

CONWAY/MATTLY RANCH CATTLE GRAZING PROPOSAL

Hunewill Land and Livestock Company, Inc.

A Proposal to Mono County for grazing cattle while enhancing Conservation Values on the Conway and Mattly Ranches in the Mono Basin adjacent to California Highway 395.



MATTLY RANCH, MONO BASIN, CALIFORNIA

Proposal from Hunewill Land and Livestock Co., Inc. for Cattle Grazing on Conway/Mattly Ranches:

1. Statement of Applicant:

Hunewill Land and Livestock Company Inc. (HLLC), is a C corporation incorporated in the State of Nevada in 1948 and registered (C0231966) in the State of California. Officers are, Jeffrey B. Hunewill, President; Megan Hunewill, Vice President; Betsy Hunewill Elliott, Secretary; Denise Hunewill, Treasurer. The address of Hunewill Land and Livestock Company, Inc. is:

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Wellington, NV
89444

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2. Experience and Operations:

We have had many years of experience managing our own Bridgeport Valley ranch and the US Forest Service permits that are adjacent. In addition to our experience, Jeff Hunewill and Leslie Hunewill have Animal Science degrees from Cal Poly, San Luis Obispo; Blair Hunewill has a Business degree from The University of Montana, Missoula; and Dalton Wright has a Range Ecology degree from University of Nevada, Reno. There are several other family members with bachelor's degrees that are on the management team. Our management philosophy is based upon our combined ranching experience, our education in our various specialties and our practice of Holistic Management for over 20 years. We believe that the Conway/Mattly Ranches will not only benefit from planned grazing, but that the quality of the habitat for Sage Grouse and other native species will be improved by the planned grazing which we will implement with input from Mono County.

Our Bridgeport Valley Ranch consists of 3,940 acres of irrigated native meadow and we own several hundred acres of forest and sagebrush uplands which we also graze. We graze a large US Forest Service permit and BLM permit in Mineral County, Nevada about 30 miles from the Conway and Mattly Ranches where we have done extensive spring and water development in conjunction with the NRCS. The water developments are for the beneficial use of both livestock and wildlife. We own 160 acres in the Bodie Hills about 1.5 miles northeast of the Conway/Mattly where we will be clearing pinion and juniper trees in cooperation with the NRCS and BLM for the benefit of Sage Grouse. In Smith Valley, Nevada we own a Ranch that is 1500 acres of irrigated meadow which is unique in that area because of the willows and sage brush species that we encourage on the margins of the fields for the shelter of cattle, horses, and wildlife. Two years ago we acquired 8,500 acres of private land in the Bodie Hills and Mono Basin, as well as the

Bodie Mountain and Mono Sand Flat BLM Permits. The Bodie Hills and Mono Basin property and grazing permits will work synergistically with the Conway and Mattly Ranches. We will be able to move cattle between the various pastures and grazing permits as needed.

One experience that in many ways parallels the conversion of the Conway and Mattly Ranches to cattle grazing was our leasing of the Sinnamon Meadows Ranch for two years. There was very limited fencing and no one had successfully grazed cattle there since it was a former sheep operation. We built several miles of permanent high tensile electric fence around the property, in addition to rebuilding some existing barbed wire fences. The owner was quite pleased with the way that we got the Sinnamon Meadows Ranch going as a cattle operation in a short time.

We own and manage Hunewill Guest Ranch, a seasonal tourist business which brings over 800 people per year into Bridgeport Valley. Our guests enjoy the local area during their visits from 4-7 days. The experiences that we have acquired in the public hospitality area will allow us to interface with the public as needed at the Conway/Mattly Ranches.

3. Grazing Plan:

Our overall grazing plan is flexible by design because of the nature of our climate with drought years followed by occasional years of abundant precipitation. The plan will necessarily be conservative in assigning a stocking rate (number of cattle) to the ranches since maintaining the conservation values of the property is paramount and because there have never been cattle grazing on the Conway/Mattly.

The stocking rates as found in the LGMP is listed below:

Conway Ranch - Up to 168 AU's (Cow-Calf Pairs or bulls) for up to 4 months.

Mattly Ranch – 102 AU's for one month or 168 AU's for 18 days

Once the fences are all up, it is anticipated that the Conway Ranch will have two pastures and the Mattley Ranch will have one pasture. These pastures will all be used as part of a grazing rotation where the various pastures will be grazed/rested for a planned number of days. During the time prior to completion of the fences, the Conway/Mattly may be grazed at a lower stocking rate to protect the plants growing there.

On and Off Dates:

On May 15 – June 10; depending on drought/excess snow. In wet or cold years the On date would be later; in early June. In drought or warm years the On Date would be earlier; in mid to late May.

Off September 1 – September 30; depending on drought/excess snow. In years with abundant precipitation and forage growth the Off Date could be later; in mid to late September. In drought years the Off date would be earlier; in early September.

Approach to livestock management for resource conservation and enhancement:

The cows and calves are a means to manage the vegetation for Sage Grouse and other native and desirable species. It is our plan to have two to three pastures which will allow us to rotationally graze the herd through the ranch. Timed rotational grazing is beneficial to Sage Grouse and Mule Deer. Green forbs and tender growing grass are selected over older more fibrous grass by all ages of grouse and deer. By grazing off the older growth and allowing the plants to regrow after the cattle are moved to the next pasture, wildlife benefit. This is especially true later in the summer when the Bodie Hills uplands have dried off and the Conway/Mattly continues to be lush and green attracting grouse, deer, and other wildlife. The order in which the pastures are grazed may vary from year to year, which will allow plants to be grazed at varying maturity each year unless it is found that there is a benefit to wildlife for certain areas to be grazed at a particular time.

Lease Pricing:

The following is a lease pricing example. Our proposed lease payment to Mono County for grazing at the Conway/Mattly Ranch is based upon the number of AUM's that are used during a given year. This method is preferred because forage production varies significantly from year to year. We will estimate the amount of available forage and pay for that amount one month before the estimated On Date. If the cattle can stay longer because the amount of forage was under estimated, we will pay Mono County for those AUM's within 30 days after the Off Date. If we pay for more AUM's than we use, Mono County will credit the following year's bill for the unused AUM's.

Animal Unit Months: 774 (average year, AUM's may vary due to weather variations)

Average precipitation year example:

168 Cow Calf Pairs/bulls for 4 months = 672 AUM's

102 Cow calf Pairs/bulls for 1 month = 102 AUM's

Total AUM's (average year) = 774 AUM's

Price per AUM: \$5.00 per cow-calf pair, dry cow or bull

Price to be paid to Mono County per year in this example:

774 AUM's X \$5.00 per AUM = \$3,870

On drier years when less forage is available, fewer cattle will be run on the Conway/Mattly ranch and less money will be paid to Mono County.

The lease will run for ten years.

The lease pricing is based on the assumption that the wage paid to the Hunewill irrigation, fence, and cowboy crews will not be "prevailing wage" and if payment of "prevailing wage" is required then this proposal will need to be recalculated.

Necessary rangeland improvements:

Fencing:

As the Conway/Mattly Ranch has been used as a sheep ranch for many years, there is essentially no fencing suitable for cattle on the ranch. The Conway Ranch fence line along Highway 395 is in disrepair. Posts and wire are in place but the bottom 2-3 wires have been broken by the snow over the years. We will splice and tighten the wires so that it is cattle tight. Should it prove necessary, we will make this fence into a "let down fence" which can be laid down on the ground in the winter to protect it from snow loads and to minimize Sage Grouse striking the fence in flight. For all other fences we will follow the boundary staking by Mono County or the NRCS; we will mow a path for the fence with a brush hog set high enough to allow the grass species to re-grow. It may be necessary to mow next to the fences every 5-10 years.

The boundary fence on the north, east, and south sides of the Conway Ranch will be two wire high tensile electric fence with at least one gate on each side of the fence. There will be some cross fencing on the Conway Ranch. A two-wire high tensile fence will be visually less intrusive for the public and easier on animals that may run into it because there are no barbs. An electric fence forms a "mental barrier" to cattle. The wires will be flagged or marked so that birds, animals, and the public can see the fence. Conway Ranch will have two or more pastures and Mattly Ranch one pasture. The Conway Ranch Pastures will be divided with a single high tensile wire. The location of the fence will be determined by first putting up a temporary poly/stainless steel wire fence and evaluating how well the fence functions. If fence is functioning well in that location, the temporary fence will be replaced by a permanent fence. Since miles of boundary fences must be built first, the cross fencing may be built in year two or three of the lease. The Mattly Ranch will be fenced on all sides with a two-wire high tensile electric fence. There will be at least one gate on each side of the fence. It will be necessary for Mono County or the NRCS to stake the boundary for the fence lines for us to follow when we build the fences.

The "Bowl Meadow" area of the Conway Ranch is not included in this proposal for fencing or irrigation. If in the future Mono County would like to include this portion of the Conway Ranch, we would work up a proposal for managing that area.

We will need a place to set up our portable loading chute and portable corrals to unload and load the cattle. These corrals and loading chute will be used for turnout at the On

Date and possibly at the Off Date if the cattle are not driven home to our Bridgeport ranch by us. It is anticipated that the corrals will set be on the dirt road on North edge of the Conway Ranch or on the paved road to the South of the Mattly Ranch. These corrals and chute will be taken down and removed within two weeks after their use.

Water:

It is assumed that water will be flowing in ditches and creeks for the whole grazing season and that livestock will be watering from these natural sources. If necessary, we can armor a section of stream and stream bank with rocks to make a place for the cattle to drink. Research has shown that in many cases, cattle prefer to water in armored and stable stream banks over soft and boggy stream banks. If there are any active "nick points" or head cuts on the streams or ditches we can examine them with Mono County staff and NRCS staff and formulate a plan to stabilize them.

We could set up a water system to pump water from a point of diversion on Mill Creek to a trough or troughs on the Conway Ranch for stock water should a severe drought make stock water from ditches unavailable.

In the future, it may be possible to irrigate the Conway Ranch with water from Mill Creek using the Lower Conway Diversion. We could explore that possibility at some future time, if it looks like a viable possibility to Mono County and Hunewill Land and Livestock.

It is in the interest of Mono County to utilize the water rights on Conway/Mattly so as to protect those water rights and to comply with the Conservation Easement. It is in our interest to irrigate as much ground as possible as well as possible to produce livestock forage as well as residual dry matter to cover the soil and provide cover and forage for wildlife.

Staffing of management and operations:

The labor to manage and operate the Conway/Mattly Ranch will travel from our headquarters in Bridgeport Valley. We anticipate that a person will be on the Conway Ranch 2-3 times per week to irrigate and to monitor livestock and forage utilization.

Integrated pest management and operations:

Weeds will be grazed by the cattle. It may be possible to have conservation groups such as the Eastern Sierra Land Trust conduct field days to remove such weeds as woolly Mullein. Dead and decadent grass will be removed by grazing and/or trampling, exposing rodent runs and dens, which will allow the rodent population to be controlled by native natural predators and raptors. An ancillary benefit of animal impact (trampling) is to put the old dry vegetation in contact with the soil which allows it to be converted to soil organic matter, locking up the carbon in the soil.

Management of Riparian and wetland areas:

Riparian areas will be protected by high tensile electric fences as needed. For example, some of the banks of Wilson Creek are soft and would not withstand trampling well. As mentioned in the fencing section, rock armored stream banks and bottoms are a viable alternative to fencing off riparian areas. Some sensitive stream banks could be fenced off. Areas with gravelly soils could be used as watering areas for livestock. If riparian areas are being impacted adversely by cattle grazing, then we will work with Mono County staff and NRCS staff to come up with a solution and possible NRCS funding.

Livestock health and supplemental feeding practices:

Cattle will receive multiple vaccinations before coming to the Conway/Mattly to keep them in good health. The cattle will be checked weekly and treated for any conditions that might arise. Mineral supplements will be kept on dry areas in the pastures constantly. Protein supplementation may be necessary on drought years or later in the grazing season. Protein supplements would also be fed in designated dry areas in the pastures. It is not anticipated that feeding of hay will be necessary because cattle will be on the ranches during the green growing season.

Range monitoring practices:

Range monitoring will generally be by the ocular reconnaissance method and will be done on a monthly basis. One of our team, Dalton Wright, has the education and experience to monitor the grazing on the Conway and Mattly Ranches. We will ask the NRCS to assist in the monitoring for the first several years.

General availability and ability to respond to emergencies:


Our management and staff are at our Bridgeport Valley Ranch during the Conway/Mattly grazing season and reachable by phone. We will notify the Mono County Sherriff's office that cattle in that area are our responsibility. We also have an employee in the Mono Basin at the Burkham Ranch which is close to the Conway/Mattly Ranch should a situation arise that requires a rapid response.

Approach to managing grazing operation in lands open to the public for recreational purposes.

We select our cows for their docile nature especially since our guests at Hunewill Guest Ranch are around the cattle on a daily basis. That being said, the public should only go into the pastures on the Conway/Mattly Ranch where there are no cattle. This is especially true of people that have their dogs with them. All dogs must be on a leash on the Conway/Mattly Ranch around the cattle. We will provide and install signage in cooperation with Mono County to educate the public about interactions with cattle. In the past we have hosted educational activities on our Bridgeport Ranch and would entertain the concept of helping with an educational field day at the Conway/Mattly Ranch once a year, perhaps in conjunction with the NRCS, BLM, USFS and Mono County.

Financial Qualifications:

Hunewill Land and Livestock Company, Inc. owns 4,940 acres in Mono County worth many millions of dollars, which has been in the family for 155 years and in Hunewill Land and Livestock Company since 1948. There are no liens on the property. The financial condition of Hunewill Land and Livestock Company could be described as healthy. The yearly payments to Mono County as outlined in this proposal will be no problem. Should Mono County need financials in greater detail, please let me know.

Signed: , Denise Hunewill, Treasurer, Hunewill Land and Livestock Company, Inc.

Supplemental Questions:

1. We have worked upon and grazed the Sinnamon Meadows property which has a conservation easement with the Eastern Sierra Land Trust. We followed the NRCS Grazing Plan Guidelines. In building the electric fences there we maximized the grazing area while fencing out as much sensitive riparian area as possible.
2. As explained previously, we are open to helping with an educational field day on the Conway/Mattly Ranch annually. We are planning on having our guests help gather

the cattle on the Ranch which will expose them in a positive way to the Bodie Hills and Mono Basin. As part of gathering the cattle, and perhaps taking two days to drive the cattle to the main Ranch in Bridgeport Valley, we will have an opportunity to explain the history of the region and certainly to see the abundant birds and wildlife in the area.