Exhibit H

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LIB100398

ZANDER ASSOCIATES

Environmental Consultants

May 14, 2008

Geary Coats
Coats Consulting
650 Lighthouse Ave., Suite 235
Pacific Grove, CA 93950

Habitat Evaluation
San Joaquin Kit Fox
Riverview (Scheid Vineyards) Property
Soledad, Monterey County, California

Dear Geary:

Zander Associates has completed a habitat evaluation for San Joaquin Kit Fox (*Vulpes macrotis mutica* or SJKF) for the approximately 385-acre Riverview (Scheid Vineyards) property located on Metz Road near Soledad in southern Monterey County.

The property is located along the south side of Metz Road less than three miles east of the City of Soledad (Figure 1). The Southern Pacific Railroad right of way defines the site's southerly boundary with cultivated fields and the Salinas River just south of the tracks. Apart from relatively small concentrations of rural residential areas to the northwest and east, the site is surrounded by vineyards, cultivated land (mostly row crops) and some open grassland range to the north (Figure 2). We understand that the owners propose to split the property into four separate parcels and grow distinct varietal grapes on each parcel. At present, no new buildings, structures or other land disturbing activities are planned.

Methods

We conducted a habitat evaluation for SJKF in accordance with the California Department of Fish and Game (CDFG) Habitat Evaluation Form (see attached). Our evaluation included review of relevant background data on SJKF occurrences in the region through a search of the California Natural Diversity Database (CNDDB, 2008), a field reconnaissance of the project site, and completion of the DFG SJKF Habitat Evaluation Form. Zander Associates Principal Biologist, Michael Zander met with you at the property on April 9, 2008. Following a brief overview of the site using an aerial photograph, we drove ranch roads through the property to identify boundaries, traverse the site and evaluate existing conditions. Additional aerial photographs (Terraserver USA, 2004, 1994, 1989) and regional and site-specific topographic maps (USGS Soledad Quad, 1984; and Creegan & D'Angelo, 2008) were also consulted.

We drove all roads through the site and traversed several sections of the vineyard on foot (i.e. walking rows) to fully observe and characterize the site. Photographs of the site were also taken to further document existing conditions. We also reviewed the Recovery Plan for Upland Species of the San Joaquin Valley, California (U.S. Fish and Wildlife Service, 1998).

Results

The property lies in an area associated with historic SJKF occurrences in the greater Salinas River watershed referred to in the recovery plan as the Salinas-Pajaro Region. The Camp Roberts and Fort Hunter Liggett satellite (i.e. not core) populations historically occurred in this region. However, both satellite populations have experienced substantial declines in kit fox numbers over the past several years. The subject site lies at the northerly end of the range of these populations.

There are two non-specific CNDDB records for kit fox in the project vicinity along Metz Road dating "sometime from 1972 through July 1975." There are three more non-specific occurrences within a 10-mile radius of the site dating from the same period (see Figure 3). These records are the result of a range-wide survey and maps produced by the same investigator (S.H. Morrell) in 1975. No records of kit fox within a 10-mile radius of the site occur in the CNDDB since that date.

The property is primarily positioned on an upper ancient terrace of the Salinas River, but abuts more diverse topography associated with the foothills to the north and east of the site. Apart from an equipment/maintenance structure located near the south central property boundary and regularly maintained ranch roads/equipment staging areas, the site is comprised exclusively of very well-maintained rows of grapevines (see attached photos). Review of aerial photography dating back to 1989 (TerraServer USA) showed the site has been actively farmed since at least that date. The property abuts vineyards to the west, cultivated fields (row crops across a railroad right of way) to the south, and a mix of vineyards, rural residential development, row crops and open pasture along the north-easterly boundary (Figure 2). While the kit fox habitat evaluation procedure considers vineyards and orchards to constitute relatively low value "contiguous kit fox habitat", intensively cultivated row crops such as those along the site's southern boundary across the railroad tracks are assigned zero value. Most of the adjacent uses along the site's north-easterly boundary, with the exception of a wedge of open grassland range at the Hwy 146-Metz Road intersection, are also considered relatively low value kit fox habitat.

Given the absence of any sightings since 1975 and existing conditions in the vicinity, the site and surrounding areas do not rank highly in the kit fox habitat evaluation process. The site scores 45 points, even allowing for some unknown kit fox mortality and some potential kit fox habitat affected. A score below 50 typically requires no mitigation according to previous CDFG standards.

As stated above, the project is a proposal to subdivide an approximately 385-acre property into four separate parcels: A (147 acres), B (99acres), C (81 acres) & D (52 acres). No changes in land use designation or new structures or facilities are proposed at this time. Thus no impacts on kit fox or kit fox habitat would occur as a direct result of the lot split.

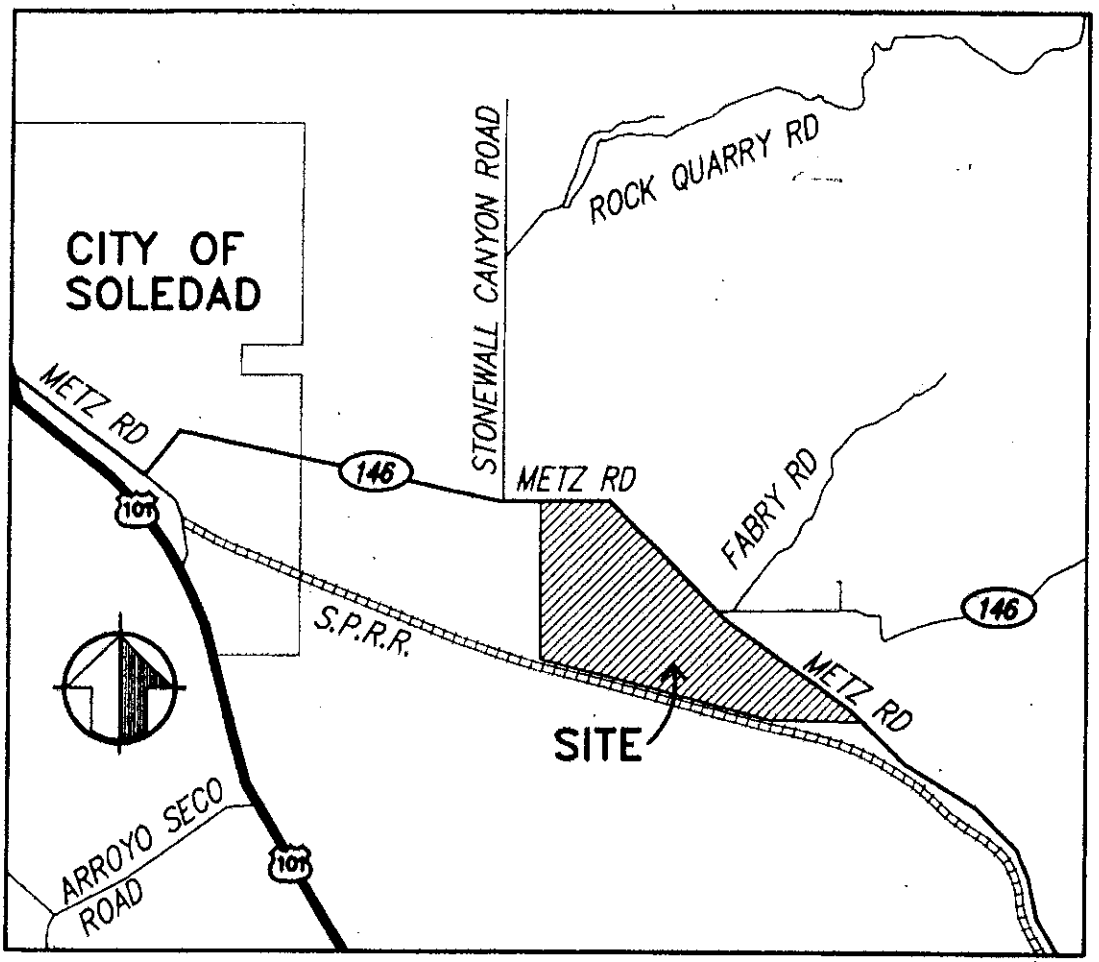
Existing designations allow low density residential and agricultural-related uses which could include limited housing, wineries, tasting rooms, barns and other facilities with appropriate local (e.g. building) permits. If the cumulative total (i.e. on all four new parcels, combined) of any land conversion from new buildings remains below 40 acres, the habitat evaluation results presented herein would still apply.

We trust that this evaluation will provide the documentation necessary for you to proceed with your County application process. Please call us if you have any questions or need any additional information.

Sincerely,

Michael Zander
Principal

Attachments: Figure 1 – Site Location Map
Figure 2 – Riverview Property Aerial Photograph
Figure 3 – Regional SJKF Occurrence Locations
SJKF Habitat Evaluation Form
Photo Plates



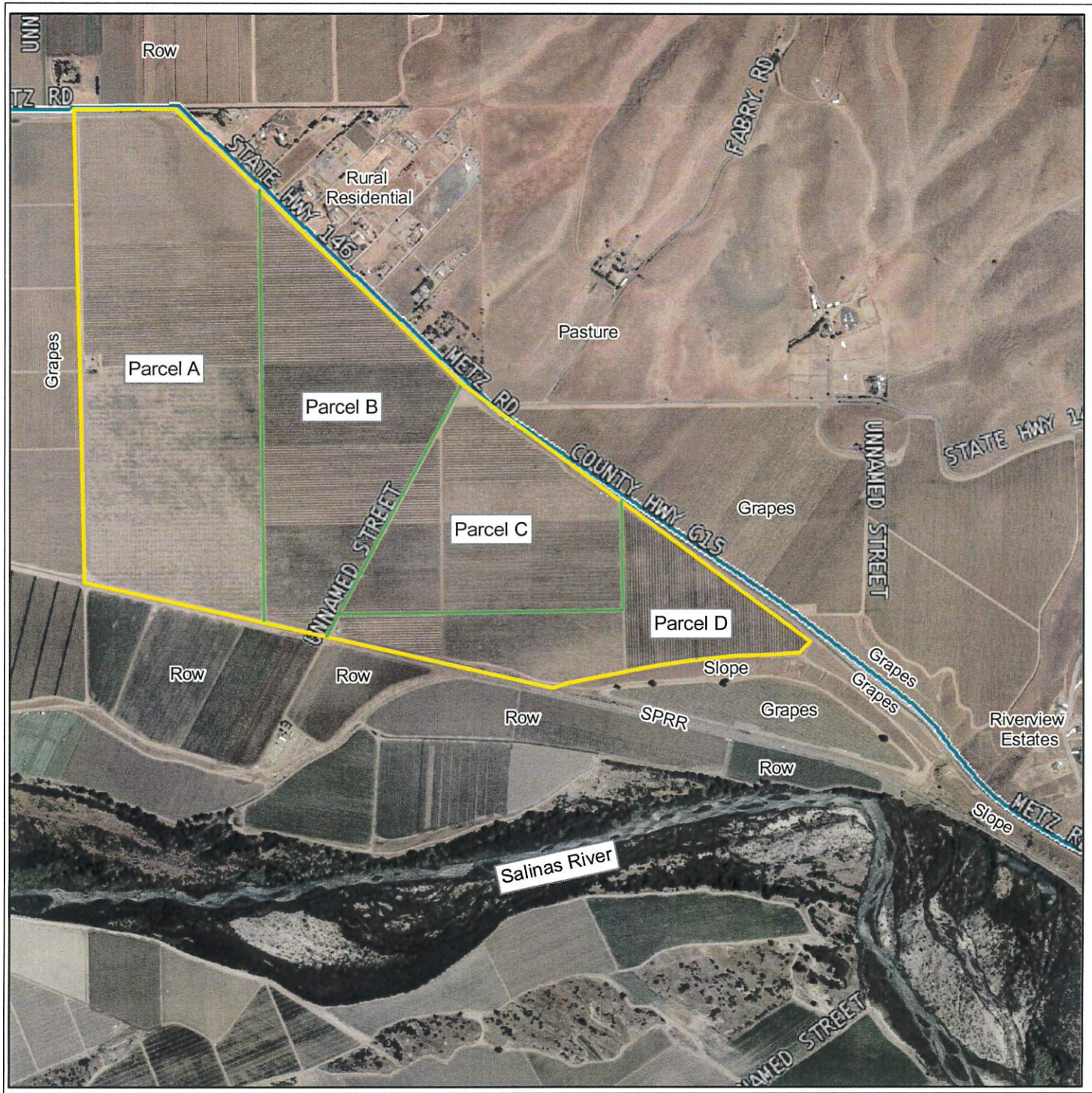
ZANDER ASSOCIATES

Environmental Consultants

Site Location
Scheid Vineyard
Soledad, California

Figure 1

JOB NUMBER	REVIEWED BY	DATE
GCC3	**MZ**	**5/08**



Legend

Parcel Boundary

Property Boundary

Aerial photograph flown 7/30/04

N

Date: 5/08

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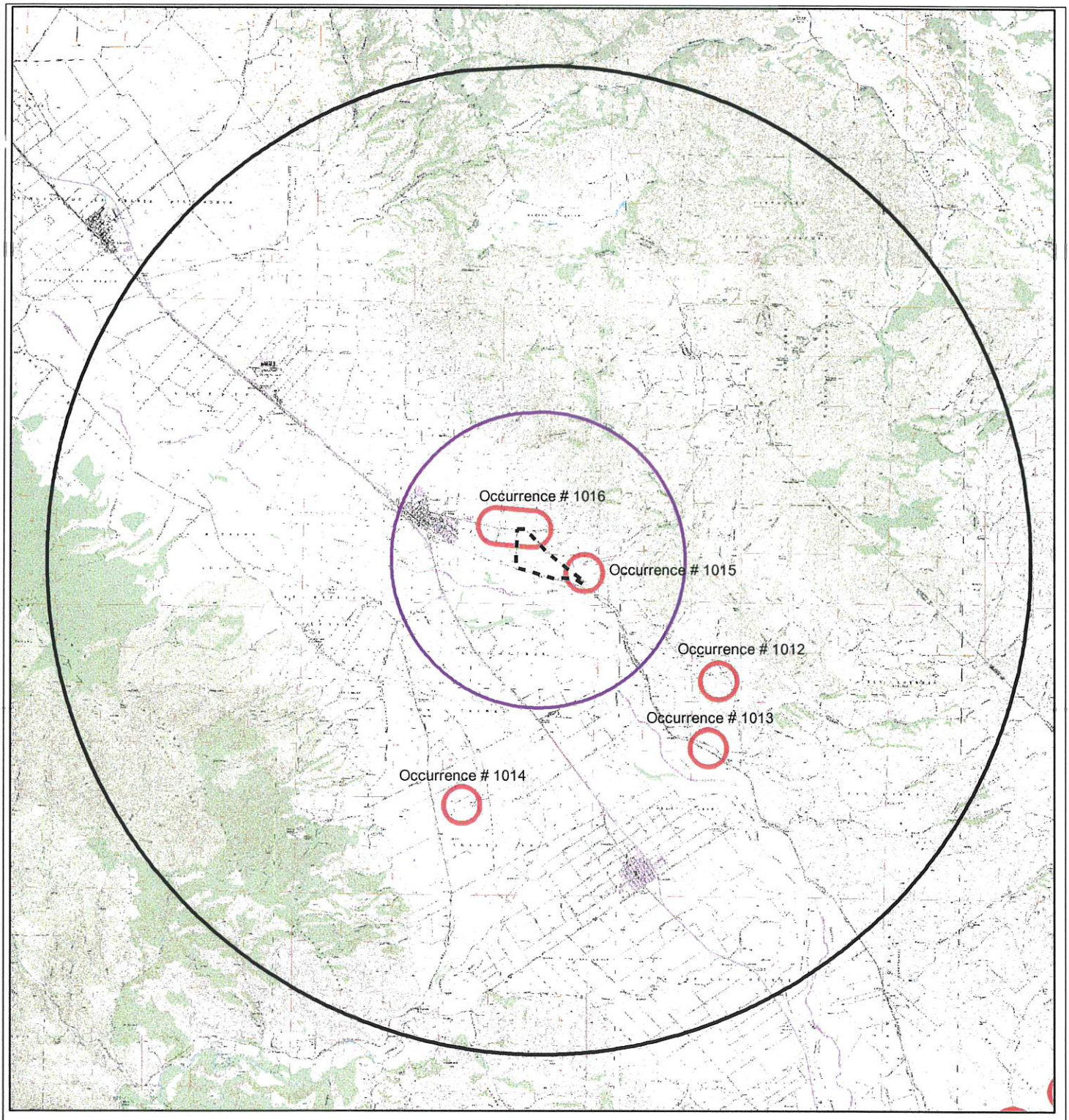
150 Ford Way, Suite 101
Novato, CA 94945

Surrounding Land Uses
Scheid Vineyard
Soledad, California

Figure
2



Recorded Occurrences of San Joaquin Kit Fox
with a 3 Mile and 10 Mile Radius
Scheid Vineyard
Soledad, California

Date: 5/08

Zander Associates
Environmental Consultants
150 Ford Way, Suite 101
Novato, CA 94945

Figure
3

Kit Fox Habitat Evaluation Form

Cover Sheet

Project Name: Scheid Riverview Vineyards **Date:** May 14, 2008

Project Location* Approximately 3 miles east of Soledad along Metz Road. See attached report and figures.

*Include project vicinity map and project boundary on copy of U.S.G.S. 7.5 minute map (size may be reduced)

U.S.G.S. Quad Map Name: Soledad

Lat/Long or UTM coordinates (if available)

Project Description: See attached report

Project Size +385 **Acres** **Amount of Kit Fox Habitat Affected** < 40 **Acres**

Quantity of WHR Habitat Types Impacted (i.e. - 2 acres annual grassland, 3 acres blue oak woodland)

WHR type Acres 385 acres of cultivated vineyards. See attached report and photographs

Comments: See attached report

Form Completed By: Michael Zander

San Joaquin Kit Fox Habitat Evaluation Form

Is the project area within 10 miles of a recorded San Joaquin kit fox observation or within contiguous suitable habitat as defined in Question 2(A-E)?

YES - Continue with evaluation form
NO - Evaluation form/surveys not necessary.

1. Importance of the project area relative to Recovery Plan for Upland Species of the San Joaquin Valley, California (Williams et al., 1998).

   A. Project would block or degrade an existing corridor linking core populations or isolate a subpopulation (20)
   B. Project is within core population (15)
   C. Project area is identified within satellite populations (12)
   D. Project area is within a corridor linking satellite populations (10)
   E. Project area is not within any of the previously described areas but is within known kit fox range (5)

2. Habitat characteristics of project area.

   A. Annual grassland or saltbush scrub present >50 % of site (15)
   B. Grassland or saltbush scrub present but comprises <50% of project area (10)
   C. Oak savannah present on >50 % of site (8)
   D. Fallow ag fields or grain/alfalfa crops (7)
   E. Orchards/vineyards (5)
   F. Intensively maintained row crops or suitable vegetation absent (0)

3. Isolation of project area.

   A. Project area surrounded by contiguous kit fox habitat as described in Question 2a-e (15)
   B. Project area adjacent to at least 40 acres of contiguous habitat or part of an existing corridor (10)
   C. Project area adjacent to <40 acres of habitat but linked by existing corridor (i.e.-river, canal, aqueduct) (7)
   D. Project area surrounded by ag but less than 200 yards from habitat (5)
   E. Project area completely isolated by row crops or development and is greater than 200 yards from potential habitat (0)

4. Potential for increased mortality as a result of project implementation. Mortality may come from direct (e.g. - construction related) or indirect (e.g. - vehicle strikes due to increases in post development traffic) sources.

   A. Increase mortality likely (10)
   B. Unknown mortality effects (5)
   C. No long term effect on mortality (0)

5. Amount of potential kit fox habitat affected

   A. > 320 acres (10)
   B. 160 - 319 acres (7)
   C. 80 - 159 acres (5)
   D. 40 - 79 acres (3)
   E. < 40 acres (1)

6. Results of project implementation.

   A. Project site will be permanently converted and will no longer support foxes (10)
   B. Project area will be temporarily impacted but will require periodic disturbance for ongoing maintenance (7)
   C. Project area will be temporarily impacted and no maintenance necessary (5)
   D. Project will result in changes to agricultural crops (2)
   E. No habitat impacts (0)

7. Project shape

   A. Large Block (10)
   B. Linear with >40 foot right-of-way (5)
   C. Linear with <40 foot right-of-way (3)

8. Have San Joaquin kit foxes been observed within 3 miles of the project area within the last 10 years?

   A. Yes (10)
   B. No (0)

Scoring

Recovery Importance	12
Habitat Condition	5
Isolation	10
Mortality	5
Quantity of habitat impacted	1
Project results	2
Project shape	10
Recent observations	0
TOTAL	45

Photographs
Scheid Vineyard

Characteristic view of site looking west, completely cultivated in vineyards

Open ranch road and railroad right of way along southern property line

Photographs
Scheid Vineyard

Cover crop in well-maintained vineyard rows typical of site

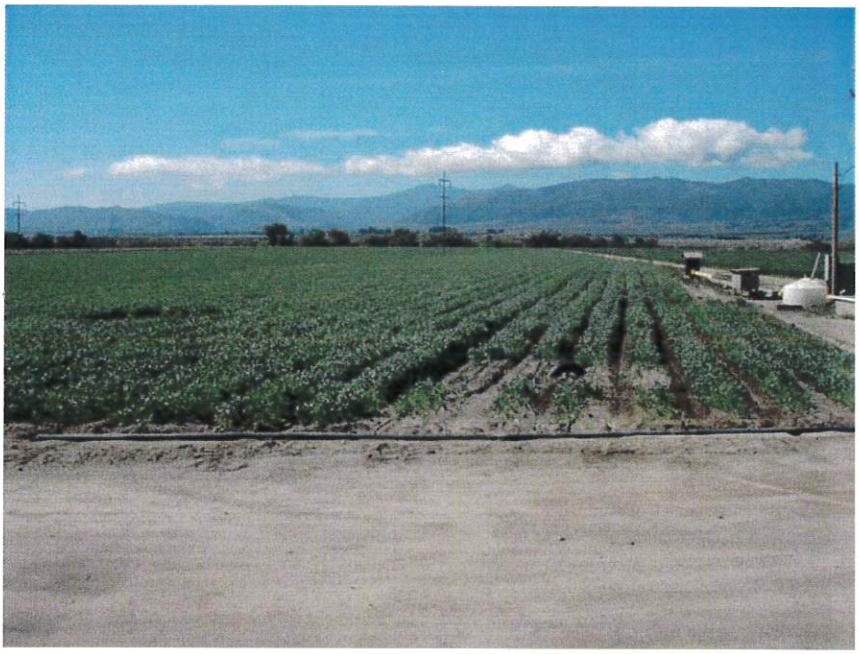
Well-maintained vineyard rows typical of site

Photographs
Scheid Vineyard

Easterly view along RR tracks adjacent to southern property line

Southeasterly view across RR tracks to cultivated row crop land with Salinas River in background

Photographs
Scheid Vineyard



Cultivated row crops across southern property line and RR tracks

Cultivated row crops across southern property line and RR tracks

Photographs
Scheid Vineyard

Main entrance to property along Metz Road adjacent to rural residential properties

View from Hwy 146 overlooking adjacent vineyard property and Metz Road along the northeasterly property line