

Grego: 'Government needs to control its own costs better'

Publisher's note: Lake Tahoe News asked the seven South Lake Tahoe City Council candidates a series of questions. All are the same except for one that is specific to each candidate. The responses are being run in the order LTN received them.



Name: Bruce Grego

Profession/work experience: Attorney/self-employed law practice.

Age: 61

What organizations, committees or groups are you or have you been involved with?: Most recently, I volunteered with Tahoe4Tahoe to remove parking meters from our streets and beach parking lots. I am a board member of the California-based chamber (South Tahoe Chamber of Commerce), been on the City Council 2008- 2012 and on the Planning Commission eight years.

Why are you running for City Council?: I want to assure we have transparent/honest government responsive to those who live here.

Why should people vote for you over the other candidates?: I am independent and free from special interest pressures.

(i.e.: I recently did not accept an invitation from the Nevada based chamber to be considered for endorsement.) I already have city government experience and understand how those pressures can work. As a 46-year resident and South Tahoe High graduate who came back after college, I care deeply about our town, and as an attorney I have legal training to offer.

What do you think is the most pressing issue facing South Lake Tahoe and how will you deal with it?: All too often we make decisions based upon superficial facts, unproven theories, and we fail to have an in-depth understanding of the issues before acting. We try to substitute our lack of understanding with polls and studies or staff interpretations. In November 2012, I voted against the paid parking program that was eventually overturned by the voters with the passage of Measure P. The city has made other errors. We have sustained significant losses concerning the operation of the parking garage. While "The Hole" has now seen some development, we have lost tax income for over seven years, not to mention the injury we caused all the business that were removed at the property. So what is the most important issue? Transparency and thoughtful decision-making. We need to stop making substantial financial errors that affect the future of our community.

If the city cannot reach an agreement with its bargaining units, are you willing to go to impasse? Why or why not? How would you resolve the CalPERS and health care issues in the city?: I have combined these next two questions because they are so closely related. I do not have access to the negotiations presently between the city and its labor units and the details of the issues surrounding the contract. It would be speculation on my part to try to give an answer to these questions as they are written. I would not hesitate to declare an impasse if there is good cause to do so, and after considering all options. But the bottom line is that without having knowledge of the issues surrounding the negotiations, any more substantive response would be worthless.

What is your opinion about term limits for the council?: It sounds like a good idea because it limits those elected from holding office for an extended period of time. But is it? The California Legislature has term limits and can anyone say our state government is better now than before term limits? In many respects, holding public office is no different than any job in the public sector in that you must fully understand how an organization works before you can be an effective policymaker. No one would suggest that we limit the term of a doctor or carpenter. Governing is more than just taking input from the public, it is the ability to understand the relationship between elected officials and staff, applicable law, and understanding what is possible at your level of government. It requires an understanding on what role staff has in decision making. There is more to consider than a simple equation of term limits in trying to achieve better government.

If the city has positive cash flow, where should the money be spent?: It should go toward our stated goals, our debt, and for road reconstruction. I am proud of reconstruction of our roads, such as Glenwood, built in our community when I was on the council, which was discontinued after I left.

What are your ideas for increasing the city's revenues?: New tax revenue should come from assessing businesses that do not currently contribute. Look at Heavenly Ski Resort, just outside our city limits. Past councils have exempted them from a tax of their ski tickets sold within the city. Our city also supports Heavenly Village to the tune of about \$150,000 a year for an indefinite period. There is no expiration in the City's commitment to provide tax dollars to support this private complex. I say no "sweet heart" deals for big corporations, developers or anyone else.

Additionally, the city of SLT had significant surpluses prior to 2006 and the sources of that revenue have not changed; so I think we need to wait for our economy to continue to recover

from the recession instead of just adding more taxes to persons and businesses that already pay their fair share, and are still facing their own economic challenges.

Government also needs to control its own costs better than it has.

Furthermore, I am concerned about a multitude of fees promoted by the city. No matter what you call it, fees are taxes. When I paid my business license tax [this year] for example, there was a fee added to process the tax. These kinds of fees are like going to a restaurant ordering and paying for a meal, then being charged a fee for the use of the fork and knife. I hate to be nickel and dimed by the city after we support government with all the taxes we pay. We should not increase revenues this way.

What is your vision for the 56-acre project?: We need to upgrade and expand the recreation center and the campground.

What would you do to improve relations with El Dorado County?: Talk with them. I also support Kenny Curtzweiler [stet] for supervisor. I believe Kenny will make the other four supervisors more sensitive to our needs and goals.

Is the city on the right course with restructuring debt and focusing on recreation? Why or why not?: Yes, I have advocated the restructuring of debt while I was on the council and continue to support such direction. Why would we not seek low interest and lower monthly payments? Yes on recreation because it is obvious.

Name one vote the City Council made in the last four years you are proud of and one you are disappointed in – and why?: I am disappointed in the City Council's vote on Ordinance 1054 to have paid parking on some of our streets and beaches; I was on the council in November 2012 and I voted against this ordinance. My disappointment is based on the facts that they refused repeatedly to hear what the voters said. Many

community meetings were held where the majority of attendees loudly voiced their opposition. The City Council went ahead anyway. When 1,400 signatures were collected in three weeks opposing the ordinance, the City Council further declined to put it on the agenda for discussion. When those signatures were turned into the county elections board to put on the ballot, the City Council only then put it on the ballot themselves then proceeded to spend untold taxpayers dollars to oppose it. Sixty-seven percent of the people voted to get rid of the parking meters and some council members are still not listening. That is disappointing.

What is working in the city and what isn't; and how would you go about changing what isn't working?: As I stated above, in response to what I think is the most pressing issue facing South Lake Tahoe, the manner in which we are making decisions isn't working. We need to change the manner in which decisions are made by the council. All too often we make decisions based upon superficial facts, unproven theories, and we fail to have an in depth understanding of issues before acting. We have to actually use a correct model to change the faulty model to a better one.

Being on the council requires working with four others. Give readers an example of how you work well others in difficult situations with differing opinions: I have always treated my colleagues and city staff with respect. I welcome, even encourage, lively debate about difficult issues. Smart and truthful research aids difficult decisions. I am willing to do thorough research and I am willing to change my position if shown a better way.

What is your opinion about the following topics:

- **Ferry service on Lake Tahoe?:** I believe we should explore different transportation alternatives to facilitate the movement of locals and tourists in our area.

- **Loop road?:** I continue to oppose the Loop Road. It is unnecessary and I strongly believe that the special interest groups are seeking its construction for their private benefit. You cannot relocate the major traffic corridor in the Stateline area without adversely affecting the level of business activities on the California side. I oppose the removal of existing homes and businesses and the use of inverse condemnation to the objectives of this project.

- **Future of Lake Tahoe Airport?:** It is not economically feasible and I see no change in the future.

- **Increasing the transient occupancy tax?:** Please see my response to the question "What is your ideas for increasing the city revenues."

- **Changing the vacation rental ordinance to reduce the number of such units in neighborhoods?:** I need some more figures, however our city should not tolerate abusive vacation rental activities. We need to continue to promote enforcement recognizing that there is a balance between the use of private property and the public good.

What will you do differently on the council compared to when you served before?: I will be more directly involved in labor contracts. I will be more thorough in research before approving goals and objectives for the council. I also will be more stringent before approving budgets.

Tell the voters something about yourself that they may not know: I voted against the application by Randy Lane and Lake Tahoe Development Company for the loan of public funds from the city for \$25 million to "save" the Hole. I voted against paid parking back in November 2012. I graduated from South Tahoe High School.

Landing Tesla is latest chapter in Reno's reinvention

By Dale Kasler, Sacramento Bee

RENO — It seems hard to believe, in the afterglow of the Tesla jackpot, that Reno was an economic basket case just a few years ago, with even bigger problems than Sacramento.

Yet even as unemployment soared and its casinos struggled during the recession, the “Biggest Little City in the World” was reinventing its economic base. The Reno-Sparks region marketed itself to distribution and manufacturing companies, and big names like eBay and Toys R Us began opening warehouse facilities.

The latest victory exceeded anyone's expectations. After months of anticipation, Tesla Motors Inc. last week chose a sprawling industrial park east of Reno for its 6,500-employee “Gigafactory,” which will build batteries for the electric-car maker's new mass-market vehicle. The news sent community and business leaders grasping for ways to describe how Tesla will transform the Reno area.

“They're going to change the course of history within this community and within this state,” said Lance Gilman, the Stetson-wearing developer of the industrial park where Tesla will build.

Gilman compared Tesla's pending arrival with the discovery of silver in northern Nevada in the 19th century and the opening of casinos in Las Vegas in the 20th. Gov. Brian Sandoval, announcing the company's decision at the Capitol in Carson City, said Tesla will deliver \$100 billion in economic benefit

over the next two decades and expand the region's economy by a whopping 20 percent.

Read the whole story

Slowdown brings awareness to net neutrality

By Nancy Scola, Washington Post

Wednesday, forces aligned in favor of stronger net neutrality rules will rally under the banner of Internet Slowdown Day, the latest push to funnel the public's attention to the Federal Communication Commission's on-going rulemaking on open Internet principles and practices.

First things first. Slowdown Day will not feature any actual slowing down of the Internet. The reason it won't? The same reason why this is a fascinating moment in the history of Internet activism. Companies participating in the protest, like Vimeo, Etsy and reddit, have become the digital infrastructure of the Internet age. Slowing down their services is likely to anger their audiences (not to mention, in some cases, their shareholders). In other words, they've become essential – Too Big to Slow? – but that also gives them enormous power. They have the ability to draw millions upon millions of eyeballs to the spinning loading icon that will be featured on their sites.

That spinning logo is one way that Web sites and Web users will be participating. Another is changing one's avatar, on Twitter or Facebook or what have you, to the icon. The hope is that the action will spread like a contagion, if one given a

little push. Commit, the campaign is asking of its allies, to getting one person or company with a bigger reach than you to join in as well.

Read the whole story

Zephyr Cove students make a racket on court



Zephyr Cove Elementary second-grader Sofie Hansel makes contact with the ball as classmate Aliana McLey watches. Photo Copyright 2014 Carolyn E. Wright

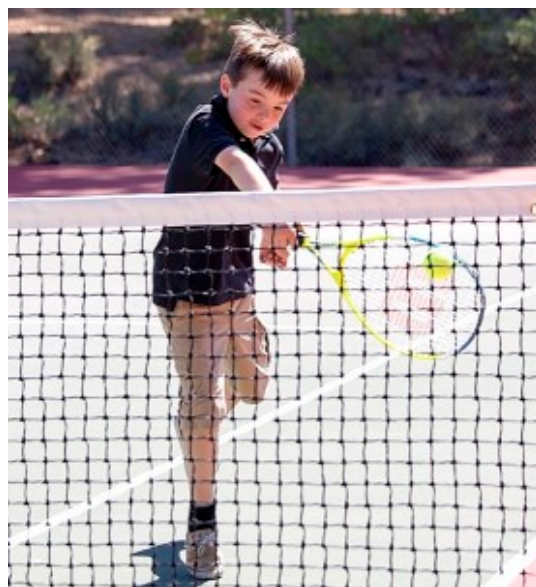
By Kathryn Reed

ZEPHYR COVE – “To be a tennis champion, you have to be inflexible. You have to be stubborn. You have to be arrogant. You have to be selfish and self-absorbed. Kind of tunnel

vision almost.” – Chris Evert

The youngsters on the court don't know yet how true Evert's words are. They may not even be future champions or even know who won the U.S. Open this year. But they are quick learners based on most of them realizing a forehand is much easier to hit than a backhand.

Zephyr Cove Elementary School students are spending part of this week and next on the courts across the street from their school. Prior to stepping on the court, physical education teacher Brenda Capshaw went over vocabulary, basic skills, and how to hold a racket. Even etiquette was part of the lesson plan. It seemed to pay off. As a group of second-graders walked outside the fence Sept. 9 where a couple people were playing they were super quiet. On the court it was rather orderly as everyone lined up on the service line to be fed balls by Stewart or parent volunteers.



Keiran Born, 7, sends a
backhand across the net.
Photo Copyright 2014
Carolyn E. Wright

“I'm good at backhand,” exclaimed Keiran Born as a ball whizzed across the net for a winner.

He was the only player interviewed who said he preferred backhand to forehand. Maybe he's following in Roger Federer's footsteps. After all, the U.S. Open semifinalist is considered to have one of the best backhands of all time – and it's not a shot often taught to kids these days.

Like many on the court Tuesday, this was Keiran's first time to play tennis. Capshaw, who is in her second year at ZCES, said the idea for the tennis program came about from parents. Rackets were secured, balls found and courts donated. Zephyr Cove Tennis Club Foundation, which operates the six courts on Warrior Way at the Douglas County park, donated the court time to the school for the two days of instruction this week, and two that will take place next week.

"Tennis is a sport that can be played at any age, but one that is so much easier to learn as a child," Carolyn Wright, president of the tennis foundation, told *Lake Tahoe News*. "While there are so many winter sports for our youth to participate in, tennis is something they can take with them no matter where they live or how old they are."



Mariana Hernandez returns a ball from parent volunteer Sara Dee. Photo Copyright 2014 Carolyn E. Wright

Aliana McLey is already a convert. She wants to play more than just twice in a two-week period.

“It’s really fun because you get exercise,” Aliana said.

That’s exactly what Capshaw is trying to achieve – getting kids to be active.

“Our curriculum is based on a wellness program, physical fitness, getting them to move, and off the phone and video games,” Capshaw told *Lake Tahoe News*. “Students who jump and get out use the same part of the brain as when they are reading, so active kids tend to be better readers than students who are sitting.”

But she is the only PE teacher for the K-6 school. Students receive a minimum of 45 minutes of physical education each week. (Capshaw also teaches art, music, and the gifted and talented program.) While there is still recess in schools, students today are less inclined to organize kickball or handball games. More of them are just sitting around, Capshaw said. That is why PE has become more relevant for this generation.

“Getting PE back in schools is not just about sports, but more of an education about your body, moving it, keeping it healthy in fun ways through games and sports,” Capshaw said.

Sofie Hansel is a believer in putting what is learned at school into practice in real life. She had played tennis a couple times before, as evidenced by her ability to adeptly connect her junior-size racket with the fuzzy ball. The best part for her was getting to hit ball after ball. She said it makes her want to play more.

If the adults involved in the tennis program have anything to do with it, Sofie and her classmates will find themselves at Zephyr Cove Tennis Club on a regular basis.

Anti-pot academics paid by drug companies

By Lee Fang, Vice

As Americans continue to embrace pot – as medicine and for recreational use – opponents are turning to a set of academic researchers to claim that policymakers should avoid relaxing restrictions around marijuana. It's too dangerous, risky, and untested, they say.

Just as drug company-funded research has become incredibly controversial in recent years, forcing major medical schools and journals to institute strict disclosure requirements, could there be a conflict of interest issue in the pot debate?

Vice has found that many of the researchers who have advocated against legalizing pot have also been on the payroll of leading pharmaceutical firms with products that could be easily replaced by using marijuana. When these individuals have been quoted in the media, their drug-industry ties have not been revealed.

Take, for example, Dr. Herbert Kleber of Columbia University. Kleber has impeccable academic credentials, and has been quoted in the press and in academic publications warning against the use of marijuana, which he stresses may cause wide-ranging addiction and public health issues. But when he's writing anti-pot opinion pieces for CBS News, or being quoted by NPR and CNBC, what's left unsaid is that Kleber has served as a paid consultant to leading prescription drug companies, including Purdue Pharma (the maker of OxyContin), Reckitt Benckiser (the producer of a painkiller called Nurofen), and Alkermes (the producer of a powerful new opioid called

Zohydro).

Kleber, who did not respond to a request for comment, maintains important influence over the pot debate. For instance, his writing has been cited by the New York State Association of Chiefs of Police in its opposition to marijuana legalization, and has been published by the American Psychiatric Association in the organization's statement warning against marijuana for medicinal uses.

Read the whole story

Recession a boon to conservation groups in Sierra

By Hudson Sangree, Sacramento Bee

The catastrophic collapse in real estate prices that started in 2007 left more than a legacy of mass foreclosures in the Sacramento region; it also left vast expanses of newly preserved open space in the Sierra Nevada that the public can use for recreation.

Depressed land prices allowed private conservation groups to snap up thousands of acres, much of which had once been planned for housing. The properties stretch along the Interstate 80 corridor from the crest of the mountains to the town of Truckee, north to the Feather River and south toward Lake Tahoe. The parcels form a quasi-public park system – one owned by nonprofit groups but accessible to the public, mostly free of charge.

“Increasingly, land protected for the public benefit is owned

by private charitable organizations,” said Tom Mooers, executive director of Sierra Watch, a Nevada City-based group that’s played a leading role in recent conservation efforts.

The nonprofits’ holdings include the 3,000-acre Royal Gorge cross-country ski resort. Developers paid \$35 million for the property at the height of the housing bubble in 2005 and planned to build 950 condominiums and single-family houses. Then the market collapsed, making the arduous task of building atop Donner Summit infeasible.

The Bay Area developers who owned the land were ready to unload it, and conservation groups were eager to buy. They agreed to pay \$11.25 million in the summer of 2011, near the bottom of the real estate market.

Read the whole story

Sass: Create a vision the South Shore agrees on

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Name: Austin Sass

Profession/work experience: Work experience: I am currently retired, but started my career in sales and marketing management and was fortunate enough to be given the opportunity to progress to executive management before returning to Lake Tahoe where I worked locally for several tourism and recreation companies. Details are below.

2008-2011 Aramark Lake Tahoe, NV director of Sales and Marketing

2002-2008 Heavenly, Vail Resorts, SLT, CA director of Resort Sales

2000-2002 Furniturefan Inc. Sudbury, MA senior vice president

1997-2000 Maptech Greenland, NH vice president

1992-1997 Spacelabs Medical Redmond, WA general manager

1991-1992 Meredith Corporation, LA, CA senior sales and marketing manager

1987-1991 Hearst Corporation, Santa Monica, CA western sales manager

1984-1986 Yale University Athletic Department, New Haven, CT manager of sales and marketing

Age: 61

What organizations, committees or groups are you or have you been involved with?: City of South Lake Tahoe Planning Commission, Lake Tahoe Unified School District School Bond Oversight Committee, Ecotourism Committee, Lake Tahoe South Shore Chamber of Commerce, St. Theresa's Food Pantry volunteer, Lake Tahoe Visitors Authority Sales Committee,

Little League coach South Lake Tahoe

Why are you running for City Council?: I am running for City Council because I care. This is my home and will be my home for the rest of my life. I love it here.

I am passionate about South Lake Tahoe and I would like to contribute to its future by utilizing my professional experience in management and tourism and my passion for all things that are recreation. I think I can help avoid the mistakes of the past and work to improve the future.

Why should people vote for you over the other candidates?:

- I have the time and will devote my energy to be thoroughly informed and do the job well.
- I am not aligned with any business entity and will cast votes based on what's best for locals.
- Like many of us, I came to Tahoe because of its beauty and recreational opportunities. As a 30-year local and avid hiker, biker and skier, I want to help us develop fiscally smart recreational improvements and ideas. If we improve the recreation experience, we will improve our lives, have more to market and tourism dollars will follow.
- City surveys have shown that we want improvements to our infrastructure and our preference is that tourists pay for these improvements. I have worked in most of the tourism industry as a manager for many years gaining valuable experience on how the tourist and tourism companies think. As we look to raise revenues to improve our city, I would like to use that expertise for our advantage.
- The city is a business. Professionally, I have over 25 years managing businesses. I understand the business of contracts, budgets, strategic plans, and building a team. I would hope these experiences could benefit the city.
- I am fiscally conservative with an independent spirit ready to preserve the environment and deliver reliable core city services.

What do you think is the most pressing issue facing South Lake Tahoe and how will you deal with it?: Money: things we can't keep pushing down the road are street improvements, storm water runoff, city equipment (fire, snow, police, road repair), code enforcement, recreational facilities like our rec center, and bike paths.

We also need money to deal with the \$50 million-plus in unfunded liabilities we face with employees past and current.

Dealing with it is really about expenses and revenue. On the expense side, we can't afford to waste any more money. Consultants, parking meters, poor capital purchases, studies and more studies. We need to watch every penny and make sure the expense was justified and necessary. Renegotiating debt and employee benefits are expenses we should continue to lower if we can and it's fair.

On the revenue side, if you keep reading you'll see my thoughts on revenue increases.

If the city cannot reach an agreement with its bargaining units, are you willing to go to impasse? Why or why not?: There is no choice about impasse. If the city and the bargaining units cannot agree, there is a process where a state appointed person makes an opinion on whether or not it was a fair discussion by both parties. If the appointee concludes that both sides were acting fairly and cannot reach a deal, the city has the right to impose their offer on the employees.

I don't know what the current offers are since these discussions are confidential and behind closed doors. I sincerely hope the city and the bargaining units have been negotiating fairly and will be able to reach a compromise position that works for both sides. An impasse is never a good result in negotiations.

How would you resolve the CalPERS and health care issues in

the city?: CalPERS – The state of California won't let cities lower their CalPERS contribution and increase the amount employees pitch in. Gov. [Jerry] Brown tried to get cities the right to do this but the California state Legislature voted it down. This was part of the Pension Reform Act he proposed. I think employees should pay more toward CalPERS and be in line with what most people pay into Social Security in the private sector. At this point, if City Council concurs, South Lake Tahoe might join the growing list of cities trying to get the California Legislature to support Gov. Brown's proposal. I am willing to put myself out there and explain the financial impacts and demand the legislature allow us to do this.

Health care – So let's look at the current state of things. Forty-nine years ago the city decided to become self-insured rather than contract with an outside firm like Blue Shield. The city pays the medical costs for all employees and because we are a small pool, we have less negotiating room with health care providers. That idea was flawed.

Also, a long time ago the city agreed to insure retired employees, their family and dependents (about 30 years ago). As more and more employees retired it became part of the labor contracts. The city pays the medical bills. There is no insurance provider. The labor agreements also said if you work for the city for 25 years, it's 100 percent coverage. At 20 years, 90 percent. The cost of medical care has gone up about 200 percent over the past 25 years. There are only a handful of cities in the state that do this.

In 2001 the city said going forward with new hires we will only cover the employee and no longer the dependents. In 2007 a new provision limiting city outlay was put in for employees hired after January 2008.

However, despite the changes, the city faces a 50-year liability with retired employees and those actively employed prior to 2008. The current cost of the plan to the city is \$19,000 per active and retired employee and their dependents.

The current outlay by the city is \$5 million annually. Looking back, prior councils never envisioned that retirees would live into their 80s rather than the 62-67 life expectancy back in the early '70s. They also never foresaw medical costs going up 200 percent.

So going forward, the opportunity to reduce the city's outlay and to reduce the unfunded medical liabilities is to renegotiate health care with the current employees. This is because the current contracts state that retirees get the same health care plan as current employees.

It's never desirable to change a retiree's benefit and I agree it is unfair because retirees generally are living on a fixed income. However, the other choices are current residents pay higher taxes to fund the generous health care coverage, current employees agree to pay more so retirees keep the same benefits, the city does a Detroit and could eventually be forced to file bankruptcy. I am willing to make employees pay for some of their medical care. It's a tough call but not many employees get coverage covered 100 percent by their employer.

What is your opinion about term limits for the council?: I support term limits.

If the city has positive cash flow, where should the money be spent?: Capital investment in our infrastructure. We have been deferring maintenance for too long.

What are your ideas for increasing the city's revenues?: City surveys have shown that residents want improvements, but do not want to pay for them. They want tourists to pay for them.

Given that, I think we need to have city staff look at revenue and cost projections as a result of a fee or tax on everything from sightseeing tours, recreational vehicle and equipment rentals, lodging, dining and vacation home rentals. Everything the tourist spends money on. Once we have a forecast, we need

to decide what will produce bottom line revenues without causing too much pain on tourists and not affecting the pocketbooks and space of locals.

Another thing I would do is start enforcing our own ordinances. For example, the vacation home rental ordinances. I'm sure there are thousands of dollars in fines that could be levied every weekend if monitored at the right time and on the right day. Too many cars, too much noise and too much garbage not put out properly. Not only would it raise money, but it would make our local quality of life better. Personally, I am tired of people treating my neighborhood like a fraternity house.

Finally, it's time to really put the recreation foot forward and attract people to Tahoe to enjoy the natural surroundings, the hiking, biking, and the water sports. We need to work cooperatively with Douglas and El Dorado counties to utilize all of our fields and facilities for more events and tournaments.

I support the creation of a sports and recreation commission to develop a plan that would drive revenues for the sole purpose of improving and maintaining our recreational uses. We need better sales and marketing. Second, paint a better picture of our options even when they are not in the city. The Rim Trail and our hiking is under promoted, our mountain bike trails have limited accessibility and visibility. We need to work closer with TAMBA, the bike coalition, the LTVA, our fishing charter entrepreneurs, our watercraft rental companies, the USFS, the lodging community and others to make it perfectly clear that we are one of America's All Year Playgrounds.

We need to put our collective experience, market insight and combined expertise to better put our products out there.

What is your vision for the 56-acre project?: That depends on

budget. It's county land and the City Council needs to decide if we should invest funds in lands we do not own. The first step is to find out what the county is willing to pay for, if anything, and then we need to renegotiate the MOU with the county. We need to clarify if the city will eventually own the land or is it a long-term lease or status quo. As it stands now, we pay the maintenance, which burdens the budget.

If I had a magic wand, I would relocate the campground to somewhere a little quieter and move Highway 50 away from the lake. I would turn it into a big park with grassy areas to sit in and playfields and connect it with Lakeview Commons. I would make the needed improvements to the current facilities and turn the project into something that would draw sports tournaments and events to South Lake Tahoe.

Right now it's in limbo. I would want to work with the county to move the project on.

What would you do to improve relations with El Dorado County?:

I think you need to start communicating with them first. Our elected and their elected need to develop good working relationships. That means taking the time to get to know them so that the sharing of ideas can occur.

In the business world people get together for lunch or coffee not to thank someone for their business, but to develop a working relationship with them. It's easier to have a frank conversation with someone once there is a level of trust and respect for them. That does not come from meeting once a year.

Is the city on the right course with restructuring debt and focusing on recreation? Why or why not?: Yes to both.

Restructuring debt is a no brainer as long as you are not selling the future to lower your payments today. We need to refinance and take advantage of lower interest rates where it makes sense.

We are never going to have factories or large production facilities. People are not going to come here just to gamble. They can do that anywhere. It's about the lakes, the mountains, the forest and getting outside. To me recreation is what we have to offer and that is what brings tourists here and gets them to spend a few nights.

Name one vote the City Council made in the last four years you are proud of and one you are disappointed in – and why?: I am proud that the City Council voted on the Harrison Avenue project. The council took a risk and once the businesses invest in themselves the area will look great. The project also dealt with some of the environmental issues regarding runoff.

I was disappointed in the decision to install parking meters. The program was so upsetting to locals that we had an uprising like this town has never seen. I think the council missed the boat on this one. I'm also disappointed that council never had a plan in case the meters were removed. Now we have wasted \$250,000 and have to pay to remove them. An exit strategy should have been formulated when council agreed to revisit the parking kiosk program at the time they voted to put them in.

What is working in the city and what isn't; and how would you go about changing what isn't working?: The city is not committed to economic development. We need to engage the community more and help people who want to invest or reinvest in businesses. It's hard to do business here because we are so regulated. We need to help businesses thrive. We need to build partnerships.

One thing I would like to accomplish is the creation of a vision plan that the entire South Shore can agree on. Investors want predictability and a plan for the future. I would want to push hard for the city and the two counties to come together and develop a plan for the future. Bring in the business community, the environmental entities and the public

works people and let's figure out how to move forward. Communication and cooperation!

What's working is that the city is slowly looking better. Caltrans has made a big difference on Highway 50. The city's work on Lakeview Commons, Pioneer Trail and Harrison Avenue has really made things look better and work better for locals and tourists.

Being on the council requires working with four others. Give readers an example of how you work well others in difficult situations with differing opinions: Being part of a large business/company (like the city is) requires effective negotiating within your own organization both with people you work with, work for, and oversee.

An example of this is with the launch of a new product. I was general manager at a company in Seattle. We had an idea for a new product. Sales wanted it to look sleek and new, manufacturing wanted to be able to produce it using current assembly line processes and at a set and constant cost, engineering wanted to integrate a new and expensive technology, service wanted to be able to do diagnostics via the Web, retailers wanted the footprint as small as possible and my CEO wanted to make 24 percent annually after all costs.

Everyone had their own priorities. As the senior manager of the division I needed to understand everyone's concerns, I needed to make everyone a hero, I needed everyone to compromise to achieve the greater goal. Everyone could not get everything they wanted, but with patience, good listening skills and passion for the end product I was able to introduce the product with tremendous results. In the end, the concept of team and working for the greater good sealed the deal. Sometimes it's about leaving your ego at the front door and just doing what's best for your company or in our case, the city of South Lake Tahoe.

What is your opinion about the following topics:

- **Ferry service on Lake Tahoe?:** Good idea if we can figure out where the boats will dock, where cars will park and how to ensure low lake levels don't ground the ferries. As important, how do we pay for it? If we can figure this all out, it will help the environment and be a cool tourist attraction.
- **Loop road?:** If I had to vote today, there is not a loop road plan I could support. Personally, I don't think we will see a loop road anytime soon. There is no funding.
- **Future of Lake Tahoe Airport?:** Hopefully we have paid our last consultant regarding the airport. We need to figure out how the city can offset the expenses associated with it.
- **Increasing the transient occupancy tax?:** I'm open to the idea as long as the money is earmarked to drive tourism.
- **Changing the vacation rental ordinance to reduce the number of such units in neighborhoods?:** I don't think that is realistic given that over 65 percent of our homes are second homes. I would be happy if we started enforcing the ordinances and changing mindset of the guests staying in our neighborhoods.

You boast of being the man who understands multimillion-dollar budgets, but you have only been in middle management, not the person making the final decision. Can you explain your real budgetary experience?: Wow! You are misinformed *LTN*. Three times in my professional career I have been in executive management where I was responsible for creation, justification, management and held accountable for the bottom line. That's fact, not fiction *LTN*.

Approving and understanding the budget is arguably the most important job City Council does. I don't look at a budget and get glassy-eyed. I like budgets and pride myself in understanding every line item and the detail behind them. I feel I know what questions to ask and will not approve a city

budget unless it fiscally conservative, can be supported by fact, is based on actuals from prior year and has realistic revenue forecasts. I feel confident I can do this because of my experience and my familiarity with our local economy.

Tell the voters something about yourself that they may not know: I love to cook.

Fed: Wealth gap continues to widen

By Ann Saphir, Reuters

The gap between the richest Americans and the rest of the nation widened after the Great Recession, a survey by the Federal Reserve showed on Thursday, suggesting deepening U.S. income inequality.

Though incomes of the highest-earners rose, none of the groups analyzed by the Fed had regained their 2007 income levels by 2013, underscoring deep scars from the financial crisis and its aftermath.

The Fed survey released suggests that wealth and income is concentrated not just within the top 1 percent, as some analyzes have suggested, but actually among a slightly broader slice of the ultra-rich: the top 3 percent.

From 2010 to 2013, average income for U.S. families rose about 4 percent after accounting for inflation, the survey showed. All of the income growth was concentrated among the top earners, the survey showed, with the top 3 percent accounting

for 30.5 percent of all income.

Read the whole story

College degree pays off faster than it used to

By Josh Mitchell, Wall Street Journal

College graduates may be taking on historically high debt burdens to finance their educations. But it will take them far less time to get a return on that “investment” than it took their parents’ generation.

That’s the conclusion of new research from the Federal Reserve Bank of New York. Researchers there estimate someone earning a bachelor’s degree in 2013 will need 10 years to recoup the entire cost of that degree. Those who earned a bachelor’s in 1983 needed 23 years to do so.

That’s the good news. The bad news is that the shift has a lot to do with the plight of those who never went to school, rather than simply the higher wages of college graduates.

The Fed first had to calculate the cost of a bachelor’s, a sum that includes direct costs and “opportunity” costs. Direct costs are tuition and fees. “Opportunity” costs are foregone wages that students would have earned had they worked those four years (or three, or five) instead of going to school.

Read the whole story

South Lake Tahoe creating Champions Plaza



Jamie Anderson, Maddie Bowman and Hannah Teeter, all from Meyers and athletes for Sierra-at-Tahoe, competed in the Sochi Games. Photo/LTN file

By Kathryn Reed

Champions. Lake Tahoe has quite a few. And soon they will be memorialized in South Lake Tahoe.

Champions Plaza was an idea that came about after the Winter Olympics earlier this year because so many athletes from the basin competed in Russia.

Work on this plot of land by Lakeview Commons is being done now as part of the Harrison Avenue project. The corner of Highway 50 and Lakeview Avenue will become a small, circular area with a wall of champions and walk of champions.

Incorporated into the site will be artwork. But what that art will be remains to be seen.

That is because at the City Council meeting last week it was agreed the city would put out another request for proposal to artists. This is because with the first RFP they were bidding on a project without defined dimensions.

The council agreed to spend up to an additional \$60,000 on the Harrison project to make the plaza. The money will come from undesignated excess reserves.

Money for the artwork will have to come from someplace else.

Five artists turned in ideas that ranged in price from \$650 to \$3.9 million.

A panel selected a sculpture by Mischell Riley and artwork for flags from Mark Allione. However, because the project site has been changed the sculpture would be too large for the allotted space.

Allione, who attended the meeting, said he favored the RFP process starting from scratch.

The sculpture was a three-piece granite stone monument allowing for engraving of names of champions with a sculpture atop the center stone. The flags were custom designed reflecting outdoor recreation and Olympic sports.

Mayor Hal Cole suggested the RFP be put out after the plaza is done so the artists may walk the area to have a better feel for what it will look like instead of relying on a rendering of it.

A member of the Tahoe Art League suggested a fundraiser for the project include the sale of miniature versions of the art that will be incorporated into the plaza.

Still to be determined is exact criteria for who gets included in the Champions Plaza.