

Brown vetoes own party's budget

By Jennifer Medina, New York Times

Gov. Jerry Brown of California on Thursday vetoed the state budget that the Democratic-controlled state Legislature had passed the day before, saying that the proposal merely papered over the state's long-term deficit and added billions in new debt.

The veto means that the governor will have to reopen negotiations with the Legislature to try to get his plan to close a \$10 billion gap approved. In order to pass that plan, which relies on extending some taxes that were set to expire this year, Brown needs votes from two Republicans in each house, support that has so far been elusive.



Jerry Brown

Brown, who has railed against budgetary maneuvers that the state has relied on for years to balance its budget, placed the blame on Republicans and commended lawmakers from his party for their "tremendous efforts" to balance the budget, but said that the plan approved Wednesday was not balanced.

He said the budget contained "legally questionable maneuvers, costly borrowing and unrealistic savings," and that it would not meet the state's financial obligations.

Read the whole story

Stateline man tied to CalPERS scandal trying to sell wine collection

By Dale Kasler, Sacramento Bee

Say this for Alfred Villalobos, the man accused of bribing CalPERS officials: He doesn't skimp.

The Lake Tahoe businessman has amassed a wine collection valued at a staggering \$85,000. Now he's trying to sell it.

Villalobos' lawyers have asked a U.S. bankruptcy judge for permission to sell his 856-bottle collection, which includes such high-end brands as Beaulieu Vineyard and Opus One. A court hearing is set for Monday in Reno.

The California attorney general filed a lawsuit in May 2010 accusing Villalobos of bribing top officials with the California Public Employees' Retirement System. The lawsuit said Villalobos was trying to steer pension fund investments to his Wall Street clients.

Read the whole story

7-hour standoff in South Tahoe ends peacefully

After a nearly seven-hour standoff, a South Lake Tahoe man surrendered to police and was taken into custody.

Officers initially responded to a residence on Paradise Avenue at 6:15pm June 15 because of arguments between neighbors that they say included the suspect brandishing a weapon.

Stephen Shaver, 44, was arrested about 1:30 this morning after police SWAT and Crisis Negotiation Teams wore him down.

No one was injured and no shots were fired.

Officers said the trouble began after Shaver's unleashed dog attacked a leashed dog being walked by a female neighbor near Shaver's house. When the woman suggested Shaver control his dog, he reacted violently, coming outside his house and pushing her in the chest, officers said. That's when Shaver allegedly went to retrieve a shotgun.

The neighbor, according to police, had locked herself inside her home, but Shaver broke through her front door and turned his dog loose inside her house. He then reportedly left with his dog before reappearing with the shotgun outside his front door. He yelled threats from his doorway toward his neighbor while holding the shotgun, but did not discharge it.

Shaver finally surrendered by walking outside his house unarmed.

Officers said they located a marijuana grow inside Shaver's residence, a loaded shotgun concealed in a large diameter PVC pipe used for hydroponic purposes, chemicals and possible explosive materials.

Shaver was booked at the El Dorado County Jail in South Lake

Tahoe on several felony and misdemeanor charges, including terrorist threats, burglary and brandishing a firearm. He was in custody this morning on \$15,000 bail. Officers expect to file more charges after completing the investigation.

Anyone with information about the case, is asked to call the police at (530) 542.6100; reference case No. 1106-1153.

LA firm expected to run BlueGo bus system

By Kathryn Reed

The Tahoe Transportation District board at its special meeting June 17 is expected to award the operation of the BlueGo bus system to Tectrans Inc.



The 5-year-old Los Angeles-based company was one of six bidders to run the South Shore buses, which has routes into Carson City and the Carson Valley. Although it is a young company in some ways, it has changed names through the years and has employees who have been involved with transit for decades.

Interviews of the top three companies were June 9, with the committee recommending Tectrans.

“Tectrans, which has the highest combined score on the Understanding, Experience, Technical, and Proposal criteria had the best interview and also the lowest cost of the top three candidates,” according to the staff report.

Tectrans’ bid came in below the \$2,902,633 the TTD board

budgeted for transit operations for the 2011-12 fiscal year. The bid is \$2,881,088.

The board is being asked at the 11:30am Friday meeting (128 Market St., Stateline) to approve a tentative contract with Tectrans, to have staff negotiate a final contract, and for the board to approve it July 8.

“They had the right balance of size, experience and corporate support to ensure this operation in Tahoe would not founder, but at same time had a really good feel for us as a small community,” said Angela Swanson, South Lake Tahoe’s rep to the TTD board.

Swanson also said Tectrans officials have had experience with Northstar-at-Tahoe’s bus operations, which was a bonus knowing the Tahoe area.

At the regular June 10 TTD board meeting it was agreed TRC would work month-to-month until another firm is hired.

TRC Consultants months ago said they would not be bidding on a long-term contract. TRC was originally hired by South Tahoe Area Transit Authority to run the buses after MV Transportation was fired by the now-bankrupt STATA board.

State officials inspecting South Shore businesses for tax compliance

The California State Board of Equalization sent letters to 12,000 retail businesses in 16 ZIP codes, including South Lake Tahoe, notifying them of upcoming visits by BOE specialists.

Businesses receiving letters this month are located in: Canoga Park (91303); Tarzana (91356); Hacienda Heights (91745); Solana Beach (92075); Anaheim (92804, 92805); San Luis Obispo (93401, 93405); Vallejo (94589); Campbell (95008, 95009, 95011); and South Lake Tahoe (96150, 96151, 96155, 96158).

These visits are part of the Statewide Compliance and Outreach Program that was launched in September 2008. The BOE specialists have visited more than 226,000 businesses statewide, with 313 ZIP codes receiving notifications.

The goal of the SCOP program is to verify that all businesses are properly registered, so there is no unfair business advantage over those businesses that are properly registered and reporting their taxes and/or fees. The SCOP program has found that more than 3.5 percent of businesses operating in California do so without the appropriate permits or licenses that allow for collection of sales and use tax, as well as other taxes and fees. Non-compliance is a part of the more than \$2 billion sales and use tax gap – the difference between the amount of taxes owed and the amount of taxes paid.

The BOE specialists conduct checks for seller's permits of all storefronts and other known business locations. When the specialists visit, business owners are asked business-related questions and are not asked for personal financial information.

For general information, contact the Taxpayer Information Call Center at 800.400.7115.

Registered retailers, as well as service industry businesses, will be checked for appropriate permits and licenses. Those businesses found to be out of compliance will be given instructions on how to register with the BOE and given information about other necessary licenses.

Full El Dorado County Grand Jury report out next week

By Carlos Alcalá, Sacramento Bee

El Dorado County should make use of private volunteers in evaluating the efficiency of government operations, the 2010-2011 grand jury wrote in sections of its report released Tuesday.

The full report was supposed to be released in tandem with the regular Board of Supervisors meeting, but it was pulled back due to production errors, according to Steve Baker, foreman for the grand jury.

The full report, to be released at the June 21 supervisors' meeting, will include matters that are "more controversial and more consequential," Baker said.

He said it would be inappropriate to talk about the sections released Tuesday, as he felt their release was premature.

However, the report's recommendations included suggestions that the county Chief Administrative Office needs to create a clear statement of operating principles and create review teams to evaluate whether departments are meeting those principles.

Read the whole story

STATA board members dropped from transit lawsuit

By Kathryn Reed

The parties being sued by MV Transportation have until next week to file motions to dismiss.

They all intend to.

MV is suing the agencies that made up the now bankrupt South Tahoe Area Transit Authority. After a March hearing in Reno bankruptcy court much of the Fairfield company's case was dismissed, while other aspects were allowed to be amended. MV now has four cases of action against the member agencies.

Individual board members had been named in the original lawsuit. In MV's amended complaint filed May 20 that aspect of the suit has been dropped.

"In general they are rehashing the same allegations as before," South Lake Tahoe City Attorney Patrick Enright said of the amended complaint. This complaint, though, tries to say the member agencies of STATA are responsible for former transit administrator John Andoh's fiscal actions or inactions. Andoh is not named in the suit.

With STATA's main asset being the nearly \$700,000 in a court ordered frozen bank account, MV wants to recoup the nearly \$2 million it believes it is owed via the member agencies.

But the contention of STATA members is it was a legitimate nonprofit that should be held responsible and not the member agencies.

Those member agencies that are defendants in the lawsuit are now asking the bankruptcy judge to convert the matter from a Chapter 11 filing to Chapter 7.

Enright said this is so the court will liquidate the assets and pay the creditors. MV is owed the largest sum, with attorney Mike McLaughlin (STATA attorney) and TRPA (for office rent) owed significant sums. South Lake Tahoe is owed about \$30,000 by STATA for rent of the bus garage. If Chapter 7 is granted, it's likely all creditors would be paid a percentage of the assets.

The defendants have until June 23 to file the motion to dismiss. After that, the bankruptcy judge is expected to hear the latest round of arguments in August.

LTUSD says goodbye to 16 employees

A handful of the 16 retiring employees of Lake Tahoe Unified School District attended the June 14 board meeting where they were recognized for their collective 437 years of service.

The Lake Tahoe Educational Foundation presented them with a certificate for dinner and the board gave them each a plaque.

Retirees and the years they worked in LTUSD are:

Bob Anderson 1985-2011

Jerry Carter 1984-2011

Jill Carter 1984-2011

Pamela Fritz 1979-2011

Karlene Larkin 1988-2011

Sue O'Connor 1978-2011

Dianne Salzenstein 1979-2011

Charna Silver 1991-93, 2000-11

Judy Simmons 1971-2011

Jim Watson 1984-2011

Bob Caven 1991-2010

Susan Denhart 1984-2010

Patty Ellis-Magana 1988-2011

Bobby Jones 1975-2011

Cindy Sprinkles-Gibson 1987-2011.

– *Lake Tahoe News staff report*

Minor flooding along Walker River

By Jeff DeLong, Reno Gazette-Journal

Rushing waters from a melting snowpack are causing some flooding problems along the Walker River, with flows expected to peak later this week, experts said Monday.

Minor to moderate flooding occurred in Mason Valley on Monday after officials were forced to release large volumes of water from Topaz and Bridgeport reservoirs. Similar flooding is expected upstream along the West Walker River Wednesday and Thursday in the Walker and Coleville, Calif., area.

No serious problems are reported due to the flooding in Mason

Valley.

“There are no structures being affected. There is just a lot of water out in the fields, and the ditches are running full,” said Gary Barbato, a hydrologist with the National Weather Service in Reno.

Experts hope enough water was released from Topaz and Bridgeport reservoirs to capture peak runoff flowing from the West Walker River Wednesday and Thursday without more releases being necessary, Barbato said.

“Hopefully, it’s as high as it’s going to get” in Mason Valley, Barbato said.

Flows are expected to be about a half-foot above flood stage in Walker and Coleville, Calif., and downstream to Topaz Lake Wednesday and Thursday.

The West Fork of the Carson River is expected to “barely touch” flood stage this week between Woodfords and Genoa, with no serious problems expected there, Barbato said.

Read the whole story

Funding far from equal among Calif. school districts

By Louis Freedberg and Stephen K. Doig, California Watch

State lawmakers have struggled for decades to bring equality to how school districts are funded, yet some districts receive thousands more per student than others, a California Watch analysis has found. And the data shows spending more provides

no assurance of academic success.

Last year, California schools spent an average of \$8,452 to educate each student, a figure that includes money from local, state, and federal sources, including one-time stimulus funds.

But that average masks enormous differences in spending. The Carmel Unified School District, for example, spent nearly three times as much as the Norris School District in Bakersfield. One tiny district, the Pacific Unified School District on a remote stretch of the California coast near Hearst Castle, spent close to \$60,000 per student.

Figures are typically available only for how much districts, not individual schools, spend on their students. But according to the state's Legislative Analyst's Office, some of the smallest schools in the Sierra foothills, with just a handful of students, received about \$200,000 per student.

Public schools consume the largest share of the state's shrinking general fund – 42 percent of the \$86 billion total. How those funds are allocated is coming under increasing scrutiny by education leaders, advocacy groups, school districts and lawmakers.

In April, Assemblywoman Julia Brownley, D-Santa Monica, chairwoman of the Assembly Education Committee, introduced legislation to reform education financing. Based on a plan proposed by Gov. Jerry Brown during his gubernatorial campaign, the bill would simplify funding formulas and direct money to students with extra needs, such as those from low-income families.

Read the whole story