

Economy a factor in what happens to California's water bond

By John Howard, Capitol Weekly

The most ambitious and expensive water program to confront California voters since the State Water Project was approved more than 50 years ago may wind up getting reduced by billions of dollars, a victim of politics and the economy.

The assumption is that recession-weary voters won't approve a big-ticket bond, so the problem is this: How do you cut back a complex, \$11.1 billion package that was put together – barely – with a fragile agreement in which each piece needed a signoff by rival political forces? If one piece is removed, does the whole structure start collapsing?

“There's a lot of head-scratching right now,” said Assemblyman Jared Huffman, D-San Rafael, the chair of the Assembly water committee.

When the economy is weak, California voters traditionally reject big borrowings. The water bond, approved in 2009, had been planned to be before voters last year. As the recession took hold, nervous lawmakers decided – again, with two-thirds votes – to push the measure back to November 2012.

On paper, at least, November 2012 would appear to be a good choice. Democrats tend to favor bond borrowings more than Republicans, and next November is a presidential election in which a high-than-average turnout of Democrats is likely. Turnout for Democrats also will be driven by a Republican-backed move to block unions from automatically deducting dues from paychecks – a hot-button issue for unions, the core of the Democratic base.

The public has been supportive of water development in the past. A \$5.4 billion borrowing was approved in 2006 as Proposition 84, part of a larger infrastructure-improvement plan. At the time that Proposition 84 went before the electorate, California voters had approved some \$11 billion for water projects during the previous decade.

“The public is well aware that California has a serious water-supply problem,” said Timothy Quinn of the Association of California Water Agencies, “and that it will take investments in infrastructure and local resource development to solve that problem.”

Quinn’s group represents some 450 agencies that together deliver about nine out of every 10 gallons of water delivered to farms, cities and businesses.

But the November ballot also is fraught with peril: A spate of other borrowings and taxes may be on the ballot, too, including Gov. Brown’s \$7 billion-a-year plan to raise sales taxes and impose new levies on the rich, then use the money for schools and public safety.

Read the whole story

3 years later – Red Hawk Casino a financial disappointment

By Dale Kasler, Sacramento Bee

The Shingle Springs Band of Miwok Indians battled for more than a decade to build a casino along Highway 50, a gambling palace that would lift the tribe out of poverty.

It hasn't worked out that way.

Three years after it opened, Red Hawk Casino is performing well below expectations, can't pay all its debts and has failed to enrich its owners.

Despite a sea of slot machines and elegant trimmings worthy of Las Vegas, the \$535 million casino continues to be dwarfed by its wildly successful rival, Thunder Valley Casino near Lincoln, in the battle for Sacramento-area gamblers.

Some of Red Hawk's woes have been made public before, including the debt problems. Now, testimony in an El Dorado Superior Court lawsuit provides the most vivid picture yet of how badly the Shingle Springs casino is lagging.

Red Hawk took in \$214 million in gambling revenue last year, testimony shows. That was 10 percent below 2009, its first full year of operation.

More importantly, that was about \$100 million less than what was expected in a forecast the tribe made in 2007, according to court records. Gambling revenue is the amount the house wins, not the amount wagered.

"I think it's strictly the economy," said Nick Fonseca, chairman of the Shingle Springs tribe. "This is a new reality, and tribes are going to have to adjust to it."

Normally kept secret, details of Red Hawk's performance have spilled out in a lawsuit against the tribe by a company that once supplied it with slot machines and contends it is entitled to a cut of the profits.

Executives with the casino and the company that manages it for the tribe, Lakes Entertainment Inc. of Minneapolis, declined

to comment further on Red Hawk, citing the ongoing court case.

But in an interview outside the courthouse during a break in the trial, Fonseca said the tribe is getting just \$6 million a year in profits – the bare minimum guaranteed by Lakes.

Individual tribal members are receiving \$800 a month in profit distributions, he said. Half of his 500 members continue to live below the poverty line.

By comparison, the 300 members of Thunder Valley's owner, the United Auburn Indian Community, reportedly get \$30,000 a month apiece in casino profits.

Red Hawk and Thunder Valley are just 40 miles from each other but might as well inhabit different planets.

Read the whole story

Lahontan Water Board needs new leader; Singer retiring

By Kathryn Reed

After 40 years of employment with the state water board, Harold Singer is retiring.

He has been executive officer of the Lahontan Regional Water Quality Control Board since the late 1980s and was working for the state board before taking the job in South Lake Tahoe.

What he does next is unknown because Singer chose not to return multiple calls. Nor is it known when his last day will

be.



Harold Singer

When *Lake Tahoe News* started inquiring about Singer's departure, most people didn't know he was leaving, though some knew he had been talking about retiring.

Neither the Lahontan office in South Lake Tahoe office nor the state office in Sacramento have a bio or resume for Singer on file. Neither of those offices nor the Victorville office for Lahontan would release contact information for Lahontan board members.

Even the state board's public affairs folks didn't know he was leaving until *Lake Tahoe News* called.

Board President Jack Clarke was asked by Sacramento officials to call *Lake Tahoe News*. He didn't. *Lake Tahoe News* sent board member Amy Horne an email, but she didn't answer it.

Singer's job has been posted several places. Here is the job description for the position that pays between \$112,068 and \$121,176 a year. The deadline to apply was Dec. 16.

It will be up to the regional board to hire his replacement. The state doesn't get involved. This could happen behind closed doors, at a special meeting, or a subcommittee could be put together to vet the applicants.

Lahontan has been a lightning rod of late. Pre-Angora Fire in 2007, it was the Tahoe Regional Planning Agency which received the bulk of public badmouthing. That changed as it came to

light the rules the water board has that some say thwart progress in the Lake Tahoe Basin.

Lahontan is often said as though it is a four-letter word. Every agency and jurisdiction in the basin has had difficulty with the regional water board – from permits to thin trees, to the recent sediment load regulation, to working in stream zones, to redundancy, to being unwilling to compromise.

With Singer not returning calls, his second in command, Lauri Kemper, out until the end of the month, and the board being incommunicado, Lahontan chose to have no voice in this story.

While Lahontan's jurisdiction covers a much greater area than Tahoe, stretching to Southern California, the news from there is not all great, either. Think Erin Brokovitch and Hinkley – the issue brought to the world through the film starring Julia Roberts. Lahontan and PG&E are still dealing with contaminated drinking water.

Many thought Singer would soften after his family lost their home in the Angora Fire. As executive officer, not much changed, according to people who spoke to *Lake Tahoe News* off the record.

But as a neighbor, Singer is seen as one of the good guys.

El Dorado County Supervisor Norma Santiago, whose jurisdiction encompasses the 254 houses that burned to the ground that June, has witnessed Singer be a friend to his neighbors, and as she put it – that neighbor everyone wants to have.

Singer has also given a lot to youth sports. He has been an umpire in softball leagues and referred youth soccer.

Santiago said, "He is a very dedicated individual to the mission of Lahontan. He has always been very open with me, straightforward and taken the time to teach me so I could gain an understanding of the information as it relates to

Lahontan.”

Joanne Marchetta, TRPA executive director, said, “Harold has made significant contributions to the lake and his community of South Lake Tahoe. We wish him well in the next phase of his life.”

Claire Fortier, South Lake Tahoe mayor, said, “He has kept Lahontan focused for 20 years. He has run an effective organization for as long as he has been there.”

The next Lahontan board meeting is Jan. 11-12 in Apple Valley. The agenda is not posted so it’s not known if the board will discuss the executive officer position.

Nevada recovers \$8.3 mil. in civil and criminal fraud cases

By Nevada News Bureau Staff

CARSON CITY – The U.S. Department of Justice recovered \$5.6

billion in civil and criminal fraud efforts in 2011, a 167 percent increase over 2008.

In Nevada, recoveries totaled \$8.3 million in 2011, a 137 percent increase over 2008 when \$3.5 million was recovered.

Of the \$5.6 billion recovered by DOJ in 2011, more than \$2.9 billion was in health care fraud, the agency reported.

Nevada was one of 21 states where recoveries more than doubled.

"All across the country, the Department of Justice continues to move aggressively to protect the American people from fraud," Deputy Attorney General James Cole said. "In this past fiscal year, we recovered more money from fraudsters than ever before, over \$5.6 billion. These efforts not only send the message that those who commit fraud will be held to account, they also result in more dollars in the national treasury and demonstrate a high rate of return on the American taxpayers' investment in the Justice Department."

As a next step in an aggressive campaign to crack down on Medicare fraud, the Department of Health and Human Services will direct all Medicare prescription drug plans to use every tool at their disposal to prevent fraud. Patients sometimes "doctor shop," visiting numerous doctors to get multiple prescriptions for OxyContin, Percocet, and other painkillers and narcotics. In some cases, these medicines are abused by the patients. In others, patients sell the extra drugs.

OxyContin and Percocet abuse, prescription drug fraud, and so-called "doctor shopping" are major problems. The Government Accountability Office recently reported that "170,000 Medicare beneficiaries received prescriptions from five or more" doctors for drugs that are frequently abused, like OxyContin and Percocet.

While not all of these cases are fraudulent, some are. In

2008, for example, one Medicare beneficiary “received prescriptions for a total of 3,655 oxycodone pills [such as OxyContin]...from 58 different prescribers.”

This week, HHS announced it has urged insurance companies to take every step possible to prevent such fraud. Specifically, HHS’ guidance tells prescription drug plans to withhold payment on suspicious claims, including when enrollees use multiple doctors to obtain painkillers and narcotics.

Companies that offer prescription drug plans already process each of a patient’s prescriptions. While HHS generally requires prompt payment, today’s guidance clarifies that if a plan sees signs of suspicious activity, it should withhold payment to pharmacies until it verifies the claim is valid.

Driver arrested after vehicle strikes Stateline area hotel

A vehicle driven by an alleged drunken driver crashed into the back of the Ski Haus Lodge in South Lake Tahoe, breaking a natural gas line that necessitated temporary evacuation of lodging guests there and at the Economy Inn.

Ronald MacKenzie, 26, of Colorado was arrested on charges of driving under the influence after the Dec. 16 8:30am accident. A test at the scene showed a blood alcohol level of 0.11 percent, according to officers.



The driver of this vehicle was arrested Dec. 16 on DUI charges.

Photo/SLTPD

Officers said MacKenzie was driving about 40 mph on La Salle Avenue when he tried to make a left onto Cedar Avenue. He didn't make and instead struck the building. The speed limit in the area is 25 mph.

– Lake Tahoe News staff report

Wacky weather patterns throughout California

By Matt Weiser, Sacramento Bee

La Niña is back in control of California's weather, and like last winter, her temper seems to be flaring.

First it was strafing November winds. Then persistent December frost. Now half the state is dry – not a drop of rain in Sacramento this month, and Lake Tahoe ski resorts are yearning for snow. And at the other end, Los Angeles is breaking rainfall records.



Lots of ice to be found on the shoreline of Lake Tahoe, but not any snow.

Photo/LTN

“It’s been a strange La Niña,” said Ken Clark, a senior meteorologist at AccuWeather based in Southern California. “It’s playing havoc with our precipitation amounts so far. We’ve got a lot of signs that were right on track, but the weather pattern’s been kind of screwy.”

What’s screwy is a high-pressure system parked offshore of Northern California, diverting storms around the region and into Southern California instead. That’s not normal La Niña stuff.

La Niña is a periodic cooling of the equatorial Pacific Ocean that causes the jet stream to arc far to the north. It is a fickle phenomenon in California because the position of the jet stream determines whether the state is wet or dry in La Niña conditions.

In Central California latitudes, including Sacramento and Lake Tahoe, the outcome is often a tossup.

Read the whole story

\$65K allocated to deal with backlog of Nevada ethics issues

By Sean Whaley, Nevada News Bureau

CARSON CITY — A state board this week approved a \$65,000 request from the state Ethics Commission to hire an attorney to help reduce a two-year backlog of unpublished opinions.

The Board of Examiners, made up of Gov. Brian Sandoval, Attorney General Catherine Cortez Masto and Secretary of State Ross Miller, approved the request submitted by Caren Jenkins, executive director of the state Ethics Commission.

The request to tap a legislative contingency fund to pay the salary of an attorney for six months must now be approved by the Legislature's Interim Finance Committee, which meets today.

"I know that it's unusual to fund a position at this level, but I fear that without immediate attention to the backlog we'll never catch up," Jenkins told the board.

The Ethics Commission is adding to the backlog as it hears and decides more cases, she said. There are approximately 60 opinions that need to be written.

The emphasis for the commission has been hearing matters and rendering decisions, Jenkins said. The backlog has been an issue for some time, but has recently hit a critical stage, she said.

The commission sought two additional positions from the 2011

Legislature but the request was not funded due to other demands on scarce tax revenues.

Sandoval asked if there systemic issues with the operation of the commission that could help reduce the backlog.

Jenkins said such changes are being considered. But even with the implementation of successful streamlining efforts, the agency will not be able to catch up with the backlog, she said. The commission has a meeting set for Wednesday where the issue will come up for further discussion, Jenkins said.

“It’s not just money, I guess is the bottom line,” Sandoval said. “I’m going to vote to support this today but I would like to see some demonstration by the commission that it is seeking to improve its efficiencies and efficacy as well.”

LTCC professor leads charge to bring etexts to students

By Kathryn Reed

Free college textbooks?

Maybe.

Lake Tahoe Community College Professor Larry Green is part of a pilot program that allows students to use a statistics textbook for free. On Tuesday, he was in Sacramento with lawmakers to lend his support representing California faculty to make etexts available to more students.



Larry Green

The average annual cost for textbooks is \$1,260. Often times, new (instead of used) texts have to be bought because publishers change content. This then means at the end of the semester or quarter college bookstores won't buy them back. New texts come out usually every three years, and each time a new edition is published on average it's 12 percent higher than the previous addition, according to the 20 Million Minds Foundation.

The Center for College Affordability and Productivity last month said books and supplies represent the largest cost increase for postsecondary students receiving aid and grants.

"There's a clarion call from students and middle class families to make higher education more accessible and affordable. Textbook prices are going up four times the rate of inflation, and many students say they drop out of college because they can't afford to spend more than \$1,000 a year on books," state Sen. Darrell Steinberg, D-Sacramento, said in a statement. "If we can use technology to maintain the high quality of materials while cutting the cost, we need to do it. Open source digital textbooks can bring real relief of nearly \$1,000 a year to each college student."

Green was by the state Senate president's side Dec. 13 advocating passage of the bill Steinberg introduced that would allocate money for open education resources (OER) for the UC, CSU and community college systems.

"If all goes as planned, our students at LTCC could save

thousands of dollars each year by using these OER textbooks. Since the materials will have a Creative Commons License, all students in the world, not just in California, will benefit,” Green told *Lake Tahoe News*.

According to the Government Accountability Office, textbooks for community college students can account for 75 percent of their education costs, while books reflect 26 percent of the cost of attending a CSU.

The idea of the legislation is to have 50 key lower-division textbooks now being used by undergraduates be available digitally – via computer or mobile device. Printed versions would still be available, too. And hard copies would also be in college libraries for students to access. The etexts would be free.

If the legislation passes, then a request for proposals would be sent out. Publishers, faculty or others could respond with an idea for how they will create “high quality digital open source textbooks and related courseware”.

Green said, “With over a billion dollars spent on textbooks each year by our students, the \$25 million proposal makes sound economic sense. For many years, I have taken the lead on this effort.”

Green knows something about numbers. He is a math professor.

Nevada bear hunter faces charges of illegally baiting animals

By Jeff DeLong, Reno Gazette-Journal

The Reno man who killed the first bear in Nevada's highly controversial black bear hunt faces charges he illegally baited the animals.

Timothy Kawelmacher, 55, is scheduled to appear in Reno Justice Court on Monday. He is charged with two misdemeanor counts of baiting big-game mammals for the purpose of hunting, said Chris Hicks, Washoe County deputy district attorney.

"It is very discouraging that the very first bear killed in this controversial hunt is now the subject of prosecution," Hicks said.

Kawelmacher is charged with using apples and bacon grease to bait for bears on Aug. 11 and anise oil for the same purpose between Aug. 5 and Aug. 20, when the season opened, Hicks said.

Kawelmacher killed the season's first bear – a 9-year-old, 180-pound female – with a rifle near Garson Road west of Reno on Aug. 20, according to officials with the Nevada Department of Wildlife. He was later cited by game wardens, and the bear's head and hide were seized as evidence.

Kawelmacher, who Hicks said has cooperated with authorities, could not be reached for comment. It appears he will be acting as his own attorney Monday, Hicks said.

Read the whole story

2 key Placer County officials retiring

By Ed Fletcher and Bill Lindelof, Sacramento Bee

Two senior Placer County officials announced plans this week to retire.

Placer County Executive Officer Tom Miller, 57, announced Tuesday that he plans to retire early next year.

Also stepping down is Lincoln Fire Chief Dave Whitt, 50.

Miller said he plans to spend more time with his three granddaughters before exploring the next chapter of his life.

Whitt, who will step down Dec. 29, said it was time to move on and expressed frustration at the city's lack of resources.

"Given the climate in the city, I have come to a point where it is frustrating to not be as effective as I would like to be. We have good people with very little resources to support them in carrying out the mission of this department," he said.

Miller came to the county in 1999 to serve as the facility services director. He has been the county executive since 2005. He earned \$261,994 in 2010.

Miller said his task was to see the county of 348,400 residents through a rough economic period.

The county laid off just 17 employees as a result of the downturn.

Read the whole story