COLAB San Luis Obispo County

The Coalition of Labor Agriculture and Business

WEEKLY UPDATE
MAY 29 - June 4, 2022

THIS WEEK

VOTE!!!!!

DON'T LEAVE THOSE BALLOTS ON THE KITCHEN COUNTER
3 SLOTS ON THE BOARD OF SUPERVISORS HINGE ON YOUR VOTE
NO RUNOFF FOR 2 – THIS IS IT

NO BOS MEETING

SLOCOG MEETING

ROUTE 227 ROUNDABOUTS
YET ANOTHER REGIONAL HOUSING STUDY
FIVE YEAR FEDERAL TRANSPORTATION IMPROVEMENT PLAN

LAST WEEK

NO BOS MEETING

PENSION TRUST FACES LOSSES

PLANNING COMMISSION CANCELLED

ONE ITEM IS A VARIANCE FOR A SIDE YARD – GIBSON GOT HIS FREE
REGULAR FOLKS PAY THROUGH THE NOSE

TWO WEEKS AGO

GROWTH MANAGEMENT LIMITS FOR NIPOMO SET HEARING FOR JUNE 7TH

REPEAL OF HOUSING IN LIEU TAX SET FOR JUNE 7TH

MORE FEDERAL RESCUE PLAN SLUSH MONEY DELAYED
THE NOT-FOR-PROFITS DIDN'T LIKE THE DIVVYING UP PROCESS

STELLAR JOB ON PUBLIC DEFENDER CONTRACTS BY CAO'S OFFICE

$400K REACH ECON DEVELOPMENT GRANT APPROVED

FY 2021-22 FINANCIAL AUDIT AND REPORT RECEIVED

3RD QUARTER FY 2021-22 FINANCIAL REPORT RECEIVED

INTRODUCTION OF FY 2022-23 ANNUAL BUDGET
$961.7 MILLION ALL IN – WHEN DEPENDENT DISTRICTS COUNTED
HEARING SET FOR JUNE 13TH

PLACEMENT OF COUNTY CHARTER ON BALLOT REJECTED
PUBLIC FEARED THAT LIMITED PROVISIONS COULD BE EXTENDED

APCD FEE INCREASES TENTATIVELY APPROVED

FROM 6% TO 14.7% ACROSS THE BOARD
ACTUAL VOTE WILL BE IN JUNE

LAFCO AGENDA LITE

EMERGENT ISSUES

COVID HANGS AROUND, IS MONKEY POX NEXT?

PROGRESSIVE LEFT IS EVER HOPEFUL FOR THE NEXT CRISIS

ARMED MERCENARIES COME IN WHEN LAW AND ORDER BREAK DOWN

COLAB IN DEPTH

SEE PAGE 26

THE ABUNDANCE CHOICE, PART ONE

California's Failing Water Policies

BY EDWARD RING

THE ABUNDANCE CHOICE, PART TWO

THE PROBLEMS WITH INDOOR WATER RATIONING

BY EDWARD RING

IMAGINE THE UNIMAGINABLE

When revolutionaries undermine the system* and face looming disaster at the polls, *it is then they prove most dangerous

BY VICTOR DAVIS HANSON

THIS WEEK'S HIGHLIGHTS

ALL MEETINGS ARE AT 9:00 AM UNLESS OTHERWISE NOTED

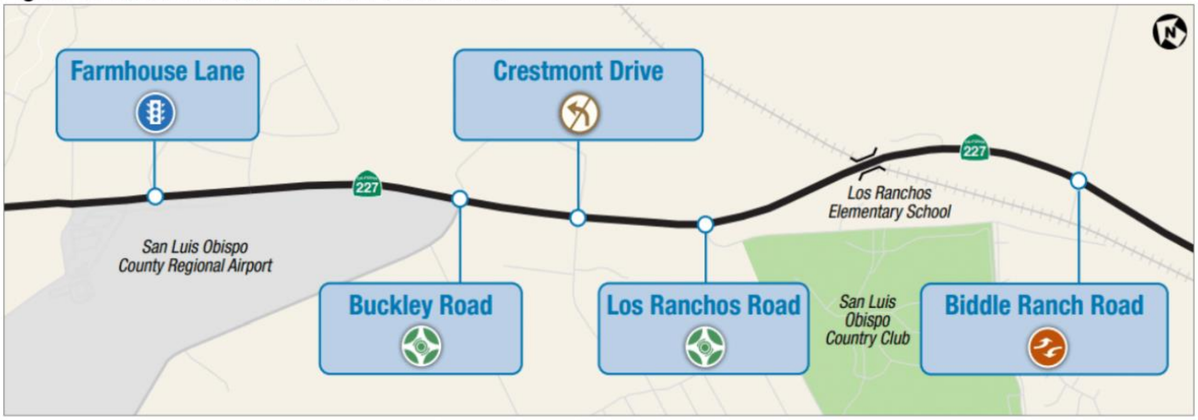
No Board of Supervisors Meeting on Tuesday May, 31 2022 (Not Scheduled)

The next scheduled meeting is set for Tuesday, June 7, 2022.

San Luis Obispo County Council of Governments Meeting of Wednesday, May 4, 2022 (Scheduled)

Item C.7 - State Route 227 Corridor Project Status Update (Roundabouts). The County had been designated as the lead agency on the project. However, during its April 5th meeting, the Board of Supervisors declined to approve the project. This will require that the SLOCOG become the lead agency to continue the project. It is not known if the 3 Supervisors who voted against the project can marshal enough votes on the SLOCOG Board to stop it. The neighbors who live in the area of the project and many businesses are opposed to the roundabouts. County staff, SLOCOG staff, Cal Trans, and enviros all favor the project.

Figure 1: Recommended Corridor Alternative



Farmhouse Ln: Signal, Buckley Rd: Roundabout, Crestmont Dr: left-turn restriction, Los Ranchos Rd: Roundabout, Biddle Ranch Rd.: two-way left-turn lane. Source: 2021 Intersection Control Evaluation.

Item D.1 - Regional Housing & Infrastructure Plan (HIP)-Memorandum of Understanding. The Board is being requested to approve a $310,000 study on methods to develop more housing. Over 2 years ago the Board of Supervisors gave this assignment to the County CAO. It fell by the wayside as COVID operations took priority. In the meantime, it appears that the County received a $310,000 grant to perform the work. It has chosen to contract with SLOCOG to conduct yet another study of how to remove the key barriers to housing development. These include water availability, traffic congestion, and lack of high-speed internet. We are not sure why lack of high-speed internet is a barrier to housing development.

SUMMARY The Regional Housing & Infrastructure Plan (HIP) will build collaboration between the seven cities and County by identifying and prioritizing critical regional infrastructure needs (water, wastewater, transportation, high-speed internet). The HIP creates a focused strategy to address the housing and infrastructure shortage county wide and guides regional dollars to support housing and economic development opportunities.

•Accelerate housing production
•Streamline the approval of housing development affordable to owner and renter households at all income levels
•Facilitate housing affordability, particularly for lower-and moderate-income households
•Promote development consistent with the State Planning Priorities (Government Code Section 65041.1)
•Ensure geographic equity in the distribution and expenditure of the funding.

The study seems doomed from the outset in that it fails to deal with the fundamental supply problem. That is, there is insufficient land zoned for housing in the unincorporated County. Only about 4% of the land in the entire county, including the incorporated areas, is zoned for any urban use. Much of the 3,500 square mile county is composed of public lands and agriculturally zoned lands.

The real question that should be examined is how to expand the percentage to something like 8% (a 4% increase), which would open up 140 square miles that could be rezoned for planned village communities offering a variety of housing and lifestyles. These could be built out over decades.
The merchants of despair and stack-and-pack housing oppose suburban housing on the grounds that it is sprawl. Sprawl is one of the most successful forms of human existence in history and is part of the American dream.

It is curious that the study includes "streamlining the regulatory process," when everyone has already known for decades that it is a major barrier to creation of new housing. In fact, back in 1972 after the establishment of CEQA, the Urban Institute did a study which forecast that the law would result in California homes becoming prohibitively expensive, which is exactly what happened.

The actual problem is that elected city councils and boards of supervisors need to make it clear to their staffs that they want all the stops pulled out and everyone working to approve housing, remove legal barriers, and end the housing lockdown. This means that the incentives and disincentives need to be changed. City and county staffs need to be told that there will be approval quotas, and if they are not met, they will be replaced until someone gets it right.

1920's and '30's sprawl in Santa Monica is just fine – walkable, leafy, and close to stores and elementary schools. Kids ride their bikes and skate boards everywhere. The City's Big Blue Buses roar down the avenues with their natural gas turbine engines whining like jet planes. Multi-family structures are on the ends of the blocks on collectors and arterials. The problem is that we are not allowing any more of it.

Just what is the problem with the modern version? In 20 years it will all be covered with the trees. The picture displays a few hundred acres at the most. There are 640 acres per square mile.

The water problem can be solved with industrial scale desalination and picking up water from the rivers in northern California such as the Klamath, Eel, and Siskiyou. Millions of acre-feet flow out into the ocean every year. More storage could also be built on the Sacramento. The Coastal Commission opposes desalination, and the enviros in general oppose expanding the State Water Project. Our poorly housed children and grandchildren should rise up and throw out the officials who appointed the Commission and elect ones who will demand approval of desalination.

Item F.1 - Draft 2023 Federal Transportation Improvement Program (FTIP). By way of background, please see a draft of the FTIP, which the SLOCOG will be considering in the future. The revenue table below shows the deployment of the funding by source and also displays the required State and Federal matches for the next 5 years.

REVENUE

San Luis Obispo Council of Government

2023 Federal Transportation Improvement Program

($'s in 1,000)

	Funding Source/Program	NOTES	4 YEAR (FTIP Period)				
			FY 2023	FY 2024	FY 2025	FY 2026	TOTAL
LOCAL	**Other Local Funds**		$5,897	$9,566	$27,680	$8,850	**$51,993**
	County General Funds		*$400*			*$4,910*	***$5,310***
	City General Funds		*$1,550*	*$5,621*	*$23,737*		***$30,908***
	RSTP Exchange funds		*$3,947*	*$3,945*	*$3,943*	*$3,940*	***$15,775***
	Transit						
	Transit Fares						
	Other (See Appendix 1)		$10,423	$7,443	$25,662	$58,549	**$102,078**
	Local Total		**$16,320**	**$17,009**	**$53,342**	**$67,399**	**$154,071**
STATE	**State Highway Operation and Protection Program (SHOPP)** [1]		$81,174	$47,762			**$128,936**
	SHOPP		*$81,174*	*$47,762*			***$128,936***
	State Transportation Improvement Program (STIP) [1]		$131,177	$1,378	$94,029	$7,341	**$233,925**
	STIP		*$131,177*	*$1,378*	*$94,029*	*$7,341*	***$233,925***
	Active Transportation Program (ATP) [1]		$19,121				**$19,121**
	Highway Maintenance (HM) Program [1]						
	Highway Bridge Program (HBP) [1]		$4,728	$2,891	$7,426	$6,168	**$21,213**
	Other (See Appendix 3)		$7,300				**$7,300**
	State Total		**$243,500**	**$52,031**	**$101,455**	**$13,509**	**$410,495**
FEDERAL TRANSIT	5307 - Urbanized Area Formula Grants		$7,468	$7,756			**$15,223**
	5310 - Enhanced Mobility of Seniors and Individuals with Disabilities		$183	$188	$47		**$417**
	5311 - Formula Grants for Rural Areas		$1,323	$635			**$1,958**
	5339 - Bus and Bus Facilities Formula Grants		$300	$1,050			**$1,350**
	Other (See Appendix 4)		$50	$637			**$687**
	Federal Transit Total		**$9,323**	**$10,266**	**$47**		**$19,636**
FEDERAL HIGHWAY	Congestion Mitigation and Air Quality (CMAQ) Improvement Program		$5,417	$5,683	$2,526	$3,760	**$17,386**
	Highway Infrastructure Program (HIP)		$250				**$250**
	Highway Safety Improvement Program (HSIP)				$42		**$42**
	Other (see Appendix 5)		$180				**$180**
	Federal Highway Total		**$5,847**	**$5,683**	**$2,568**	**$3,760**	**$17,858**
FEDERAL RAIL	Other Federal Railroad Administration (see Appendix 6)						
	Federal Railroad Administration Total						
	Federal Total		**$15,170**	**$15,949**	**$2,615**	**$3,760**	**$37,494**
INNOVATIVE FINANCE	TIFIA (Transportation Infrastructure Finance and Innovation Act)						
	Other (See Appendix 7)						
	Innovative Financing Total						
REVENUE TOTAL			**$274.990**	**$84.989**	**$157.413**	**$84.669**	**$602.060**

The programmed table below shows how the funding is planned to be expended by general category.

PROGRAMMED

San Luis Obispo Council of Government
2023 Federal Transportation Improvement Program
($'s in 1,000)

	Funding Source/Program	NOTES	FY 2023	FY 2024	FY 2025	FY 2026	TOTAL
			4 YEAR (FTIP Period)				
LOCAL	**Local Total**		**$16,320**	**$17,009**	**$53,342**	**$67,399**	**$154,071**
STATE	**State Highway Operation and Protection Program (SHOPP)** [1]		$81,174	$47,762			**$128,936**
	SHOPP		*$81,174*	*$47,762*			***$128,936***
	State Transportation Improvement Program (STIP) [1]		$131,177	$1,378	$94,029	$7,341	**$233,925**
	STIP		*$131,177*	*$1,378*	*$94,029*	*$7,341*	***$233,925***
	Active Transportation Program (ATP) [1]		$19,121				**$19,121**
	Highway Maintenance (HM) Program [1]						
	Highway Bridge Program (HBP) [1]		$4,728	$2,891	$7,426	$6,168	**$21,213**
	Other (See Appendix B)		$7,300				**$7,300**
	State Total		**$243,500**	**$52,031**	**$101,455**	**$13,509**	**$410,495**
FEDERAL TRANSIT	5307 - Urbanized Area Formula Grants		$7,468	$7,756			**$15,223**
	5311 - Formula Grants for Rural Areas		$1,323	$635			**$1,958**
	5339 - Bus and Bus Facilities Formula Grants		$300	$1,050			**$1,350**
	Other (See Appendix C)		$50	$637			**$687**
	Federal Transit Total		**$9,140**	**$10,078**			**$19,219**
FEDERAL HIGHWAY	Congestion Mitigation and Air Quality (CMAQ) Improvement Program		$5,417	$5,683		$3,760	**$14,860**
	Highway Safety Improvement Program (HSIP)				$42		**$42**
	Other (see Appendix D)		$180				**$180**
	Federal Highway Total		**$5,597**	**$5,683**	**$42**	**$3,760**	**$15,082**
FEDERAL RAIL	Other Federal Railroad Administration (see Appendix E)						
	Federal Railroad Administration Total						
	Federal Total		**$14,737**	**$15,761**	**$42**	**$3,760**	**$34,301**
INNOVATIVE FINANCE	TIFIA (Transportation Infrastructure Finance and Innovation Act)						
	Other (See Appendix F)						
	Innovative Financing Total						
PROGRAMMED TOTAL			**$274,557**	**$84,802**	**$154,840**	**$84,669**	**$598,867**

In terms of perspective, it is daunting to realize that widening State Highway 101 to six lanes from the south County line (Santa Maria River) to the beginning of the 6-lane configuration north of the City of San Luis Obispo (Cuesta Grade) would require an estimated $1.5 billion (the number is several years old). While the State is diverting billions on failed homeless programs, remediation of self-inflicted behavioral problems, elementary school sex choice "education", subsidized mass transit, phony environmental programs, soft justice courts, allowing its employees to "work" from home, and all the rest, it is woefully underfunding bridges and highways – even with the new gas tax from SB-1 (which, by the way, is indexed). They should be rolling in cash.

LAST WEEK'S HIGHLIGHTS

No Board of Supervisors Meeting on Tuesday, May 24, 2022 (Not Scheduled)

The next scheduled meeting is set for Tuesday, June 7, 2022.

SLO Pension Trust Meeting of Monday, May 23, 2022 (Completed)

Item 19 - Monthly Investment Report for April 2022. The Trust has lost $130 million so far this year. Meanwhile, inflation is roaring along at 8.4%. The average annual pension benefit payment for the retirees was $37,323 ($3,110 per month) in 2021. Inflation is savaging the value of that income. Soon the unions will be pleading for more money for both the current and retired employees as the impacts destroy the ability of people to buy basics.

Agenda Item 19: Monthly Investment Report for April 2022

	April	**Year to Date 2022**		2021	2020	2019	2018	2017
Total Trust Investments ($ millions)	$1,645			$1,775	$1,552 year end	$1,446 year end	$1,285 year end	$1,351 year end
Total Fund Return	-3.4% Gross	**-5.5%** Gross		15.2% Gross	8.9 % Gross	16.3 % Gross	-3.2 % Gross	15.5 % Gross
Policy Index Return (r)	-4.4%	-7.1%		12.8%	10.0 %	16.4 %	-3.2 %	13.4 %

(r) Policy index as of Nov. 2021 Strategic Asset Allocation Policy with 2022 Interim targets:

Public Mkt Equity-	24% Russell 3000, 17% MSCI ACWI ex-US
Public Mkt Debt-	11% Barclays US Aggregate,
Risk Diversifying	8% Barclays US Aggregate,
	4% Barclays 7-10yr Treasury, 3% Barclays 5-10yr US TIPS
Real Estate & Infrastructure-	13% NCREIF Index (inc. Infrastructure)
Private Equity-	7% actual private equity returns
Private Credit-	4% actual private credit returns
Liquidity-	6% 90 day T-Bills

Pending annual updates to interim targets.

The Trust's investment advisors reported that as of May 20th, 2022, "the month has had significantly negative returns." The May report is likely to be especially grim.

If the negative overall economic trend continues for a 2nd straight month, by June we will be in an official recession. So far May has been worse than April.

Planning Commission Meeting of Thursday, May 26, 2022 (Cancelled)

Cancellation: On Wednesday afternoon, May 25th, it was announced: the meeting is cancelled. The scheduled items will be heard on June 9, 2022.

In General - The Commission is reviewing small projects rather than major proposals for housing and tax-producing economic development. This evinces the need for major policy reform. See the SLOCOG Item D.1 on page 4, above, for the latest faint hearted effort.

Item 6 – *Amendment to the San Luis Bay Estates Master Development Plan to allow six overnight accommodations at the golf resort.* *The project also includes a phased Development Plan /Coastal Development Permit (DRC2021-00126) to allow for the establishment of six overnight accommodations totaling 2,400 square feet to the Avila Beach Golf Resort. The six guest rooms will be located in a new second floor addition above the existing cart barn. Dedicated on-site parking will be provided for the overnight accommodations at the Avila Beach Golf Resort.*

Item *7 - A continued hearing to consider a request by Don and Marti Valley for a Variance / Minor Use Permit / Coastal Development Permit (DRC2019-00262) to allow grading on slopes in excess of 30% for a two-level single-family residence of approximately 1,970 square feet with a 550 square-foot garage on a 3,776 square-foot lot.* *The proposal includes the following components: (1) grading and excavation for the foundation/footings, garage and driveway; (2) site disturbance of approximately 1,577-square feet including on-site drainage improvements; and (3) development of the residence.*

Item 8 - *Hearing to consider a request by Tim Schmidt for a Variance (N-DRC2021-00020) to setback standards to allow for an existing 3,840-square-foot as-built greenhouse structure on an approximately 5-acre parcel.* *The project site is within the Residential Rural land use category of the South County Sub-Area of the South County Planning Area and is located at 1157 Arboles Way, Arroyo Grande.*

COLAB NOTE: Why didn't Supervisor Gibson have to apply for a variance and have a public hearing on his setback problem? This place is out in the country, and the people have to go through a full staff analysis and public hearing. The existing green house is too close to the side property line. No one even lives in the facilities.

Ordinance Compliance:

Standard	Allowed/Required	Existing	In Compliance
Minimum Site Area	5 acres	5 acres	Yes
Setbacks Front Side Rear	 80 50-100[1] 50-100[1]	 277 ft 3 ft and 25 ft 950 ft	 Yes No, variance requested Yes

[1] Setbacks can be reduced to a minimum of 50 feet when existing or proposed landscaping acts as a natural visual and auditory buffer. Further reduction possible only through use permit approval.

The write-up states in part:

The applicant is requesting a variance to setback standards to allow for a 3-foot setback from the westerly property line and a 25-foot side setback from the easterly property line where a minimum of 50-foot side setback is required for an existing 3840-square-foot as-built greenhouse structure. Existing access and parking areas are not proposed to be improved and do not require grading or expansion to allow for the permitting of the existing structure. While the structure technically meets the setback standards defined in Section 22.10.140 identifying that a side yard may be used for an accessory building or structure no greater than 12 feet in height and no closer than three feet to any property line, the size and type of structure being reviewed in this permit require the application of the standards identified in Section 22.30.310 - Nursery Specialties

Item 9 - *Hearing to consider a request by Pam and Steve Lock/Elcuse Wines for a Conditional Use Permit (DRC2021-00089) to amend the existing Conditional Use Permit (DRC2012-00079) to modify the hours of operation for the winery tasting room from 4 days a week from 11:00 a.m. to 5 p.m., Thursday – Sunday to allow 5 days per week Thursday – Monday 11:00 a.m. to 5:00 p.m., and by appointment only on Tuesday and Wednesday.* *No special events are allowed; Industry-wide events are allowed as per ordinance. The facility is located at 1520 Kiler Canyon Road on the north side of Kiler Canyon Road, approximately 1,000 feet northeast of Arbor Road 2 miles west of the City of Paso Robles.*

TWO WEEK'S AGO HIGHLIGHTS

Board of Supervisors Meeting of Tuesday, May 17, 2022 (Completed)

Item 2 - Request to 1) introduce the attached amendments to the Growth Management Ordinance, Title 26 of the County Code to extend the 1.8% growth rate for the Nipomo Mesa area for Fiscal Year 2021-22; and 2) authorize the use of Alternative Publication Procedures for amendments to the Growth Management Ordinance, Title 26 of the County Code. Exempt from CEQA. Hearing date set for June 7, 2022. This item was set for the actual hearing on June 7, 2022. The action, required by law, is designed to restrict growth in Nipomo to a low rate.

It is one tool in the County's home rationing policy, which in turn is a sub-part of it's so-called "smart growth policy." Lack of water and traffic infrastructure are cited as the main barriers to development in the area.

The housing industry, advocates for poor people, building suppliers, and young people should appear on June 7th and challenge the policy.

Item 3 - Request to introduce the attached ordinances: 1) repealing the County's Inclusionary Housing Ordinance (Sections 22.12.040 and 23.04.096 of the County Code); and 2) amending the County's Affordable Housing Fund (Title 29 of the County Code) to eliminate the collection of Inclusionary Housing In Lieu and Housing Impact fees. Exempt from CEQA. Hearing date set for June 7, 2022. EARLY WARNING: The Board set the item for hearing on June 7, 2022. The vote was 4/1 with Supervisor Gibson dissenting. He again lashed out at the prospect accusing the Board majority of being unsupportive of housing. Supervisor Peschong pointed out that the program was not working and had never worked. Instead, it taxes market rate homes and commercial development.

Approval of the ordinance revision would abolish the In-Lieu Housing fee, which is actually a tax on market rate housing. During the March 15, 2022 Board meeting to review the actual impact of the tax, the Board majority determined to abolish it. Accordingly, staff has agendized the hearing on June 7th.

This will be a controversial item, with Supervisor Bruce Gibson blaming the Board majority for being anti-housing, when in fact the so-called in-lieu fee is exemplary of the catastrophe created by the current regulatory environment. The regulations kill housing. In turn, the left throws tax money and fees at the problem. It's like driving a car with one foot on the gas and one on the breaks. It eventually wrecks the car.

MARK YOUR CALENDAR FOR JUNE 7th: The housing industry, contractors, chambers of commerce, realtors, and those who support a free market and less regulation should show up to support repealing the tax. During the week leading up to June 7th, we will try to estimate the approximate time when the item will be heard.

Item 6 - Request to: 1) Approve funding allocations from the American Rescue Plan Act of 2021 (ARPA) category of business technical assistance, workforce development, and job training in the amount of $2,430,000 in grants to outside organizations and $50,000 in supplemental funding for the ARPA COVID-19 Small Business Grant Program; 2) Authorize the County Administrative Officer or his designee to execute the grant agreements; and 3) Approve the corresponding budget adjustment in the amount of $2,480,000 for Fund Center – 104 – Administrative Office by 4/5 vote as outlined in the recommendation. The Board approved 4 grants funded by the Federal ARPA program (part of the $1.9 trillion in new Federal inflationary debt) as part of the County's $55 million allocation. Of the total, the staff proposes that $6 million be used to help businesses recover from the State and County mandated COVID lockdowns.

Details on the next page:

Attachment 1: Summary of recommended projects for funding

Applicant(s)	Recommended funding amount	Project summary	Expected results
San Luis Obispo County Office of Education and SLO Partners	$750,000 ($250,000/year for 3 years)	SLO Partners will expand proven programs to meet employment needs of SLO companies by upskilling under- and unemployed residents impacted by COVID-19. ARPA funds will be used to support SLO Partners' mission of building a strong workforce and a healthy economy through innovative modern apprenticeship programs. ARPA funding would be targeted at marketing to attract more candidates, scholarships, and coordinated support structures to support more of those candidates entering and completing training programs.	ARPA funding would build upon SLOCOE's current annual contribution of $400K and is expected to result in a doubling of the number of participants and economic impact through 2024. In 2021, 152 residents were upskilled and reskilled through SLO Partners bootcamps with an average salary increase of $11,000 or 32%. With ARPA funding, SLO Partners intends on an annual basis to offer 11 boot camps in 5 technical areas, projecting employment of 68 people with a total wage increase of $620,000.
Atascadero and Paso Robles Chambers of Commerce	$197,500 ($98,750/year for 2 years)	The Atascadero and Paso Robles Chambers of Commerce are partnering to offer digital marketing and social media services to help small businesses in a post-pandemic economy. Customers seek businesses who make it easy for them to order, schedule, reserve, and make purchases online. However, many businesses are unsure how to accomplish this. The Chambers are requesting grant funding for a Program Specialist to offer hands-on digital literacy training and services.	ARPA funding would be supplemented by administrative costs covered by the chambers for project administration and marketing/outreach. Expected outcomes: 1. 200 small businesses get online and/or include enhanced websites with e-commerce tools. 200 websites. 2. Improved small business economic output due to increased sales. Amount of increased sales. 3. Business owners and employees are provided digital literacy instruction to maintain their web and social media platforms. Skills are transferrable to future jobs/companies. Number of employees trained. 4. A legacy program for future businesses to reference when creating a web presence.
South County Chambers of Commerce	$250,000	SCCC will provide Business Technical Assistance, Workforce Development, and Job Training at "Launchpads" in Arroyo Grande, Grover Beach, and Nipomo in partnership with SLO County, Cities, Cal Poly CIE, SBDC, and SLO Partners. "Launchpads" will feature coworking spaces, conference rooms, and targeted support to businesses negatively impacted by the pandemic.	The cost of the initial projects would be funded by this ARPA grant, but the ongoing expenses will be paid by the respective municipality and/or the local Chamber. These properties will continue to provide training/resources for local business helping them to be successful and determine their strategy after the COVID-19. The Grover Beach location will provide workspaces for 50+ individuals annually, Nipomo will allow for workspaces for 20 people and all three facilities will provide a meeting room for a larger number to meet. In Arroyo Grande, there will be a common meeting area that will allow for the meeting of 16-20 people per meeting.
Cal Poly Corporation & Cal Poly Center for Innovation and Entrepreneurship (CIE)	$1,232,500	The Cal Poly CIE will launch three Outreach Centers to provide technical assistance, business planning, counseling, and job training to small businesses County-wide. It will create specialized incubator programs at each location: AgTech in Paso Robles, Aerospace in Grover Beach, CleanTech in Morro Bay, and MedTech in San Luis Obispo.	Cal Poly/CIE projects that once it becomes self-sustaining after 2024, it will continue to scale and expand. As a result of ARPA funding, the launch of the programs will generate significant outcomes for the County; by 2030, Cal Poly/CIE estimates it will have supported more than 23,000 jobs, including the creation of 1,500+ new head of household jobs, based on the launch of 200+ local tech startups and the attraction of 60+ out-of-county scaling high-growth startups.

Where will the people in the new jobs live?

Item 9 - Request to: 1) Approve funding allocations for the American Rescue Plan Act of 2021

(ARPA) Non-Profit grants; 2) Delegate authority to the County Administrative Officer and/or Assistant County Administrative Office to execute the grant agreements; 3) Direct that $654,000 in ARPA Housing and Homeless funding for the County's homeless efforts; and 4) Authorize the corresponding budget adjustment in the amount of $3,654,000 from ARPA revenue and appropriations to FC 104 – Administrative Office, by 4/5 vote. The Board tabled the matter after community not-for-profits showed up at the meeting and complained that the selection process was not proper. The staff had recommended almost $3.7 million of ARPA funding for various not-for-profit homeless programs, including $654,000 for its overall administration of its proposed consolidated homeless remediation strategy.

The ARPA funding is a onetime Federal grant. How will the County deal with the not-for-profits that expand or create new programs when the funding runs out? What is the disengagement plan? Will it all result in being backed into the General Fund in a few years at the expense of public safety and infrastructure, such as roads? The not-for-profit Boards of Directors will be hanging around the Supervisors' necks like hungry pythons.

FY 2022-24, NON-PROFIT ARPA

Organization	Proposal (short version)	2022-23 Requested	RECOMMENDATION
HOMELESS-HOUSING PROJECTS			
County of SLO Homeless Efforts	Per homeless strategy presented to BOS on April 19, 2022	0	654,000
5 Cities Homeless Coalition	temporary emergency shelter for medically fragile and chronically homeless in So County	682,602	650,000
Community Action Partnership of SLO County	Homeless outreach and engagement provides a safe place to park vehicles	854,605	850,000
El Camino Homeless Organization	funds to continue operations for the new ECHO Paso Robles shelter	900,000	700,000
Food Bank	support the purchase of food on the wholesale market to supplement donations	300,000	250,000
People's Self Help Housing	supportive housing program	453,524	350,000
Restorative Partners	The Bridge Café (located in County Gov't Center); training and workforce development (homeless prevention)	397,482	50,000
Transition-Mental Health Association	Palm Street Studios: 8-unit housing project for adults living with mental illness who are homeless or at reach of homelessness	150,000	150,000
			3,654,000

What happens in FY 2023-24 when the 1-time money runs out?

Item 11 - Request to: 1) award a four (4)-year contract to SLO Conflict Public Defenders LLP, in the amount of $855,362 for the first year, FY 2022-23, as well as other negotiated compensation as outlined in the attached contract for the provision of services as the contracted County First Level Conflict Public Defender; 2) award a four (4)-year contract to Fisher Law Office, in the amount of $370,000 for the first year, FY 2022-23, as well as other negotiated compensation as outlined in the attached contract for the provision of services as the contracted County Second Level Conflict Public

Defender; 3) award a four (4)-year contract to Law Office of Adams & Lucero, Inc., A Professional Law Corporation, in the amount of $455,152 for the first year, FY 2022-23, as well as other negotiated compensation as outlined in the attached contract for the provision of services as the contracted County Mentally Disordered Offender Public Defender; and 4) authorize the County Administrative Officer to execute two (2) additional two (2)-year extended terms to each contract. The County Administrative Office has done a truly professional and comprehensive job on the Public Defender contracts. For decades the contract was rolled over every 4 years without a bid and with no substantive review by staff or the Board. The current Board majority directed staff to cease this practice, and the current CAO and his staff have produced a clear, accountable, and fair set of contracts that will serve the community very well.

It has not only covered the basic service, but detailed separate portions for general first level defense as well as various specialty defenses. The write-up States in part:

1. Award the July 1, 2022 through June 30, 2026, contract to SLO Conflict Public Defenders LLP, for the provision of services as the contracted County First Level Conflict Public Defender (Attachments 1 and 2);

2. Award the July 1, 2022 through June 30, 2026, contract to Fisher Law Office, for the provision of services as the contracted County Second Level Conflict Public Defender (Attachments 3 and 4);

3. Award the July 1, 2022 through June 30, 2026, contract to Law Office of Adams & Lucero, Inc., A Professional Law Corporation, for the provision of services as the contracted County Mentally Disordered Offender Public Defender (Attachments 5 and 6); and

4. Authorize the County Administrative Officer to execute two (2) additional two (2)-year extended terms to A) the contract with SLO Conflict Public Defenders LLP, B) the contract with Fisher Law Office, and C) the contract with the Law Office of Adams & Lucero, Inc., A Professional Law Corporation.

Table 1. Estimated Contract Costs by Contract and by Fiscal Year Forecasted with an Average CPI

Fiscal Year	FLCPD Estimated Costs*	SLCPD Estimated Costs*	MDO Estimated Costs**	Average CPI
FY 2022-23	$887,372	$394,900	$515,852	*3.6%*
FY 2023-24	$918,983	$408,976	$532,766	*3.6%*
FY 2024-25	$951,731	$423,559	$550,290	*3.6%*
FY 2025-26	$985,659	$438,666	$568,445	*3.6%*
Total Estimated Four (4)-Year Initial Term Cost	**$3,743,745**	**$1,666,101**	**$2,167,353**	
FY 2026-27	$1,020,808	$454,318	$587,253	*3.6%*
FY 2027-28	$1,057,222	$470,533	$606,738	*3.6%*
Total Estimated Two (2)-Year Extended Term #1 Cost	**$2,078,030**	**$924,851**	**$1,193,990**	
FY 2028-29	$1,094,947	$487,332	$626,924	*3.6%*
FY 2029-30	$1,134,030	$504,735	$647,837	*3.6%*
Total Estimated Two (2)-Year Extended Term #2 Cost	**$2,228,978**	**$992,067**	**$1,274,762**	
Maximum (see notes * and ** below) Total Expenditure Authorized by the Contract	**$8,050,752**	**$3,583,020**	**$4,636,105**	

**Does not include Capital Cases, Service of Process Fees, Routine Discovery, Transcripts, Translators, Out Of County Cases, Cases Ongoing at Time of Termination*
***Does not include Service of Process Fees, Routine Discovery, Transcripts, Translators*

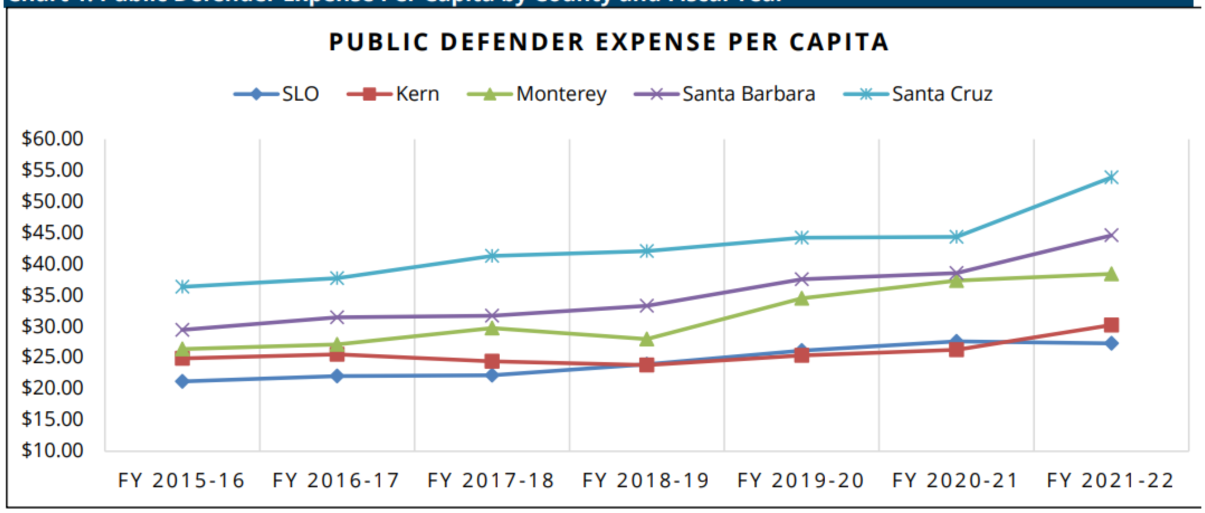
The Board letter also points out that the County is controlling costs:

Measured on a per capita basis, with the exception of the County of Kern in FYs 2018-21, the County of San Luis Obispo's total cost for Public Defender services has been lower than comparable counties in every year since at least FY 2015-16, averaging about $24, and is 35% lower than the FY 2021-22 average per capita cost of comparable counties. The recommended contracts increase the per capita cost of total Public Defender services compared to Page 16 of 17 FY 2021-22 by $0.27 or 1%

Table 5. Public Defender Expense Per Capita by County and Fiscal Year

County	Actual 15-16	Actual 16-17	Actual 17-18	Actual 18-19	Actual 19-20	Actual/ Estimate 20-21	Adopted/ Recommended 21-22	Average
San Luis Obispo	$21.20	$22.05	$22.16	$23.92	$26.15	$27.61	$27.29	$24.34
Kern	$24.88	$25.51	$24.43	$23.81	$25.38	$26.27	$30.23	$25.79
Monterey	$26.38	$27.13	$29.75	$27.96	$34.50	$37.36	$38.42	$31.65
Santa Barbara	$29.46	$31.48	$31.74	$33.29	$37.58	$38.57	$44.59	$35.24
Santa Cruz	$36.35	$37.76	$41.31	$42.06	$44.21	$44.34	$53.88	$42.85

Chart 1. Public Defender Expense Per Capita by County and Fiscal Year



The more leftist the County, the higher the cost. This item is an example of how privatization of government services can work very well. To see a top-notch Board letter, go to link below and double click.

[142200 (ca.gov)]

It may take a little time to open, as it is substantial.

Item 12 - Request to: 1) approve a grant agreement with REACH in the amount of $400,000 for economic development activities in support of the County from May 1, 2022 through June 30, 2023; and 2) grant the County Administrative Officer of the County of San Luis Obispo the authority to extend the Agreement up to 90 days. The Board approved the contract unanimously and without imposing any performance metrics, even though REACH has listed some.

Background: The County contracts with the not-for-profit REACH for its primary economic development program. The $400,000 appropriation was approved as part of the adoption of the FY

2021-22 County Budget. This action provides execution of the contract and scope of work (tasks that REACH will perform) from now until June 30, 2023.

The write-up states that for every dollar that the County contributes, REACH raises another $5 dollars for its activities. We were unable of find REACH's annual FY 2021-22 Budget or Annual FY 20-21 Financial Report online or on its website. It is therefore not known how the County staff has determined the leverage ratio.

REACH has focused on economic development related to space activity at Vandenberg Air Force Base and the reuse of the Diablo Plant site after the reactors and other facilities are demolished. New this year is a project to ascertain if development of seaport facilities that could support proposed offshore wind energy can be located in the County.

The REACH website indicates that its key performance measures include those in the box to the right. The Board should have requested that baseline numbers be included in the contract scope of services in order to ascertain the progress over time. The Board requires performance data for all of its homeless, mental health, and social services contracts. Why not this one?

METRICS WE WILL USE TO TRACK SUCCESS

+ Year-over-year job growth by industry

+ Year-over-year salary growth by industry

+ Increase in number of companies within industry sectors doing business on the Central Coast

+ Dollars invested in industry-specific infrastructure

+ Venture capital funding of regional start-ups/scale-ups

Item 15 - Submittal of the County of San Luis Obispo's audited Annual Comprehensive Financial Report, Gann Appropriation Limit Audit Report, Agreed-Upon Procedures Report for the Los Osos Landfill Financial Means Test Certification, Transportation Development Act Funds Non-Transit Purposes Audit Report, the Statement on Auditing Standards 114 Communications Letter, and the Passenger Facility Charges Report for the Fiscal Year Ended June 30, 2021. The Board received the report on the consent calendar with no discussion. The good news is that the County received an unmodified opinion, which means that in so far as the auditors could tell, the books are in order and the finances are as reported by staff below:

The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an ***unmodified opinion*** *that the County's financial statements for the fiscal year ended June 30, 2021, are fairly presented and in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.*

The actual Auditors opinion states in part:
In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2021, and the respective changes in financial position, and where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America

There are many useful tables within the report detailing ten-year histories of taxes, assessed valuation, bonded debt, pension debt, number of employees, and other insights into the County's operations and finances. The full Report can be accessed at the link:

[FY 2020-21 Annual Comprehensive Financial Report (ca.gov)]

It's a 210-page report and will take 15 seconds or so to open.

Item 37 - Submittal of the FY 2021-22 Third Quarter Financial Status Report and request to 1) approve various financial actions as detailed in Section 4 of Attachment 1 - FY 2021-22 Third Quarter Financial Report (one or more actions require 4/5 votes. The Board heard the report, which indicated that the County will end the FY 2021-22 in balance and in fact will generate a General Fund Balance of $37.5 million.

In preparation of the FY 2022-23 Recommended Budget, the Auditor-Controller-Treasurer-Tax Collector's Office projected that the County's General Fund would have a Fund Balance Available (FBA) of $37.5 million at year-end, which is included as a funding source for the FY 2022-23 Recommended Budget.
Administrator's Office (ACTTCPA) is forecasting a countywide total of $9.3 million in unbudgeted negotiated salary and benefit costs. This accounts only for negotiated salary and benefit costs which went into effect by March 31, 2022 (i.e. does not include increases for SDSA employees approved by the Board on May 3, 2022).

As stated above, Section 3 of the attached report (Attachment 1) includes a listing of all personnel changes approved by the Board of Supervisors during the third quarter. As of the end of the third quarter, there have been 137.50 FTE additions and 61.25 FTE deletions to the PAL, a net increase of 76.25 FTE positions. It is estimated that these position changes have an increased budgetary impact of $5,575,691 for FY 2021-22 and $9,027,731 moving into FY 2022-23. It is estimated that these position changes have an increased General Fund support impact of $679,419 for FY 2021-22 and $1,521,495 for FY 2022-23.

County of San Luis Obispo
Full Time Equivalent County Government Employees by Function
Last Ten Fiscal Years
(UNAUDITED)

Function/Program	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18*	2018-19*	2019-20*	2020-21*
General Government	437.50	438.25	430.75	436.75	440.50	430.75	437.50	441.00	455.25	458.00
Public Protection	808.25	812.00	817.25	832.25	848.25	867.00	909.50	912.00	899.75	904.25
Public Ways and Facilities	193.75	193.75	188.75	190.75	207.75	234.75	237.75	246.75	247.75	248.75
Health and Sanitation	430.50	445.25	464.00	485.25	505.50	556.00	536.50	530.00	531.00	530.00
Public Assistance	425.75	428.00	478.00	500.75	524.00	524.00	523.00	522.00	523.50	526.75
Education	77.50	75.50	75.50	75.50	77.50	78.00	77.75	78.00	78.25	78.50
Recreation and Cultural Services	52.00	52.00	55.00	59.00	60.00	61.00	61.00	61.00	61.00	61.00
Total	2,425.25	2,444.75	2,509.25	2,580.25	2,663.50	2,751.50	2,783.00	2,790.75	2,796.50	2,807.25

Source: County Budget Report

Notes:
2012-2017 Position allocation figures were calculated at the time of budget preparation for the following year.
* Position allocation figures are calculated based on the adopted budgets.
Figures include limited-term but do not include part-time or contract positions.

Item 40 - Introduction of the Proposed 2022-23 Annual County Budget. This item formally introduced the FY 2022-23 Recommended Budget to the Board and public, and schedules public hearings on the Recommended Budget to begin on Monday, June 13, 2022, at 9:00 a.m. We will provide further information as the June hearing date approaches. As outlined below and when all finances administered by the County are considered, the total plan is $961.7 million, which is not made too clear in the document itself.

There is nothing particularly new or dramatic about the Proposed Budget. It is pretty much business as usual. The material indicates that they had projected an $8.2 million gap out of $ 659.2 million in the General Fund Budget but have closed it without degrading any services. Apparently, there is an 11 % staffing vacancy rate, which on an operating budget that contains $373,272,222 in salaries and benefits, could result in a savings of $40,949,940 on an annualized basis. The current FY 2021-22 Budget is expected to end in June with a $37 million favorable balance. It appears that $18 million of that will be applied to balance the new Budget.

Special Revenue Funds

Note: Enterprise Funds for Board governed special districts are not included in the All Funds Budget. Budget information for Board governed special districts is included in the special districts budget book prepared by Public Works.

Once again, we would suggest that the Board hold a series of special workshops in the weeks between now and June 13 to go through the expenditure and revenue in detail. The Budget is presented at a very high level of generality, and the Supervisors have no idea about what they are really buying for the nearly $1 billion dollars.

State Controller Schedules County Budget Act November 2014			**San Luis Obispo County** All Funds Summary Fiscal Year 2022-23				**Schedule 1**
	Total Financing Sources				**Total Financing Uses**		
Fund Name	**Fund Balance Available as of June 30, 2022**	**Decreases to Obligated Fund Balances**	**Additional Financing Sources**	**Total Financing Sources**	**Financing Uses**	**Increases to Obligated Fund Balances**	**Total Financing Uses**
1	2	3	4	5	6	7	8
Governmental Funds							
General Fund	$37,500,000	$8,415,737	$613,268,251	$659,183,988	$656,572,180	$2,611,808	$659,183,988
Special Revenue Fund	832,000	10,376,028	83,509,447	94,717,475	88,481,850	6,235,625	94,717,475
Debt Service Fund	255,000	0	20,310,490	20,565,490	16,937,690	3,627,800	20,565,490
Capital Projects	0	0	6,891,191	6,891,191	6,891,191	0	6,891,191
Total Governmental Funds	**$38,587,000**	**$18,791,765**	**$723,979,379**	**$781,358,144**	**$768,882,911**	**$12,475,233**	**$781,358,144**
Other Funds							
Special Revenue Fund	$5,002,490	$471,557	$8,374,536	$13,848,583	$13,569,165	$279,418	$13,848,583
Enterprise Fund	0	1,556,214	29,004,927	30,561,141	28,117,913	2,443,228	30,561,141
Internal Service Fund	0	7,522,322	66,339,290	73,861,612	72,503,868	1,357,744	73,861,612
Total Other Funds	**$5,002,490**	**$9,550,093**	**$103,718,753**	**$118,271,336**	**$114,190,946**	**$4,080,390**	**$118,271,336**
Total All Funds	**$43,589,490**	**$28,341,858**	**$827,698,132**	**$899,629,480**	**$883,073,857**	**$16,555,623**	**$899,629,480**

The basic Budget is $899.6 million. The off-Budget County-dependent districts add another $62.1 million, for a grand total of $961.7 million. It is likely that the County can join the billion-dollar club in FY 2023- 24.

	Total Financing Sources				**Total Financing Uses**		
District/Agency Name	**Fund Balance Available June 30, 2022**	**Decreases to Obligated Fund Balances**	**Additional Financing Sources**	**Total Financing Sources**	**Financing Uses**	**Increase to Obligated Fund Balances**	**Total Financing Uses**
1	2	3	4	5	6	7	8
Total Special Districts and Other Agencies	**$5,670,650**	**$2,101,005**	**$54,334,181**	**$62,105,836**	**$60,832,549**	**$1,273,285**	**$62,105,834**

The FY 2022-23 Recommended Budget authorizes total governmental funds spending level of $781,358,751, with the General Fund budget recommended at $659,183,988.

Description	2019-20 Actual	2020-21 Actual	2021-22 Final	2022-23 Recommended
Financing Sources				
Taxes	220,423,832	234,665,121	233,442,082	249,713,956
Licenses and Permits	11,426,188	12,269,991	12,749,136	14,739,738
Fines, Forfeitures and Penalties	3,843,176	3,567,089	4,568,467	4,553,762
Revenue from Use of Money & Property	7,743,115	4,291,177	2,423,841	3,047,859
Intergovernmental Revenues	297,285,285	312,954,589	300,424,628	341,836,806
Charges for Services	29,802,426	33,186,764	33,882,347	33,896,014
Other Revenues	43,993,139	41,191,424	36,237,007	34,404,299
Fund Balance	0*	0*	72,484,917	38,587,000
Use of Reserves & Designations	0*	0*	17,329,222	18,791,765
Other Financing Sources	36,796,014	48,152,967	40,832,746	41,786,946
Decreases to Fund Balance	0	0	0	0
*cancellation of reserves and designations and use of fund balance included in Other Financial Sources				
Total Financing Sources	**651,313,175**	**690,579,121**	**754,374,393**	**781,358,144**

Description	2019-20 Actual	2020-21 Actual	2021-22 Final	2022-23 Recommended
Uses of Financing by Function				
Land Based	69,646,020	52,626,626	68,630,333	75,390,649
Public Protection	172,461,145	171,779,085	186,393,347	197,470,604
Health and Human Services	243,627,450	255,530,626	278,341,675	301,503,745
Community Services	23,897,423	22,930,504	24,007,487	24,967,511
Fiscal and Administrative	29,174,207	28,030,997	29,586,425	30,947,958
Support to County Departments	32,471,236	33,674,627	36,828,352	44,438,603
Financing	32,665,435	29,995,999	38,723,821	53,121,858
Capital and Maintenance	14,105,305	2,925,622	12,064,622	8,947,040
Contingencies	0	0	30,723,379	32,094,942
Reserves & Designations	0	0	49,074,952	12,475,233
Increases (Decreases) to Fund Balance	33,264,954	93,085,035	0	0
Total Financing by Function	**651,313,175**	**690,579,121**	**754,374,393**	**781,358,144**

Description	2019-20 Actual	2020-21 Actual	2021-22 Final	2022-23 Recommended
Uses of Financing by Type				
Salary & Benefits	307,285,080	315,637,608	344,173,488	372,272,222
Services & Supplies	201,164,873	207,364,627	223,843,811	238,332,577
Other Charges	109,704,017	108,679,876	119,368,067	126,497,031
Fixed Assets	31,680,223	32,949,799	24,461,918	40,514,308
Transfers	(31,785,971)	(67,137,824)	(37,262,222)	(40,828,168)
Increases to Reserves/Designations	0*	0*	49,074,952	12,475,233
Increases/(decreases) to Fund Balance	33,264,954	93,085,035	0	0
Contingencies	0*	0*	30,723,379	32,094,942
*use of reserves and designations and contingencies are included in individual financing types				
Total Financing by Type	**651,313,175**	**690,579,121**	**754,374,393**	**781,358,144**

Item 42 - Hearing to consider: 1) adoption of a resolution to place a proposed County Charter on the ballot at the November 8, 2022, election for consideration by qualified voters; 2) adoption of a resolution setting priorities for filing a written argument regarding a County measure and directing County Counsel to prepare an impartial analysis and the County Auditor to prepare a Fiscal Impact Statement; and 3) direct staff as appropriate. The Board unanimously rejected the charter after it became clear that there was substantial public opposition based on the misconception that the provision would allow further changes without voter approval.

The proposed limited Charter was back on the agenda for a possible decision to submit it to the voters next November. It would have allowed the voters, instead of the Governor, to fill midterm vacancies on the Board of Supervisors. It would also have allowed the voters to fill midterm vacancies of the County's constitutionally elected department heads, including the Assessor, Auditor Controller, Clerk Recorder, District Attorney, and Sheriff. It does not impact any of their duties or powers. It was essentially a measure to improve local control.

SLO Air Pollution Control District (APCD) Meeting of Wednesday, May 18, 2022 (Completed)

Item C-1: Hearing on Proposed Fee Increases. The APCD Board heard a presentation on why the fees are necessary but did not take action. Apparently, the actual vote on the fees will take place as part of budget action next month. Sadly, no opposition was expressed by any of the Board members, which means that staff will assume that the increases will be approved in June.

The staff proposed across-the-board fee increases from 6% to 14.7%. The agency is running out of things to tax. For example, the Morro Bay Power Plant, which was a major funder, closed some years ago. Now the closure of the Philipps 66 refinery is hitting them.

The APCD Board should reject the fees out of hand and direct the staff to come back with a smaller agency and a smaller budget. The same elected officials who killed the expanded tank car facility at Phillips should learn to live within their means. The same officials who want to shut down the dunes riding should learn to live within their means. The same officials who never lifted a finger to save Diablo should learn to live within their means.

While property taxes and federal aid will see minor increases, overall revenue is estimated to decrease significantly in FY 2022-2023, compared to FY 2021-2022 because of the P66 Refinery Closure.

Where were you when the radicals and NYMBYs forced the closure?

Proposed Renewal Fee Scheduled Increases

	FY 22-23	FY 23-24 6% increase	FY 24-25 6% increase	FY 25-26 6% increase	FY 26-27 and beyond adjusted per CPI *
Permit Renewal Factor "x"	$88	$93	$99	$104	TBD

* CPI *Based upon Bureau of Labor Statistics CPI-W (Los Angeles-Long Beach- Anaheim, CA)*

New fee categories are proposed for several category types where state-mandated reporting and oversight costs have increased.

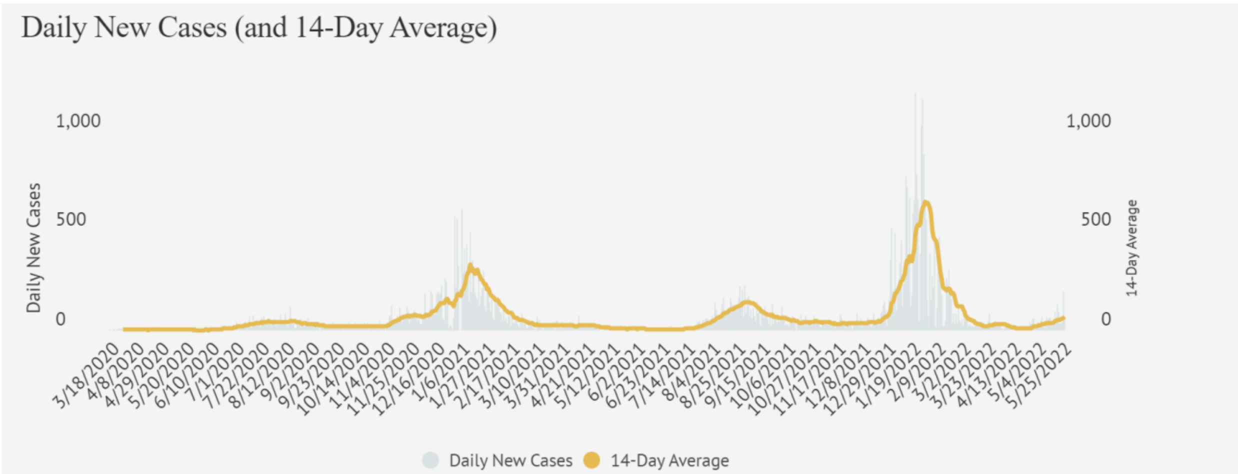
SLO Local Agency Formation Commission (LAFCO) of Thursday, May 19, 2022 (Completed)

The meeting had a light Agenda. This included its Budget and a small annexation. There was no earth-shaking policy here.

EMERGENT ISSUES

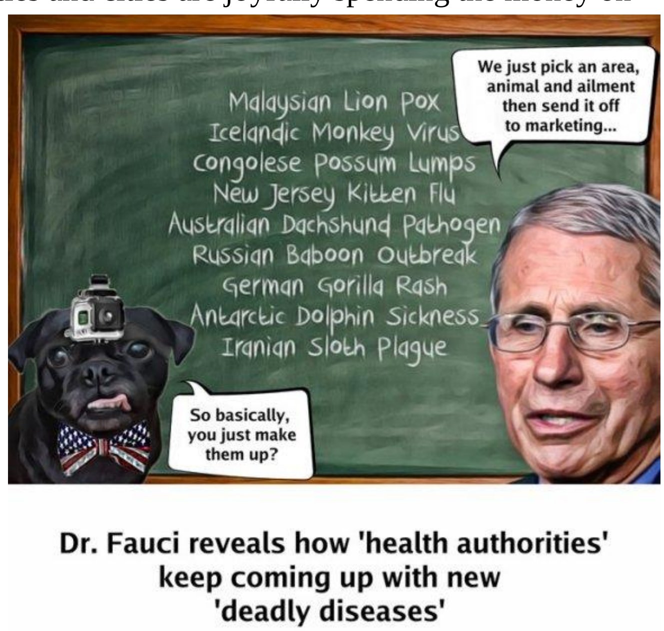
Item 1 – COVID and now Monkey Pox . COVID up-ticked a little on average over the past week. It seems to be coming back in various places around the country.

What about Norovirus, which many people seem to be catching. The County doesn't seem to be publicizing the problem or posting statistics.



13 Hospitalized (2 in ICU)

At the national level the progressive left is full of hope about a potential Monkey Pox epidemic. COVID has been a huge gift to the Wokesters in terms of regulatory expansion and has been used to justify the expenditure of trillions of dollars. Counties and cities are joyfully spending the money on expanded homeless prevention, supplanting their general funds, and more staffing.



POSTED ON **MAY 25, 2022** BY **STEVEN HAYWARD** IN THE WEEK IN PICTURES

MID-WEEK IN PICTURES: SPECIAL MONKEYPOX EDITION

Well at least the meme factories are not suffering any supply chain issues, so you just knew we had to get ahead of the curve with a special mid-week TWiP about monkey pox. The panic over the pox is spreading faster than the disease itself (three cases? three??*). What's the old joke about "not making a monkey out of me"? I'm so old I can't remember it. (Meanwhile, better keep quiet about how monkey pox is spread. The disinformation police might show up at your door.)*

Allusion to a science fiction movie knighthood formed to protect the innocent from a rapacious decaying empire. Really!

Item 2 – Law and Justice System Collapsing: Corporations Forced to Hire Mercenaries.

Civil order is collapsing in San Francisco.[1] The SF County District Attorney has refused to prosecute store looters, drug dealers, and harassers of innocent citizens, blatant drug use in public, and defecating on the side walk and in stores. Even violent addicts who punch out shoppers and store clerks are released after arrest.

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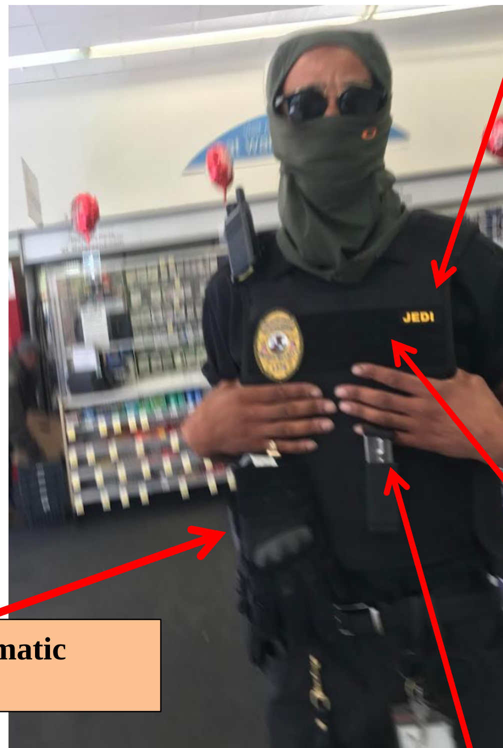

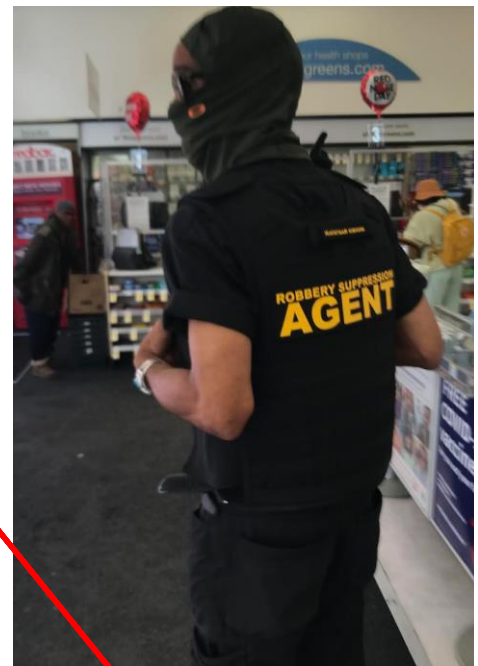

Semi-automatic pistol.

Body Armor.

Extra high capacity magazine.

We watchd one large security guard fight off a very large drug store looter who repeatedy attempted to re-enter the store after he had just taken a pile of merchndise out. The looter kept battering and shoving the guard in the chest until he fought back. You could hear the hits as if it were two football linemen colliding. The shoppers stood in the check out line as if nothing special was happening.

The next day we watched as a guard pursued a gang of 3 teens who smashed a case in a jewelry store right inside the San Francisco Shopping Center at 11:30 in the morning. The hooded speedy group ran out onto Market Street and was lost in the crowd.

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[1] This is also happening in LA, Oakland, Sacramento, and the Inland Empire.

Separately, the man in the picture above told us he was former military and that he served in a special tactical unit (unspecified) and was an expert in hand to hand combat and the use of a variety of weapons.

The shoppers run from the confrontations, which are occuring all the time. The larger chain stores are now hiring a whole cadre of armed professional fighters clad in special uniiforms and who have been given arrest powers by the State and City. They are often masked to protect their identity from retribution by smash-and-grab gangs and packs of homeless people. They are armed with semi-automatic pistols and mace, wear body armor, and have radio communications.

One guard told us that the drug stores no longer attempt to stop the thieves from stealing the shelf merchandise. They are only making money off the pharmaceuticals and are writing off all the other goods that are not locked up. We asked, "Then, why are you here?" "We are here for the protection of the employees and the public from physical assaults and robbery by the looters and thieves."

The scene looks more like civil war Iraq than the major world class city where you may have left your heart.

This is the emblamatic of the failure of State and local government on full public display. CVS, Walgreens, Nordstroms, Bloomingdales, famous hotels, and grocery stores must hire armed "Robbery Suppression Agents" because the govenments, which tax us for hundreds of billions of dollars, have failed in their must important duty – preserving peace and public order.

One of the surest signs of the disintegration of decadent and descendent civilizatons throughout history has been the proliferation of private policing and military forces. These have always been accompanied by political, cultural, social, and economic decay.

A government that does not exercise the monopoly of force and violence within its jurisdiction is no longer a government. It is simply another competing gang of thugs like the Mafia in Sicily, Latin American warlords, the Nazi Brown Shirts, the Bolshevik Guards, Antifa, the Bay Area Young Communist Alliance, Renaissance condottiere, the Los Angeles CRIPS, or any other group that steals from and bullies the public.

In this regard, the Government of San Francisco is no longer legitimate. The failure of the State of California to intervene and restore order is proof (among all the other failures) that it is no longer legitimate. When governments fail to protect their citizens, they must be thrown out. The problem in Califirnia is that the government employees control woke and leftist elected officials. Our elected officals are captives and will do nothing to reform the system.

One thing that history teaches us is that, over time, the mercenaries themselves often becme a seaparate power and often take over. If the judges, DAs, police, boards of supervisors, and city councils do not fix the problem, they should be voted out. If votes no longer work:

The article below provides further background on the unfolding catastrophe.

California Businesses Launch Campaign Against Retail Theft and Property Crimes

CARRT is advocating for California lawmakers to act now to undo the damage done by Proposition 47

By Katy Grimes, May 20, 2022

The escalation of organized "smash-and-grab" robberies in cities around the country has been costly. CNN reported in January that retailers across America say shoplifting is now 2% to 3% of their total sales, forcing the retailers to install new security systems, video cameras and security staff.
A 2021 survey of retailers found 65% acknowledged an increase in violence, while 37% said Organized Retail Crime gangs were much more aggressive than in the past.

"Law enforcement officials recovered around $8 million worth of stolen merchandise from retailers like CVS, Walgreens and Target, from the ring's warehouse, residences and storage facility, along with roughly $85,000 in cash. Officials also seized nearly $1.9 million from the ring's various bank accounts," the San Francisco Chronicle reported.

With every legislative solution killed by California's Democratic supermajority, retailers and Chambers of Commerce formed Californians Against Retail and Residential Theft (CARRT), and launched a campaign to raise lawmakers' and the public's knowledge of the growing theft problem in the state. CARRT is a broad-based coalition of business associations, local groups, and victim organizations advocating for California officials to act now to undo the damage done by Proposition 47.
CARRT held a Zoom press conference Wednesday with the California Asian Chamber of Commerce, the California Hispanic Chambers of Commerce, the Burbank Chamber of Commerce, the Automotive Service Councils of California and the California Grocers Association, all addressing their experiences.

During the conference, Richard Wardwell with the California Grocers Association addressed how the massive theft is not only impacting the bottom lines of businesses, but adding to inflation. The Globe spoke with Wardwell who is the CEO of Superior Grocers after the press conference. Superior Grocers is one of the largest independently-owned chains of grocery stores in Southern California with 47 stores, and three more underway, Wardwell said.
During the press conference, Wardwell showed video from their stores of brazen thefts. One thief left the store with a shopping cart loaded with cases of beer. Another thief filled a shopping cart with boxes of diapers. He said Superior Grocers have at least 200 incidences of theft daily, and 1,400 weekly, according to his security staff.

"It's all segments of society, people of all shapes, sizes and status," Wardwell said. "And it's because theft up to $950 a day is allowed under the guise of reduced prison populations and for money for schools – which has not happened."

Proposition 47, passed by misinformed voters in 2014, and flagrantly titled "The Safe Neighborhoods and Schools Act," reduced a host of felonies to misdemeanors, including drug crimes, date rape, and *all thefts under $950, even for repeat offenders who steal every day. Prop. 47 which decriminalized drug possession from a felony to a misdemeanor, also removed law enforcement's ability to make an arrest in most circumstances, as well as removing judges' ability to order drug rehabilitation programs rather than incarceration.*

Wardwell is right. The Assembly Public Safety Committee heard and killed Assembly Bill 1599 by Assemblyman Kevin Kiley (R-Granite Bay) in March, which sought to repeal Proposition 47, and "make crime illegal again." As Kiley said in a Fox News interview, even the most radical Democrats in the Legislature recognize that because of Prop. 47, crime is out of control and the initiative needs to be repealed. "It has essentially legalized theft and open drug use in California, culminating in these unbelievable smash-and-grab robberies," Kiley said. "Voters were egregiously misled about what this would do."

Yet Democrats still voted to kill Kiley's bill.

"Retail theft losses may be the straw that breaks the camel's back," said Julian Canete, President and CEO of the California Hispanic Chambers of Commerce. "Something needs to be done before mom and pop stores are stolen from our communities."

"While auto shops aren't generally directly affected by retail or residential theft, we see and deal with the results every day by taking care of our customers' damaged vehicles," said David Kusa of the Automotive Service Councils of California. "Unfortunately, business is booming because catalytic converter theft and 'smash and grabs' with car windows broken are filling auto repair shops."

The nonpartisan Public Policy Institute of California released a report that found a direct correlation between Proposition 47 and a marked increase in larceny thefts across California, despite many media reports attempting to refute the correlation, CARRT reported.

The Globe reported in December that the Sacramento Bee did a recent "Fact Check" on claims that Prop. 47 is to blame for the current statewide crime wave. The Bee says these claims are "Mostly false," even after acknowledging, "Sacramento District Attorney Anne Marie Schubert, recently called Proposition 47 'the biggest con job in California history' in comments to a Los Angeles Times columnist."

"Proposition 47 didn't just make theft under $950 a misdemeanor, but also got rid of what we called "priorability"; [it] interfered with the police's ability to arrest someone for misdemeanor shoplifting, unless they actually witnessed it," said Los Angeles County Assistant District Attorney Michele Hanisee. "Then of course, Proposition 57 allowed early release of not only nonviolent felons, but also sex offenders and three strikers. If you add to that some of the current policies we are seeing from the district attorneys and the courts, such as zero bail and district attorneys who won't prosecute misdemeanors, it creates a perfect storm and there is just no consequence for crime."
During the Wednesday press conference, a member of the media asked Richard Wardwell how retail theft increases inflation. He explained that theft adds to the cost of groceries. He also said Superior Grocers had to spend millions to put in new security systems, millions to install security cameras, and millions to hire security guards.

He told the reporter that if they make $100,000 in profit but $100,000 in retail theft goes out the door, they have no profit, and in fact have the loss of stock which needs to be replaced at their cost. Wardwell *told the Globe. "If you go out and buy a new car, and someone steals your new car, can you afford to just buy another new car? Of course not."*

In the first four months of 2022, several law enforcement agencies noticed a marked increase in property crimes, CARRT reported. The Los Angeles Police Department reported property crimes were up more than 11% compared to the same time period from the year before, with burglaries up 8%. San Francisco Police Department reported larceny-theft is up more than 25% as compared to the same time period last year.

"It's time to put an end to retail and residential theft on Main Street and in our neighborhoods," said Matt Ross, spokesperson for CARRT. "That starts with a series of discussions in the Capitol and our neighborhoods to identify realistic solutions to the growing theft problem."

Katy Grimes, the Editor of the California Globe, is a long-time Investigative Journalist covering the California State Capitol, and the co-author of California's War Against Donald Trump: Who Wins? Who Loses? This article first appeared in the California Globe of May 20, 2022.

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

THE ABUNDANCE CHOICE, PART ONE

California's Failing Water Policies

BY EDWARD RING

In October, and then again in December 2021, as the **third severe drought** this century was entering its third year, not one but *two* atmospheric rivers struck California. Dumping **torrents of rain** with historic intensity, from just these two storm systems over 100 million acre feet of water poured out of the skies, into the rivers, and out to sea. Almost none of it was captured by reservoirs or diverted into aquifers.

Since December, not one big storm has hit the state. After a completely dry winter, a few minor storms in April and May were too little too late. California's reservoirs are at **critical lows,** allocations to farmers are in many cases down to zero, and urban water districts are tapping their last reserves. In some areas of Southern California, water agencies are now penalizing **residential "water wasters"** by coming onto their property and installing flow restrictors.

Back in 2014, a supermajority of California voters, 67%, **approved Proposition 1** to fund water storage projects. As of the spring of 2022 **not one project has begun** construction, eight years later. Meanwhile, in Southern California, a proposed desalination plant in Huntington Beach that could produce 60,000 acre feet per year of fresh water from the ocean has **been held up** by a mostly hostile bureaucracy and endless litigation for over twenty years. As you read this, the project faces another major hurdle – on May 12, the California Water Commission Board might defy the recommendation of their own staff and grant "final" approval. But their approval may come with so many conditions that in effect it will be another denial. Or the army of litigants that for years have opposed the plant will find yet another basis for a lawsuit.

When it comes to water in California, there is a robust political consensus that *something* has to be done. There is agreement that multi-year droughts will leave Californians with inadequate water supplies; that once a drought enters its third or fourth year, the demands of the environment, agriculture, and urban water consumers are far in excess of what is deliverable. And that's where we are today.

Back in the summer of 2021, knowing there was broad agreement as to the problem, I began to canvas the state to build support for a ballot initiative that would fund water projects. I entered into this project with only a basic knowledge of water policy. My goal was to talk with as many experts as I possibly could in order to come up with a comprehensive solution that, if approved by voters, would end water scarcity in California forever. I had no idea what I was getting myself into.

Water politics in California isn't what it once was. The water infrastructure that transports water from mountainous northern watersheds to coastal cities mainly in the southern part of the state remains the biggest plumbing system in the world. The first major construction began over a century ago. To supply water to the burgeoning cities of Southern California, the **Los Angeles Aqueduct** was completed in 1913. The **Hetch Hetchy** dam and aqueduct, supplying water to the City of San Francisco, was completed in 1934.

Major water projects in California were ongoing in the decades that followed. The Federal Bureau of Reclamation finished building the **Shasta Dam** in 1945, creating what remains the biggest reservoir in California. The famed **California State Water Project**, with its centerpiece the California Aqueduct, completed most of its big projects in the 1960s. These highlights barely begin to describe the scale of the investments that were made or the magnitude of the projects that were built.

How California built a system of reservoirs and aqueducts that enables a mostly arid state to support a population of 40 million and some of the most productive farmland in the world is an epic story. A detailed accounting can be found in the classic book ***Cadillac Desert***, written by Marc Reisner in 1986. An even more detailed and more recent source is ***The Great Thirst***, written by Norris Hundley, Jr. in 2001. But the historic achievements of earlier generations of Californians to supply this new civilization with enough water to thrive have not been matched in recent years. California's water infrastructure has been neglected. In the face of epic droughts and soaring demand, these days, the only answer California's politicians have been able to agree on is water rationing.

Such is the state of water politics today. There is universal recognition that there is a water supply crisis, but every solution that involves major new construction is hopelessly gridlocked. Around the state, incremental and inadequate steps are taken, but there is no statewide vision to solve the crisis. Water rationing, typically referred to using the less threatening term "conservation," is the only solution. While some activist groups in California truly believe conservation is all that will ever be necessary, it is mostly imposed on Californians by default.

The Basics of Water Supply and Demand in California

After two big storms in the fall of 2021, on January 1, 2022 the San Jose Mercury published an article with **an encouraging headline** “California has topped last season’s rainfall. Will trend continue in 2022?” Quoting the National Weather Service, the article announced that the “massive October atmospheric river and wet December” delivered 33.9 trillion gallons of rain to the state. This exceeded the 33.6 trillion gallons that fell during the entire previous water year, from October 2020 through September of 2021.

To express this amount in acre feet helps put this in perspective. 33.9 trillion gallons is 104 million acre feet. According to data compiled by the California Department of Water Resources, over the ten year period from 2011 through 2020, on average, 180 million acre feet of rain fell each year in California. The following table shows how that 180 million acre feet of water is used. Most of it either evaporates, percolates, or eventually makes its way to the ocean. But a significant amount is diverted for either urban, agricultural, or environmental use.

For the years 2011 through 2015, the data on this chart comes from the **2018 update of the California Water Plan**, prepared by the California Dept. of Water Resources. Data for 2016 and 2018 was compiled on request by engineers working for the Dept. of Water Resources; they are still working on the 2017 data. For these most recent seven years for which complete data is available, diversions for urban, agricultural and environmental purposes averaged 75.3 million acre feet per year.

As can be seen, urban water use in California accounts for a relatively small percentage of the total. Just over 10 percent of California’s water use is to serve towns and cities, whereas the remaining 90 percent is split nearly evenly between agricultural irrigation and maintaining healthy ecosystems. While this obvious disparity could be the basis for suggesting that merely reducing allocations for farms and the environment ought to be enough to solve challenges of water scarcity, the basis for that argument is that water policy in California has to be a zero sum game. But that is a false premise. That premise can be invalidated by investing in new water supply infrastructure and upgrades to existing water infrastructure

Continued on the next page.

California's Statewide Water Use
How Water Was Used - in millions of acre feet

Water Year	*2011*	*2012*	*2013*	*2014*	*2015*	*2016*	*2018*	*avg*
Large Landscape	0.6	0.8	0.7	0.8	0.7	0.6	0.8	0.7
Commercial	1.1	1.1	1.2	1.1	1.0	1.2	1.1	1.1
Industrial	0.4	0.4	0.4	0.3	0.3	0.4	0.4	0.4
Energy Production	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Residential - Interior	2.4	2.7	2.7	2.9	2.4	2.8	3.0	2.7
Residential - Exterior	2.3	2.4	2.5	2.4	1.9	1.4	1.9	2.1
Conveyance Appl Water	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.4
Groundwater Recharge	0.5	0.5	0.2	0.1	0.2	0.4	0.6	0.4
Urban	7.8	8.4	8.2	8.1	6.9	7.2	8.2	7.8
%	*8%*	*11%*	*11%*	*13%*	*11%*	*9%*	*11%*	*11%*
Crop Production	26.9	31.6	32.6	32.5	30.5	30.8	30.3	30.7
Conveyance Appl Water	3.4	3.0	2.9	2.3	1.8	2.3	2.7	2.6
Groundwater Recharge	1.4	0.3	0.2	0.2	0.1	0.1	0.7	0.4
Irrigated Agriculture	31.7	34.9	35.7	35.0	32.4	33.2	33.7	33.8
%	*34%*	*45%*	*48%*	*54%*	*51%*	*41%*	*46%*	*46%*
Managed Wetlands	1.5	1.6	1.6	1.6	1.5	1.5	1.6	1.6
Min Req'd Delta Flow	7.4	5.3	4.5	4.0	3.7	4.8	5.3	5.0
Instream Req'd Flow	7.9	6.8	6.6	5.6	5.3	6.3	6.4	6.4
Wild and Scenic Rivers	36.5	20.2	17.1	10.5	14.2	28.6	17.9	20.7
Environmental Water	53.3	33.9	29.8	21.7	24.7	41.2	31.3	33.7
%	*57%*	*44%*	*40%*	*33%*	*39%*	*50%*	*43%*	*44%*
Total Uses	92.8	77.2	73.7	64.8	64.0	81.6	73.2	75.3

The next table, also taken from the 2018 update to the California Water plan, with data for the years 2016 and 2018 obtained from the Dept. of Water Resources, shows the sources of the 75.3 million acre feet per year of average annual water diversions. Analyzing this table will quickly reveal the vulnerability of California's current water supply.

To begin with, the water California imports via the Colorado Aqueduct, nearly five million acre feet per year, relies on the Colorado River runoff that is stored in Lake Mead and Lake Powell, which are **both at lower levels** than they've been since those massive reservoirs were first built and filled up. At the same time as the entire Colorado River watershed continues to suffer a blistering multi-year drought, the burgeoning cities of Las Vegas and Phoenix are asserting their water rights. In the years to come, it is prudent to plan for a dramatic reduction in the amount of Colorado River water that will be delivered to California's farms and cities.

Groundwater extraction, currently averaging 18.7 million acre feet per year, is also under threat. Withdrawing water from aquifers faster than they can be replenished by percolating runoff has caused wells to dry up, it has led to ground subsidence, and in some cases is causing underground aquifers to collapse and degrade to the point where they no longer can be refilled. To restore aquifers as a sustainable source of water storage and supply, not only will annual withdrawals need to drop well below 18.7 million acre feet per year, but until the water levels in the aquifers are restored, total annual withdrawals will need to be *less* than the annual amount of natural recharge.

As if that isn't enough, the line items on the table indicating local, state and federal projects are primarily referring to sources of water that rely on California's rivers, which, in most cases, rely on California's Sierra snowpack. Because most of California's reservoirs are in-stream, their first priority is to prevent flooding. For this reason they cannot be used to store water from early season storms, such as the deluge that fell in December of 2021. If those storms are allowed to fill these reservoirs, should a late season storm hit the state, there would be no reservoir capacity left to buffer the runoff and prevent flooding. But when the snowpack fails to develop, and no late season rainstorms inundate the state, summer arrives and the reservoirs are empty.

California's Statewide Water Supply
Where Water Came From - millions of acre feet

Water Year	*2011*	*2012*	*2013*	*2014*	*2015*	*2016*	*2018*	*avg*
Local Projects	10.3	8.2	6.8	6.3	4.9	5.4	6.9	7.0
Local Imported Deliveries	1.0	0.8	0.7	0.5	0.4	0.6	0.7	0.7
Colorado River Project	4.2	4.7	5.3	5.8	5.0	4.7	4.4	4.9
Federal Projects	7.1	6.4	5.7	3.9	3.3	7.0	8.7	6.0
State Project	2.9	2.8	2.0	1.3	0.9	1.8	2.5	2.0
Groundwater Extraction	12.1	18.1	20.8	23.0	22.9	17.9	16.2	18.7
Inflow/Return for Storage	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Reuse and Recycled Water	23.6	14.4	14.2	11.4	10.4	15.9	15.6	15.1
Instream Env Supply	31.3	21.6	18.0	12.4	16.2	28.1	18.2	20.8
Total Uses	**92.6**	**77.1**	**73.6**	**64.7**	**64.1**	**81.6**	**73.2**	**75.3**

All of these factors combine to indicate a worst case scenario that is potentially catastrophic. It begs the question, why is the only significant statewide policy priority been conservation? Without Colorado River water, or unimpeded access to groundwater, or a viable snowpack, the "conservation" solution is disastrous: Every household will be limited to 40 gallons per person per day, outdoor watering will be prohibited, and a million acres of farmland will be taken out of production. Is that the future Californians are prepared to accept? Because that is the course Californians are on today.

There is an alternative. Runoff from the storms like the one that blasted through California last December can be diverted into percolation basins and into off-stream reservoirs. Indoor urban water, nearly three million acre feet per year, can be treated to higher standards, then reused over and over. So why isn't the Sites Reservoir, an off-stream reservoir that is a twin to the already existing San Luis Reservoir (built back in the 1960s), already completed? Its construction was approved by voters eight years ago. Why aren't two or three more massive off-stream reservoirs already built and operating in California?

For that matter, why isn't urban water recycling already being done in every urban county in California? Only one major metropolitan area, Orange County, recycles 100 percent of their wastewater. Why aren't these desperately needed projects being constructed?

There is a reason.

In our attempt to qualify an initiative to fund water supply projects, we encountered the opposition. There is a loose, extremely powerful coalition of special interests in California that want water scarcity. In some cases that policy serves their financial interests. In other cases, well intentioned zealots have embraced politically imposed water scarcity in the misguided belief that it will help the environment. Some of the opposition was more a function of gridlock than disagreement on principle.

In the opposition to more water projects, we encountered every conceivable motivation. There was avarice and there was selflessness, misanthropy and empathy. There were delusional arguments and arguments of clarifying lucidity; pragmatism and idealism. But the intricate array of political forces that influence water policy in California today, and their underlying ideologies and motivations, reduce to only one de facto consensus: Conserve. But conservation is not enough.

We also learned that with more time, the obstructionist consensus can be changed. Countless informed observers and political power brokers assured us, usually off the record, that new, big water projects *must* get built. The financing for these projects is not the insurmountable obstacle, nor are there technical constraints apart from the daunting scale of what is required.

To begin with, there are sustainable ways to create water abundance. And in normal years, the presence of lawns and the luxury of lengthy showers is a sign not of waste, but of *resilience*. These luxuries signify necessary surpluses that guarantee sufficient water in those extraordinary times when the water supply is disrupted. Having redundant sources of water in California not only bestows the capacity to withstand a crippling multi-year drought, but also to survive in the event of civil disruption or natural catastrophes that disable, for example, the Edmonston pumps that push millions of acre feet of water from the California Aqueduct over the Tehachapi Mountains into Los Angeles.

Water is the foundation of civilization. It is absurd that Californians, living in the wealthiest and most innovative place on earth, cannot design abundance into their water infrastructure. With abundant water, not only does California offer its residents a far more enjoyable quality of life in the form of less restrictions on residential consumption. Abundant water also means that Californians can develop more housing, for which developers cannot obtain permits without first identifying a reliable water supply. It means that California can remain an agricultural superpower, with affordable food for in-state sales and export. It enables essential businesses that consume water to flourish.

The remaining installments of this report will chronicle our attempt to qualify an initiative designed to fund massive investment in water supply projects. As part of that story, the various categories of water projects will be examined, as well as the many groups that affect water policy in California. The challenge of water scarcity, and the reasons for it, are mirrored in other forms of politically contrived scarcity; not just water, but land for housing, practical transportation infrastructure, energy, lumber, and other natural resources. The entire consensus on all of these building blocks of modern civilization must change from a scarcity agenda to embrace investment in sustainable abundance.

Doing this creates the opportunity to create a future that nurtures upward mobility, affirms the economic aspirations of emerging communities and nations, and reduces the profits and prerogatives of established corporate and state rent seekers by forcing them to compete. This is the abundance choice.

THE ABUNDANCE CHOICE, PART TWO

THE PROBLEMS WITH INDOOR WATER RATIONING

BY EDWARD RING

Perhaps the biggest example of misguided water policy in California are the escalating restrictions on indoor water consumption. As will be seen, the savings these restrictions amount to are trivial in the context of California's total water consumption, yet are imposed at tremendous cost both in quality of life and in the required economic sacrifice. Despite alternatives that are objectively more cost-effective, California's water policy continues to go down the path of rationing indoor water use.

In 2018 the California Legislature enacted laws to restrict residential water consumption, in the form of Senate Bill 606 and Assembly Bill 1668. For urban water districts, the laws "establish a standard of 55 gallons per person per day until January 2025, and then to 50 gallons per person per day in 2030." It is fair to point out that some of the more alarmist reactions to these mandates are unfounded. For example, the laws will only measure aggregate use within a water district, which means that how individual users are treated if they exceed the per person indoor water limits is left up to the local utilities. That's hardly reassuring, but at least it leaves some wiggle room. On the other hand, it creates a powerful disincentive for water agencies to invest in developing an increased, more resilient water supply, because with aggregate maximums limiting how much water the agencies can sell, they'll think twice before adding capacity. One of the dangerous consequences of this, yet again, is a system that is less equipped to withstand serious disruptions to supply.

In any case, enforcing these mandates will not have a significant effect on overall water consumption in California, and the cost of implementing them does not make financial sense compared to other ways those funds could be invested.

To estimate the statewide savings that could be achieved by imposing a 55 gallon per person limit on indoor water use, first consider the current statewide indoor water consumption as estimated by the California Department of Water Resources. This total has been fairly consistent over the past ten years at around 2.5 million acre feet per year. This yields somewhat surprising results. Based on a population of 40 million, as shown in the calculations on the chart, Californians are only using about 60 gallons of water per day, per person, indoors.

California's Indoor Water Demand
How Much is Current Per Person Daily Use?

Convert total statewide indoor use from acre feet to gallons

2,700,000	Total annual acre feet of indoor water use
325,851	Gallons per acre foot
880	Total annual gallons of indoor water use (billions)

Calculate current indoor water use to per person per day

40,000,000	Population of California
21,995	Annual per person gallons of indoor water use
365.25	Days per year
60	Daily per person gallons of indoor water use

This indoor use varies by region, of course, but in aggregate, Californians have already nearly achieved what the state legislature has imposed on residential consumers as a new water conservation mandate. Perhaps that explains what's next. Built into AB 606 was a provision to lower indoor water use from 55 gallons per day to 50 gallons per day by 2030. The next chart shows the statewide savings pursuant to this legislation. At 55 gallons per day, total statewide indoor water use is only reduced by 233,996 acre feet per year. At 50 gallons per day, total statewide indoor water use is reduced by 458,178 acre feet per year. To put this amount into perspective, based on the most recent data available, total urban water use in California has averaged 7.8 million acre feet per year. Which means that cutting the average residential indoor use by 17 percent (60 gallons per person per day to 50 gallons per person per day) will only yield a 5.9 percent reduction in overall urban use.

This realization has led to more ambitious proposals, such as Assembly Bill 1434 proposed by Laura Friedman (D-Glendale) in 2021. Friedman's bill would have accelerated the pace of imposing restrictions on indoor water use and would have further reduced the allowed amounts. It would have lowered per person indoor water use to 48 gallons per day by 2023, to 44 gallons per day by 2025, and to 40 gallons per day by 2030. The bill did not pass, but a similar version will surely resurface in 2022.

But how much does reducing residential indoor water use per person from 60 gallons per day to 40 gallons per day end up saving? Again, the results are unimpressive. In exchange for a 33 percent reduction in residential indoor water use, 906,542 acre feet per year of water are saved. This equates to an 11.6 reduction in total urban water use, and it must be noted that urban water use as a whole only represents 11 percent of total water diversions in California. Which is to say, a reduction of 906,542 acre feet of residential indoor water use equates to a reduction in California's statewide water consumption of 1.2 percent. But at what cost?

Impact of Indoor Water Rationing

Statewide Savings at Various Per Person Limits

55	Gallons per person per day by 2025 - current mandate
2,466,004	@ 55 GPD, total state indoor water use - acre feet
233,996	Statewide savings vs current 2.7 MAF indoor use - acre feet
50	Gallons per person per day by 2030 - current mandate
2,241,822	@ 50 GPD, total state indoor water use - acre feet
458,178	Statewide savings vs current 2.7 MAF indoor use - acre feet
48	Gallons per person per day by 2023 - proposed mandate
2,152,149	@ 48 GPD, total state indoor water use - acre feet
547,851	Statewide savings vs current 2.7 MAF indoor use - acre feet
44	Gallons per person per day by 2025 - proposed mandate
1,972,804	@ 44 GPD, total state indoor water use - acre feet
727,196	Statewide savings vs current 2.7 MAF indoor use - acre feet
40	Gallons per person per day by 2030 - proposed mandate
1,793,458	@ 40 GPD, total state indoor water use - acre feet
906,542	Statewide savings vs current 2.7 MAF indoor use - acre feet

It isn't the intent of this analysis to disparage the achievements already made in indoor water conservation. But most of them have already been made, and the ones swiftly moving from recommended to mandated in many cases do not work very well. Most people would agree that low flow toilets, for example, are a good idea. If they don't work on the first flush, it's easy enough to flush them twice. But low flow shower heads and kitchen faucets cross the line into genuine inconvenience. The inadequate flow in a shower head makes it nearly impossible – especially with soft water – to rinse shampoo out of long hair. The constrained flow in a kitchen faucet means waiting sometimes several minutes before hot water arrives.

Circulating pumps to remedy this don't work very well, and the cost of flash water heaters is beyond the reach of most households. But it's with washing machines that the misanthropic cruelty of mandating unproven appliances is clear for all to see. These machines damage fabric, they don't clean very well, and their cycles take too long.

The reality of owning and maintaining water efficient washing machines is the antithesis of the legendary Maytag television advertisement, where a repairman sits by the phone that never rings, because the machines never break. The ad was true back then, but not today. Not only do many of these machines have useful lives measured in years instead of decades, but the newest models are being marketed as "connected" appliances.

Volumes could be reported on the rapidly diminishing returns that currently accrue to water efficient appliances, once they reach beyond practical and reasonable limitations. But why are we having this debate? Doesn't all that water flow down the drain, through the sewer mains, and into a water treatment plant where it is purified and returned to the rivers and aquifers? And in the case of California's massive coastal cities, why isn't treated wastewater, which currently is discharged into the ocean, instead treated to higher standards and pumped right back upstream?

Existing treatment processes allow up to 90 percent of urban wastewater to be reused. As will be seen, this solution is already being implemented in Orange County, where next year, what is already the world's largest wastewater treatment facility for indirect potable reuse will complete its final expansion to recycle and reuse 100 percent of their wastewater. But this solution should be implemented in every county in California, starting with the coastal counties.

Current policies aimed at cutting urban water use are misguided with respect to indoor residential water use not only because the water savings are insignificant when compared to total statewide water use, or because indoor residential water can be reused over and over again merely by upgrading the treatment of the wastewater. They are also misguided because the economic cost of indoor water rationing is more than the economic cost of constructing upgrades to urban water treatment plants. This isn't immediately obvious, since if urban water treatment plants aren't upgraded, consumers don't have to foot the construction bill through higher rates. But they will pay anyway. To accurately monitor indoor water consumption, urban water agencies are planning to install a second meter on every residential property. That cost will appear in the rates they pay. Moreover, water utilities only spend about 0ne-third of their budget on water, with the other two-thirds going mostly to pay overhead. This means that as residential water consumers use less, their water bills will not go down. They can't. It would break the water utilities.

Another significant economic cost to ratepayers is that even if the utility manages to deliver less water without raising rates too much, there is still the burden imposed on every household to retrofit their appliances to conform to the new water mandates. It is not possible to reduce residential indoor water consumption by 33 percent without buying every gadget the major appliance manufacturers can possibly come up with. These new "connected" water appliances will cost every California household thousands of dollars, with new and ongoing payments for software updates and maintenance and earlier replacement that the old appliances never imposed on their owners. And those residents who cannot afford these appliances will be subsidized by the ones who can, with that cost reflected either in higher water rates or higher taxes.

There is an alternative. Instead of rationing residential water use, direct this economic value to investment in infrastructure. If the State of California subsidizes the construction of wastewater recycling upgrades, reducing indoor water consumption no longer has to be a legislative priority. This principle, that state investment can reduce the capital cost to local and regional water agencies, has applicability across all areas of water infrastructure. It is based on the idea that if a society must bear an economic cost to overcome water scarcity, that cost can either be borne on the front end by upgrading water infrastructure, or on the back end by imposing rationing and punitive costs on end users.

The premise of the initiative we developed was to adhere to the first option: Let the State of California again build a water infrastructure that *solves* the challenge of water scarcity, capitalizing on everything we've learned since the marvelous system we rely on was first constructed in the past century.

Edward Ring is a contributing editor and senior fellow with the California Policy Center, which he co-founded in 2013 and served as its first president. The California Policy Center is an educational non-profit focused on public policies that aim to improve California's democracy and economy. He is also a senior fellow of the Center for American Greatness. These Articles appeared in the California Globe, California Political News and Views, and many other publications over the past 2 weeks.

IMAGINE THE UNIMAGINABLE

When revolutionaries undermine the system , and face looming disaster at the polls, *it is then they prove most dangerous*

BY VICTOR DAVIS HANSON

Americans are now entering uncharted, revolutionary territory. They may witness things over the next five months that once would have seemed unimaginable.

Until the Ukrainian conflict, we had never witnessed a major land war inside Europe directly involving a nuclear power.

In desperation, Russia's impaired and unhinged leader Vladimir Putin now talks trash about the likelihood of nuclear war.

A 79-year-old Joe Biden bellows back that his war-losing nuclear adversary is a murderer, a war criminal, and a butcher who should be removed from power.

After a year of politicizing the U.S. military and its self-induced catastrophe in Afghanistan, America has lost deterrence abroad. China, Iran, North Korea, and Russia are conniving how best to exploit this rare window of global military opportunity.

The traditional bedrocks of the American system—a stable economy, energy independence, vast surpluses of food, hallowed universities, a professional judiciary, law enforcement, and a credible criminal justice system—are dissolving.

Gas and diesel prices are hitting historic levels. Inflation is at a 40-year high. New cars and homes are unaffordable. The necessary remedy of high interest and tight money will be almost as bad as the disease of hyperinflation.

There is no southern border.

Expect over 1 million foreign nationals to swarm this summer into the United States without audit, COVID testing, or vaccination. None will have any worry of consequences for breaking U.S. immigration law.

Police are underfunded and increasingly defunded. District attorneys deliberately release violent criminals without charges. (Literally 10,000 people witnessed a deranged man with a knife attack comedian Dave Chappelle on stage at the Hollywood Bowl last week, and the Los Angeles County D.A. refused to press felony charges.) Murder and assault are spiraling. Carjacking and smash-and-grab thefts are now normal big-city events.

Crime is now mostly a political matter. Ideology, race, and politics determine whether the law is even applied.

Supermarket shelves are thinning, and meats are now beyond the budgets of millions of Americans. An American president—in a first—casually warns of food shortages. Baby formula has disappeared from many shelves.

Politics resembles the violent last days of the Roman Republic. An illegal leak of a possible impending Supreme Court reversal of *Roe* v. *Wade* that would allow state voters to set their own abortion laws has created a national hysteria.

Never has a White House tacitly approved mobs of protesters showing up at Supreme Court justices' homes to rant and bully them into altering their votes.

There is no free speech anymore on campuses.

Merit is disappearing. Admissions, hiring, promotion, retention, grading, and advancement are predicated increasingly on mouthing the right orthodoxies or belonging to the proper racial, gender, or ethnic category.

When the new campus commissariat finally finishes absorbing the last redoubts in science, math, engineering, medical, and professional schools, America will slide into permanent mediocrity and irreversible declining standards of living.

What happened?

Remember all these catastrophes are self-induced. They are choices, not fate. The United States has the largest combined gas, coal, and oil deposits in the world. It possesses the know-how to build the safest pipelines and to ensure the cleanest energy development on the planet.

Inflation was a deliberate Biden choice. He kept printing trillions of dollars for short-term political advantage, incentivizing labor nonparticipation, and keeping interest rates at historical lows—at a time of pent-up global demand.

The administration wanted no border. Only that way can politicized, impoverished immigrants repay left-wing undermining of the entire legal immigration system with their fealty at the ballot box.

Once esoteric, crack-pot academic theories—"modern monetary theory," critical legal theory, critical race theory—now dominate policymaking in the Biden Administration.

The common denominator in all of this is ideology overruling empiricism, common sense, and pragmatism. Ruling elites would rather be politically correct failures and unpopular than politically incorrect, successful, and popular.

Is not that the tired story of left-wing revolutionaries from 18th-century France to early 20th-century Russia to the contemporary disasters in Cuba and Venezuela?

The American people reject the calamitous policies of 2021-2022. Yet the radical cadres surrounding a cognitively inert Joe Biden still push them through by executive orders, bureaucratic directives, and deliberate cabinet nonperformance.

Why? The Left has no confidence either in constitutional government or common sense.

So as the public pushes back, expect at the ground level more doxing, cancel culture, deplatforming, ministries of disinformation, swarming the private homes of officials they target for bullying, and likely violent demonstrations in our streets this summer.

Meanwhile, left-wing elites will do their best to ignore Supreme Court decisions, illegally cancel student debts, and likely by the fall issue more COVID lockdowns. They will still dream of packing the Court, ending the filibuster, scrapping the Electoral College, adding more states, and flooding the November balloting with hundreds of millions more dollars of dark money from Silicon Valley.

When revolutionaries undermine the system, earn the antipathy of the people, and face looming disaster at the polls, it is then they prove most dangerous—as we shall see over the next few months.

Victor Davis Hanson is a distinguished fellow of the Center for American Greatness and the Martin and Illie Anderson Senior Fellow at Stanford University's Hoover Institution. He is an American military historian, columnist, a former classics professor, and scholar of ancient warfare. He has been a visiting professor at Hillsdale College since 2004. Hanson was awarded the National Humanities Medal in 2007 by President George W. Bush. Hanson is also a farmer (growing raisin grapes on a family farm in Selma, California) and a critic of social trends related to farming and agrarianism. He is the author most recently of The Second World Wars: How the First Global Conflict Was Fought and Won, The Case for Trump *and the newly released* The Dying Citizen.

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