

**BOARD OF SUPERVISORS OF THE
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA**

Resolution No. _____

In The Matter of the Proposed Grant of a)	NOTICE AND RESOLUTION OF
Public Franchise to ELLWOOD PIPELINE)	INTENT TO GRANT A PUBLIC
INC., for the Purpose of Transporting)	PIPELINE FRANCHISE
Petroleum Products by Pipeline)	CALIFORNIA PUBLIC UTILITY CODE
Within Public Right-of-Way in)	SECTION 6231 ET. AL. and
Certain Unincorporated Areas of Santa)	SANTA BARBARA COUNTY
Barbara County)	CODE SECTION 2-82

WHEREAS, Ellwood Pipeline, Inc. (hereinafter "EPI"), a California corporation and wholly-owned subsidiary of Venoco, Inc., has applied to the County of Santa Barbara (hereinafter "County"), for a public franchise for a term of twenty years, for the purpose of transporting petroleum (oil) products within certain public right-of-way in unincorporated portions of the County, as shown on Exhibit "A", attached hereto and by reference made a part hereof; and

WHEREAS, the proposed 6-inch pipeline will transport oil from a point near Venoco's Ellwood Onshore Facility along the County's Calle Real Road and various private properties on the north side of Highway 101, in a westerly direction to the Plains All American Pipeline system near Las Flores Canyon; and

WHEREAS, the public franchise agreement will set forth the fees to be paid by EPI to the County in accordance with Santa Barbara County Code Section 2-82, and California Public Utilities Code Section 6231, et al., as well as other terms and conditions to be met by EPI, including insurance, indemnification and a performance bond to ensure the faithful compliance with those terms and conditions; and

WHEREAS, the Director of the County's Public Works Department has evaluated the application and determined that the installation and use of the pipeline will not negatively impact the County's road system; and

WHEREAS, the Board of Supervisors has determined it to be of immediate benefit to public health and safety for the ordinance to be effective on February 14, 2012 in order to prevent further transport by potentially unsafe sea-going barge and other possible environmental impacts; and

WHEREAS, this Board of Supervisors has determined that it is in the best interest of the public to grant, by urgency ordinance, said public franchise for the use of the pipeline to transport oil products, for a period of twenty years.

NOW, THEREFORE, BE IT RESOLVED, the Santa Barbara County Board of Supervisors does hereby find, determine and order as follows:

1. The above recitals are true and correct; and
2. The pipeline will run approximately 8 ½ miles in the unincorporated area of the County through County roadway and private properties along Calle Real Road, on the north side of Highway 101, from the Winchester Canyon overpass, in a westerly direction to the Plains All American Pipeline system near Las Flores Canyon. A map of the proposed public pipeline is attached hereto and incorporated herein by reference as Exhibit "A"; and
3. Pursuant to California Public Utilities Code Section 6232, County hereby declares its intention to grant the franchise applied for; and
4. The Clerk of the Board is hereby directed to publish in the Santa Barbara News Press on January 18, 2012, the Public Notice of the sale of the franchise, attached hereto as Exhibit "B"; which establishes February 7, 2012, at 9:00 A.M., or shortly thereafter, in the County of Santa Barbara Board of Supervisors Hearing Room, located at Santa Barbara, California, as the time and place for the introduction and First Hearing on the proposed Ordinance; and February 14, 2012, at 9:00 A.M., or shortly thereafter, in the County of Santa Barbara Board of Supervisors Hearing Room, located at Santa Maria, California, as the time and place for the Second Hearing and proposed adoption of the Ordinance.

Passed and adopted by the Board of Supervisors of the County of Santa Barbara, State of California, this _____ day of _____ 2012, by the following vote:

AYES:

NOES:

ABSENT:

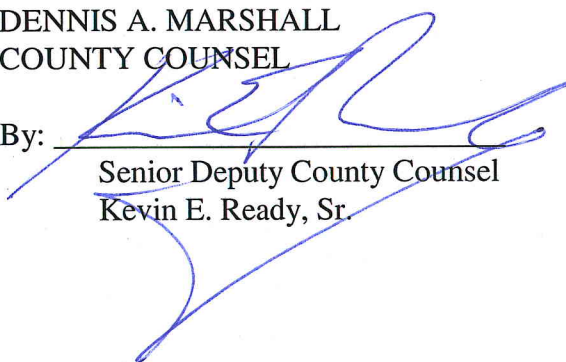
ABSTAINED:

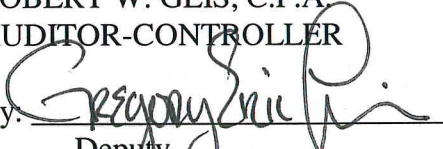
COUNTY OF SANTA BARBARA

ATTEST:
CHANDRA L. WALLAR
CLERK OF THE BOARD

Doreen Farr, Chair
Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:
DENNIS A. MARSHALL
COUNTY COUNSEL
By: 
Senior Deputy County Counsel
Kevin E. Ready, Sr.

APPROVED AS TO ACCOUNTING:
ROBERT W. GEIS, C.P.A.
AUDITOR-CONTROLLER
By: 
Deputy
Advanced Accounting

PUBLIC NOTICE
BOARD OF SUPERVISORS OF THE
COUNTY OF SANTA BARBARA
STATE OF CALIFORNIA

NOTICE IS HEREBY GIVEN that ELLWOOD PIPELINE, INC. has filed its application with the Board of Supervisors of the County of Santa Barbara requesting said Board to grant it a public utility franchise for a period of twenty years, under the Franchise Act of 1937, to use an oil pipeline and appurtenances under the public roads and places within the unincorporated areas of said County, as they now or hereafter exist within the County; for the purpose of transporting petroleum products by pipeline. The 6-inch pipeline will run approximately 8 ½ miles through County roadway and various private properties adjacent to Highway 101 on the north side of the freeway, in the unincorporated area of the County, from the Winchester Canyon overpass in a westerly direction to the Plains All American Pipeline system near Las Flores Canyon.

If said franchise shall be granted, ELLWOOD PIPELINE, INC., its successors and assigns, shall during the life thereof pay to County an annual fee agreed to in accordance with California Public Utilities Code Section 6231.5 and such fee shall be subject to increase to the maximum rate established by any amendment or successor to Section 6231. It is intended that the ordinance establishing the franchise shall be of immediate effect upon adoption. Upon commencement of this franchise the annual franchise fee is estimated to be \$5,630.42. The franchise fee shall be paid annually from the date of the granting of the franchise applied for and in the event such payment shall not be made said franchise shall be forfeited.

NOTICE IS HEREBY FURTHER GIVEN that any and all persons having any objections to the granting of said franchise may appear before this Board of Supervisors at the Board Hearing Room located in the Administration Building at 105 East Anapamu Street, Fourth Floor, in Santa Barbara, California, at the hour of 9:00 A.M. on February 7, 2012; or at the Board Hearing Room located in the Administration Building at 511 East Lakeside Parkway, in Santa Maria, California, at the hour of 9:00 A.M. on February 14, 2012, and be heard thereon; and

NOTICE IS HEREBY FURTHER GIVEN that at any time not later than the hour so set for hearing objections any person interested may make written protest stating objections against the granting of said franchise which protests must be signed by the protestant and delivered to the Clerk of the Board of Supervisors, and the Board of Supervisors shall at the time set for hearing said objections proceed to hear and pass upon all protests so made.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Clerk of the Board at (805) 568-2240. Notification at least 48 hours prior to the meeting will enable the Clerk of the Board to make reasonable arrangements.

IF YOU CHALLENGE THIS PROJECT IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED AT THE PUBLIC HEARING DESCRIBED IN THIS NOTICE, OR IN WRITTEN CORRESPONDENCE TO THE BOARD OF SUPERVISORS AT, OR PRIOR TO, THE PUBLIC HEARING.

Witness my hand and seal this _____ day of _____, 2012.

CHANDRA L. WALLAR
CLERK OF THE BOARD OF SUPERVISORS

By _____
Deputy Clerk