



*California Independent Petroleum Association*

*Rock Zierman, CEO*

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*Sacramento, CA 95814*

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October 15, 2013

Salud Carbajal, Chair  
Santa Barbara County Board of Supervisors  
105 East Anapamu Street, Room 407  
Santa Barbara, CA 93101

RE: Santa Maria Energy

On behalf of the members of the California Independent Petroleum Association (CIPA) I am writing to support the oil and gas production project proposed by Santa Maria Energy coming before the board on November 12<sup>th</sup>. CIPA is a non-profit, non-partisan trade organization representing over 500 members including oil and natural gas producers, service and supply companies, and royalty owners.

CIPA supports the diversification of our energy supply. At the same time, there is also an acknowledgement that petroleum will be in demand for generations to come. Oil and natural gas has been successfully produced in Santa Barbara County for over a century, creating income to royalty owners, jobs, tax revenue and improving the lives of all Californians. Producing homegrown oil and gas is as important today as it has ever been. Only 38% of the oil consumed by the residents of California is produced in California. The rest must be tankered in from foreign countries. Providing a product close to the consumer reduces emissions, reduces potential spills, creates well-paying jobs, and brings our country closer to energy security. Considering that most foreign fuels are produced with little environmental oversight, it makes sense to develop our resources here at home.

Santa Maria Energy has worked hard to make this a cutting edge project with the latest in technology to protect the environment. This project is in an ideal location, operated by experienced management and crew and will be a benefit to the entire community.

CIPA encourages all the Supervisors to support this worthy project.

Regards,

Rock Zierman

CEO



November 6, 2013

Salud Carbajal, Chairman  
Santa Barbara County Board of Supervisors  
105 East Anapamu Street, Room 407  
Santa Barbara, California 93101

RE: Santa Maria Energy Oil & Gas Drilling and Production Plan  
Case Nos. 09-PPP-00000-00002 and 12DVP-00000-00008

Dear Chairman Carbajal and Other Supervisors:

The Home Builders Association of the Central Coast urge you to support the decision of your Planning Commission and deny the appeal. It is vital that we support projects that enhance our economy, create jobs and help provide needed energy resources.

This project has been thoroughly analyzed by the Planning and Development Department, recommended for approval and subsequently approved by the Planning Commission on a 3-2 vote. However, it should be noted that the dissenting Commissioners expressed support for the project but voted no due to the greenhouse gas (GHG) mitigation provisions that were approved.

It is also worth noting that the Santa Barbara County Air Pollution Control District has confirmed the appropriateness and adequacy of the GHG mitigation approved. According to APCD, the project is in full compliance with AB32, the California Global Warming Solutions Act. In fact, the project more than complies with AB32, a state law that specifically regulates the project.

The project is consistent with county zoning; consistent with all laws; is environmentally sound and sustainable. The project enjoys broad-based county-wide support and, as already stated, was recommended for approval by your Planning and Development Department staff and approved by the Planning Commission.

As you know, our county has a long history of oil production. Due to our history, we have the necessary infrastructure in place to take full advantage of this vital resource that we are fortunate to have in abundance. We also have in place the regulatory framework that ensures the significant economic benefits associated with the development and production of our oil resources is done in an environmentally responsible manner.

Sincerely,

Mike Whiteford  
Government Affairs Director  
Home Builders Association of the Central Coast

Home Builders Association of the Central Coast, 105 East Anapamu Street, Room 407, Santa Barbara, CA 93101

P.O. Box 748  
San Luis Obispo, California  
93406

phone: 805.546.0418  
fax: 805.546.0239  
www.hbacc.org

An Affiliate of the National Association of Home Builders  
and the California Building Industry Association

## Lenzi, Chelsea

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**From:** Yvonne Sage <ysage@tx.rr.com>  
**Sent:** Wednesday, October 16, 2013 11:09 AM  
**To:** sbcob  
**Cc:** Yvonne Sage  
**Subject:** Santa Maria Energy Oil Project

Dear Mr Carbajal,

I am writing on behalf of Santa Maria Energy Oil project. This project was approved by The Planning Commission on September 25, 2013. It has since been appealed by environmentalist. I draw a similarity to our Washington situation where a small radical group try to control by intimidation and threats. Santa Maria Energy has done their homework. They have worked within the guidelines outlined by the State of California. They have gone beyond what other oil companies have done. They have an outstanding record for having a field that is in top condition and they play by all the rules.

Groups like the Sierra Club, Get Oil Out and others have tunnel vision. They do not understand that the two can co-exist. Santa Maria Energy is aware of the environmental issues and have addressed them. These groups would set us back 100 years. What if we need oil from the U.S when there is turmoil (as there always is) in other parts of the world. California has the opportunity to supply a great deal of this need and keep the environment intact.

Santa Maria Energy has been in the area for years and believes in the area. It has not been easy for them with all the state regulations. Yet, they stay and try and build a future for the whole area in the form of jobs, revenue and community. It's easy to complain about something you do not like, but it is part of who we are as hard working people to stay the course of something we truly believe in. Santa Maria Energy as paid their dues. They deserve to go forward with their project and make things better for all of us.

Sincerely, Yvonne P. Sage

**From:** RONALD BAUER <rcbauer1@prodigy.net>  
**Sent:** Tuesday, October 15, 2013 12:50 PM  
**To:** sbcob  
**Subject:** Santa Maria Energy Oil Project

Dear Mr Carbajal,

I am writing in defense of the Santa Maria Energy Oil project. The Planning Commission approved this project on September 25, 2013. It has since been appealed. As in everything, there are two sides to any issue. In my opinion, the side that can benefit the most people and do the most good, should be considered as the most viable. Santa Maria Energy has gone out of its way to make this project environmentally sensitive to the needs of the community and the state of California. The company has met the proposed regulations laid out by the state of California. There are always environmental issues when drilling for oil and they are certainly important. Santa Maria Energy realizes this. Their entire project is built around these issues. Not only will the oil produced by their project create needed revenue to the State of California, but also create many jobs for a lot of people in the area who are out of work. Those people are counting on this project so that they can gain jobs and support their families. I feel as long as the environmental issues are satisfied to the bar set up by the California Department of Oil and Gas and the State of California, this company should be given the go ahead on this project. Something else to consider is the amount of oil in the Careaga oil field, where Santa Maria Energy wants to drill. It is probably one of, if not the largest untapped oil field in the United States. The oil pockets are in the Monterey Shale formations found in that field. Santa Maria Energy has developed the technology and expertise to get that oil out of those pockets. It is only a matter of time that this oil will be needed by our country, either because of increased domestic use, or because acts of war or aggression, possibly in the Middle East, will prevent us from importing it. Our country may come dependent on oil produced solely in the United States. If we do not start this process now, we could be rushing to do it later. My ancestors have lived in California since 1900, so I am not new to these issues. Please consider what I have said when making your decision on the Santa Maria Energy oil project.

Most sincerely,  
Dianne Bauer

**From:** Richard Nagler <naglerrich@gmail.com>  
**Sent:** Friday, October 18, 2013 11:10 AM  
**To:** sbcob  
**Subject:** Santa Maria Energy

I want to be free of burning all fossil fuels and can't wait until that day comes. Problem is, I won't live that long and neither will any of us. So, choosing the lesser of two evils, I want us to be as free as possible of foreign oil, which comes from countries who don't like us, use our money to commit atrocities, and are totally unregulated. Furthermore the cost in dollars and added pollution is enormous. Remember, it's referred to as "Global" warming not Santa Barbara warming.

I have seen the Santa Maria Energy facility, I'm impressed by their stewardship of the environment and the cleanliness of the facilities. Since they reside in what may be the most regulated community on Earth, I would much rather have them succeed than Saudia Arabia (where woman can't get drivers licenses).

This is a good project, it will generate revenue for schools, needed infrastructure improvements, and jobs directly and indirectly.

Santa Maria energy is willing to comply with almost 200% of the SB32 requirements. If you really care about Santa Barbara you will reject the appeal and listen to the approval already reached by Planning & Development.

Thank you, Richard Nagler- Solvang

**Lenzi, Chelsea**

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**From:** Lewis Howell <lewhowell.3@gmail.com>  
**Sent:** Wednesday, October 16, 2013 4:23 PM  
**To:** sbcob  
**Subject:** Santa Maria Energy Project

Mr. Chairman: Please disallow the appeal against the Santa Maria Energy Project set for hearing November 12. The Board has heard and approved of the project, and delaying tactics should not be encouraged simply to satisfy opponents who have already lost their case.

Sincerely yours, /s/ Lewis Howell, Santa Maria, CA

**Lenzi, Chelsea**

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**From:** Kari Edwards <K.Edwards@vedwards.com>  
**Sent:** Tuesday, November 05, 2013 9:55 AM  
**To:** sbcob  
**Subject:** Santa Maria Energy

November 5, 2013

RE: Santa Maria Energy Project

Dear Supervisor Salud Carbajal and Fellow Supervisors:

As a voter and 5th generation native resident of Santa Maria, I am in FULL SUPPORT of Santa Maria Energy's project. Santa Maria Energy has met your requirements and has agreed to the percentage of 29%, which is ABOVE the requirements mandated for the greenhouse gas emissions. Additionally, it was **APPROVED** by your county planning commission.

Not only will this project have an enormous *POSITIVE* impact on the community, it will generate more jobs and boost the local economy!

Santa Maria Energy has done everything that you have asked them to do. This project should move forward as soon as possible. The longer this project takes to proceed, the longer it is suppressing the huge economic impact that is so desperately needed in this area.

Please consider the residents and taxpayers in this area who want and need this project.

Respectfully,

Kari Edwards

## Lenzi, Chelsea

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**From:** Jen Baer <denabincygus@yahoo.com>  
**Sent:** Tuesday, October 15, 2013 6:01 PM  
**To:** sbcob  
**Subject:** Santa Maria Energy Project

To Salud Carbajal,

As I'm sure you're aware, Santa Maria Energy is doing its best to promote its drilling project. I am torn on this subject, but I thought that the reasons for my indecisiveness might shed some light to help you to make your decision.

My experience with Santa Maria Energy is that they are a good neighbor. They are kind and welcoming. They really do seem to be putting forth all efforts to comply with all environmental regulations, and to run an up-right operation.

However, they are climate change deniers, full force. I'm sure that they believe in their point of view to the core, but I cannot ignore the reality that we live in. We are going through a drought. I visited Colorado's Rock Mountain National Park a mere 11 days before the roads that lead to it were destroyed by a horrible flood. Shortly beforehand, Yosemite was in flames. The high concentration of disastrous events in these times are not a coincidence.

My conundrum is what to make of the argument that our society is not setup to be fossil-fuel free, so if you still have to let people drill, it should be people like Santa Maria Energy, and not those with bad records like BP, Exxon and Greka? Is Santa Maria Energy really any better than Greka, or are they just doing a better job at public relations? By allowing Santa Maria Energy to bring up fossil fuels, do we inadvertently endorse the whole of fossil fuels? If we prevent Santa Maria Energy from extracting fossil fuels, does the reduced supply in the global market put economic pressure on society to turn to sustainable alternatives?

It seems that from a legal perspective, these may not even be the questions that are on the table. The main bent of the regulations seems to be aimed at how much CO2 Santa Maria Energy emits, rather than the CO2 emissions that will result when their product is consumed. Santa Maria Energy seems more than willing to live up to the former, but completely unwilling to consider the effects of the latter. It's a difficult pill to swallow to have to let someone do something that is wrong for humanity and the world (extracting fossil fuels) just because they comply to the letter of the law. I can't really see how I could allow that in good conscience. But if BP and company are still extracting oil, why should I punish my good neighbors? It's not like my job is carbon-neutral (though we are making improvements). It's really rough.

Best Regards,

Jennifer Baer Montejano  
Santa Maria Resident

**From:** Jay Hardy <HardyJ@hardydiagnostics.com>  
**Sent:** Tuesday, October 15, 2013 3:53 PM  
**To:** sbcob  
**Subject:** SM Energy Proposal

Dear Mr. Chairman,

I would like to express my wholehearted support of the new project proposed by Santa Maria Energy that will be heard on November 12.

The project will bring new jobs, added income to our community, and more tax dollars for the County government.

Santa Maria Energy is a firm noted for their integrity and good stewardship of the environment. They have proved themselves over and over again to have a desire to do the right thing for this County is its inhabitants.

As a neighboring business owner in Santa Maria, I welcome this type of growth that is so beneficial to all SB County residents and businesses.

Sincerely,

**Jay Hardy, CLS, SM (NRCM) | President**

Ph: 805.351.2766 ext. 6874 | Fx: 805.351.2744 | [www.hardydiagnostics.com](http://www.hardydiagnostics.com)



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The Environmental Stewardship Initiative (ESIA) is a non-profit organization that provides environmental consulting services to businesses and government agencies. The organization is committed to providing high-quality, cost-effective environmental consulting services to its clients. The organization's services include environmental impact assessments, environmental monitoring, and environmental management systems. The organization is also committed to providing training and education to its clients and the public.

**From:** Janice Battles <JaniceBattles@msn.com>  
**Sent:** Saturday, November 02, 2013 12:35 PM  
**To:** sbcob  
**Subject:** Santa Maria Energy Project

RE: Santa Maria Energy Hearing Nov. 12, 2013

Dear Chairman Carbajal and Fellow Supervisors:

As a voter and royalty owner I am writing to inform you of my support for Santa Maria Energy's project for the Laguna Pipeline and the diatomite oil drilling project before your committee. Santa Barbara County needs the jobs and revenue that can be created by the approval of this project and America needs the resource.

I am a royalty owner and there are 100 or so royalty owners of this property who feel the same as I do. We have the right to lease for the exploration of oil, gas, and minerals to any company, but we chose Santa Maria Energy. Please do not refuse this environmentally concerned company the right to produce a natural resource that is so needed and will bring jobs, employment and revenue to this county and will maintain a standard of operation we all can be proud of.

I am also a neighboring landowner who has had occasion to visit the project field a number of times over the past 15 years. I visited the oil field prior to SME operating this lease and the improvement to this field performed by SME is remarkable. SME cares about safety, the environment, new technology and their neighbors and this county.

Since Santa Maria Energy has been in Santa Barbara County, they have contributed to the well-being of students and organizations. They are involved and an active participant in charitable causes. We need this to continue. They want to continue contributing to the revenue of this county. Help them!

We realize there is an environmental concern. I have the same concern. SME has the same concern, and I am also familiar with AB32 and what is required and why. The planning commission has already approved this project and your county EIR committee agrees with the project. Please do not be influenced by organized groups who would protest any issue for the sake of protesting.

**We need this project approved** for the benefit of all. Please keep the majority of the voters in this county glad they voted you in office. PLEASE DO NOT pass up this chance to improve this county by approving this project.

Please vote in favor of this project and thank you for your consideration.

Sincerely,  
Janice Battles

**Lenzi, Chelsea**

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**From:** Frederick Carbone <drfredcarbone@msn.com>  
**Sent:** Saturday, October 19, 2013 6:07 AM  
**To:** sbcob  
**Cc:** DPratt@santamariaenergy.com  
**Subject:** In support of Santa Maria Energy

Mr. Salud Carbajal,

I am writing this letter to let you know that I am in support of Santa Maria Energy's proposal to obtain recycled water from the Laguna County Sanitation District and use it for steam extraction of oil in their Orcutt Oil Field.

I consider myself an Environmentalist. I have been a member of The Sierra Club for the past 22 years, I hike in the Orcutt Hills regularly, am a member in the Santa Maria Valley Open Space organization, and very active with our local Boy Scouts of America. But I am also a business owner who is concerned with the economics of both our local community and our nation as a whole. In our polarized political climate, people often lose sight of the fact that we need a balance of both perspectives to advance as a society. We need to actively seek out and encourage companies that are able to allow for economic growth while at the same time protecting our Environment.

Santa Maria Energy is just such a company.

Being an oil company in Santa Barbara county is no easy task. Our standards of stewardship are high, and rightly so, but at the same time we have vast deposits of oil underground. Oil that can be extracted safely and effectively. Santa Maria Energy has met every environmental standard set by the California Environmental Quality Act and had its Environmental Impact Report approved. In fact from an environmental point of view, they are really going above and beyond what most people would consider reasonable. They are using Reclaimed waste water to generate their steam with natural gas that would normally be flared off as air pollution. Honestly, I can't see how anyone wouldn't consider that a good thing. Even the Environmental Defense Center has called them a model applicant.

I don't know, maybe 10 or 15 years ago I might have had a knee-jerk reaction and said "No drilling, no way!" But after a decade of war because of our dependence on foreign oil I believe the correct course of action is to become energy independent. And if a company like Santa Maria Energy is able to extract the oil in an Environmentally Friendly way, I say approve the project and make Santa Barbara County part of the solution and not the problem.

Thank you,  
Frederick A. Carbone, DC

**David & Debbie Careaga  
5740 Impala Trail  
Santa Maria, CA 93455  
(805) 934-1751**

3 November 2013

Mr. Salud Carbajal,  
Chairman of the Board of Supervisors  
County of Santa Barbara  
105 E. Anapamu Street, Room 407  
Santa Barbara, CA 93101

Dear Chairman Carbajal and Fellow Supervisors:

As a royalty owner and lifelong constituent of Santa Barbara County, my wife Debbie and I are in total support of the Santa Maria Energy project which will be presented to you for the Santa Barbara County Board of Supervisor's approval, on November 12, 2013.

I was born and raised on the Careaga Ranch where Santa Maria Energy is operating. Oil has been a part of the Careaga's lives since the early 1900's. This is an exciting time, not only for us, but for the people of the Santa Barbara County. We are proud to be a part of the history to be made at the ranch. And for the communities of Santa Maria, Lompoc, Goleta, Santa Barbara, et.al; all will benefit from the much needed tax revenues that will be generated by this project, and are just as excited as we are to have this project move forward.

Santa Barbara County has grown so much over the years. Santa Maria Energy is projecting millions of dollars to be distributed throughout the community, from the success of their project. This is money that is so much needed so that Santa Barbara County will be able to maintain growth. Knowing that the environmental impact will be kept to the standards of the rules and regulations of the State of California; makes this project even more appealing.

Santa Maria Energy is known for their integrity. They have donated much appreciated time and money to the many schools, organizations, and charitable events within Santa Barbara County. Now, they have a chance to provide even more... livelihoods.

With all of the support Santa Maria Energy has been receiving from the community, please do not let those that oppose the project sway your good judgment. Please have open hearts and open minds when you show the constituents of Santa Barbara County your support of the Santa Maria Energy project by voting "yes". Santa Maria Energy is here to help our County, not to hurt any part of our environment or our economical growth.

Please vote in favor of Santa Maria Energy's project...*your* constituents are counting on you.

Sincerely,

David & Debbie Careaga

**Lenzi, Chelsea**

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**From:** Chad Enos <chadenos@gmail.com>  
**Sent:** Tuesday, October 15, 2013 10:08 PM  
**To:** sbcob  
**Subject:** Santa Maria Energy

Please approve the Santa Maria Energy project.



**ADMINISTRATION  
DEPARTMENT**

**City of Guadalupe  
918 Obispo Street  
P.O. Box 908  
Guadalupe, CA 93434  
Tel (805) 356-3891  
Fax (805) 343-5512**

April 23, 2013

Planning Commission  
County of Santa Barbara  
123 East Anapamu Street  
Santa Barbara, CA 93101

Dear Planning Commissioners:

The City Council of Guadalupe supports the two Santa Maria Energy items on your agenda tomorrow – the Santa Maria Energy Oil Drilling & Production Plan plus the Laguna County Sanitation District (LCSD) Recycled Water Pipeline.

These two related projects are important to the economic health of our region. In addition to providing short-term construction jobs, the two projects extend the life of the Orcutt Oil Field and the on-going production jobs associated with it. By extending the life of the field, the projects keep property taxes flowing to local government and our local schools. Finally, by using purchased reclaimed wastewater, the projects have the potential to reduce rates for LCSD customers.

We are particularly impressed with the environmental benefits of the two projects. First, existing onsite gas will be used to produce the steam needed in the oil field. Second, the use of reclaimed wastewater allows groundwater to be used for other purposes. Third, the addition of the new oil pipeline from the oil field project site to the existing Conoco Phillips pipeline reduces oil tanker traffic and greenhouse gas emissions.

At your meeting tomorrow, the City Council of Guadalupe urges you to certify the Environmental Impact Report before you and take final action on these projects. Thank you.

Sincerely,

Frances Romero  
Mayor, City of Guadalupe



City of Guadalupe  
918 Obispo Street  
P.O. Box 908  
Guadalupe, CA 93434  
805-356-3891

August 28, 2013

Planning Commission  
County of Santa Barbara  
123 East Anapamu Street  
Santa Barbara, CA 93101

Dear Planning Commissioners:

The City Council of Guadalupe continues to support the Santa Maria Energy Production and Development Plan for the Orcutt Oil Field and the Laguna County Sanitation District (LCSD) Phase 3 Recycled Water Pipeline.

These two related projects are important to the economic health of our region. In addition to providing short-term construction jobs, the two projects extend the life of the Orcutt Oil Field and the on-going oil production jobs associated with it. By extending the life of the field, the projects keep property taxes flowing to local government and our local schools. Finally, by using purchased reclaimed wastewater, the projects have the potential to reduce rates for LCSD customers.

We are particularly impressed with the environmental benefits of the two projects. First, existing onsite natural gas will be used to produce the steam needed in the oil field. Second, the use of reclaimed wastewater allows groundwater to be used for other purposes. Third, the addition of the new oil pipeline from the oil field project site to the existing Conoco Phillips pipeline reduces oil tanker traffic and greenhouse gas emissions.

The City Council of Guadalupe urges you to move these projects forward.

Sincerely,

Frances Romero  
Mayor, City of Guadalupe

**Lenzi, Chelsea**

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**From:** Mark Blackford <mark@signcraftsm.com>  
**Sent:** Wednesday, November 06, 2013 2:07 PM  
**To:** sbcob  
**Cc:** Dpratt@santamariaenergy.com  
**Subject:** Santa Maria Energy Development Project

Salud Carbajal  
Chairman of the Board of Supervisors  
105 East Anapamu Street  
Room 407  
Santa Barbara, California 93101

Sir,

I would like to voice my support for the project put forth by Santa Maria Energy to be heard November 12, 2013. It is my opinion that this an important economic driver for our County and should not be delayed any further. While it is important to take in all views, and hear all objections, continuously delaying economic development due to the concerns of an overactive and vocal minority does not promote the general welfare of the County of Santa Barbara or our Country as a whole.

This is especially true when our professional, educated and trained County Staff and the Planning Commission have taken in the objections, and objectively reviewed the plan and dissent, and approved the project. To rule against the professionals we have appointed and hired to review, ascertain the facts, objectively weigh the arguments and advise us accordingly would not promote a sense of professionalism and objectivity on the part of County Leadership.

I urge the Board of Supervisors to approve this project without further delay.

Thank you,



**MARK BLACKFORD**

**SIGNCRAFT**

**307 E. MAIN ST.**  
SANTA MARIA, CA 93454

(805) 925-7775: OFFICE  
(805) 266-4525: CELL  
(805) 925-7158: FAX

**Lenzi, Chelsea**

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**From:** Tami Rabska <tami.rabska.gav4@statefarm.com>  
**Sent:** Wednesday, November 06, 2013 2:02 PM  
**To:** sbcob  
**Subject:** Santa Maria Energy Project - In favor

November 6, 2013

This letter is in support of the Santa Maria Energy Project. I think that this company is responsible and organized. We need more good paying jobs for our area.

Thank you for your time.

Tami Rabska  
155 W Waller Lane  
Santa Maria, CA 93455  
[tami@tamirabska.com](mailto:tami@tamirabska.com)



RECEIVED NOV 04 2013

Kevin G. Walthers, Ph.D.  
Superintendent/President

October 31, 2013

Board of Trustees  
Larry Lahr, President  
Gregory A. Pensa, Vice President  
Tim Bennett  
Bernard E. Jones  
Hilda Zacarias

Steve Lavagnino  
Fifth District Supervisor, Santa Barbara County  
511 E. Lakeside Parkway, Suite 141  
Santa Maria CA 93455-1341

Dear Mr. Lavagnino,

SUBJECT: Impact of Santa Maria Energy Project on Allan Hancock College

In response to your request, I am happy to offer a brief analysis of the impact that Allan Hancock College anticipates from the proposed Santa Maria Energy development project. We have been watching the proposal as it unfolds for two reasons:

1. It appears that the project will provide a significant boost in property taxes for the Allan Hancock Joint Community College District. As you know, this is the sole source for repayment of the Measure I Bonds that were issued to fund Allan Hancock College expansion, renovation and technology to serve our students and our community.
2. The project appears to fit in with our mission to provide environmental training and industrial safety programs through our new, state-of-the-art Public Safety Training Complex in Lompoc.

### Impact on Property Taxes

Allan Hancock College was fortunate to have the support of our community in passing Bond Measure I. This provided authorization to issue up to \$180 million in bonds to complete important projects that benefit our students, local businesses and community at large. This critical program has resulted in new buildings that directly advance our mission:

- The Public Safety Training Complex at the Lompoc Valley Center is a state-of-the-art training facility that is attracting national attention;
- The Industrial Technology Building on the Santa Maria campus will expand access to industry-driven training programs such as machining, welding, auto repair, auto body repair and architectural technology;
- The Children's Center Lab School is one of the most advanced centers of its kind in the state. The Center and the Early Childhood Studies program, combined with the college's receipt of a \$400,000 grant for the Child Care Access Means Parents in School Program (CCAMPIS), provides students with access to the most up-to-date teaching methods while offering a quality Pre-K environment for children from low-income families;

- The new Student Services and Administration buildings replace several buildings on campus that literally date to the second World War. By locating all services in one building, students will be better served and are more likely to complete their programs; and,
- As a demonstration of the college's commitment to the community, the board of trustees authorized a new running/walking track that has been supported by the City of Santa Maria and remodeled the aging Marian Theater in the Performing Arts Center. The remodel will properly set the stage for the 50<sup>th</sup> Anniversary Season of the PCPA – Santa Maria's nationally recognized resident theater company.

I list all of the projects to demonstrate that the board of trustees and the college have been good stewards of the funds provided by our friends and neighbors. These bonds are paid through local property taxes and our most recent analysis reveals very slow growth in the assessed valuation (AV) within the district. The average growth in AV over the past five years has been 0.64% – a rate that limits the district's ability to complete two important community-driven projects (a new performing arts space and an upgrade to the aging physical education complex).

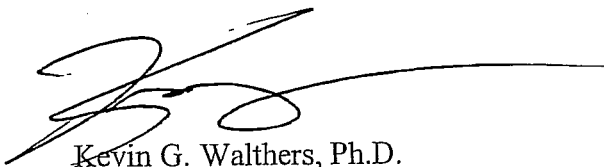
The estimates we have seen show that the Santa Maria Energy Project may ultimately be valued at \$400 million. *That increase alone represents an increase in AV of 1.8% – almost triple the average annual rate of the past five years. Even if the increase in AV was only a quarter of the current projection, it would add more than seventy percent to the estimated increase in the tax base for the district.*

### **Educational Mission**

As noted above, Allan Hancock College works closely with local business and industry to provide education and training opportunities that lead to well-paying jobs. Just this month, I signed a memorandum of understanding with the Petroleum Education Council. Our agreement will result in workers from across the state and region coming to our community for safety training, environmental impact programs and other educational opportunities that will foster career advancement for the individual and increased reliability for industry.

I appreciate the opportunity to detail for you the impact of the proposed project.

Sincerely,



Kevin G. Walthers, Ph.D.  
Superintendent/President

c: Board of Trustees, Allan Hancock College