COLAB San Luis Obispo County

The Coalition of Labor Agriculture and Business

WEEKLY UPDATE JUNE 16 - 22, 2019

THIS WEEK

INDUSTRIAL HEMP REGULATION LIKELY

FIRST AG CROP TO BE REGULATED
(CANNABIS CONSIDERED NOT AN AG CROP)

PASO WATER MORATORIUM COULD BE EXTENDED BEYOND SGMA PLAN ADOPTION

IT COULD TAKE YEARS FOR PLAN PROVISIONS TO TAKE EFFECT

HOMELESS DEAL AT $267K PER DWELLING UNIT

FY 2019-2020 BUDGET ADOPTION

LAST WEEK

BUDGET REVIEW WEEK

THE PROPOSED FY 2019-2020 RECOMMENDED BUDGET WAS TENTATIVELY APPROVED – LEGAL ADOPTION IS ON JUNE 18, 2019

FIVE YEAR FINANCIAL OUTLOOK PRESENTED

BEGUN LAST YEAR & NOW FULLY DEVELOPED
BEST STRATEGIC ANALYSIS IN 10 YEARS
CLEAR, GRAPHIC, AND POWERFUL

SOME SUPERVISORS NOT TOO IMPRESSED
WHAT IF REALITY IS TOO SCARY?

SLO COLAB IN DEPTH
SEE PAGE 13

PG&E'S BANKRUPTCY: RENEWABLE ENERGY COSTS AT 800% OF MARKET RATES
BY CHRISS STREET

WHY ARE THE WESTERN MIDDLE CLASSES SO ANGRY?
BY VICTOR DAVIS HANSON

TEN MINUTES IN CALIFORNIA
LOS ANGELES DIARIST
BY TROY SENIK

THIS WEEK'S HIGHLIGHTS

Board of Supervisors Meeting of Tuesday, June 18, 2019 (Scheduled)

Item 14 - Authorization for the County to accept a $1.6 Million Dollar Homeless Grant. The grant is part of the billions which the California Legislature is doling out to attempt to counter the homeless problem. The State is issuing $2 billion in debt to support this effort in part.

The County will use the funding to contract with the not-for-profit Transitions Mental Health Association. Transitions will acquire and renovate a 6-unit property to add to its portfolio of homeless serving properties. This means the renovated apartments will cost $266,667 dollars per unit. See our article in last week's **Weekly Update** on the *Homeless Industrial Complex*. It seems as though the County needs a plan and some standards. That fact that "it's not general fund" is not the point. We are all being taxed for the profligate and un-managed homeless industrial complex.

- What is the address of the building under consideration?
- What is its property tax assessment?
- What is its market value and how much are the renovations going to cost?

- Are these family units? How many bedrooms?
- What will the annual operating and maintenance costs be?
- How will these be covered?
- What does it mean that the grant covers only 4 years?

A sampling of homes currently on the market for less than $300,000 is shown below. They don't need renovations, and they have multiple bedrooms. Why don't the County and its partners contract with experienced manufactured home park developers and produce/acquire these with economies of scale? As one public speaker has often said, what about having the State allow some of the surplus land at Camp San Luis to be used for this purpose? Supportive services could be provided efficiently at the manufactured home park.

These would work well for homeless families

Item 21 - State Ground Water Management Act (SGMA) Plans Status by Basin. An attachment to the item contains presentations on the status of plan development to comply with SGMA for the 6 subject County water basins. The current budget status for the projects is displayed in the table below.

		Current Fiscal Year Budget Status [1]			
Basin [2], [3]	GSP Development Phase Duration in Fiscal Years [4]	FY 2018-19 Budget	FY 2018-19 Costs to Date	Remaining FY 2018-19 Budget	Total SGMA Costs to Date (7/1/17 - Current)
SGMA Program		$ 3,875,626.00		$ 3,875,626.00	
Cuyama Basin	*FY 17/18-19/20*		$ 50,027.96	$ (50,027.96)	$ 62,251.66
Los Osos Basin	*FY 17/18-19/20*		$ 52,897.32	$ (52,897.32)	$ 68,533.93
Paso Basin	*FY 17/18-19/20*		$ 730,553.90	$ (730,553.90)	$ 804,469.06
San Luis Obispo Basin	*FY 17/18-21/22*		$ 32,784.01	$ (32,784.01)	$ 89,364.96
Santa Maria Basin	*FY 17/18-21/22*		$ 10,767.01	$ (10,767.01)	$ 41,012.44
Atascadero Basin	*FY 17/18-21/22*		$ 3,593.74	$ (3,593.74)	$ 4,650.15
County General Fund (GF) Contribution Total		*$ 3,875,626.00*	*$ 880,623.94*	*$ 2,995,002.06*	*$ 1,070,282.20*
Flood Control Zone General (FCZ) Contribution Total			*$ 728,878.88*		*$ 1,835,808.00*
SGMA Program Total (GF + FCZ)			**$ 1,609,502.82**		**$ 2,906,090.20**

The actual reports for each basin are accessible at the link below. They seem to be on schedule. For some reason the link to the draft plan sections for the Paso Basin will not open. These need to be available to the public and interested organizations. What sort of pumping reductions will be necessary to bring the Basin into compliance?

https://agenda.slocounty.ca.gov/iip/sanluisobispo/agendaitem/details/10342

Item 38 - Formal Adoption of the FY 2019-2020 Annual County Budget. The Board conceptually approved the Budget during hearings last week. It is likely that it will be adopted without any significant changes at this point. See last week's Weekly Update for details.

Item 39 - Hearing to consider and adopt an Industrial Hemp Urgency Ordinance to establish a temporary moratorium on the cultivation of industrial hemp, with some exemptions, in all unincorporated portions of San Luis Obispo County, by 4/5 vote. The Board is likely to adopt an urgency ordinance which would forbid the establishment of new hemp operations in the County until the Board, staff, Ag interests, and general public have time to examine and sort out the issue. The Federal Government had prohibited industrial hemp farming until 2018, when the ban was repealed. Key issues include:

Hemp is an agricultural crop, unlike Cannabis which is separately regulated. There is concern that any regulation of hemp could then serve as a model or precedent for regulating other Ag crops, which have been considered exempt from most land use type regulation. What if someone decides broccoli, cauliflower, cattle, horses, goats, or some flowers are too smelly?

Hemp is a close cousin to cannabis. The main difference is that the THC level (the active psychotropic activator in cannabis) is very low in hemp. Reportedly some varieties of hemp smell like cannabis. Many people are worried that its widespread cultivation could result in odor problems for neighbors. It is also reported that hemp in the field looks like cannabis and thus could serve as cover for illegal cannabis operations and/or present a severe inspection workload for County agencies.

Industrial Hemp Cultivation Requirements

- With the passage of the 2018 Federal Farm Bill, Industrial Hemp was removed from the Controlled Substances Act list
- Cultivation of Industrial Hemp is now allowed by Federal law
- Must be grown in accordance with an approved State program
- California Department of Food & Agriculture (CDFA) is responsible for developing and coordinating that program

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Industrial Hemp Cultivation Requirements – Local Registration

- Must register and obtain approval from the Ag Commissioner's office prior to planting
- Registration includes map and acreage details
- Seed varieties must comply with State regulations
- 31 applications received, 12 approved, 82.3 acres

Industrial Hemp Cultivation Requirements

- Two pathways for cultivating Industrial Hemp in California
  1. Established Agricultural Research Institution Exemption
  2. Commercial Cultivation of an approved seed cultivar
- Commercial Cultivation became available in April 2019
- Registrations are submitted to the Ag Commissioner's Office

Concerns Associated with Industrial Hemp Cultivation

- Most growers are cultivating for CBD not fiber
- Hemp produced for CBD may have odor similar to cannabis
- Plants are similar in appearance to cannabis
- Cross-pollination concerns with permitted cannabis

Industrial Hemp Cultivation Requirements – Sampling/Testing

- According to State law, crop must be tested within 30 days of harvest
- Results must show compliance with THC threshold
- Emergency regulations submitted for sampling and testing and may be adopted in June 2019
- Agricultural Commissioner involved with sampling and testing protocols

Options for a Permanent Ordinance

- The Board has the authority to regulate hemp through land use, options include but are not limited to:
  1. Prepare an ordinance that prohibits Industrial Hemp
  2. Prepare an ordinance that regulates where Industrial Hemp can occur
- For example, cultivation of Industrial Hemp could be limited to occur only in certain designated areas, such as Agriculture, and on parcels of a certain minimum size or more, along with setback requirements of a minimum established distance from the property boundary.
- Depending on the nature of the ordinance, the staff time to prepare the ordinance will vary and will include multiple departments, public hearings at the Planning Commission and the Board of Supervisors for adoption.

There are a number of letters in the file requesting that the Board be careful and not allow too much expansion. Should hemp be allowed in rural residential zones? Other Ag crops are.

Matters After 1:30 PM

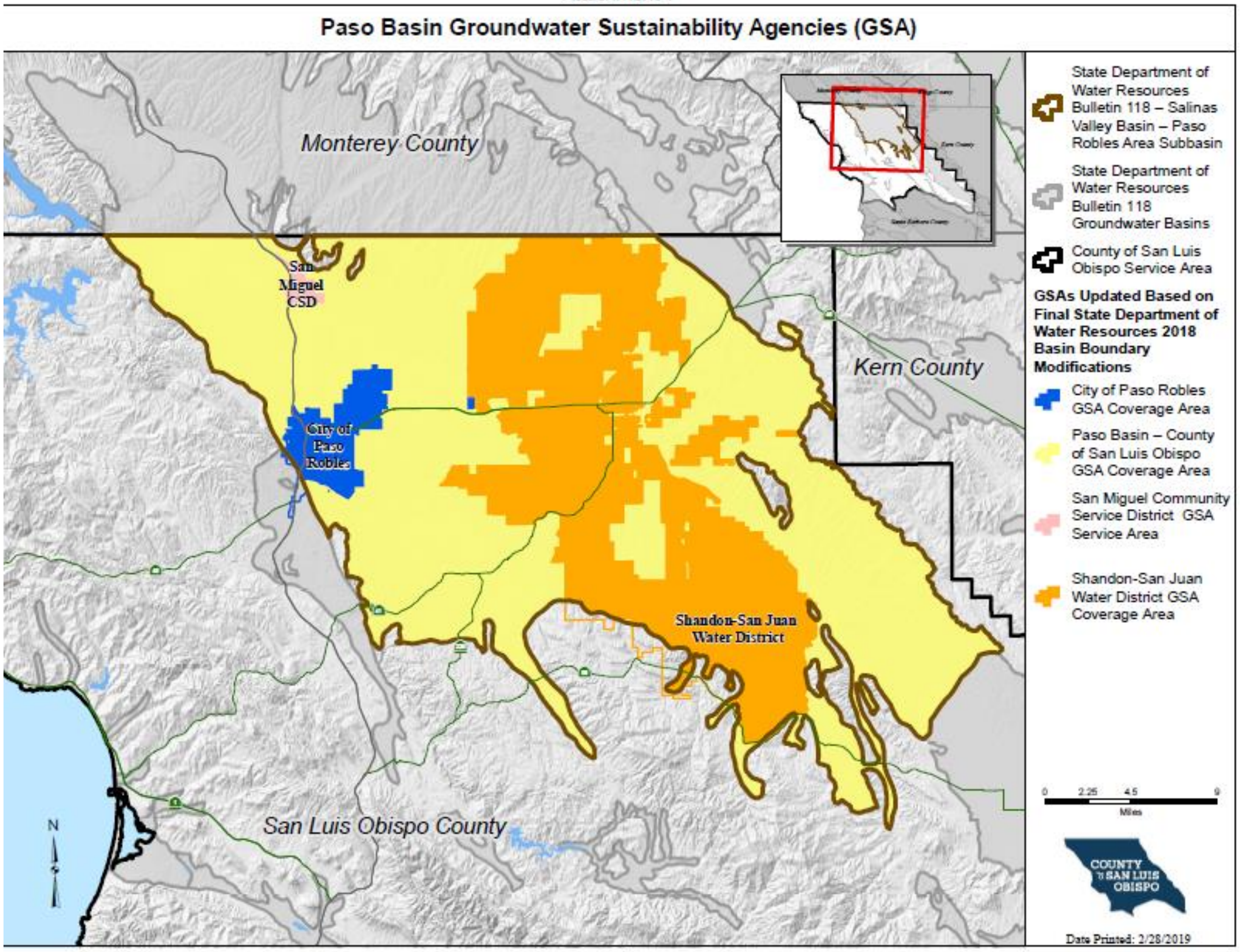
Item 43 - Request for direction regarding expiration of the Water Neutral New Development programs as related to the Paso Robles Groundwater Basin and the Sustainable Groundwater Management Act. Back in 2015 the Board, recognizing the Paso Water Basin as a level of severity III (overused) water source, imposed a rural water offset program (for every new acre foot of water used, the owner has to find somewhere to purchase or otherwise cancel the use of an acre foot of water. These controls were to be cancelled when the new mandated State Groundwater Management Act (SGMA) Plan is adopted in 2020. It has now been realized that simply adopting the Plan does not change anything. It will take up to 5 years for various water regulatory control and supply measures to be implemented. The gap period from the adoption and approval of the Plan and its actual effect might result in a sudden detrimental use of more water. Current regulatory provisions are summarized in the outline below:

Water Neutral New Development

- Urban/Rural Water Offset and Rebate Programs (Title 19 Building and Construction Ordinance)
  - Plumbing Retrofit
  - Turf Removal Incentive Program (Cash for Grass)
- Agricultural Offset Program – Paso Basin only (Title 22 Land Use Ordinance)
  - New or expanded irrigated crop production
  - Water use offset at a minimum 1:1 ratio
  - Special provisions in the Area of Severe Decline

For this reason the staff is "asking" (suggesting?) the Board to revise the regulatory provisions in order to extend them from the date of adoption to the date of presumed implementation as a prophylactic provision. What if only large well financed corporate farms can afford the credits?

> The intention of the expiration provision in the WNND ordinances was to allow the new GSP management actions to replace the WNND programs. However, the expiration date is currently written as the date the GSP is adopted rather than when the new GSP management actions will be formally developed and implemented. Staff is asking for Board direction as to whether an ordinance amendment should be authorized to extend the expiration date. Extending the expiration date would allow the WNND programs to remain in place during the "gap" between GSP adoption and when management actions are implemented. The general schedule for GSP activities anticipates a start-up phase of five years to establish the necessary management actions. If the WNND programs in the Paso Basin are allowed to expire with the final adoption of the GSP, there will be no management actions in place to prevent an increase in water demand during the "gap". Any new construction or new or expanded irrigated crop production during the "gap" will increase the projected groundwater deficit, be inconsistent with the modeling used to develop the GSP and impact the ability to meet interim milestones for SGMA compliance.



On the surface, this sounds pretty straightforward, but there are nuances:

1. The current version requires that property owners use their water whether they need it or not currently. It is a use it or lose it system. If for some reason an owner quits using the water and fallows the land, his "credits" with the County evaporate. This actually provides incentives to use more water in some cases.

Water Credit Question: The County does not regulate the actual credit market, and staffers could not tell us how much a typical credit costs. The Board and public need to be informed in this regard in order to assess the full impact of the current policy and any changes before pulling the trigger.

2. There are many smaller farmers who cannot plant small orchards, vineyards, or vegetables because they cannot afford to buy water credits from others. Some of them are going out of business now and some will be forced out of business if there is a long 6- to 7-year hiatus in the SGMA Plan becoming operational. The regulations need to be amended to let them use up to some limited amount of acre-feet so that they can operate (such as 15 acre-feet or some sort of tiered system).

Future Desperation Moves: Restricting a commodity or behavior and then allowing selling of credits to those who exceed the limits are one of the expanding tools of the progressive left to control society in ways which conform to its ideology. Currently the use of carbon credits is costing Californians billions at the gas pump and in their utility bills – not to mention the secondary impacts on trucking, manufacturing, agriculture, and just about everything else. Some coming attractions:

a. Floor area in sq. ft. of homes.

b. Number of parking spaces in new buildings and developments.

c. Number of cows and calves on your ranch.

d. Pounds of chemicals and fertilizers on your farm. (Already exists as a fee in some cases).

e. Pounds of red meat sold by super market chains and restaurants. (This could actually be applied to any politically incorrect or disfavored product).

f. Number/percent of employees who do not use alternate transportation modes to work at your business. (Walk, bike, bus, van, skateboard).

g. Vacant homes not inhabited by an owner/permanent resident at least 80% of the year.

h. Purchase of credits to allow you to sell your home if you are moving out of state. (Note it's so bad in Connecticut that the Legislature is considering a 2.5% tax on anyone a selling home who is moving out of state).

Local Agency Formation Commission Meeting of Thursday, June 20, 2019 (Cancelled)

Please be advised that the June 20, 2019 meeting of the LOCAL AGENCY FORMATION COMMISSION (LAFCO) has been cancelled.

The next LAFCO meeting will be held on Thursday, July 18, 2019.

LAST WEEK'S HIGHLIGHTS

Board of Supervisors Meetings of Monday, June 10 (Budget Hearing) (Completed); Wednesday June 12, 2019 Contributions to Non Profit Agencies

The Budget: After a review of the various functional sections and virtually no public interest except from perennial insightful gadfly Eric Greening and COLAB, the Budget was tentatively approved. Final adoption will take place on Tuesday, June 18 2019, as noted above in the headline for the current week section.

Background: The total all-funds Budget increases from the FY 2018-19 adopted budget of $631.1 million to the proposed budget of $633.4 million for FY 2019-20, a nominal increase of $2.3 million. The small increase looks good on the surface, but when the inside is examined it is apparent that salaries (a recurring expense) are up $5.1 million. More significantly, salaries were raised by $18.5 million the prior year. That number is the more likely indicator of the true growth velocity. One problem is that the County does not budget estimates for some salary and related cost increases. Instead, to handle these unbudgeted midyear increases, it makes transfers from savings generated by not filling vacancies in the departments and from the contingency account part way through the fiscal year.

Description	2016-17 Actual	2017-18 Actual	2018-19 Final	2019-20 Recommended
Uses of Financing by Type				
Salary & Benefits	269,642,309	288,035,642	306,713,794	311,943,770
Services & Supplies	159,661,464	171,273,424	182,620,147	198,721,592
Other Charges	115,981,971	172,123,973	98,217,112	70,609,703
Fixed Assets	28,966,861	34,276,971	22,850,959	17,240,023
Transfers	(24,861,723)	(26,086,387)	(26,550,683)	(29,628,190)
Increases to Reserves/Designations	0*	0*	21,585,240	24,445,448
Increases/(decreases) to Fund Balance	27,067,513	(37,121,028)	0	13,169,376
Contingencies	0*	0*	25,660,143	26,871,115
*use of reserves and designations and contingencies are included in individual financing types				
Total Financing by Type	**576,458,365**	**602,502,595**	**631,096,713**	**633,372,837**

Format and Clarity Improvements: There are several good structural and presentation improvements which allow the Board, management, and the public to focus in on changes from year to year and the readability of the performance measures. Insofar as we know, COLAB is the only civic organization which reads the Budget from cover to cover each year , informs the public about issues, and makes recommendations.

Multi-Year Financial Outlook: The Board listened to the presentation of the 5-year outlook, which demonstrated different financial scenarios. It is fairly sophisticated and some members seemed impatient.

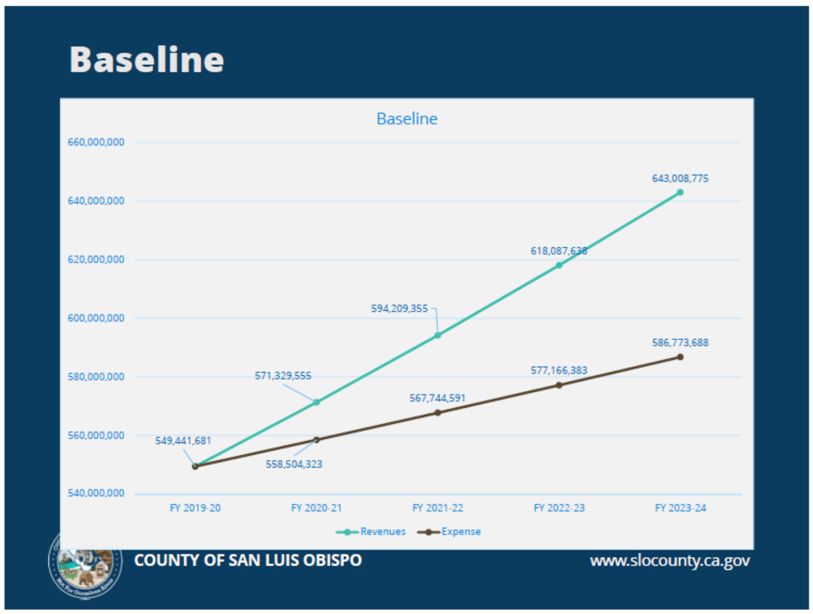
This is the type of excellent strategic presentation which Pubic Administration professionals should prepare for the public and elected officials. We didn’t have room to put it all in this week or this week but will develop a supplement in the future. The charts are pretty self-explanatory. Some samples are displayed below on the next page:

What is a Financial Outlook?

- Prediction of possible future financial outcomes based upon a given set of assumptions
- Helps to understand where we are headed and the impacts of changes
- It is not a budget or a look backwards
- Can be rerun at any time, changing assumptions

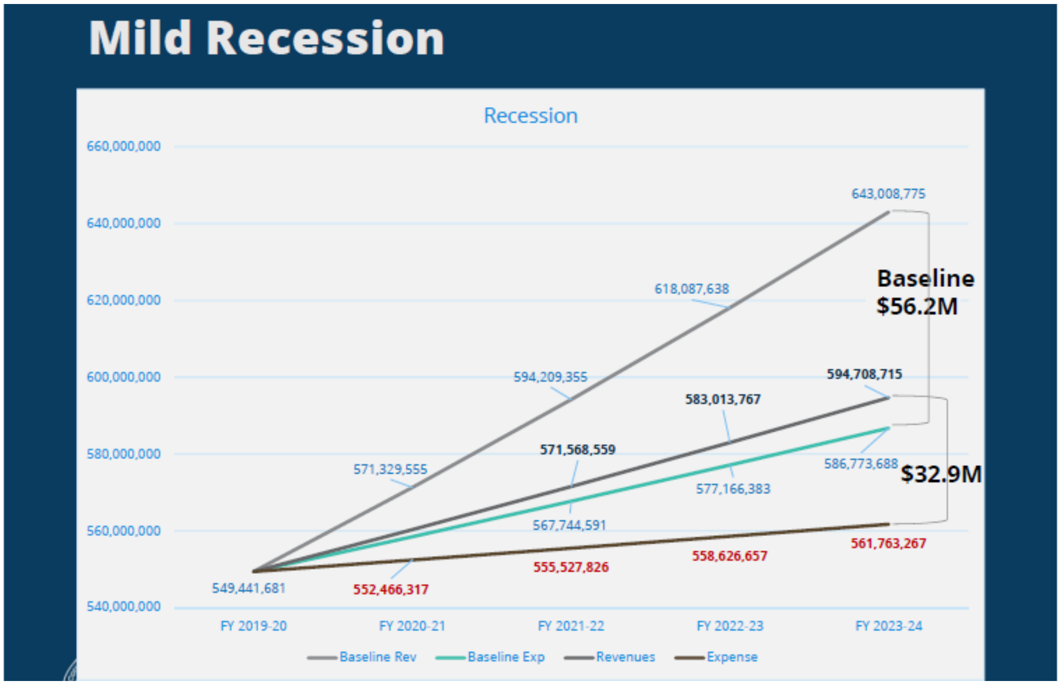
Creating a baseline outlook

- Start with 2019-20 Recommended Budget
- Adjust revenues and expenses per assumptions
- No changes in assumptions
  - Consistent CPI
  - Property taxes
  - Other costs and increases

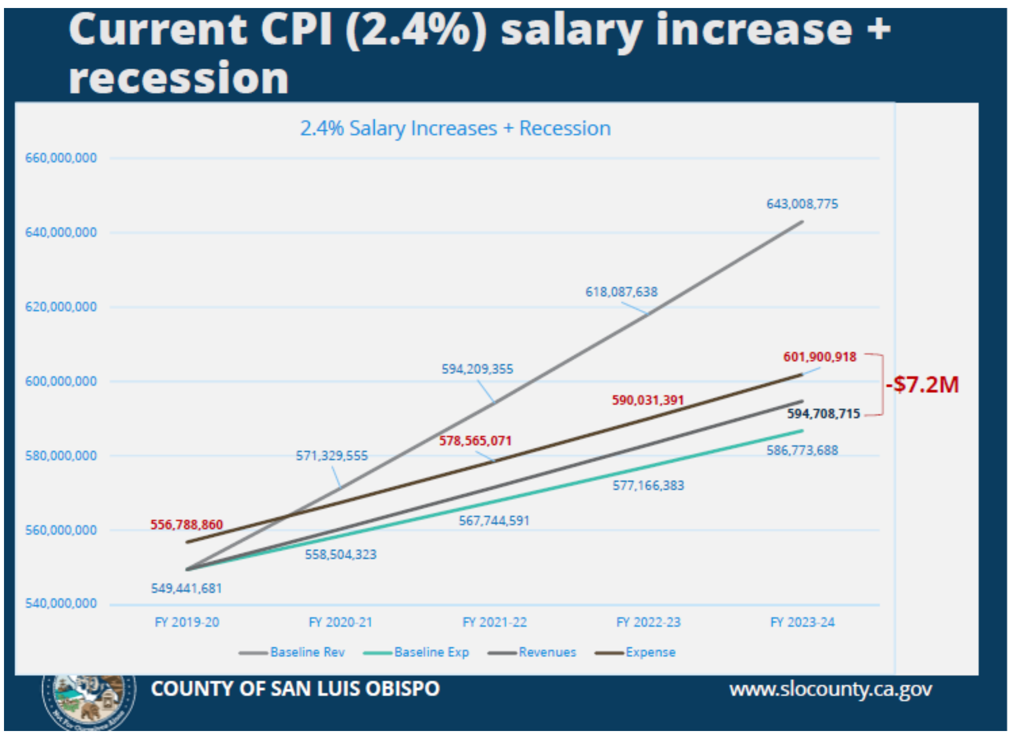


Scenarios – what if this happens?

- Change in assumptions
  - One-at-a-time
  - In combination



Mild Recession
Recession
660,000,000
640,000,000
620,000,000
600,000,000
580,000,000
560,000,000
540,000,000
643,008,775
Baseline
$56.2M
618,087,638
594,209,355
594,708,715
583,013,767
571,568,559
571,329,555
586,773,688
$32.9M
577,166,383
567,744,591
561,763,267
558,626,657
555,527,826
549,441,681
552,466,317
FY 2019-20
FY 2020-21
FY 2021-22
FY 2022-23
FY 2023-24
Baseline Rev
Baseline Exp
Revenues
Expense



Current CPI (2.4%) salary increase + recession
2.4% Salary Increases + Recession
660,000,000
640,000,000
620,000,000
600,000,000
580,000,000
560,000,000
540,000,000
643,008,775
618,087,638
601,900,918
-$7.2M
594,209,355
590,031,391
594,708,715
578,565,071
571,329,555
586,773,688
577,166,383
556,788,860
567,744,591
558,504,323
549,441,681
FY 2019-20
FY 2020-21
FY 2021-22
FY 2022-23
FY 2023-24
Baseline Rev
Baseline Exp
Revenues
Expense
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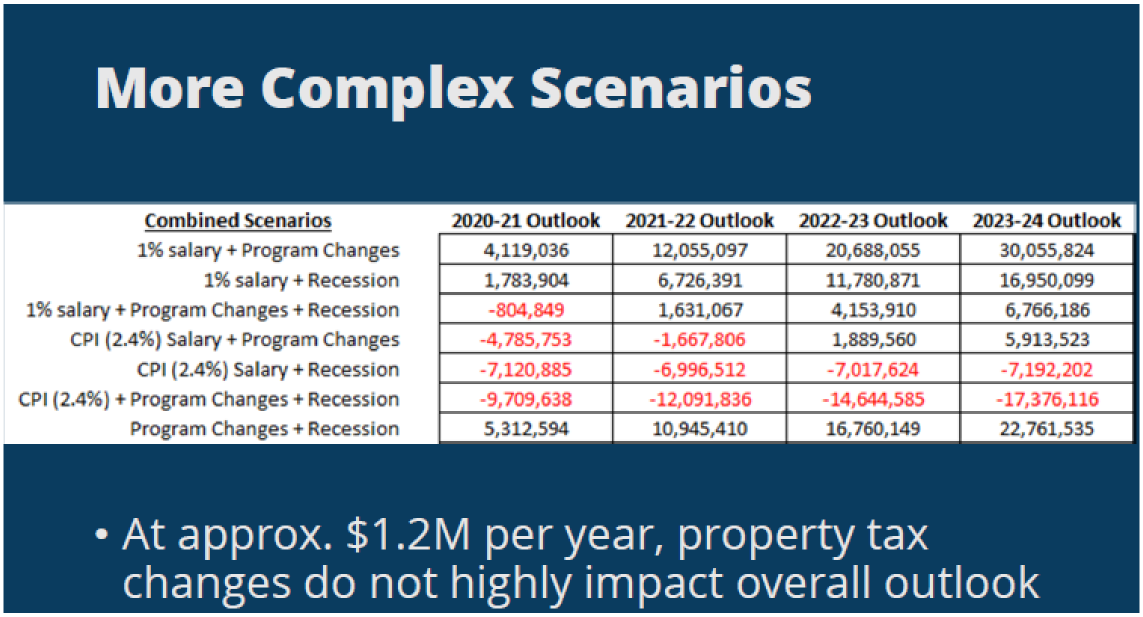


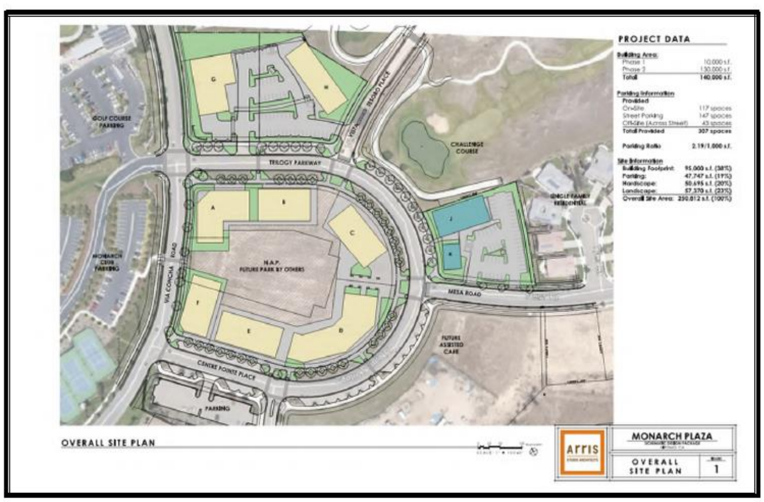
More Complex Scenarios

Combined Scenarios	2020-21 Outlook	2021-22 Outlook	2022-23 Outlook	2023-24 Outlook
1% salary + Program Changes	4,119,036	12,055,097	20,688,055	30,055,824
1% salary + Recession	1,783,904	6,726,391	11,780,871	16,950,099
1% salary + Program Changes + Recession	-804,849	1,631,067	4,153,910	6,766,186
CPI (2.4%) Salary + Program Changes	-4,785,753	-1,667,806	1,889,560	5,913,523
CPI (2.4%) Salary + Recession	-7,120,885	-6,996,512	-7,017,624	-7,192,202
CPI (2.4%) + Program Changes + Recession	-9,709,638	-12,091,836	-14,644,585	-17,376,116
Program Changes + Recession	5,312,594	10,945,410	16,760,149	22,761,535

- At approx. $1.2M per year, property tax changes do not highly impact overall outlook

Planning Commission Meeting of Thursday, June 13, 2019 (Completed)

Item 5 - Hearing to consider a request by Monarch Dunes, LLC for a Conditional Use Permit (DRC2018- 00214) to authorize the establishment of commercial uses and construct related site improvements to develop the village center within Woodlands Village. The project was unanimously approved. One resident pointed out that it had been promised years ago and that the original developer Shea Homes should have built in in the 2006-08 time frame. He said, "there are 1000 geezers who live in Monarch Dunes who are clogging up Mesa Road because they have to drive to town to get a bottle of aspirin or a cup of milk." He wanted the Planning Commission to set deadlines and impose performance bonds, which it declined to do. He may appeal to the Board of Supervisors. Commissioner Multari (Gibson's Commissioner) tellingly said, "that's the way it goes under capitalism."



Attachment 3

The ultimate project includes the construction of the long planned commercial village center within the Woodlands Village at Monarch Dunes. The Staff recommends approval of the project. The APCD was concerned about the blowing dust problem from the dunes and is recommending many strict operational requirements. The APCD is not keen on allowing a nail salon because of the odor. No one at the meeting echoed those issues. The buildings would be phased in over a period of years.

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Attachment 3

COLAB IN DEPTH

IN FIGHTING THE TROUBLESOME, LOCAL DAY-TO-DAY ASSAULTS ON OUR FREEDOM AND PROPERTY, IT IS ALSO IMPORTANT TO KEEP IN MIND THE LARGER UNDERLYING IDEOLOGICAL, POLITICAL, AND ECONOMIC CAUSES AND FORCES

PG&E'S BANKRUPTCY: RENEWABLE ENERGY COSTS AT 800% OF MARKET RATES

BY CHRISS STREET

PG&E's bankruptcy court revealed that the company may dump its state-mandated renewable energy source contracts that cost up to 800 percent more than market rates.

California mandated a zero carbon emissions future by passing the Global Warming Solutions Act of 2006. With PG&E residential electric rates rising by 71 percent to subsidizing renewables, Northern Californians' electricity costs 19.30 cents per kilowatt-hour, or about double the 10.66 cents in Oregon and 9.46 cents in Washington.

Pacific Gas & Electric filed for "Chapter 22" in January, as California's largest utility was forced for the second time in 15 years into a Chapter 11 bankruptcy due to the state's social justice legal and regulatory system.

Under a 1999 Court of Appeals' opinion in *Barham v. S. Cal. Edison Co.* that established "inverse condemnation" for all weather-driven power line sparking risks caused by wildfires, regardless of any determination of negligence by the utility or its staff, PG&E is responsibility for $30 billion in wildfire claims over the last two years.

The California governor and the state Legislature have the authority to make changes to state law or direct the Public Utility Commission to exempt utilities from unlimited liability. But such a move would make California liable for its risky forest management.

But the U.S. Bankruptcy Court proceedings revealed that the company has $34.7 billion of overpriced renewable energy contracts costing up to $197 per megawatt-hour that could be replaced with new contracts priced at between $25–30 per megawatt-hour.

Despite PG&E warnings that residential rates are set to rise substantially, California's Gov. Gavin Newsom and the U.S. Federal Energy Regulatory Commission partnered to claim that FERC has "concurrent jurisdiction" with federal bankruptcy courts to protect a "public interest" regarding wildly overpriced renewables power purchase agreements.

The court testimony illuminated that California and FERC were trying to protect the monetary interests of three huge corporations that include Warren Buffett's Berkshire Hathaway Energy's 550-megawatt Topaz solar farm, NextEra Energy's 250-megawatt Genesis Solar farm, and Consolidated Edison Renewable Energy portfolio.

Judge Dennis Montali ruled on June 7 that Chapter 11 debtors under law have the option, and without the consent of the other parties, to reject, assume, or assign most of its contracts or leases. The decision could save PG&E between $1.5 and $4.5 billion per year, according to varying projections by Wall Street analysts.

California already gets 34 percent of its power from renewables, and utilities under S.B. 100 enacted last year must reach 50 percent in 2026 and 60 percent in 2030. But lobbyists understand that the bankruptcy judge's decision may have doomed the ability of crony capitalists to finance huge solar and wind projects based on bureaucrats jacking up electricity rates on working class consumers.

Gov. Newsom's spokesman Nathan Click tried to give the appearance of strength when he told a Sacramento Bee reporter: "Our office is closely monitoring and will not allow bankruptcy to interfere with the state's renewable energy goals."

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WHY ARE THE WESTERN MIDDLE CLASSES SO ANGRY?

BY VICTOR DAVIS HANSON

What is going on with the unending Brexit drama, the aftershocks of Donald Trump's election and the "yellow vests" protests in France? What drives the growing estrangement of southern and eastern Europe from the European Union establishment? What fuels the anti-EU themes of recent European elections and the stunning recent Australian re-election of conservatives?

Put simply, the middle classes are revolting against Western managerial elites. The latter group includes professional politicians, entrenched bureaucrats, condescending academics, corporate phonies and propagandistic journalists.

What are the popular gripes against them?

One, illegal immigration and open borders have led to chaos. Lax immigration policies have taxed social services and fueled multicultural identity politics, often to the benefit of boutique leftist political agendas.

Two, globalization enriched the cosmopolitan elites who found worldwide markets for their various services. New global markets and commerce meant Western nations outsourced, offshored and ignored their own industries and manufacturing (or anything dependent on muscular labor that could be replaced by cheaper workers abroad).

Three, unelected bureaucrats multiplied and vastly increased their power over private citizens. The targeted middle classes lacked the resources to fight back against the royal armies of tenured regulators, planners, auditors, inspectors and adjustors who could not be fired and were never accountable.

Four, the new global media reached billions and indoctrinated rather than reported.

Five, academia became politicized as a shrill agent of cultural transformation rather than focusing on education — while charging more for less learning.

Six, utopian social planning increased housing, energy and transportation costs.

One common gripe framed all these diverse issues: The wealthy had the means and influence not to be bothered by higher taxes and fees or to avoid them altogether. Not so much the middle classes, who lacked the clout of the virtue-signaling rich and the romance of the distant poor.

In other words, elites never suffered the firsthand consequences of their own ideological fiats.

Green policies were aimed at raising fees on, and restricting the use of, carbon-based fuels. But proposed green belt-tightening among hoi polloi was not matched by a cutback in second and third homes, overseas vacations, luxury cars, private jets and high-tech appurtenances.

In education, government directives and academic hectoring about admissions quotas and ideological indoctrination likewise targeted the middle classes but not the elite. The micromanagers of Western public schools and universities often preferred private academies and rigorous traditional training for own children. Elites relied on old-boy networks to get their own kids into colleges. Diversity administrators multiplied at universities while indebted students borrowed more money to pay for them.

In matters of immigration, the story was much the same. Western elites encouraged the migration of indigent, unskilled and often poorly educated foreign nationals who would ensure that government social programs — and the power of the elites themselves — grew. The champions of open borders made sure that such influxes did not materially affect their own neighborhoods, schools and privileged way of life.

Elites masked their hypocrisy by virtue-signaling their disdain for the supposedly xenophobic, racist or nativist middle classes. Yet the non-elite have experienced firsthand the impact on social programs, schools and safety from sudden, massive and often illegal immigration from Latin America, the Middle East, Africa and Asia into their communities.

As for trade, few still believe in "free" trade when it remains so unfair. Why didn't elites extend to China their same tough-love lectures about global warming, or about breaking the rules of trade, copyrights and patents?

The middle classes became nauseated by the constant elite trashing of their culture, history and traditions, including the tearing down of statues, the Trotskyizing of past heroes, the renaming of public buildings and streets, and, for some, the tired and empty whining about "white privilege."

If Western nations were really so bad, and so flawed at their founding, why were millions of non-Westerners risking their lives to reach Western soil?

How was it that elites themselves had made so much money, had gained so much influence, and had enjoyed such material bounty and leisure from such a supposedly toxic system — benefits that they were unwilling to give up despite their tired moralizing about selfishness and privilege?

In the next few years, expect more grassroots demands for the restoration of the value of citizenship. There will be fewer middle-class apologies for patriotism and nationalism. The non-elite will become angrier about illegal immigration, demanding a return to the idea of measured, meritocratic, diverse and legal immigration.

Because elites have no answers to popular furor, the anger directed at them will only increase until they give up — or finally succeed in their grand agenda of a non-democratic, all-powerful Orwellian state.

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TEN MINUTES IN CALIFORNIA
LOS ANGELES DIARIST

BY TROY SENIK

The thing you have to understand," I said, feigning wisdom that, in my mid-twenties, I had not earned, "is that you'll spend the first ten minutes remembering why you were with her and the rest of the time remembering why you're not anymore." Long ago, I proffered this advice to a friend, whose ex-girlfriend had invited him to lunch after hearing about his engagement. (His fiancée, in a gambit that marked her as the rightful heir to Henry Kissinger, encouraged the meeting.) The context was different, but those words came back as I waited to meet my father at LAX's baggage claim.

This trip was a homecoming of sorts for us. Until he decamped for Oregon shortly before his 70th birthday, my father had spent his entire life (minus a stint in the army) in California. The prospect of trying to live on a retiree's fixed income in his native Orange County, however, proved the breaking point. I'd taken my leave of the state shortly before he did, heading to Tennessee once I realized that I could never afford to buy a home where I grew up. We thus became California-diaspora stereotypes. It's easy to spot our kind: just go to a neighboring state (or anywhere in the Sun Belt) and look for someone bragging about how much square footage they've got—and for *such a low price!*

We California refugees want to believe that it's all just an accounting exercise. If we're living larger—and cheaper—in Texas, or Arizona, or North Carolina, we can point to our bank accounts for validation. And we do this with such fervor because in the back of our minds, we suspect that we're wrong: we can't shake the sense that, for all its artificial hardships, there's something special about California that can't be dismissed with a cost-benefit analysis. That seemed plausible, as we stepped out of the terminal into a perfect autumn evening in L.A., the warm winds perfuming the palm trees with ocean air. Yes, this was my equivalent of the first ten minutes—but damn, was it persuasive.

Then the ten minutes were up.

Visiting a familiar place after a long absence is a bit like seeing a friend's child for the first time in years: you can perceive changes invisible to those who experience them incrementally. My sense of Southern California, a place known throughout the world for its dynamism? That it was in the early stages of succumbing to entropy.

Not all the signs were novel—for as long as I can remember, Los Angeles has been a city where people buy ridiculously fast cars only to drive them 8 mph on clogged freeways—but some were strikingly new. Years of drought-driven water-rationing left the landscape receding to its natural brown. A failure to build new housing yielded outrageous rents for buildings well into their senescence. Stopping into a Target in a middle-class part of Long Beach, I saw no fewer than four homeless men camped out inside the store, the clerks studiously avoiding eye contact with them. It was that little behavioral tell—the passive acceptance of decline—that unnerved me. I had seen it before, a decade earlier, in San Francisco's notoriously disordered Tenderloin neighborhood. At least there, it came with a patina of bohemian chic. This was surrender in the suburbs.

When I recalled my California visit to right-of-center friends, they responded with a knowing smirk. California schadenfreude is pathology among conservatives, most of whom apply H. L. Mencken's definition of democracy—"the common people know what they want and deserve to get it good and hard"—to the Golden State. But surely something meaningful has been lost when America's Eden goes barren. Surely malicious glee is not the proper reaction.

As the wheels pulled up on the flight out of LAX a few nights later, I looked out at the Queen's Necklace, the luminous crescent of coastline that stretches from Malibu to the Palos Verdes Peninsula, and sighed. Maybe, I thought—many Californians tell themselves this—this is all cyclical. If something's unsustainable, it can't go on forever, right? Someday, things might change again.

Then another, darker thought: maybe we continue to love what shaped us, even when it can't be fixed, just because those first ten minutes are so sweet.

Troy Senik is vice president for policy and programs at the Manhattan Institute. He served as a White House speechwriter for President George W. Bush.This article first appeared the Manhattan Institute 's City Journal web page of May 29, 2019.

The Queen's Necklace From Palos Verdes Looking North to Malibu.

Hydrocarbon motor was simple & powerful

ANNOUNCEMENTS

10th ANNIVERSARY

COLAB

San Luis Obispo County

Disastrous anti-oil bill!!!

Assembly Bill 345, which is working its way through the CA State legislature, proposes to shut down the oil and gas industry in this state based upon the junk science supposition that oil and gas operations pose a health risk to neighboring properties. The bill is part of the effort to “keep oil in the ground” at all costs to our society, and believe me, the cost to keep oil in the ground is tremendous.

Oil and gas operations are an essential component of our energy supply, a mainstay of our economy, a cornerstone of the tax base, and the value of the same is protected by our constitution. That is, oil and gas deposits are privately owned minerals, which can’t be taken away, without just compensation.

I have never quite understood the religious fervor with which extreme environmentalists have attacked the use of natural products including oil, gas, and coal. These products enabled the onset of the industrial revolution which lifted mankind out of millennia of poverty and misery. That is, these fuels vastly improved everyone’s quality of life, extended our life span and saved countless lives in a number of ways, including by way of revolutionizing our ability to grow and store food, and protect us from the elements!

Moreover, the push to replace these lifesaving fuels any time soon with renewables is a pipe dream. This is due to the fact that, despite decades of research and tens of billion dollars invested, we still don’t have the technology available to realistically store wind and solar power for use throughout the day and night, as these sources can only produce energy for a few hours a day, in limited locales, if that!

Nevertheless, the California State Legislature continues to try and find a way to shut down our oil and gas industry. This is simply reckless. Oil and gas resources in this state are privately owned and the state can’t take away the value of this property, known as mineral rights, without compensating the owners of the same.

In addition to being a valuable property right, it goes without saying that oil and gas are an essential energy source for our state. What will we do without locally produced oil and gas? Are we going to import 100% of what we need to fuel our vehicles, planes, trains, factories, and homes? We don’t have the infrastructure to do so. How much higher do you want your auto and home fuel bills to go?

The oil and gas industry also represents one of the best paying job sectors in our state. Many of the people employed in this sector of our economy make six figure salaries with only a high school education! Where are they going to find equivalent work?
Finally, the oil and gas sector pays inordinately high taxes. Venoco and Exxon Mobil were the top two tax payers in our county before they were shut down by virtue of the pipeline break three years ago. The county and our local schools are losing millions of dollars in revenue as a result.
It is not too early to contact the Governor’s office and ask him to be waiting for AB345 with his veto pen!

Andy Caldwell
COLAB

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See the presentation at the link: https://youtu.be/eEdP4cvf-zA

AUTHOR & NATIONALLY SYNDICATED COMMENTATOR BEN SHAPIRO APPEARED AT A COLAB ANNUAL DINNER

NATIONAL RADIO AND TV COMMENTATOR HIGH HEWITT AT COLAB DINNER

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