

#### WEEKLY UPDATE SEPTEMBER 27 - OCTOBER 3, 2020

#### THIS WEEK

#### **NO BOS MEETING**

#### **COVID SLIGHTLY UP – ONLY 7 HOSPITALIZATIONS**

## PENSION TRUST WILL ASSESS INVESTMENT RETURN SCENARIOS

ARE THEY CONSERVATIVE ENOUGH AT 6.875%?

#### LAST WEEK

#### **COUNTY AWASH IN ONE-TIME MONEY**

FOR NOW BOARD WILL LOCK IT AND LEAVE IT IT'S NOT RECURRING REVENUE

-COVID BUDGET IMPACTS NOWHERE NEAR AS BAD AS FORECAST--STATE/FEDS TO PROVIDE \$30 MILLION COVID SLUSH GRANT--\$20 MILLION MORE IN SURPLUS THAN FORECAST FOR FY 2019-2021-

#### BOARD WON'T PUBLICLY CONDEMN PROP 15 ATTACK ON PROP 13 – DISAPPOINTMENT

#### ECON DEV STRATEGY DIRECTION GIVEN

REACH TO BE KEY COUNTY ECONOMIC DEVELOPMENT ENTITY COUNTY WILL ADD SENIOR EXECUTIVE POSITION TO DRIVE ECON DEVELOPMENT

#### PLAN COMM APPROVES HOUSING GOALS & PROMISES

## APCD APPOINTS APPEALS BOARD MEMBERS LEFT PROGRESSIVES OPPOSED PHILLIPS 66 ENGINEERING MANAGER

## APCD WILL LOSE \$500K ANNUAL REVENUE WHEN PHILLIPS 66 CLOSES

## UNFUNDED PENSION DEBT KEEPS RISING AS LONG AS TAXPAYERS KEEP VOTING FOR HIGHER TAXES IT WILL GO ON FOREVER

#### **COLAB IN DEPTH**

**SEE PAGE 21** 

#### THE BEAR FIRE

BY DAVE DALEY

I cry for the mountains and the legacy lost.

#### HOW TO REALIGN CALIFORNIA POLITICS

BY EDWARD RING

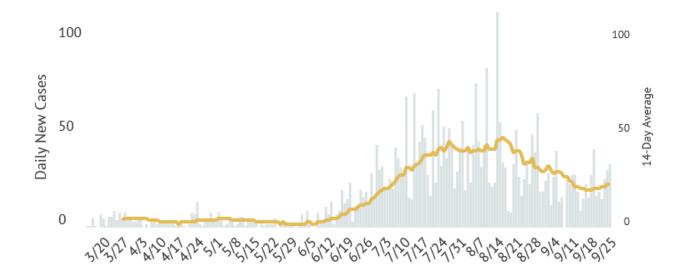
Failed policies are pushed by special interests that benefit from misery

#### THIS WEEK'S HIGHLIGHTS

Board of Supervisors on Tuesday, September 29, 2020 (Not Scheduled)

The Board is not meeting this week but is scheduled to meet on Tuesday, September 2, 2020.

**COVID Update** 



Currently Hospitalized 7 (of whom 2 are in ICU), out of 285,000 Population

#### SLO Pension Trust Meeting of Monday, September 28, 2020 (Scheduled)

**Item 7 - Monthly Investment Report for August 2020.** The market comeback erased most of the losses from last March and April attributed to COVID.

	August	Year to Date 2020	2019	2018	2017	2016	2015
Total Trust Investments (\$ millions)	\$1,474		\$1,446 year end	\$1,285 year end	\$1,351 year end	\$1,196 year end	\$1,148 year end
Total Fund Return	2.2% Gross	1.0% Gross	16.3 % Gross	-3.2 % Gross	15.5 % Gross	6.6 % Gross	-0.8% Gross
Policy Index Return (r)	2.7%	3.5%	16.4 %	-3.2 %	13.4 %	7.7 %	-0.5 %

<sup>(</sup>r) Policy index as of April 1, 2020 revision to Strategic Asset Allocation Policy: 21% domestic equity, 21% international equity, 15% core bonds, 6% bank loans, 5% global bonds, 5% emerging market debt, 17% real estate, 0% commodities, 5% private equity, 5% private credit.

The Board letter states in part:

#### Covid-19 Pandemic Impact -

 $\Box$  The global pandemic and its U.S. infection rate had declined in July-August. However, the start of a resurgence is apparent in mid-September data. The total of U.S. Covid-

19 deaths passed 200,000.

#### Equity Markets –

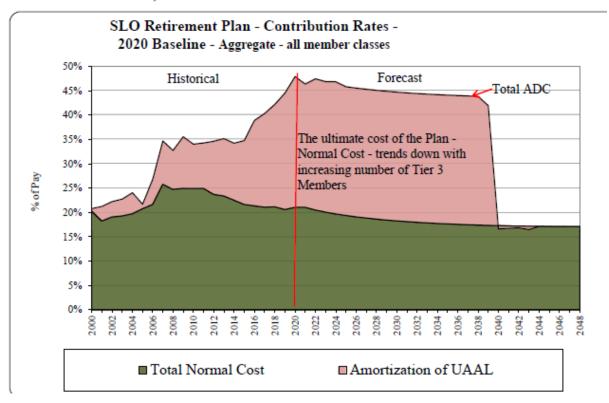
 The U.S. equity markets continue to advance in August with a pullback in September as shown below.

February 15 <sup>th</sup>	3,386	high point
March 23 <sup>rd</sup>	2,237	-33% off the Feb. 15 <sup>th</sup> high
August 31st	3,500	+56% from the Mar. $23^{\text{rd}}\text{low}$
September 2 <sup>nd</sup>	3,581	+60% from the Mar. $23^{rd}low$
September 25 <sup>th</sup>	3,298	-8% from the Sep. 2 <sup>nd</sup> high

**Item 11 - Funding Policy Projections.** The item updates the Pension Trust Board on various scenarios related to the \$753 million in actuarial accumulated unfunded liability (UAAL). The graph below describes the current status and the contribution rates necessary to pay it off with an earnings assumption rate (discount rate) of 6.875 percent.

## Funding Policy Projections

#### Baseline Projections - Contribution Rates



#### Note that payments are above 45% of payroll.

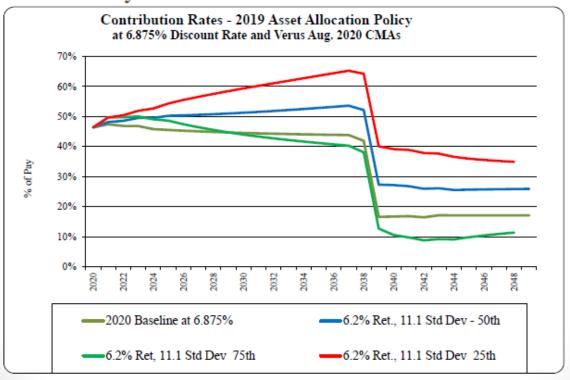
The real havoc ensues if the long-term rate falls below 6.875 percent.

Slight negative returns can cause huge increases in the contribution rates per the graphic below. The table displays the impact of a sample 6.2% return. The different scenarios gauge the chances of a lower rate of 6.2% actually occurring.

## Investment Policy Effects

Contribution Rates – 25th, 50th, 75th percentiles

SAA Policy – 2019



What if turns out to be 5%?

#### LAST WEEK'S HIGHLIGHTS

Governor Issues Executive Order Banning Sale of New Gas Powered Cars and Light Trucks by 2035

California Globe Columnist and Sacramento Investigate Reporter Katy Grimes boiled it down best:

#### Responses to Gov. Newsom's Executive Order Banning Gas-Powered Cars

'If you like your car, you can keep your car' may become the big government fib of 2020

By Katy Grimes, September 24, 2020 7:57 am

"If you like your car, you can keep your car" may become the big government fib of 2020.

While you may be able to keep your existing gas-powered car in California, any new car purchased after 2035 will have to be electric.

California Gov. Gavin Newsom issued an executive order Wednesday requiring sales of all new passenger vehicles to be zero-emission by 2035 and "additional measures to eliminate harmful emissions from the transportation sector," California Globe <u>reported</u>.

However, not one news report about this big bold announcement acknowledged that Gov. Newsom does not have the authority to make laws. And, he did not evoke emergency powers for this latest Executive Order.

The very basis of Assemblyman Kevin Kiley's and Assemblyman James Gallagher's <u>lawsuit against</u> the <u>governor</u> is exactly what he just did again: "A California Governor is constitutionally forbidden from doing the very thing Gov. Newsom has done here: exercise legislative powers;"

and:

"Contrary to the Governor's claim, the Emergency Services Act does not and could not inaugurate an autocracy in the State of California. Such a wild misapprehension of his own authority is precisely why this case demands a resolution on the merits."

In a Tweet, Newsom said: "We're experiencing a climate CRISIS. Transportation is responsible for over 50% of CA's greenhouse gas emissions. It's time to be as bold as the problem is big. Today we announced that by 2035 every new car sold in CA will be an emission free vehicle."

Gov. Newsom's latest order allows the California Air Resources Board to develop new passenger vehicle and truck regulations requiring increasing volumes of new zero-emission vehicles sold, as well as developing new regulations affecting medium-and heavy-duty vehicles, and to develop strategies with state, federal and local entities to achieve 100 percent zero-emission from off-road vehicles and equipment operations in the State by 2035, Chris Micheli <u>reported</u> at the Globe.

"Our cars shouldn't make wildfires worse and create more days filled with smoky air. Cars shouldn't melt glaciers or raise sea levels threatening our cherished beaches and coastlines," Newsom said in a statement.

Record heatwaves. Record wildfires.

Climate change is real. The time for action is now.

**Reality Check:** What if the Governor decides he doesn't like beer, polystyrene foam surfboards, outboard motors, or red meat? All of these could be considered bad for you under some theory.

Where and when is the electric power to feed all these cars going to come from, especially after the closure of Diablo?

When Newsome blows into the Balboa Café in San Francisco for lunch with his SF cronies, he arrives in a big black gasoline powered Chevy Suburban. The blocker car in front is another big black Chevy Suburban. The high-powered Ford V-8 Powered CHP police Interceptors complete the scene. He's not exactly rolling up unobtrusively in a Prius.





Gavin and the SF plutocrats have lunch at the Bal on Saturdays. The security detail lurks by the SUVs double parked in the

street outside. Are we really "all in this together?" Then off to a Giants skybox this afternoon and then the Opera tonight. Meanwhile you're shoveling muck in a hundred degrees or slaving in a windowless depressing cubicle to pay your ever-increasing taxes, fees, and exorbitant rent.

Perhaps Newsome could switch to a chariot (are the horses GHG free?) like the perverted and megalomaniac Roman emperor Commodus.



Commodus arrives with his mistress
Marcia at the Senate House. (Courtesy of
Dream Works and Universal Pictures).
Marcia as it turns out, with the blessing of
the Army and Senate, assassinated him by
poison. The Imperial throne was
subsequently auctioned off by the Praetorian
Guard to the highest bidder, initiating nearly
a century of inflation, currency debasement,
economic decline, military defeat, rampant
corruption, religious persecution, loss of
territory and the emboldening of Germanic.

Slavic, Hunnic, Persian and Arab invaders on the borders.

Although partially restored by Illyrian general – emperors (Diocletian, Caracalla, etc.) later in the next century (they engendered vast bureaucratic expansion, which didn't help things either), the western portion of the empire had suffered fatal damage and eventually collapsed. You speak a form of "Anglic" (now English) as a result.

#### **Board of Supervisors Meeting of Tuesday, September 22, 2020 (Completed)**

#### In General

Portions of this agenda contained important policy considerations related to financial status as well as planning, housing and land use, economic development and jobs, and pension debt. It also included status of the State Groundwater Management (SGMA) plans, costs, and next steps. In the end and at the base level, these matters are all interrelated.

#### **Interrelated Financial Items Adopted:**

Item 4 - a huge 30 million COVID one time grant,

Item 9 - actions to update the adopted FY 2020-21 Annual Budget (as a result of greater than expected surpluses generated from the prior year), and

Item 39 - a report on the actual ending results for the FY 2019-20 fiscal year

First, the Board voted unanimously to accept the \$30 million in COVID funding and to expend it per the table below on page at 11 (**Item 4**) and to update the FY 2020-21 Budget to include higher reserves than had been anticipated (**Item 9**). These votes were on the consent calendar after some discussion.

Later the Board also received the report at Item 39 on the final financial results of the FY 2019 fiscal year.

**Background:** Earlier this year on July 8, 2020, the County reported that it "currently faces a \$32 million to \$56 million budget shortfall, meaning expenses are expected to outpace revenue countywide this fiscal year." In fact, and although we are still in the first quarter of the current fiscal year (and thus revenues are not yet measured), it appears that so far there is not a major financial crisis.

Item 4 - Submittal of the Coronavirus Relief Fund Expenditure Plan for Federal Coronavirus Relief Funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act allocated by the State of California. As noted above, the Board unanimously authorized staff to apply for the \$30 million dollar grant. The County is already awash in money. As noted in Item 39 (Year End FY 2019-20 Fiscal Report) below, the impacts of the COVID lockdown on County revenues were nowhere near unmanageable, let alone catastrophic. The general fund reserves were able to bail out departments that had revenue shortfalls and/or over-expenditures. Now comes a new \$30 million of Federal/State COVID boondoggle money that is to be slathered into the Budget on top of everything else.

The County is set to receive a huge amount of Federal COVID slush funding.

#### **Consider the broader impacts:**

- 1. The County did not lay off anyone. The 3,000 County employees received full pay and benefits whether they were actually working in the field or at home.
- 2. Meanwhile, tens of thousands of County residents have been laid off or had hours cut back, and an unknown number of businesses have been temporarily shuttered or forced out of business forever. For example, the Piedmonte Ristorante on upper Monterey Street went out of business. This was a very nice and wholesome family operation. This tragedy is being repeated all over the county and state in the hundreds of thousands. It is reported that the number of business lease evictions and shutdowns in the County are building up daily.
- 3. The new \$30 million of slush reported here is ultimately funded from a \$150 billion addition to national debt, which is a subpart of the \$3 trillion in national debt that Congress foisted on the country earlier this year. As readers know, the Congress is considering more huge tranches of trillion plus programs. All this will come back as a future national financial crisis of accumulated national debt when interest rates inevitably rise.
- 4. COVID has provided the greatest excuse to expand government and its costs since the Great Society programs of the late 1960's and 1970's.
- 5. There is no clearer confirmation that State and local government in California exist primarily to benefit its employees as a pampered and protected class of lower level nobility, similar to the lower level nobility of the middle ages knights, tax collectors, fortress guards, parish priests, customs officials, and smaller manorial land holders. Our local nobility doesn't even have to go to the Holy Land to fight the Saracens. We send working class 19-years old instead.

At this point a middle level County manager with 20 years in, a guaranteed life pension, guaranteed health plan (both now and in retirement), social security, infinitesimal chance of permanent layoff, and other securities constitutes a noble class within the society.

Now, the County is set to receive a huge amount of Federal COVID slush finding. The write-up summarizes the background:

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), signed by the President on March 27, 2020, appropriated funding to the US Department of Housing and Urban Development (HUD) to assist communities in responding to the COVID-19 pandemic. The CARES Act established the Coronavirus Relief Fund (the "Fund") and appropriated \$150 billion to the Fund.

Based on the State's population, California received a total of \$15.3 billion. Of the \$15.3 billion, \$9.5 billion was paid directly to the State, and cities and counties with populations over 500,000 received \$5.8 billion directly from the U.S. Treasury. Due to our population size, the County of San Luis Obispo did not receive Coronavirus Relief Funds directly; however, the State Budget Act of 2020 allocated \$1.29 billion to counties to be used toward homelessness, public health, public safety, and other services to combat the COVID-19 pandemic. Of the \$1.29 billion, \$28,269,109 was allocated to the County of San Luis Obispo. This final allocation dollar amount has changed from prior Board items and Board discussions as follows:

 $\square$  \$28,976,000 was the allocation provided to the County on June 27 and reported to the Board in the July 7 Board item.

#### Please see the table below for the slush analysis:

ltem	Est. Total Grant/Allocation Expenditures	Est. Funded through CRF	Est. Funded through FEMA/CAL OES	Est. Funded through Other Sources				
Administrative Expenses	-	-	-	-				
Budgeted Personnel and Services Diverted	19,264,827	18,711,095	553.732					
to a Substantially Different Use	19,204,027	16,711,093	555,752	_				
COVID-19 Testing and Contact Tracing	11,870,082	580,743	6,976,362	4,312,977				
Economic Support (Other than Small Business, Housing, and Food Assistance)	10,080	-	-	10,080				
Expenses Associated with the Issuance of Tax Anticipation Notes (TANs)	-	-	-	-				
Facilitating Distance Learning	-	-	-	-				
Food Program	704,445	44,028	660,417	-				
Housing Support	9,481,931	-	-	9,481,931				
Improve Telework Capabilities of Jublic Employee	210,740	210,740	-	-				
Medical Expenses	2,778,618	173,664	2,604,955	-				
Nursing Home Assistance	-		-	-				
Payroll for Public Health and Safety Employees	4,292,472	4,292,472	-	-				
Personal Protective Equipment (PPE)	1,039,181	239,410	799,771	-				
Public Health Expenses	5,280,384	3,788,842	518,079	923,463				
Small Business Assistance	1	-	-	-				
Unemployment Benefits	200,000	200,000	-	-				
Workers' Compensation	28,117	28,117	_	-				
Items Not Listed Abov	816,800	•	-	816,800				
Total	55,977,676	28,169,109	12,163,316	15,545,251				
Note that the largest chunk simply pays for What is the How many								
keeping County staff on payroll while tens of thousands of ordinary citizens were laid off.  detail here?  tests?  cost?								

Separately, the Board received agenda **Item 39**, which detailed much larger surpluses than were projected at Budget adoption time in June. The table below illustrates the circumstances.

At **Item 9** the Board allocated these funds to reserves in the current FY 2020-21 Budget. So far the Board has not been tempted to add programs, restore programs, or otherwise build these one-time funds into the base ongoing operating budget.

COVID could kick back in with a vengeance. If the socialists take over the Federal Government in January under a Democratic November victory, the stock market will inevitably plunge, and huge tax increases, income redistribution schemes, assaults on private property, and totalitarian politically correct social requirements will decimate the economy.

California's pending poison stew of ballot propositions designed to raise taxes and punish business and agriculture will ultimately savage the state and county economic base. All this will come on top of the closure of Diablo, the closure of Phillips 66, the closure of Wetherby Fire Arms, and the decimation of local businesses by the lockdown.

As noted below in **Item 42**, County pension costs rise inexorably.

For all these reasons, the Board of Supervisors should take this money and lock it and leave it.

Attachment 3 - Exhibit 1

COUNTY OF SAN LUIS OBISPO June 30, 2020 Proposed versus Actual Fund Balance Available

COUNTY FUNDS	Fund#	Estimated Fund Balance Unreserved/Un designated June 30, 2020	Actual Fund Balance Unreserved/Un designated June 30, 2020	Difference Over/(Under)	Appropriation to Contingencies	Designation	General Reserve	General Purpose	Revenue Adjustment Inc/(Decr)	Object Level Appropriation Adjustment
General Fund	1000000000	23,171,274	36,428,360	13,257,086		7,281,764			32,869	6,008,191
Capital Projects	1100000000	_	321,516	321,516		321,516				
Road Fund	1200000000	_	2,208,233	2,208,233		2,208,233				
Community Development	1200500000	_	54,568	54,568	54,568					
Parks	1201500000	756,486	86,620	(669,866)	240,408	(669,866)			240,408	
Co-Wide Automation Repl	1202000000		574,809	574,809		574,809				
General Govt Building Repl	1202500000	-	400,000	400,000		400,000				
Tax Reduction Reserve	1203000000		2,141,369	2,141,369		2,141,369				
Road Impact Fees	1203500000	-	1,312,721	1,312,721		1,312,721				
Wildlife & Grazing	1204000000	-	6,598	6,598		6,598				
Driving Under Influence	1204500000	10,000	(15,502)	(25,502)		(10,000)		(15,502)		
Library	1205000000	415,500	766,725	351,225	73,471			244,885		32,869
Fish & Game	1205500000	-	8,438	8,438		7,507		931		
Emergency Medical Services	1207000000	_	_	_						
COP Loans DSF	1208000000		_	-						
Pension Obligation Bonds	1801000000	427,000	585,762	158,762		158,762				
TOTAL		24,780,260	44.880.217	20.099.957	368.447	13.733.413		230.314	273.277	6.041.060

Item 40 - Request to approve a FY 2020-21 renewal agreement with the Cal Poly Corporation to support the Center for Innovation and Entrepreneurship in the amount of \$200,000 from Fund Center 104 - Administrative Office to enhance economic development. The Board approved the grant unanimously after lavishing praise on the Cal Poly Center for Innovation and Entrepreneurship.

**Background:** The County has provided this grant for at least the past 5 years as part of its economic development effort. Former Supervisor Hill was a major supporter of Center for Innovation and its subsidiary SLO Hothouse business incubator program.

The parent CAL Poly Corporation is an entity set up to manage campus facilities, student dining facilities, student book stores, and other support services to the University. Separately from these support services, it seems to manage a number of research and other programs. Apparently, economic development is one of them.

Its website states in part:

Cal Poly Corporation is a 501(c)(3) nonprofit organization and is one of 86 auxiliaries within the California State University system. In this capacity, the corporation helps Cal Poly retain earnings, lessen risks, make investments, sell assets and hire employees. And we do all of this to help Cal Poly continually evolve as the world-class educational experience that it has come to be known.

The corporation is 100 percent self-supporting and receives no state funding. Operating costs are covered by administrative fees charged to units the corporation supports.

Its Board of Directors is largely made up of CAL Poly faculty and administrators, supplemented by several local business executives.

Item 41 - Request to receive and file a report on Economic Development in San Luis Obispo County, and provide direction to staff. In the end, and after considerable discussion and a lengthy presentations, the Board unanimously approved all the staff recommendations in concept. That is, the recently established business backed not-for-profit REACH will lead the bi-county economic development effort.

Also, the County will create a senior level management position in the CAO's office to manage contracts with REACH, SLO Hothouse, job training consortia, and other economic development providers. The official will also attempt to bring discipline and a sense of urgency to internal County programs that impact economic development. We hope this will require that Planning and Development to structurally report to the CAO through the new position, giving it some real authority. Actually, Public Works and the Ag Commissioner could be added as well.

Details will be brought back for more Board consideration when they are fully developed.

**Background:** This was an important policy item, which again raised the question about how the County should approach the issue of strategic long range economic development. Recent developments underscore this issue:

- 1. The Bi-County (Santa Barbara and SLO) regional economic development not-for-profit REACH has established a major opportunity involving the Air Force, aviation and space serving firms, technology, and related support firms. Swiftly expanding industries in communications, Nano technology, artificial intelligence, medicine, driverless transport, and others are all potential central coast recruitment and expansion candidates if we can find a way to provide real housing, which the groups of people who work in these industries ultimately want in their lives.
- 2. The long time economic development entity Economic Vitality Corporation is in a leadership transition.
- 3. Last year the County Executive Officer established a joint 7-city/County work group to develop countywide solutions to economic development barriers such as housing costs, water supply, transportation system, and underlying infrastructure shortage and cost problems.

The County invests in other economic development entities and programs, such as regional tourism promoters, promotion of agriculture crops, and partnerships including the Cal Poly Corporation's Center for Innovation and Entrepreneurship.

4. The County invests categorical revenue in a number of job training and employment programs.

After conducting a somewhat meandering discussion of local government economic development programs, the Board accepted creation of a new executive position in an effort to coordinate the various efforts from a County standpoint. To this end the Board item states in part:

#### **Capacity**

The County currently does not have any staff whose primary focus is ED. As noted, the County instead has relied on community partners to serve its ED purposes. This is particularly problematic at this time due to financial uncertainties driven by COVID-19 and the impending closure of DCPP. Staff is therefore seeking direction from your Board on the possible use of SB 1090 funds to hire a full-time position whose sole focus will be on ED activities.

The creation of a full-time position is in alignment with the County's General Plan – Economic Element, per Policy 1.6:

The County should develop and maintain staff trained in and committed to facilitating economic development opportunities.

Adding dedicated staff would put our County more in alignment with how ED is handled across the nation. According to a National Association of Counties (NACo) report (see attachment 2), 57% of counties have a county department managing ED initiatives. The same report noted that, "Counties most typically focus on workforce training, business attraction and retention and regional marketing in their economic development partnerships."

A newly created position could have the following overarching duties:

- 1. Lead County ED programs and activities.
- 2. Serve as the County liaison for ED, including relationships with County partners, cities, chambers of commerce, and businesses.
- 3. Serve as the County lead for current and future activities related to the closure of DCPP. This duty would exclude oversight for activities being undertaken by the Planning and Building Department.

While the position would support activities throughout the county, it could contain a specific focus on the unincorporated areas of San Luis Obispo County. The position could also serve as a "portfolio manager" overseeing ED related contracts and grants provided by the County. In this way, the position would be able to follow up on outcomes being driven by ED programs and activities.

Should your Board be in support of such a position, the Administrative Office would work with the Human Resources Department to identify an appropriate (or new) job classification and bring a consent item at a date later this year. Note: the Board did approve a new position in concept. Staff will return with the details.

**Note:** Be skeptical of proposals that use vague terms such as lead, liaison, portfolio manager, coordinate, collaborate, etc., No! The role should be a true command position. The County management structure should not be a PTA meeting helplessly working on which cookies to bring to the next meeting.

Any position created should report directly to the CAO and have the authority to command resources across the relevant departments – particularly Planning and Building, Public Works, County Counsel, Ag Commissioner, and various housing functions which are scattered across the County organization.

It is important that funding for the new position not be subtracted from funding that is slated for private sector efforts which are noted at the top of this item, such as REACH. To achieve the same benefit, and instead of creating a new County position, what if the County contracted with REACH to coordinate its economic development polices? In effect, it did this with Economic Vitality Corporation in the past. Couldn't the REACH vice-president fulfill this roll under a performance contract? Other economic development activities and contracts could be managed through this arrangement. In fact, the County used REACH in this way to manage the COVID reopening plan for a while.

The one issue remaining would be who in the County would be assigned to manage the overall REACH contract and hold them accountable. The County Administrator is very busy and should not be responsible for day-to-day supervision and distractions from specific staff or line units and functions.

Item 42 - Request to receive and file a presentation on the County of San Luis Obispo's Retirement Plan by Pension Trust. The Board listened to the presentation by the very cheery and, apparently, unworried Executive Director of the Pension Trust. They were pretty much glazed over by the end.

The so called 20-year "Plan" to pay off the \$753 million unfunded accumulated actuarial liability is really a fake, because the problem simply gets kicked down the road each year. There is no way under current rates of return that it can be amortized out. In fact it gets worse each year.

The report provides basic information on how the pension system works and its funding status. Some basic factoids include:

Fund Status and Discount Rate displayed in the table below on the next page:

Actuarial Accrued Liability		\$2,170 million	A measure of the total liabilities of the Plan.
	Actuarial Value \$1,417 million		A "smoothed" measure of assets
Assets	Market Value	\$1,439 million	Market Value on 12/31/19
Unfunded	Actuarial Accrued Liability	\$753 million	The amount being amortized into pension cost over a set period (20 years remaining) to bring the Plan to fully funded status.
Funded Ratio	Actuarial Value	65% 66%	Targeted funding is 100% as the UAAL is amortized into costs.
Earnings (ssumption (Fiscount Rate)		6.875%	Lowered in 2020 from 7.00%. Expected long term rate of return used to discount liabilities.

It will never happen. Prop 15 is, in large part, an effort to bail out state, local, and educational pension plans.

#### Rates keep relentlessly increasing:

An amazing gratuitous statement in the staff report:

As is true of nearly all retirement systems, periodic increases in contribution rates are necessary. In recent history, pension contribution rates have increased as follows:

Year	Rate Increase
2016	5.17%
2017	2.38%
2018	2.26%
2019	2.68%
2020	4.13%

This didn't happen until 2003, when the State and localities threw caution to the wind and substantially expanded the benefits.

Now all but one of the cities in the county (the County is not) are seeking tax increases on the November 3, 2020 ballot to pay for their equivalent problem. These tax increases are being blamed on COVID. If you vote for them, you are simply feeding the machine.

As a % of Pay	MIsc.	Probation	Safety	TOTAL
Normal Cost	19.80%	24.91%	26.87%	21.04%
UAAL Amort.	25.45%	24.94%	36.09%	26.88%
Total ADC	45.25%	49.85%	62.96%	47.92%
Employee Paid *	15.79%	19.06%	18.47%	16.31%
Employer Paid.	29.46%	30.79%	44.49%	31.61%
Total ADC	45.25%	49.85%	62.96%	47.92%
+ Pension Obligation Bond Debt Service				6.00%

ADC = Annually Determined Contribution

For each Class, the three Tiers are blended here.

Note that these numbers do not include the 7% that the County is contributing to Social Security on top of this for the non-safety employees. Also note that the employees are not paying the full cost percentages for their share as reported here, because they receive a "benefit cost offset" in addition to pay to write down the cost of their share.

Imagine, on average for every dollar of payroll, the pension contribution costs 53.92 cents.

**Item 44 - 2019 Crop Value Agricultural Report.** The report was presented fairly late in the day and after an exhaustive 3-hour long executive session. COLAB used the occasion to bring up the severe negative impacts which Proposition 15 (the attack on Proposition 13 protections) will have on agriculture.

No one wanted to talk about it or schedule any Board action.

The total value was down about 5% due to a surplus of grapes in California. Note that this report is for 2019. Thus the impact of COVID is not a factor here.

The Board letter states in part:

Strawberries regained the number one slot from wine grapes in 2019 totaling \$271,431,000 based on steady numbers in the year-to-year acreage planted and strong prices in both the fresh and processed markets.

In comparison, wine grape valuation fell nearly 8% despite a small increase in bearing acres and favorable weather conditions. The overall decrease in wine grape value can be partially attributed to an oversupply of wine grapes across the state, as California has reached one of the highest levels of planted wine grape acreage. This oversupply has led to some growers, such as those operating without contracts or those with blocks of lesser quality fruit, to forego harvest. This may correct itself in the coming years as overall global demand for wine remains strong, and many growers across the state are retiring acreage of their low yielding or lower value varieties.

Cannabis is not considered an ag crop. The Report indicated that hemp, which is considered an ag crop, has added to field crop totals.

<sup>\*</sup> Includes Employer Paid Member Contributions ("pick-up") which vary by BU

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COMPARISON OF VALUATION	OF WIAIOK	טווואטע כיוטאנ	THE PAST TENT TEARS

YEAR	ANIMAL	FIELD	NURSERY	FRUIT & NUT	VEGETABLE	TOTAL
2010	\$57,139,000	\$18,545,000	\$94,708,000	\$365,750,000	\$176,666,000	\$712,808,000
2011	\$71,479,000	\$22,929,000	\$96,454,000	\$366,570,000	\$174,981,000	\$732,413,000
2012	\$73,857,000	\$24,612,000	\$95,155,000	\$463,296,000	\$204,900,000	\$861,820,000
2013	\$100,865,000	\$16,365,000	\$97,651,000	\$468,355,000	\$237,896,000	\$921,132,000
2014	\$135,017,000	\$16,812,000	\$84,394,000	\$468,518,000	\$195,329,000	\$900,070,000
2015	\$70,659,000	\$15,600,000	\$99,511,000	\$428,344,000	\$214,059,000	\$828,173,000
2016	\$45,350,000	\$16,784,000	\$86,933,000	\$568,129,000	\$212,734,000	\$929,930,000
2017	\$47,909,000	\$16,679,000	\$82,802,000	\$566,592,000	\$210,716,000	\$924,698,000
2018	\$48,596,000	\$18,777,000	\$81,190,000	\$656,609,000	\$230,327,000	\$1,035,499,000
2019	\$41,073,000	\$24,180,000	\$80,566,000	\$615,218,000	\$217,972,000	\$979,009,000

Proposition 15 on the November 3, 2020 election would move some ag processing facilities and all ag support businesses (irrigation equipment vendors, seed vendors, implements, trucking, fertilizer and pesticide vendors, regional bottling plants, and everything else) out of Prop 13 protection. It's not like the John Deere, Ford, and Kubota tractor dealers, construction supply guys, pump suppliers, and fertilizer companies are going to be exempt.

Readers should pin down your candidates for State and local office as to where they stand on Prop 15. For example, where do Heidi Harmon, Jeff Lee, Andy Pease, John Laird, Salud Carbajal, and the rest of the socialist gang stand?

Unfortunately, The Board of Supervisors did not take up the issue of forcefully and publically opposing Proposition 15 ASAP by Resolution, letter, and any other means at their disposal.

Item 45 - Submittal of a report on the implementation of Sustainable Groundwater Management Act efforts in eight local groundwater basins. Overall, it appears that the plans are being completed on time and on budget.

- (1) Cuyama Valley (DWR No. 3-013, "Cuyama")
- (2) Salinas Valley Paso Robles Area (DWR No. 3-004.06, "Paso")
- (3) Salinas Valley Atascadero Area (DWR No. 3-004.11, "Atascadero")
- (4) San Luis Obispo Valley (DWR No. 3-009, "San Luis Obispo")
- (5) Los Osos Valley Los Osos Area (DWR No. 3-008.1, "Los Osos")
- (6) Los Osos Valley Warden Creek (DWR No. 3-008.2, "Warden Creek")
- (7) Santa Maria River Valley Santa Maria (DWR No. 3-012.01, "Santa Maria")
- (8) Santa Maria River Valley Arroyo Grande (DWR No. 3-012.02, "Arroyo Grande")

The large and complex Paso Basin Plan (# 2 above) was submitted on time in January, but the State has not yet responded with regard to whether it is approved or needs refinements. No doubt the State reviewers are at home on COVID staycations, watching their locked down school kids, and day trading on the stock market. SLO's multi-million dollar plan will have to wait, even though there were hard deadlines for the counties and water agencies.

Item 47 - Request to authorize the Chair of the Board of Supervisors to sign and send a letter to the United States Army Corps of Engineers regarding the San Luis Obispo County Flood

Control and Water Conservation District's interest in the Salinas Dam. The matter was approved subject to figuring out if there are large local costs and how they could be funded.

#### **Local Water Resiliency**

Potential to install spillway gates and increase capacity by 18,000 AF Expanded capacity may help address issues in the Paso Basin:

County's 2019 Legislative Platform
Paso Basin Groundwater Sustainability Plan
Local ownership of the dam would require:
Meeting State safety standards
Transfer via USACE "disposal"

San Luis Obispo County Air Pollution Control District (APCD) Meeting of Wednesday, September 23, 2020 (Completed)

**Unnumbered Item - APCO's Report: Philipps 66 Closure will Savage APCD Budget.** The APCO indicated that the closure in 2023 will result in an annual revenue reduction of \$500,000. The agency's budget totals \$ 5.6 million per year. It is likely that they will propose some sort of new tax.

Item B-1: Consideration of Appointment of Air Pollution Control District Hearing Board Engineer Member and Engineer Alternate. Things got controversial pretty fast on this one, as some of the progressives maneuvered to knock off candidate James Anderson. They asserted that he should not be allowed to serve, as he is an employee of Phillips 66, one of the companies regulated by the APCD. Anderson has an impressive resume and actual in the field pollution reduction experience.

It was explained that Anderson would be recused from any matter pertaining to Phillips. This did not seem to mollify those who opposed his appointment.

In the end the Board of Supervisors majority and some of the more conservative city council people on the Board approved Anderson 6/5.

This was an important appointment because the APCD Hearing Board is a separate and expert body which adjudicates appeals of APCD regulatory decisions, fines, and other actions. The Hearing Board contains members who are physicians, air quality experts, environmental experts, and engineers. The engineer positions have become vacant through the normal term expiration process. Two incumbents and one new volunteer have applied for the 2 vacancies.

The write-up summary states in part:

The Hearing Board is a quasi-judicial panel authorized under the California Health and Safety Code to provide relief from air district regulations under certain circumstances. As defined in state law, the Hearing Board is the sole entity in the District authorized to hear and act on:

• Petitions by companies for variances from permit conditions or regulations;

- Petitions by the District for abatement orders (an abatement order requires a company operating out of compliance to take specific actions or shut down its operation; this is a severe remedy reserved for serious violators or immediate threats to public health and safety);
- Appeals by companies and third parties from the granting of permits, permit conditions, permit denials or suspensions, denials of emission reduction credits and denials of pollution control plans.

Candidates included:

Engineer Member: Mr. James Anderson\*

Mr. Mohsen Nazemi\*

Dr. Yarrow Nelson (Incumbent Engineer Member with term expired on 7/31/2020)

Mr. Robert Vessely\*

Engineer Alternate: Mr. James Anderson\* (Incumbent Engineer Alternate Member with term expiring on 9/24/2020)

Mr. Mohsen Nazemi\*

Mr. Robert Vessely\*

\* Three candidates, Mr. Anderson, Mr. Nazemi and Mr. Vessely applied for the Engineer Member or the Engineer Alternate Member position.

These candidates all have PhD's from high quality universities, long technical careers, and have been around for decades.

The Hearing Board has not been particularly friendly to the Oceano Dunes riders.

Counties are required by law to maintain an APCD. Thus there is not a choice to simply abolish the thing.

#### Planning Commission Meeting of Thursday, September 24, 2020 (Completed)

Item 9 - Hearing to consider a request by the County of San Luis Obispo to approve amendments to the General Plan, to update the Housing Element. The Commission unanimously recommended that the Board of Supervisors adopt the Housing Element. During the public comment period COLAB pointed out:

The whole expensive exercise is a government funded phony Kabuki Theater ritual, because even though the County and other jurisdictions claim they have sufficient zoned land, most of the permits will not be over the counter, but will require various degrees of expensive de novo "discretionary" land use permits, payment of huge processing fees, and payment of even larger mitigation fees. Housing at 30 percent of a family's income will still be way out of reach.

Commissioner Multari disagreed with this on the basis that the Plan contains "aspirational goals" as well as projects which can result in the addition of some housing. This theory misses the deeper issue that the plans and activities are not sufficient to deal with the fundamental problem, which is that the whole system is based on land rationing.

In the end the Commissioners expressed "comfort" that the Element actually will accomplish something. Staff chimed in about how the County has made some progress in the past few years to foster affordable housing.

In the end, it's business as usual.

**Background:** This update to the Housing Element serves to guide planning, development, and funding related to housing for the unincorporated county through December 2028, in addition to achieving compliance with State Housing Element Law and State certification. This is a very important policy document, which updates the Housing Element of the County's Plan of Development. The 204-page document certifies that the County has sufficient zoned land available to allow housing at various income levels as required by the State approved Regional Housing Needs Assessment and Regional Transportation Plan. The Planning Commission will consider the Plan and then will make recommendations for adoption, modification, or rejection to the Board of Supervisors. The full text of the Element can be seen at the link:

https://agenda.slocounty.ca.gov/iip/sanluisobispo/agendaitem/details/12372 Once it opens, click on the tab: Housing Element.

Key features at this point include:

1. The County unincorporated area, where it has land use authority, is a subcomponent of the wider geographic County requirement.

Table 1: San Luis Obispo Region Housing Needs Share Allocations

		Income Category						
		Very Low	Low	Moderate	Above Moderate			
Jurisdictions	Total Share	24.6%	15.5%	18.0%	41.9%			
Unincorporated County	3,256	801	505	585	1,365			
Arroyo Grande	692	170	107	124	291			
Atascadero	843	207	131	151	354			
Grover Beach	369	91	57	66	155			
Morro Bay	391	97	60	70	164			
Paso Robles	1,446	356	224	259	607			
Pismo Beach	459	113	71	82	193			
San Luis Obispo	3,354	825	520	603	1,406			
Regional Total	10,810	2,660	1,675	1,940	4,535			
Note: Number of shares represent number of housing units needed								

2. The County already had sufficient zoned parcels to theoretically allow permits for the required number of dwelling units

Table 2: Summary of Unincorporated County's Housing Needs Share

Tubio E. Guillina	,	Income Category					
	Total	Very Low	Low	Moderate	Above Moderate		
Unincorporated County's Share	3,256	801	505	585	1,365		
Housing Units Approved, Under Construction, or Completed (Jan – Aug 2019)	388	15	14	0	359		
ADUs Approved, Under Construction, or Completed (Jan – Aug 2019)	37	0	18	19	0		
ADUs Projected Through Dec 2028	1,665	832		566	267		
Remaining Share of Housing Needs	1,166	427		0	739		

The County has identified an adequate number of vacant sites to accommodate the unincorporated county's remaining housing needs share.

3. The State does not require that the homes actually be constructed, only that the County and cities provide an adequate number of zoned parcels.

Table 3: Summary of Identified Vacant Sites

Table 3. Summary of Identified Vacant Sites							
	Identified Vac	cant Parcels	Housing Units				
Income Category	Total Number of Parcels	Number of Parcels by Land Use Category	Number of Realistic Potential Housing Units (1)	Remaining Share of House Needs	Unincorporated County's Share		
Very Low	36	RMF: 13	1,505	427	1,306		
and Low	30	CR: 23	1,505	421	1,500		
Moderate	41	RMF: 13	1.181	0	585		
Moderate		CR: 28	1,101	O .	303		
Above	192	RSF: 184	1,104	739	1,365		
Moderate	192	RR: 8	1,104	133			
Note 1: Done	d on roolistis d	avalanment canacity	of 40 devalling units non-				

Note 1: Based on realistic development capacity of 18 dwelling units per acre.

4. Infrastructure shortages in water, sewer, and road and highway construction are used to condemn proposed projects from the gitt go.

#### **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

#### **VERY PROFOUND – OUR CALIFORNIA TRAGEDY**

The article displayed below, which appeared last week on FACEBOOK, has been commended to us by several of our members and readers for which we are very grateful. It is both deeply moving on the one hand, and as contemporary narrative on the other, rises in quality to the realm of the finest California naturalist literature evocative of Richard Henry Dana, John Steinbeck, Joan Didion, Kevin Starr and Victor Davis Hanson

The major California newspapers such as the LA Times, San Diego Union Tribune, and San Francisco Chronicle should print it in full on their front pages. We have forwarded it to the Wall Street Journal in the hope of a national audience. It is by a rancher from a pioneer California family who is also a University Professor at Chico State and leader in cattle raising and agricultural advocacy, His bio is included at the end of the article.

### THE BEAR FIRE BY DAVE DALEY

#### I cry for the mountains and the legacy lost.

It is almost midnight. We have been pushing hard for 18-20 hours every day since the Bear Fire tore through our mountain cattle range on September 8th, and there is so much swirling in my head I can't sleep anyway. The fire destroyed our cattle range, our cattle, and even worse our family legacy. Someone asked my daughter if I had lost our family home. She told them "No, that would be replaceable. This is not!" I would gladly sleep in my truck for the rest of my life to have our mountains back.

I am enveloped by overwhelming sadness and grief, and then anger. I'm angry at everyone, and no one. Grieving for things lost that will never be the same. I wake myself weeping almost soundlessly. And, it is hard to stop.

I cry for the forest, the trees and streams, and the horrible deaths suffered by the wildlife and our cattle. The suffering was unimaginable. When you find groups of cows and their baby calves tumbled in a ravine trying to escape, burned almost beyond recognition, you try not to wretch. You only pray death was swift. A fawn and small calf side by side as if hoping to protect one another. Worse, in searing memory, cows with their hooves, udder and even legs burned off who had to be euthanized. A doe laying in the ashes with three fawns, not all hers I bet. And you are glad they can stand and move, even with a limp, because you really cannot imagine any more death today. Euthanasia is not pleasant, but sometimes it's the only option. But you don't want more suffering. How many horrible choices have faced us in the past three days?

We have taken cattle to the Plumas National Forest since before it was designated such. It is a steep and vast land of predominantly mixed conifers and a few stringer meadows on the western slope of the Sierra Nevada mountains straddling Butte and Plumas Counties. My Great, Great Grandfather started moving cattle to the high country sometime after he arrived in 1852 to the Oroville area looking for gold. The earliest family diary of driving cattle to our range in the mountains dates back to 1882. Poor Irish immigrants trying to scratch a living from the land.

The range is between the South Fork and Middle Fork of the Feather River, the drainage that fills Lake Oroville. It is 80-inch rainfall country from October to May with deep snow at the high end, and then it goes completely dry. Three major streams/rivers and hundreds of creeks and springs punctuate the land. My friends from the arid west can't understand why it is hard to gather – "don't you just go to the water?" Not that simple in this environment. It is difficult country, in some ways more suited to sheep because of the browse, but politics and predators killed the sheep industry in the country years ago. But the cows love the range and do well. Cool days and nights, no flies, higher elevations avoiding the hot summers in the valleys. A great place to summer cattle. They actually like to go as much as we do!

For those of you who have never seen this land, this isn't riding a horse into a meadow or open ridge where you can see cattle. This is literally "hunting" through a vast forest of deep canyons, rivers and creeks, and the high ridges in between. It is not an easy place to gather or even find cattle in the best conditions.

There are six generations who have loved that land, and my new granddaughter, Juni, is the seventh. And I find myself overcome with emotion as I think of the things she will never see, but only hear in stories told to her by Grandad. We all love the mountains. They are part of us and we are part of them. All destroyed. In one day, I am angry.

As a child in the early 60s, days "going to the mountains" were the greatest ever for my family. It was our playground and our quiet spot. Sure, we worked, but we learned so much about the world, the trees, birds and flowers. And in my family sometimes that may have included learning the scientific name or at least the family of the plant. There were lessons on botany, forestry, geology, archaeology. We didn't even know we were learning but we imbibed it until it became a part of our souls.

And then my kids. For them, the mountains were the best! Rolling into a little seat behind Grandma and Grandpa to "go hunt for cows" as we gathered in the Fall. Hot chocolate from Grandma as soon as we got there. On cold, dusty or wet days, it was sometimes discouraging, but they loved it and still do. It was their sanctuary where "no matter what happens, this will always be here." And now it is gone. It is a death and we are still in shock and not sure how to move forward. What will my granddaughter know of the truth and grounding that comes from nature? Will we gather cows in the mountains while I sing cowboy tunes off key and she sips hot chocolate? I am overcome.

When the news broke of the fire in our cattle range, my son Kyle, who ranches with me, and I were sure it could not be as bad as it sounded. We had close to 400 cows, most of them calving or close to calving in our mountain range, ready to gather and bring home in early October. They were the heart of the herd. Old cows, problems, bought cows and first calf heifers stayed in the

valley. Only the good cows who knew the land were there. That first day, we had no access and were relying on spotty reporting posted to local news or social media. My daughter Kate, a veterinarian, who practices about four hours away, "I'm on the way." My youngest son, Rob (named for his Grandad) a soldier stationed in Louisiana, "I have a lot of leave and I'm on a plane tomorrow." All three have been unbelievable and we have all needed each other to navigate this heartbreak.

At first, we couldn't get into the range and were frantic as it was completely locked down because of safety. We knew cattle were dying as we waited. I received a call from a Pennsylvania number and answered before thinking. A wonderfully nice man from the Forest Service was calling to tell me about the fire since I had a cattle allotment in the Bear Fire area. I had to help him find it on the map! Frustrating. And he knew less than me. Later I got a call from San Bernardino (500 miles south), another fire resource officer from the Forest Service. I asked about access. "Well," he said, "maybe next week and only if we provide an escort. We have to make it safe first." He, too, had no idea where the allotment was or the challenge that I faced. All the cattle would be dead if I waited a week. I politely told him I would figure out an alternative – through private timber land and common sense!

I called our County Sheriff who has been a great friend of the cattle community. I had to wait one day, but he provided two sergeants to navigate the road-blocks until I was in the range. Was it dangerous? Yes. Were animals dying? Absolutely. Local solutions are always better. Thanks to Sheriff Honea, of Camp Fire and Lake Oroville Dam breech fame, and Sergeants Tavelli and Caulkins who got us access. All incredible people who get it. Local.

On our first day, Kyle and I make a fast trip up to reconnoiter. We are unprepared for the total destruction of everything we have always known. Nothing left and active flames on both sides burning trees and stumps. Shocking. Surreal. We make it to our Fall River corral somewhat hopeful that there would be green and water to mitigate the disaster. Everything is completely gone and we see dead cows as we start down the hill. Everywhere. This is our first step in what will be an impossible week. We go home hoping against hope that we have seen the worst. Little did we realize that it was just the beginning and it could get worse.

It is 3:30 in the morning now and time to start this nightmare again. To find the courage to throw some things in the truck, run with the kids to check and feed the survivors, and hit repeat. I dread it but know we must. And I work to be optimistic because that is who I am. Not easy.

As we make a plan and split up to run 4-wheelers up and down logging roads hunting life and death, I think how lucky I am. So many people have offered to help. I am grateful but it is difficult to explain how challenging it is to gather in almost 90,000 acres of incredibly difficult terrain (and that's on a flat map!). Each canyon and ridge is dotted with logging spur roads that could be choked with down and burning trees. Much of it is unrecognizable, even to me. Only those with deep, local knowledge of these mountains can help. Fortunately, my family, the Carter boys (Devin and Doyle), Brian Jones—all friends of my kids—and now friends of mine, plus my best friend Sean Earley all stepped up. They know the mountains well and have helped us for years. They just showed up and said, "We're here. We're going. What can we do?" So, we strap chainsaws and some alfalfa on 4-wheelers and set out hoping against hope to find something alive.

We split up and my crew takes the Lava Top and Ross Creek drainage, while the other half goes towards Twin Bridges and Fall River. It is eerie, and as Rob said, "There is no sound in the Forest,

just death." We are learning. When we traditionally gathered cows, they were always towards the ridge top in the morning and down by water in the afternoon. Now, we find nothing high up, except the occasional dead cow that wasn't fast enough. We just hunt for the deep holes where there was a chance for water and life.

You learn as you ride through the apocalyptic murk. Rob's head goes up and I catch the scent at the same time. The scent of death and charred flesh mingled with the acrid smoke that burns your eyes. You begin looking in the draws hoping it is not cattle. It always is. Eight cows and three baby calves in a pile at the bottom of a ravine, rushing in terror to escape. A sight you won't soon forget.

But today, when we meet up, Kyle and Kate had great news. They found sixteen head at our Twin Bridges corral! The largest group to date. I had baited it with alfalfa last night and there were cattle standing in the little corral of temporary panels. Remarkable. Two of them are heifers that I gave Kyle and Jordan (my daughter in-law and Juni's mom) for their wedding. Kyle branded them with my Dad's original brand just to keep them straight. Someone in our crew said Dad gathered them for us so we wouldn't miss them. Maybe he did. My Dad was a cow whisperer who has been gone over four years after roaming the mountains for almost 90. Maybe he is still helping lead us and the cattle home. I turn away as I feel emotion begin to rise. Again. For some reason, I am more emotional when I find the live cattle than those that died. I don't know why? Maybe thinking what they went through and I wasn't there to help? And, more frightening, death has become more expected than life.

I completely dread taking my Mom to see this tragedy. She will be 90 in less than a month and still loves the mountains and gathering cows. She is tough but this could break anyone. She worked these mountains with my Dad from 1948 when she was 18, he was 21, and they had just married. She told me in later years that she had always loved the outdoors but really was "sort of afraid of cows" since she had not ever been around them. She never told Dad though and learned to be one of the best trackers and gatherers the mountains have ever seen, knowing every plant, tree and road.

You can learn more from old people. They may not use PowerPoint or Zoom. They may not be elegant in politics, but they have life experience. We are quickly losing that vital perspective from the land before we have allowed them to teach us. Far more valuable than a visiting scholar or great consultant. Local knowledge and observation. I wish we would listen.

I am again angry at everyone and no one. Why did this happen? I am absolutely tired of politicians and politics, from both the left and the right. Shut up. You use tragedies to fuel agendas and raise money to feed egos. I am sick of it. And it plays out on social media and cable news with distorted and half-truths. ON BOTH SIDES. Washington, DC is 3000 miles away and is filled with lobbyists, consultants and regulators who wouldn't know a sugar pine from a fir. Sacramento is 100 miles south and feels even more distant than DC. And to the regulators who write the Code of Federal Regulations, the policies and procedures and then debate the placement of a comma, you mean well, I know. And I am sure you are good people. But you are useless when it comes to doing things to help the land. And the "non-profits" (yea, right), lawyers and academics, this is all too often a game for you to successfully navigate your own institution. "How do I get a grant to study something that if I looked closely, generations before already knew?" Nothing happens on the ground to make change. I do understand that most folks truly care and start with the best intentions.

For those of you on the right who want to blame the left and California, these are National Forest lands that are "managed" by the feds. They have failed miserably over the past 50 years. Smokey the Bear was the cruelest joke ever played on the western landscape, a decades long campaign to prevent forest fires has resulted in megafires of a scope we've never seen. Thanks, Smokey.

The US Forest Service is constantly threatened with litigation from extremists who don't want anyone to "use" the Forest. It is to be "preserved." Great job in helping to get us where we are. And I feel bad for Forest Service personnel. Most of them are great people who work there because they love the land like I do. But they are chained to desks to write reports and follow edicts handed down from those who don't know. One size fits all regulations are not a solution in diverse ecosystems. And, the Forest Service budget is consumed by fire suppression and litigation. What funds are left to actually work on the land?

And, for those of you on the left who want to blame it all on climate change, the regulations at the state and federal level have crippled—no, stopped—any progress towards changing the unmitigated disasters facing our landscapes. I wonder how many of you have walked the canyons or ridges or seen the wildlife and beauty at a secret stream?

Politicians stage drive by photo-ops to raise money at the fringe. None of us really like you. We just are forced to deal with you. Of course, there are many exceptions and you know who you are. I hate to visit an office to discuss issues when the legislator is far more interested in talking than listening. It seems that nobody can be a centrist and make sense and win. There is plenty of blame to go around on both sides of the aisle.

And just maybe it's both—horrible forest management and climate change. Don't you think months of massive smoke covering the West may impact the climate, especially added to our other pollutants? Does it matter which came first? Why not invest in solutions rather than using soundbites to gin up the base? And locally, we know the solutions. And those investments should be locally conceived and locally driven.

I grew up hearing the stories from my Dad and Grandad of the "last man out" lighting the forest floor to burn the low undergrowth. Their generations knew to reduce the ladder fuels that spread the fire to the canopy, to open it up for the wildlife. It was a pact between our friends the Native Americans who had managed it this way for 13,000 years, the loggers, miners and ranchers. They knew ecology and botany and wildlife. They worked together because they loved and knew the land.

It was the early 1960s and snow was already on the ground in December on our foothill ranch. I would have been about four and holding my Grandfather's hand as he lit some piles of brush on fire to open the landscape. It was the practice he had learned from generations before. And the CDF (now Cal Fire) crew showed up, put out the fire, and lectured him for burning. My Grandad was the kindest, gentlest and funniest man I have ever known. And he was mad. It was the beginning of the end for our forest home. And it has proceeded at an unprecedented rate.

I am angry. Try a control burn in the winter now and watch someone cite you because it is not an approved "burn day," you had the wrong permit and approval and you might impact air quality. It is beyond moronic. How is the choking air quality that has blanketed the west this past month, when people can't go outside without a mask, a better alternative? Are you kidding me?

Bureaucrats and well-intentioned regulators who don't know they don't know have tied our hands, and the blame is shared at the both the state and federal levels.

Lest you think I am a complete rube, I earned my PhD in Animal Science 35 years ago at Colorado State. I loved teaching and ranching – so I did both. But I am a cattleman at heart. And, I have been involved in industry activities for many years, serving as Past President of the California Cattlemen's Association, current Chair of the California Cattle Council, Chair of the Forest Service committee for the Public Lands Council and Chair of Federal Lands for the National Cattlemen's Beef Association. I have walked the halls of Congress, met with legislators in both Sacramento and DC and I am willing to advocate for the cattle community to anyone who will listen. I have dined with legislators in DC, Chicago and Sacramento at wonderful restaurants noted for fine dining. The company, food and conversation were enjoyable. And I have had bologna sandwiches and beer in the mountains with ranchers and loggers. Somehow, the air seemed cleaner and the food was better with the latter. Something about straight forward honesty and hard work is appealing.

I invite any legislator or regulator, state or federal, to come with me to this devastation. Leave your photographer behind, put on boots and let's go. I will buy the bologna. We have created tragedy after tragedy across the West, and we need solutions.

Look at the mega-fires California has experienced in recent years. If you study them closely, almost all of them start on State or Federally owned land. Fifty percent of California is owned by the feds or state, land that has unmanaged fuel loads because of the restrictions to do anything on the land. Right now, the only buffer to these disasters are private, well managed, grazed landscapes. They may still burn, but the fires are not as catastrophic and can be controlled. Butte County alone has recently had the Camp Fire which destroyed the town of Paradise, population of 20,000 where almost a hundred people died. And now the Bear Fire where Berry Creek, a small community of about 1000 residents had at least 14 deaths, an even higher percentage.

Our segmented view of the landscape has led us to tragedy after tragedy. As a rancher on the Forest, I am required, in the name of ecosystem health, to monitor meadow utilization, browse of willows and streambank alteration. Fine. I comply. If I hit 41% meadow utilization I can get a letter of non-compliance since 40% is considered the maximum. The Bear Fire did not leave 60% of the meadow! I wonder if I will get a letter of non-compliance? Again, the forest for the trees.

It is not the Forest Service range conservationist's fault that I have to monitor these three factors. It is the guidelines they were handed. But they are arbitrary and ineffective measures to "protect" the environment, and of no use against decades of unmitigated fuel growth. Can anybody look up and see the meadows and water disappearing? Is the health of the meadow crippled by unchecked understory growth that sucks the water out and allows invasion of conifers? It is easier to blame the cow. Look up. Watch nature. She will talk to you....

I think it is as simple as not seeing the forest for the trees. And in my academic life, it was the norm. I worked with wonderful faculty, staff and students who were committed to research and teaching. However, we rarely looked at the big picture because we were encouraged to publish in our disciplines without seeking out how our work connected with others or how our small piece was part of a larger solution. That "siloed" thinking plagues most bureaucracies and agencies. We only know what we know. And, in most disciplines in the academy, most faculty are now several generations removed from a direct connection with the land.

Listen to the generations before. Mega-fires are a recent product of lack of use of fire, less grazing and over-regulation. And if you look at recent history, almost every mega-fire that I can recall has started on state and federal lands. Mismanagement. And those catastrophic fires contribute to climate change. Yet the guidelines followed by the feds on National Forest and the State on State Parks lands are "one size fits all." It is beyond dumb. And no one's fault. And everyone's fault. Listen to the Forest. Listen to the locals.

The fire in Santa Rosa in 2018 was estimated to produce more CO2 and pollutants in one week than all of the cars in California in one year. We have already had six of the largest twenty fires in California history in 2020. The Bear Fire has eclipsed 250,000 acres and is still burning. To me this is very personal, but this is a much bigger problem than my family having our cattle killed.

I get frustrated with experts and consultants who drive by and "know just what to do." For 35 years I have attended conferences, given presentations and listened. What I have learned is solutions are local and specific. What happens in one watershed in Plumas or Butte County may be entirely different in the Lassen National Forest just next door. But experts of all kinds are glad to tell you how to do it. "Let's prescribe graze, use virtual fences, change your timing, change your genetics." Prescribe graze the forest and canyons? Yea. Right. They don't know what they don't know but they will take the honorarium anyway and have a great dinner on your dime. Another game where the people who live here and the land rarely benefit.

I have traveled and given presentations nationally and internationally for decades as the odd "academic cowman." I learned quickly that it is insulting to make suggestions if you don't know the land, the people and the culture. I love these canned "you should do this and this" PowerPoint talks. It is frustrating. My approach has always been "this is what I do and why—it may not fit here so don't force it." I loved those trips not because of what I taught but of what I learned from the locals.

Cattle, like the wildlife, follow the season in this wildland we love. They start at low elevation in June and work east and higher until early October. As leaves begin to change, they start west and down. How and why would you fence this land? Again, an expert from afar who wrote a text or did it in a different ecosystem thought it was a great idea. It is exhausting.

Yesterday was day four of the recovery effort. I now understand what first responders mean when they say, "rescue to recovery." I hold out little hope for live cattle. We have to get to Hartman Bar ridge between the middle fork and south branch of the Feather River. It is the furthest north, most breathtaking and the hardest to access. One road in and one road out, choked with downed and sometimes burning trees. We see a burnt bear cub trying to climb a tree, two miles further a mature bear, burnt but staying in the water trying to ease the pain. We give them both a chance because they made it this far. We don't euthanize even though our brains say we should. Our hearts say let them try.

We have about six miles of road to make passable to get stock trailers through, but we make short work of it. Sometimes you can travel a quarter mile and sometimes a hundred feet. But chainsaws and strong hands get us there.

I have passed several streams today and tried to wade across one looking for cattle. It strikes me as strange. All the creeks have close to double the flow of last week. I see some springs running that

haven't been active for years. And it hits me. We have released the water that the brush was sucking from the land. The Native Americans were right again. Observe. Let nature talk.

We pulled up the grade to Hartman and Whiskey Hill, and there were cattle tracks in the burn! Lots of them. I couldn't believe it. The fire roared up out of the middle fork so quickly I expected nothing to be alive. I had myself prepared. But we found cattle and some in pretty good shape. It was slow going. Incredibly steep and rugged with lost, hungry cattle. In one pocket we picked up 14 head with nary a scratch. Two old cows (12 plus years which is old for a cow) and a bunch of young stock. Those old ladies knew where to hide! Wisdom from days gone by.

After a long day, we had 32 alive and loaded. Some may not make it but we had to bring them home to give them a chance. They made it this far. More jarring, though, was to walk down the drainage by the old Mountain House Ridge corral and find 26 dead, spread from top to bottom. That fetid smell of death permeated the walk I used to love.

Even with the dead cattle on Hartman Ridge that we found, why did we find over half alive here and nowhere else? If anything, I assumed this steep ridge gave them no chance at all. And I realized that there had been a much smaller fire here about five years ago. The country was more open and the fire moved quickly. Less fuel and more things lived. Trees, wildlife, and cows. I observed the same phenomenon in the remnants of the town of Feather Falls—where only a school and cemetery remain. The school had over 80 students less than 50 years ago, until the lumber mill closed and the village died. The school was destroyed by fire. The cemetery, however, still stands with green stately pines respecting the graves of mostly Native American veterans with flags at each grave. The cemetery was maintained free of deadfall and litter by family members. All the trees lived.

#### Day five begins.

We move as fast as we can, opening roads with saws and running 4-wheelers down every logging spur. We hope against hope for cow tracks but there are none. Hartman Ridge is about 10 miles long with the only narrow paved Forest Service road in the entire mountains. Nothing new but the cow tracks from those we found yesterday. Nothing at Socrates Spring, Harry Waite's, the Lower Reservoir, DeJonah, Sheep Tank Meadow, Stag Point, Steward Ravine -- and a hundred more name places that are being lost. Nothing.

Up by Tamarack Flat, I run into five pick-ups belonging to timber reps from Sierra Pacific, the private land holder who we lease from and who has private property throughout our range. I am walking the logging road looking and listening, as I had run out of gas a mile or so ago. Too much country to cover! They were no doubt shocked to see me in that desolation striding down the road, covered in ash from head to foot. I know most of them. Foresters by trade who, like me, love the land. "It is all gone," they say. Almost. I told them I could show them a few pockets where trees survived. But very few. We are sad and angry together.

By the end of a grueling day, we have 7 head loaded. Five of them are cattle we had seen before and were just able to get portable panels to and load, 3 of which are badly burned and will get a chance for feed and water before they will most likely die or need to be euthanized. We know of three more live cattle that we have seen and not loaded. That may be it. Over one hundred brought home, so far, but I will be surprised if eighty live. Many of those who live will have lost their baby calves to fire. There are no words. 20% of the herd we drove to the mountains on June 1. Maybe.

Our crew will be smaller today. Rob flies back to his duty station in the army. Kate is back working as a veterinarian. They leave with overwhelming sadness and "we will help any way we can." Most of the rest of our crew have to get back to their jobs, but "are a phone call away with a stock trailer" if we find something to load beyond the two trailers we will haul ourselves. I doubt we will. Kyle and I will start the search, compulsively walking creeks and canyons that we have already searched, hoping something straggles in behind. You never know and you can't quit. That is not who we are.

And now we go on. What will happen? This is devastating emotionally and financially. And I am not sure of the next steps. I do know this: We must change our land management practices if we expect the West to survive. It is best done locally, not from DC or Sacramento, but I have tilted at windmills before.

We won't quit. We need to get tougher and stronger. We never have quit for 140 years and I won't be the first. Suffer the bureaucratic maze and try to make incremental change. And, as always, work with nature. I have to. Juni Daley, and the next generation, needs to see the mountains the same way we have seen them forever, to have hot chocolate on a cold fall morning and gather cows. It can't be just stories from her Grandad.

We found an orphan heifer calf today, about two weeks old. Her mother didn't make it. Kyle stumbled on her hiding in one of the few living willow patches along a stream. He followed her for over an hour straight up from the bottom of a canyon. We caught her and she is now on a bottle getting milk replacer. That rescue was good for my heart. My Granddaughter Juni's first heifer I decide! They can grow up together.

We saw life at Fall River today. Green grass trying to sprout at a spring. Life is resilient. So are we. Next year. And the next 100.

Dave

#### **Postscript**

It is day 12 and we still are at the same pace because we have no choice. We are finding one or two per day that have lived so it is difficult to stop, but that is dwindling so we have to shift our focus to those that lived. It is hard to do. We have put 1200 miles on the 4-wheelers on old logging roads and skid trails in the last few days. I quit counting the number of tires we have ruined and how much chainsaw work we are doing.

Unfortunately, today we had to begin euthanizing some of the cattle that we brought home. But they were home, fed and watered.

The fire is still not contained and takes runs depending on the wind. I am not sure what next year will bring.



David Daley

#### David A. Daley

#### Personal Information

Dave Daley currently serves as administrator for the Paul L. Byrne Memorial University Farm. Dr. Daley has conducted an active, applied research program, receiving the first ARI (Agricultural Research Initiative) grant in 1997. Since that time, he has served as P.I. or co P.I. on over \$5 million in grants. Dave's research interest are varied but have focused primarily on the application of technology to the cattle industry, coupled with a strong emphasis on utilization of alternative feedstuffs. He has conducted a major national study on the utilization of DNA fingerprinting in genetic improvement with industry collaborators like Harris Ranch; significant work on the use of electronic identification (RFID) in national animal identification; leadership in animal disease traceability at the national level; extensive work in the economic impacts of crossbreeding; and a multi-year on-going project with Sierra Nevada Brewing Co. on the utilization of brewery byproducts as a livestock feed. With Sierra Nevada's collaboration and resources, the research has utilized waste products and closed the loop with the production of a local product (beef) for the Sierra Nevada Taproom and Restaurant. More important to Dr. Daley than the research component with Sierra Nevada has been the involvement and education of undergraduates at the University Farm as a result of this research.

More recently, Dr. Daley has become actively involved in animal welfare, conducting research on non-ambulatory cattle, while serving in a leadership role both in California and nationally on improving animal welfare practices.

In addition to his research, Dr. Daley has been very active in campus and community service, being honored as Outstanding Academic Advisor and spending countless years on multiple University-wide committees. Dave was nationally recognized with the continuing service award from the Beef Improvement Federation in 2009, is past-president of Butte County Cattlemen; active in land use issues for the Farm Bureau and cattlemen; technical advisor to other livestock groups, member of the UC Animal Welfare Task Force, and statewide co-chair of the Animal Welfare Task Force for California Cattlemen. He also serves as advisor to the YCA (Young Cattlemen). In 2012, Dave was recognized as Member of the Year by the Butte County Farm Bureau for his contributions to agriculture and received a Lifetime Achievement Award from Research and Sponsored Programs at CSU, Chico.

#### The article appeared on FACEBOOK





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## HOW TO REALIGN CALIFORNIA POLITICS BY EDWARD RING

#### Failed policies are pushed by special interests that benefit from misery

The working class, which still constitutes a supermajority of California's voters, is being destroyed by the policies enacted by the Democratic party. This is why political realignment in California can happen fast.

In three fundamental areas, public education, land use, and energy infrastructure, California's current policies are destroying lives, livelihoods, and land. And in all three of these areas, the solutions that will work challenge core premises that California's Democrats have relied on to claim the moral high ground. But these premises must be defied, because Democrats do not hold the moral high ground. They are ruining *everything*, from our cities to our forests. How can that be moral?

#### **Dismantling the Public School Monopoly**



Fortune Schools. (Photo: Fortune School of Education)

The obvious example, where a realignment tipping point has already almost been reached, is the moral imperative to nurture the next generation. Everyone agrees: Teach the children well, that they might all have a chance at a bright future. But California's public schools are failing their students, and the problem is the worst in low income neighborhoods where the importance of a good public education is the greatest.

The solution is equally obvious: Public schools need to experience competition. Parents need to be able to choose from an assortment of accredited K-12 schools; public, public charter, virtual, parochial, private, homeschool, and micro-schools.

To implement school choice, education advocates need to stop trying to push whatever baby step their consultants and donors claim is politically possible, and do what is right. They need to demand school vouchers that parents can redeem at whatever school they wish. Voters have had enough. They're ready to vote for vouchers.

The biggest barrier to vouchers are the teachers' unions, whose state and local chapters combined collect nearly a half-billion in dues each year. These unions use hefty portions of that money to buy politicians and lobbyists, impacting legislation that protects their monopolies.

But they are not doing this "for the children." They do not hold the moral high ground. They oppose school choice because as a monopoly they can perpetually acquire more members, more dues, and more power. And the parallel moral dimension, at least for the leadership of these teachers' unions, is they can use their control over the public schools to indoctrinate California's children.

#### **Dismantling the Density Delusion**



Crocker Village, Sacramento. (Photo: Petrovich Development)

If there is any area where years of indoctrination have turned ideologically driven opinions into supposed facts beyond dispute, it is in the area of environmentalism. And one of the most fundamental premises of environmentalism, often overlooked, is the delusion that higher density urban areas is necessary to protect the planet. The moral imperative is to save the earth, with "climate change" as the most urgent threat. But no matter what your opinion is about climate change, cramming California's population into the footprint of existing cities will not have any impact whatsoever on the climate. All it will do is guarantee that housing is unaffordable forever.

If school vouchers is the revolutionary concept that will rescue K-12 education in California, more suburbs on open land is the revolutionary concept that will restore home affordability in California. Almost every premise of the "anti-sprawl" lobby is ridiculous and must be challenged. Single family homes of one or two stories are far less expensive per square foot than multi-story buildings. Building utility infrastructure for new suburbs is less expensive than tearing up streets and easements to retrofit utility conduits to accommodate higher density in cities.

The claim that expanding suburbs contributes to climate change is also ridiculous. Jobs will follow workers to new suburbs. People telecommute. Cars are becoming greener every year.

The idea that land is scarce is equally ridiculous. Using data drawn from 2017 USDA data, only 5.1 percent of California's whopping 164,000 square mile area is given over to residential, commercial, and industrial use. California's total urbanized land, 8,280 square miles, is insignificant compared to its 42,498 square miles of grassland, with about half of that used for cattle ranching and dryland farming. To develop a mere 20 percent of this grassland would allow California's urban footprint to double.

The array of legislation and executive orders designed to prevent new suburban development in California is overwhelming. These laws and executive orders must be overturned, possibly through a constitutional amendment put before voters in the form of a ballot initiative. There is no environmentally compelling reason to block development of new towns and suburbs along California's major freeways, 101, I-5, and 99, especially if these developments are on rangeland which is of marginal agricultural value and of which only a fraction would be developed anyway.

Expressed as a percentage of California's vast area, the amount of land necessary to unlock suburban development again on open space is trivial. If *ten million* Californians moved into homes on spacious quarter-acre lots, four per household, with an equal amount of space developed for new roads and commercial development, it would only consume 1,953 square miles – this would be a 24 percent expansion of California's urban footprint, i.e., from 5.1 percent to 6.2 percent of all land in the state.

To deny this opportunity to make home ownership affordable to California's hard working low and middle income residents is based on misanthropic, cruel lies. Allowing suburban development on open land is a *moral* choice. Until it is again permitted, housing in California will never be affordable.

#### **Dismantling the Renewable Energy Delusion**



Hydroelectric power. (Photo: O'Shaughnessy Dam,

Tuolumne County, California, Wikipedia)

California's ruling elite has decided that its citizens will bear the brunt of being the bleeding edge of a global transition to "renewable" energy. But by forcing this advance via government decree, they risk impoverishing a generation merely to leave a legacy of obsolete technologies.

A perfect example is Governor Newsom's recent decree that new gasoline powered cars\_cannot be sold in the state after 2035, a mere 14 years from today. What if technologies are found to make gasoline powered cars even cleaner? Or what about natural gas powered cars? What about cars like the Chevy Volt, an extraordinary engineering accomplishment that allows all-electric driving for short commutes, but also delivers 50 MPG in city or freeway driving when in gasoline mode? The Volt died an unwarranted death because California's green despots did not consider it sufficiently green.

And if California's energy future is to be exclusively electric, why isn't nuclear power an option? Why is Diablo Canyon, which could run for several more decades, being decommissioned? Why is California suing the federal government to stop them from increasing the height of <u>Shasta Dam</u>, which would increase hydroelectric capacity?

The selective use of facts to promote "renewables" in California is epic. What sort of analysis has been done as to how much of California's solar panels, wind turbines and batteries have to be imported? What about lithium and cobalt, imported from nations where the environmental abuse and labor conditions are hideously worse than anything in the U.S.? Why aren't mining concerns allowed to exploit the abundant lithium deposits in California's Mojave Desert?

Then there is the question of what happens to all these "renewable" installations when they degrade and have to be replaced. How long will these solar panels and batteries last, and how will they be reprocessed? Even if California achieves a 100 percent renewable electric energy infrastructure, how can it ever be scaled to be applied worldwide, given the raw materials required and the fact that today solar and wind only supply 3.8 percent of global energy? What about new technologies that may come along and render this massive sacrifice obsolete?

Californians deserve reliable and cheap energy. This means nuclear power, hydroelectric power, and clean natural gas. Doing this makes life affordable for working families, and also makes it easier for manufacturers to come back to California, bringing with them well-paying jobs.

#### Destroy the Premises of Misery that Masquerade as Morality

Much more can be said about policies in California that harm people and the environment, but these three are foundational. If you fix the schools you reduce crime and enable upward mobility. If you deregulate so you can build new suburbs on open land you make housing affordable, reduce the overall cost-of-living, and reduce homelessness. If you back off these extreme renewable energy mandates you reduce the cost-of-living and stimulate economic growth.

The premises that must be challenged and destroyed, because they are utterly false, are the following:

- (1) More money to feed the teachers union monopoly does *not* help children learn.
- (2) Packing people within the footprint of existing cities does *not* help people or the environment.
- (3) "Renewable" energy is not cheap or reliable, and it is *not* helping the environment.

The policies that must be promoted without reservations or apology, because they are moral choices that will make California livable again, are the following:

- (1) School vouchers must be implemented, so parents can choose whatever school they want for their children.
- (2) The regulatory barriers to suburban land development must be all but scrapped, so housing that people want will be affordable.
- (3) Hydroelectric, natural gas, and nuclear power must be expanded in California, and renewables mandates must be reduced, so energy will be affordable and reliable.

California's voters need to understand that these failed policies are pushed by special interests that benefit from misery. The teachers union has a monopoly on education, and the worse things get, the more money they demand. The major corporations, the investment banks, and the pension funds are all in a position to benefit from artificial scarcity of land, because it pumps up the value of their real estate portfolios. The tech giants and the public utilities love renewable energy, because it drives a much larger percentage of consumer spending into paying for overpriced electricity, along with creating a mandatory market for the "internet of things" to manage energy consumption.

Politicians that advocate for school vouchers, suburban expansion, and conventional energy will be viciously attacked by self-righteous zealots, backed up by self-serving billionaires. But the politicians with the courage to stick to this revolutionary agenda will win, because it serves the people instead of the bureaucracy and the billionaires.

Edward Ring is a contributing editor and senior fellow with the California Policy Center, which he co-founded in 2013 and served as its first president. The California Policy Center is an educational non-profit focused on public policies that aim to improve California's democracy and economy. He is also a senior fellow of the Center for American Greatness.



#### **ANNOUNCEMENTS**

#### November 3, 2020 Ballot Measures:

**Prop. 14:** In 2004, voters approved \$3 billion for a publicly funded stem-cell agency, the California Institute for Regenerative Medicine, to support research into new treatments and possible cures. The money has been spent, and the backers of Proposition 14 want voters to approve \$5.5 billion more. But CORM has been widely criticized for inefficiency and insider dealing. **Vote no.** 

**Prop 15:** This is the treacherous "split roll" property tax, a direct attack on Proposition 13. Proposition 15 would repeal part of Prop. 13 and require reassessment to market value of business properties. It would raise taxes on supermarkets, shopping malls, office buildings, factories, movie theaters, hotels, restaurants, sports stadiums, warehouses, self-storage facilities, major retailers and other businesses where Californians work or shop. Even the smallest businesses that lease space will face higher rents, or will have to pay the higher property taxes as part of their "triple net" lease agreement. Those higher costs are passed on to consumers. **Vote No.** 

**Prop 18:** Proposition 18 would change the voting age in California to allow 17-year-olds to vote in primaries and special elections if they will turn 18 by the date of the next general election. While some states allow this, California is different than other states because under Prop. 13 and Prop. 218, tax increases must go on the ballot for voter approval. These proposed tax increases are frequently on primary and special election ballots. Proposition 18 would allow high school students to vote on tax increases. Proposition 18 would change the voting age in California to allow 17-year-olds to vote in primaries and special elections if they will turn 18 by the date of the next general election. While some states allow this, California is different than other states because under Prop. 13 and Prop. 218, tax increases must go on the ballot for voter approval. These proposed tax increases are frequently on primary and special election ballots. Proposition 18 would allow high school students to vote on tax increases. **Vote No.** 

**Prop: 19**: Proposition 19 takes away important taxpayer protections that have been enshrined in the State Constitution since 1986. That's when 76% of voters approved Proposition 58 to allow parents to transfer a home and limited other property to their children without an increase in property taxes. Proposition 19 eliminates Proposition 58 and a similar measure, Proposition 193, which gives the same protection to transfers between grandparents and grandchildren if the children's parents are deceased. Proposition 19 would require property transferred within families to be reassessed to market value as of the date of transfer, resulting in a huge property tax increase for long-held family homes. **Vote No.** 

**Prop 21:** Proposition 21 would change state law to allow radical rent control laws to be passed in cities that are already suffering from an inadequate supply of housing. In 2016, California's nonpartisan Legislative Analyst's Office issued a report that found that expanding rent control "likely would discourage new construction" by limiting the profitability of new rental housing. Under current law—the 1995 Costa-Hawkins Rental Housing Act—housing providers have the right to raise the rent on a vacant unit to market value after a tenant moves out. The same law also bans rent control on units constructed after February 1995 and on single-family homes and condos. Proposition 21 would repeal this law and allow unelected rent boards (or elected rent boards) to impose radical rent control and regulations, even on single-family homes. **Vote No.** 

**Prop 22:** In 2019, the Legislature passed, and the governor signed Assembly Bill 5, a law aimed at destroying the "gig economy" and forcing companies to stop using independent contractors as part of their business. Supporters said companies must put all workers on the regular payroll as

employees, with control over their hours and wages. The Legislature carved out exceptions for many industries, but the ride-share and restaurant delivery industry wasn't granted an exception. Proposition 22 was put on the ballot by Uber, Lyft and DoorDash. It would create an exemption from AB 5 for the companies' drivers, while providing them with basic benefits and protections. Without this exemption, the companies would likely stop offering their services in California, depriving state residents of convenient and affordable transportation and delivery services. **VOTE YES ON PROPOSITION 22.** 

**Prop 25:** Proposition 25 is a referendum on a state law, Senate Bill 10, that eliminated cash bail and replaced it with a system based on judging risk, specifically the risk that an arrested person poses to public safety and the risk that the person will fail to show up for a court appearance. Because opponents of the law qualified a referendum, SB 10 did not take effect. A "yes" vote is in favor of the law going into effect; a "no" vote means you do not want the law to take effect. Proposition 25 would result in immense new costs to counties. The new system of risk-based release instead of cash bail would cost taxpayers somewhere in the mid-hundreds of millions of dollars, according to the Legislative Analyst. **Vote No.** 



## CCTA OPPOSES NOVEMBER BALLOT SALES TAX INCREASES OF SIX CITIES IN SLO COUNTY

When cities need money, the default reaction is always to raise taxes: sales taxes, transient occupancy taxes, surcharges on utility bills, increases in every fee and additional fees, ad nauseam. Senior staff has a vested interest in staving off bad news, wrapping their tax proposals as reasonable, logical, and painless. "It will be paid by tourists," "it's only one percent," and of course, "Everyone is doing it so we won't be uncompetitive." It's so easy.

But we know from recent past experience that this approach doesn't work. Taxes with sunset clauses, pushed to provide "extras," are now funding routine maintenance and permanent positions. And now the demand is for even more taxes, permanently.

No tax increase should even be considered without a thorough review of the structure of the city and its long and short term goals. Consolidation of services and outsourcing are only a start. No amount of sales taxes, TOT and other fees can make up for the structural compounding growth in salaries, staffing and pension debts of small cities. These pension debts have been growing exponentially for at least two decades. Administrators and department heads, often paid more than the Governor, will block any and every attempt to make reforms, preferring a permanent sales tax hike to create another source for leveraging debt, via bonds. Thus they can postpone the inevitable pain a little longer or at least until retirement looms.

The current pandemic provides an excellent opportunity to break this cycle of tax and overspend and finally institute overdue, sound, long term financial planning in city government. Anyone breathing knows the lockdowns have created unprecedented drops in revenue for everyone. We literally are all in this together. It is time that local governments, like families and businesses, take a good long hard look at their expenses and priorities, or risk losing everything.

Six Cities have sales tax increases on the November ballot. Only the City of Arroyo Grande does not! See below!

City of Arroyo Grande - No Sales Tax Increase on November Ballot

Arroyo Grande's proposed sales tax increase fails - Cal Coast ...

City of Atascadero - 1%

Council Votes to Add Sales Tax Measure to Ballot

City of Grover Beach - 1%

Grover Beach City Council supports raising sales tax

City of Morro Bay - 1%

UPDATE: Morro Bay City sales tax increase placed on ...

City of Paso Robles - 1%

Paso Robles City Council votes to put 1-cent sales tax ...

#### City of San Luis Obispo - 1%

UPDATE: SLO City Council approves added 1% sales tax for ...

#### City of Pismo Beach - 1%

The City Council has adopted Resolution R-2020-053, adding the following measure to the November 3. 2020 ballot.

#### CITY OF PISMO BEACH

#### **MEASURE B-20**

PISMO BEACH PUBLIC SAFETY AND COMMUNITY SERVICES PROTECTION MEASURE. To maintain police and firefighter service levels; reduce 911 emergency response times; protect local groundwater and beaches; and enhance senior programming and other essential services, shall the hotel/visitor tax be increased by 1%, paid by visitors, generating approximately \$1 million annually, until ended by voters, requiring annual audits and local control of funds?

## ALERT ANDY CALDWELL SHOW NOW LOCAL IN SLO COUNTY

Now you can listen to THE ANDY CALDWELL SHOW in Santa Barbara, Santa Maria & San Luis Obispo Counties!

We are pleased to announce that The Andy Caldwell Show is now broadcasting out of San Luis Obispo County on FM 98.5 in addition to AM 1290 Santa Barbara and AM 1440 Santa Maria



The show now covers the broadcast area from Ventura to Templeton -

THE only show of its kind on the Central Coast covering local, state, national and international issues!

3:00 – 5:00 PM WEEKDAYS

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<u>App</u> and previously aired shows at:



#### COUNTY UPDATES OCCUR MONDAYS AT 4:30 PM



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



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#### Coalition of Labor, Agriculture and Business San Luis Obispo County

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Email: colabslo@gmail.com / Website: colabslo.org

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MEMBEI	RSHIP OP	TIONS	):								
General Member: \$100 - \$249 🗆 \$					Voting Member: \$250 - \$5,000 □ \$						
Sustaining Member: \$5,000 + \(\sigma\) \( \sum_{\text{constaining Membership includes a table of 10 at the Annual Fundraiser Dinner } \)											
General members will receive all COLAB updates and newsletters. <u>Voting</u> privileges are limited to Voting Members and Sustainable Members with one vote per membership.											
MEMBEI	R INFORM	(ATIO	N:								
Name:											
Сопрану:											
Address:											
City:					St	tate:		Zi	p:		
Phone:			Fax:			En	nail:				
	You Hear A		Internet		Public H	_			•		
COLAB N	fember(s) /	Sponso	r(s):								
For those w	to contribute	ot to joi \$	ON/CONTR as a member to C do not require mem	but wo	ould like to so and my check	upport ( k or cred	it card ii	nformation is	enclosed/pro		
	Donations Co.		nberships and dona	tion will b		l if that is y	our prefere		maton.		
	T METH( Visa 🗖		sterCard 🗖	Dis	cover 🗖	Ar	nex <u>NC</u>	OT accepted	L		
Cardholde	r Name:				Signatu	ne:					
Card Num	ber:			Ex	p Date:	/B	illing 2	Zip Code: _	cv	<i>I</i> :	
					TODAY'S DATE:						

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(Ravised 2/2017)