for beneficial insects and predators (Owls and Hawks). Use onsite weather stations and disease prediction models to better time our fungicide application. Farming 35 acres organically, and where economically feasible continue converting more acres organically.

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Spraying

The spraying of agricultural pesticides and fertilizers is necessary for the production of quality wine grapes. It is also one of the most intensive agricultural operations performed at Laetitia. It is important to note that even in organically farmed vineyards it is necessary to spray organically approved pesticides and fertilizers. Laetitia uses the following techniques to insure safety and minimize drift. All spraying of insecticides and fungicides is done between the hours of 9 p.m. and 7 a.m. This minimizes drift and the potential of direct contact for the public. A low volume air blast sprayer (30 Gallons per Acres) is used. We spray 2 rows per pass which minimizes time we are in a block. We do about 10-12 passes per year per block. However during the months of March-August we spray 5 nights a week. On any given night during the peak spray season (March-August) there will be 2-4 sprayers operating.

Vineyard Floor Management

The Vineyard Floor Management philosophy at Laetitia Vineyard and Winery is to provide a vineyard floor which allows for safe and efficient passage of vineyard equipment and maintain an annual cover crop which prevents erosion and provides nutrients to the vines while also providing habitat to beneficial insects. Vineyard Floor Management at Laetitia Vineyard Winery consists of the following practices: Mowing, Disking, Ripping, Plowing, and Sowing of seeds. Mowing is the most common cultivation practice and is done between the months of February-November. We typically mow each block 3 times a year. We commonly employ alternate row mowing. This allows for greater beneficial insect habitat; however it doubles our entry frequency into a given block. Disking, Ripping, Plowing, and Sowing of seeds is done as needed to maintain vineyard floor integrity and to prepare ground for the production of agricultural crops.

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Weed Control and Abatement

Vineyards weed control is accomplished using four main techniques. Herbicides, Hand Hoeing, Animal and Mechanical weed control. The most common for of weed control is the use of herbicides. Herbicides are applied using both conventional herbicide sprayers, and low volume sprayers. ATV's are normally used to spray. However Tractors may be used during the winter months. Hand hoeing is also used as an alternative to pesticides to control weeds within the vine row. In areas other than vineyards, Hand Hoeing, Disking and Mowing, and Animals are used to control weeds.

Animal Pest Control

Only vertebrate pests which can be damaging to grapevines (deer, birds, and rodents) are controlled. Bird netting is used to control birds from damaging the grapes. Gophers, squirrels, field moles, etc are controlled via trapping and providing habitat for owls, hawks, and other raptors. The entire vineyard has been surrounded by a 7 ft tall fence designed to permit deer from entering the property.

Irrigation

Laetitia Vineyard currently uses about 180-200 acre ft annually. The months of April thru Oct are when the vineyard is using water. During extremely low winter rain years, irrigation may be applied Dec. thru Feb. Irrigation water is supplied to vineyard by four different wells.

Well #? Directly supplies Blocks O1, O2, P1, P2, P3, Q1, Q2, Q3, Q4, and J (92.9 Acres)

Well # and # supply reservoir #. From Res. # Blocks A, B, C, E, F, H, I, R, S1, S2, T1, T2, U, L, K, N1, N2, N3, M1, and M2 (346.3) Acres)

Well # supplies reservoir #. From Res. # Blocks V1, V2, V3, V4, V5, V6, Y, W1, W2, W3, X1, X2, Z, ZZ1, and ZZ3 (175.3 Acres)

Equipment Noise

Laetitia Vineyard and Winery uses large machinery for the production of agricultural crops. Noise can be expected from such agricultural application as Cultivating, Spraying, Mowing, Sowing of seeds, and Irrigations. However it is the goal of Laetitia Vineyard and Winery to explore and implement new technologies which will reduce the noise. Laetitia Vineyard and Winery currently uses tractors, ATV's and Pick up trucks to carry out the Day-to-Day farming operations. All equipment is serviced regularly and is equipped with the proper noise muffling devices. Irrigation pumps are contained in a pump house. Tractors operate a recommended RPM and PTO's to reduce excess revving of engines. Tract layer tractors are outfitted with rubber tracts that significantly reduce noise. Typical operating hours of farm equipment is 6:30 am-5 pm. During the months of Mar.-Aug tractors and Sprayer may operate between the hours of 9pm-6am.

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Laetitia Vineyard and Winery is aware on the noise pollution from farm equipment and the inconvenience it may cause for the residence of the Ag Cluster Development. Therefore we are considering changing our farming practices in areas near residences to be less noising. For example using ATV pulled smaller spray rigs for the application of pesticides and operating tractors and larger vineyard equipment during day time hours only. Using ATV pulled smaller spray rigs will allows us to avoid nighttime spraying, have total control of eliminating drift, and produce less noise. Laetitia Vineyard and Winery currently doesn't use large over the row mechanical grape harvesters.

Vineyard Personal Protection

Laetitia Vineyard and Winery provides at the Vineyards expense all provides protective clothing for all full time permanent employees. In excess of protective clothing we also provide employees with hats, work gloves, and a weekly supply of clean coveralls.

Dust control and road maintenance

During harvest and the dry summer months Ag roads are regularly watered to keep dust to a minimum. We currently have a speed limit of 15 MPH for Tractors and Vineyard Equipment, and 25 MPH for ATV and farm Vehicles. We are also able to keep dust at a minimum by having year around cover crops within the vine row middles.

Buffer Area Maintenance and Fire Safety

Designated buffer area maintenance shall be the responsibility of the Homeowners Association (HOA). They may contract with the agriculture operator (AO) for this service. Other open space areas within the Laetitia project area shall be monitored for fire safe condition and maintained by the agriculture operator (AO).

Agriculture Road Maintenance

Roads designated solely for providing access and service for the agriculture operations / uses shall be maintained by the AO. These roads are designated on Map 30 of this plan.

Other Road Maintenance

Roads serving solely the residential home sites shall be maintained by the HOA. Roads shared by the agriculture operation and the home sites shall be maintained on a proportional basis of maintenance expenses. Roads serving solely the home sites are designated on Map 30. Shared roads are also identified on Map 30.

Agriculture Use of Residential Roads

Roads serving the residential home sites may be used as necessary to support agriculture activities including occasional special events.

Winery Operations, Upgrades, and Access

The existing winery is anticipated to continue in operation for the foreseeable future. It may from time to time be upgraded to reflect new or different winemaking needs and styles,

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facility upgrades to maintain code compliance, access and other usual and customary building maintenance activities including expansion. Deliveries of goods and materials to support the winery and tasting room business are anticipated to be maintained as needed to maintain the business as a viable operation consistent with this plan. Agriculture support buildings (storage and equipment sheds) may be expanded as needed to support farming operations (subject to the limitations of the County LUO).

Equestrian Center Maintenance

The equestrian center is proposed to serve as a recreational facility available to the homeowners and to serve the Dude Ranch. Costs for maintenance of the equestrian center shall be borne by the homeowners association (HOA). However, the facility shall be available for use by the dude ranch if the dude ranch is constructed. The basis for shared maintenance expense shall be a prorating of total annual maintenance costs based upon the number of animals from each user group that occupy the facility. The total number of horses anticipated at the facility is 20 animals.

Dude Ranch

The 75-guest dude ranch is proposed to occupy a separate minimum 320-acre parcel. The dude ranch shall be responsible for maintenance of the entire parcel including all appurtenances thereto or thereon including such items as trails, fencing, gates, roads, etc. Equestrian trails are anticipated to be constructed/available on the dude ranch property. The Laetitia home site owners shall have the right to ride and/or walk on these trails during daylight hours, but shall not have the right to use other dude ranch facilities unless they are a guest at the dude ranch.

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6. Homeowners & Agriculture Operator Communications

Regular Communications

This plan seeks to create protocols that will encourage and require regular communications between the homeowners association (HOA) and the agriculture/farm operators (AO). Regular communication will be key to avoiding conflict and to keeping Laetitia a beautiful, safe, and enjoyable place to live.

Communication Duties of the Homeowners Association (HOA)

The HOA shall have regular meetings as required/described in the bylaws of the association. Those bylaws shall entitle the agriculture operator (AO) to attend HOA meetings, shall require the agriculture operator be notified of the meetings in advance, and shall provide that the agriculture operator shall be entitled to at least one seat on the HOA board of directors. The agriculture operator shall regularly pay dues to the HOA equal to those paid by one homeowner. Any HOA newsletter, flyers, announcements, etc. shall be made available to the AO, and the AO shall have the option of providing information about the agriculture operation in these materials.

The HOA guidelines and CC&Rs shall both clearly and explicitly point out that the surrounding Laetitia agriculture operations are protected by the County of San Luis Obispo Right to Farm Ordinance. They shall also explain the nature of an agriculture cluster project including emphasizing that a primary objective of this agricultural cluster is to retain a viable and commercially successful agriculture operation. They shall describe the intent of the agriculture buffers while noting that certain conditions beyond the control of the AO may lead to inconveniences such as dust, lights, noise, presence of workers and vehicles and equipment, and other usual and customary operations of a farm. Further, they shall note that farm operations may not be subject to scheduled changes because they are dependent upon the conditions of the crops. The HOA documents shall indicate that discussion of issues of concern to either the HOA or AO are intended to be resolved internally and/or through mediation if necessary - **not** through County Government involvement except as a last resort as part of an enforcement action.

The HOA documents & CC&Rs shall explicitly address the issue of pets and the need to control pets and keep them within the home sites at all times except if they are on a leash and with their owner.

Should the HOA members have questions or conflicts with the agriculture operations, they shall be required to notify the AO in writing in advance of the next scheduled HOA meeting, and the matter shall be set for discussion/resolution on the HOA agenda. If any change in agriculture operations is mutually agreed to, the AO shall have a minimum of 90 days to implement the change.

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Communication Duties of the Agriculture Operator (AO)

The AO shall attend HOA meetings and participate in the best interests of communication and cooperation to avoid conflict. The AO shall provide the HOA with a verbal discussion/update regarding various upcoming seasonal activities of the vineyard operation that are anticipated between HOA meetings. The AO shall provide the HOA with an annual schedule of special events (if any are anticipated) and shall update the schedule at the HOA meetings. The AO shall in good faith try to respond to issues raised by the HOA by adjustment of farming practices and BMP's, so long as in the sole opinion of the AO such issues can be resolved without adverse impacts upon the viability and success of the farm operation.

Right to Farm

The following text is taken from the County of San Luis Obispo Right to Farm Ordinance and shall be prominent in the HOA documents and in the project's CC&Rs.

"If your property is near an agriculture operation in the unincorporated area of the county, which satisfies the above requirements, you may at times be subject to one or more inconveniences and/or discomfort arising from that operation. Such inconveniences may include (depending upon the type of agriculture operation protected), but are not necessarily limited to, the following: noise, odors, fumes, dust, legal pesticide use, fertilizers, smoke, insects, farm personnel and truck traffic, visual impacts, night time lighting, operation of machinery and the storage, warehousing and processing of agriculture products or other inconveniences or discomforts associated with the protected agriculture operations. For additional information pertaining to this disclosure and the Right to Farm Ordinance; or concerns with an agriculture operation, please contact the San Luis Obispo County Agricultural Commissioners Office."

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7. Water Management and Water Conservation Education

Introduction

The Mutual Water Company serving the HOA is not affiliated with County or municipal water companies. The Mutual Water Company is owned by residential home site owners. All of the water provided to home site owners is pumped from wells located upon Laetitia operated by the Mutual Water Company. The wells draw water from the ground water located in the aquifer beneath Laetitia. This plan has been prepared to address situations that may arise in the future.

Terminology Not Commonly Known

The following terms, which water users may or may not be familiar with, have the following meanings:

Acre-Foot: A measurement for water consisting of a quantity of water with a surface area of one acre, one foot deep, containing approximately three hundred twenty-six thousand (326,000) gallons of water.

Aquifer: A group of water-bearing rock formations located beneath the surface of the ground. Laetitia draws all of its water from the aquifer known as the Pismo ground water basin.(Confirm with Cleath)

Cistern: A storage tank for Grey Water.

Grey Water: Recovered waste water or roof drainage from a residence that does not contain human or food waste.

Mutual Water Company: A water company formed to serve only the water needs of shareholders or certificate holders of the water company and no one else.

Water Usage and Limitations; Legal Responsibilities Regarding Water Conservation

Water Usage: All lots will be individually metered. The Mutual Water Company shall have sliding scale water use rates. This rate scale shall be established with the objective of deterring excessive use and/or wasting of water by having raising the cost of water as the amount of usage increases.

Water Usage Limitations: Except for the owners of the agriculture land, no certificate holder of the Mutual Water Company shall use any water for agricultural, livestock, or commercial purposes.

Water Shortage Contingency Plans

Mandatory Conservation Measures: In the event that the Board of Directors of the Mutual Water Company determine that a water shortage exists, or may in the immediate

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future exist, it may become necessary for home site owners to adhere to mandatory water rationing, which may require the following:

Landscaping and Agricultural Uses: Home site owners and the owners of the agricultural land will first be required to reduce their consumption of water for landscaping and agricultural uses, as the case may be, on a pro rata basis. If this pro rata reduction does not result in sufficient water availability, the consumption of water for landscaping and agricultural uses shall be decreased to a point where sufficient water is available for domestic uses, even if it means that no landscaping or agricultural irrigation takes place within Laetitia.

Swimming Pools and Spas: If the Mutual Water Company determines that conservation measures are necessary, home site owners may be prevented from using any water delivered by the Mutual Water Company for swimming pools and spas. This will be the first step of mandatory water conservation or rationing.

Household Consumption: As a part of any mandatory water conservation or rationing plan, if a reduction or elimination, as the case may be, of all landscaping and agricultural watering does not result in sufficient water availability for domestic household consumption, the Mutual Water Company may gradually limit water usage to assure a steady supply of water to home site owners. In extreme cases of drought, water consumption may be cut to a bare minimum that may require the Mutual Water Company and home site owners to buy water from third parties.

Penalties for Non-Compliance: If conservation measures are adopted by the Mutual Water Company, the cost of water may increase. If home site owners do not comply with conservation measures adopted by the Mutual Water Company, the Mutual Water Company may levy fines and/or additional assessments upon those who do not comply with such conservation measures.

Water Level Monitoring and Meter Reading System

The Mutual Water Company and the agriculture operator shall implement the following well and usage monitoring:

Water Level Monitoring and Testing: The Mutual Water Company and the AO shall establish regular schedules for monitoring the water levels and testing the water quality of all domestic service wells within Laetitia. Water for domestic use shall be chlorinated pursuant to state and local laws if necessary. The Mutual Water Company and the owners of the AO shall make all such water level information available to the other party. In the event that either the Mutual Water Company or the AO determines through such monitoring of the water level in any well that the water level is dropping by an inordinate amount, that party shall immediately contact the other party to implement measures to discover the cause for such water level decrease. This may be the first step in implementing a water rationing plan.

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Water Meter Reading: The Mutual Water Company and the AO shall establish regular meter reading schedules for all wells and, in the case of the Mutual Water Company, all water hookups within Laetitia..

Semi-Annual Water Consumption Reports

Both the Mutual Water Company and the owners of the AO shall upon request provide the County Engineering Department and all lot owners with the following:

Semi-Annual Report: A semi-annual report containing water consumption and meter readings for all wells and lots within Laetitia. This report must distinguish meter readings from residences and agriculture operations. The Mutual Water Company and the owners of the AO shall also cooperate with the County Engineering Department in any voluntary well-monitoring program.

Water Pressure Maintenance Procedures

The Mutual Water Company shall maintain their water lines within Laetitia at fifty (50) psi or less. This shall be carried out by using pressure-reducing valves. No such limitations shall apply to the AO.

Practical Water Conservation Measures

General Conservation Measures: Water conservation measures shall be undertaken by all water users served by the Mutual Water Company. These conservation measures include the following:

Low-Flush Toilets: All toilets installed within Laetitia must be of the low flush type (maximum 1.6 gal/flush).

Low-Flow Showers and Faucets: All faucets and showers installed within Laetitia must be of the low-flow type.

Insulation of Hot Water Lines: All hot water lines and hot water recirculation systems installed within Laetitia shall be insulated to minimize the effect of escaping heat.

Laundry and Kitchen Facilities: All appliances which use water in the kitchen and laundry areas of the house, including washing machines and dishwashers, must be water-conserving models.

Circulating hot water systems: All homes shall be equipped with circulating hot water on demand systems.

Water Conditioner Systems: All water conditioner systems installed shall be water efficient and shall be of the type that do not discharge brine into the ground water basin.

Cleaning with Water: It is recommended that all home site owners and occupants of residences within Laetitia refrain from using water for hosing down or spraying walkways,

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sidewalks, driveways, decks, and patios. If water is used for cleaning or wash down hoses shall be equipped with shut off devices.

Maintenance: Regular inspections should be undertaken to determine if faucet and toilet seals, washers and fittings should be replaced, and whether leaking pipes are evident. If there is evidence of leaking, it is recommended that immediate repairs be made.

Use of Appliances: It is recommended that water-consuming appliances be used during non-peak hours.

Landscaping

Types of Landscaping Recommended for Laetitia: All landscaping planted at Laetitia shall emphasize drought-tolerant species. Landscaping plans shall preserve existing trees and shrubs to the greatest extent possible, shall utilize native plant species and low water-consuming species in combinations which minimize overall water requirements for landscaping, shall be consistent with the rural character of the area, shall limit topographic alterations, shall incorporate shade trees to reduce energy and water demand and shall preserve natural areas within the project.

Inspection and Approval of Landscape Materials brought to Laetitia: All landscape materials used on the Laetitia project site shall be inspected and approved by the AO prior to delivery to a home site or other HOA facility. The AO inspection purpose is to detect and block the receipt of any landscape material infected by or containing any pest that may adversely affect the agriculture operations. This inspection regime shall be clearly described in the HOA document and in the CC&Rs. Installed landscape that are not inspected shall be subject to removal by the HOA upon recommendation and request of the AO.

Maximum Amount of Permanent Irrigated Landscaping: In order to preserve water within Laetitia, no residential lot shall have more than 0.7 acres of irrigated landscaping (Dude ranch, HOA rec. facility and equestrian center are exempt from this requirement). It is strongly recommended that all lot owners plant a minimum amount of landscaping that requires irrigation. Irrigated turf landscape area on any home site shall be limited to a maximum of 7,000sf.

Landscape Maintenance: All lot owners should utilize mulch for moisture retention in all landscaped areas. Mulch applied on top of the soil improves the water-holding capacity of the soil by reducing evaporation and soil compaction. Landscape irrigation should be applied during nighttime and early morning hours. It is recognized that the use of organic fertilizers and pest control contribute tremendous health benefits to landscaping, which in turn allows plants, shrubs and trees to thrive with lower water requirements.

Irrigation Systems: All lot owners shall install automatic landscape irrigation systems, which minimize runoff and evaporation and maximize the water that will reach plant roots.

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It is recommended that drip irrigation, soil moisture sensors and automatic irrigation systems are installed as a component of all landscaping installations.

Swimming Pools and Spas

Construction of Swimming Pools and Spas: Water conservation should be considered at all times, including during the design phase of the swimming pool or spa. Only water-conserving pumps and filters should be installed in swimming pools and spas. Swimming pools should have thermal covers.

Maintenance of Swimming Pools and Spas; Covers: Swimming pools and spas, and their pump and filtration systems, should be professionally maintained to minimize the possibility of leaks and maintenance that requires draining of some or all of the water in the swimming pool or spa.

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8. Waste Water Disposal and Maintenance Management Plan

Site Suitability

The preferred disposal site for leach field systems is within each lot. However, if lot owners are not able to locate leach fields upon their lots, the owners of the agricultural land hereby guarantee to each lot owner that they will grant a leach field easement within a one-hundred (100) foot perimeter around each owner's lot; provided, however, if the distance between any lots is less than two-hundred feet, the areas where the leach field easements may be located shall be one-half (1/2) of the distance between such lots. The one-hundred (100) foot areas within which the leach field easements may be established are also reduced in size so that no leach field easement extends on to or under any roadway, structure, utility pipe or wire or upon any areas designated for setbacks. If adequate leach field areas are not found within the lot or the one-hundred (100) foot leach field easement, the owners of the agricultural land guarantee to each lot owner that "off-site" leach field areas shall be made available to all lot owners. All leach systems constructed upon the agricultural land shall be underground. Each individual lot owner shall be responsible for all testing, design, construction, installation and operation costs of the disposal system including sewage lift stations and "force" mains. All systems shall be designed and approved by a California Licensed Civil Engineer.

System Design

Septic tanks should be designed to remove nearly 100 percent of settleable solids and should provide a high degree of anaerobic decomposition of colloidal and soluble organic solids. Tank design must allow access for inspection and cleaning. The septic tank must be accessible for pumping. If curtain drains discharge diverted ground water to subsurface soils, the upslope separate from a leach field or pit should be 20 feet and the down slope separation should be 50 feet. Alternatively septic systems may be designed as "dry well" systems consisting of a septic tank and vertical pit. All systems shall be designed and approved by a California Licensed Civil Engineer.

Maintenance

Waste water system maintenance, inspection, and septic tank pumping shall be the responsibility of the Mutual Water Company under a scheduled maintenance program. All septic tank/leach fields shall be inspected by a representative of the Mutual Water Company every two years. A written report shall be provided to the lot owner summarizing the results of the inspection, with maintenance recommendations to be performed to provide optimum system performance. Recommended maintenance items will be completed within two months of the report date. Septic tanks shall be pumped whenever any one of the following occurs: (1) Every two years, (2) The scum layer is within three inches of the outlet device, or (3) The sludge level is within eight inches of the bottom of the outlet device. The costs for inspection and maintenance shall be paid by the lot owner, and will be included as a separate itemization on the billing following completion of work performed.

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9. Fire Protection and Public Safety

Introduction

This fire protection and public safety plan has been prepared to assist owners in a better understanding of how to protect their lives, property and possessions while residing in a rural agricultural setting. It also indicates which agencies in San Luis Obispo County provide fire protection and police protection services. It provides specific information on who to contact and how to contact them. It also provides references to specific publications that describe measures lot owners and residents can or must take to enhance their safety and quality of life at Laetitia.

Fire Protection Services

Fire protection services for Laetitia are provided by the California Division of Forestry ("CDF"), which also serves as the County Fire Department. To reach the fire department, use the following telephone numbers:

Emergency Calls: 911
Business Calls:805/543-4244
Information Calls:805/543-2446

The fire department headquarters is located at:

California Division of Forestry
635 North Santa Rosa Street
San Luis Obispo, CA 93401

Emergency and/or fire fighting responses to Laetitia may come from a variety of locations depending on the type of situation. Emergency response times to Laetitia will typically exceed 10 minutes. The nearest CDF fire station to Laetitia is located in Nipomo.

Fire Prevention Planning

Residential Fire Sprinklers: Each residence and other occupied non farm structure located in Laetitia shall have a fire sprinkler system designed, constructed and maintained in accordance with provisions of the most recent uniform fire code and County Fire Department regulations. The County Fire Department and County Division of Building and Safety are available to answer questions regarding the design of these systems. The design of this system will be a required part of the plans prepared for your building(s).

Roof Materials: Fire retardant, flame resistance or non-combustible roof materials are required. Examples of permitted roof materials (subject to architectural review) include: Composition shingle or shake, clay tile, concrete tile.

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Fire Safety Plans: Each lot owner is encouraged to prepare, maintain, and periodically review a fire safety plan. The County Fire Department has available guidelines for preparing a plan and can assist you in review of your plan. The County of San Luis Obispo Fire Department Guidelines for Fire Safety Plans are included as a part of your homeowner's information package.

Fire Safety Maintenance: The County Fire Department publishes guidelines for maintaining fire safety around your home. These guidelines are known as a "fuel modification plan". Fuel modification for all lots at Laetitia is required and is subject to review by the fire department. The County of San Luis Obispo Fire Department Guidelines for Fuel Modification is included as a part of your homeowner's information package. Home site owners shall be responsible for maintenance of fuel modification on the home site. The HOA shall perform (or have performed for them) fuel modification maintenance off of the home site within the required distances.

Public Safety

Police Services: Police protection services for Laetitia are provided by the San Luis Obispo County Sheriff's Department. To reach the Sheriff's Department, use the following telephone numbers:

Emergency Calls:911 or 781-4550
Other Information (24 hours a day): 781-4550
Crime Prevention Information: 781-4547

The Sheriff's Department offices are located at:

San Luis Obispo County Sheriff
1525 Kansas Avenue
San Luis Obispo, CA 93401

Emergency response times to Laetitia will typically exceed 10 minutes. The nearest Sheriff Station to Laetitia is located at the Kansas Avenue facility.

Public Safety Planning and Design:

Entry to Laetitia: Laetitia is located in a rural area of San Luis Obispo County that is surrounded by rural lands and active agriculture operations. Agricultural equipment, farm animals, wild animals, bicyclists, tourists, workers and your neighbors are all on these public roads. For your safety, Laetitia has stop signs & gates placed at Upper Los Berros Road as you exit the ranch. These gates provide for security, identification and a place to be reminded that from here on into the ranch you are on a residential road, not a highway. Please remind guests to be careful since the Laetitia roads serve not only the residents and guests, but the agriculture land as well. Slow-moving farm equipment, and workers are to be expected. Please drive carefully.

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Laetitia Roads: Speed limits posted on Laetitia roads are the maximum permitted speeds. Slower speeds are encouraged. The roads have been designed with your safety in mind, but also to provide for maintaining the rural charm that attracts you and your neighbors to live at Laetitia. Street lighting for our rural roads is not provided. Keep in mind that we're in a rural area and remind your nighttime guests to drive cautiously.

Agriculture: During certain times of the year, agriculture operations on the agriculture land will use the ranch road for large vehicles to move crops. These large, slow-moving vehicles should not be passed on the ranch roads.

Crime Prevention:

Neighborhood Watch: Laetitia residents are encouraged to form a "Neighborhood Watch". These organizations are extremely effective at preventing crime in rural areas where a "stranger" may be readily apparent. The San Luis Obispo County Sheriff's Department can provide information on how to form and maintain a Neighborhood Watch.

Building Security: The following measures are recommended by the County of San Luis Obispo Sheriff's Department and should be implemented whenever possible:

- All exterior wooden doors should be solid core.
- Front and rear entry doors should be well lit.
- Locks that can be opened from the inside should be at least 40 inches from any glass.
- Front doors should have a 180 degree peep hole.
- Garage lights and exterior lighting should be controllable from within the house.
- Door and window-locking devices should provide adequate security without hindering the ability for emergency exiting.
- Address numbers shall be placed within 10 feet of the driveway as near as possible to the entry gate. They should be maintained in order to be easily readable day or night.
- Use of monitored home security systems is encouraged.
- Do not casually give out the security entry code to the Laetitia entry gates to non-family members.

Site and Landscape Design for Safety:

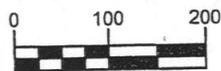
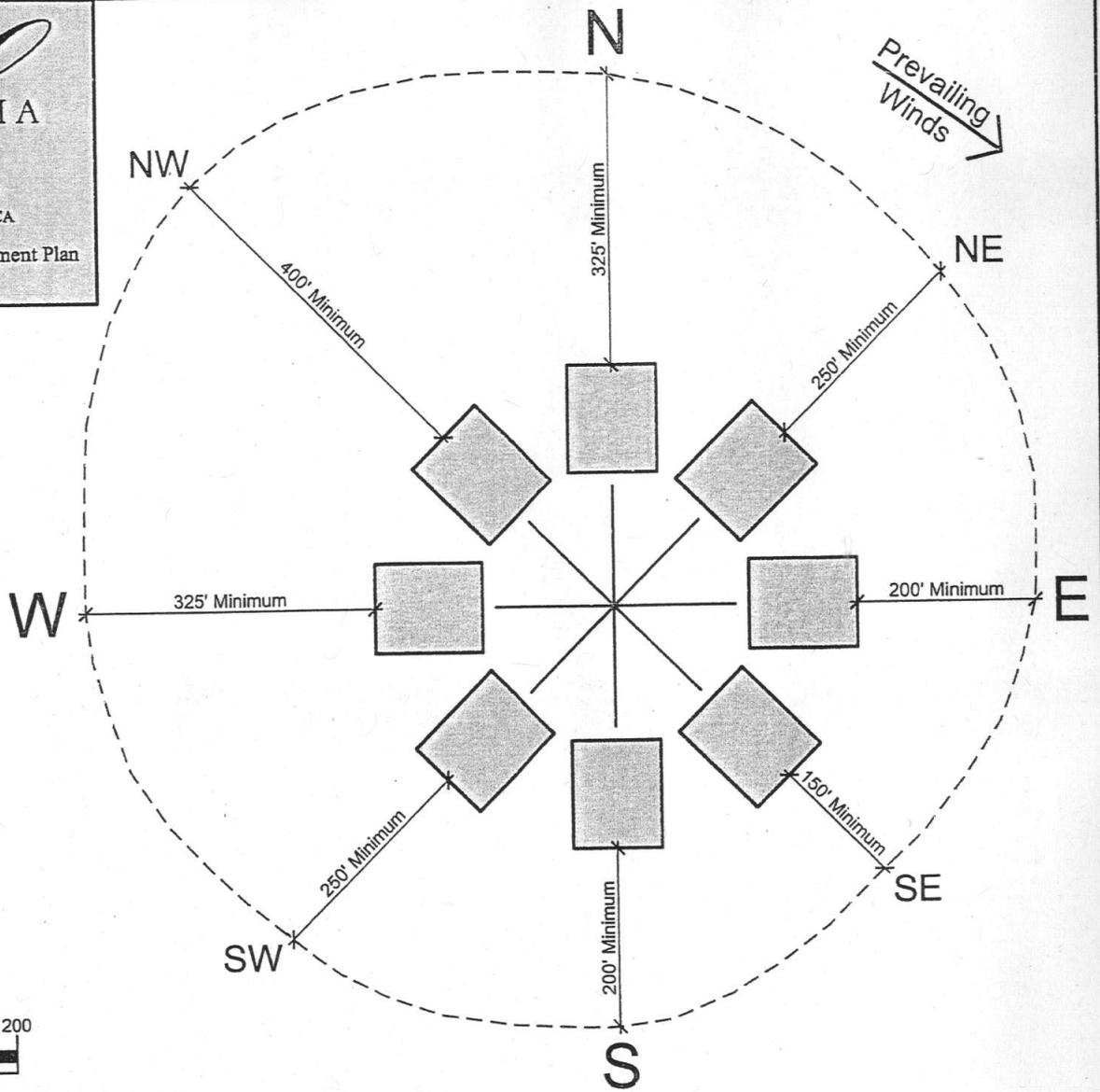
Siting for Crime Prevention: Orientation of structures should avoid placing the residence entry door where it is not visible from the driveway or garage.

Landscape Design: Security lighting, where necessary, shall be hooded, recessed or located in such a manner that lighting illuminates only the intended area, thereby avoiding off-site glare. Motion detector activated exterior lighting shall be designed to minimize its impact on neighboring properties. Motion detectors shall be adjusted so as not to be activated by motion off of the lot.



San Luis Obispo County, CA

AG Cluster Development Plan
Setback Orientation Map



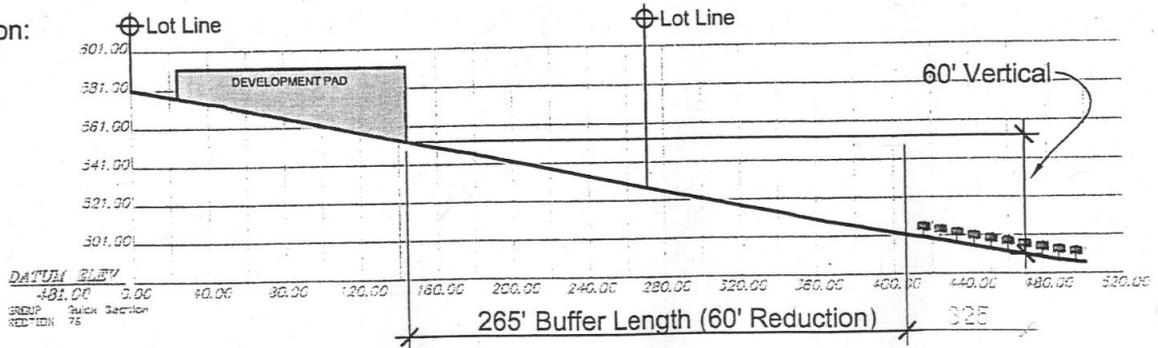
Scale 1"=200'

Lot Orientation and Assigned Vineyard Buffers

Note:

The length of the agricultural buffer, or the space between the vineyard and the home site development envelope, is based on the predominate wind direction of the Central Coast. A reduction in the buffer is made if the elevation at the base of the development envelope is 20 feet or greater above the vineyard elevation. This reduction is given at a one to one basis. For example, if a homesite in the W position is 60 feet above the elevation of the vineyard, the assigned vineyard buffer distance of 325 feet is reduced 60 feet resulting in a minimum buffer distance of 265 feet (see sample section below).

Lot Position:
W-235



Sample Cross Section

