

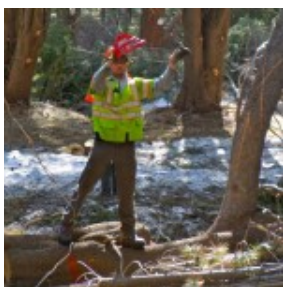
Lake Tahoe fire districts question where money from Nev. Fire Safe Council is

By Anne Knowles

The Nevada Fire Safe Council is undergoing an audit after Lake Tahoe Basin fire protection districts complained they had not been reimbursed by the organization for hazardous fuels reduction work done as far back as two years ago.

The NFSC, a nonprofit that procures grants and provides funding for fuels reduction projects and other fire safety work, has hired Muckel Anderson CPAs, a Reno-based accounting firm, to audit the last three years. The NFSC's last audit, completed in January 2009, was for 2006.

The district complaints also triggered a series of payments from the NFSC that Andrew List, the Carson City group's executive director, said brings them almost up to date.



Money for work done in April at Lake Christopher in South Lake Tahoe has not all been paid.

Photo/LTN

"We are in the current calendar year," said List, meaning the outstanding balance owed is for projects completed in 2011. "We're waiting to receive grants money and we're working on it."

List said in the last week the NFSC sent out about \$500,000 to the various fire protection districts and is now less than \$200,000 in arrears.

The fire districts say the amount owed is higher.

"It was in the ballpark of \$1 million and as much as two years behind," Duane Whitelaw, fire chief of North Tahoe Fire District, told *Lake Tahoe News*.

The North Tahoe Fire District received a check for about \$100,000, said Whitelaw, but is still owed another \$200,000. Lake Valley Fire District received about \$80,000, with another \$70,000 still outstanding, according to Gareth Harris, Lake Valley's fire chief.

Mike Brown, fire chief for the North Lake Tahoe Fire District, said the district is awaiting payment for work done in 2010.

Asked if the NFSC has explained the delay in payments, Whitelaw said, "Not to our satisfaction."

The fire chiefs said fuels reduction work is ongoing and has not been affected by the reimbursement problems, but each said they would like to see the money faster.

"None of us want to float the money on our general ledger," Whitelaw said. "We're all anxious to get paid."

"We'd like to get paid quicker, and we'd love to see the process streamlined," Lake Valley's Harris said. "But it hasn't held us up."

Harris said Lake Valley fire crews were back at work in the area after spending five weeks in Arizona helping with the

state's historic wildfires.

In an unusual case, the NFSC has declined payment on an approved project.

The Lake Christopher project went close to 75 percent over budget, said List, and the NFSC board of directors has asked the South Lake Tahoe Fire Department for more information explaining the project's cost overrun.

List said they hoped to resolve the issue when more information is provided.

"I have a lot of respect for the contractor" on the Lake Christopher project, said List. "But we're trying to see why the project went so far over. It's a mystery."

Ray Zachau, South Lake Tahoe fire marshal, said the original estimate for the 48-acre project called for removal of 30 tons of material per acre, but once the contractor started working that grew to about 69 tons per acre. He said they gave the contractor the go-ahead to complete the project.

"We've been denied payment on work already done," Zachau said. "We're owed about \$170,000."

Zachau is concerned the NFSC is moving beyond what he sees as its charter to act as a financial agent for the fire districts into more of a technical role managing the projects.

"They've hijacked the process," Zachau told *Lake Tahoe News*.

The NFSC's audit was initiated last month and should be completed before mid-August, according to List. It will cover 2008, 2009 and 2010.

The NFSC receives the bulk of its money from U.S. Forest Service and the Bureau of Land Management, under the Southern Nevada Public Land Management Act, and has spent about \$5 million annually for the last three years, List said.

The Internal Revenue Service requires that a 501(c)(3), the IRS designation for a nonprofit, conduct an audit for any year in which it spends \$500,000 or more in federal grant money.

Asked why the group has not kept up with its audits, Joan Presley, chairman of the NFSC's volunteer board of directors and Reno fire marshal, said it had hired a California firm 18 months ago that never completed the audit, then had trouble finding another firm.

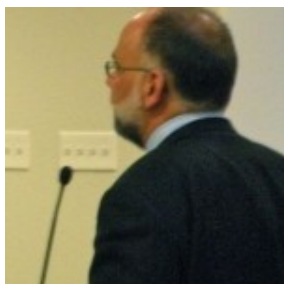
"It was an oversight," she said. "We made a mistake."

Palazzo lands job on North Coast as city manager

Gene Palazzo, former Redevelopment Agency director for South Lake Tahoe, has been hired to be city manager of Crescent City. He starts Aug. 8.

Palazzo's was one of 11 positions eliminated in February.

He was making about \$130,000 in South Tahoe and will be making \$98,000 a year on the coast. He will be reviewed after six months and one year, with the possibility of a 3 percent raise at each interval. The contract does not have an end date.



Gene Palazzo

Palazzo will receive up to \$7,500 in moving expenses. His wife, Ellen, who is assistant city clerk for South Tahoe, told *Lake Tahoe News* she is not going to Crescent City.

Palazzo is apparently taking several pages out South Lake Tahoe City Manager Tony O'Rourke's playbook by telling the Crescent City Council he intends in the first year to create a strategic plan, business plan, five-year financial plan and capital improvement plan.

All of this will be new to Palazzo, who did not do any of that type of work while in South Lake Tahoe.

Palazzo is somewhat familiar with the area, having graduated from Humboldt State University in 1987 with a bachelor's degree in geography.

– Kathryn Reed

Names released of Hwy. 28 accident victims

Updated July 20 1:05pm.

By Kathryn Reed

Two people died in a three-car accident Tuesday on Highway 28 four miles south of Sand Harbor.

The highway reopened about 8:30pm after being closed for five hours.

Nevada Highway Patrol Trooper Mike Edgell said Miguel Perez, 24, of Gardnerville was heading south when his green Ford F350

drifted across the center line and struck the left rear of a commercial truck's trailer.

Seeing the truck coming, the Taurus behind the commercial truck pulled to the shoulder, according to Edgell. But then Perez's truck hit the Taurus head-on.

"It was so hard it pushed it back and off the roadway," Edgell said of the Taurus being struck.

Killed in the accident were the driver Michael Rapanaro, 57, of New York and front passenger Charles Farlow, 59, of Reno

Two female passengers in the back of the Taurus sustained serious injuries. They were taken by ambulance to Incline Village and then CareFlight flew them to Renown Medical Center in Reno. Edgell said Lori Brown, 57, of Reno was in critical condition. Rhonda Farlow, 57, of Reno was not as critically injured.

Perez refused medical treatment. Passengers Abel Najar of Gardnerville, Miguel Perez Jr. and Alexis Perez, all of Gardnerville, were taken by ambulance to a Reno hospital.

Commercial truck driver Mark Thorpe, 54, of Yerington was not injured.

Perez has not been charged with any crimes while the investigation continues. Edgell said alcohol is not believed to be a factor in the accident.

Any witnesses are asked to call Trooper Eric Gallagher at (775) 687.0400.

Marijuana movement's voice bucks stereotype

By Barbara Venezia, Orange County Register

The Regulate Marijuana like Wine Act of 2012 is gaining momentum, and its key advocate isn't your stereotypical hippy-dippy pot smoking liberal. It's a Republican, former federal prosecutor and retired Superior Court judge named James Gray.

Those in the Newport/Costa Mesa area are probably most familiar with Jim through his weekly Daily Pilot columns, "It's a Gray Area." He's a guy with strong opinions and never one to shy away from controversy.

Article Tab: [gray-believes-regulate-ja](#)

James Gray, a former federal prosecutor and retired Superior Court judge is co-author of the Regulate Marijuana Like Wine Act of 2012, which he believes is gaining momentum.

A few weeks ago I asked Jim why he's co-authored this act and why he feels it has legs in 2012.

As a former federal prosecutor, he says, "I saw we weren't winning the war against drugs."

There are six groups who will continue to win if this legislation isn't passed, he contends.

- Drug lords making millions – if not billions – annually.
- Juvenile gangs whose main source of funding is drug sales.
- Law enforcement officials who make big money fighting the drug lords and juvenile gangs.
- Politicians who run on anti-drug platforms and keep getting reelected because of it.

- Businesses that build prisons and staff them – and the state’s powerful prison guard union.
- Terrorists who globally fund their operations through drug sales and say “Drug prohibition is the Golden Goose of terrorism.”

Read the whole story

S. Tahoe weighing how to pay for rehabbing roads

By Kathryn Reed

South Lake Tahoe is between a pothole and a debt payment when it comes to dealing with the roads that crumble a bit more each day.

At the Aug. 2 City Council meeting, the five are likely to be asked if they are willing use a certificate of participation to pay for the millions of dollars needed to repair the asphalt.



Potholes can cause serious tire damage.

The COP is the preferred method instead of a general obligation bond that had first been floated by City Manager Tony O'Rourke. A main difference is all bonds – which are a tax – must be passed by two-thirds of the voters. A COP doesn't need the taxpayers' blessing.

While a COP is not tax on the people directly, the repayment of the money is taxpayer dollars from the general fund.

The council in April through the passage of the five-year financial plan OK'd spending \$5 million for each of the next five years on capital improvements, with the bulk to go to roads.

Councilmen Tom Davis and Hal Cole expressed the least amount of enthusiasm to go into debt to pay for the roads.

"The interest is \$32 million over a 30-year period so really it's \$10 million a year," Davis said of the cost going to roads. "(The COP) just doubled the cost."

Cole said, "The roads may not last 30 years."

While the city's Redevelopment Agency has outstanding debt, the city does not. The two are distinctly separate entities even though how the council and RDA business is conducted in public does not make that fact obvious.

The city has the money to pay for the first two years of the capital improvement plan, but would need another source of income going forward. Raising the hotel room tax has been broached as a possibility down the road.

"We need to get the ball rolling. We need to deliver something," O'Rourke said. "To date there has been a lot of talk. The infrastructure we have demonstrates that."

At a workshop this month, Jim Marino, who is in charge of the roads plan, told the council that staff had identified 168 capital improvement projects within the city limits. Those

were narrowed down to a short list that could begin to be implemented in fiscal year 2011-12, which begins Oct. 1.

Heroin bust lands mom, son in Tahoe jail

By Kathryn Reed

A mother and son are in El Dorado County jail on heroin charges, which, if found guilty of, could lead to their deportation because neither one has been living in South Lake Tahoe legally.

South Shore narcotics officers had been working undercover, which led them to arrest Jose Ruben Gomez Gonzalez, 25, of South Lake Tahoe after he allegedly sold them heroin.

He was busted July 15 on the third sale, according to Cmdr. Jeff Catchings with South Lake El Dorado Narcotics Enforcement Team.

A search warrant at his residence in the 3700 block of Paradise Avenue turned up more heroin, cash and a loaded handgun.

"It appeared he was packaging for sale in (his mom's) room," Catchings said.

In Genoveva Gonzalez De Leon's bedroom officers said they found three safes. One had \$4,700 in cash, a 9mm handgun and heroin.

Between the three buys and what was found at the house, Catchings said a quarter pound of heroin with a street value

of \$9,000 was confiscated.

De Leon, 41, of South Lake Tahoe faces a charge of possession of heroin for sale. Gonzalez was arrested on the same charge plus sales of heroin and transportation.

Because of their illegal status, immigration has placed a hold on them at the South Lake Tahoe jail.

Also living in the 800-square-foot residence were two other adults and two toddlers. Child Protective Services has been notified. Catchings said at this time it is not believed the mother of the two children was involved in the drug activity.

Smoking in California hits record low

By Patti Neighmond, NPR

California health officials say smoking rates in the state are down to 11.9 percent, a new low. And the latest figures make it only the second state so far to achieve a federal target of reducing adult smoking rates to 12 percent by 2020 so far. Utah got there first, in case you were wondering.

Across the nation, 1 in 5 Americans still smokes. And federal health officials say more than half of all children are regularly exposed to secondhand smoke, setting them up for future harm from cancer, heart disease and a variety of other ailments.

In California, health officials estimate that 1 million lives have been spared and more than \$86 billion have been saved in care for tobacco-related illness over the past two decades.

Officials say the credit goes to aggressive antismoking campaigns and health promotion in the state.

“California has always been in the forefront”, says Colleen Stevens, who heads the Tobacco Control Branch of the California Department of Public Health. Back in 1988 California taxpayers agreed to put a 25 cent tax on every pack of cigarettes. “No one had ever done this before,” says Stevens. The money was earmarked to pay for medical care for tobacco related illness. But it also funds tobacco research and tobacco control programs both in schools and local communities.

Today the California state tax on a pack of cigarettes is 87 cents. That’s quite a bit lower than the \$2 in taxes charged by many other states. But California has reaped the benefits of other interventions over time, says Stevens. In addition to the tax, California became the first state in the nation to ban smoking at indoor work sites and restaurants in 1995 and then in bars in 1998, which was “absolutely unheard of at the time,” says Stevens.

Read the whole story

Summer events adopt environmentally friendly practices

By Ben Miller, Reno Gazette-Journal

As summer pushes on in Reno-Tahoe, events such as Artown, the Reno River Festival and the Reno-Tahoe Open blossom with

visitors, entertainment acts and food and beverage vendors.

And with all of our region's events come waste. Participants and spectators buy bottled water, drink beer out of plastic cups and leave trash on the ground.

But in recent years, many events – with the help of businesses and vendors – have begun to fight back. The Reno River Festival in 2010 powered musical acts on the Wingfield Park Stage with biofuel and offered beer in biodegradable cups from Sierra Nevada Brewing Co., said Betsy McDonald, director of public relations for the Bauserman Group, which manages public relations for many events in the area. The Reno-Tahoe Open, which is Aug. 4-7 at Montreux Golf and Country Club, is aiming to be carbon neutral. And the Haws Corp., an international water delivery systems company headquartered in Sparks, is sending a water bottle refill station on tour with acts such as Blink-182 and Dave Matthews Band this year.

The goal, McDonald said, is to keep the events clean and keep them going for years to come.

Read the whole story

Recession spurs increase in employee productivity

By Bill O'Driscoll, Reno Gazette-Journal

A recent memo to salaried managers at the Grand Sierra Resort underscores a fact of life during recession: Businesses are boosting productivity out of existing staff instead of hiring more workers.

The memo, a copy of which was faxed anonymously to the Reno Gazette-Journal on July 6, directs all salaried managers to make sure they work 50 to 60 hours a week and to document actual hours for their superiors.

Bill Wright, president of the Grand Sierra Resort, confirmed the email memo but said the intent is to ensure that the Reno hotel-casino's 150-plus managers are "visible" during the special events-filled summer season.

"We launched our pool party, we've had three concerts. It's important (employees) see managers around," Wright said. "We're ensuring a consistency of service. It's critical we, as management, need to be here. ... This is our peak season, and it's important to be around."

But it also speaks to the broader challenge of survival in recession, others said.

Read the whole story

NDOT taking comments on how to pay for roads

The Nevada Department of Transportation will host a public meeting July 21 to gather comments on a study of a potential future fuel tax replacement.

The Vehicle Miles Traveled Fee Study examines alternatives to allow Nevada to continue to fund public roads amid a transportation funding deficit and changing energy resource issues:

- By 2016, vehicle fuel efficiency will increase to an average

37 miles a gallon and an estimated 20 percent of new vehicles will be alternative fuel vehicles. While an important positive for our environment, this will lead to less road funding collected from fuel taxes per gallon to fund public roads.

- Current funding for road construction, maintenance and operations comes from fuel taxes. Today, due to inflation, these fuel taxes cover approximately half of the road construction, maintenance and operations costs per gallon that they funded when last raised in 1992.

The study, a partnership between NDOT and UNLV and UNR researchers, reviews VMT fees as a potential fuel tax replacement. In this study, participants being charged a fee based on the number of miles driven instead of per-gallon fuel taxes will be simulated. Similar studies are being conducted in other states and by federal agencies.

The meeting will be from 3:30 to 6:30pm at the Reno-Sparks Convention Center located at 4590 South Virginia St. in Reno.

Comments can also be made before Aug. 12 by email to vmtfeestudy@vmtfeenv.com or by mail at VMT study manager Alauddin Khan, 1263 S. Stewart St., Carson City, NV 89712.