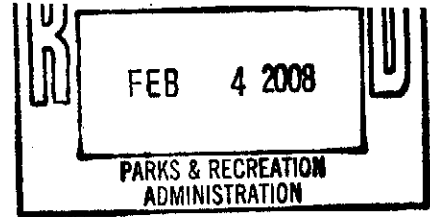




January 29, 2008

ATTACHMENT

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Dear Nancy,

This letter serves as the Zoo's annual report on maintenance, required under our lease agreement. I will celebrate my tenth anniversary as CEO/Director of the Zoo in July and feel that we continue to make significant improvements to the facility.

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Chris Briggs

On Thursday, December 21, 2006 the Planning Commission approved the environmental review prepared by Planning Department staff on the master plan application. The Commission also approved five master plan projects: Condor Country, the Discovery Pavilion (education building), The Wave (hilltop guest services facility), and the renovation of the Channel Island fox exhibit and langur/lemur holding.

Throughout 2007, the Zoo took three of the approved projects through the City's planning process: The Wave, Condor Country, and the Channel Island fox exhibit. All of the projects received final approval from the Historic Landmarks Commission and were forwarded to the Building Department and Plan Check. The balance of 2007 was spent in preparing responses to specific issues raised by reviewers in the various city departments, such as Creeks. As of this writing we have responded to all of the issues and are now waiting for the Building Department to issue permits. Though we had originally hoped to begin construction in September 2007, it now appears that we might break ground on the first three projects this February.

As we last received accreditation by the Association of Zoos & Aquariums (AZA) in March 2005, we are again preparing for our next thorough site inspection that will take place in late 2009 or early January 2010. (AZA accreditation is on a five-year cycle). To be accredited an institution must demonstrate the highest standards in animal care, facilities, management, programs and staff qualifications. The Zoo was originally accredited in 1981 and has maintained that status ever since. The projects approved by the Planning Commission will contribute to our next accreditation in 2010.

Chris Briggs, the Zoo's Safety & Security Manager, continues to track water use at the Zoo. Chris tracks readings from a number of meters that measure waster consumption at major exhibits. All of our project renovations incorporate improvements that focus on the reduction of water consumption. The use of meters throughout the Zoo helps Chris identify problem areas quickly and bring them to the attention of the management team at the weekly maintenance meetings.



Chris Brigg's following notes provide some explanation of the attached table of comparative water use for the years 2006 and 2007 (exclusive of December 2007) and the scope of our monitoring activities:

- The lack of a December bill from the city for the year in question results in our report run from December 2006 - November 2007; December 2006 is placed at the bottom of the '07 report only because it looks out of place anywhere else.
- Our use has increased significantly over this past year; actually the highest usage Chris Briggs has recorded since he started keeping track of this.
- The increase is largely due to problems with the ozone system (numerous dumps of the penguin pool this year for maintenance purposes - we're still having issues).
- Adding to this increase are facility problems (repaired as they are identified). As the Zoo ages (some areas entered service over 25 years ago), these challenges are addressed, extending the life of the Zoo's infrastructure.
- We have been addressing continuing issues with the keeper staff not keeping an eye on their pool fills, etc.
- The number of the types of singular issues described above, when combined, brought up our consumption noticeably in 2007.
- We're aware of the increased usage and are working hard (and smart!) in 2008 to actively reduce consumption as much as possible.

A Review of 2007 Projects and Activities

- Throughout the fall, staff worked to landscape an open area adjacent to the Zoo's train station to create a play area for children. After careful review of plans for **Condor Country**, it seemed like a good strategy to move the lively activities of children from the present location adjacent to the proposed exhibit. This decision provided the opportunity to rethink the nature of play and our audience. As 20% of our guests are ages five and under, we determined that a traditional "playground" was not appropriate and decided to go with the concept of nature-based creative play. This new area will be available to children in March 2008, in time to replace the old playground when it is closed by the construction of the first three projects. (PowerPoint presentation included.)
- In November the Zoo formally withdrew support of Caltrans constructing a sound wall along the northern property line, parallel to the Union Pacific tracks. This decision followed years of planning in which the Zoo staff was actively participating in the process. When the revised Union Pacific lease and the long-term liability for the structure were finally considered in the scope of the proposed project, the costs outweighed the ultimate benefits to the Zoo.
- The Zoo's facilities crew was active behind the scenes. Throughout the year modifications were made to the giraffe chute that helps us manage the care of the Zoo's giraffe herd. The Animal Care staff continued training the giraffes to get the acclimated to remaining calm in an enclosed space. Between the training and the modifications to the chute, we are improving our ability to provide the best care for our giraffes.

- For the first time in its history, the Zoo displayed banners on State Street. Penguins, snow leopards, turacos (tropical African birds), and black & white ruffed lemurs made their colorful debut in July.

Projects in the Planning Process

- Plans for the **Discovery Pavilion**, the Zoo's new education building, will now move forward as a result of the Planning Commission's December 21st approval of the environmental review and five master plan projects. The firm of Neumann, Mendro and Andrulitis architects (Carpinteria) is handling the design of the project. Construction of this facility will follow completion of **Condor Country**, so we anticipate breaking ground in the fourth quarter of 2008 or early 2009. We anticipate that construction will take about 18 months.
- Blackbird Architects is preparing the designs for: **The Heart of Asia**, the facility approved by the Planning Commission as the langur/lemur holding complex. We are currently exploring alternative plans that will utilize the approved footprint and scope of the project, but will reduce the investment in structures. This facility will need to be replaced in order to be accredited by the Association of Zoos & Aquariums and maintain our exhibitor's permit from the US Department of Agriculture.

As always, I am happy to provide any additional information or meet with Parks & Recreation staff to review projects and future plans. As you would expect, work will continue on landscape maintenance. Brush will be cleared, trees will be trimmed, and all routine maintenance on buildings and grounds is scheduled.

This year I am including two PowerPoint presentations that provide background on the Zoo and our projects. I hope these will be useful in reviewing current work and future plans for the Zoo. As you will be able to tell from the presentations, 2008 is going to be a very busy year at the Santa Barbara Zoo!

Sincerely yours,



Richard Block
CEO / Zoo Director

<u>Month</u>	<u>Total Bill</u>	<u>Potable</u>	<u>Gallons</u>	<u>Avg Daily</u>	<u>Reclaim</u>	<u>Gallons</u>	<u>Avg Daily</u>
January	\$11,725	\$10,823	1,105,544	33,501	\$902	313,412	9,497
Last Year	\$8,508	\$8,083	837,012	37,614	\$425	106,964	3,146
Change	38%	34%	32%	-11%	112%	193%	202%
February	\$10,160	\$9,479	958,188	31,940	\$681	216,920	7,231
Last Year	\$8,359	\$7,488	768,944	26,515	\$871	308,924	10,653
Change	22%	27%	25%	20%	-22%	-30%	-32%
March	\$9,000	\$8,064	802,604	29,726	\$936	323,136	11,968
Last Year	\$6,552	\$6,189	615,604	22,800	\$363	79,288	2,937
Change	37%	30%	30%	30%	158%	308%	307%
April	\$13,133	\$11,676	1,199,044	39,968	\$1,457	555,016	18,501
Last Year	\$6,302	\$5,840	574,464	18,531	\$462	124,168	4,005
Change	108%	100%	109%	116%	215%	347%	362%
May	\$11,810	\$9,848	998,580	34,434	\$1,962	774,928	26,721
Last Year	\$8,943	\$8,004	828,036	29,573	\$939	339,592	12,128
Change	32%	23%	21%	16%	109%	128%	120%
June	\$13,374	\$11,539	1,184,084	35,881	\$1,835	719,576	21,806
Last Year	\$13,449	\$11,690	1,246,916	37,785	\$1,759	716,584	21,715
Change	-1%	-1%	-5%	-5%	4%	0%	0%
July	\$12,850	\$10,941	1,078,616	35,954	\$1,909	717,332	23,911
Last Year	\$15,254	\$13,436	1,392,028	44,904	\$1,818	712,096	22,970
Change	-16%	-19%	-23%	-20%	5%	1%	4%
August	\$16,779	\$14,318	1,433,916	44,810	\$2,461	949,212	29,663
Last Year	\$11,311	\$10,189	1,035,980	36,999	\$1,122	403,920	14,426
Change	48%	41%	38%	21%	119%	135%	106%
September	\$12,224	\$10,538	1,035,980	34,533	\$1,686	623,832	20,794
Last Year	\$14,747	\$13,122	1,357,620	39,930	\$1,625	623,084	18,326
Change	-17%	-20%	-24%	-14%	4%	0%	13%
October	\$10,404	\$8,974	865,436	27,045	\$1,430	516,120	16,129
Last Year	\$11,539	\$10,345	1,053,184	37,614	\$1,194	435,336	15,548
Change	-10%	-13%	-18%	-28%	20%	19%	4%
November	\$10,900	\$9,749	949,960	32,757	\$1,151	397,936	13,722
Last Year	\$5,819	\$5,447	640,288	21,343	\$372	278,256	9,275
Change	87%	79%	48%	53%	209%	43%	48%
Dec-06	\$11,533	\$11,082	1,133,968	35,437	\$997	349,316	10,916
Dec-05	\$10,959	\$7,747	798,864	24,965	\$3,212	1,368,092	42,753
Change	5%	43%	42%	42%	-69%	-74%	-74%
2007 Totals	<u>Total Bill</u> \$ 143,892	<u>Potable</u> \$ 127,031	<u>Gallons</u> 12,745,920	<u>Avg Daily</u> 415,986	<u>Reclaim</u> \$ 17,407	<u>Gallons</u> 6,456,736	<u>Avg Daily</u> 210,859

2006	\$ 121,742	\$ 107,580	11,148,940	378,573	\$ 14,162	5,496,304	177,882
Change	\$ 22,150	\$ 19,451	1,596,980	37,413	\$ 3,245	-960,432	-32,977
%	18%	18%	14%	10%	23%	17%	19%
2005	\$120,816	\$106,672	11309012	371634	\$14,144	5470124	180046
2004	\$99,792	\$85,345	9,475,664	307,831	\$14,447	6,025,888	196,738
2003	\$93,788	\$80,070	9,775,612	324,311	\$13,718	5,794,521	190,939
2002	\$78,343	\$66,305	8,275,872	272,687	\$12,109	5,702,752	188,847
2001	\$72,403	\$61,261	7,645,308	253,153	\$11,142	4,983,176	165,447