Red Hawk operator files for leniency on notes

By Dale Kasler and Rick Daysog, Sacramento Bee

The operator of Red Hawk Casino has taken a huge write down on loans it made to the tribe that owns the struggling casino in Shingle Springs.

In a filing with the Securities and Exchange Commission today, Minneapolis-based Lakes Entertainment Inc. said it took a $21 million "impairment charge" on notes issued to the Shingle Springs Band of Miwok Indians.

"Lakes does not currently estimate that these amounts will be repaid within the contract terms due to the continued harsh economic climate in Northern California and increased competition from a neighboring casino expansion," the company said.

Ken Adams, a Reno gaming consultant, said Red Hawk has been plagued from the start by its remote location off Highway 50 between Sacramento and Lake Tahoe. That's put the casino at a major disadvantage against Thunder Valley Casino in Lincoln, which also benefited from a huge expansion last summer.

"They don't have the best location," Adams said of the Miwoks. "Thunder Valley has the location."

The weak economy and high gas and food prices have nibbled away at the amount of income available for gaming, he added. "When (customers') gas costs a third more than it used to and their food costs a third more than it used to, they have less to spend," he said.

The write down prompted Lakes to report a $28.1 million loss for the fourth quarter 2010. The $1.07 per share loss compares

with a net profit of $2.4 million in the year-earlier period.

Shares of Lakes fell 27 cents, or 8.6 percent, this morning to $2.87 on the Nasdaq market.

With over 2,100 slot machines and 65 table games, the Red Hawk Casino opened in December 2008, which was one of worst months of the economic downturn.

Brown: California drought declared over

By Matt Weiser, Sacramento Bee

California’s drought is over. But don’t get carried away.

That was the basic message in a proclamation issued today by Gov. Jerry Brown, which rescinds a statewide drought emergency declaration adopted in February 2009 by his predecessor.

The proclamation was timed with the latest statewide snow survey by the state Department of Water Resources, which found California’s snowpack at 165 percent of average for the season.

The snowpack provides one-third of all the water consumed in California by people, businesses and farms. Most of the rest comes from groundwater.

Read the whole story

NLTRA hires CEO from Colorado

Sandra Leigh Evans Hall of Steamboat Springs, Colo., has been hired to be executive director and CEO of the North Lake Tahoe Resort Association.

Hall will start in May.

Hall has served as the executive vice president of the Steamboat Springs Chamber Resort Association since 2000, where she managed a $1.2 million budget, 11 full-time and seven part-time employees. Hall also created a Local Marketing District in 2005 that successfully passed a 2 percent lodging tax for the purpose of paying minimum revenue guarantees to major airlines for winter and summer service into Yampa Valley Regional Airport.

Prior to that, she served as the director of Community Development and Public Relations at the Steamboat Springs Chamber Resort Association, where she grew membership from 300 to 800.

Hall also has experience in the national biking arena, as well as creating detailed transportation proposals, two issues North Lake Tahoe has also undertaken.

Overloaded brains impacting ability to make decisions

By Sharon Begley, Newsweek

Imagine the most mind-numbing choice you've faced lately, one in which the possibilities almost paralyzed you: buying a car,

choosing a health-care plan, figuring out what to do with your 401(k). The anxiety you felt might have been just the well-known consequence of information overload, but Angelika Dimoka, director of the Center for Neural Decision Making at Temple University, suspects that a more complicated biological phenomenon is at work. To confirm it, she needed to find a problem that overtaxes people's decision-making abilities, so she joined forces with economists and computer scientists who study "combinatorial auctions," bidding wars that bear almost no resemblance to the eBay version. Bidders consider a dizzying number of items that can be bought either alone or bundled, such as airport landing slots. The challenge is to buy the combination you want at the lowest price—a diabolical puzzle if you're considering, say, 100 landing slots at LAX. As the number of items and combinations explodes, so does the quantity of information bidders must juggle: passenger load, weather, connecting flights. Even experts become anxious and mentally exhausted. In fact, the more information they try to absorb, the fewer of the desired items they get and the more they overpay or make critical errors.

This is where Dimoka comes in. She recruited volunteers to try their hand at combinatorial auctions, and as they did she measured their brain activity with fMRI. As the information load increased, she found, so did activity in the dorsolateral prefrontal cortex, a region behind the forehead that is responsible for decision making and control of emotions. But as the researchers gave the bidders more and more information, activity in the dorsolateral PFC suddenly fell off, as if a circuit breaker had popped. "The bidders reach cognitive and information overload," says Dimoka. They start making stupid mistakes and bad choices because the brain region responsible for smart decision making has essentially left the premises. For the same reason, their frustration and anxiety soar: the brain's emotion regions—previously held in check by the dorsolateral PFC—run as wild as toddlers on a sugar high. The two effects build on one another. "With too much information,

” says Dimoka, “people’s decisions make less and less sense.”

So much for the ideal of making well-informed decisions. For earlier generations, that mean simply the due diligence of looking things up in a reference book. Today, with Twitter and Facebook and countless apps fed into our smart phones, the flow of facts and opinion never stops. That can be a good thing, as when information empowers workers and consumers, not to mention whistle-blowers and revolutionaries. You can find out a used car’s accident history, a doctor’s malpractice record, a restaurant’s health-inspection results. Yet research like Dimoka’s is showing that a surfeit of information is changing the way we think, not always for the better. Maybe you consulted scores of travel websites to pick a vacation spot—only to be so overwhelmed with information that you opted for a staycation. Maybe you were this close to choosing a college, when suddenly older friends swamped your inbox with all the reasons to go somewhere else—which made you completely forget why you’d chosen the other school. Maybe you had the Date From Hell after being so inundated with information on “matches” that you chose at random. If so, then you are a victim of info-paralysis.

Read the whole story

Ski report: Spring has arrived



Spring might have finally arrived, but watch for wind up high. Here is the ski report from Curtis Fong, the Guy from Tahoe.

Opinion: Cut funding to TRPA

By Bruce Grego

As you are aware, on March 15, 2011, I attended a subcommittee meeting of the Nevada Senate Finance and Assembly Ways and Means committee. My purpose was to express my views concerning future TRPA funding by the state of Nevada.

There were three matters on the agenda, one being considering funding of the TRPA for the next fiscal period. TRPA appeared through their executive director and supporting staff and they made their pitch for funding to support their quest for "protecting the lake."

After TRPA's presentation was made, the executive director and her staff left. After all scheduled presentations were made, which took approximately three hours, comments from the public were allowed.

I then made my presentation and asked the committee to withhold funding from TRPA until the bi-state Compact was changed so that the board members of TRPA were elected by the people in the basin. I explained, among other things, that local representation was token and that the local concerns have not been addressed by the TRPA. I indicated that TRPA policies contributed to the Angora Fire. I stated that land

use has, with some limited exceptions, left our City of South Lake frozen with 1960s designs, when we need to compete with other recreational areas of more current designs and facilities. I stated that the TRPA was accountable to no one.

I also pointed out that even though the executive director for TRPA knew who I was, upon the completion of the TRPA presentation at the subcommittee, she and her staff left the committee, to my surprise, with little or no interest in my point of view.

To me, this only further emphasized TRPA's view that the local view and the local complaints about TRPA are irrelevant, and not worthy of their consideration. This incident reminds me of others.

First, last year, with the assistance of then City Manager David Jinkens, I sought to have our mayor present on the podium at the annual environment conference in August. We could not obtain permission despite the fact that senators organizing this conference were contacted, but no one from their staff would grant our request.

Second, our congressman, Tom McClintock, who spoke two years ago at this conference and mentioned the complaints he received from his constituency , was not invited to speak this last year.

Third, the Compact prevents locals from being appointed by state officials entitled to make appointment to the Board (Art III (1)(b) of the Compact).

The deck is stacked against us. Those that created TRPA and those that support its present form, want to be assured that the local views will not be considered, and that balanced regulations will not have to occur.

In short, TRPA is too secure, too smug in their views, and too isolated from democratic checks and balances to consider any

opinions other than their own.

I am tired of seeing our local citizens seeking permits for simple projects only to have the permit process become complex and expensive. I am tired of hearing of excessive fines imposed by this agency. I am tired of seeing tax dollars spent on endless general plans and studies for the purpose of keeping those employed by the TRPA in perpetual employment. I am tired of seeing the imposition of their dogmatic philosophies, under the premise of "saving the lake". Most important, I am tired of seeing the total lack of accountability as this agency continues to pile-on more and more regulations upon our local residents.

I think we deserve a new deal. We should not be asked to live in perpetual stagnation. Expanding families should be allowed to add an extra bedroom to their home, add a deck or even a hothouse (for summer flower and vegetable), even if their properties exceed currently land-coverage, for the cost of added improvements, and no more.

Businesses in our community should be able to repair or improve their properties, and change the footprint of their building, without fear and without paying tribute to the TRPA. New businesses should be encouraged to flourish by not having to face dramatic land coverage reductions of existing developed properties. Permits should be obtainable in days and not in years. The TRPA should allow exceptions to any land use regulations for ADA improvements, including allowing drive up windows for pharmacies and restaurants. TRPA needs to accept the automobile as the people's primary source of transportation and not compel us to use public transportation, if we do not want to.

Forty-two years of this agency's existence is too long, and life is too short to try to fix this agency. This agency does not get it and it never will.

Our time has come.

As you are no doubt now aware, on March 18, 2011, a bill in the Nevada Legislature has been introduced that calls for Nevada's withdrawal of the bi-state Compact, and is designated as SB 271. This is the most important portion of this bill. When either state of California or Nevada withdraws, the Compact is dissolved. The opportunity to end this bi-state Compact is too important to pass up.

I urge all citizens that have had enough of TRPA to actively support this bill, to go to Carson City and express their support. This is our best opportunity in 42 years to push back and to hope that a better and fair solution to regional planning can be found. Just because TRPA has a choke hold on the Tahoe basin for so long, most of our citizens don't believe a change can happen. But it can.

Please contact me, if you are interested in fighting back. My email address is bgslt@att.net.

Bruce Grego is a member of the South Lake Tahoe City Council.

Publisher's note: Per Bruce Grego's request, this attached letter is what he gave to the Nevada Legislature.

BRUCE GREGO LETTER – TRPA

What do you have to tell LTN?

Lake Tahoe News is always eager for news to deliver to readers. Does your group have an event coming up? Then send all the basic who, what, where, when, why, how, cost, contact

info to **info@LakeTahoeNews.net** so it can be added to the Events page.

If the event is over, consider writing a few paragraphs and sending a picture to the same address. *LTN* frowns on photos of people standing in a line. Show some action.

Lake Tahoe News will also publish obituaries – for free.

Do you have an opinion you want to share? Then consider writing a guest column or letter to the publisher. Or maybe your group wants to send out a thanks to the community or specific people or businesses. All of these items go under the Voices section on *LTN*.

Please include your name and phone number so a representative from *Lake Tahoe New* can call to verify the letter writer or ask questions.

South Lake Tahoe ice rink may be run by outside entity

By Kathryn Reed

Quashing subsidies is a goal of South Lake Tahoe city staff and elected officials. The first chance to do so will be next week when the City Council is expected to approve the request for proposal to seek bids to operate the city ice rink.

With the rink requiring close to $100,000 from the general fund in some years to break even, the goal is the next operator would create enough revenue so taxpayer money is never used and in an ideal scenario the rink would be adding to the city's bottom line.



Improving retail sales at the South Tahoe ice rink is a goal. Photo/LTN file

“By subjecting the enterprise to competition we find out the true cost to operate it,” City Manager Tony O’Rourke said. “At a minimum we don’t want to subsidize it.”

City employees will have an opportunity to bid as well. Bob Pelkola is now running the ice rink.

With only two full-time employees at the rink, not many employees would be displaced if an outside entity were the winning bidder. It’s possible those employees would be reassigned. It’s also likely an outsider would bring in staff.

O’Rourke said the city contingent will not be privy to any special information and would not receive automatic preference.

City staff has looked at other ice rinks and know it’s possible to break even, if not turn a profit.

“It was making $800,000 at one time and now it’s at $500,000. Is it an issue of the economy or that it’s not open as many hours as it could be?” Nancy Kerry, communications manager for the city, said.

She said most ice rinks are open more hours than the one in South Lake Tahoe, which in turn means more programs and more

money being generated. Most also do a better job of advertising and marketing themselves.

The plan is for the winning bidder to pay the city a nominal fee to essentially rent the rink. The larger source of income for the city would be a share of the revenues.

“That is negotiable. We are putting the burden on the bidder how much of the pie they are willing to share with us and that will be one of the criteria for awarding the bid,” O’Rourke said.

The council meets April 5 at 9am at Lake Tahoe Airport. Assuming the RFP is approved, the application deadline would be May 16, with the council likely to award the bid June 7.

This would be the first time South Lake Tahoe has gone after others to run city-owned entities. O’Rourke does not intend to stop at the ice rink. He wants the airport, campground and golf course to go through the same sort of RFP process.

South Lake Tahoe officials provided the following fiscal information about the ice rink:

	FY 2005/06	**FY 2006/07**	**FY 2007/08**	**FY 2008/09**	**FY2009/10**
Revenue (Actual)	$ 752,478	$ 812,635	$ 694,575	$ 605,696	$ 509,080
Expenses (Actual)	$ 787,643	$ 789,671	$ 791,847	$ 702,492	$ 595,457
Annual GF Subsidy	$ 35,165	$ (22,965)	$ 97,272	$ 96,796	$ 86,377

Tahoe company makes case for iPhone

Atomic Industries of Lake Tahoe has released a hybrid composite iPhone 4 Case for Verizon and AT&T.

It is made of CNC machined billet aluminum combined with a graphite, carbon and delrin space age material that enhances the style of the iPhone 4 while creating a better protective grip.

Company officials say the hybrid composite case is signal, GPS, and data friendly unlike all aluminum cases while retaining the similar techno-sexy style.

The case weighs 15 grams. It is available in a matte black or matte white composite frame coupled with a CNC machined aircraft grade aluminum cap. The Hybrid Composite case will hit major electronics stores nationwide soon, but can also be purchased on their website.

Earth Day Festival on North Shore

The 2011 Tahoe Truckee Earth Day Festival is slated for April 23 from 11am to 5pm at the Village at Squaw Valley.

This all-ages, community sponsored event gives participants an opportunity to learn about recycling/composting, alternative energy, sustainability, watershed and forest health, and reducing ecological footprints via a diverse array of agency representatives and earth-friendly vendors. It is the largest

eco-event in the North Lake Tahoe/Truckee area. More than 6,000 people attended in 2010.

Live music, kids’ activities and fun for everyone help to make this the largest environmental event in the Lake Tahoe area.

This event could not take place without hundreds of volunteer hours. Earth Day is seeking volunteers for the day of the event. If you would like to volunteer, email taddojones@gmail.com.