COLAB San Luis Obispo County
The Coalition of Labor Agriculture and Business

# WEEKLY UPDATE - MAY 14 -20, 2023

## THIS WEEK

### BOS MEETING

**NEW HOME CONSTRUCTION FAILURE**
**LOWEST SINCE THE RECESSION**

**3RD QUARTER FINANCIAL REPORT & ANNUAL DEBT REPORT**
**COUNTY WILL END THIS YEAR IN THE BLACK**

**PROPOSED FY 2023-24 BUDGET RELEASED**
**HEARINGS START JUNE 12TH**
**TOO MUCH CURRENT YEAR SURPLUS BEING USED TO BALANCE NEXT YEAR**

**ANOTHER $300,000 FOR REACH**
**WHERE'S THE BEEF?**

### SUPERVISOR PAY RAISES: ITEM IS SET FOR LATER IN THE AFTERNOON

**THEY HOPE YOU HAVE TO BE ELSEWHERE**

### APCD SUPPOSEDLY SCHEDULED

**BUT NO AGENDA POSTED AS OF LAST FRIDAY**

### LAFCO PRELIMINARY ON OCEANO CSD BID

**TO TERMINATE FIRE SERVICES**
**IN THE END IT WILL COST ALL COUNTY TAXPAYERS MORE**

## LAST WEEK

## NO BOS MEETING

## 3CE TO ISSUE BONDED DEBT

## PLANNING COMMISSION LIGHT

## COASTAL COMMISSION ENDORSES SB 286 & OFFSHORE WIND AGENDA

**CONSOLIDATED PERMIT PROCESSING**
**FOR AVILA BEACH/PORT SAN LUIS INDUSTRIAL FACILITY**

**COUNTY STILL OBLIVIOUS**

## EMERGENT ISSUES

## SEE THE REPARATIONS TASK FORCE FORMULA

## COLAB IN DEPTH

**SEE PAGE 25**

## IT'S TIME FOR LAWS LIMITING THE POWER OF PUBLIC HEALTH INSTITUTIONS

**BY JAY BHATTACHARYA, PROFESSOR OF HEALTH POLICY, STANFORD MEDICAL SCHOOL**

## CHALLENGING THE PREMISE OF OUR DESTRUCTION

***Claiming that anthropogenic CO2 will not cause catastrophic climate change is a credible, necessary point of view backed up by scientific evidence***

**BY EDWARD RING**

# IT'S TIME FOR LAWS LIMITING THE POWER OF PUBLIC HEALTH INSTITUTIONS
**BY JAY BHATTACHARYA, PROFESSOR OF HEALTH POLICY, STANFORD MEDICAL SCHOOL**

# NEW STUDY: NUCLEAR POWER IS HUMANITY'S GREENEST ENERGY OPTION

***Land-hungry biomass, wind, and solar power are set to occupy an area equivalent of the size of the European Union by 2050***

BY **RONALD BAILEY**

# THIS WEEK'S HIGHLIGHTS

**Central Coast Community Energy Authority Policy Board Meeting of Monday, May 15, 2023 (Special)**

**Item 2 - Adopt Resolution PB-2023-03 Approving the Sixth Amendment to the Central Coast Community Energy Joint Powers Agreement and Approve Inclusion of the County of San Luis Obispo as a 3CE Member.** This is a special meeting to approve all the documents to allow San Luis Obispo County to join 3CE. No doubt they want to move everything through the process as quickly as possible before San Luis Obispo County's Board comes to its collective senses.

*If approved by the Policy Board, 3CE expects to serve the County of San Luis Obispo as early as January 1, 2025. Staff has prepared the required Addendum to the 3CE Implementation Plan submitted as a separate item for the Board's approval. The Board approved Addendum will then be submitted to the California Public Utilities Commission for certification prior to the end of the 2023 calendar year.*

**Remember:** Once the County joins, it will owe its proportionate share of the cost of 3CE's long term energy contracts, some of which extend out 30 years. It will also owe its proportionate share of any debt instruments issued by 3CE. In this regard, see last week's 3CE Operations Board.

**Item 3 - Update on a Prepay Financing Transaction and Recommend Policy Board's Approval and Authorization of the CEO to Execute a Clean Energy Purchase Contract with California Community Choice Financing Authority and Ancillary Documents and Agreements to Effectuate the Prepay Financing Transaction.** **See page 15below.**

**San Luis Obispo County Board of Supervisors Meeting of Tuesday, May 16, 2023 (Scheduled).**

**Item 1 - Request by the County of San Luis Obispo: 1) to submit an annual review of the County growth rate for new dwelling units for FY 2022-23; 2) to submit a resolution establishing the County maximum growth rate and allocation for new dwelling units for FY 2023-24, in accordance with the Growth Management Ordinance, Title 26 of the County Code; and 3) to amend the Growth Management Ordinance, Title 26 of the County Code, (LRP2023-00005) to remove the fiscal year references for Nipomo Mesa and Cambria growth rates.** The item is this year's version of the annual ritual to cap the rate of growth of home building permits in the County. This has been a non-problem for years. The actual problem is that not enough homes are being built in the unincorporated area due to the County's so call "smart growth" scheme of land use regulation, which actually is a no growth policy.

**New Dwelling Units Subject to the GMO by Planning Area/Sub Area, 2006-2023[1]**

| lanning rea/Sub rea | 06-07 | 07-08 | 08-09 | 09-10 | 10-11 | 11-12 | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | 22-23[1] |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| delaida | 12 | 21 | 11 | 3 | 5 | 3 | 2 | 5 | 5 | 4 | 8 | 5 | 8 | 6 | 2 | 3 | 3 |
| Pomar- strella | 53 | 33 | 14 | 9 | 11 | 10 | 20 | 38 | 16 | 28 | 19 | 22 | 26 | 15 | 19 | 30 | 19 |
| stero | 15 | 13 | 6 | 10 | 8 | 3 | 6 | 13 | 8 | 7 | 18 | 6 | 10 | 7 | 11 | 3 | 7 |
| as Pilitas | 6 | 5 | 2 | 5 | 1 | 3 | 1 | 2 | 1 | 0 | 1 | 1 | 1 | 0 | 1 | 0 | 0 |
| os Padres lorth) | 0 | 0 | 0 | 1 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| acimiento | 32 | 18 | 11 | 7 | 9 | 10 | 33 | 50 | 21 | 20 | 25 | 27 | 18 | 14 | 11 | 17 | 5 |
| orth oast | 7 | 9 | 1 | 5 | 0 | 3 | 7 | 2 | 3 | 2 | 0 | 0 | 2 | 1 | 0 | 0 | 0 |
| alinas ver | 41 | 33 | 36 | 25 | 16 | 15 | 21 | 45 | 60 | 65 | 207 | 74 | 86 | 65 | 32 | 13 | 16 |
| an Luis ay oastal | 22 | 70 | 7 | 15 | 13 | 17 | 34 | 41 | 25 | 30 | 39 | 41 | 9 | 11 | 4 | 0 | 2 |
| an Luis bispo | 9 | 11 | 2 | 4 | 4 | 5 | 6 | 9 | 2 | 4 | 10 | 5 | 8 | 12 | 8 | 14 | 6 |
| handon- arrizo lorth)[2] | 28 | 11 | 5 | 2 | 4 | 6 | 2 | 4 | 0 | 4 | 4 | 3 | 6 | 5 | 3 | 2 | 2 |
| outh ounty[3] | 36 | 83 | 25 | 29 | 50 | 38 | 117 | 168 | 125 | 115 | 169 | 135 | 124 | 102 | 106 | 91 | 52 |
| **otal** | 261 | 307 | 120 | 115 | 123 | 114 | 249 | 377 | 266 | 279 | 500 | 319 | 298 | 238 | 197 | 173 | 112 |

As of March 28, 2023.

**FY 2022 was the 4th lowest number since they started tracking.**

**New Dwelling Units Subject to the GMO by Planning Area/Sub Area, 1992-2023[1]**

| Planning Area/ Sub Area | 1992 through June 30, 2022 | July 1, 2022 - March 28, 2023 | 1992 through March 28, 2023 |
|---|---|---|---|
| Adelaida | 430 | 3 | 433 |
| El Pomar-Estrella | 1,999 | 19 | 2,018 |
| Estero | 988 | 7 | 995 |
| Las Pilitas | 15 | 0 | 15 |
| Los Padres (North) | 139 | 0 | 139 |
| Nacimiento | 1,110 | 5 | 1,115 |
| North Coast | 1,351 | 0 | 1,351 |
| Salinas River | 2,417 | 16 | 2,433 |
| San Luis Bay | 3,353 | 2 | 3,355 |
| San Luis Obispo | 463 | 6 | 469 |
| Shandon-Carrizo (North) [2] | 1,445 | 2 | 1,447 |
| South County [3] | 889 | 52 | 941 |
| **Total** | **14,599** | **112** | **14,711** |

1. As of March 28, 2023.
2. Includes Carrizo Planning Area.
3. Includes South County and South County Coastal Planning Areas.

**The limits for FY 203-24 are displayed in the table below:**

Table 4: Maximum allocation of new dwelling units, FY 2023-24

| Type of Dwelling Unit | Maximum number of new dwelling units allows for FY 2023-24 |
|---|---|
| Countywide, Single-Family | 736 |
| Countywide, Multi-Family | 397 |
| Nipomo Mesa, Single-Family | 86 |
| Nipomo Mesa, Multi-Family | 47 |
| Cambria, Grandfathered in New Units | 8 |

They should be so lucky. What if raises for the Board members and upper ranking County managers were tied to hitting even 25% of this?

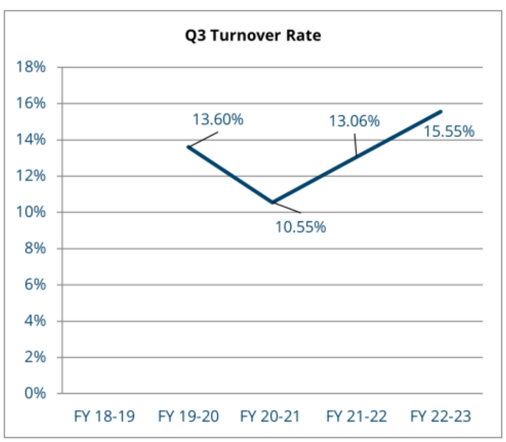
**Item 38 - Submittal of the FY 2022-23 Third Quarter Financial Status Report and request to 1) approve various financial actions as detailed in Section 4 of Attachment 1 - FY 2022-23 Third Quarter Financial Report (one or more actions require 4/5 votes).**

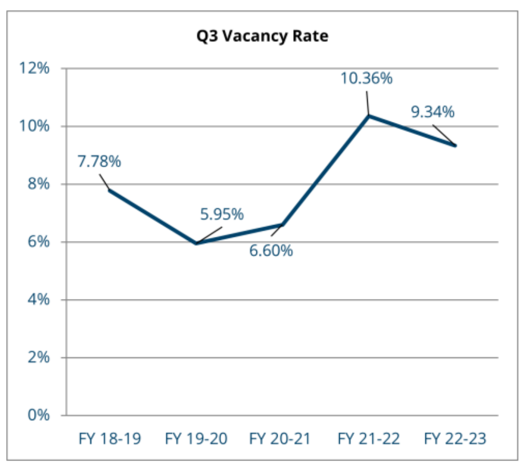
*Consistent with prior years, the FY 2022-23 Adopted Budget included the salary and benefit costs as of November 2021 when the budget was being developed but does not include any negotiated salary and benefit increase that went into effect after November 2021. Based on current staffing levels, the Auditor-Controller-Treasure-Tax-Collector-PublicAdministrator's Office (ACTTCPA) is forecasting a countywide total of $21.5 million in unbudgeted negotiated salary Page 9 of 13 and benefit costs. This accounts only for negotiated salary and benefit costs which went into effect by March 31, 2023.*

**Table 2: Summary of Notable Issues Included in the Attached Report**

| Department | Issue | Potential GF Impact |
|---|---|---|
| **Land Based** | | |
| **141 – Agricultural Commissioner** | **Issue:** Projecting exceedance of budgeted appropriations in the amount of $133,883 primarily due to unbudgeted negotiated salary and benefit as well as various services and supplies expenses | None |
| **Public Protection** | | |
| **132 – District Attorney** | **Issue:** Update on projected revenue shortfall | None |
| **135 – Public Defender** | **Issue:** Projecting to be over its budgeted level of expenditures and General Fund support by $25,000 due to Court approved rate changes for appointed attorneys and cost for unbudgeted cases | $25,000 |
| **136 – Sheriff-Coroner** | **Issue:** Projecting to be $4.3 million over its budgeted level of General Fund support due to $3.2 million of unbudgeted salary and benefits expenses and a $1.3 million increase in services and supplies | $4.3M |
| **140 – County Fire** | **Issue:** Projecting to exceed budgeted level of expenditures by $2.9 million due to State negotiated salary and benefit rate increases | $2.9M |
| **143 – Court Operations** | **Issue:** Projecting $280,541 revenue shortfall due to decreased revenue received for recording fees and a decreased revenue for fines, forfeitures, and penalties | $136,988 |

| | | |
|---|---|---|
| **Health and Human Services** | | |
| **182 – Social Services CalWORKs** | **Issue:** Projecting to be $89,034 over its budgeted level of General Fund support due to revenue shortfall as a result of Public Health Emergency Deferred Collections | None (Absorbed) |
| **185 – Social Services General Assistance** | **Issue:** Projecting to be $404,099 over its budgeted level of General Fund support due to revenue shortfall as a result of Public Health Emergency Waivers and an increase in expenditures due to increased caseloads | None (Absorbed) |
| **186 – Veterans Services** | **Issue:** Projecting to be $77,732 over its budgeted level of General Fund support due to salary and benefits over expenditure | $77,732 |
| **375 – Health Agency Driving Under the Influence** | **Issue:** Expenditures are estimated to exceed revenue by $141,131 due to a shortfall of revenue in service fees | None |
| **Community Services** | | |
| **222 - Parks and Recreation Community Parks** | **Issue:** Projecting to exceed budgeted level of services and supplies expenditures by $26,389 due to increased cost of janitorial supplies | $26,389 |
| **305 - Parks and Recreation Regional Parks** | **Issue:** Update on unfavorable operating variance | None |
| **427 - Parks and Recreation Golf Courses** | **Issue:** Projecting to be $109,746 over its budgeted level of salary and benefits expenditures due to personnel changes | None |
| **Support to County Departments** | | |
| **114 – Information Technology** | **Issue:** Projecting to be $461,219 over its budgeted level of General Fund support due to unbudgeted negotiated salary and benefit as well as various services and supplies expenses | $461,219 |
| **116 – Central Services** | **Issue:** Projecting to be $50,673 over its budgeted level of services and supplies expenditures due to unanticipated expenditures in rent payment | $50,673 |
| **Fiscal and Administrative** | | |
| **100 – Board of Supervisors** | **Issue**: Projecting to be $100,683 over its budgeted level of General Fund support due to salary and benefits increases and expense for the audit agreement not being included in the current budget erroneously | $100,683 |
| **104 – Administrative Office** | **Issue**: Projecting to be $25,179 over its budgeted level of General Fund support due to revenue shortfall | None |
| **110 – Clerk-Recorder** | **Issue**: Projecting to be $262,606 over its budgeted level of General Fund support due to shortfall in recording revenue | $262,606 |




A high turnover rate will beget a higher vacancy rate in the future.

# Annual County Debt Review

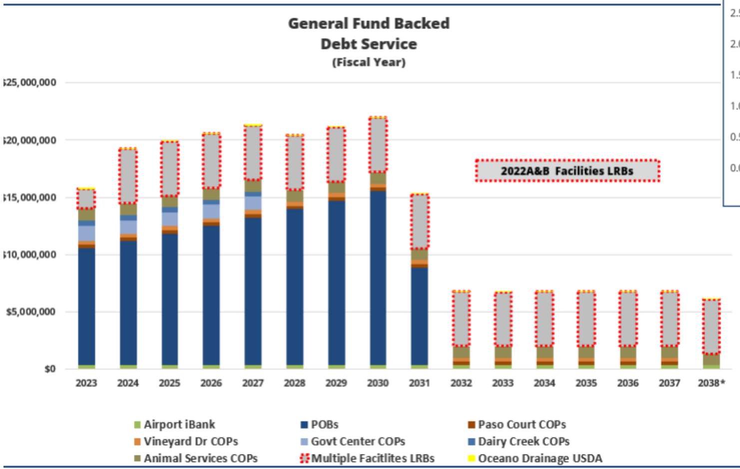
**Debt Review:** As part of the 3rd Quarter Report, the County Auditor Controller, Jim Hamilton, annually presents a review of the County's Debt, except for Pension System actuarial debt. The report is excellent and comprehensive. It is easy to understand and is a great resource for those interested in County finances.

The County has very little general obligation bond debt, only $6 million. Most of its debt consists of certificates of participation used to build facilities, $125.3 million. It also has about $85 million in Pension Bond debt

Attachment 6

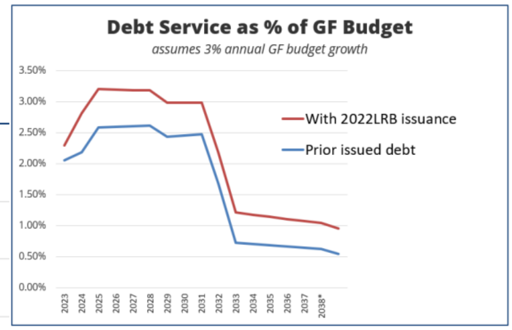
## Annual Debt Review

### Debt Inventory - General Fund Backed




*After 2038 remaining debt is Airport Terminal (2046), Animal Services Facility (2045), and Oceano Drainage (2061)*

65% of outstanding debt matures in next 10 years




| Issuance | Balance 6/30/22 |
|---|---|
| 2003 POBs | $85,112,000 |
| 2007 Paso Courthouse COPs | $3,370,000 |
| 2020B Vineyard Drive COPs | $3,900,000 |
| 2012A New Govt Center COPs * | $6,756,000 |
| 2012A Dairy Creek COPs * | $2,493,000 |
| 2016 Airport Terminal – State iBank | $5,372,000 |
| 2021 Oceano Drainage USDA Loan | $2,792,000 |
| 2020A Animal Services Facility | $15,480,000 |
| TOTAL | $125,275,000 |

****refunded with 2022 LRB transaction***

## Annual Debt Review

### Current debt activity

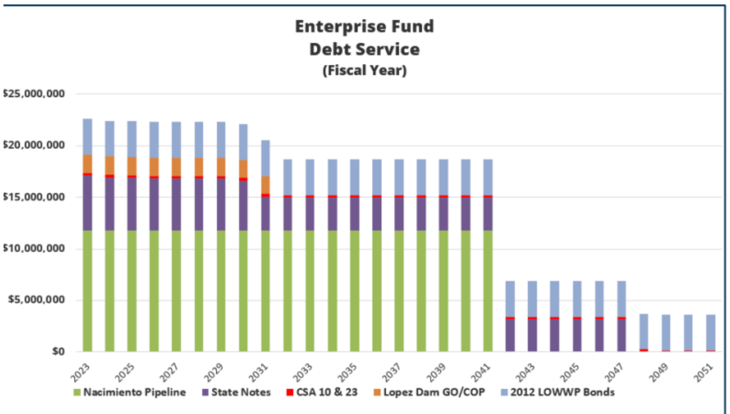
- **5 rating reviews conducted**

| Rating Agency | Issue | Rating type | Review Date | Rating received |
|---|---|---|---|---|
| FitchRatings | SLO County Default Rating | Annual review | Oct 2022 | AAA |
| | SLO County POBs | | | AA+ |
| | 2012A New Govt Center LRBs | | | AA+ |
| | 2007B, 2015A, 2018A Nacimiento Revenue Bonds | Annual review | July 2022 | A+ |
| S&P Global Ratings | 2022A and B Capital Projects LRBs | New Issuance | Oct 2022 | AA+ |
| | SLO County LRBs and COPs | Reaffirmed during 2022LRB rating | | AA+ |
| | SLO County POBs | | | AAA |
| | 2011A Lopez Dam Refunding Revenue Bonds | Annual review | Jan 2023 | A |
| | 2018A Nacimiento Revenue Bonds | Annual review | April 2023 | A+ |

Separately, it has $315.3 million in enterprise fund debt for various water and sewer projects. These are to amortize by the rates charged to various County owned or County related water and sewer utilities customers. The Los Osos Sewer Treatment Plant and the Nacimiento Aqueduct constitute the largest portion of their debt

# Annual Debt Review

## Debt Inventory – Enterprise Funds




| Issue | Balance 6/30/22 |
|---|---|
| 1998 Cayucos Water- State DWR | $170,000 |
| 2004 Lopez Rec Area – State DWR | $40,000 |
| 2006 Lopez Water Treatment – State DWR | $11,842 |
| 2007 Nacimiento – Rev Bonds | $150,585,000 |
| 2009 CSA23 Water- COPs | $1,372,000 |
| 2011 Lopez Dam – COPs | $6,720,000 |
| 2011 Lopez Dam – GO Bonds | $6,030,000 |
| 2012 Los Osos Wastewater – State DWR | $70,978,000 |
| 2021 USDA Cayucous Water Tank | $2,691,000 |
| 2021 Oceano Drainage USDA Loan | $2,792,000 |
| 2012 Los Osos Wastewater - AB | $72,476,000 |
| 2013 CSA10A Water - COPs | $1,392,000 |
| **TOTAL** | **$315,257,842** |

*Enterprise debt service is provided by charges to users, contracting Cities and Special Districts*

Note that the payoff rate is high, eliminating most of the debt in 8 years. For this reason the County enjoys some of the highest credit ratings possible.

# Annual Debt Review

## Current debt activity

- 5 rating reviews conducted

| Rating Agency | Issue | Rating type | Review Date | Rating received |
|---|---|---|---|---|
| FitchRatings | SLO County Default Rating | Annual review | Oct 2022 | AAA |
| | SLO County POBs | | | AA+ |
| | 2012A New Govt Center LRBs | | | AA+ |
| | 2007B, 2015A, 2018A Nacimiento Revenue Bonds | Annual review | July 2022 | A+ |
| S&P Global Ratings | 2022A and B Capital Projects LRBs | New Issuance | Oct 2022 | AA+ |
| | SLO County LRBs and COPs | Reaffirmed during 2022LRB rating | | AA+ |
| | SLO County POBs | | | AAA |
| | 2011A Lopez Dam Refunding Revenue Bonds | Annual review | Jan 2023 | A |
| | 2018A Nacimiento Revenue Bonds | Annual review | April 2023 | A+ |

**Item 39 - Introduction of the County of San Luis Obispo FY 2023-24 Recommended Budget, including Special Districts.** The Budget is introduced in May to provide Board members and citizens time to study it in advance of the Hearings, which begin on Monday, June 12, 2023, and continue on Tuesday if needed. There is a Wednesday hearing to receive community input on County contributions to various not-for-profit agencies.

Budget review and adoption is one of the most important policy events of the year. The full budget can be reviewed at the link below:

https://www.slocounty.ca.gov/Departments/Administrative-Office/Forms-Documents/Budget-Documents/Current-Year-County-Special-District-Budgets/FY-2023-24-Recommended-Budget.aspx

There is a separate Budget for the Dependent County Special Districts, over which the Board has government authority. It is not produced in the same format as the main budget document and is relatively useless. It is actually produced by the Public Works Department. There is no evidence that any independent analysis is provided by the CAO' office. Control click on the link below to take a look. Note that this Budget is $127 million, which is cruising along below the radar.

https://www.slocounty.ca.gov/Departments/Administrative-Office/Forms-Documents/Budget-Documents/Current-Year-County-Special-District-Budgets/FY-23-24-Proposed-Budget.aspx
Our biggest and ongoing compliant is that the Board of Supervisors spends only a few public hours reviewing and questioning the Budget each year. They should be holding review sessions throughout the remainder of May and June.

The full Budget is $966.1 billion when government, enterprise, special revenue, internal service, capital projects, and dependent special districts funds are included. The County should join the Billion Dollar Club in FY 2024-25.

| **State Controller Schedules**<br>County Budget Act | **County of San Luis Obispo**<br>All Funds Summary<br>Fiscal Year 2023-24 | | | | | | **Schedule 1** |
|---|---|---|---|---|---|---|---|
| | **Total Financing Sources** | | | | **Total Financing Uses** | | |
| **Fund Name** | **Fund Balance Available June 30, 2023** | **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 | $ 43,879,431 | $ 15,951,521 | $ 649,150,373 | $ 708,981,325 | $ 703,768,927 | $ 5,212,398 | $ 708,981,325 |
| Special Revenue Fund | 2,064,462 | 5,443,168 | 87,035,016 | 94,542,646 | 79,932,106 | 14,610,540 | 94,542,646 |
| Debt Service Fund | 915,000 | --- | 23,339,245 | 24,254,245 | 19,161,445 | 5,092,800 | 24,254,245 |
| Capital Projects | --- | --- | 10,975,405 | 10,975,405 | 10,975,405 | --- | 10,975,405 |
| **Total Governmental Funds** | **$ 46,858,893** | **$ 21,394,689** | **$ 770,500,039** | **$ 838,753,621** | **$ 813,837,882** | **$ 24,915,738** | **$ 838,753,620** |
| **Other Funds** | | | | | | | |
| Enterprise Fund | $ --- | $ 2,098,474 | $ 30,511,647 | $ 32,610,121 | $ 31,694,438 | $ 915,683 | $ 32,610,121 |
| Internal Service Fund | --- | 4,640,190 | 76,255,541 | 80,895,731 | 79,813,799 | 1,081,932 | 80,895,731 |
| Special Districts and Other Agencies | 2,295,312 | 2,700,752 | 8,846,763 | 13,842,827 | 13,612,181 | 230,646 | 13,842,827 |
| **Total Other Funds** | **$ 2,295,312** | **$ 9,439,416** | **$ 115,613,951** | **$ 127,348,679** | **$ 125,120,418** | **$ 2,228,261** | **$ 127,348,679** |
| **Total All Funds** | **$ 49,154,205** | **$ 30,834,105** | **$ 886,113,990** | **$ 966,102,300** | **$ 938,958,300** | **$ 27,143,999** | **$ 966,102,299** |

## Financing Sources and Uses Summary

| Description | 2020-21 Actual | FY 2021-22 Actual | 2022-23 Final | FY 2023-24 Recommended |
|---|---|---|---|---|
| **Financing Sources** | | | | |
| Taxes | 234,665,121 | 246,503,420 | 249,713,956 | 268,681,743 |
| Licenses and Permits | 12,269,991 | 12,561,188 | 15,322,834 | 16,241,426 |
| Fines, Forfeitures and Penalties | 3,567,089 | 3,821,371 | 4,553,762 | 4,369,539 |
| Revenue from Use of Money & Property | 4,291,177 | 4,183,530 | 3,047,859 | 8,197,099 |
| Intergovernmental Revenues | 312,954,589 | 323,675,921 | 346,449,807 | 355,197,364 |
| Charges for Services | 33,186,764 | 31,791,694 | 33,902,789 | 34,590,758 |
| Other Revenues | 41,191,424 | 34,629,778 | 34,607,031 | 40,630,460 |
| Fund Balance | 0* | 0* | 63,639,968 | 46,858,893 |
| Use of Reserves & Designations | 0* | 0* | 10,300,683 | 21,394,689 |
| Other Financing Sources | 48,152,967 | 57,264,973 | 45,447,105 | 42,591,649 |
| 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** | **690,579,121** | **714,431,875** | **806,985,794** | **838,753,620** |
| **Uses of Financing by Function** | | | | |
| Land Based | 52,626,626 | 55,853,366 | 75,253,634 | 69,758,978 |
| Public Protection | 171,779,085 | 183,878,614 | 198,019,870 | 210,582,458 |
| Health and Human Services | 255,530,626 | 269,555,065 | 304,928,255 | 330,877,656 |
| Community Services | 22,930,504 | 24,804,433 | 25,000,380 | 27,715,530 |
| Fiscal and Administrative | 28,030,997 | 31,665,053 | 30,967,104 | 33,417,684 |
| Support to County Departments | 33,674,627 | 37,316,447 | 44,438,604 | 47,069,170 |
| Financing | 29,995,999 | 41,016,292 | 57,121,860 | 45,429,521 |
| Capital and Maintenance | 2,925,622 | 3,486,341 | 9,069,598 | 14,656,405 |
| Contingencies | 0 | 0 | 32,539,280 | 34,330,480 |
| Reserves & Designations | 0 | 0 | 29,647,208 | 24,915,738 |
| Increases (Decreases) to Fund Balance | 93,085,035 | 66,856,264 | 0 | 0 |
| **Total Financing by Function** | **690,579,121** | **714,431,875** | **806,985,794** | **838,753,620** |
| **Uses of Financing by Type** | | | | |
| Salary & Benefits | 315,637,608 | 335,560,816 | 376,092,373 | 401,241,546 |
| Services & Supplies | 207,364,627 | 227,845,653 | 238,334,474 | 256,609,607 |
| Other Charges | 108,679,876 | 122,370,694 | 130,157,192 | 135,827,520 |
| Fixed Assets | 32,949,799 | 39,800,037 | 40,491,290 | 22,520,747 |
| Transfers | (67,137,824) | (78,001,589) | (40,276,023) | (36,692,018) |
| Increases to Reserves/Designations | 0* | 0* | 29,647,208 | 24,915,738 |
| Increases/(decreases) to Fund Balance | 93,085,035 | 66,856,264 | 0 | 0 |
| Contingencies | 0* | 0* | 32,539,280 | 34,330,480 |
| *use of reserves and designations and contingencies are included in individual financing types | | | | |
| **Total Financing by Type** | **690,579,121** | **714,431,875** | **806,985,794** | **838,753,620** |

**Three Immediate problems:**

1. The County is using $46.8 million in fund balance from the current FY 2022-23 Budget. This is on top of whatever reductions it has made thus far to balance. It is a bad practice to use one time fund balances to fund the subsequent fiscal year. It is like eating your seed corn. It has the impact of building the recurring base above the natural growth of revenues which are not guaranteed into occur in subsequent fiscal years.

Projected natural growth in revenues includes Taxes up $19.0 million; Licenses and ermits up $.9 million, Intergovernmental Revenues up $8.8 million; and Interest Income up $8.2 million. This is an aggregate growth of $36.9 million for the key sources. To layer $46.9 million of fund balance on top of this is base building beyond the County's means.

2. The County budgets its employee positions (Full Time Equivalents - FTEs) fully, even though it is running a vacancy rate of 9.3%.  This circumstance means that $74 million of its proposed

$401 million FY 24 salary and benefits budget will not occur unless there are labor negotiation costs, which have not been estimated (another bad practice). They don't need to budget the $46.8 million from reserves at all.

3. The State is now facing an operating deficit of $32 billion. Reductions to eliminate the gap could directly impact state funded county programs.

We will report back with more information before the June 12th Budget Hearing.

*In preparation of the FY 2023-24 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 $43.8 million at year-end, which is included as a funding source for the FY 2023-24 Recommended Budget. The FBA is the amount of money available at the end of one fiscal year for financing a portion of the budgetary requirements for the upcoming fiscal year. It is comprised of the unspent General Fund contingencies at the end of the year, plus any remaining General Fund dollars unspent or not encumbered by the various County departments at year end. Unspent contingencies in the current year is the single largest driver of the FBA to fund the coming year's budget. The Auditor-ControllerTreasurer-Tax Collector's FBA estimate was based upon year end projections provided by individual departments. It is worth emphasizing that FBA varies significantly from year to year and is difficult to forecast because it is influenced by every line item in the overall budget (there are over a thousand line items). Additionally, contributions to FBA from contingencies or departmental expenditure savings are reduced when prevailing wage increases are granted mid-year.*

# Matters After 1:30 PM

**Item 41 - Request to 1) approve a grant agreement with REACH in the amount of $300,000 from SB 1090 Economic Development funds for economic development activities in support of the County; 2) approve a grant agreement with the San Luis Obispo Chamber of Commerce in the amount of $150,000 from SB 1090 Economic Development funds for the SLO County Family-Friendly Workplaces Program; 3) authorize the County Administrative Officer the authority to extend the agreements up to 90 days; 4) authorize a budget adjustment in the amount of $450,000, by 4/5 vote; and 5) redesignate $3,479,422 in the SB 1090 Infrastructure Fund to SB 1090 Economic Development, by 4/5.** Other than the Cuesta/ACI Jet maintenance training program, it is not so clear what these other programs have achieved in terms of actual private sector job creation. If this item is approved, REACH will have received $1 million over the past 4 years. Just which companies has REACH facilitated to expand or locate within the County? There have been glossy presentations about the following:

1. In past years one of REACH's primary strategies was locating space equipment and software manufacturers around Vandenberg. This idea seems to have floundered in the swamps of SLO County's and Santa Barbara County's land use regulations, which undermine the production of work force housing. The prospective companies realize that future employees cannot afford to live here.

2. REACH has conducted and/or contributes to support meetings, collaborations, fake Indian Tribe interests, etc., etc., related to the reuse of the 400-acre Diablo site, if in fact it closes and PG&E agrees (since it owns the property). Not-for-profit and educational facility ideas have been proposed, but little in the way of export base fundamental economic activity has been proposed or agreed to. What about a 5-star ocean front resort?

3. REACH has not endorsed the continuation of Diablo. It has only endorsed the "process."

4. Now REACH is promoting the offshore windmill idea and recommends that Port San Luis/Avila Beach become an industrial assembly facility for the giant windmills and loading pier onto the giant floating platforms. The State Legislature seems hell bent on ramming this idea down SLO County's throat via SB 286 and a co-opted Coastal Commission. See last weeks Coastal Commission actions on page 18 below.

5. Where is REACH on preserving off road riding and camping in the Dunes?

6. Where is REACH on preserving and expanding the Price Canyon Oil Field?

**It is time for the Board of Supervisors to ask, "Where's the Beef"?**

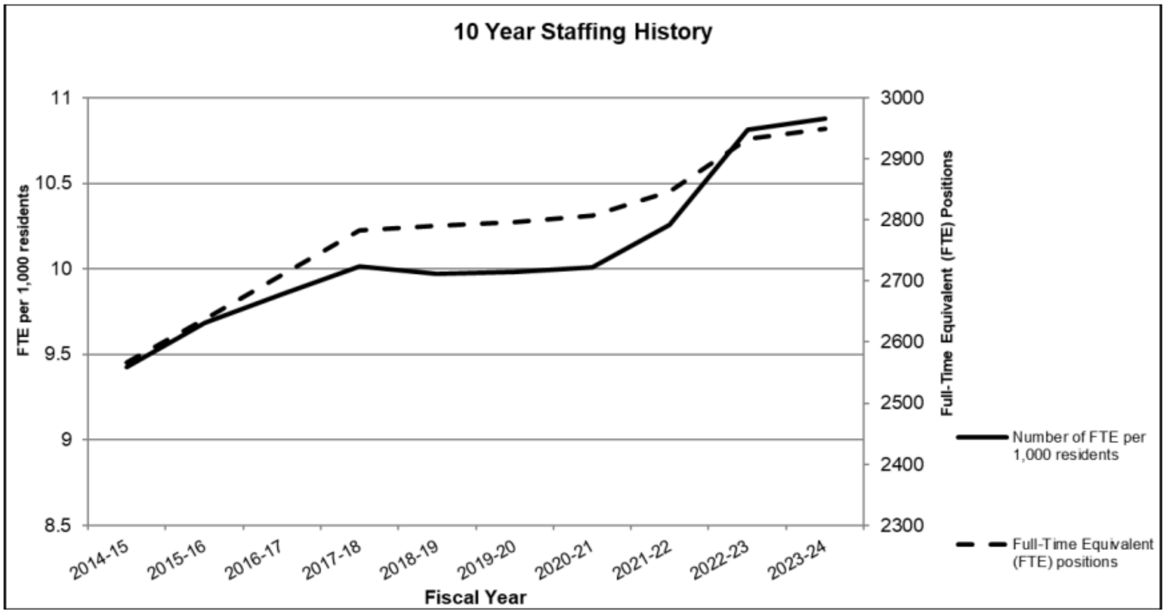
## Economic Development Fund allocations

| Use of funds | Amount ($) | Board approval | Status |
|---|---|---|---|
| REACH | | | |
| REACH 2030 Plan | 300,000 | 5/4/2019 | Expended |
| ED work | 300,000 | 1/26/2021 | Expended |
| ED work | 400,000 | 2021 Budget hearings; 5/17/2022 | Expended |
| Oceano Dunes Economic Impact Assessment | 5,000 | 4/20/2021 | Expended |
| Broadband Strategic Plan | 25,000 | 7/13/2021 | Expended |
| SLO Chamber Family-Friendly Workplaces Program (FY 21-22) | 75,000 | 2021 Budget Hearings | Expended |
| County Economic Development Program Management (FY 21-22 and FY 22-23) | 386,571 | FY 21-22, FY 22-23 budgets | Expended |
| SLO Partners | 200,000 | 1/26/2021 | Expended |
| Cuesta/ACI Jet | 500,000 | 1/26/2021, 5/3/2022 updated | Partially expended |
| **Subtotal of past allocations** | **2,191,571** | | |
| **Remaining unallocated (from expected 2025 balance)** | **1,798,429** | | |
| **Current/future requested allocations** | | | |
| REACH (FY 2023-24) | 300,000 | Requested today, 5/16/2023 | |
| SLO Chamber Family-Friendly Workplace (FY 2022-23 and FY 2023-24) | 150,000 | Requested today, 5/16/2023 | |
| County Economic Development Program Management (FY 2023-2024) | 215,349 | Expected in 2023-2024 Budget hearings | |
| **Subtotal of current/future requested allocations** | **665,349** | | |
| **Total allocations (past and current/future)** | **2,856,920** | | |
| **Remaining unallocated (from expected 2025 balance)** | **1,133,080** | | |

**Item 45 - Supervisor Pay Raises.** This is never a popular item. As supervisor Gibson stated when the matter was agendized, "There is never a good time to adopt supervisor raises." There is considerable written opposition in the file to date. Supervisors Peschong and Arnold have indicated that they will not accept a raise. The situation for Supervisor Paulding is unclear. At the first meeting in 2023 he voted **NO** on raises. He said that he did not want his first vote as a Supervisor to be for a raise. But 2 weeks ago he voted Yes on the item to place the matter on this agenda. Was his first vote just window dressing? Why does the passage of 4 months make it

OK? The ethical stand based on that No vote would be to forswear any raises for the remainder of his term.

The deeper issue is the continuing expansion of government at the County, State, and Federal levels. Elected officials and management should be rewarded when this trend is reversed.




• Effective July 23, 2023: increase the annual salary from $90,417.60 to $97,697.60
• Effective June 23, 2024: increase the annual salary from $97,697.60 to $105,560.00
• Effective June 22, 2025: increase the annual salary from $105,560.00 to $114,067.20

• *Subsequent to June 22, 2025, members of the Board of Supervisors shall receive annual increases as necessary to remain at fifty percent of the bottom of the salary range of the California Superior Court Judges. The increases will be approved by the Board of Supervisors annually on consent agenda in the same fiscal year the salary increase is applied to the Superior Court Judges. However, members of the Board of Supervisors will not receive an annual salary increase in any year when County staff do not receive an annual salary increase due to budgetary constraints.*

The current base salary for Superior Court Judges is $219,670-$229,125, regardless of location statewide.

The Board could consider broadening the criteria for not giving a raise in a particular year, underscored in yellow above. What about years in which the unemployment rate in the County is above a certain percent? What about years in which the property assessment list grows above a certain percent?

**San Luis Obispo County Air Pollution Control District Meeting of Wednesday, May 17, 2023 (Scheduled)**

**No Agenda.** As of 5:15 PM on Friday, May 12, 2023, no agenda or materials had been posted, even though May 17 is listed as a meeting date in the annual schedule.

**Local Agency Formation Commission Meeting of Thursday, May 18, 2023. (Scheduled)**

**Item A-1 - Oceano Community Services District Divestiture Application Status Update.** This item is a preliminary report on the Oceano Community Service District's (OCSD) request to divest its Fire Department by June 30, 2023. The OCSD cannot raise sufficient revenue to fund its fire services, and the voters have rejected two ballot measures to increase their property taxes.

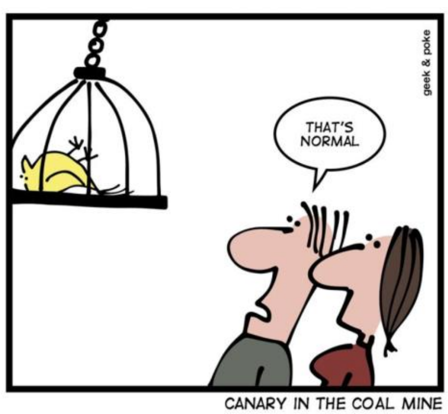
It is proposed that the County take over the services. About $1 million per year in property taxes are now allocated to fire services by OCSD. This would be reallocated to the County, but will be insufficient to cover the costs. The County is in the process of analyzing the gap, and a report and recommendation is expected to be submitted to the Board in June. It is likely that the County will have to find another $1 million dollars per year to fund the gap at its current standards.

The proposed County FY 2023-24 Fire Department Budget does not include funding for this expansion. This will probably have to be addressed at Budget adoption in June and may further exacerbate the County's revenue expenditure gap.

**The Bigger Picture:**

Four years ago the Cayucos Fire Department experienced similar difficulties, and ultimately the County had to absorb costs that were considerably higher than the property tax capacity of the former district. This trend will continue as weaker districts and cities collapse under the relentless pressure of ever increasing labor and regulatory costs.

This is yet another financial and service level canary in the governmental coal mine.




# LAST WEEK'S HIGHLIGHTS

**No Board of Supervisors Meeting on Tuesday, May 9, 2023 (Not Scheduled)**

**The next meeting is on Tuesday May 16, 2023.** It will include an item to raise the Supervisors' salaries. Expect a major update on the status of the current FY 2022-23 Budget and updated projections for the proposed FY 2030-24 Budget.

**Central Coast Community Energy Authority Operations Board Meeting of Wednesday, May 10, 2023 (Completed)**

**Item 3 - Receive an Update on a Prepay Financing Transaction and Recommend Policy Board's Approval and Authorization of the CEO to Execute a Clean Energy Purchase Contract with California Community Choice Financing Authority and Ancillary Documents and Agreements to Effectuate the Prepay Financing Transaction**. This appears to be a form of debt issuance that is approved by the CCE Board, not the voters in the CCE service area. In this regard, it seems somewhat similar to Certificates Of Participation (COPs) and Pension Obligation Bonds currently issued by cities and counties go get around normal bond approval requirements. It is also much more complicated.

The basic theory seems to be:

1. 3CE has long term energy purchase contracts - 20 to 30 years.

2. By prepaying some of these contracts, 3CE would derive rate discounts estimated to be from 7% to 10%.

3. To obtain the funding to prepay the suppliers, 3CE would indirectly issue tax exempt bonds (debt).

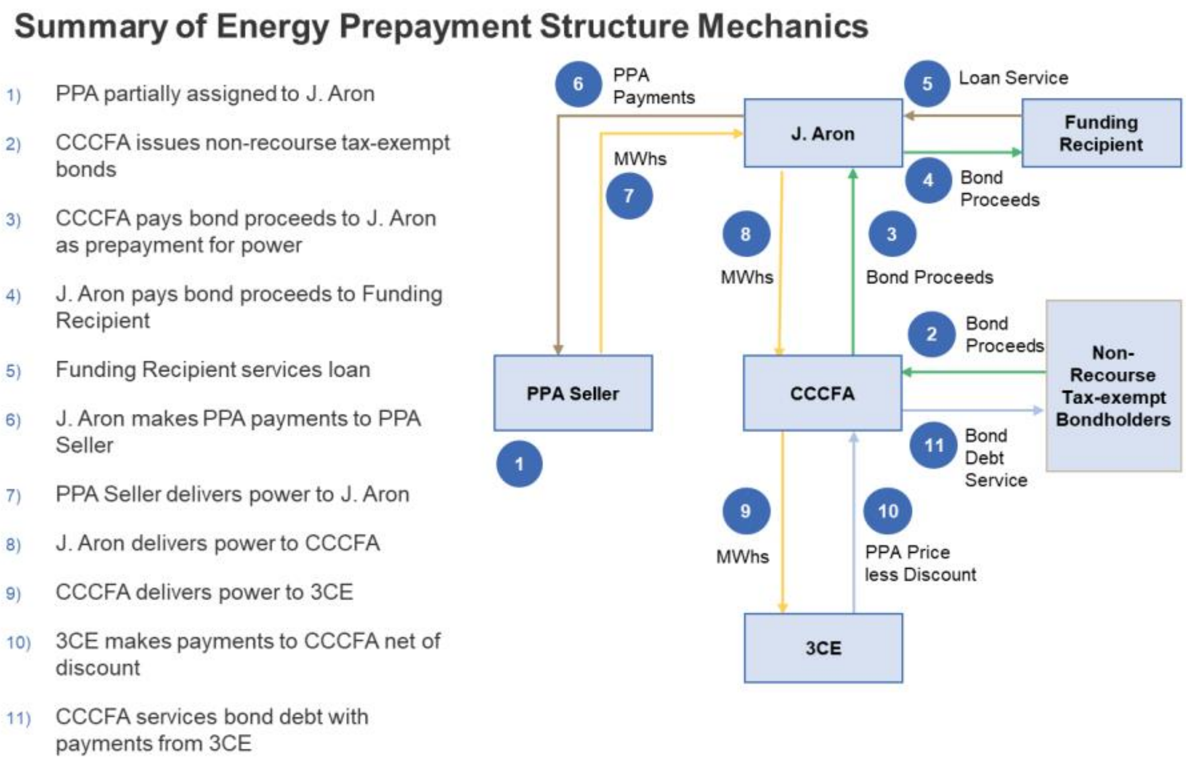
4. The bonds would be issued by an intermediary agency, the California Community Choice Financing Authority (CCCFA), so that a group of community choice aggregators including 3CE could pool their debt.

The write-up stated in part:

*Prepay Deal Structure: If approved, 3CE will become the fifth CCA to execute a prepay transaction for the benefit of its customers. Following nearly a year of negotiations, 3CE's proposed prepay transaction involves a series of agreements between 3CE, a set of its PPA seller partners, a facilitating banking partner (J. Aron), the California Community Choice Financing Authority ("CCCFA") (a JPA founded by 3CE, East Bay Community Energy, Marin Clean Energy, Silicon Valley Clean Energy, and Clean Power Alliance), and a funding recipient to be selected by 3CE through a competitive process.*

*CCCFA issues non-recourse, tax-exempt bonds, the proceeds of which are used to prepay for electric power delivered under assigned PPAs at the terms originally negotiated by 3CE. CCCFA provides the bond proceeds to J. Aron, who loans them to the funding recipient, then uses debt service of that funding to make regular payments to the PPA sellers and deliver the* *power to CCCFA. CCCFA provides that power to 3CE at a discount from the original PPA price and uses those payments to service the bonds.*

A "simplified" diagram of the flow of funds and power is presented below:




J Aron is a subsidiary of Goldman Sachs.

**CCCFA**

***The California Community Choice Financing Authority (CCCFA) was established in 2021 with the goal to reduce the cost of power purchases for member community choice aggregators (CCAs) through pre-payment structures. The founding members of CCCFA include Central Coast Community Energy, East Bay Community Energy, Marin Clean Energy, and Silicon Valley Clean Energy. CCCFA is a Joint Powers Authority which can help member CCAs save up to 10% or more on power purchase agreements, helping reduce costs for ratepayers and increase available funding for local programs.***

The CCCFA Board consists of 4 Directors. Tom Habashi, who just retired as 3CE's CEO, is one of the Directors.

**Some questions:**

1. How much debt is 3CE going to issue?

2. What is the interest rate?

3. In what denominations will the bonds be issued?

4. Shouldn't 3CE customers get first crack at them?

5. Does this bonded debt count as accumulated overlying debt of government agencies in the 3CE service area? Would SLO County's member agencies have to disclose their proportionate shares on their CAFRs?

6. What happens, as in the case of the pension obligation bonds, if the 3CE does not achieve the savings over time to cover the interest and principal on the bonds? Will the member jurisdictions have to pony up, or will the 3CE customers be forced to pay higher rates?

No matter what, the whole scheme is paradise for investment bankers, bond counsel, consultants, etc.

| FIRM | ROLE |
|---|---|
| **PFM Financial Advisors LLC (PFM)** | Municipal Finance Advisor ("FA"): Advise 3CE in negotiations; required by Municipal Securities Rulemaking Board |
| **Nixon Peabody** | Bond, Disclosure, Issuer, and Tax Counsel: Represent 3CE and CCCFA; provide tax opinion on the transaction |
| **Hall Energy Law** | Special Counsel to 3CE; review and negotiate primary and ancillary documents |
| **Stradling Yocca Carlson & Rauth** | Special Counsel to 3CE; review and negotiate primary and ancillary documents |

## Planning Commission Meeting of Thursday, May 11, 2023 (Completed)

**The Commission agenda was light, containing only two items.** One was a 24-unit residential subdivision in Nipomo. The other is a 7-large lot subdivision northeast of Arroyo Grande.

## California Coastal Commission Meeting of Thursday, May 11, 12, 2023 (Completed)

**HE'S GONNA GET WINDMILLED**
**PORT SAN LUIS AND AVILA INDUSTRIALIZED**

**Item Th4 - Informational Briefing on Offshore Wind Agenda.** On Thursday, the Commission received a long and tedious briefing from a number of interest groups, wind energy companies, and environmental consultants. Then on Friday, they voted to support mandatory expedited processing.

There was no representation of local government among the presenters. The County should place this issue on a public agenda soon. It has done nothing so far to represent its citizens. We were told that the County sent a letter regarding SB 286, but the County Counsel says no such letter exists. The bill essentially preempts local control on offshore wind projects and gives that control to the Coastal Commission and State Lands Commission, even though there will be huge impacts in places such as Avila Beach, if Port San Luis is selected as the construction base and servicing center.

During the subsequent Friday, May 12, 2023, meeting, the Commission voted 10 yes and 2 abstentions endorsing SB 286, which legally mandates that the Coastal Commission process applications for offshore windfarms through a consolidated process, which means it will lead and supersede the other agencies, including counties. The State Lands Commission will serve as the lead CEQA agency. This will further cut out the influence of the County on the process. The on-shore impacts could be momentous, as described in the background section below.

The Governor, Speaker of the Assembly, Senator Laird, Senator Monique Limon, and Assemblywoman Dawn Addis all support the consolidated process, although the Commission staff (Legislative Director, Sarah Christie ) reported that Addis has some concerns. Whether those will amount to a hill of beans is a question.

While the Commissioners expressed that they desire a full “robust process,” they are clearly fully in support of the consolidated process. Our own Central Coast Commissioner Hart (City of Santa Barbara Councilwomen) seconded the motion. They also expressed a desire for an expedited process.

Basically, the orders have come on high from the State Democratic leadership that the windmill projects are to go forward.

Assembly Speaker Anthony Rendon personally attended the Thursday session and exhorted the Commission to endorse SB 286. He promised them a bigger budget and a larger staff, which had the Chairwoman Donne Brownsey swooning from dais.

It all reeks of hypocrisy. The Coastal Commission will not allow people to repair damaged stairs from their house to the beach. If you even get a permit, it takes 2 years and a $40,000 mitigation payment. **So-called green energy ideology trumps everything!**

**Some Possible Good News:**
There is now a proposal to base the onshore construction and assembly facility in the Port of Long Beach, which already supports extensive industrial facilities. In that case, Port San Luis might become a base for crew boats and smaller repair facilities. On the other hand, the facility may be planned for a separate project off San Nicolas Island off Orange County.

**SUMMARY**

This bill would direct the California Coastal Commission to process a consolidated coastal development permit (CDP) for any new development associated with or necessary for offshore wind development; designate the State Lands Commission (SLC) as the lead agency for CEQA for all new development associated with offshore wind; create the Offshore Wind Energy Resiliency Fund; and establish the Offshore Wind Energy Fisheries Working Group. The fund would receive a portion of annual rents paid to the SLC for bottom leases. The working group would be required to develop a statewide strategy by January 1, 2026 to: (1) ensure the avoidance/mitigation of impacts to ocean fisheries; (2) establish a compensation framework for economic impacts to fishers; and (3) develop best practices for monitoring, communications, and engagement with affected communities, and other benchmarks.

**PURPOSE OF THE BILL**

The reason for the bill is to expedite the deployment of offshore wind energy genera without sacrificing environmental protections, and to ensure that the state creates a funding source and a standardized, fair approach for understanding, avoiding, mitigating, and compensating for impacts to fisheries, Tribes, and communities.

**Permit Streamlining**

In order to expedite the regulatory process for OSW energy development, this bill would:

- Require the Coastal Commission to process a consolidated CDP for any new development that is associated with, appurtenant to, or necessary for the construction and operation of offshore wind energy projects.
- Require the State Lands Commission to be the CEQA lead agency for those offshore wind projects.
- Require the Coastal Commission and the State Lands Commission to coordinate with federal agencies for any projects requiring joint environmental documents.

**Background: Large Offshore Windmill shore impacts:**


**Windmill Leases.**

*SB 286 (McGuire) As Amended 3/22/23 SUMMARY This bill would direct the California Coastal Commission to process a consolidated coastal development permit (CDP) for any new development associated with or necessary for offshore wind development; designate the State Lands Commission (SLC) as the lead agency for CEQA for all new development associated with offshore wind; create the Offshore Wind Energy Resiliency Fund; and establish the Offshore Wind Energy Fisheries Working Group. The fund would receive a portion of annual rents paid to the SLC for bottom leases. The working group would be required to develop a statewide strategy by January 1, 2026 to: (1) ensure the avoidance/mitigation of impacts to ocean fisheries; (2) establish a compensation framework for economic impacts to fishers; and (3) develop best practices for monitoring, communications, and engagement with affected communities, and other benchmarks*

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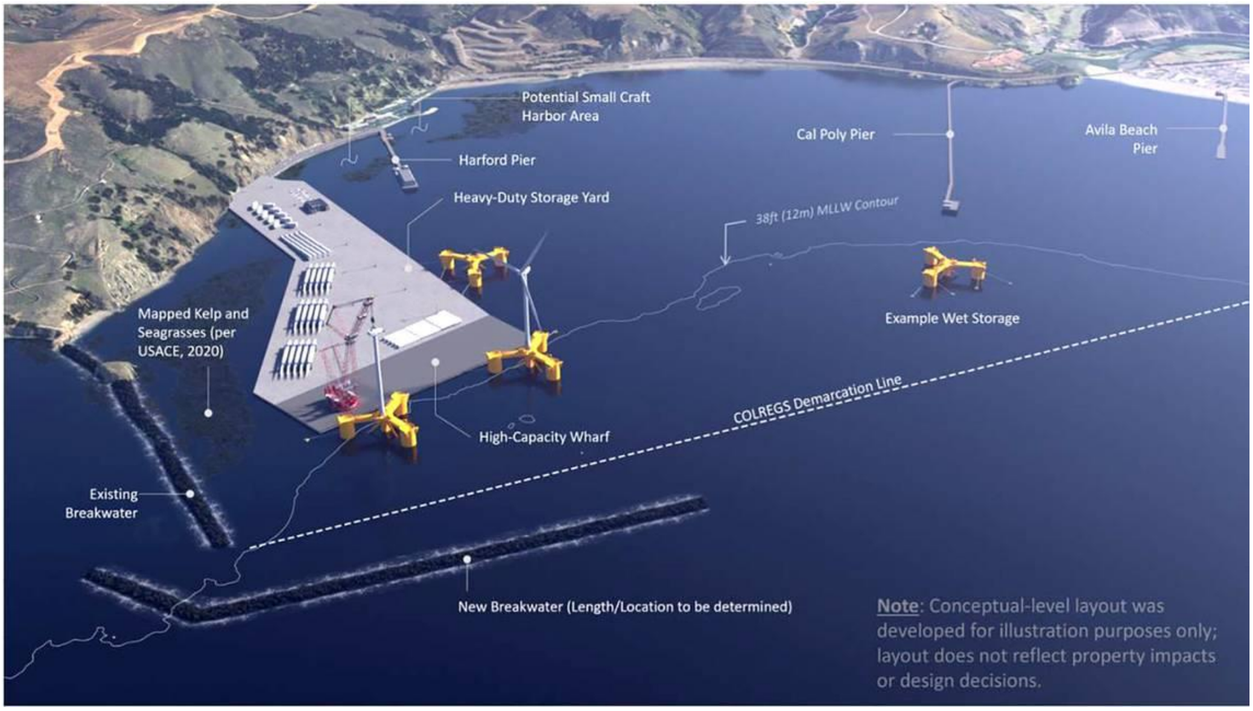
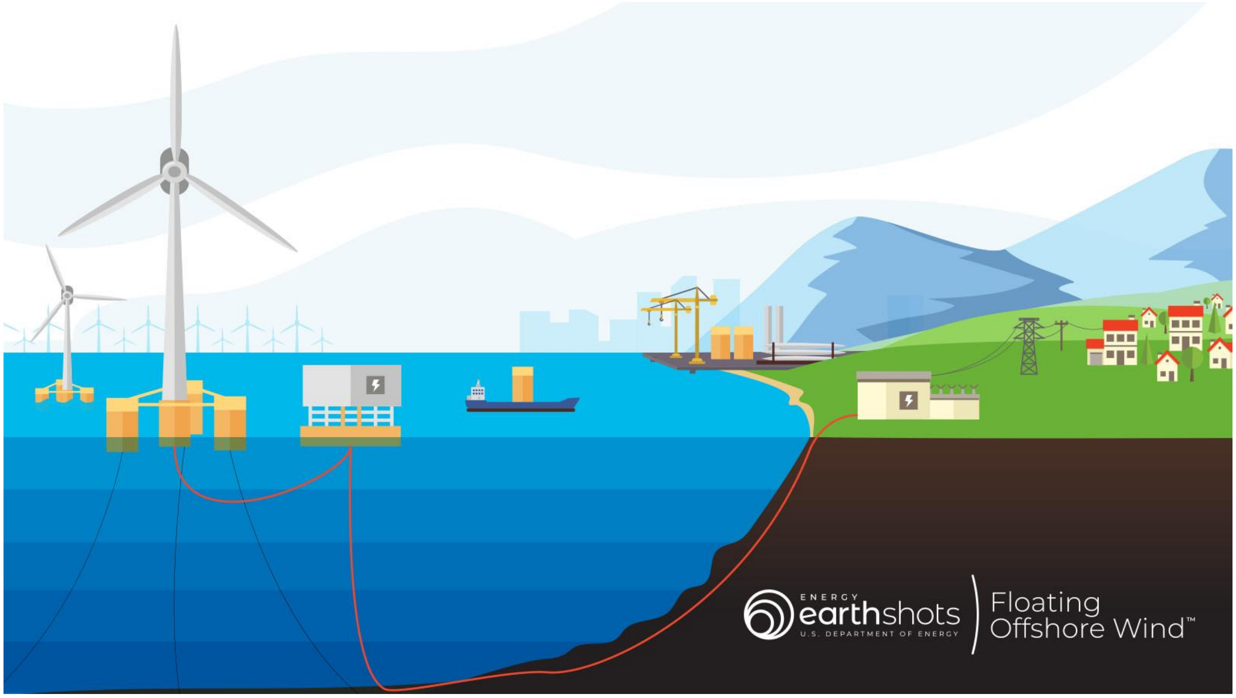
*Permit Streamlining In order to expedite the regulatory process for OSW energy development, this bill would: • Require the Coastal Commission to process a consolidated CDP for any new development that is associated with, appurtenant to, or necessary for the construction and operation of offshore wind energy projects. • Require the State Lands Commission to be the CEQA lead agency for those offshore wind projects. • Require the Coastal Commission and the State Lands Commission to coordinate with federal agencies for any projects requiring joint environmental documents. In circumstances where a proposed project straddles the Commission's original or retained permit jurisdiction and one or more local governments' within the coastal zone, (such as a public pier that has both onshore and offshore components, or a bridge or highway that connects a city with a certified LCP and an uncertified area of a neighboring county), the Coastal Act authorizes the Coastal Commission to issue a single, consolidated permit for the entire project, provided that the applicant and the local government(s) agree. Once the Commission takes jurisdiction over the project, Chapter 3 of the Coastal Act becomes the legal standard of review, guided by the certified LCP.*

*However, this approach eliminates the current discretionary, consensus-based process in existing law, which raises local control issues for coastal cities and counties. Local governments are the Commission's essential partners in coastal management. Although the Coastal Act specifies that LCPs shall be used as guidance in the consolidated permit process, in practice the Commission has always implemented that section by following the LCP, ensuring that outcomes are consistent with local policies and priorities. If a deviation from the LCP is required for an aspect of the larger project, Chapter 3 is the legal standard of review, meaning that coastal resources would still be protected. Whenever the Commission undertakes a consolidated permit process, it works closely with local governments and stakeholders and remains sensitive to local concerns. This would certainly be the case for any permitting done pursuant to this bill.*


Potential Small Craft
Harbor Area
Harford Pier
Cal Poly Pier
Avila Beach
Pier
Heavy-Duty Storage Yard
38ft (12m) MLLW Contour
Example Wet Storage
Mapped Kelp and
Seagrasses (per
USACE, 2020)
COLREGS Demarcation Line
High-Capacity Wharf
Existing
Breakwater
New Breakwater (Length/Location to be determined)
Note: Conceptual-level layout was
developed for illustration purposes only;
layout does not reflect property impacts
or design decisions.


ENERGY
earthshots
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Floating
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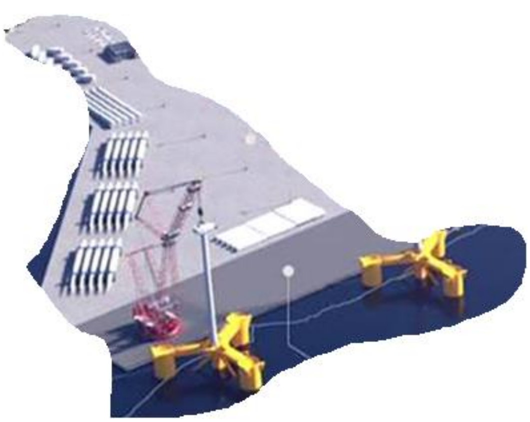
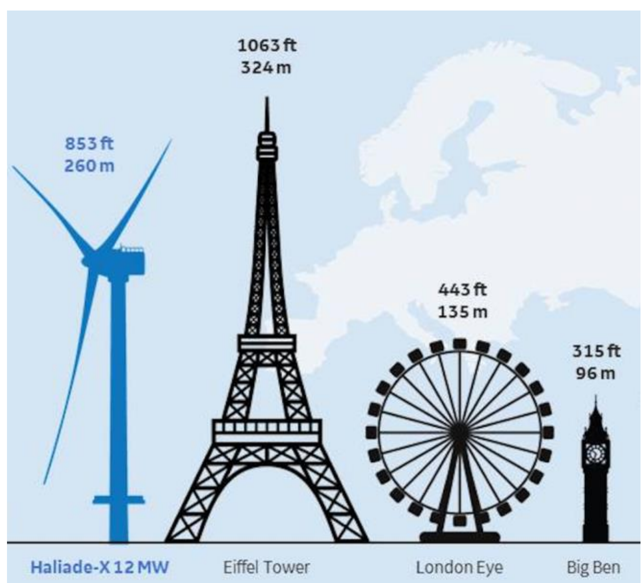
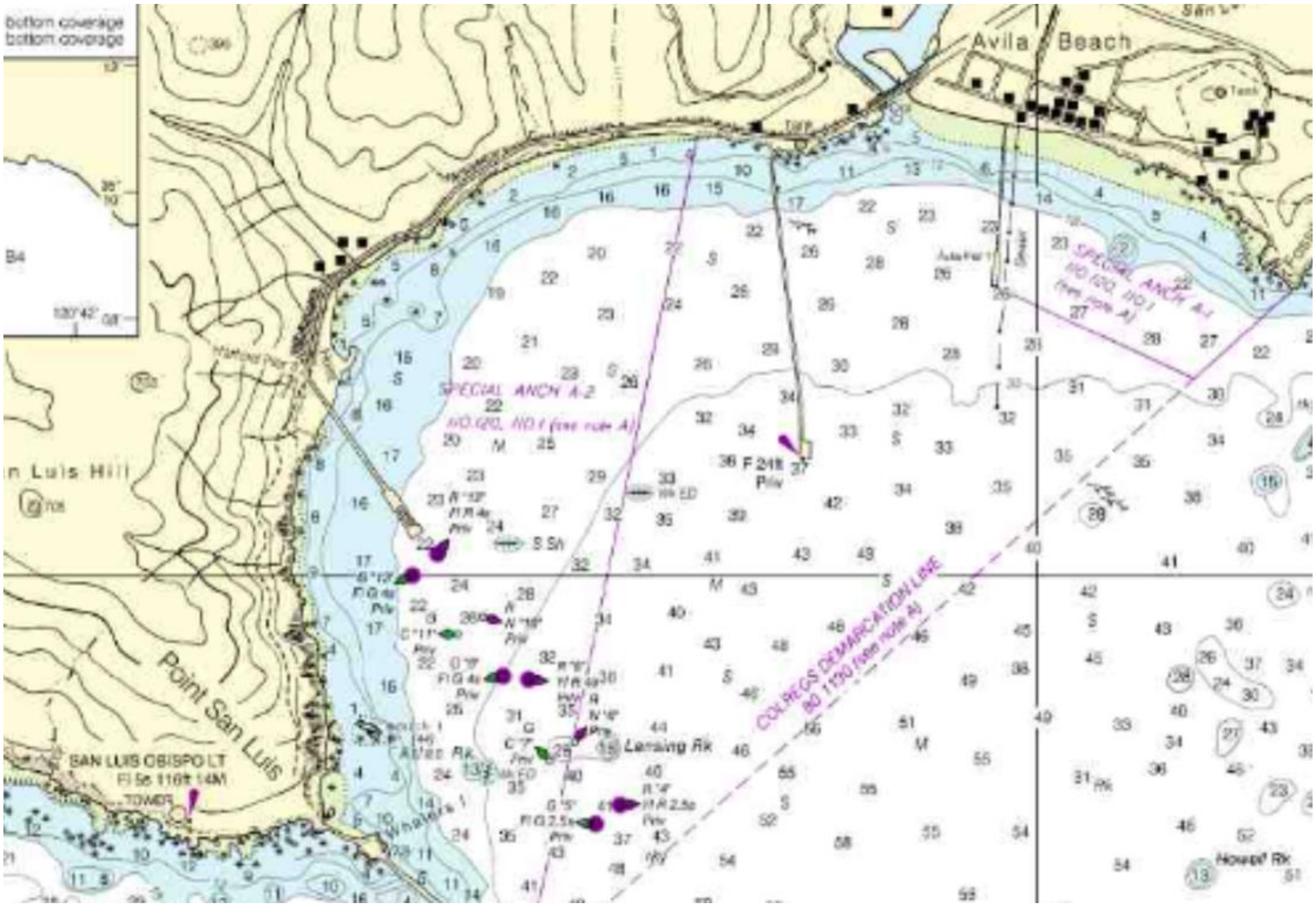
View corridors from homes and hotels to site.
Proposed 5-star resort.
Avila Beach Golf Resort
Central Coast Aquarium
Avila Beach
Avila Beach Dr
Olde Port Beach
San Luis Obispo Bay
Data CSUMB SFML, CA OPC

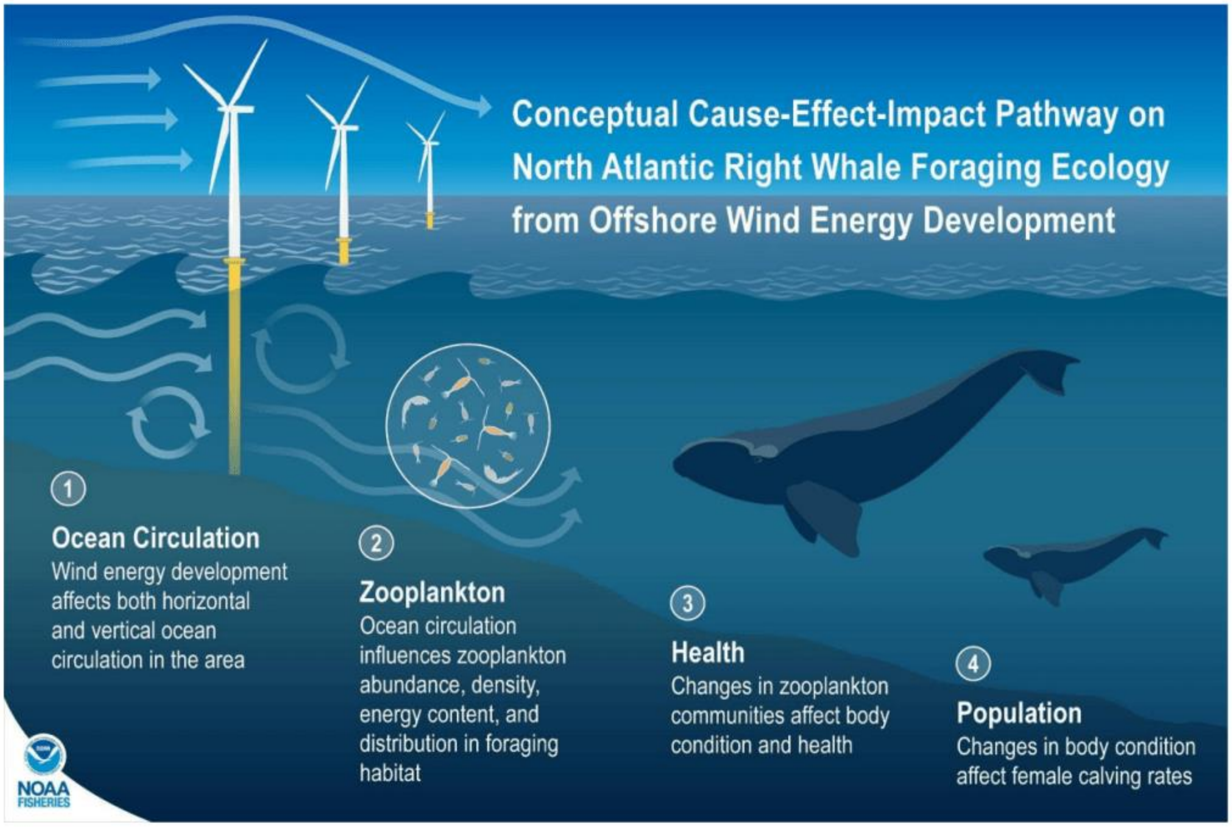



1063 ft
324 m
853 ft
260 m
443 ft
135 m
315 ft
96 m
Haliade-X 12 MW
Eiffel Tower
London Eye
Big Ben

The major port facility would impact residential values and tourism by the large industrial pier facility, cranes, lighting, etc. It will be located about where the arrows end. The towers could be almost as tall as the Eiffel Tower when fully built.




**Is it deep enough for the large barges, ocean going tugs, and the huge tower platforms, etc.?**

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AVILA TRAFFIC SAFETY

# EMERGENT ISSUES

**Item 1 - California Reparations Task Force payment calculation:**

## How much reparations are African American residents owed?

The California Reparations Task Force recommends the state consider "down payments" to eligible African American residents, although the task force has not indicated how much it will recommend to the Legislature as an overall price tag for reparations. It did identify ways to calculate how much African Americans in California have lost due to systemic racism in the state. This calculator uses criteria from the task force to determine the cost for an individual African American in California.

*Input years of residency.*

First year lived in CA: 1950

Last year lived in CA:* 2020

Show descriptions | Hide descriptions

| CATEGORY | AMOUNT |
|---|---|
| **Health Harms** 1850–2020 | $13,619 × 70 years = **$953,330** |
| **Mass Incarceration & Over-policing** 1971-2020 | $2,352 × 49 years = **$115,248** |
| **Housing Discrimination** 1933-2020 | $3,366 × 70 years = **$235,620** |
| **Devaluation of Businesses** 1850–2020 | $77,000 × 1 person = **$77,000** |
| **Unjust Property Takings** 1850–2020 | The task force said the state had not yet gathered enough data to provide a specific calculation. |
| *Potential owed amount* | $1,381,198 |

# 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

# IT'S TIME FOR LAWS LIMITING THE POWER OF PUBLIC HEALTH INSTITUTIONS

### BY JAY BHATTACHARYA, PROFESSOR OF HEALTH POLICY, STANFORD MEDICAL SCHOOL

Over the past three years, the public has seen first-hand the tremendous power the public health establishment wields. Using emergency power that most people never realized an American government possessed, public health violated Americans' most fundamental civil rights in the name of infection control. We endured three years of useless and divisive policies, including lockdowns, church and business closures, zoom schools, mask mandates, and vaccine mandates and discrimination. Now that the WHO has declared the end of the covid pandemic and CDC Director Rochelle Walensky has announced her resignation, it is time for states to take action to limit the power of public health so that a repeat never happens again.

Contrary to what you hear these days from those making poor decisions throughout the pandemic, many of the errors were not honest mistakes. Public health embraced positions at odds with the scientific evidence throughout the pandemic, for instance, by pretending that immunity after COVID recovery does not exist, and by overstating the ability of the vaccine to stop COVID infection and transmission. Despite many getting vaccinated, COVID spread and people died anyway, with tremendous collateral harm—both economic and in terms of public health—deriving from the favored policies of our public health institutions.

It is time to adopt laws to limit the powers of public health.

Because public health used two tactics to enact its will on the public, the restrictions on public health power must address both. First, it promulgated direct mandates and binding "guidances" that were enforced by the police power of the government. For example, in the spring of 2020, the police arrested a paddle boarder for the crime of enjoying an empty Southern California beach on a sunny day.

Dr. Anthony Fauci, White House Chief Medical Advisor and Director of the National Institute of Allergy and Infectious Diseases, attends an event with First Lady Jill Biden to urge Americans to get vaccinated ahead of the holiday season, during a COVID-19 virtual event with AARP in the Eisenhower Executive Office Building in Washington, DC, December 9, 2022. Fauci reportedly helped the collapsed woman.GETTY

Second, public health authorities induced fear by exaggerating the mortality risk of covid infection. This tactic also worked: Surveys show that people vastly overestimate the risk of dying if infected. It's no coincidence that large corporations, small businesses, and regular people "voluntarily" enforced public health guidance even beyond the letter of the recommendations. The "guidance" issued by the CDC and the WHO, which was not subject to prior public comment or cost-benefit analysis, took on the force of law.

Legislation is crucial to combatting this grave abuse of the public, especially given how public health's tyrannical playbook is now the accepted norm among public health leaders at the national and international levels. The WHO's revision of its International Health Regulations and new pandemic treaty push member states to increase the power of centralized public health authorities during health emergencies. The recently released "Lessons from the Covid War" by the Covid Crisis Group excuses the sins of public health by blaming its failures on insufficient funding for public health priorities and inadequate power. As things stand, in the next pandemic, the lockdowns will recur.

The good news is that some states are adopting laws to limit public health authorities' ability to impose draconian emergency interventions without proper justification. One example is SB 252, just passed by the Florida legislature. The bill prohibits both government and private businesses from discriminating against people based on COVID vaccination, prohibits involuntary COVID testing, and limits the deployment of mask requirements (except for healthcare providers). Most importantly, the bill prohibits government entities and educational institutions from treating WHO and CDC guidance as if their pronouncements were law—unless the state explicitly adopts it.

While some of these protections, like the ban on COVID vaccine mandates, were already in place in Florida, these restrictions were due to expire soon. SB 252 will permanently restore the proper place of public health as an institution that issues recommendations rooted in science rather than quasi-legal "guidance"—a wise policy given that businesses and educational institutions cannot reliably evaluate the science underlying public health diktats.

But the bill doesn't just protect our rights as citizens; it's good for public health, too.

Before the pandemic, I naively thought that a commitment to basic ethical principles constrained public health actions, and would therefore have opposed the Florida bill banning discrimination based on vaccination status. Now, I see the bill's wisdom. I have learned not to trust public health authorities with expansive power anymore.

And I am of course not alone. Public trust in public health has cratered due to over-zealous enforcement of its guidance far past diminishing returns. It can only recover once public health authorities face the same checks and balances as other parts of government.

In theory, there is a risk to restricting public health action: It will make coordinated nationwide action more difficult in the next pandemic. What if next time, we have a disease outbreak that requires every part of the country to shut down everywhere, all at once, for a long time?

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*The views expressed in this article are the writer's own.*

# CHALLENGING THE PREMISE OF OUR DESTRUCTION

***Claiming that anthropogenic CO2 will not cause catastrophic climate change is a credible, necessary point of view backed up by scientific evidence***

**BY EDWARD RING**

The most powerful and destructive perception in the world today is that using fossil fuels will cause catastrophic climate change. This belief, marketed by every major government and corporate institution in the Western world, is the foundational premise underlying a policy agenda of stunning indifference to the aspirations of ordinary people.

The war on fossil fuel is a war on freedom, prosperity, pluralism, independence, national sovereignty, world peace, domestic tranquility, and, most ironically, the environment itself. It is a war of rich against poor, the privileged against the disadvantaged, corporate monopolies against competitive upstarts, Malthusians against optimists, regulators against innovators, and authoritarians against freedom-loving people everywhere.

But this war cannot be won unless the perception is maintained. If fossil fuel is allowed to compete against other energy alternatives for customers as a vital and growing part of an all-of-the-above energy strategy, this authoritarian political agenda falls apart.

It is reasonable to question the assertion that eliminating fossil fuels will inevitably result in an impoverished society subject to punitive restrictions on individual behavior. But the numbers are compelling and can be distilled to two indisputable facts: First, fossil fuel continues to provide over 80 percent of all energy consumed worldwide. Second, if every person living on planet Earth were to consume half as much energy per year as the average American currently consumes, global energy production would need to double.

Several inescapable conclusions derive from these two facts, if one assumes that energy is the driver of prosperity. Just in case that is not obvious, imagine Americans living with half as much energy as they use today. Where would the cuts occur? Would they drive their cars half as much? Heat their homes half as much? Operate manufacturing, farming, and mining equipment half as much? They would need to do all those things and more. The economy would collapse.

These consequences don't escape the intelligentsia who promote "net zero" policies. These consequences explain the policies they advocate. The recent promotion of "15-minute cities" that will inform rezoning and redevelopment to put all essential services within a 15-minute walk of every residence. The rise of "congestion pricing" to charge automobiles special tolls if they drive into an expanding footprint of urban neighborhoods. "Smart growth." "Infill." "Urban Service Boundaries." Bike lanes. "Smart buildings," "smart meters," and "smart cities."

These innovations, all in progress, only begin to describe what is coming. By restricting new development and systematically reducing the use of fossil fuels, the global middle class will shrink instead of grow. The wealthiest elites will buy their way out of the smart slums. Everyone else will be locked down. This is how energy poverty will play out in the modern era. It cannot be emphasized enough: If energy production is restricted, this will happen. It's algebra. It is objective fact.

Hardly less speculative is the reaction outside the Western world. What are our elites thinking? Do they intend to start World War III? Perhaps they do. Because nothing short of war is going to stop the Chinese, Indians, Indonesians, Pakistanis, Brazilians, Nigerians, or Bangladeshis from developing every source of energy they possibly can. Just those seven nations account for half the world's population. That's 4 billion people. Will they stop developing energy until they at least achieve *half* the per capita energy consumption that Americans currently enjoy? Not a chance. Will they get there by relying exclusively on wind and solar? Dream on.

Sadly, the seductive pitch America's climate crisis lobby lobs at the elites running the aspiring nations of the world may find the strike zone. It goes like this: Let us help you keep your people in poverty and misery because we will make sure you stay rich while our military helps you stamp out insurrections. And as we prevent your nations from achieving food and energy security, we will drown you in debt to pay for imported food aid and "renewables" projects. But as one of us, you will not suffer with your people. You will have a Swiss bank account and a mansion in Malibu, where you will be feted by stars who honor you for helping prevent a climate catastrophe.

## Fossil Fuel Will Not Cause a Climate Catastrophe

If you only believe half of the preceding arguments, you must realize that Americans have been backed into a corner. If anyone calls for abundant energy—or abundant anything, since energy, and fossil fuel in particular, is the prerequisite for virtually all goods and services—they are shouted down as "climate deniers." And the way to upset the entire edifice is *not* to merely argue that fossil fuel is essential to the survival of civilization. Because the counterargument is that eliminating fossil fuel is essential to the survival of the planet.

That is an unwinnable argument. It is not possible to reason with an opponent of fossil fuel if you concede their fundamental premise: that burning fossil fuel will cause catastrophic climate change. You either become a "denier," or you submit to energy poverty.

This is the tough decision facing Americans. And it's accurate to also say it is a decision facing Republicans since literally every prominent, mainstream, housebroken, accommodating establishment Republican will not challenge the assertion that we're experiencing a "climate crisis," even though most of them know better. But this should be a bipartisan issue. For Republicans, this is an opportunity to show some backbone by rejecting the most destructive and fraudulent premise of our time. In so doing, they would unify their party, attract independent voters, and realign the nation.

Claiming that climate change is *not* catastrophic and unprecedented, or that fossil fuel is necessary to power civilization, remains today the territory of outliers. Tagged as contrarians at best, more often as eccentrics, lunatics, fanatics, shills, dupes, and morons, the "denier" community remains on the fringes. Joining this community risks losing personal credibility and the ability to work with every self-styled moderate, serious activist that just wants to recognize the political and commercial reality in America and get along.

And then there's Donald Trump.

Alone among major politicians in America, Trump openly proclaims that anthropogenic carbon dioxide causing a climate catastrophe is a poorly supported *theory*, not a fact that is supposedly beyond debate. He's right, but he's given the climate crisis crowd another label with which to stigmatize deniers with guilt by association. Now they're MAGA Nazis, part of the terrifying plot to engineer a fascist coup and plunge America into a dark age.

The irony is stupefying. Without fossil fuel, America *will* enter a dark age, and the only way to control a restive population that's seen its standard of living plummet will be through the establishment of a technology-driven police state. *They* are the fascists. The so-called climate deniers are fighting for prosperity and freedom.

Matching the irony here in its shocking, stupefying absurdity is the arrogance and certainty of the climate alarmists. From the brainwashed ignoramuses pouring out of public education year after year, to pseudointellectuals marinated for decades in NPR newspeak, to brilliant scientists who spend their entire careerist careers bouncing around in a brilliant echo chamber without ever considering opposing scientific viewpoints, listening to these minions recite the approved narrative is reminiscent of a cult. The climate cult. The useful, smothering, sanctimonious, intolerant, indignant, self-righteous, energized, pacified, out-of-control but controlled and manipulated, Kool-Aid guzzling climate cult, driving humanity off the cliff.

If you want to save civilization, be a denier. Say it loud and without reservations, and say it every chance you get. Demand that politicians publicly refute climate alarmism. It isn't necessary to claim that the powers behind the climate cult want to enslave the world. We don't know what motivates them. Some just want to get rich on renewables. Some want to use climate change to advance American global hegemony. But all of them rely on a fundamental moral justification: By eliminating fossil fuel, we are saving the planet from certain destruction. Focusing on the possible ulterior motives of climate alarmist leaders without first challenging their core moral argument is a fool's errand.

The scientific body of evidence against climate alarmism is robust, but you won't find much if you search Google. You have to dig it up piece by piece. One good denier database can be found here. Organizations and individuals posting useful climate contrarian material and links on Twitter include Climate Dispatch, Patrick Moore, Climate Realist, Steve Milloy, and Pierre Gosselin, and many, many more. Like all movements, the climate contrarian movement has its share of hacks and hyperbole. So be careful and diligent, but be resolute. Examine the data. Check and recheck sources. Make up your own mind. And make yourself heard.

There are plenty of environmental challenges. Being an environmentalist is a good thing. But there has to be balance, and there has to be debate. Claiming that anthropogenic $CO_2$ will *not* cause catastrophic climate change is a credible, necessary point of view backed up by scientific evidence. If more people make that claim, the climate cult can be broken, and civilization can be rescued.

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# NEW STUDY: NUCLEAR POWER IS HUMANITY'S GREENEST ENERGY OPTION

***Land-hungry biomass, wind, and solar power are set to occupy an area equivalent of the size of the European Union by 2050***

**BY RONALD BAILEY**

Germany idiotically shut down its last three nuclear power plants last month. Until 2011, the country obtained one-quarter of its electricity from 17 nuclear power plants. As a December 2022 study in **Scientific Reports** shows, turning off this carbon-free energy source is incredibly short-sighted for combatting climate change and protecting natural landscapes.

The European researchers behind the new study do an in-depth analysis of how much land and sea area it would take to implement the **Net Zero by 2050** roadmap devised by the International Energy Agency (IEA) in 2021. The IEA outlines an energy transition trajectory to cut global carbon dioxide emissions from burning fossil fuels to zero by 2050. The Net Zero goal is to keep the increase of global average temperature below the threshold of 1.5 degrees Celsius above the late 19th-century baseline. "This calls for nothing less than a complete transformation of how we produce, transport and consume energy," notes the IEA.

The **Scientific Reports** study finds that implementing the IEA's roadmap requires that much of the world's agricultural and wild lands be sacrificed to produce energy. Biofuels, both liquid and solid, are especially egregious destroyers of the landscape. On the other hand, the energy source that spares the most land is nuclear power. In addition, electricity produced by fission reactors is not intermittent the way that vastly more land-hungry solar and wind power are.
Let's go to the figures. The European researchers illustrated the vast differences in the amount of energy that can be produced per unit of land by calculating what percentage of land would be needed to meet 100 percent of emissions-free primary energy demand in 2050. Primary energy refers to raw fuels before they have been converted into other forms of energy like electricity, heat, or transport fuels. They calculate that nuclear power generation could supply all the energy demand in 2050 while occupying just 0.016 percent of the world's land area. On the other hand,

using biomass to generate the same amount of energy would take up more than 96 percent of the world's land area.

Turning to the IEA's Net Zero roadmap, the team calculates that the amount of land occupied by the stunted trajectory of nuclear power plants in the IEA scenario will expand from 403 square kilometers (156 square miles)today to 820 square km (317 square miles) in 2050. The area devoted to growing biomass for energy production (liquid and solid fuels) expands from 653,000 square km (252,000 square miles) to 2,981,000 square km (1,151,000 square miles). It is worth noting that 208,000 square km (80,300 square miles) is now annually plowed up for biofuel production in the U.S. The amount of land covered by onshore wind turbines would rise from 79,000 square km (30,500 square miles) to 995,000 square km (384,000 square miles), and the area covered by solar photovoltaic would increase from 9,400 square km (3,630 square miles) to 270,000 square km (104,000 square miles).

"A sixfold increase will occur in the spatial extent of power generation, from approximately 0.5% of land areas used for electric generation in 2020 to nearly 3.0% of land areas in 2050 (i.e., 430 million hectares of land)," report the researchers. "The world will be electrified by requiring an area roughly equal to the entire European Union (EU), which is one and a half times the size of India. The major contributor to increasing land use will be related to power generation from biomass."

As the **Wall Street Journal** reported earlier this week, wind and solar projects occupying massive amounts of land increasingly get NIMBY pushback from disgruntled neighbors. Energy analyst Robert Bryce, author of **A Question of Power: Electricity and the Wealth of Nations** (2020), has compiled a database showing that nearly 500 renewable energy projects have been rejected or restricted over the past decade.
The European researchers calculated that nuclear power plants sited on just 20,800 square km (8,000 square miles) of land could supply all of the carbon-free electricity demanded in 2050.

That's less land than is occupied by the state of Vermont.
Over at **Tech Xplore**, study co-author and energy conversion researcher at Norwegian University of Science and Technology Jonas Kristiansen Nøland points out that "the spatial extent of nuclear power is 99.7% less than onshore wind power—in other words, 350 times less use of land area." He adds, "An energy transition based on nuclear power alone would save 99.75% of environmental encroachments in 2050. We could even remove most of the current environmental footprint we have already caused."

Nuclear power massively spares land for nature while producing 24-7 emissions-free electricity. That's why closing down 17 perfectly good nuclear power plants is environmentally stupid.

*RONALD BAILEY is science correspondent at **Reason**.*
*NUCLEAR POWERGERMANYRENEWABLE ENERGYWIND POWERSOLAR POWERCLIMATE CHANGENATURE. This article first appeared in Reason on April 10, 2023.*

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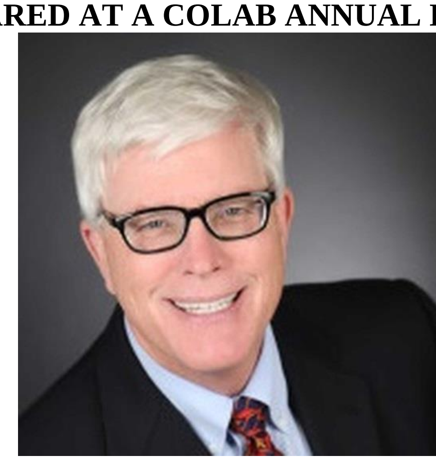

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