

Study: Price of wines to stay flat

By Dale Kasler, Sacramento Bee

Despite grape shortages in California, consumers can count on another year of wine discounts, according to a UC Davis survey released Monday.

The university's 10th annual survey of top California wine executives shows an industry slowly emerging from the recession. Weather and financial concerns have created crop shortages, but consumers won't be quick to surrender the price breaks they've enjoyed the past few years.

"The great bulk of people are being driven by deals," said survey author Robert Smiley, a professor emeritus and director of wine programs at the University of California, Davis. "The discounting is going to end, but it's not going to end until a year from now."

Read the whole story

Exercise a healthier option than voodoo dolls to control stress

By James S. Fell, Los Angeles Times

Do you ever feel like making a voodoo doll in the image of your boss, stabbing it full of pins, twisting its head off,

then setting it on fire?

I remember those days.

Speaking of the old days, here's to the good old mammoth-slaying Stone Age, when we knew how to deal with stress. I'm talking about the fight-or-flight response, an inherited advantage coded into our genes via natural selection. Say you were chillin' about the cave one day and in sauntered a grizzly bear. The resulting stress elicited a massive surge of adrenal hormones and you'd jump to your feet and go all caveman on the intruder with valiant stabbing or cowardly fleeing.

Either way, the hormone surge was short-lived. Soon you'd be roasting up grizzly steaks or muttering that you didn't like that cave anyway and go off searching for a new abode to drag Daryl Hannah back to.

Fast forward a few millennia, and it's goodbye grizzly and hello to performance reviews conducted by supervisors with double-digit IQs. And as good as it might be for stress relief, you can't kidney-punch a domineering boss and declare yourself alpha drone o'er the cube farm. Hooray for progress.

Instead, you send a snotty email to some unsuspecting IT guy about how your stupid keyboard isn't Diet Coke-resistant or yell at a slow driver from the safety of your minivan during the drive home. And when you get back home you pour yourself a stiff drink and crab at the kids to stop doing those things that kids do before collapsing in front of the TV to watch your favorite team lose or see "The Bachelor" give the boot to the one woman you thought deserved to win his heart.

But it doesn't have to be this way.

Read the whole story

Ice rink operators want Tahoe facility to be a destination

By Kathryn Reed

Saturday marks one full month since South Lake Tahoe turned the ice rink keys over to private operators.

The most noticeable difference walking in is the retail shop on the right is not there. Instead, those goods are being moved to the left of the front doors, with office space being taken out. More of the core offices are by the front counter.

“We want the whole building to flow better and for there to be more things to do while people are here,” explained Van Oleson, who with Chris Cefalu are the owners of the privately held Tahoe Sports Entertainment, the operators of the rink.



Operators of the South Lake Tahoe ice rink are making changes.

Photo/LTN

They have a range of plans for the sheet of ice – but want to implement them in a strategic manner. While ultimately making

money is the goal, providing the right mix of programs with superb customer service top the to-do list.

However, cleaning and organizing things have taken up more time than anticipated.

“This place was just absolutely cluttered,” Oleson said while sitting in his office at the rink.

Working on the feasibility of plans and developing a time line to implement the changes are in the works. More concrete plans should be forthcoming later this year. TSE is still working on its website.

What used to be the retail shop is being turned into a café. The rinks’ operators have made the center an Internet hot spot so people needing to get some work done or just wanting to be online can do so.

Cameras that will be installed in the arena will allow those in the café to see what is going on. Those televisions will also broadcast NHL and other sports programs. Once the license is secure, beer and wine will be sold at the café.

“We hope the effect is a coffee house atmosphere,” Oleson said. He admits, though, that after the men’s leagues, the noise level in the café is bound to escalate.

But the whole goal is with the café upfront it will attract more people.

Vending machines in the back where the “old” café is are likely to be eliminated.

That whole area could be opened up – possibly turning it into an exercise room with free weights, machines or even a Pilates studio.

While changing the look and adding things to the facility are happening, the management team is keenly aware of the need to

focus on the ice.

Cefalu said things have been streamlined, with the cost of some leagues being lowered to be more affordable. The goal is to build up the number of people using the arena.

"We want to do more so kids come in. It's very underused by kids," Cefalu said.

While the city had a partnership with Lake Tahoe Unified School District for third-graders to learn to skate, Cefalu and Oleson want more than just that age group.

Part of their approach is getting the word out the city has a rink, put a Tahoe identity behind the rink and ultimately make it a destination for people beyond the basin.

Oleson said that while Lake Tahoe is known for winter sports athletes, they are on the slopes, not the ice. He wants to change that.

"We just hosted the founder of the largest international hockey camp to discuss a lot of possibilities with the rink," Oleson said. "We are working with a former NHL player to create a destination event. We are working with figure skating for events."

Already the rink has secured the Pee Wee tournament for February. This could fill a couple hundred room nights on the South Shore.

If the Tahoe-Reno area is awarded the 2022 Winter Olympics, as some hope will happen, the ice rink owners want their ice to be used as a training or practice facility.

Cefalu also said discussions have begun with Lake Tahoe Community College to integrate the two entities.

To go forward completely with their plans, Oleson and Cefalu need the recreation JPA board to amend the bond structure of

Measure S because private entities cannot make money from tax-exempt bonds. No meeting is on the books to make this happen.

The city chose to seek a private operator of the rink because it had been losing about \$100,000 a year for a few years on the 9-year-old facility. Tahoe Sports and Entertainment is paying the city \$2,000 a month in rent for the first year; \$3,000 month after that. Beginning Oct. 1, 2012, 3 percent of gross revenue above \$600,000 will be the city's; 4 percent the next year; with it capping at 5 percent starting Oct. 1, 2014.

Opinion: S. Tahoe explains why it does what it does

Open letter to the community:

At the Sept. 15, 2011, special City Council meeting to discuss the city's projected \$5.2 million deficit, several members of the community made statements during public comment that could be construed as fact and thus, need clarification. But first, some background on the framework of the proposed fiscal year 2012 budget and the need to eliminate a \$5.2 million projected deficit.

- In December 2010 a Citizen Survey was conducted of the community and resulted in the following:**

- o 85 percent indicated the city was headed in the wrong direction. In fact, the city of South Lake Tahoe ranked last among 267 other cities surveyed in this category. The survey clearly indicated the City needed and in fact was required, to make significant changes.



Tony O'Rourke

o As a result of the survey, the City Council developed and adopted a Strategic Plan, Business Plan and Five-Year Financial Plan to head the city in the right direction. The Strategic Plan includes initiatives to improve our failing infrastructure, become fiscally sustainable, focus on economic development, strengthen partnerships and improve the public's trust.

o The Five-Year Financial Plan identified average budget deficits of \$3.4 million between FY 2012-2016 and the need to reduce city expenses to "live within our means" but also invest in the community's aging infrastructure by proposing \$25 million to make substantial improvements to city roads and infrastructure over the next five years.

o As a result of the Five-Year Financial Plan, the City Council adopted a Reorganization Plan in March that cut city expenses by \$10.2 million over the next five years and also included eliminating six senior management positions (redevelopment director, division fire chief, assistant parks and recreation director, public works director, assistant city manager and police captain). Subsequent to the reorganization plan, the fire chief resigned and the position was frozen. The savings realized by eliminating and freezing these positions is over \$1.2 million per year. Three of the remaining directors were tasked with taking on the collective responsibility of these vacated positions and received an average 10 percent raise to so do (police-fire chief, community services director and finance director).

o The proposed FY 2012 budget reorganization includes the elimination of up to 26 positions and contracting out for certain services. These actions will result in \$1.7 million in FY 2012 savings and \$2.5 million per year thereafter. The majority of these savings are from the fire and police departments reducing senior command hierarchy with little or no impact to front-line services.

• Does the city use temporary employees for snow removal?

o The city has always hired seasonal (temporary) employees for snow removal because snow is a seasonal event and seasonal workers supplement the fulltime crews. Snowplow operators must possess specific qualifications for operating snowplow equipment. The city maintains a fulltime workforce of the most experienced workers to provide supervision oversight and training of snowplow drivers.

• What is the source of the city's projected FY 2012 \$5.2 million deficit?

o \$1.8 million payment to the state of California to continue the city's redevelopment activities.

o Decline in revenue due to the protracted economic downturn.

o Escalating expenses, including employee salaries and benefits, which represent 65 percent of all operating expenses.

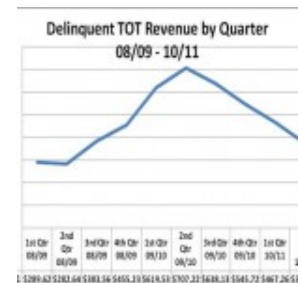
• City of South Lake Tahoe has no plans to close the senior center or reduce recreation programs or services.

o In fact, the city is currently exploring additional service enhancements and programs. All current programs including the nutrition program, which is currently administered by El Dorado County, will continue without interruption. A letter from the mayor confirming no plans to close the senior center was posted at the center Sept. 19, 2011.

o In addition, the city has no plans to eliminate or reduce other recreation programs or services. The city is exploring alternative service delivery options, which could potentially provide cost savings and enhanced programming.

o In addition, the city's housing low-income programs will continue as they are, with no change in services to the low-income population impacted.

• **How does the city perform in terms of its collection of transient occupancy tax and vacation home rental fees?**



Click on image to see in full.

o In the past several years, one of the impacts of the economic downturn has been an increase in delinquent transient occupancy taxes. The City has strengthened its revenue collection efforts for those lodging businesses who fail to pay the TOT owed to the city by utilizing a number of measures including, subpoenas and/or seizures of records, audits, property liens, business shutdown, payment plans and other legal actions. The city has successfully collected or established court-ordered payment plans in most of these cases. As a result, the amount of delinquent TOT has decreased by 51 percent.

o Vacation home rentals pay both TOT and permit fees. The annual permit fees have remained consistent throughout the recession and TOT from vacation home rentals has increased over the last two years. However, to strengthen the

enforcement of the required annual permits and payment of TOT, the city established a task force consisting of staff from the police department, Legal and Finance departments, and a local property management firm that rents VHRs. Their efforts have resulted in increased collaboration between the police community service officers, residents and neighborhood teams to identify VHRs operating without a permit, and in increased TOT reporting requirements for VHRs beginning next quarter.

- **Some people have suggested increasing taxes and fees to help the budget gap.**

- o In the December 2010 survey, 70 percent of residents indicated they would not support any residential tax or fee increases. In addition, increasing taxes to avoid reducing expenses is a burden the taxpayers shouldn't have to bear. We need to cut our expenses as far as possible first, demonstrate our ability to perform at a level satisfactory to the citizenry and deliver results before asking more of the taxpayers.

- o We are exploring other revenue enhancements including utility cut fees, business licenses fees and vacation home rental permit fees, but even an increase in one or more of these fees would generate several hundred thousand dollars, which is about 4 percent to 6 percent of the \$5.2 million deficit.

- **Retiree health benefits**

- o Retirees are provided the same health plan upon retirement as current employees at an average cost of \$14,000 per retiree or \$1.9 million annually. Retirees will continue to receive the same health care plan as active employees. In an attempt to control costs, employees are meeting to make health plan design changes that reduce costs by increasing health plan deductibles, changing the network provider and additional cost containment measures. The percentage retirees pay toward their

premium, if any, will remain the same. Health care costs the city \$5.2 million annually and currently consumes 18 percent of the city's operating costs. To become fiscally sustainable, health care costs need to be better managed.

- **How sound is the city's general fund reserve policy of 25 percent?**

- o The City Council adopted a general fund reserve policy that requires no less than 25 percent of its general fund operating expenses be set aside in undesignated reserves, which equates to approximately three months (or 25 percent) of regular general fund operating expenditures "to provide for temporary financing for unanticipated extraordinary needs of an emergency nature; for example, costs related to a natural disaster or calamity, economic recession, or an unexpected liability created by Federal or State legislative action."

- o The Government Finance Officers Association recommends a council-authorized policy that, "should be assessed based upon a government's own specific circumstances... at a minimum, general-purpose governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months (or 16.6 percent) of regular operating revenues or operating expenditures." A March 2009 survey conducted by members of the League of California Cities determined an average reserve policy of 27 percent of general fund working capital existed among the approximately 80 cities that responded to the survey. In South Lake Tahoe's case, given the tourist-based nature of our economy and the lack of economic diversification, the 25 percent reserve policy standard is prudent given the discretionary nature of tourism and its general volatility verses more economically diversified cities.

Based on the measures the city has taken, the proposed FY 2012 budget, as well as the projected budgets for FY 2013 to FY 2016, are balanced, prudent, and responsive to the needs of

the community.

Appreciation is expressed to the entire city staff and to the City Council for providing the leadership and strength to prevail in these challenging times and move the city in a direction that is sustainable and successful.

Sincerely,

Tony O'Rourke, South Lake Tahoe city manager

Workers needed to help on mountain bike trails

This weekend TAMBA is having two trail days in honor of National Public Lands Day.

The first is Sept. 24 on Mr. Toads-Saxon Creek Trail in South Lake Tahoe. The Sept. 25 event is on the East Shore near the Flume Trail on the new Marlette-Hobart Connector.

Work will primarily be on the main rock sections of upper Toads. The existing technical alignments will be kept intact. The main goals are to stabilize these lines and more clearly define them by removing some alternate lines and side trails that have appeared.

Everyone should ride their bikes to the work area and then ride down afterward. The U.S. Forest Service will drop off all tools beforehand.

Bring water, long sleeves, sunglasses, gloves, and your bike. Lunch and snacks will be provided.

Meet at the rock sections at 9:30am – this is about a half mile down from the intersection of Saxon Creek and the Tahoe Rim Trail. The workday ends about 3:30pm, with a then ride down to the bottom parking lot for a free barbecue and beers.

TAMBA, the bike patrol, Muscle Powered Carson City, and Nevada State Parks will be working on the Marlette-Hobart Connector Trail. Bring long pants, long sleeves, sturdy shoes, gloves, water and a lunch.

Meet at 8am at the Lakeview Gate (4500 Hobart Road, Carson City) for 4WD carpool up to the work site. Work will end about 3pm, being back at the gate around 4pm.

For more info, email trails@mountainbiketahoe.org.

‘Murder’ event to raise money for STHS football field

The Kiwanis Club of Lake Tahoe is hosting “Murder in an English Manor” on Oct. 1 at 6:30pm at the South Tahoe High School theater.

The event is to raise money for Friday Night Lights – aka renovations to the football field.

The dinner, auction and “murder” tickets are \$30.

Call (530) 541.6487 for information or tickets.

Firefighters quick to tame Carson City blaze

By Reno Gazette-Journal

The 15-acre Goni Fire burning on BLM land in the hills north of Carson City is burning in moderate brush and should be controlled soon, a Carson City Fire Department official said.

Carson City and BLM crews have six brush engines on the fire, said Carson City Fire Battalion Chief Eric Bero. There are also two single-engine air tankers and two helicopters battling the blaze.

"I've been watching the smoke decrease significantly and hearing less and less radio traffic over the past hour, so it looks like it will be taken care of today," Bero said.

No structures are threatened and no injuries have been reported.

The cause of the fire remains under investigation.

Read the whole story

Pilot seriously injured in crash at Truckee airport

By Reno Gazette-Journal

A pilot appears to have serious injuries after a crash this morning at Truckee Tahoe Airport, according to Kevin Bumen, director of aviation at the airport.

It was only the pilot on board the aircraft. The Piper Aztec burst into flames as he was getting out of the aircraft. Bumen said it's not immediately clear if the pilot suffered any injuries from the flames.

It took crews about 10 minutes to 15 minutes to extinguish the flames, Bumen said.

The pilot filed no flight plan so it's not immediately clear where the airplane came from or where it was headed.

The Federal Aviation Administration is on their way to investigate the crash.

Read the whole story

Opinion: Chamber thankful for help with leadership program

To the community,

Lake Tahoe South Shore Chamber of Commerce and the Leadership Lake Tahoe Task Force would like to offer a special thank you to Aston's Lakeland Village for providing transportation and meeting space for this year's Leadership Lake Tahoe class.

Leadership Lake Tahoe lasts through June 2012. Twenty-five students are taking part in an intensive 10-month experiential program to provide information, strategies, contacts, and opportunities for personal and professional growth. Program topics cover key leadership issues and

skills including leadership orientation, public safety, economic development/redevelopment, government (Nevada and

California, city and county), media/communication, environment/transportation, health care, social services/community resources, education, and tourism. Additionally, participants will take part in small group projects that will benefit the community.

Emily Abernathy, chamber event coordinator

Glimmer of optimism in California's economic situation

By David Siders, Sacramento Bee

Wall Street, which has long frowned on California and its budget grief, cracked a smile Tuesday.

In its first sale of general obligation bonds since the passage of a rare, on-time state spending plan, California will pay tens of millions of dollars less in interest than it did last fall.

The lower rates on the \$2.4 billion bond sale, completed Tuesday to restructure existing state debt, reflect general market conditions, but also improving investor confidence in a state where the high cost of borrowing was once a benchmark of its precarious financial condition.

Just two years ago, credit rating agencies were downgrading California's long-term bond rating, squeamish about political standstill in Sacramento and the state's use of IOUs to pay bills. The fiscal landscape was so grim that at one point the state couldn't sell bonds and had to halt projects already

under way.

“There’s a sense that this is structurally a sounder budget than we’ve seen over the years,” said Gary Schlossberg, a senior economist at Wells Capital Management. “There’s a lot more discipline there.”

Read the whole story