

# WEEKLY UPDATE NOVEMBER 14-20, 2021

# THIS WEEK

# **ALERT**

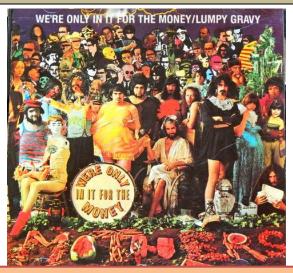
REDISTRICTING BOUNDARY CHOICES TO BE FIRMED UP SPECIAL MEETING FRIDAY NOV. 19<sup>TH</sup> - 9:00 AM - SEE DETAILS PAGE 19 BE THERE IF YOU CARE ABOUT FUTURE DIRECTION OF THE COUNTY

JOINT STANFORD - MIT STUDY: KEEP DIABLO OPEN CLOSING IT WILL RESULT IN HUGE CO<sub>2</sub> INCREASE & BLACKOUTS

SAVES HUGE COSTS - SEE PAGES 29 AND 38 FOR DETAILS

# FEE-O-RAMA WEEK

FIVE SEPARATE ITEMS ON THIS AGENDA RAISING FEES AND EXACTIONS



FRANK ZAPPA AND THE MOTHERS OF INVENTION - 1968
THEY HAD NO IDEA HOW BAD IT WOULD GET

## REGULAR TUESDAY BOS MEETING

LOADED WITH FEE INCREASES

PROPOSED PLANNING AND DEVELOPMENT PROJECTS FOR MORE REGS BOS MEMBER APPOINTMENTS TO OTHER BOARDS & COMMISSIONS INTRODUCTION OF MAJOR PLANNING & DEVELOPMENT FEE HIKES PUBLIC FACILITY FEE HIKES

**ROAD FEE HIKES** 

FY 2022-23 GOALS AND "STRATEGIES"
ADOPTION OF NEW WET GARBAGE RECYLING ORDINANCE
ROAD FEE INCREASES FOR LOS OSOS AREA
ADOPTON OF ALL FEES OTHER THAN PLANNING & DEVELOPMENT
MINISTERIAL ACTIONS RELATED TO IWMA DIVORCE

# SPECIAL FRIDAY REDISTRICTING MEETING

## SLO PENSION TRUST MEETING MONDAY

# COASTAL COMMISION SEES PROBLEMS WITH SLO COUNTY VACATION RENTAL RESTRICTIONS PLUS THEY HAVE 7 DUNES CLOSURE LAWSUITS ON EXEC SESSION

# LAFCO MEETING THURSDAY

**BIG PASO ANNEXATION ON TAP** 

# LAST WEEK

# **NO BOS MEETING**

# APCD LOSES ANOTHER LAWSUIT

BOARD WILL REVIEW DUNES PROGRESS
DUNES ORDER MAY HAVE TO BE READOPTED - APCD BOARD SILENT

# IWMA TO REVIEW NEXT STEPS AS COUNTY DEPARTS

# **EMERGENT ISSUES**

## COVID HANGS AROUND AT LOW LEVEL

# JOINT STANFORD-MIT STUDY: KEEP DIABLO OPEN

LOWER COST, MORE ENERGY, LESS CO2, DESAL, HYDROGEN FUEL

# BIDEN ADMIN WITHHOLDS TRANSIT FUNDS DUE TO 2013 CAL PENSION REFORMS

## PROPOSED MARINE SANCTUARY BACK

# **COLAB IN DEPTH**

**SEE PAGE 39** 

Stanford/MIT Study: Keeping Diablo Nuclear Plant Open Would Save Billions, Help Meet Emissions Goals

'Officials so worried about power and emissions, have this gem they don't really want anymore'

# Can the People Keep Resisting Big Government Tyranny?

Why we must do more than just periodically slow down progressive excess.

BY BRUCE THORNTON

## THIS WEEK'S HIGHLIGHTS

**ALL MEETINGS ARE 9:00 AM UNLESS OTHERWISE NOTED** 

Board of Supervisors Meeting of Tuesday, November 16, 2021 (Scheduled)

Item 1 - New Planning, Building Inspection, Subdivision, and other permitting fees – Set Hearing for December 14, 2021. The effect of this item is to set the Board meeting of December 14, 2021, as the hearing date for a revision of the structure and title of most of the fees. If adopted, it will result in the addition of new fees and a massive increase in fees. Some key issues:

1. It appears that the staff is attempting to slide this through during the supervisorial redistricting process, when no one will have time to pay attention. In fact, the hearing for the fee increases will be on the same day as the final vote on a redistricting plan.

	Redistricting Tim	eline	
Official Hearings	Required Action(s)	Date	Known/Legal Timelines
	Board Hearing - Consideration of Initial Draft Maps and	October 26, 2021 (Special	
Hearing #2	Provide Staff Direction	Evening Meeting)	
	Last day to submit maps/comment for consideration in revised maps for November 19 hearing	November 5, 2021	Allows 1 week for drawing before publication
	Publish revised maps	November 12, 2021	
Hearing #3	Board Hearing - Second consideration of Draft Maps and Provide Staff Direction	November 19, 2021 (Special Meeting)	
	Last day to submit maps/comment for consideration in revised maps for N vember 30 hearing	November 21, 2021	Allows only three days for finalization of maps
	Publish revised maps	November 24	At least 7 days before fina adoption (12/14)
Hearing #4	Final hearing to approve redistricting plan	November 30, 2021 (Special Meeting)	
	Legal Metes and Bounds complete and ordinan e drafted	December 3, 2021	72 hours agenda publication deadline
	Introduce County ordinance amendment	December 7, 2021	
Hearing #5	Amend County ordinance to reflect Board approve revised redistricting map	December 14, 2021	1 day before legal deadline
	Effective date of ordinance amendment	January 14, 2022	

Note that there are 5 redistricting hearings between now and December 14. How will Board members have the time to study these fees and converse with business, agriculture, or anyone else?

2. There are no indicia in the Board letter or supporting materials that the County staff or the fee consulting firm used by the County included or conferred with any major impacted community groups in the design or setting of the proposed fee structure. Accordingly, the input of homebuilders, land developers, commercial developers, building trades, housing-not-for-profits, and other constituents seems totally absent. The time during which to study and respond includes the Thanksgiving Holiday and the run-up to the Christmas/New Year holiday season.

**Recommended Actions:** Due to the emissions in **Items 1** and **2** the hearing should be set in late January. If there are a few Schedule A items, the Board could limit the December hearing to those and consider them in time for the new year.

Secondly, the Board should direct staff to meet with impacted industry groups to understand any concerns or recommendations. These would include homebuilders, developers, utilities, general contractors, repair contractors, electricians, plumbers, and many others. Again, the holiday season is not the time to impose such a missed step on these entities.

3. Most businesses in the county, including those that are regulated by Planning and Development, have suffered along with everyone else due to CONID 19's economic damage. The County itself lost sales tax revenue and TOT revenue and suffered extraordinary expenses. Federal and State aid has been provided to assist in the County's restoration and recovery from these impacts. As a result the County is awash in cash.

**Recommended Action:** Why not defer fee increases until 2023 as a way of providing parallel assistance to the those involved in agriculture, land development, home development, affordable housing efforts, construction, building repair, and so forth?

4. There has been a major consolidation of almost 1,000 P&D fees down to 250. No more a la carte menu. You will have to get the chef's specials, which combine a number of reviews and inspections into consolidated fees. Tracing the impact of the changes would require analysis of the 144-page report, which lists the new and abolished fees and then going back and looking at the fee codes.

**Recommended action:** Direct Staff to present sample comparisons of what common types of projects cost under the existing system and current fees with the new system and consolidated fees.

#### For Example:

- Minor use permit.
- Conditional use permit.
- Subdivision of 50 homes
- Agricultural Preserve.
- Construction permit.

This would give some indication by which the impacts could be assessed by the Board and public.

5. What are the apples to apples total aggregate fee rates when the increases and decreases are totaled and then compared from the current schedule to the new schedule? The write-up is confusing:

The consultant's review of the Department's fees determined that the Department is currently under-charging for its services. This includes a cost recovery shortfall of \$890,857 (\$2,381,591 in current fee revenue versus calculated costs of \$3,272,448) for Planning/Land Use/Code Enforcement/Operations fees and a cost recovery shortfall of \$1,716,173 (\$4,224,611 in current fee revenue versus calculated costs of \$5,940,784) for Building permit fees. In addition, there was a calculated surplus of \$81,889 for cannabis fees (\$770,180 in current fee revenue versus calculated costs of \$688,291), which would indicate that deposits for certain cannabis fees should be reduced. However, for deposit based fees, the actual cost of the permitting is applied against the deposit. When project costs are more than the deposit, the applicant is invoiced for the additional cost. However, if there any remaining surplus at the end of the project, it is refunded to the applicant.

If there is the same volume of activity for all types of permits and other services in 2022 - 23 as there were in 2020 - 21 (the last fully complete d fiscal year) what will be the net increase?

Permit type	Fee Revenue	Fee Expense	Surplus/(Shortfall)
Planning / land use / code enforcement	\$2,381,591	\$3,272,448	(\$890,857)
Building permits	4,224,611	5,940,784	(\$1,716,173)
Total	\$7,376,382	\$9,901,523	(\$2,525,141)

The table just above, from the consultant report, shows the shortfall. Is this it? Or is it more or less? The table below seems to be the detail for the Building permits. How do the construction permits in the lower table, which are listed as 1.8 million too low, relate to the table?

			Revenue	Revenue /
	Revenue	Cost	minus cost	Cost
Table 1 Construction Permits	2,288,332	4,130,829	(\$1,842,497)	55%
TABLE 2 Mechanical	30,139	50,463	(\$20,324)	60%
TABLE 3 Plumbing/Gas Permits	168,796	232,407	(\$63,611)	73%
TABLE 4 Electrical	307,210	216,265	90,945	142%
TABLE 5 Miscellaneous building permits	1,277,250	1,189,381	87,869	107%
TABLE 6 Other building permit fees	152,884	121,440	\$31,444	126%
Total	\$4,224,611	\$5,940,784	(\$1,716,173)	71%

Item 4 - Request to review and determine the appointments of Board members to various committees and commissions. This the annual cycle of determining which Board members serve on which boards and commissions, community not-for-profit boards, and professional/lobbying organizations.

Student-Community Liaison Committee	Debbie Arnold	Debbie Arnold
Visit SLO Advisory Committee	Lynn Compton	Lynn Compton
Consolidated Oversight Board	Lynn Compton	Lynn Compton
Paso Basin Cooperative	Debbie Arnold	Debbie Arnold
Committee	Alternate-John Peschong	Alternate – John Peschong
Atascadero Basin GSA Exec	Debbie Arnold	Debbie Arnold
Committee	Alternate-John Peschong	Alternate – John Peschong
SLO Basin Groundwater	Dawn Ortiz-Legg	Dawn Ortiz-Legg
Sustainability Commission	Alternate – Bruce Gibson	Alternate – Lynn Compton
Cuyama Basin JPA Board of	Lynn Compton	Lynn Compton
Directors	Alternate-Debbie Arnold	Alternate – Debbie Arnold
Los Osos Basin Management Committee	Bruce Gibson	Bruce Gibson

Fire Safe Council	Debbie Arnold	Debbie Arnold			
First 5 Children & Families	Bruce Gibson	Bruce Gibson			
Commission					
Golden State Finance Authority	John Peschong	John Peschong			
	No Alternate	No Alternate			
Homeless Services Oversight	Dawn Ortiz-Legg	Dawn Ortiz-legg			
Council					
Latino Outreach Council	Debbie Arnold	Debbie Arnold			
Local Agency Formation	Debbie Arnold,	Debbie Arnold			
Commission (LAFCO)	Lynn Compton	Lynn Compton			
	No Alternate	Alternate - Dawn Ortiz-Legg			
Model of Care Partnership		Bruce Gibson			
Oversight Committee (MOCPOC)					
Martha's Place					
	'				
Model of Care Partnership		Bruce Gibson			
Oversight Committee (MOCPOC)					
Martha's Place					
Nacimiento Water Project	John Peschong	John Peschong			
Commission					
National Estuary Program	Bruce Gibson	Bruce Gibson			
<b>Executive Committee</b>					
Psychiatric Health Facility	Debbie Arnold	Debbie Arnold			
Committee					
Rural Counties Representatives of	John Peschong	John Peschong			
California (RCRC)	Alternate-Lynn Compton	Alternate - Lynn Compton			
SB/SLO Regional Health Authority	Debbie Arnold	Debbie Arnold			
(CenCal)					
Student-Community Liaison	Debbie Arnold	Debbie Arnold			
Committee					
Visit SLO Advisory Committee	Lynn Compton	Lynn Compton			
Consolidated Oversight Board	Lynn Compton	Lynn Compton			
Paso Basin Cooperative	Debbie Arnold	Debbie Arnold			
Committee	Alternate-John Peschong	Alternate – John Peschong			
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SLO Basin Groundwater	Dawn Ortiz-Legg	Dawn Ortiz-Legg			
Sustainability Commission	Alternate – Bruce Gibson	Alternate – Lynn Compton			
Cuyama Basin JPA Board of	Lynn Compton	Lynn Compton			
Directors	Alternate-Debbie Arnold	Alternate – Debbie Arnold			
Los Osos Basin Management	Bruce Gibson	Bruce Gibson			

Remember, that by statute they already serve on the Boards of the APCD and SLOCOG. Two are also on the Board of LAFCO. It is far too much. No wonder the staffs have such power.

Committee

**Item 21 - Public Facility Fees.** These fees are collected from the developers of projects on a per unit or per sq. ft. basis. They are designed to help offset the costs of new facilities which needed accumulative as the resulting population, traffic service needs or whatever increase.

# ANNUAL REPORT FOR FY 2020-21 PUBLIC FACILITY FEES For Fiscal Year Ended June 30, 2021

FACILITY FEE TYPE	BEGINNING BALANCE AS OF 7/1/2020	AMOUNT RECEIVED	INTEREST	EXPENDED		ENDING BALANCE AS OF 6/30/2021
				EXPERDED		
FIRE FACILITIES	8,571,335	722,622	91,064	-	(1)	9,385,021
GENERAL GOVERNMENT	195,244	345,404	1,276	396,834	(1)	145,090
LAW ENFORCEMENT	2,195,548	158,908	23,211	-	(1)	2,377,667
PARKS	2,607,492	575,784	27,038	473,778		2,736,536
LIBRARY FACILITIES	906,100	207,138	10,174	-		1,123,412
AFFORDABLE HOUSING	-	1,521	-	1,521	(1)	-
CAYUCOS FIRE	-	-	-	-		-
SAN MIGUEL FIRE	-	6,058	-	6,058		-
SANTA MARGARITA FIRE DIS	-	2,868	-	2,868		-
OCEANO FIRE DISTRICT	-	20,528	-	20,528		-
TOTAL	14,475,719	2,040,831	152,763	901,587		15,767,726

2020 PUBLIC FACILITIES FEES												
RESIDENTIAL (per unit) NON-RESIDENTIAL (per 1000 Sq ')												
Fee Category	Single Family	Multi-Family	Commercial	Office	Office Industrial							
Parks	\$2,492	\$1,752	-	-	-							
Sheriff	\$693	\$482	\$244	\$542	\$174							
General Gov't	\$1,038	\$723	\$366	\$812	\$261							
Fire	\$2,025	\$1,409	\$714	\$1,584	\$510							
Library	\$696	\$499	\$71	\$157	\$51							
Admin Fee 2.0%	\$139	\$97	\$28	\$62	\$20							
Total Fees	\$7,083	\$4,962	\$1,423	\$3,157	\$1,016							
		2021 PUBLIC FA	CILITIES FEES									
	PESIDENTIA	Al (nor unit)	NON DES	IDENTIAL (per 1	וי אם חחח							

	RESIDENTIA	AL (per unit)	NON-RESIDENTIAL (per 1000 Sq ')						
Fee Category	Single Family	Multi-Family	Commercial	Office	Industrial				
Parks	\$2,517	\$1,769	-	-	-				
Sheriff	\$705	\$490	\$248	\$551	\$177				
General Gov't	\$1,055	\$735	\$372	\$825	\$265				
Fire	\$2,059 \$1,432		\$726	\$1,610	\$518				
Library	\$708	\$507	\$72	\$160	\$52				
Admin Fee 2.0%	\$141	\$99	\$28	\$63	\$20				
Total Fees	\$7,185	\$5,032	\$1,446	\$3,209	\$1,032				

**Item 23 - Road Fees.** Road fees are assessed against developers of homes, commercial, and other types of development. They are based on the vehicle miles traveled (the peak hour trips) generated by the new project. They are escalated each year based on a formula tied to a regional cost index on road construction.

The County Road Improvement Fee (RIF) Program was initiated in the early 1990's to mitigate traffic impacts caused by new development to the County Road System. To date, these road improvement fee programs have collected over \$60M and helped fund completed projects such as:

- Las Tablas Road Interchange Improvements, Templeton
- Main Street Improvements, Cambria
- Mary Avenue Extension, Nipomo
- San Luis Bay Drive Bridge Replacement, Avila
- Tefft Street Operational Improvements, Nipomo
- Vineyard Drive Interchange, Templeton
- Willow Road Extension and Interchange Project, Nipomo

#### Attachment 2 - Fee Summary Table

	Attachment 2 - Fee Summary Table																																
F	ee Area		sidential Retail Other Council (Per pht) (Per		Fees Received Interest		d Interest		kpenses	Account Balance of 6/30/21	Major Work Effort																						
	Avila	\$	10,858	\$	10,858	\$	10,858	Oct-21	\$	261,352	5	\$ 474,215		\$ 4,542		\$	6,879	\$ 733,230	Avila Beach Drive Interchange														
	Area A	\$	555	\$	276	\$	424																										
ast	Area B	\$	1,045	\$	276	\$	424																										
North Coast	Area C	\$	1,335	\$	276	\$	424	Oct-21	\$	41,265	2	\$	446	\$	429	\$	546	\$ 41,594	N/A														
ž	Area D	\$	617	\$	276	\$	424																										
	Area E	\$	297	\$	276	\$	424																										
Sa	n Miguel	\$	6,372	\$	6,372	\$	6,372	Oct-21	\$	950,993	1	\$	49,803	\$	10,150	\$	13,645	\$ 997,301	Major Update Completed														
South	Area 1	\$	12,657	\$	3,515	\$	5,409	Oct-21	\$	914,490	46	\$	583,651	\$	10,828	\$	522,650	\$ 986,319	Tefft Street Interchange														
ios is	Area 2	\$	10,588	\$	4,783	\$	7,359	00.21	\$4	3,635,465	12	\$	222,339	\$	561,480	\$	384,065	\$ 4,035,219	Los Berros Road Widening														
Templeton	Area A/B	\$	8,917	\$	8,917	\$	8,917	Oct-21	\$	613,495	24	\$	270,159	\$	6,280	\$	263,619	\$ 626,315	Main Street Interchange														
Temp	Area C	\$	8,917	\$	8,917	\$	8,917	OC-21	\$	1,898,634	24	\$	-	\$	19,731	\$	13,224	\$ 1,905,140	main screet interchange														
Sti	ate Route 227	Fee	s Calcula	ted p	per Individ	dual	Projects	n/a	\$	130,910	6	\$	45,486	\$	1,505	\$	312	\$ 177,589	SR 227 at Los Ranchos Road														

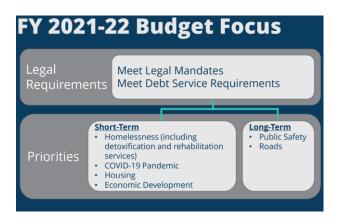
\*PHT = peak hour trip

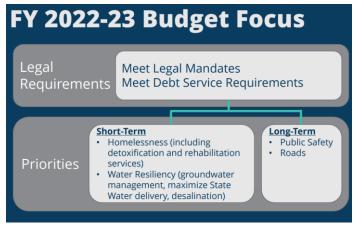
	CONSTRUCTION COST INDEX										
Engineering News-Record (ENR)											
Year	ear Index Value % increase 3-yr Averag										
2012	9,291	-									
2013	9,542	2.70%									
2014	9,800	2.70%									
2015	10,039	2.44%	2.61%								
2016	10,337	2.97%	2.70%								
2017	10,703	3.54%	2.98%								
2018	11,069	3.42%	3.31%								
2019	11,268	1.80%	2.92%								
2020	2020 11,436 <b>1.49%</b> 2.24%										
2021	2021 12,112 5.91% 3.07%										
The 3-yea	r average shown is calcu	lated based on the mos	st recent 3-years of								

The 3-year average shown is calculated based on the most recent 3-years of indexed construction cost increases. (shown in green)

These numbers are used to justify annual increases in the road fees.

**Item 35 - FY 2022-23 Budget Priorities.** This is the time of year when the staff checks in with the Board to make sure that the Budget priorities that have been set in past years are still valid. It also presents an opportunity for the staff to recommend alternate policies and for the Board to change policies.

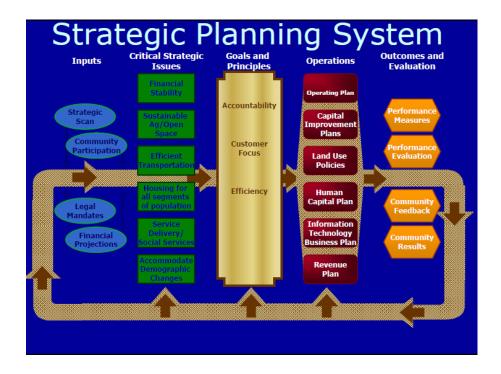




Staff has dropped housing and economic development from the priority list. We do not recall the Board indicating that these should be dropped in previous dissussions this year. With Diablo closing, Phillips 66 closing, the Dunes closure order in 2023, many vacant storefronts, and lingering unimployment, we wonder what sort of rationale has been concocted for this one. Whatever happened to the Economic Development Manager position which was approved back in 2020?

Item 38 - from December 2022 - Submittal of a resolution approving the new classification and establishing the salary range of Economic Development Manager and amending the Position Allocation List for Fund Center 104 – Administrative Office (FC 104) by adding 1.0 FTE Economic Development Manager position; request to provide direction to staff regarding economic development proposals; and, request to approve a corresponding budget adjustment in an amount not to exceed \$1,207,530 for FC 104 from the General Fund Designation SB1090 Proceeds-Economic Development, by 4/5 vote.

Perhaps it is being decided that economic development is too hard to do in San Luis Obispo County, given its smart growth and "resource" based scheme of land use. Could they just be attempting to let it slide? What tangible developments have been produced in new economic development in the County outside of big box stores and hotels in the cities? After all, the Board has spent many hundreds of thousands on economic development not-for-profits. Has any significant export base type firm with career benefitted head of household jobs been added to the County in the past 5 years? Is there any strategic thought relating to the economic trend impacts on the Proposed Budget?



Obviously, COVID has become an ongoing endemic conditon that will linger in the environment for years or decades. Thus the pandemic response priority shuld be dropped as indicated.

"Legal mandates" is a very subjective concept, and the Board should scrutinize budget items that are asserted to be mandates. There are hard mandates, soft mandates, and mandates which can be worked around.

The write-up indicates that they are facing a potential revenue expenditure gap of from \$2 million to \$8 million on next year's budget. Why? By June, and unless the Federal government collapses under it own loony policies, we bet that the gap will not exist. Besides, the County has ample reserves and is piling up more. Finally, the County is awash in state and Federal COVID and economic recovery funding. Much of this can be used to fund homeless programs, which appear to be the top non-mandated operational policy.

**Recommendation:** The Board should direct staff to prepare a plan to gradually begin shifting an increasing portion of funding from current consumption to capital investment over a multidecade period. This will provide an important analysis for policy purposes and will test the system somewhat. In this regard, whatever happened to the study funded back last December 8, 2020, to examine the public facilities deferred maintenance deficit? Last year the Board item, below, appropriated over \$1 million for this study.

Item 29 - Request to: 1) approve a three-year contract for professional consultant services with Cannon/Parkin, Inc., in an amount not to exceed \$1,021,533, for facilities condition assessment (FCA) services for County facilities; 2) authorize the Director of Public Works to approve amendments for contract changes, in an amount not to exceed \$100,000; and 3) approve Project 350143-FCA, and fund initial project costs of \$487,899 with budget adjustments from three

sources: from Parks Reserves, in the amount of \$62,616, from 350070-Facilities Master Planning Project, from Fund Center 200-Maintenance Projects, in the amount of \$263,993, and from Building Replacement Reserves, in the amount of \$161,290, by 4/5 vote

Item 37 - Request to 1) receive and file a report on Department of Planning and Building Activities and provide staff direction as necessary on the Department Tiered Priority Projects; and 2) receive and file the Annual General Plan Progress Report. This item is another staff check-in with the Board to make sure that the Planning and Building Department is working on long-range planning projects that are Board priorities. For example, the list below contains projects that the staff completed.

Completed Tiered Priority Projects The tiered priority projects completed since the November 17, 2020:

- 2020 Housing Element Update
- 2021 Annual Ordinance Clean-up Package (scheduled for completion on December 14, 2021)
- Agricultural Offset Ordinance Extension and Table Grapes Water Duty Factor
- Airport Land Use Plan Update Cannabis Ordinance Local Coastal Plan Amendment
- Code Enforcement Abatement Process
- *Density Bonus Ordinance Inland (State mandated)*
- Emergency Shelter Crisis Declaration and Ordinance
- Hemp Ordinance Local Coastal Plan Amendment
- Local Agency Management Plan
- Sign Ordinance Local Coastal Plan Amendment
- Vacation Rental Hearing Officer Process

There are 2 lists of projects in process:

Tier I Priority Projects In Progress These are discretionary (nonmandated) projects that were directed by the Board during past priority reports. There are currently 2.5 FTEs (1 FTE expires on 8/31/22) working on Board-directed Priority Projects. There is no additional capacity to work on any additional priorities except the following Tier I projects listed below:

- ADU Ordinance Local Coastal Plan Amendment ADU Ordinance Pre-Approved Plans
- Agricultural Worker Housing Ordinance Local Coastal Plan Amendment
- 2022 Annual Ordinance Clean-Up Package Williamson Act Rules of Procedure and Inclusionary Housing Ordinance
- Avila Community Plan
- Density Bonus Ordinance Local Coastal Plan Amendment Los Osos Community Plan Local Coastal Plan Amendment
- Los Osos Vacation Rental Ordinance Local Coastal Plan Amendment
- Paso Basin Planting Ordinance Los Osos Habitat Conservation Plan Finalize plan

These are projects which staff believes should be initiated or which the Board has indicated at one time or another that it would like initiated:

*Tier II Projects* The Department's The Department can begin work on Tier II priority projects once resources become available or as the Board allocates additional resources.

- Airport Review (AR) Combining Designation California Valley Land Acquisition Program (Abandon Cannabis Site Clean Up)
- Cambria Dark Skies Ordinance
- Craft Distilleries Ordinance
- Inland Vacation Rental Ordinance
- Mineral Resource Area Combining Designation Safety Element Update
- Temporary Events Ordinance
- Urban Small Wineries

The product of these projects are new plans, updates of plans, new regulatory ordinances, and other requirements. These cut two ways. On the one hand, they add cost, time, and money to development or may prohibit certain types of development entirely. On the other hand, they may clarify and expedite permitting for new types of businesses that have developed.

Unfortunately, it is mostly the former. Why should there be an inland vacation rental regulatory ordinance? What problem are they trying to solve? How many valid complaints has the Department received on inland vacation rentals over the past 3 years?

# **MATTERS AFTER 1:30 PM**

Item 40 - Hearing to consider an Ordinance amending Title 8 of the San Luis Obispo County Code, by adding Chapter 8.99 to comply with the Short-Lived Climate Pollutants legislation SB 1383 and finding that the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA) – (Wet Garbage Recycling.) The new regulatory ordinance is required pursuant to SB 1383. "Short lived climate pollutant" is State's euphemism for wet garbage – fish guts, etc. SB 1383 requires all manner of new handling of recycling, storage, and disposal of wet garbage. The County must operate the following programs to be considered compliant.

#### Organic Waste Collection

Provide organic waste collection services to all residences and businesses and recycle these organic materials at facilities such as an anaerobic digestion facility or composting facility. Part of the organic waste collection service could include waivers for low population, rural, elevation, emergency, and disaster. The County anticipates qualifying for several low population waivers.

#### Ordinance and Franchise Agreement Amendments.

The legislation requires the adoption of a specific SB 1383 ordinance or update of a current Solid Waste Ordinance and amendments to franchise agreements to support compliance include specifics related to the inspection, compliance, and reporting on SB 1383. Public Works is working with our local franchise haulers on a contract amendment and will bring an item before your Board December 2021. This item is to adopt a specific SB 1383 ordinance. Create Local Procurement Policies. In order to support the purchase of recycled products such as paper

products, compost, mulch, renewable natural gas (RNG) and electricity, the County will need to adopt a new policy and purchase, acquire or secure for use, or giveaway, a certain amount of recycled products each year. The County is working on this effort and will come back to your Board with a procurement policy to support SB 1383 requirements.

Edible Food Recovery Program. In an effort to reduce food waste and address food insecurity, SB 1383 requires jurisdictions, by 2025, to recover 20 percent of the edible food that would have otherwise been discarded into a landfill. The County will work with food businesses to create contracts with the local food banks to donate edible food away from the landfills. COLAB

NOTE: Perhaps the County could buy each household 2 pigs and each multi-unit building a proportionate larger number. The County could inspect your pig operation each year and charge you a fee.

**Outreach & Education**. Public Works will provide outreach and education to residences and businesses on the new opportunities/requirements in unincorporated areas of the County.

Capacity Planning. The County is responsible for taking the lead in collaborating with all local jurisdictions on making sure there is capacity for the processing of the recovered organics as well as capacity for the food recovery efforts within our local food banks.

**Recordkeeping & Reporting**. Regulated jurisdictions are required to keep records to report as well as prove compliance to CalRecycle. The County will coordinate the franchise haulers as well as other jurisdiction to make sure that reporting meets the requirements of the legislation and will provide accurate information to CalRecycle. Monitoring & Enforcement. The County will be responsible for monitoring programs, contamination, compliance, and enacting its enforcement authority when necessary.

It is the desire of the Department of Public Works and staff, to develop programs that are reasonable and easy to comply with. When compliance does not occur, outreach and education efforts will become the focus. Adoption of Chapter 8.99, a specific SB 1383 ordinance, is the first step in compliance with CalRecycle's mandatory regulations.

Again, the State is relentlessly expanding the intrusion of government into our lives with accompanying increasing costs and fees. You will have to have a new separate wet garbage bucket in your kitchen once this all gets going next year.

The County will be negotiating costs with the private haulers, which will eventually end up in your monthly per-can bill. Note that this cost would occur whether or not the County remained in the IWMA.

Item 41 - Hearing to adopt a resolution continuing the Road Improvement Fee for all development within portions of the Estero Planning Area of the County of San Luis Obispo and adopting the required 2021 Los Osos Road Improvement Fee Study Update and considering the previously adopted Mitigated Negative Declaration (MND) and MND September 2021 Addendum per Section 21000 et seq. of the California Public Resources

**Code** (**CEQA**). Separately from **Item 23**, above (road fee increases), this one actually lowers fees for residential development in the Los Osos and Bay View Park area of the County. It raises the commercial and other nonresidential fees.

PROPOSED FEE UPDATE										
Land Use Type Current Fee per PHT* Proposed Fee p										
Residential	\$4,198	\$3,449								
Commercial	\$2,068	\$3,449								
Other Non-Residential	\$3,182	\$3,449								

<sup>\*</sup> PHT = peak hour trip

#### The Board letter states in part:

As a result of the changes in community build-out and population forecast in the community plan update, the total list of transportation projects required to support growth has reduced from 19 projects (2009) to 12 (2021). A noted change in the update is that South Bay Boulevard no longer requires widening to 4 travel lanes to support growth. Finally, the Fee Study Update includes minor adjustments to the fee area to coincide with the Urban Reserve Line (URL). The affected areas are limited to small portions of State-owned land along the fringe of the URL.

Item 42 - Hearing to consider an ordinance implementing the County Fee Schedule "A" for Calendar Year 2022 and Fee Schedule "B" for Fiscal Year 2022-23. This item was introduced back in October for today's hearing. Please see the Background section, below, for details.

In the meantime, we are concerned that the staff is not actually following the Board's policy that the fees be regularly reviewed. The policy is outlined in italics below.

Fee Review Process County departments are directed to conduct a thorough analysis and justification for the fees they charge and to update their fee schedules annually. This involves reviewing any changes to the cost of providing a service and then working with the Auditor-Controller-Treasurer-Tax Collector Public Administrator's Office (ACTTCPA) and the Administrative Office to determine that all laws, policies, and cost assumptions are correctly applied. For the FY 2022-23 fee cycle, the Department of Planning and Building (Department) hired MGT Consulting Group to complete a full fee study including all fee structures and rates. The last external fee study review of this type for the Department was completed in 2007. Due to timing of the Department fee study, the Department of Planning and Building fees were not included as part of the Countywide Fee Hearing.

1) Calculation of Actual Cost Based on Historical Information (Cost Method). This is the preferred method for determining the cost of providing a service. This information is derived from the County's cost accounting system. Most departments use this information to determine recommended fee amounts.

- (2) Time-and-Motion Studies (Time Study Method). Where a large volume of services is provided and it is impractical to determine the actual cost for each service, a time-and-motion study based on an average hourly rate is used. The departments employing this method include but are not limited to the Health Agency, the Clerk-Recorder, County Fire, Agriculture, and Planning and Building. For each service, the amount of time it takes to perform all related tasks is multiplied by the average hourly rate. Page 5 of 9
- (3) Comparable Fee Survey (Survey Method). When cost accounting and time-and-motion studies are impractical, rates charged by comparable agencies for a similar service can be used as cost indicators. The departments using this method include but are not limited to Central Services, Parks and Recreation (including Golf), Library, and the Clerk-Recorder. This method is especially relevant for services which operate in an industry with private or other competing entities, such as golf courses, campgrounds, or airports.
- (4) Statutory Fees (Statutory). Departments using fees based on statute may request changes to their fees that are within the allowable range as defined by statute. Several departments also have fees which are set at a specific amount by statute, or that are determined by the judicial system.

We noticed that some cannabis permitting fees seemed high for the likely amount of staff work required. These included fee 7001 (Cannabis business license background check) and fee 7005 (Cannabis Labor contractor background check). Accordingly, and to test the system, we filed a friendly request for staff to send us the analysis sheets related to which methodology they used to calculate the fee. The request was sent on November 1. So far, and as of this writing, we have heard nothing, not even an acknowledgement of their having received the request. You would think that if the analysis had been prepared and submitted with the fee requests to the CA's office, then it would be a simple matter to send an electronic copy. Accordingly and at this juncture, the Board should ask staff for a representative sample of the fee justifications to see if they are high quality, contemporary, or even exist. This should be done prior to authorizing any increases.

	nd Center: 136						1			
	1	Fee Detail		FY 2021-22 FEE SCHEDULE FY		FY 2 22-23 FI	2 22-23 FEE SCHEDULE DII		Comments	
Fee Indicator #	Fee Category	Fee Description	Board Discretion Type	Authority	Fee Amount Unit Desc.		Fee An punt	Unit Desc.	\$ Difference from Prior Year	Comments
7000		Connabis Fees								
7001	Increased	Calmabis Business License Background	Full		\$8,992.00	Per application	\$10,672.0	Per application	\$1,680.00	
7002	New	Cart abis Business Licer se Background for Adde Partner	Full		\$0.00	Per application	\$1,810.00	Per application		
7003	New	Cannubis Annual Business Licens Renewal Backgr und			\$0.00	Per application	\$3,930.00	Per application		
7004	New	Cannab s Background (Pre- Existing Business) - New Location			\$0.00	Per application	\$5,356.00	Per application		
7005	New	Cannabis Business Employee Background	Full		\$0.00	Per application	\$318.00	Per application		
7006	New	Cannabis Labor Contractor Background	Full		\$0.00	Per application	\$2,117.00	Per application		
8000		Crime Lates								
8001	Increased	Drug Screen Analysis (Urine)	Full		\$27.00	Per test	\$28.00	Per test	\$1.00	
8002	Increased	Controlled Substance Testing	Full		\$54.00	Per test	\$56.00	Per test	\$2.00	
8004		Analysis (Blood)	Full		\$49.00	Per test	\$50.00	Per test	\$1.00	
8005		Urine Drug Screen Confirmation	Full		\$25.00	Per test	\$30.00	Per test	\$5.00	

Department Name: Sheriff-Coroner

#### **Background:**

Note that this year, the fee increases for Planning and Building are not included here, but are being introduced for a December 15 hearing separately. (See consent **Item 1**, above, for the introduction). The County conducted a major consulting study on the adequacy of the fees, and, as expected, determined that they are millions of dollars too low. This resulted in adding new fees, raising many fees, and a major consolidation of Planning and Building fees into macro fees. This reduced the number of P&B fees from about 1000 to 250. Again, see **Item 1**, above, which will be heard on December 15.

#### Otherwise the report summarizes the results as:

The total amount of revenue from departments that is anticipated to be generated from fees in FY 2022-23 constitutes an increase of \$2.3 million or 8% over FY 2021-22 budgeted levels. Only accounting for General Fund departments, the total amount of revenue that is anticipated to be generated from fees in FY 2022-23 constitutes a \$601,642 or 5% increase over FY 2021-22. It is not expected that these percentage changes will change the percentage of overall budget that is financed by fee revenue given the expected growth in the overall budget. In addition to changes in the volume of business, some of which is due to reduced impact from the COVID-19 pandemic, two other primary factors for this increase are negotiated wage and benefit increases for various bargaining units, and a CPI increase of 1%.

#### The County policy on fees states:

The Board of Supervisors' Budget Policy 21, Cost Recovery Through Fees, directs departments to recover costs through fees where reasonable and after all cost-saving options have been explored. Each year, the Board reviews its budget goals and policies in advance of the budget preparation process. The policies were reviewed on December 8, 2020, in advance of the FY 2021-22 Recommended Budget; the next review is scheduled for November 16, 2021. As noted later in this staff report, not all fees are set at a level to allow for full recovery of costs (i.e. other funding sources, including the General Fund, offset some portion of these costs). It is important to note, that while the Board's policy is to the recover costs of providing services; this only applies to services which carry a specific benefit to an individual or entity and does not pertain to basic tax-supported services which benefit the broader community (e.g. law enforcement, fire protection, health services, general government administration, etc.)

This policy results in the fees heavily impacting business operations, land improvement, home building, commercial development, agriculture, economic development, and job creation.

It also means that criminals, the homeless, and other net consumers of government costs get off scot free from any financial or compensatory accountability. Wealth is transferred from productive elements of society to the dependent and less motivated, as the massive Federal and State taxes are being used to fund income maintenance payments; free health care; "education" (such as it is); law enforcement; incarceration; and inadequate capital investment in highways, bridges, and public facilities.

One way to stop the machine would be to cease endlessly raising fees and make the government smaller. It would be a form of revolt by local government. Also, the County is so awash in State and Federal COVID funds and American Rescue Act and Recovery Funds, that it could give the poor farmers and businesses a break.

Some of our favorite examples:

- Adoption of a cat \$85.00.
- Planning and Building Department "minor" use permit fee \$883.
- Review of a "minor" use permit by the Agricultural Commissioner \$550 (remember Planning and Development is the main reviewer already).
- Fire Department "minor" use permit fee \$884.
- Health Department review of the same "minor" use permit \$786.
- Health Department annual review of a produce farm stand \$457. Got to watch out for those rotten pumpkins.

Item 43 - Submittal of a resolution continuing the collection of fees for solid waste management; and request to approve amendments to the Integrated Waste Management Authority (IWMA) Joint Powers Agreement and Memorandum of Agreement to remove the County; and request to approve and execute a transitional Memorandum of Understanding with the IWMA necessary for the successful transition from solid waste services provided by IWMA to Public Works. The item contains provisions for the transition of solid waste management functions from the IWMA to the County. These include fee collections, maintenance of services until the transition is complete, and other activities. The transition period is expected to last through June 30, 2022.

- 1. The County will continue to collect and remit to the IWMA tipping fee surcharges generated by residents and businesses of the IWMA's member jurisdictions at landfills located in the unincorporated areas of the county.
- 2. The IWMA will continue to collect and remit to the County tipping fee surcharges generated by residents and businesses within the County's solid waste jurisdiction at any landfill located in the incorporated areas of the county.
- 3. The Parties will coordinate with each other regarding any changes to the established tipping fee surcharges of \$3.00 per ton.
- 4. Until a mutually acceptable amendment has been reached, the Parties shall each track tipping fee surcharges received by jurisdiction and keep adequate records to identify collection and remittance of fees.

There does not seem to be any financial impact one way or the other at this point. It is reminiscent of some modern divorces, where the couples legally divorce but keep having sex from time to time – like Netflix's soap opera "The Ranch."



The Ranch

#### Special Board of Supervisors Meeting of Friday, November 19, 2021 (Scheduled)

As of this writing, the agenda for the special meeting has not been published. The meeting will probably be used to winnow the number of maps that have been submitted by staff, individuals, and organizations for further processing. The Schedule is displayed below:

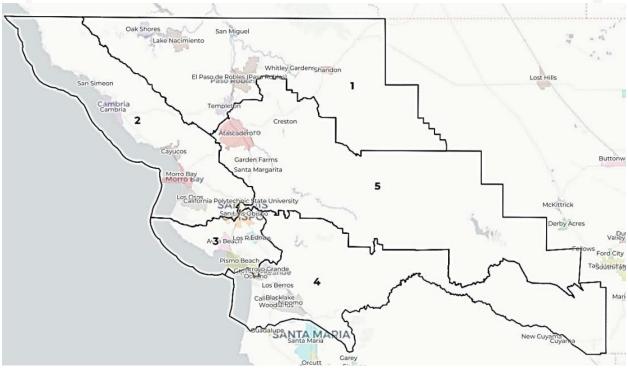
Redistricting Timeline				
Official Hearings	Required Action(s)	Date	Known/Legal Timelines	
	Board Hearing - Consideration of Initial Draft Maps and	October 26, 2021 (Special		
Hearing #2	Provide Staff Direction	Evening Meeting)		
	Last day to submit maps/comment for			
	consideration in revised maps for November 19		Allows 1 week for drawing	
	hearing	November 5, 2021	before publication	
	Publish revised maps	November 12, 2021		
	Board Hearing - Second consideration of Draft Maps	November 19, 2021 (Special		
Hearing #3	and Provide Staff Direction	Meeting)		
	Last day to submit maps/comment for			
	consideration in revised maps for November 30		Allows only three days for	
	hearing	November 21, 2021	finalization of maps	
			At least 7 days before final	
	Publish revised maps	November 24	adoption (12/14)	
		November 30, 2021 (Special		
Hearing #4	Final hearing to approve redistricting plan	Meeting)		
	Legal Metes and Bounds complete and ordinance		72 hours agenda	
	drafted	December 3, 2021	publication deadline	
	Introduce County ordinance amendment	December 7, 2021		
	Amend County ordinance to reflect Board approved		1 day before legal	
Hearing #5	revised redistricting map	December 14, 2021	deadline	
	Effective date of ordinance amendment	January 14, 2022		

<sup>\*</sup> Legal deadline to adopt - December 15, 2021

It appears at this time that the left progressives wish to keep the current boundaries displayed in the map below on the next page. It is legal in terms of population variance calculations. It maintains Bruce Gibson's power base in District 2 along the northwest coast. It also divides the city of SLO, which is totally irrationally leftist, into 3 districts, thereby diluting conservative voters in 3 districts. Conservative versus leftist is not considered a valid community of interest under the law, because it is too political, and the process is supposed to be "apolitical." Of course, redistricting is one of the most political processes around. Pretending that it isn't is simply ridiculous.

#### Please see the current district map on the next page below:





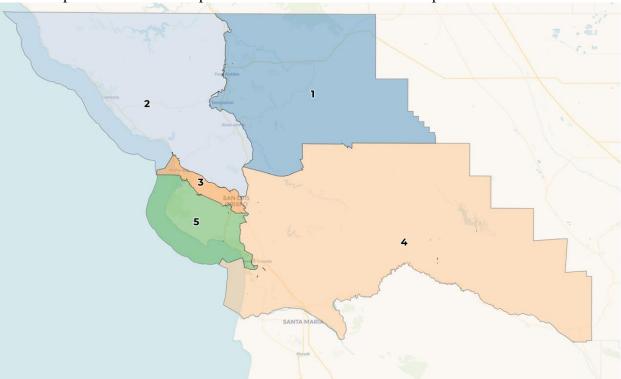
Total CVAP	37,715	48,714	44,354	41,285	44,946
Other CVAP	29,381	38,309	35,624	32,498	35,713
Other CVAP %	77.9%	78.6%	80.3%	78.7%	79.5%
Latino CVAP	7,455	6,693	5,351	7,233	6,917
Latino CVAP %	19.8%	13.7%	12.1%	17.5%	15.4%
Asian CVAP	413	1,647	2,633	1,214	1,704
Asian CVAP %	1.1%	3.4%	5.9%	2.9%	3.8%
Black CVAP	467	2,065	746	341	612
Black CVAP %	1.2%	4.2%	1.7%	0.8%	1.4%

It is rumored that a version submitted by an individual named Platten is the one which conservatives would prefer. (See it on the next page below). It is a little hard to decipher, because the map software doesn't show much detail at the full map level. You have to drill down to detail maps. The proposal would weaken Bruce Gibson, strengthen Debbie Arnold, lock it up for Dawn Ortiz Legg, and strengthen Lynn Compton. It is unclear how it would impact Stacey Korsegaden.

The draft maps are displayed at the link:

https://www.slocounty.ca.gov/Departments/Administrative-Office/Countywide-Projects-Programs/Redistricting/Draft-Maps-Publicly-Submitted-Maps.aspx

When it opens there is a list of plans which are hot links to each map.



Various leftist operatives like Tom Fulks see it as a chance for the Conservatives to obtain a 4/1 majority. This could be pure hyperbole, as the county has been drifting left for years. Until the public wakes up and asks, "Why can't I afford rent, buy a home, get a head of household job, or go to SLO city without running into homeless camps?" all bets are off. Similarly, land rationing, closing Diablo, COVID lockdowns, climate hysteria, stack-and-pack housing, and all the rest are leftist policies. You would think that all the districts would be conservative, except the City of SLO, where the independent societal dependents have taken over.

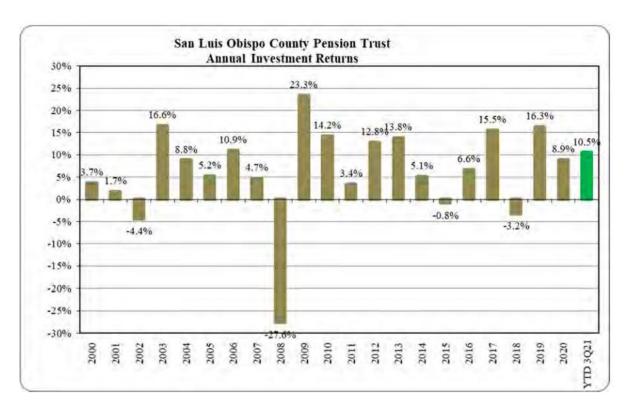
020 Census					
	1	2	3	4	5
Population	56,049	53,135	56,072	56,465	57,495
Deviation	206	-2,708	229	622	1,652
Deviation %	0.4%	-4.8%	0.4%	1.1%	3.0%
Other	37,034	39,959	42,269	39,532	40,862
Other %	66.1%	75.2%	75.4%	70.0%	71.1%
Latino	17,405	11,420	9,576	14,917	13,588
Latino %	31.1%	21.5%	17.1%	26.4%	23.6%
Asian	1,017	1,204	3,567	1,623	2,554
Asian %	1.8%	2.3%	6.4%	2.9%	4.4%
Black	593	552	660	393	491
Black %	1.1%	1.0%	1.2%	0.7%	0.9%

San Luis Obispo Pension Trust Meeting of Monday, November 15, 2021, 9:30 AM (Scheduled)

**Item 12 - Monthly Investment Report.** The solid investment year continues.

	September	Year to	2020	2019	2018	2017	2016
		Date					
		2021					
Total Trust	\$1,728		\$1,552	\$1,446	\$1,285	\$1,351	\$1,196
Investments			year	year	year	year	year
(\$ millions)			end	end	end	end	end
<b>Total Fund</b>	-1.8%	10.1%	8.9 %	16.3	-3.2 %	15.5	6.6 %
Return	Gross	Gross	Gross	<b>%</b>	Gross	%	Gross
				Gross		Gross	
Policy Index	-2.0%	7.8%	10.0 %	16.4 %	-3.2 %	13.4 %	7.7 %
Return (r)							

<sup>•</sup> The Social Security cost of living increase for 2022 will be 5.9%, the largest SS increase since 1982. The Social Security COLA is based on the increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) since the last COLA increase. The Social Security COLA affects 65 million recipients. Those on SS retirements have an average benefit of \$1,555/month.

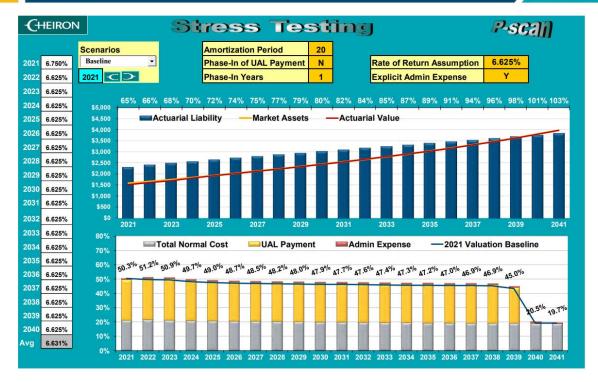


**Item 19 - Funding Policy Update.** The item contains analyses of how the unfunded liability changes depending on the system investment returns assumptions. Currently, it is set at 6.75%. The graphic below illustrates how it would look if the discount rate were lowered to 6.625%. The actuaries are not recommending any change at this time. They will wait until the next actuarial valuation of the system is completed next spring. If inflation rages, they will probably recommend a reduction, as inflation erodes the value of investment gains. In another portion of the agenda they report:

The September report on CPI inflation jumped more than expected with a 5.4% year-over-year chan.ge. Food, rent, and furniture costs led the increase fueled in part by limited housing supply and supply chain disruptions. The continued uptick in inflation continues to provide a source of worry for the Fed and for the stock market.

## 6.625% Discount Rate effective for 1/1/2022 Valuation





Note that at this level, in 2022, for every dollar of salary paid by the County, the County and the employees would have to pay 51.2 cents into the Retirement Trust. The split is about 2/3 County and 1/3 employees on average.

However, the employees receive pension deduction pay "offsets," in their salaries which, in effect, lowers their share even further. Every year when chart is updated, they show a 20-year amortization period for the amortization of the unfunded liability. Thus, it never really goes away. The rates in the near-term years just rise to higher levels and never really decrease.

The rate was 47.9% in 2020, which is now off the chart data view. As displayed in the chart, it will take until 2030 to decrease to 47.9% again. That is if inflation, higher wages, or poor stock market performance don't even add more unfunded liability.

#### California Coastal Commission Meeting of Wednesday November 17, 2021 (Scheduled)

Item W13a - Extension of Time Limit for Commission Action on San Luis Obispo County Local Coastal Program (LCP) Amendment Number LCP-3-SLO21-0027-1-Part F (Los Osos Vacation Rentals). The Commission will consider extending its own deadline for reviewing the County proposal for one year. During this interval the staff will investigate SLO County's policies in Los Osos and other coastal communities.

Osos Vacation Rentals – Time Extension) Page 2 Cambria, Cayucos, and Avila Beach), these questions are also pertinent more globally to the LCP's vacation rental provisions overall. S Staff recommends that the Commission extend the deadline for Commission action on the proposed amendment by one year. Staff recommends a YES vote on the motion below. Passage of the motion will result in a new deadline for Commission action on the proposed LCP amendment. The motion passes only by an affirmative vote of a majority of the Commissioners present

Because the proposed Los Osos provisions mirror the structure of the LCP's community-specific vacation rental provisions in other areas of the County (i.e., LCP-3-SLO-21-0027-1-Part F (Los Osos Vacation Rentals – Time Extension) Cambria, Cayucos, and Avila Beach), these questions are also pertinent more globally to the LCP's vacation rental provisions overall.

#### **Closed Session.**

- Friends of Oceano Dunes v. CCC, et al. (Case 16CV-0160), Govt. Code § 11126(e)(2)(A)
- Friends of Oceano Dunes v. CCC, et al. (Case 20CV-0100), Govt. Code § 11126(e)(2)(A)
- Friends of Oceano Dunes v. CCC, et al. (Case 17CV-0267), Govt. Code § 11126(e)(2)(A)
- Friends of Oceano Dunes v. California Department of Parks and Recreation, et al., (Case 21CV-0275) Govt. Code § 11126(e)(2)(A)
- Friends of Oceano Dunes, Inc. v. CCC (California Department of Parks and Recreation, et al. RPIs) (Case 21CV-0246), Govt. Code § 11126(e)(2)(A)
- Friends of Oceano Dunes, Inc. v. CCC, et al. (County of San Luis Obispo, et al., RPIs) (Case 21CV-0214), Govt. Code § 11126(e)(2)(A)
- Friends of Oceano Dunes, Inc. v. CCC (California Department of Parks and Recreation, et al., RPIs) (Case 21CV-0541), Govt. Code § 11126(e)(2)(A)

#### Planning Commission Meeting of Wednesday, November 17, 2021 (Suddenly Scheduled)

The agenda contains only 2 items, minor subdivisions. There are no consequential policy matters.

Local Agency Formation Commission (LAFCO) Meeting of Thursday, November 18, 2021 (Scheduled)

Item B-1: Annexation No. 90 and Sphere of Influence Amendment to the city of Paso Robles (Gateway) – recommend Review and Approve. The annexation has been in the works for a few years. Staff recommends most of it but seeks deferral of one piece.

LAFCO Staff Recommendation. The SOI should exclude Area Five. If the Specific Plan, General Plan Amendment and EIR are prepared by the City, more information would be available and the area could be reconsidered for inclusion into the SOI and annexation. The Specific Plan and Environmental Impact Report could address the circulation system and development pattern that would impact fewer environmental resources. The City could be capable of providing services needed to serve the area.

	San Luis ( Gateway	File No. 3-R-21 Page   6				
	Table 1 – Development Detail of Each Area					
Area Proposed Zoning Component			Component	Description		
	1	Regional Lodging (RL)	Vine Street Hotel	100 rooms, 76,000		

Area	Proposed Zoning	Component	Description
1	Regional Lodging (RL)	Vine Street Hotel	100 rooms, 76,000 SF, conference room, pool, 84 parking spaces
2	Regional Commercial (RC)	Village Commercial Center	37,100 SF, retail, restaurants, office, 17 workforce residential units, 159 parking spaces
3	Regional Lodging (RL)	Hillside Hotel	225 rooms, 200,000 SF, restaurants, spa, administration, 581 parking spaces
4	Regional Commercial (RC)	Promontory Commercial Center	24,000 SF commercial/office, 73 parking spaces
5B	Residential Multi-Family (RMF)	Multi-Family w/ Resort Overlay	80 attached units, may be used as resort rentals
6	Regional Commercial (RC)	Vine Street Commercial	22,000 SF, commercial/office, 66 parking spaces
7	Agriculture	Agriculture / Open Space	98 acres, of which includes 32 acres of permanent conservation

The project at buildout will consume about 9600 of Paso Roble's stated 17,246 acre feet of remaining water availability. The table below lists the City as having 4,000 acre-feet of Paso Basin groundwater per year. However, this was reduced by the Court in the Quiet Title suit to about 1,900. LAFCO may not be aware of the judge's order limiting the amount to which certain prescriptors such as the City are entitled. Thus their cushion is not as large as portrayed.

Table 3 - City of Paso Robles Supply & Demand Projections (Source 2015 UWMP)

Water Source	Acre Feet per year
Paso Robles Groundwater Basin	4,000
Salinas River – Surface Wells	4,558
Nacimiento Water/Treatment & Recovery Well	6,488
Recycled Water for Potable Offset	2,200
Total Water Supply Available	17,246
Water Demand in 2045-General Plan Build-Out with Project	9,663
Available Surplus in 2045 with Project	7,583

The project EIR found that the project is a contributor to global warming.

Greenhouse Gas Emissions Impact GHG - 1: Construction and operation of the project would generate temporary and long-term increases in GHG emissions. These emissions would result in a significant contribution to global climate change. This impact would be Class I, significant and unavoidable. Just what % of global CO<sub>2</sub> generation does this project contribute that would be significant to global climate change? The Commissioners should ask to see the math on this one. The write-up up states that it will be 3,146 metric tons per year

# LAST WEEK'S HIGHLIGHTS

No Board of Supervisors Meeting on Tuesday, November 9, 2021 (Not Scheduled)

There was no meeting last week, but they are making up for it this week

San Luis Obispo County Air Pollution Control District (APCD) Meeting of Wednesday, November 10, 2021 (Completed)

Item C -1: Update on Oceano Dunes mitigation efforts under Stipulated Order of Abatement #17-01. The Scientific Advisory Group (SAG) and District staff made a joint presentation to the Board and public on the status of mitigation, monitoring, modeling, and future plans to control dust from the Oceano Dunes State Vehicular Recreation Area. The Agency is making progress in reducing the dust. The Board praised the staff and consultants for their good work. Gibson harped on whether the work would reduce the dust by 50% by the 2023 deadline. The Citizens for Clean Air, opponents of the off-road riding, are not satisfied with the progress.

Clearly City reps Paulding (Arroyo Grande) and Heading (Morro Bay) and Supervisor Gibson want the dunes shut down and press for additional limitations in the meantime.

In a recent decision, the Superior Court invalidated changes to the Dust Rule 1001. The rule is the regulatory mechanism by which the APCD and State Parks are undertaking a number of projects to reduce the dust. The Board did not seem to discuss this situation during the public meeting. Thus, does working on the projects make any sense? See the item below for related information.

Closed Session: Conference with District Counsel Pursuant to Government Code Section 54956.9 Concerning Pending Litigation: Friends of Oceano Dunes v. San Luis Obispo County Air Pollution Control District, et al., SLO Superior Court Case No. 14CV-0514. Both Item C-1 and the Closed Session should be interesting in that the APCD has just lost another lawsuit related to the dunes. Given the legal loss, the report on dust control in Item C-1 may be moot. The adoption of the order may require a do-over. Such a situation would violate Coastal Commission deadlines for achieving certain dust reductions and other measures. This in turn could cause the Commission to accelerate its closure order. Of course, the Commission is also facing litigation from Friends of the Dunes and has a lousy batting average in court with them.

San Luis Obispo County Solid Waste Management Authority Meeting of Wednesday, November 10, 2021, 1:30 PM (Completed)

**Item 13 - FY 2020 -21 Audit Report**. The report does did not list any problems or need for corrective actions. The note below from the report relates to the County's withdrawal from the IWMA.

#### SUBSEQUENT EVENTS

Subsequent to year-end, the Board of Supervisors from the County of San Luis Obispo decided to end their membership with the seven cities and the eleven CSD's with solid waste powers. This action means the Authority will be made up of seven cities and eleven special districts that make up approximately 80% of the population of San Luis Obispo County, however the Authority is forecasting a loss of 10% revenue based on landfill tonnage and number of accounts. This decision will take effect tentatively November 15, 2021. The Authority has discussed adjusting their landfill and hauler rates to compensate for the loss of revenue

Item 13 - Discussion Of The Status And Impact Of County's Withdrawal on The San Luis Obispo County Integrated Waste Management Authority (IWMA) Operations and on the Joint Powers Agreement (JPA). The IWMA received the County's official letter of withdrawal on October 15, 2021. The Board letter for this item states that IWMA reps met with County Counsel and other staffers to discuss the impact to the County withdrawal. The narrative states that the items listed below were discussed but does not describe the outcome, if any.

- Household and small business hazardous waste collection and safe material management
- Electronic waste collection

- Curbside oil collection programs
- Local ordinances
- Retail take-back of batteries, fluorescent lighting, paint, mercury thermostats, sharps, and unwanted medication
- Education and Outreach schools, residents, businesses, and multifamily complexes
- Grant funding and reporting changes
- Landfill, Material Recovery Center, and Composting reporting for CalRecycle

It then recommended what appears to be an open ended discussion.

Staff recommends the Board discuss the impact of the County's withdrawal and give direction as deemed appropriate. In addition, receive and file Letter of Withdrawal, dated October 12, 2021.

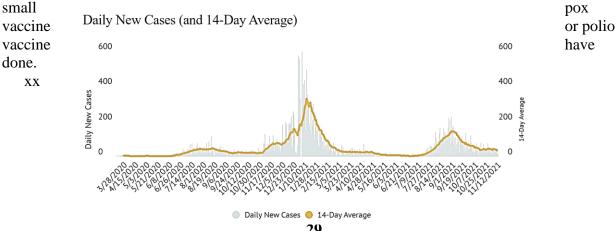
There is no discussion of the amount of revenue loss. However, as noted in **Item 13**, immediately above, the IWMA's independent auditor estimated the loss at 10%.

Once the IWMA gins up its new cost and revenue structure and the County develops its own, it will be possible to determine the loss of economy of scale impacts. Theoretically, the County can work with the haulers to develop a system to minimize cost and maximize efficiency. Both the IWMA and the County will face cost increases due to the State wet garbage recycling mandate, SB 1383, which goes into effect on January 1, 2022.



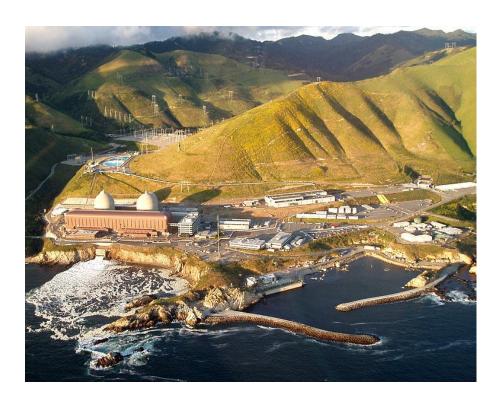
## **EMERGENT ISSUES**

**Item 1- COVID.** After the September bump, the cases seem to be trending down again. Each spike period re-empowers governments to extend regulations. An emerging question is whether the vaccines have any long-term value. In turns out that they are not eliminating the virus, as the



### **20** (**5 ICU**) \*\* SLO County Residents with COVID-19 in Hospital

Item 2 - Joint MIT-Stanford Study: Keep Diablo Power Plant Open: We have been telling the Board of Supervisors this for a decade. Yet no one but Assemblyman Jordan Cunningham would lift a finger to support keeping the plant open. Where will all the folks on the left who support science be on this development? Probably Stanford and MIT actually do real science. The Board should conduct a hearing on this development and then pass a Resolution advocating retention of the Plant.



## Executive Summary Key study findings:

- → Delaying the retirement of Diablo Canyon to 2035 would reduce California power sector carbon emissions by more than 10% from 2017 levels and reduce reliance on gas, save \$2.6 Billion in power system costs, and bolster system reliability to mitigate brownouts; if operated to 2045 and beyond, Diablo Canyon could save up to \$21 Billion in power system costs and spare 90,000 acres of land from use for energy production, while meeting coastal protection requirements.
- → Using Diablo Canyon as a power source for desalination could substantially augment fresh water supplies to the state as a whole and to critically overdrafted basins regions such as the Central Valley, producing fresh water volumes equal to or substantially exceeding those of the proposed Delta Conveyance Project—but at significantly lower investment cost

- → A hydrogen plant connected to Diablo Canyon could produce clean hydrogen to meet growing demand for zero-carbon fuels, at a cost up to 50% less than hydrogen produced from solar and wind power, with a much smaller land footprint
- → Operating Diablo Canyon as a polygeneration facility—with coordinated and varying production of electricity, desalinated water, and clean hydrogen—could provide multiple services to California, including grid reliability as needed, and further increase the value of the Diablo Canyon electricity plant by nearly 50% (and more, if water prices were to substantially increase under conditions of worsening drought).

In January 2018, the California Public Utilities Commission approved a multiparty settlement to fully and permanently shut down the Diablo Canyon nuclear power plant when the current federal license period for the plant's second unit expires in 2025. Diablo Canyon currently provides 8% of California's in-state electricity production and 15% of its carbon-free electricity production. In its decision, the Commission found that the plant was not cost effective to continue in operation, that it was not needed for system reliability, and that its value for reducing greenhouse gas emissions was unclear.

But in the intervening three and half years, several new developments have occurred:

- In September 2018, the California Assembly and Senate approved and then-Governor Edmund G. Brown, Jr. signed Senate Bill 100, which requires California to supply all electricity in the state from zero-carbon sources. In the same month, Governor Brown signed Executive Order B-55-18, directing the state to achieve climate neutrality, also by 2045.
- A variety of studies have emerged in the last year suggesting that two essential pillars of achieving a zero-carbon economy at affordable cost include (i) significant electrical capacity that is always available and not weather dependent, and (ii) a reliable and low-cost source of Assessment of the Diablo Canyon Nuclear Plant for Zero-Carbon Electricity, Desalination, and Hydrogen Production 4 zero-carbon fuels, such as hydrogen, for portions of the economy that cannot be easily electrified.
- In August and September 2020, California experienced a series of challenges to statewide electric reliability, encountering blackouts and brownouts as available electrical capacity fell below demand, a condition that is likely to recur during this decade.
- There is mounting evidence that, due to climate change and other factors, California faces increasing danger of severe water shortages, as evidenced by the most recent Emergency Drought Proclamation of May 2021.
- California has committed to increasing the share of lands set aside for conservation purposes to 30% of the total area of the state, which underscores the imperative of limiting use of land for energy production and other industrial purposes. These developments led a joint study team from Stanford University and the Massachusetts Institute of Technology to re-examine the potential value of Diablo Canyon in addressing some or all of these overlapping challenges in the coming

decades. (The study team was assisted on hydrogen and multiple product research by Justin Aborn at LucidCatalyst, an energy analysis firm). The study team analyzed:

- The potential contribution of Diablo Canyon to achieving the state's zero-carbon goal for the electricity sector and its overall economic goals for 2030 and 2045 at lower cost, maintaining reliability at lower cost, supporting grid integration of variable energy, and limiting carbon dioxide emissions during the transition.
- The potential for Diablo Canyon to serve as an effective low-cost, zero-carbon energy source to power desalination to provide fresh water to water-stressed areas of the state.
- The potential for the nuclear plant to provide low-cost, zero-carbon hydrogen for California's transportation, industrial, and commercial building sectors, as well as for thermal balancing in the state's electric system.
- The value of the plant if it were configured to provide a mixture of grid electricity, hydrogen, and desalinated water throughout the year, operating as a "polygeneration" facility that could also provide reliability services to the grid. The team's analysis in all cases accounted for additional capital and operating costs necessary for Diablo Canyon to meet legal requirements for the protection of marine life, as well as the cost of modifications to the plant and other facilities needed for the production of hydrogen and desalinated water. The key conclusions of the report include:
- The near-term value of Diablo Canyon for zero-carbon electricity (2025-2035) Even assuming rapid and unconstrained buildout of renewable energy, the continued operation of Diablo Canyon would significantly reduce California's use of natural gas for electricity production from 2025 to 2035 by approximately 10.2 TWh per year. In doing so, Diablo Canyon would also reduce California carbon emissions by an average of 7 Mt CO2 a year from 2025-2035, corresponding to an 11% reduction in CO2 from the electricity sector relative to 2017 levels, for a cumulative total of 35 Mt CO2 from 2025-2030 alone. Maintaining Diablo Canyon to 2035 would also save \$2.6 Billion in power system costs from 2025-2035. During this period, Diablo Canyon would also provide firm electric capacity, which would be especially valuable during electric reliability events such as those that occurred in August 2020, when the absence Assessment of the Diablo Canyon Nuclear Plant for Zero-Carbon Electricity, Desalination, and Hydrogen Production 5 of Diablo Canyon would have tripled the state's electricity shortage from 1 GW to more than 3 GW.
- The longer-term value of Diablo Canyon for zero-carbon electricity (to 2045 and beyond) Over the longer term, and even assuming that siting of new renewable energy was unconstrained by land use or other considerations, keeping Diablo Canyon online would save the state \$15-16 Billion. In addition, continuing Diablo Canyon in operation to 2045 and beyond would spare 90,000 acres of land by avoiding the need for 18 GW of solar PV. If siting of new PV were constrained by land use considerations to a total of 60 GW (consistent with recent annual deployment rates), savings from Diablo Canyon would grow to \$21 Billion. Even if the emissions cap for the electricity system were to be replaced by a carbon tax, Diablo Canyon could save as much as 50 Mt CO2 in cumulative emissions through 2045.

• The value of Diablo Canyon to produce fresh water Desalination could be used to augment water supplies throughout the central portion of the state, particularly in critically overdrafted basins and low-level reservoirs, as well as during years when aqueduct delivery falters. This study finds that Diablo Canyon could be a powerful driver of desalination to serve urban, industrial, and agricultural users.

The report shows that a plant equal in size to the currently operating Carlsbad desalination plant would have a roughly 50% lower cost of water at Diablo Canyon. Significantly larger plants that could be constructed on the site are shown to produce water volumes in the same range as the proposed Delta Conveyance Project, but at significantly lower investment cost. Cost savings result from a variety of factors. At smaller scales, savings result primarily from reduced power cost inputs for the desalination operation and the sharing of intake and existing outfall structures, At larger plant capacities, there is potential for additional cost savings from economies of scale. However, at larger capacities, other challenges arise, including increased infrastructure needs, especially around plant outfall, as well as practical challenges of siting and building a very large plant on the premises.

This study finds that Diablo Canyon could power a desalination complex between the size of the Carlsbad plant or up to 80 times the output of the Carlsbad plant. The levelized cost of water from these options falls in a range from \$0.77 to \$0.98 per m3 (\$952 to \$1,207 per acre-foot) of fresh water at the plant outlet, with distribution costs adding an additional \$0.02 to \$0.21 per m3 (\$27 to \$260 per acre-foot) to transport the water to offtakers at distances from 20-185 km. For comparison, the cost to build additional Carlsbad-sized plants in California as stand-alone desalination plants is approximately \$1.84 per m3 (\$2,270 per acre-foot) of fresh water at the plant outlet, roughly twice as much.

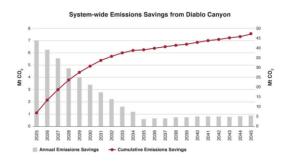
- The value of Diablo Canyon as a source of low-cost hydrogen To achieve a zero-carbon economy, California will likely need hundreds of millions of kilograms of hydrogen-based, zero-carbon fuels annually. Hydrogen is currently produced from unabated natural gas, which results in significant carbon emissions. As with renewables, producing hydrogen from nuclear energy results in no carbon emissions. The preliminary analysis here suggests that, with heat-assisted electrolysis, Diablo Canyon could produce 110 million kilograms of hydrogen annually at a cost of \$2.01-2.46/kg. This is up to half less than the range of current costs of hydrogen produced from solar or wind power, while utilizing a small fraction Assessment of the Diablo Canyon Nuclear Plant for Zero-Carbon Electricity, Desalination, and Hydrogen Production 6 of the space required for those other generation sources. Hydrogen production at the Diablo Canyon site would also likely be cost-competitive with the hydrogen produced from natural gas with carbon capture, today's least expensive form of zero carbon hydrogen production.
- The value of Diablo Canyon in providing multiple outputs Our analysis also considered the potential to repurpose the nuclear plant to provide multiple products simultaneously—grid electricity, desalinated water, and hydrogen. The analysis concludes that production of these three products could substantially increase the value of Diablo Canyon equivalent to \$70/MWh, a substantial premium over the blended polygeneration plant's blended power costs of \$54/MWh. If the price of California water increases substantially as global warming and drought continue, the blended revenue and value from the plant could run much higher,

equivalent to \$82-104/MWh. These values ignore the potential for additional revenue by marketing capacity services to the California grid. In a polygeneration configuration, the electricity output of Diablo Canyon plant could be directed to provide varying amounts of electricity to the power grid, desalination or hydrogen production, respectively, to maximize revenue, provide grid reliability, or meet other objectives, as needed.

• Meeting the requirements of California's coastal protection policy The California Water Quality Control Policy on the Use of Coastal and Estuarine Water for Power Plant Cooling requires that existing power plants using once-through cooling decrease their intake flow rate by 93% to reduce impingement and entrainment of marine life. If that is not feasible, plants may instead implement measures that achieve the same result. If neither option is possible, alternative steps may be available, on a case-by-case basis, to allow nuclear power plants to comply.

This regulatory policy is the primary technical reason for the impending shutdown of Diablo Canyon, as the cost of meeting this requirement was thought to be prohibitive. The assumed approach was to construct a submerged intake gallery below the surface of the ocean floor, and use the sand and sediments on the ocean floor as a natural filter to ensure that marine life does not enter the intake. However, this approach poses both significant costs and environmental challenges. As a feasible alternative, this study proposes—and examines in depth—the use of mechanical brush-cleaned wedgewire screens, which will be substantially less costly. Similar intake systems have been specified for the Huntington Beach desalination plant, and are currently being tested at Carlsbad as a potential replacement for the existing intake. Why is a reexamination of Diablo Canyon called for?

Given that the plant is scheduled to close, it may seem straightforward to simply allow that process to run its course. And, indeed, this analysis outlines in detail the many and considerable challenges to maintaining Diablo Canyon and repurposing it to achieve the goals described in the following pages. At the federal level, the plant relicensing process would have to be reinitiated. Chief among the challenges at the state level is the need to obtain approval of a newly engineered water intake system (as is described in this report), as well as the licensing of brine discharge from the desalination process. Approvals will also be required for construction of adjacent or distributed desalination plants, hydrogen electrolysis facilities, and associated pipes and transmission wires. Stakeholders who were part of the settlement leading to the closure of the plant would need to be re-engaged, and there will also likely be opposition in principle among some to the use of nuclear energy in any form, for any purpose. Assessment of the Diablo Canyon Nuclear Plant for Zero-Carbon Electricity, Desalination, and Hydrogen P



See the full study at the link:

https://energy.stanford.edu/sites/g/files/sbiybj9971/f/diablocanyonnuclearplant\_report\_11.02.21.pdf

**Item 3 - Marine Sanctuary Back:** The Ocean lockdown proposal has resurfaced. Remember, that they not only regulate a big patch of ocean but consider the rivers and streams which feed into the Ocean as part of the regulatory area. Thus a rancher 100 miles from the coast could end up being impacted. "Your cow pooped in the creek".

LOS ANGELES (AP) — A federal agency announced Tuesday that it is taking a step toward designating a new national marine sanctuary off the central California coast that would be named for the region's Indigenous people.

The proposed Chumash Heritage National Marine Sanctuary would span 7,000 square miles (18,130 square kilometers) off San Luis Obispo and Santa Barbara counties, the National Oceanic and Atmospheric Administration said.

The area's ecosystems are rich in wildlife, provide habitat for threatened and endangered animals and serve as nurseries for commercially and recreationally fished species.

The designation was proposed in 2015 by the Northern Chumash Tribal Council to recognize and preserve tribal history, protect marine resources and create new opportunities for research and economic growth, NOAA said.

The agency will now seek public comment on the proposal, whose boundaries are set to exclude an area near Morro Bay proposed for offshore wind

The boundaries and the name are among specific issues that the agency is asking the public to comment on.

"I am thrilled the Biden administration has taken this step to protect our coastal areas from further oil and gas drilling and strengthen our state's \$1.9 trillion coastal economy, which is propped up by tourism and commercial fishing," said U.S. Rep. Salud Carbajal, a Democrat who represents the coastal region.

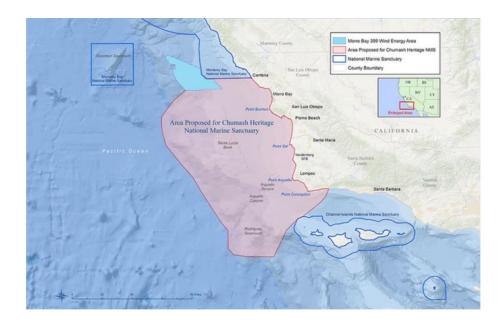
California's Democratic U.S. senators also issued statements in support of the marine sanctuary.

"This designation will honor the heritage of the Chumash, who first sailed and fished this coastal region, and will preserve the natural beauty and unique ocean ecology that is vital to the local economy," said Sen. Alex Padilla.

Sen. Dianne Feinstein said the designation would protect sacred Chumash cultural sites and save a large kelp forest.

The undersea forests face a range of threats — including overgrazing by sea urchins when there aren't enough otters and sea stars to keep urchin populations in check, according to NOAA.

Public comments can be submitted until Jan. 10, 2022. NOAA also plans virtual public meetings before then.



#### Area proposed for Chumash Heritage National Marine Sanctuary.

Virtual meetings to gather public comments on the notice of intent are scheduled for the following dates and times. Individuals who plan on attending the public meetings to give oral comments and any other interested parties must register in advance of the meeting using the registration links below.

#### Virtual public meeting 1:m

Date and Time: Dec 8, 2021 6:00 PM - 9:00 PM PST

Registration: attendee.gotowebinar.com/register/5934702389309680399

#### Virtual public meeting 2:

Date and Time: Dec 13, 2021 1:00 PM - 4:00 PM PST

Registration: attendee.gotowebinar.com/register/1642653198337341710

#### Item 3 - Virtual public meeting 3:

Date and Time: Jan 6, 2022 4:00 PM - 7:00 PM PST

Registration: attendee.gotowebinar.com/register/2954174857204428046

Virtual public meetings will be held in December and January to gather input on the scope and significance of issues to be addressed in the environmental impact statement that are related to designating this area as a national marine sanctuary. NOAA requests input on specific topics (see Federal Register Notice) including the sanctuary name, boundary alternatives, and analyses relevant to the proposed action. The results of the scoping process will assist NOAA with the designation process, including preparation and release of draft designation documents, and in formulating alternatives for the draft environmental impact statement.

**Item 4 - A New Trick to End Pension Reform.** Back in 2012, the State took a small step to ameliorate the pension debt situation. The Legislature passed a law (the Public Employees' Pension Reform Act (PEPRA) which lowered the benefit ratios and increased the age for retirement from 55 to 62 (50 to 55 for safety employees). This new law pertains to public employees hired after December 31, 2013.

Now it appears that the Biden Administration is claiming that the Act is unfair because it discriminates against the newer employees. The Feds say that they will withhold Federal transit funding if the State does not rescind 2013 pension reforms. They say that it is discriminatory in that new employees have lower benefits. This could be true in the sense that the newer employees will consist of more and more protected classes over the years as California becomes more and more diverse. The LA Times article below explicates the blackmail. Wonder if the unions are talking to the administration?

# BIDEN ADMINISTRATION BLOCKS BILLIONS IN CALIFORNIA TRANSIT MONEY, CITING PENSION LAW

The U.S. Labor Department recently determined California is ineligible for federal money for public transit, putting in jeopardy about \$12 billion in grants including a portion of the infrastructure spending Congress approved last week. The Labor Department's determination targeted a 2013 state pension law that the department said eroded public transit employees' rights to negotiate over their pay and benefits. A 1964 federal law says that before state and local agencies may receive federal grants for mass transit, the department must certify the agencies are protecting the interests of any affected employees. California, by restricting pension benefits for any new employees hired after Jan. 1, 2013 with its Public Employees' Pension Reform Act, ran afoul of those federal protections, according to the Labor Department's Oct. 28 determination.

The determination would affect about \$9.5 billion Congress earmarked for California public transit agencies in the infrastructure bill the U.S. House of Representatives approved Friday, said Michael Pimentel, executive director of the California Transit Association, a nonprofit representing public transit agencies in the state. In total, the \$1.2 trillion bill included about \$45 billion for California. Also affected would be about \$2.5 billion in American Rescue Plan Act grants for public transit in California, which several agencies have already applied for, Pimentel said.

"This relief funding has served as a lifeline for them, and in the absence of these federal dollars flowing to California transit agencies, we will absolutely see a reduction in service and losses in our workforce, making it more difficult for agencies to rebound," Pimentel said. Pimentel said the dollar figures are estimates, and that the amount could ultimately be smaller depending on how the Labor Department implements its determination.

GAVIN NEWSOM ASKS TO FREE UP FUNDING Gov. Gavin Newsom urged Labor Secretary Marty Walsh in a letter Wednesday to reverse the decision, which he said is legally flawed and would harm transit agencies and their riders. "Public transit agencies rely more than ever on these federal grants just to keep trains and buses running and their workforces employed," Newsom said in the letter. "The grants being withheld also help provide vital mobility to low-income seniors, individuals with disabilities, and other transit-dependent riders."

As an example, Newsom said a project expanding Bay Area Rapid Transit service — the Transbay Corridor Core Capacity Program — could not be completed as planned without more federal money. California Sens. Dianne Feinstein and Alex Padilla also urged Walsh on Wednesday to restore California's access to the federal grants, saying the department's determination was "at odds with multiple state and federal court decisions and past Labor Department precedent." The Labor Department's determination reverses its own position from 2019 on California's pension law. The determination, written by Deputy Director Andrew Auerbach, said the department initiated a new review after President Joe Biden's election.

The dispute over the state pension law goes back further. In 2012, the Sacramento Regional Transit District and Caltrans — on behalf of Monterey-Salinas Transit — submitted applications for federal transit grants, according to background information in the determination. The Amalgamated Transit Union, representing employees at the agencies, objected, saying PEPRA harmed their members in a way that violated the 1964 federal law. The Labor Department agreed, and blocked the money. California and the transit agencies sued. The U.S. District Court for the Eastern District of California ruled in their favor in 2014, saying the agencies should get the money and that their employees' collective bargaining rights remained intact. The court's 2014 ruling was restricted to the Sacramento Regional Transit District and Monterey-Salinas Transit, according to the department's determination letter. Its new determination affects prospective grant disbursements.

Pimentel said it's not clear if the court's ruling means the Sacramento and Monterey-Salinas agencies can still receive new federal money or if the ruling applies only to the funds they applied for in 2012. The 2013 pension law, among other things, increased employees' required contributions to their pensions and made pension accrual formulas less generous. In the Labor Department's view, since those changes were imposed by law rather than through collective bargaining, they were improper, according to the determination letter. Newsom's letter argued the court's ruling set a precedent that the department shouldn't overturn. He also said the fact that public employee unions in California have successfully negotiated new contracts since 2013 show collective bargaining remains intact. The department's letter, however, says PEPRA

"continues to interfere with the collective bargaining process regardless of the specific terms of workers' collective bargaining agreements now in existence."

## **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

# Stanford/MIT Study: Keeping Diablo Nuclear Plant Open Would Save Billions, Help Meet Emissions Goals

'Officials so worried about power and emissions, have this gem they don't really want anymore'

A new Stanford University/Massachusetts Institute of Technology (MIT) <u>study</u> released on Monday found that an extending the life of Diablo Canyon Nuclear Power Plant past its planned 2025 closure date would help the state greatly reduce carbon emissions and meet state climate goals.

For decades, nuclear power plants have been slowly been taken offline in California. Ever since the <u>closure of the San Onofre nuclear plant in 2013</u>, Diablo Canyon, located in San Luis Obispo County, has been the sole remaining power plant in the state.

Following the Fukashima Daiichi disaster in Japan in 2011, pressure from environmental and local public groups fought against keeping the plant open. Concerns over earthquakes, nuclear waste pollution, and other factors convinced the California Public Utilities Commission (CPUC) to close the plant by 2025.

While legislators have been <u>scrambling to keep it open</u>, largely due to California being behind on green power generation and the plant accounting for 8% of all power generated in the state, it is still on track <u>to close by mid-decade</u>.

The <u>Stanford/MIT Study</u> released Monday bucked the recent trend of moving away from nuclear power, finding that keeping Diablo Canyon open until 2045 would not only help power and environmental concerns, but could also significantly help California battle drought in the future. According to the report, extending the life of the plant would save \$21 billion in power systems costs, would give more time for California to build up green energy plants, would help California meet the growing demand of power provided to electric vehicles, reduce power sector carbon emissions by 10%, and largely prevent brownouts in the future.

"Delaying the retirement of Diablo Canyon to 2035 would reduce California power sector carbon emissions by more than 10% from 2017 levels and reduce reliance on gas, save \$2.6 Billion in power system costs, and bolster system reliability to mitigate brownouts," noted the study. "If operated to 2045 and beyond, Diablo Canyon could save up to \$21 Billion in power system costs and spare 90,000 acres of land from use for energy production, while meeting coastal protection requirements."

The additional, unplanned energy, if linked to a new desalination and/or hydrogen plant, would also provide more fresh water being brought back into reservoirs than any current state plan and would drastically reduce green energy costs while working on far less needed land for future green energy production.

#### Positives, negatives of keeping Diablo Canyon open until 2045

The report also hinted at a possible return of more nuclear plants allowing for more of an ease into California's 2045 carbon emission-free power goal.

"In order to combat climate change in the best possible way, I think nuclear power is something that we should really consider and ask PG&E to reconsider," said former Secretary of Energy and current Stanford Professor Steven Chu. "When Japan and Germany shut nuclear power plants in recent years it led to a rise in carbon emissions from fossil fuels."

Other experts agree that keeping Diablo Canyon open would bring vastly more positives than negatives.

"Our nuclear energy technology has greatly reduced the chances of a meltdown or a similar disaster from occurring," said Sal Braith, a nuclear engineer who worked at several nuclear plants in the Northeast, in a Globe interview on Tuesday. "All the big incidents people think of, like Three Mile Island, or Chernobyl, or Fukashima, they were all in plants with older technology. Upgrading Diablo Canyon, which still has a sound design that still holds up today, would do wonders for California. They're so worried about power and emissions in the future, well, they have this gem they don't really want anymore. The solution to their problems is literally right there."

"And everything the report brings up, like lowering emissions and connecting to other environmentally friendly things, we've been screaming that for years for states to pick up on that. California has an easier time for emissions goals to be met, it staves off power concerns for a while, the water crisis is largely alleviated, and a lot of jobs are created. And if more are built, it only increases those by many-fold."

However, environmental opponents stressed that even with the report showing many positives, the negatives are still too much for any kind of reconsideration.

"It is enticing, I have to admit that," said Melissa Key, an environmental lawyer who has represented environmental groups against energy companies with nuclear power plants in the past, to the Globe on Tuesday. "But every year of operation means the greater chance of

something going wrong. And I don't think that I even need to tell you the dangers of what a major nuclear accident, especially one so close to fault lines, can do."

"This is the last one in the state, and for the good of California, it needs to stop. Solar, wind, and other energies will be able to pick up the slack by 2025."

As of Tuesday, the Stanford/MIT has yet to illicit a response from California energy officials.

Evan V. Symon is the Senior Editor for the California Globe. Prior to the Globe, he reported for the Pasadena Independent, the Cleveland Plain Dealer, and was head of the Personal Experiences section at Cracked. He can be reached at <a href="mailto:evan@californiaglobe.com">evan@californiaglobe.com</a>. This article first appeared in the California Globe of November, 9, 2021.

# Can the People Keep Resisting Big Government Tyranny?

Why we must do more than just periodically slow down progressive excess.

#### BY BRUCE THORNTON

Last week voters in Virginia delivered a rebuke to the party of consolidated power and technocratic statism when a Republican political tyro defeated a deep-state Democrat in the election for governor. Like Donald Trump's victory in 2016, the outcome of this victory signals a growing resistance to the Democrats' overweening, unconstitutional interference in families, businesses, civil society, and state sovereignty. A message has been sent to the Biden administration, a portent of the greater backlash increasingly likely in next year's midterm elections.

Yet tempering this optimism and faith in our Constitutional guardrails against tyranny is an ancient question, one at the heart of political philosophy for 2500 years: Do the non-elite, ordinary citizens have the capacity to govern? When government power exceeds its Constitutional bounds, will the people use their votes to rein it in? Or is the idea that the common people can govern as delusional as, to use Socrates' analogy, the crew and passengers of a ship selecting a captain by a majority of their votes?

What happened in Virginia is one of those periodic reactions of voters to policies that are indifferent or hostile to their beliefs and principles. Democrat candidate Terry McAuliffe encapsulated this arrogant disdain for the people when he said during a debate, "I don't think that parents should be telling schools what they should teach," following his defense of an earlier veto of a bill while governor that would have given parents some oversight over sexually explicit books in the schools' libraries. This statement became the emblem of the progressives' overreach and technocratic disdain for parents.

And the pushback came not just in Virginia. In state and local elections from Pennsylvania to deep-blue Seattle, voters are standing athwart the progressive transformation of this country and

yelling "Stop!" Even progressive flaks like *The New York Times* have warned that these Republican successes "are a grave marker of political peril," and that the Dems need to return "to the moderate policies and values" that won in 2018 and 2020.

These pushbacks are also responses to the Biden administration's litany of disasters, and the Democrats' embrace of progressive extremism: defunding the police and subsequent record numbers of homicides, Critical Race Theory curricula in K-12 schools, the AG siccing the FBI on parents protesting this curricula at school board meetings, two million illegal aliens bumrushing the border, the Afghanistan debacle and abandonment of hundreds of U.S. citizens and legal residents, metastazing debt and growing inflation, a war on fossil fuels even as the price of gas skyrockets, and overweening covid mask and vaccine mandates based on politics rather than science—no wonder the vox populi is getting angry and demanding change.

This pattern of voter pushback against extremist Democrat overreach characterizes postwar politics, and is the sort of dynamic—what Madison characterized as "ambition must be set against ambition"— that the Constitution was written to create in order to defend freedom from the tyranny of consolidated power. In 1972, the Dems' hard-left turn ended in Nixon's landslide victory. Jimmy Carter's feckless incompetence, cringing foreign policy, and preachy scolding led to Ronald Reagan's overwhelming victory in 1980. And voters' dislike of Barack Obama's legislative overreach and patent disdain for ordinary voters who "cling to guns and religion" produced in 2016 Donald Trump's astonishing victory over Hillary Clinton, the ultimate establishment Democrat and Leviathan wrangler.

This historical pattern playing out today seems to validate the belief in the voters' ability to change course when politicians overreach. But in our times, this resistance is taking place in a different context. Over the last century progressive technocracy and big-government top-down rule have become the norm. Massive redistribution of money to fund ever-growing entitlements, while debt and deficits continue to grow, means that conservative pushback may slow, but not reform the progressive assault on our political freedom through bloated federal agencies and economy-choking thickets of regulations—both of which Democrat lawmakers are currently scheming to increase with their duplicitous "Build Back Better" fiscal binge.

Consider, for example, the role of postwar Republican presidents in expanding the intrusive and expensive entitlement state. Nixon gave us Affirmative Action programs that violate the 14<sup>th</sup> Amendment and the Civil Rights Act. He also approved the Environmental Protection Agency that has empowered progressive environmental outfits to delay, raise costs, and even kill economic development on public and private lands. Ronald Reagan signed the Simpson-Mazzoli Act of 1986, which granted amnesty to 2.7 million illegal aliens, and created the moral hazard graphically on display at our besieged southern border. Reagan also expanded Social Security Disability by adding subjective qualifying conditions like back pain and mental disorders, which have contributed to the program's expansion and looming bankruptcy. George W. Bush resuscitated the Department of Education, and in 2001 promoted a national curriculum and the No Child Left Behind Act, both of which are progressive-style encroachments on the autonomy of local school districts, and have paved the way for the current colonization of the schools by Critical Race Theory and other pedagogical snake-oil.

Or take the current \$1.2 trillion "bipartisan infrastructure" bill, already passed three months ago by the Senate, and recently passed by the House. "Infrastructure" is a euphemism for costly government projects that line the pockets of unions, construction companies, and government regulatory clerks. Projects typically cost more than advertised, and are completed, if ever, years behind schedule.

One poster-child for such boondoggles is California's High Speed Rail project, which began in 2009 and isn't even close to completing a mere 120-mile stretch on flat land. As *U.S. News* reports, "More than a decade later, California High Speed Rail has been an epic disappointment, plagued by repeated delays, ballooning costs and years of mismanagement and legal and political battles; to date, no segments of the project have been completed."

Yet despite this quintessentially progressive mélange of pork and ideological shibboleths like "renewable clean energy," the infrastructure bill attracted the votes of 19 Republican Senators, and 13 House Republicans, even though, as *PJ Media*'s Phillip Klein <u>writes</u>,

The federal government already spends more than enough on infrastructure to meet our needs and the COVID-19 bailout money left many states awash in cash. Despite promises, only a small portion of the bill focuses on traditional infrastructure such as fixing roads and bridges and the legislation (soon to be law) will add \$256 billion to deficits. It will also help grease the wheels for the passage of the larger multi-trillion welfare bill that will expand Medicare and Obamacare, initiate a federal takeover of preschool and child care, and impose economically devastating tax increases on individuals and businesses.

Aside from being politically tone-deaf, these votes demonstrate how deeply the progressive redistributionist, technocratic entitlement state has penetrated the minds of some Republicans. These periodic voter pushbacks, then, do not correct the excesses of progressivism, but just slow them down to a "two-steps forward, one-step" back incrementalism.

Finally, today's voting "people" are very different from those before the Sixties. For all the increase in the number of people with college degrees, many are woefully lacking in common sense and practical wisdom. This reflects in part the degradation of standards in K-12 education and universities, where social engineering and leftist ideology have displaced the teaching of foundational skills, especially critical thinking, which is particularly important for political deliberation about electoral choices and cutting through the fog of partisan sophistries.

For example, Trump's defeat in 2020 is attributed to white, college-educated women who were put off by his mean tweets and combative rhetoric. If this is the case, what does it tell us about the critical thinking chops of these voters, who ignore a record of substantive successes in unleashing the economy, increasing wages, lowering unemployment, consolidating our energy independence, and restoring abroad American prestige and clout, and vote instead on the basis of an objectionable style or "hurtful" insults?

Only a lack of common sense and practical wisdom, camouflaged by the illusion that a college degree makes those virtues unnecessary, can explain such juvenile thinking. And let's remember, millions of voters like getting other people's money. A Republican Congressman who voted for

the infrastructure bill <u>said</u> that there was broad support for the bill among his constituents, including farmers, unions, and businesses. Getting free money bespeaks the eternal human flaw that empowers "robbing selected Peter, to pay collective Paul," as over a century ago Rudyard Kipling described the redistributionist modus operandi. Finally, our enormous wealth and comfort create the illusion that destructive, incoherent, utopian, and illiberal ideas are affordable. But history shows us that eventually, the piper of bad ideas must be paid.

We the people, then, bear some responsibility for the success of progressivism over the last century, and its continuing inroads into our political, social, and economic order despite periodic conservative pushback. And until we all wake up to the looming fiscal and cultural icebergs lying ahead, we will painfully learn the old wisdom of the Romans: "Experience is the teacher of fools."

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