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

Weekly Update
Sept. 21-28, 2026

The next San Luis Obispo County Board of Supervisors meeting is scheduled for Tuesday September 29th. This results in a four-week gap from the last meeting which was on September 1. The meeting on the 29th is significant because that is when the nearly $1.2 billion 2026/27 county operating budget will be adopted. Don't forget to RSVP for the Fall Forum with John Coupal on Oct.21. It's a free event with hors d'oeuvres, refreshments and lots of great information.

Even Shabbier Than We First Thought

Last week we covered what seemed like some glaring deficiencies in a feasibility study that was paid for with taxpayer dollars and presented to the Board of Supervisors at their September 1 meeting. The report attempted to fool people into believing that all options for desalination along the San Luis Obispo County coast had been thoroughly explored and that even the best options are financially beyond reach. We pointed out real world options that were not explored, leaving many questions and no clear answers.

This week we will look at some of the details that were included in the study and find even more questions that need to be answered before the question of desal is resolved for our community.

Here are some of those details:

On the following cover page, we see the vague reference to "Board Direction" We guess that staff means that they were seeking board direction, but we wonder whether staff received board direction in the choices that were made in the presentation.

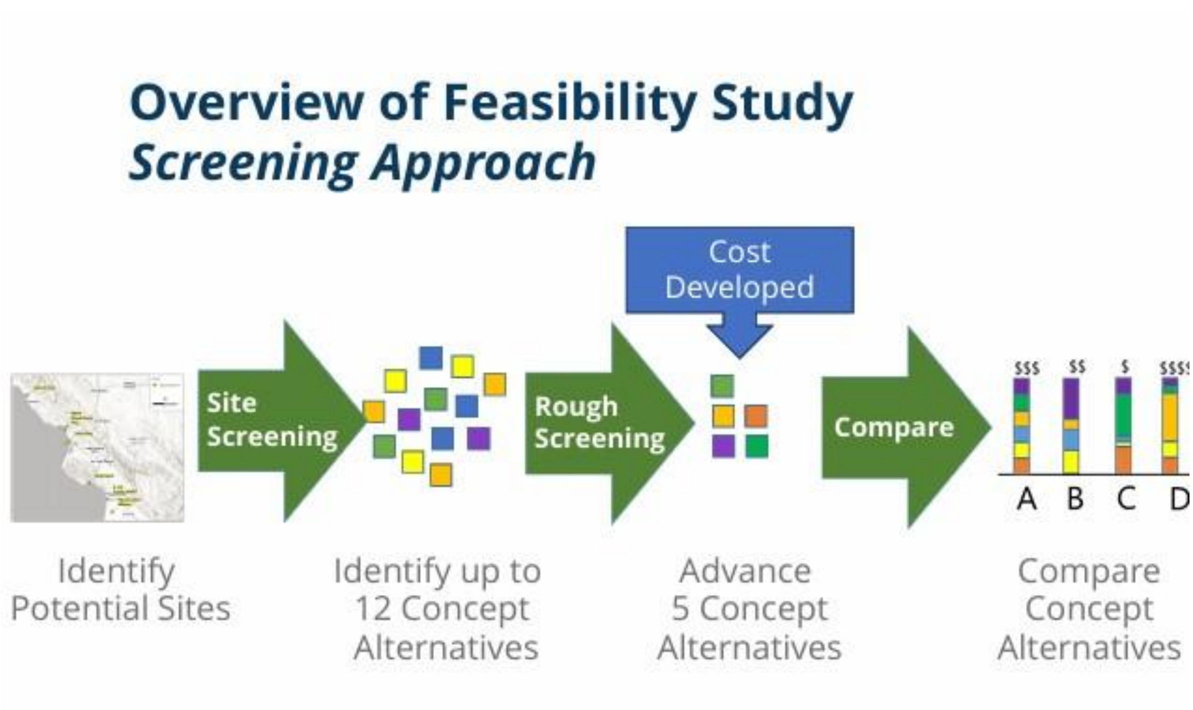
Here we start with more questions. Stormwater capture – where? What about Salinas Dam is an ongoing regional efficiency effort? Is there really any cloudseeding going on, and if so, how much water does it produce?

Below is the anticipated timeframe – assuming the hundreds of millions of dollars required can be found:

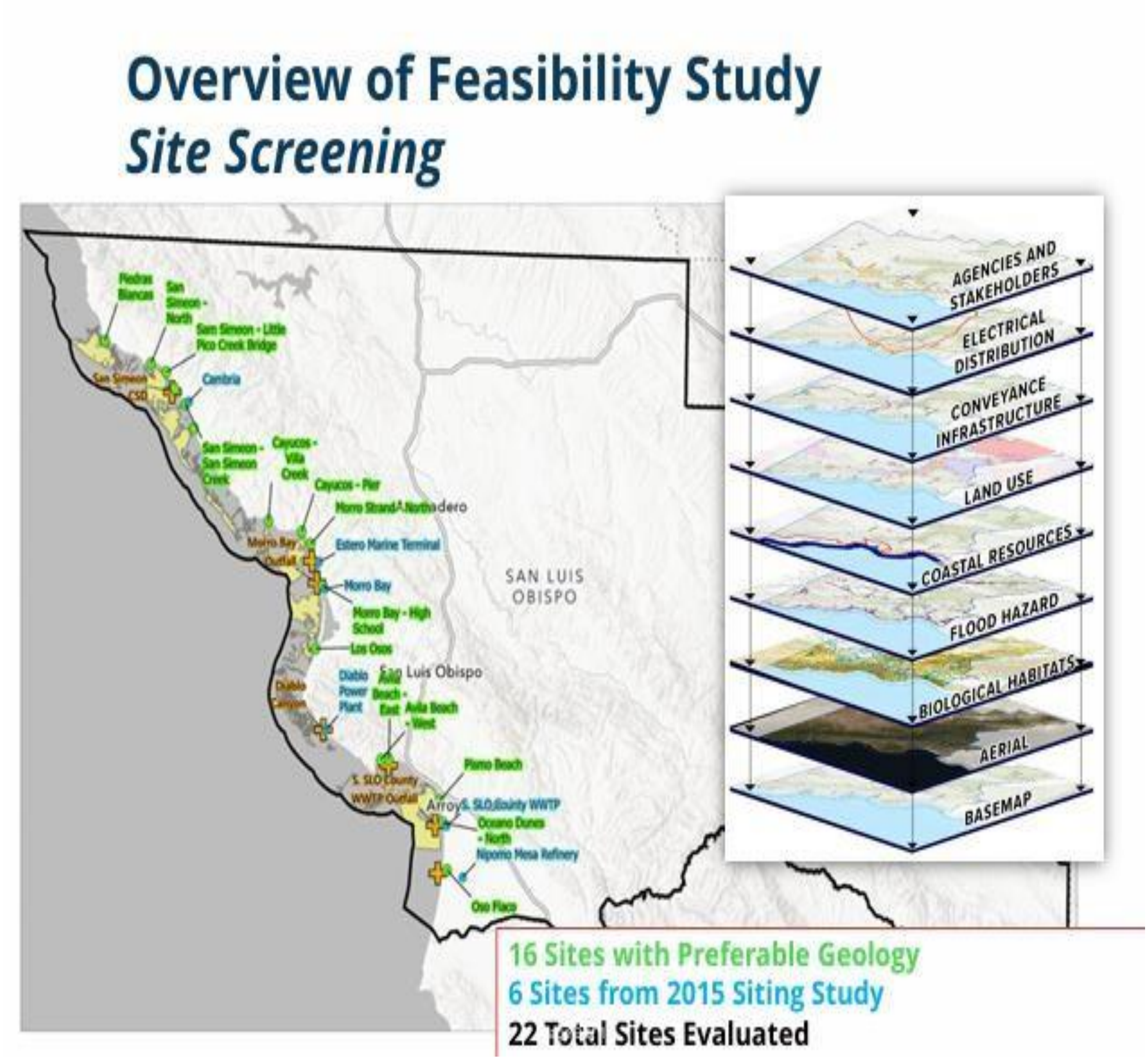
Below are the various agencies that make up the consortium investigating the potential for desal on our coastline:

Apparently, the “plan” is at stage 1.5. There was no real reporting on how public engagement took place, or what the reaction was:

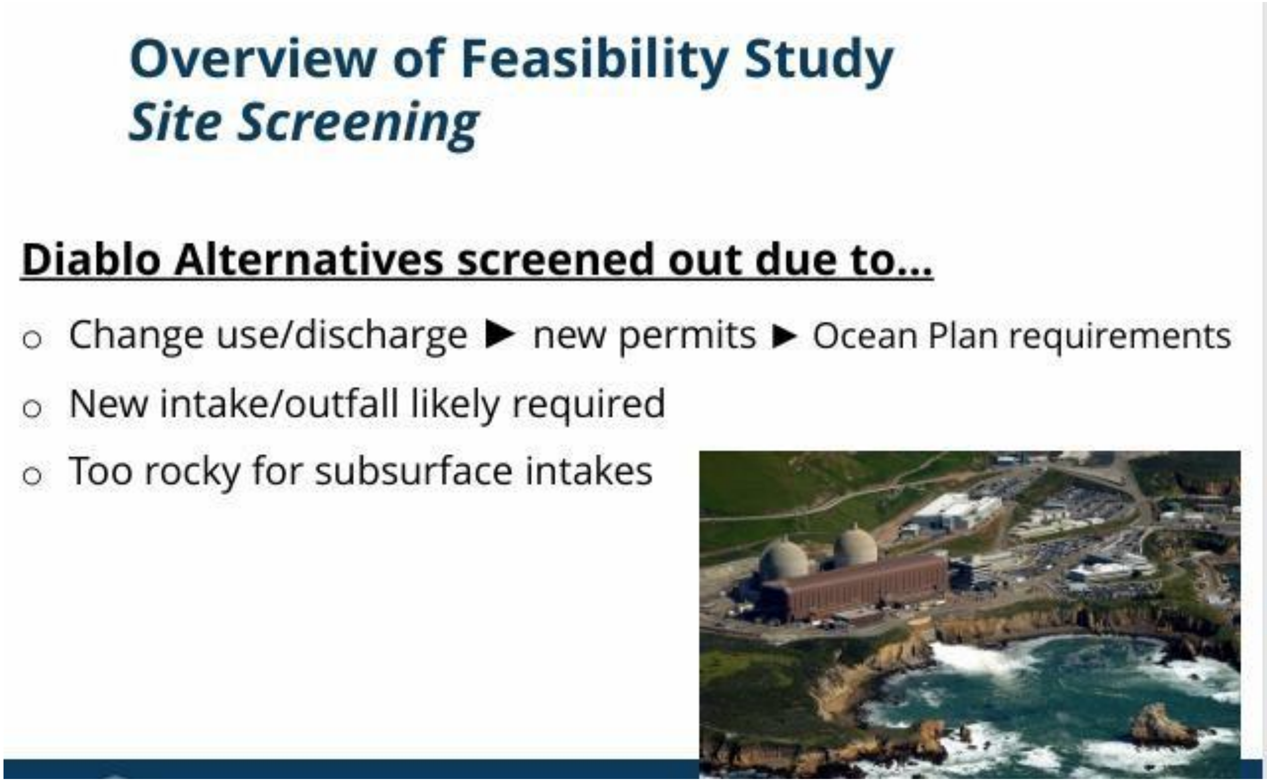
The screening approach seems to have been done well:



The criterion also seems to be reasonable and well thought out:

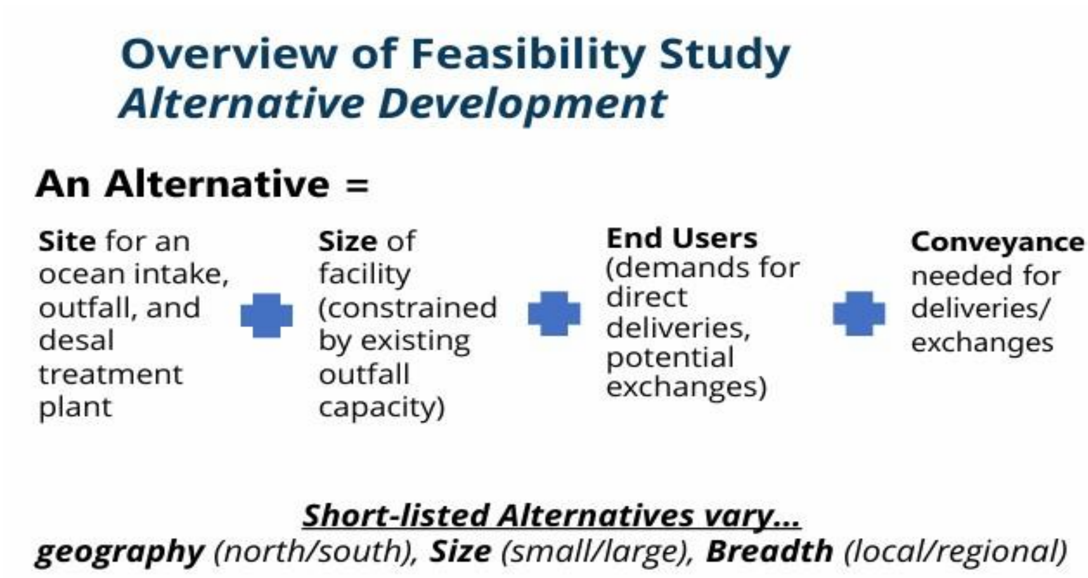


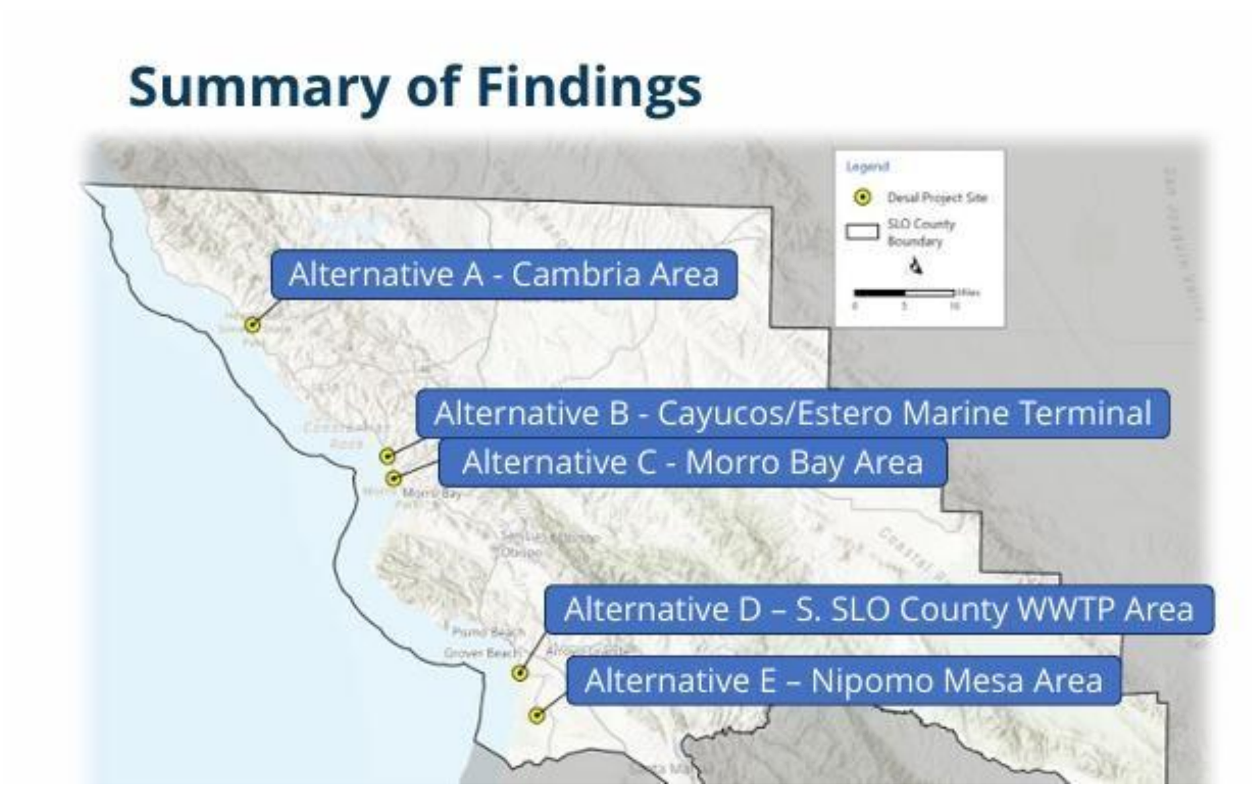
Just when things were looking credible, the Diablo Canyon Power Plant is stricken from this list in what feels like an arbitrary gesture. The reasons given apply to any site but are singled out in an effort to disqualify the plant without any comparison to how similar challenges would be met at other sites. Further, no credit was given for the power source already being onsite or for brine remix technology also already onsite.



Existing desal infrastructure currently in place and functioning at Diablo.

We notice a couple things about the short list. First, Alternative B in Cayucos where locals recently put up a big fuss, opposing the expanded use of a small existing emergency desal unit because it could lead to new growth. We would guess that local community opposition would be difficult to overcome. The other is Alternative E which is presumably the Phillips 66 property which is privately owned. Wouldn't it be arrogantly presumptive of government to be scheming to put a public facility on private property without cooperation from the owner? Perhaps they have such permission, but there is nothing to indicate such:





The now closed Phillips 66 refinery is now being cleared for its next use.

So, what is next? Here is the planned approach. Notice funding isn't mentioned until the end of "mid-term" activities:

Just to draw a conclusion to the subject that will seemingly divert the hopeful to other less growth friendly (and less expensive) options, we are left with this:

The path to regional resiliency continues on multiple fronts

- **Recycled Water**
  - About 70% of wastewater is or is planned to be reused
  - Direct potable reuse, additional storage and blending water for brine options to consider for remaining
- **Nacimiento Water Project**
  - Sales program development next steps
- **State Water Project**
  - Local survey of interest, contract modernization and use of management tools
  - Regional study with Santa Barbara County and Central Coast Water Authority

Recommended Action

1. **Receive a presentation on the DESAL Plan Feasibility Study**
2. **Receive and file the DESAL Plan Feasibility Study (Attachment 1); and**
3. **Direct staff to continue engaging with potential regional project partners in discussions regarding water supply and resiliency, including desalination project concept alternatives, opportunities, and projects.**

Questions?

For more information, please visit:
https://www.slocounty.ca.gov/DESAL

Questions? Why yes, we do have a few:

Did the consultant that prepared this “feasibility study” choose to ignore the private sector options that are widely available? Were they unaware of those options? Were they “strongly suggested” to leave them out by someone high up in county government?

The quick dismissal of Diablo Canyon because it would require a pipeline seemed too convenient. Don’t other options also require pipelines? How much would a pipeline from Diablo Canyon cost and how much would be saved with existing infrastructure such as energy and brine remixing technologies already in place? How does the total cost of desal at Diablo Canyon compare to building a new facility from scratch at one of the other suggested sites? Did someone high up in county government instruct the consultant to dismiss Diablo as an option? If so, could that be because dependence on Diablo would require the 20-year extension of the operating permit?

Could it be possible that the NIMBY no-growthers in leadership in our county discreetly put their thumb on the scale to produce a study that made desal seem impracticable locally? After all, one of the biggest things standing in the way of new homes, especially in coastal communities, is water.

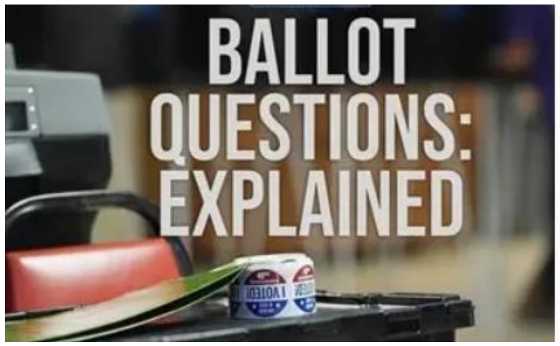
We have the situation in the Paso Basin where we are now seeing $1.1 million in taxes to pay consultants. No answers, no progress towards greater sustainability. Just reports. Now we have coastline water issues generating money for consultants. Again, no solutions, no progress towards desal. Just paper telling us that we probably can’t afford it.

Ballot Measure Details

Ballot propositions are increasingly becoming a new way to legislate. They used to be for big issues that the legislature was afraid to take up, or incapable of addressing. Now, special interest groups with money see them as pathways around the legislative process. It now becomes all about the marketing language and how warm and fuzzy the description reads.

The most confounding part of many ballot measures are the unintended (or hidden) consequences. Few voters take the time to read and understand what they are actually voting for – or against. Instead, they rely on snippets posted on social media or 30 second media buys filled with meaningless fluff.

As tempting as it is to just vote "NO" on everything, some measures do a lot of good and need to pass.



Retired election attorney Charles (Chuck) Bell has done a detailed analysis with Protecting What Matters radio host Barry Fisher of all the measures on the November 3 ballot. Over the next couple of weeks, we will share these analyses so that you can decide for yourself how to vote based on factual information.

The first ones covered are Props 40, 41 and 42 along with Prop 3.

Prop 40 is known as the Billionaire Tax. There are several areas of strong concern. To begin with, it taxes "wealth" rather than earnings. This means that unrealized profit is taxed, despite the chance that things like stocks or real estate could decline in value after the tax is collected. Of course, there are a few misrepresentations involved as well. For example, it is promoted as a "one time tax" and only on billionaires. Only a fool would believe such outrageous fibs. Then there is the enormous impact of so many successful and productive people leaving California to avoid this deeply unfair tax,

Here is the analysis:

2026 CALIFOIRNIA BALLOT PROPOSITION REVIEW

TYPE: CONSTITUTIONAL AMENDMENT/STATUTE/BOTH	**Number 40**
Title: IMPOSES ONE TIME TAX ON CERTAIN TAXPAYERS	
CATEGORY: TAX	

DESCRIPTION OF WHAT ARE MEASURE'S CHIEF PURPOSES AND POINTS

- **Imposes one-time tax on "wealth" of taxpayers with covered assets valued over $1 billion. "Wealth" includes businesses, securities, art, collectibles, intellectual property, but not real estate and 'some pensions and retirement accounts. Also allows the Legislature to impose tax on lower wealth brackets without complying with other state Constitutional limits on taxation.**
- **Allocates 90% of tax revenues for health care, 10% for food assistance or education related expenses.**
- **Prohibits using revenue to replace existing funding for the above purposes and exempts tax revenue from school fund, budget reserves and the state's Gann spending limit**

DOES BALLOT TITLE FAIRLY REPRESENT MEASURE'S CHIEF PURPOSES AND POINTS OR IS IT BIASED?

NO. It grossly misrepresents the magnitude of the tax and who will or could be subject to the tax.

Chief Supporters	**Chief Opponents**
• SEIU-United Healthcare Workers; Teamsters; AFSCME Unions; California Democratic Party	• Gov. Newsom; California Teachers Association; Silicon Valley Billionaires (*Building A Better CA*); California Medical Association; California Primary Care Association; California Republican Party; San Francisco Democratic Party

POLITICAL IMPLICATIONS/CONTEXT/DESCRIPTION & ECONOMIC AND POLITICAL IMPACT OF MEASURE

- Proponents say Prop. 40's wealth tax would fill the gap which the Trump administration created by slashing healthcare funding to pay for billionaire tax breaks, eliminating coverage for over a million Californians and doubling health insurance premiums for millions more. The make the class argument that the wealthiest should pay their "fair share" and stop sticking the middle class with the bill. Opponents say Prop. 40 is a flawed, one-time tax scheme that hurts our economy, damages our state budget, and contains a loophole exposing all Californians to unaffordable taxes but does nothing to lower healthcare costs. Passage would blow a major hole in traditional system of income taxation and drive wealth generators away from California. Hidden provision would allow future Legislatures to apply this wealth tax to lower bracketed individual taxpayers. Legislative Analyst's estimate seriously misses the mark on estimated revenues and particularly on the long term effects on California budget revenues.

Sources: Official Voter Information Guide | California Secretary of State - Ballot Propositions - California Budget & Policy Center -

Prop 41 is good government. It calls for levels of accountability and disclosure that should have been in place all along. It allows voters to see a much more detailed assessment of how much money (taxes) various ballot measures really cost.

Here is the analysis:

TYPE: **CONSTITUTIONAL AMENDMENT**
(adds new Article XXIV to the Constitution)

Number 41

Title: PROHIBITS NEW STATE TAXES THAT EXCLUDE REVENUES FROM STATE SPENDING LIMIT. REQUIRES AUDITS FOR NEW STATE SPECIAL TAXES

CATEGORY:
TAX & GOV'T FINANCE

DESCRIPTION OF WHAT ARE MEASURE'S CHIEF PURPOSES AND POINTS

- Requires financial and performance audits of new state programs funded by new taxes
- Attempts to effectively negate Proposition 40 that establishes wealth taxes on 'billionaires' (and perhaps others)
- Applies Gann Limit (a special limit on spending new revenues that exceed the Gann Limit on annual state spending) to taxes that fund new state programs. This means that revenues raised must be offset to affect spending on other programs.
- Requires that the pre-election audits of new state special taxes proposed to be adopted by the voters and such an official audit would appear in the State Voter Information Guide; also would require regular periodic audits of any programs funded by such special taxes.

DOES BALLOT TITLE FAIRLY REPRESENT MEASURE'S CHIEF PURPOSES AND POINTS OR IS IT BIASED?
YES

Chief Supporters	Chief Opponents
• Yes on 41—Californians for Transparency and Accountability, A Coalition of Small Businesses, Taxpayers, Good Government Advocates, Accountants, and Auditing Experts • California State Chamber of Commerce • Reform California	• SEIU – United Health Care Workers

Sources: Official Voter Information Guide | California Secretary of State - Ballot Propositions - California Budget & Policy Center -

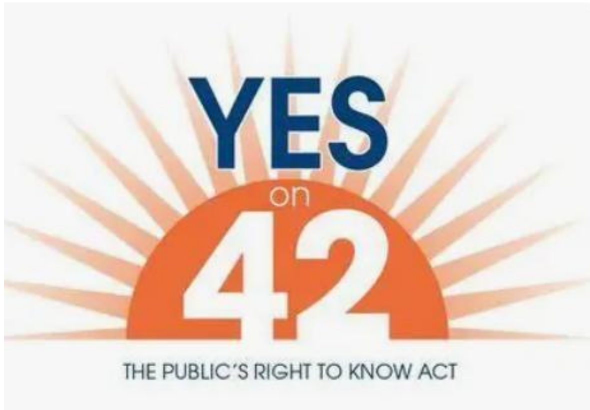
POLITICAL IMPLICATIONS/CONTEXT/DESCRIPTION & ECONOMIC AND POLITICAL IMPACT OF MEASURE

- Proponents say Prop. 41 would require that when special taxes are proposed by voter initiatives, the California State Auditor would review programs funded by the tax before the initiative appears on the ballot. The California State Auditor also would regularly review programs funded by special taxes approved by voters or the Legislature. In addition, the state might not be able to exclude any new special tax spending from its spending limit. Opponents contend it is a ruse to defeat Prop. 40, Prop. 41 directly conflicts (by intent of drafters) with Proposition 40 that imposes a special (wealth) tax for the purpose of funding health care programs. If Propositions 41 and 40 both are adopted by voters, Proposition 41 would have to attain more affirmative votes that Proposition 40 to become law and accomplish the negation of Proposition 40.
-

Related Ballot Initiatives

Proposition 40 and 42

Prop 42 makes it impossible to undertake some of the abuses in the taxation system that are utilized in Prop 40:



2026 CALIFOIRNIA BALLOT PROPOSITION REVIEW

TYPE: INITIATIVE CONSTITUTIONAL AMENDMENT	Number **42**
Title: PROHIBITS NEW STATE PERSONAL PROPERTY TAXES AND CERTAIN RETROACTIVE STATE TAXES	
CATEGORY: TAX	
DESCRIPTION OF WHAT ARE MEASURE'S CHIEF PURPOSES AND POINTS • Prohibits new state taxes on personal property, including business interests, intellectual property and financial assets (including assets in retirement and investment accounts) • Prohibits retroactive application of new state taxes based on taxpayer's conduct, activity or state that occurred before new tax's effective date. Specifically to new taxes that are enacted or take effect on or after January 1, 2026	
DOES BALLOT TITLE FAIRLY REPRESENT MEASURE'S CHIEF PURPOSES AND POINTS OR IS IT BIASED? Yes	
Chief Proponents • **Silicon Valley Billionaires (Build Better California); Reform California; California State Chamber of Commerce; State Building Trades Council**	**Chief Opponents** • **Proposition 40 Proponents**
POLITICAL IMPLICATIONS/CONTEXT/DESCRIPTION & ECONOMIC AND POLITICAL IMPACT OF MEASURE • Proponents say California's Constitution currently allows the Legislature to tax retirement and savings—even though you already paid taxes on that money when earned. Prop. 42 protects Californians from this double taxation, by prohibiting new and retroactive taxes on personal property, including retirement and savings. Opponents say Prop. 42 isn't really about protecting your retirement	

- Would also prevent the Legislature or voter by initiative from enacting taxes on assets in the future without a Constitutional Amendment ballot measure.
- Legislative Analyst concludes it would thus result in reduction of taxes in the future.

Related Ballot Initiatives
Propositions 40 & 41

Sources: Official Voter Information Guide | California Secretary of State - Ballot Propositions - California Budget & Policy

Prop 3 really comes down to whether voters are comfortable with the indebtedness that is ultimately repaid by taxpayers at nearly double the bond offering. Some might see it as an investment, while others see it as a tax increase. Either way, the cost should be carefully considered:

2026 CALIFOIRNIA BALLOT PROPOSITION REVIEW

TYPE: CONSTITUTIONAL AMENDMENT/STATUTE/BOTH

Number 3

Title: PROVIDES PERMANENT FUNDING FOR SCHOOLS AND HEALTH CARE BY EXTENDING TAX ON HIGH INCOMES

CATEGORY: TAX RELATED; BOND; ELECTION RELATED; MISCELLANEOUS/OTHER

TAX

DESCRIPTION OF WHAT ARE MEASURE'S CHIEF PURPOSES AND POINTS

- **Makes 2012 voter-approved tax rates permanent for high income Californians currently set to expire in 2031**
- **Rates apply to $371 K for single taxpayers, $742 K for joint filers and $505 for heads of households, adjusted annually for inflation**
- **Allocates 89% to K-12 schools, 11% to community colleges**
- **Allows local school boards to decide how to spend revenue**
- **Increases general fund revenues available for health care, budge reserves and other programs**

DOES BALLOT TITLE FAIRLY REPRESENT MEASURE'S CHIEF PURPOSES AND POINTS OR IS IT BIASED?

YES

Chief Supporters

- Major CA Labor Unions (primarily California Teachers Association)

Chief Opponents

- California Taxpayers Association

POLITICAL IMPLICATIONS/CONTEXT/DESCRIPTION & ECONOMIC AND POLITICAL IMPACT OF MEASURE

- Proponents say Proposition 3 protects our schools and healthcare without raising your taxes. Prop. 3 prevents a massive tax cut for millionaires and billionaires by maintaining the current tax rates the wealthiest 2% have paid for 15 years and requires strict accountability and audits. Opponents say Californians already pay the nation's highest income, sales, and gas taxes—and have the highest cost of living. Prop. 3 makes temporary income taxes permanent while Sacramento *wastes billions* on failed programs instead of voters' priorities. They say we should fix spending first before making taxes permanent.

Sources: Official Voter Information Guide | California Secretary of State - Ballot Propositions - California Budget & Policy Center -

Next week, we will continue with analyses of Props 43, 1, 38 and 39. We will also preview some of the issues scheduled for discussion by the San Luis Obispo County Board of Supervisors at their September 29 meeting.

Just One Month Away:

Make Your Reservations Today!

Last Week

Shabby Desal Report

Question: What do you call a feasibility study that doesn't examine all practical options?
Answer: A shabby and incomplete effort.

Item 31 on the September 1 BoS agenda read: Presentation and submittal of the Desalination Executable Solution and Logistics (DESAL) Plan Feasibility Study and recommended direction to staff to proceed on regional water supply planning and desalination opportunities.

What was delivered was a shabby and incomplete effort.

There's nothing like experiencing potential water shortages in San Luis Obispo County while we're sitting on the coastline of a huge ocean. It is just a little salt in the water that's preventing us from using ocean water to provide the irrigation and drinking water needs throughout our county. But separating the salt from the water isn't easy and it really isn't cheap. According to the "feasibility study" it isn't feasible… but is that really the case?

Water everywhere, but not a drop to drink.

This "feasibility study" explored options and locations for potential de-sal plants all along our San Luis Obispo County coastline. We take issue with the term "feasibility study" and question what the heck county staff were thinking when they presented this less-than-thorough concept. The study was done by a consultant who did the work on behalf of a large coalition of local agencies. It was presented as an all-encompassing examination of every option available in San Luis Obispo County for converting ocean water to drinking water.

But it left out a huge option – one that could make the difference between unworkable and unaffordable concepts and something that not only could work in our county but is working in other places around California.

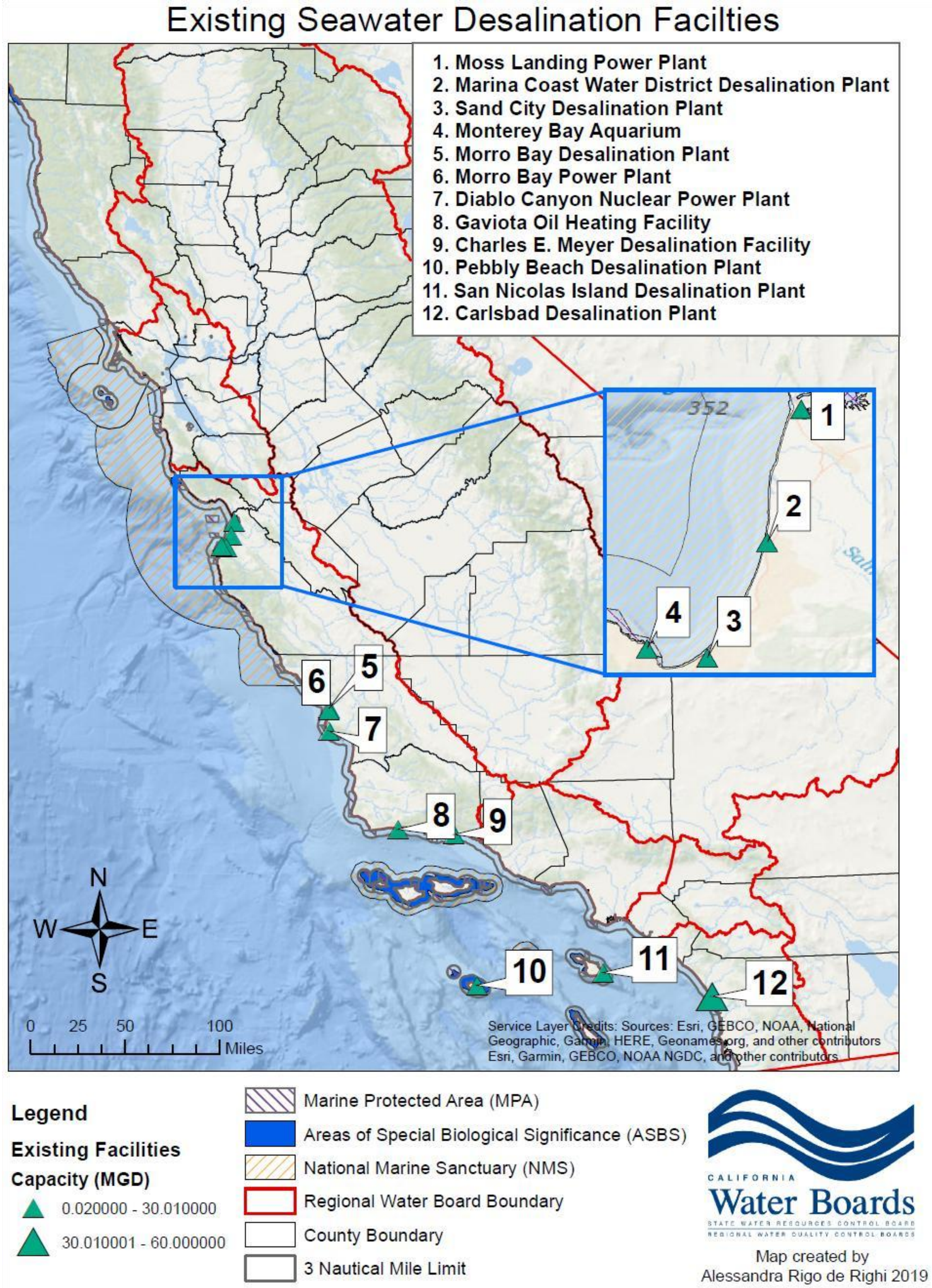
There are a number of private companies that either provide full service or public/private partnership de-sal facilities throughout the world and here in California. One such facility is located in Carlsbad. Here are some details as supplied by the San Diego County Water Authority:

San Diego County
Water Authority

The Water Authority added desalinated seawater to its supply portfolio in 2015 with the start of commercial operations at the nation's largest seawater desalination plant – the result of a public-private partnership in the coastal town of Carlsbad. This new, drought-proof supply reduces the region's dependence on supplies that are vulnerable to droughts, natural disasters and regulatory restrictions.

Below is a photo of the Carlsbad facility and another of the filtration system:

Below is a statewide map from the California Water Boards dated 2019 that illustrates all the de-sal units around the state. Not listed is the one in Cambria which is primarily used for recharge during drought and emergency situations but may be expanding use to provide recharge water more often. Some of the plants illustrated are not currently in use:



One private company that does business in our region is California American Water. We do not endorse private companies but use this one as a perfect example of what should have been included in the “Feasibility Study”.

California American Water, a subsidiary of American Water (NYSE: AWK), proudly delivers on our promise of ensuring our customers have high-quality, dependable water service.

We develop specialized plans for communities to address their needs:

- **Updated Infrastructure**
- **Responsive Customer Service**
- **Reduce City Budget Pressures**
- **Smooth Staffing Transition**
- **Discounts for Low-Income Residents**

STATEWIDE FACTS

WATER CUSTOMERS: Approx. 700,000 throughout the State

EMPLOYEES: Estimated 324

ANNUAL INFRASTRUCTURE INVESTMENT: Estimated $140 million

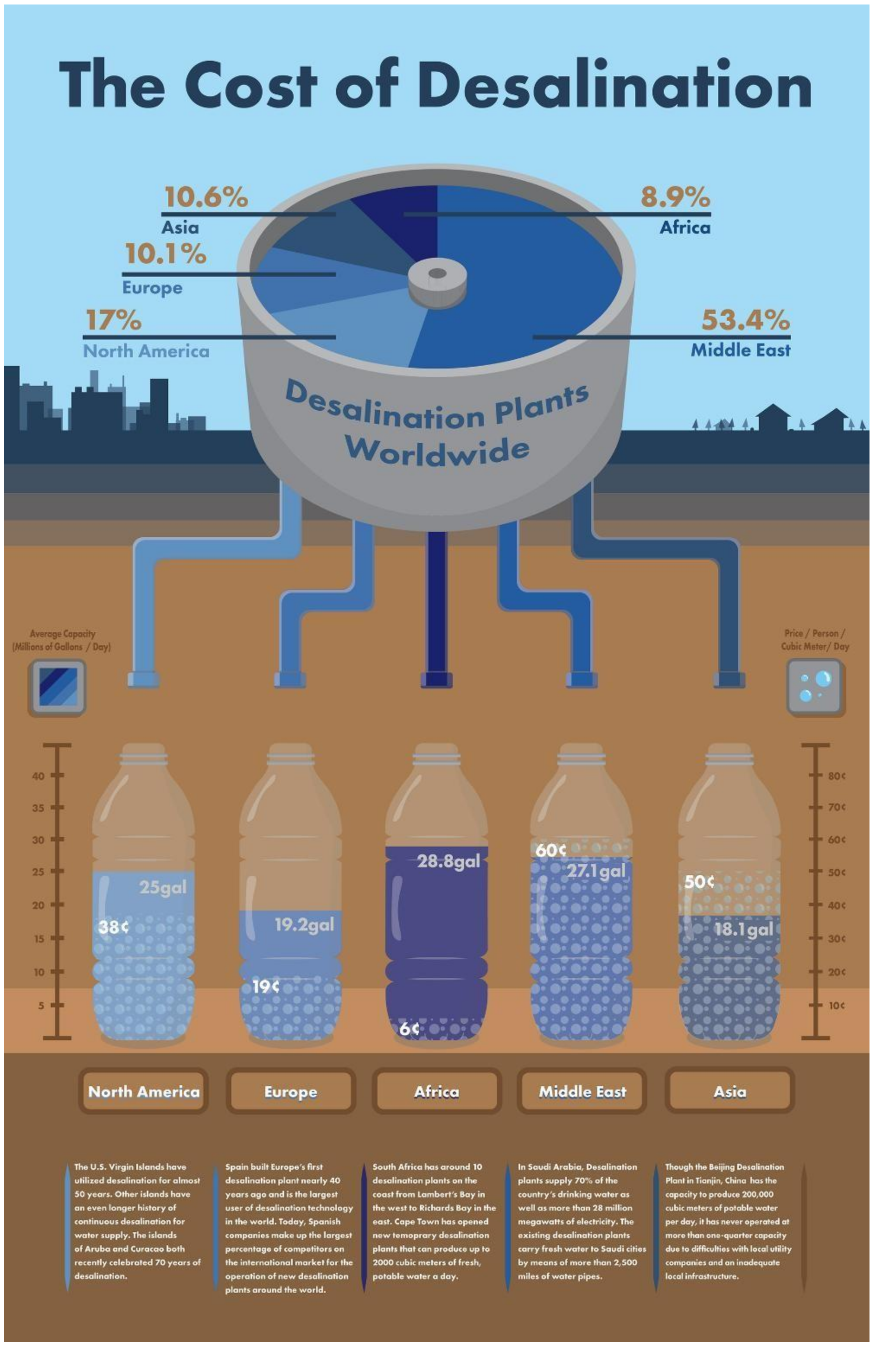
WATER STORAGE FACILITIES: Approximately 173

FEET OF PIPELINE: Estimated 13,773,265 (2,608 miles)

WATER QUALITY TESTING: 650 different tests on 25,000 samples annually

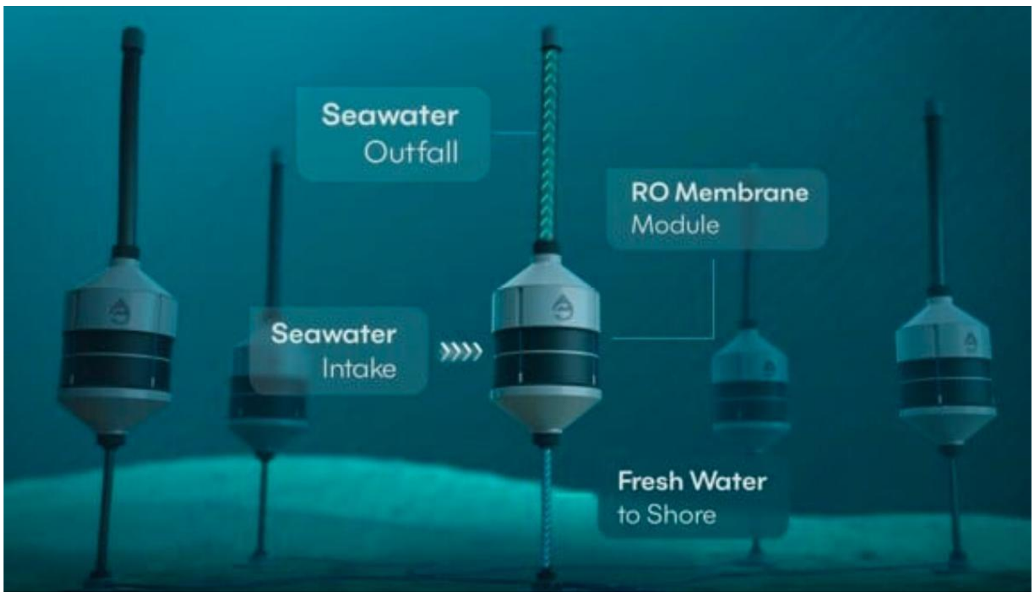
We understand that California American Water is currently working with Monterey County water systems to develop a public/private partnership for de-sal that is somehow viable for that community.

There are many factors that determine viability. The three biggest factors are construction costs, availability/cost of energy and the ability to transmit the water to where it is needed. Other issues that are frequently raised are: the potential damage to ocean organisms caught in the intake and what to do with the brine.



OceanWell is just one of many companies working on intake solutions. As to brine, it can be repurposed into valuable chemicals, minerals, and products — from sodium hydroxide and hydrochloric acid to sea salt, magnesium compounds, and calcium supplements — reducing waste and creating revenue streams. Of course, the brine originates from the ocean, and there are ways to return it to the ocean with little or no impact.

OceanWell



OceanWell's Lifesafe ocean intake system.

After this simple look at the "feasibility study" presented to the BoS, we are left wondering why public/private partnerships were completely left out. We are wondering why brine and ocean eco systems were cited as major concerns. We are wondering why the question of de-sal was seemingly dismissed with a shrug.

If public/private partnerships aren't workable for our county, there should have been an explanation as to why. If safer intake systems aren't workable here, why wasn't it mentioned? If solutions for handling brine don't work for our particular brine, why didn't we hear the details?

The cost of developing the 'feasibility study" was not disclosed. Did taxpayers get their money's worth?

Next week, we will take a closer look at the study and probably opine about why we suspect the report was light on some important details.

In the meantime, we encourage readers to check out this great article by one of our favorite authors, Edward Ring, who frames up the potential for de-sal nicely: [Large Scale Desalination Could Transform California | California Policy Center]

Expensive Appeal

Somebody queue the dead horse - here we go again complaining about a big waste of tax dollars that nobody but Supervisor Moreno seems to care about: meritless appeals of building permits.

It costs taxpayers between $8,000 and $13,000 (of Other People's Money) to process each permit appeal. You can't get a dog license, a restaurant permit, or even a photocopy of a public record without reimbursing the county for its expenses. But in the case of building permit appeals, the county gives completely free rides to those in the coastal zone, and they charge only $2,000 for those outside of the coastal zone.

This policy invites appeals that have really no basis but are often meant to cause trouble for those who want to build. The delay caused by the appeal is expensive and it's a hassle. In this case, the original permit was granted on April 17 of this year. The appeal deprived the builder of nearly six months, including the prime time to build over Spring and Summer.

The proposed building fills an empty lot formerly occupied by a gas station. It is a two-story structure with 3 offices on the ground floor and three one-bedroom apartments above.

The rationale from the appellants along with the staff response is listed here:

Appeal Issue 1: Neighborhood Compatibility

Appeal Assertions:	Staff Response:
• **Community character:** Baywood identity and community standards • **Pedestrian scale:** Estero Area Plan expectations for walkability • **Use intensity:** Traffic, groundwater, and community growth • **Safety:** Removal of underground gas tanks	• **Frontage improvements:** Sidewalks, parkways, and additional parking is provided. • **Traffic:** No signal is warranted. • **Former gas station:** Removed per County approved processes. • **Water Supply & Sustainability:** Will-Serve Letters; Retrofit requirements; compliant with Growth Management Ordinance.

Appeal Issue 2: Public Access & Parking

Appeal Assertions:	Staff Response:
• **Event parking:** Loss of event parking. • **Public parking reliance:** Loss of parking for nearby businesses. • **Coastal Act §30210:** Potential public access inconsistency.	• **Improved supply:** 13 total improved spaces; 7 new frontage spaces. Meets required parking. • **Event compatibility:** Demand aligns with existing Farmer's Market permit. • **Circulation:** Complies with walkable, pedestrian-scale policies. • **Coastal Act consistency:** Access maintained through frontage improvements and adequate parking.

Aside from those formal complaints listed above, the appellants expressed frustration over change. They repeatedly said that they want to keep Baywood the way that it is. They like the empty lot and wish to keep it that way. However, nobody made an offer to buy the lot from the current owner. Their other assertion was that the building is “massive and unneeded” in their community. No data was offered to support that assertion.

In the end, the appeal was denied which came as no surprise considering the appeal did not support any findings of wrongdoing by the builder or the planning commission.

So, taxpayers paid between $8,000 and $13,000 to allow some NIMBYs to moan and groan and cause headaches for the completely compliant builder.

The former gas station lot will become a mixed-use building.


Here is what a NIMBY considers “massive”.

This kind of situation needs to change. At the very least, before filing an appeal, people should be well informed about what is involved with making a successful appeal and what doesn’t work. Perhaps a guide document that spells out exactly what constitutes a successful appeal, and what does not. This is especially applicable to appeals based on emotional feelings. Wanting to keep things the way they are isn’t a reason to go through an expensive hearing.

It would also be good to make sure appellants have what Supervisor Gibson often likes to call "shin in the game". If we can't charge them to file an appeal, perhaps we should charge them if their appeal turns out to be without merit. Even better would be some sort of renumeration to the permit applicant who has incurred extra costs due to the meritless appeal.

According to our estimation, the BoS hears over 20 appeals per year. This means that the appeal process could cost taxpayers between $150,000 and $250,000 (or more) annually. When will our BoS realize that we can't afford such indulgencies and start putting that money to a more productive use?

In Favor, Opposed or Just Lazy?

Our little zing at Senator Laird last week about Dolly Parton Day raised questions with people about what the urgency is for getting the 20-year extension for Diablo Canyon. We thought we would remind readers of a couple of the most important points.

The uncertainty about whether Diablo Canyon will continue to operate beyond 2030 is causing all kinds of problems.

To begin with, purchasing the fuel necessary for running the reactors is something that needs to be done years in advance. Since the rest of the world seems to be coming to its senses and opening up to the idea of more nuclear energy, the fuel required to run reactors is becoming scarce. If Diablo is to continue operations beyond 2030, it needs to have the fuel lined up now. PG&E is competing with other nuclear plants around our country and around the world for limited availability fuel. Naturally when anything is limited in availability, the price goes up. This means that ratepayers are going to pay a higher price for fuel. That is, of course, assuming it works out for PG&E to acquire the fuel needed.

The next really big issue is the employment base to run the plant. Nuclear generator operators are a highly skilled workforce. With uncertainty about how long Diablo will continue to function, many of the highly skilled workers are looking at opportunities in other parts of the country. Maintaining the specialists required to operate Diablo Canyon is becoming a challenge. The closer we get to 2030, the more challenging it gets. Again, ratepayers are going to be soaked by the higher salaries required to retain these key employees.

Then there's the unitary tax. When Diablo Canyon was originally slated to close in 2025, the unitary tax was zeroed out. This meant that about $22 million in tax revenues to the county and to various agencies were eliminated. Then when legislation extended operations for 5 years, it failed to reinstate that unitary tax. Apparently, PG&E has no problem paying the tax, but it has to be legislatively reestablished. The sooner we can get the 20-year extension, the sooner we can sort out the tax situation and get that revenue back into the agencies that are relying on it.

Senator John Laird

Assemblymember Dawn Addis

Senator Laird, along with Assemblymember Addis, had a full legislative year to work on these issues. Yet the year has passed, the legislature is adjourning, and we have nothing to show for it. Both Laird and Addis were very active in brokering land conservation deals between PG&E and the California Coastal Commission and they seemed to have no problem with the 20-year extension at that point last fall. But when it came time to produce legislation to extend the operations and/or to rectify the unitary tax situation, they were busy doing things like creating Dolly Parton Day.

Ballot Measure Insights

The first round in a four-part series of ballot proposition analysis on the Protecting What Matters radio show with Barry Fisher went well. Elections expert Check Bell and COLAB Executive Director Greg Haskin joined Barry for a thorough discussion of Props 40, 41 and 42. The discussions will continue in next week's program on Tuesday, September 15 at 12:30 PM on KPRL 1270 radio.

Barry Fisher, Protecting What Matters

Written analysis will begin to be featured in next week's edition of this newsletter.

We thank Barry Fisher and KPRL for bringing this information to the public and hope to provide balanced and pragmatic information that will help you determine your position on each of these important ballot measures.

Free Admission, Free Parking

COLAB
San Luis Obispo County

FALL FORUM

Wednesday, October 21st
5:30–7:30 PM

Thousand Hills Ranch
550 Thousand Hills Rd.
Pismo Beach, CA

PROP 43 - KNOW WHAT WE ARE PROTECTING AND WHY

Join Jon Coupal, President of the Howard Jarvis Taxpayers Association and California's preeminent tax fighter, for a discussion on Prop 43, the "Save Prop 13" ballot measure, and the protections it would provide for California taxpayers.

Jon Coupal
President of HJTA

BEER, LOCAL FINE WINES, AND
HOT & COLD APPETIZERS WILL BE SERVED

RSVP'S ARE APPRECIATED BY OCTOBER 14TH

THERE IS NO CHARGE FOR THIS INFORMATIVE EVENT!
colabslo@gmail.com | (805) 548-0340

Emergent Trends
Page 36

What Are California's State Holidays?

Gavin Newsom Says Capitalism Isn't Working' – Because His Wealth Was Subsidized

COLAB in Depth
Page 41

Ringside: The Energy and Water Footprint of AI

Reminder: The last page of this newsletter has a membership application. Please join COLAB.

Valued Sponsors

HEARST RANCH

A-1 GLASS
For All Your Glass Needs
AUTO • RESIDENTIAL • COMMERCIAL

2026 Annual Fundraising Dinner Sponsors

What Are California's State Holidays?

There are twenty-three designated holidays in this state By Chris Micheli, September 17, 2026

Assuming the signature of Governor Newsom on several bills this year, there are twenty-three designated holidays in this state. They are found in Government Code Section 6700. The following are deemed “the holidays in this state”:

- Every Sunday.
- January 1.
- The third Monday in January, known as “Dr. Martin Luther King, Jr. Day.”
- The date corresponding with the second new moon following the winter solstice, or the third new moon following the winter solstice should an intercalary month intervene, known as “Lunar New Year.”
- February 12, known as “Lincoln Day.”
- The third Monday in February.
- The first day of the month of Shawwal in the Islamic lunar calendar, known as “Eid al-Fitr.”
- April 10, known as “Farmworkers Day.”
- April 24, known as “Genocide Remembrance Day.”
- The 15th day of the month of Kartik in the Hindu lunar calendar of each year, known as “Diwali.”
- The 10th day of the month of Dhu al-Hijjah in the Islamic lunar calendar, known as “Eid al-Adha.”
- The last Monday in May.
- June 19, known as “Juneteenth.”
- July 4.
- The first Monday in September.
- September 9, known as “Admission Day.”
- The fourth Friday in September, known as “Native American Day.”
- The second Monday in October, known as “Columbus Day.”
- November 11, known as “Veterans Day.”
- December 25.
- Good Friday from 12 noon until 3 p.m.
- April 14, known as “Sylvia Mendez Day.”
- Every day appointed by the President or Governor for a public fast, thanksgiving, or holiday.

Chris Micheli
Chris Micheli is an attorney and lobbyist with Snodgrass & Micheli, LLC, as well as an Adjunct Professor at McGeorge School of Law.
Spread the news

Gavin Newsom Says Capitalism Isn't Working' – Because His Wealth Was Subsidized

Newsom even lives in a $9.1 million home in Marin County that his in-laws purchased

By Katy Grimes, September 17, 2026

Newsom says income inequality threatens American democracy, a SacBee.com headline reveals. California Governor Gavin Newsom has repeatedly said that "capitalism as we know it is not working."
The statement is sophomoric, and for Gavin Newsom to claim this is half-witted. Newsom says capitalism isn't working' because his wealth was subsidized. He has never had to be a strict adherent to capitalism the way actual entrepreneurs and innovators are.

Ask any entrepreneur of a small, medium or large business what they think of capitalism. Ask immigrants new to the country, who were able to open a business, what they think of capitalism – especially if they came from a communist country, or one rooted in horrific corruption.

"From 2002 to today, Gavin Newsom's net worth has grown from roughly $6.9 million to over $30 million," Amy Curtis at Townhall noted. "Sure, he started out as the son of well-to-do parents, which is something most of us don't get to do, but we live in America. Thanks to capitalism, we have a chance to create our own wealth." If "capitalism as we know it is not working" or "doesn't work," how did he achieve his wealth?

He continues to make this asinine statement, and in multiple appearances in 2025–2026, said:

- A C-SPAN-recorded event in South Carolina: "Capitalism as we know it is not working. Not at $7.25 minimum wage in South Carolina." He pointed to wealth concentration (the top 10% owning roughly two-thirds of wealth and 93% of the stock market) and argued that saving democracy also requires "democratizing the economy."
- "Something's fundamentally broken here… I would argue socialism is not gonna work, but capitalism as we know it doesn't work either."
- He has made broader comments that the current system is "broken," that a 30-year-old is not doing better than their parents for the first time in history, and that the economy is built to serve billionaires rather than the working class.

He usually adds the qualifier "as we know it" rather than rejecting markets or private enterprise outright, proving that he is attempting to be provocative as he campaigns for President.

He has also richly criticized "crony capitalism" and distinguished it from what he calls a more competitive, rules-based model – and at the same time has said socialism will not work.

Newsom's own net worth grew substantially under the existing system and that California has high housing costs, poverty, and regulation. He has framed the comments as a diagnosis of inequality and stagnation that requires more than "tinkering."

In 2018, the Los Angeles Times reported "Gavin Newsom is a career public servant and multimillionaire businessman. Here's how he has made his wealth." The LAT proves my point in the first two paragraphs:

"For the last two decades, Gavin Newsom has been rising to the highest levels of California politics.

At the same time, he also has become a multimillionaire businessman, with an upscale chain of wine stores, wineries, restaurants, nightclubs, hotels and retail shops stretching from the Bay Area and Napa Valley to Lake Tahoe and Palm Springs. He built some of those businesses with the Gettys, heirs to an oil fortune who have deep connections to the Democratic lieutenant governor's family."

Newsom's father, William Newsom, was a childhood friend of Gordon Getty and later served as a Getty family attorney, trustee, and administrator of family trusts. Gordon Getty has described Gavin as like a son; the families vacationed together, and Getty money and connections helped launch and expand PlumpJack (wine shops, restaurants, hotels, wineries). Contemporary reporting from the early 2000s identified Gordon Getty as the lead investor in most of Newsom's businesses at the time. Getty family members have also been consistent political donors. Newsom has long enjoyed social, political and financial capital through his father and the Gettys.

Newsom even lives in a $9.1 million home in Marin County that his in-laws purchased, according to Jen Van Laar at Redstate. In November 2024, a 5,600square-foot six-bedroom home in Kentfield, Marin County, sold for $9.1 million. The buyer was an LLC called "MHBD Farms, LLC," tied to Jennifer Siebel Newsom. Jennifer Van Laar of RedState later reported that the LLC's members include Jennifer Siebel Newsom and her parents, Ken and Judy Siebel, who also personally guaranteed a subsequent $6.5 million cash-out refinance on the property, Fox News reported.

Newsom's "capitalism doesn't work" line shows his unbridled hypocrisy. Newsom built a multimillion-dollar hospitality portfolio with elite backing inside a market economy, then is so clueless, he argues the same system is failing most people. Newsom is just an elite who used connections to gain wealth, and now claims to want to change the rules.

As an aside, several of us in the California political media have questioned how the Gavin and Jennifer Siebel Newsom funded the initial $9.1 million cash purchase of the Marin home, given their disclosed finances and the fact they still held the $3.8 million Fair Oaks home – also "gifted to them."

Lastly, I stand by my statement that all elected politicians should be required to take Econ 101 prior to holding public office.

Katy Grimes

Katy Grimes, the Editor in Chief of the California Globe, is a long-time Investigative Journalist covering the California State Capitol, the co-author of California's War Against Donald Trump: Who Wins? Who Loses? and a contributor to "Taxifornia 2016."
A California native and Navy mom, Katy lives in Sacramento, CA.

Ringside: The Energy and Water Footprint of AI

We can enact smart regulations that empower the industry to thrive and set a positive example to the world, or we can drive it away to more welcoming states and nations

By Edward Ring, September 17, 2026

Whether artificial intelligence should be regulated, and if so, how, has almost overnight become one of the biggest political issues of our time. And with AI comes a surge in construction of massive data centers, for which we should minimize impact on the surrounding communities. But to the question of how we will find enough energy and water to supply data centers, concerns may be overstated.

When it comes to water, there is good news. A recent report published by Richard Evans, an economist with the Abundance Institute, describes recent recycling innovations that promise to reduce ongoing water consumption by data centers to almost nothing. Using a liter per kilowatt-hour metric, modern designs are already down from as high as 2.5 L/kWh with traditional evaporative cooling to 0.12 L/kWh with closed-loop cooling technologies.

It may get even better than that. Evans elaborates, "And those fleet averages actually understate what is occurring in new construction. Microsoft says its newest liquid-cooled AI data centers use direct-to-chip closed loops with zero water evaporation. Oracle says the same about AI facilities it is building in New Mexico, Michigan, Texas and Wisconsin. The cooling system is initially filled and subsequently has essentially no evaporation, blowdown, or continuous makeupwater requirement."

Even at 0.12 L/kWh, with worldwide data center electricity consumption estimated at 485 terawatt-hours in 2025, that only equals 47,202 acre feet. To put this into perspective, total worldwide water withdrawals per year are estimated to be 2.6 billion acre feet for agriculture, 746 million acre feet (MAF) for industry, and 373 MAF for municipal use. Data centers with state-of-the-art designs already have the potential to use less than one-eighth of one percent (0.013%) of municipal water consumption, with next generation, already proven designs capable of bringing that down to zero.

What about energy?

According to the International Energy Agency (IEA), as noted, data centers worldwide consumed 485 terawatt-hours (TWh) in 2025. That figure is roughly corroborated by Gartner's estimate of 448 TWh. And both of these sources project consumption to double by 2030 to 950 TWh and 980 TWh, respectively. But this doesn't tell the whole story.

The Statistical Review of Global Energy, using data gathered by S&P, reported data power demand at 788 TWh in 2025. The difference can be explained, but reveals the complexity inherent in making these estimates. S&P's numbers are derived from their inventory of individual data-center facilities around the world. The IEA relies on industry projections. Both methods are credible, and both require huge sets of assumptions.

It's important to recognize that "data centers" have already been around for quite a while. They are defined as "servers, storage, networking equipment, and the infrastructure needed to support them." Those components didn't just show up when AI came along. And they are part of a larger information and communications technology (ICT) ecosystem that also includes telecommunications networks, enduser devices, and cryptocurrency mining. For example, in 2023, the IEA estimated global ICT electricity demand as follows: data centers 360 TWh, networks 280 TWh, end-user devices 440 TWh, and cryptocurrencies 125 TWh. Total: 1,205 TWh.

Putting data center electricity demand into perspective must first acknowledge how difficult it is to make an accurate estimate, but let's go with the Statistical Review's estimate, compiled from S&P's data. The worldwide total in 2025 was 788 TWh, and of that, U.S. demand was 313 TWh. China's data centers used 206 TWh, and the rest of the world used 269 TWh. How does that compare to total electricity production?

Worldwide electricity production in 2025 was 32,202 TWh, meaning data centers consumed 2.4 percent. In the US, we produced 4,772 TWh, and our data centers used 6.6 percent of it. China's total electricity production was 10,575 TWh, and their data centers used 1.9 percent. Of course, overall, China's population of 1.4 billion only utilized 7.5 megawatt-hours per person in 2025, compared to 13.8 in the U.S. On a per capita basis, we have far more electricity to spare than the Chinese do, making our 6.6 percent share for data centers less onerous than it would otherwise be.

When we speak of the dawning electric era, the electricity hogs are not just data centers. Converting homes to heat pumps, cars and trucks to EVs, investing in large scale desalination, and deploying millions of robots will require tens of thousands of additional TWh. And all of those innovations will require an expanded information and communications infrastructure – i.e., the more we electrify and automate, the more data centers we're going to need.

However, there is also good news here. Without diving too deep, just imagine how much electricity a primitive computer using vacuum tubes would require just to perform basic calculations. We've come a long, long way. Computational power is often measured using "FLOPs," or floating point operations per second. There are other measuring units, depending on the task, but for describing the relentless progress still being made in processor efficiency, FLOPs will do.

In the previously referenced analysis of water and energy use by data centers, author Richard Evans cited extensive research that projects the ratio of electricity to FLOPs to improve by 34 percent per year until at least 2030. Concurrently, most estimates project electricity use by data centers to double by 2030. But the point here is that the computational power of data centers will improve far more than mere doubling by that time.

Again, without going too deep, the current benchmark efficiency for data center processors, writ large, is 12.5 octillion FLOPs per terawatt-hour. By 2030, that number is projected to increase to 54.2 octillion FLOPs per TWh, which is 4.3 times greater than 2025. If the electrical input doubles, that means the capacity of data centers in 2030 will be 8.6 times greater than it is today. We may hope that is enough.

Ultimately, data centers are at the center of a broad energy transition that will require far more electricity than the projected requirements of the data centers themselves. Our need for data centers should be beyond serious debate. Fraught with potential perils that could rival their stupendous upside, they are nonetheless coming, whether we build them here or let others take the lead.

Here in California, data centers present an opportunity analogous to the regulatory situation facing our in-state oil and gas industry. We can enact smart regulations that empower the industry to thrive and set a positive example to the world, or we can drive it away to more welcoming states and nations.

Edward Ring

Edward Ring is the director of water and energy policy for 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. Ring is the author of two books: "Fixing California - Abundance, Pragmatism, Optimism" (2021), and "The Abundance Choice - Our Fight for More Water in California" (2022).

###

THE ANDY CALDWELL SHOW NOW LOCAL IN SLO COUNTY

Now you can listen to THE ANDY CALDWELL SHOW in

Santa Barbara, Santa Maria &
San Luis Obispo Counties!

1290/96.9 Santa Barbara and AM 1240/99.5 Santa Maria
The show now covers the broadcast area from Ventura to Templeton - THE only show of its kind on the Central Coast covering local, state, national and international issues

You can also listen to The Andy Caldwell Show LIVE on the [TuneIn Radio App] and previously aired shows at The Andy Caldwell Show Podcast!
https://soundcloud.com/theandycaldwellshow

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

SLO County updates with Greg Haskin every Monday at 4:30

KEEP HANDY* CONTACT YOUR ELECTEDS

ON ISSUES OF CONCERN!
THEY NEED TO HEAR FROM YOU!

Elected Officials Representing San Luis Obispo County

Governor Gavin Newsom
916-445-2841 Sacramento
https://www.govca.gov/contact/

Senator Alex Padilla
202-224-3553 DC
hltps://www.padilla.senate.gov/contact/

Senator Adam Schiff
202-224-3841 DC
https://www.schiff.senate.gov/contact/

Representative Salud Carbajal
202-225-3601 DC
805-546-6348 District
carbajal.house.gov/contact

Representative Jimmy Panetta
202-225-2861 DC
831-424-2229 District
panetta.house.gov/contact

State Senator John Laird
916-651-4017 Sacramento
805-549-3784 District
senator.laird@senate.ca.gov

State Assembly Member Dawn Addis
916-319-2030 Sacramento
805-549-3001 District
assemblymember.addis@assembly.ca.gov

SLO County Supervisor Bruce Gibson
805-781-4338 District
bgibson@co.slo.ca.us

SLO County Supervisor Heather Moreno
805-781-4339 District
hmoreno@co.slo.ca.us

SLO County Supervisor Dawn Ortiz-Legg
805-781-5450 District
dortizlegg@co.slo.ca.us

SLO County Supervisor Jimmy Paulding
805-781-4337 District
district4@co.slo.ca.us

SLO County Supervisor John Peschong
805-781-4491 District
jpeschong@co.slo.ca.us

JOIN OR CONTRIBUTE TO COLAB ON THE NEXT PAGE Join COLAB or contribute by control clicking at:

[COLAB San Luis Obispo County (colabslo.org)](https://colabslo.org) **or use the form below:**

Coalition of Labor, Agriculture and Business
San Luis Obispo County
"Your Property – Your Taxes – Our Future"
PO Box 13601 – San Luis Obispo, CA 93406 / Phone: 805.548-0340
Email: colabslo@gmail.com / Website: colabslo.org

MEMBERSHIP APPLICATION

MEMBERSHIP OPTIONS:

General Member: $100 – $249 ❑ $ _______ **Voting Member: $250 - $5,000 ❑ $ _______**

Sustaining Member: $5,000 +❑ $ _______
(Sustaining Membership includes a table of 10 at the Annual Fundraiser Dinner)

General members will receive all COLAB updates and newsletters. Voting privileges are limited to Voting Members and Sustainable Members with one vote per membership.

MEMBER INFORMATION:

Name: ______________________________

Company: ______________________________

Address: ______________________________

City: ______________________ State: ____________ Zip: ____________

Phone: ______________ Fax: ______________ Email: ______________

How Did You Hear About COLAB?

Radio ❑ Internet ❑ Public Hearing ❑ Friend ❑

COLAB Member(s) /Sponsor(s): ______________________________

NON MEMBER DONATION/CONTRIBUTION OPTION:

For those who choose not to join as a member but would like to support COLAB via a contribution/donation.
I would like to contribute $ ____________ to COLAB and my check or credit card information is enclosed/provided.

Donations/Contributions do not require membership though it is encouraged in order to provide updates and information.
Memberships and donation will be kept confidential if that is your preference.
Confidential Donation/Contribution/Membership ❑

PAYMENT METHOD:

Check ❑ Visa ❑ MasterCard ❑ Discover ❑ Amex NOT accepted.

Cardholder Name: ______________________ Signature: ______________________

Card Number: ______________________ Exp Date: ___/___ Billing Zip Code: ______ CVV: ____

TODAY'S DATE: ______________________