# Gold miners want to see what's left in Virginia City area

**By Jeff Delong, Reno Gazette-Journal**

In a place defined by its mining history, ambitious plans to pull new riches of gold and silver from the ground stand to shape the future of the Comstock.

Representatives of Comstock Mining Inc., plan to "revitalize the Comstock" through mining during the next 30 years, a long-term project they say will not only make them big bucks but provide a needed boost to the economy of the Virginia City area.

Organized opponents are afraid of what they don't know, worrying that plans to mine the Comstock with open pits could destroy a quiet rural lifestyle and forever alter one of the West's most historic places.

Since 2003, Comstock Mining, formerly Goldspring Inc., has acquired property and mining claims in what company officials call an "unprecedented consolidation" of Comstock resources encompassing some 6,100 acres. The area stretches from the south end of Virginia City, through Gold Hill and Silver City to U.S. 50 East.

Test drilling has identified deposits of gold and silver, many of them highly pure and at relatively shallow depths, worth more than $2 billion and there's more out there, said Corrado De Gasperis, Comstock's president and chief executive officer. The value of gold this spring reached a record of roughly $1,500 per ounce. Silver prices are at a 30-year high.

**Read the whole story**

# Echo Summit open without controls for long weekend

While all the work is not complete on Echo Summit, Highway 50 will be open in both directions without controls to bring people into and out of the South Shore for Memorial Day weekend.

The construction company doing the work on the wall replaced the heavy lifting ahead of schedule, which allowed the full closure to be lifted last weekend.



Work on the wall is still taking place. Photos/Kathryn Reed

The road is open today and throughout the long weekend without controls. The one-lane closure will resume May 31 at 7am.

During the week this route that links the South Shore and areas to the west are subject to delays of 20 minutes during non-holiday weekdays.

Johnson Pass Road is not accessible.

*– Lake Tahoe News staff report*

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# Treatment at Leviathan Mine keeps toxins from reaching creek

The Lahontan Regional Water Quality Control Board reports that emergency treatment of acid mine drainage stored in ponds at the Leviathan Mine Superfund site in Alpine County has successfully prevented discharge of approximately 3 million gallons of untreated toxic water to Leviathan Creek, a tributary of the East Fork of the Carson River.

As a result of the highest amount of rain and snowfall since 1995, acid mine drainage from ponds at Leviathan Mine threatened to overflow in April. Through May 15, precipitation near the site was at 155 percent of average, or 11 inches above normal. The Water Board's contractor began operating an emergency treatment system on April 5. The treatment system neutralizes the AMD stored in the ponds by mixing the contaminated water with lime.

Toxic metals from the AMD are captured as sludge on the pond bottom, and treated water is discharged to Leviathan Creek. The discharged water meets water quality criteria established by the U.S. Environmental Protection Agency. The emergency treatment operation is being conducted under approval from the EPA, which has jurisdiction over operations at this Superfund site.

Leviathan Mine is an abandoned sulfur mine five miles east of Markleeville and six miles west of Topaz Lake, Nevada.

California acquired the mine in 1984 to clean up water quality problems caused by historical mining. The Water Board completed a pollution abatement project at the mine in 1985, and since 1999 has continued to actively treat waters discharged from the mine site.

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# DCSD wants dormant middle school to have second life

**By Susan Wood**

ZEPHYR COVE – An international youth hostel, university retreat, performing arts facility, senior center outpost, culinary arts program, seasonal housing or multi-purpose sports complex – all represent a possible next stage in development for the "moth-balled" Kingsbury Middle School closed a few years ago because of declining enrollment.

That was the essence of the first community input session set at Whittell High School on Thursday night and facilitated by Douglas County School District Superintendent Lisa Noonan, who was collecting ideas on who to woo for possible suitors to buy the 36,000-square-foot school that sits on 10 acres of pristine lake ridge property above Lake Village.




Kingsbury

Middle School's future may be decided soon. Photo/Susan Wood

Noonan will host the second meeting at 6pm on June 1 at Douglas High School's Media Center at 1670 Highway 88 in Minden.

"My hope is by the end of the summer to get our ducks in a row," Noonan said. "This is literally just step 1."

The school – which provided a noisy source of controversy when the school district closed it and gave away two grades to Zephyr Cove Elementary and the high school – comes with its advantages and disadvantages for the possible buyer. The latter – it needs work, including a new roof that could run $460,000 according to early estimates. The former – it has a cafeteria, full-sized gym, locker room and its BMPs – the Tahoe Regional Planning Agency's mandatory erosion control measures. The land use coverage may also be worth a lot, which opens the door for a buyer razing the building and capitalizing on eliminating the coverage.

"The land is probably what is more valuable – even in this market and economic downturn," school district Chief Financial Officer Holly Luna wrote *Lake Tahoe News* before the meeting.

Parent Andy Dauscher asked about getting a tally on all necessary repairs and a solid figure on maintenance costs. It costs the school district money to plow the road, keep a phone line open and run limited utilities.

When the district posed the question of closing the school, the estimates were as high as $1 million a year the school district would be saving. Noonan couldn't confirm the figure,

but instead focused on what “it’s costing” while deteriorating.

“It’s a big deal when you sell a school in a small community,” she said. “My hope is by listening to the community that we’ll know this is what they want for the community.”

Thursday’s input session brought out only a handful of people to bounce around ideas to which Noonan jotted down notes. This was a stark contrast from the hundreds who gathered before the school closed. She addressed the 15 attendees of the booster club who met before the session and shared their suggestions as well. Much of their input focused on recreation. There’s a huge need for large spaces and a place where teams can congregate and practice.

At the session, parent Greg Felton noted how many teams are forced to travel to the Carson Valley for practices, taking time away from homework and other activities – not to mention the safety hazard with the treacherous winter driving conditions over a mountain pass.

Felton pressed Noonan on whether selling the school may be the wisest choice for now and insisted on knowing whether the school board is absolutely set on the direction to sell the school.

“It seems like the wrong time,” he said, referring back to the superintendent’s comments on how bad the current economy is.

Noonan responded that she believes the school sale was part of the known equation when the board agreed to close it in 2008. She agreed to confirm the direction and look into other unknowns as in the zoning, whether any donor-type deed restriction exists and getting appraisals into place. No appraisal is on the table. And Noonan told *Lake Tahoe News* no serious parties have expressed interest in buying the property.

Western Nevada Community College was approached when Carol Lark was at the helm, but it has left the picture with its own budget problems to contend with. It may close two of its facilities.

Still, Nevada's budget woes have not spoiled Noonan on the idea of pursuing interest from other colleges.

"I think the university option is a viable one," she said. If not directly run by the higher education entity, perhaps an alumni group would like to form a Stanford Sierra Camp-type setting on the Nevada side of Lake Tahoe, she mentioned.

Other ideas abound – including a land, facility or title swap with Douglas County.

Before the sale may occur in a depressed real estate market, Noonan noted that the school could be used under some type of lease agreement, but the long-term goal is to sell.

"Our current 10-year projection doesn't show a bounce back (of school enrollment)," she said.

First things first – Noonan wants input. She may be reached at enoonan@dcsd.k12.nv.us or (775) 782.5135.

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# Scanio behind bars again – this time on federal charges

Joseph Scanio, the South Lake Tahoe registered sex offender who was arrested last week, is back behind bars.

He was arrested May 26 about 3pm at his Wyoming Avenue home on a federal warrant for violating the terms of his supervised

release.

U.S. probation informed South Lake Tahoe police Scanio had violated his probation by being present at the ice arena without authorization from USPO and for living within an area restricted from convicted sex offenders by the city of South Lake Tahoe.



Joseph Scanio

Scanio is a registered sex offender on federal probation for possession of child pornography.

SLTPD officers arrested Scanio on May 18 for a violation of his mandatory requirement to register his correct physical address with law enforcement. This information was shared with USPO which led to his most recent arrest.

Scanio has previously disclosed to USPO his business affiliation with another registered sex offender in El Dorado County. Because of this disclosure, USPO has monitored the situation but said it has not constituted a violation of his probation. USPO is now investigating additional issues which may constitute further violations of Scanio’s probation.

# CTC awards $2.2 million for erosion control projects in basin

**By Kathryn Reed**

Both ends of the lake will be having erosion control measures put in thanks to grants provided by the California Tahoe Conservancy.

At the CTC's meeting this month the board unanimously agreed to spend up to $1.675 million on the second phase of the Al Tahoe Erosion Control Project in South Lake Tahoe and up to $620,715 on the Brockway Erosion Control Project in Placer County.

CTC started the Soil Erosion Control Grant Program in 1985. Money is allocated to local jurisdictions and public utility districts, with more $102 million awarded to date.



The first phase of the Al Tahoe erosion project won a TRPA award. Photo/LTN file

The South Tahoe project is expected to begin this fall. Right

now runoff flows directly into the lake from this neighborhood.

“The project will stabilize and protect eroding roadway shoulders, increase infiltration, and convey stormwater runoff to an advance treatment filter prior to discharging into the lake,” the staff report says. “Project design utilizes road shoulder infiltration pads that allow for parking during the summer months while reducing stormwater flows to the lake.”

The first phase of this project won a Best in Basin award from the Tahoe Regional Planning Agency.

Mostly likely porous concrete will be used in the second phase.

A unique aspect to the North Shore project is the area being addressed touches on Nevada.

CTC’s contribution is just part of what it will take to do the work. Other sources of funding include $1.478 million from the U.S. Forest Service, $436,956 in Tahoe Regional Planning Agency mitigation funds, and $79,800 from Nevada through its sales of Lake Tahoe license plats.

Another component of this project is the improvements to Boulder Bay, the development that will overhaul the Tahoe Biltmore in Crystal Bay.

CTC board member Angela Swanson questioned what happens if Boulder Bay ends up in litigation and is not able to move forward.

Staff explained part of the contingency for the TRPA to approve Boulder Bay was the owners had to put money into a bond account for the environmental improvements to be done even if the development is never built.

“This project is a high priority because it treats numerous sources of pollutants, including fine sediment particles that

are efficiently transported to Lake Tahoe," the staff report says. "Large expanses of heavily-utilized impervious surfaces produce significant volumes of stormwater runoff and pollutants. These impervious surfaces, combined with steep slopes and slow infiltration rates, exacerbate erosion and create a high degree of hydrologic connectivity to Lake Tahoe during storm events, which results in very efficient transport of pollutants to the lake."

Work on the erosion project could begin this summer.

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# Study: Global species extinction not quite so desire

**By Amina Khan, Los Angeles Times**

Hit the snooze on that ecological doomsday clock for a minute: The world's species may not be going extinct quite as fast as we thought they were. Scientists may be overestimating the crisis by as much as 160 percent, according to a recent study.

The research was published online last week in the journal Nature.

While stressing that the global extinction crisis is still indeed a crisis, the study's two authors called for a better mathematical model to predict how fast the world's diversity is disappearing.

The massive loss of species occurring today may constitute the sixth mass extinction of life on Earth. It is caused in large part by habitat destruction, which can be blamed on human

encroachment. The rate of biodiversity loss, however, is difficult to estimate, said study coauthor Stephen Hubbell, an ecologist at UCLA.

One of the models that scientists use reverses what's called the species-area relationship: This starts with the number of species in a certain area and then measures how many new species pop up as the surveyed area increases.

Extinction rates, at first glance, should be the opposite of that relationship – losing species as land is lost. So researchers run the equation backward to calculate how fast species are disappearing.

**Read the whole story**

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# LTUSD, LTCC able to cope with guv's budget proposal

**By Kathryn Reed**

South Lake Tahoe education officials are cautiously optimistic Gov. Jerry Brown's budget will stay intact as presented earlier this month – at least when it comes to dollars for schools.

The Friday before Brown released his proposal on May 16 all the predictions were dire.



Lake Tahoe Unified School District CFO Deb Yates said a sigh of relief reverberated throughout the state with the announcement Proposition 98 would be fully funded.

This 1988 voter approved initiative guarantees a certain level of funding for K-14 education. However, in recent years the folks in Sacramento have not honored that agreement.

For LTUSD this means restoring more than $1.2 million to the budget. But it does not mean being able to hire back teachers or staff who were laid off or restoring programs.

“We are still deficit spending $1.2 million a year. It’s a systemic problem,” Yates told *Lake Tahoe News* before the May 24 board meeting. She gave the board an update that evening.

Adding to LTUSD’s woes is enrollment continues to decline, though it looks like the district will have lost less than 100 students from the start of the school year.

What the state budget will do for LTUSD is not make the proposed cuts for the 2012-13 school year be as drastic. But until a budget is signed, anything can happen in Sacramento.

Built into Brown’s budget is a five-year extension on taxes that are supposed to expire this year.

However, state Sen. Ted Gaines, R-Roseville, when he was in South Tahoe on Tuesday said having the taxes go away will not adversely impact education per the current budget proposed by the governor. Gaines is adamantly opposed to keeping the taxes going because it means the average family of four pays out $1,000/year.

Part of what is allowing the governor to create a rosier budget is revenues are projected to be close to $7 billion

more than originally anticipated. But the state still must close a gap of nearly $10 billion.

The state budget is supposed to take effect July 1, but that hasn't happened for years. LTUSD and Lake Tahoe Community College start their fiscal years July 1 as well. The LTUSD and LTCC boards expect to approve their respective budgets next month.

The governor is proposing to reduce preschool funding by 15 percent. This will not affect preppie-K in LTUSD. But it could have an indirect impact on the district as childcare centers in town close.

The Al Tahoe Child Development Center is closing at the end of June because of cuts. Kindertown Day Care/Preschool has lost its state funding. All of these changes have low-income parents scrambling to find a place for their children.

Another unknown impact to LTUSD is the probable shift of mental health services to education.

Yates said she doesn't know yet what the impact to the district will be. Two students in the district are in a non-public school setting. Each child could cost the district upward of $200,000 a year.

"I have never seen adequate funding follow special education in all of my 30 years," Yates said.

At the college board meeting that same night it was brought up that LTCC might need to seek a TRAN (Tax and Revenue Anticipation Note) to make payroll if the state does not have a balanced budget. The college projects a $1.2 million cash flow problem in September if the state holds back money. The state stops writing checks when the current budget expires June 30.

Marc Sabella, who is running the finance department because

the college no longer has a vice president of Business Services, told the board the county office of education is hesitant to loan the college money because it has started the process the last two years and then backed away when it wasn't needed. This is why the college is looking at a TRAN.

Board member Kerry David said Vicki Barber, superintendent of El Dorado County Office of Education, should be reminded it's the people in the county who elect her and that perhaps she should be less worried about the charter schools in Southern California she wants to give money to.

The college board has until June 14 to decide about a TRAN. The negative about the TRAN is the college may only need the money for 30 days and it could cost $50,000 to $70,000 to secure the funding.

"We are optimistic while the budget is definitely tight next year, we hopefully won't have to borrow money," interim President Steve Maradian said.

He is estimating the college will take an $800,000 hit with what Brown has in the May revise budget.

Maradian said, "We've had to scrub the budget carefully" but it will be balanced when it's presented to the board in June.

Pulled from the May 24 agenda was an item to discuss proceeding with hiring a VP of Business Services. The board is going to wait until the new president is on board to go forward with that idea.

In the mean time, the board bumped Sabella's salary by $2,500/month on a month-to-month basis.

On a bright note, the college's Child Development Center is breaking even, which hasn't happened in years. Raising fees helped. And with the closure of childcare facilities in town this may bring youngsters to the college's center.

# El Dorado supes agree to remove racial slurs from headstones

**By Peter Hecht, Sacramento Bee**

Supervisors in El Dorado County voted Tuesday to right a historic wrong by replacing 36 cemetery headstones that the U.S. Army Corps of Engineers labeled with a racist slur in 1954.

When the Corps built Folsom Dam on the American River that year, it moved remains from a cemetery in the old Gold Rush town of Negro Hill to a new resting place in El Dorado County. The N-word was stamped into concrete headstones instead of “Negro” to note the anonymous remains had come from the former Negro Hill Cemetery.

But the supervisors’ 5-0 vote to allow a privately funded project to replace the headstones at Mormon Island Cemetery stirred debate.

**Read the whole story**

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# Nevada wants piece of

# unclaimed casino winnings

**By Bill O’Driscoll, Reno Gazette-Journal**

Those little paper tickets showing slot machine winnings can add up to big numbers, and the state wants a bite of the bounty that’s never cashed in.

Once-coin-filled slot machines are now ticket-in, ticket-out cash-less games, and jackpots that used to clang into the coin bins now are spit out on paper, which the winner then must cash in to get paid.

But it seems a lot of those payouts are small enough that the winners pocket them to redeem some other time, industry observers say, and invariably expiration dates pass, and they’re never cashed in.

“It happens a lot,” said Steve Gearty, vice president of casino operations at John Ascuaga’s Nugget in Sparks. “The lion’s share of them are so small, 30, 40 cents, that they don’t bother. A ton of it is that.”

But over time and across Nevada’s 200-plus casinos, it becomes a lot of money – tens of millions of dollars a year by some estimates – which up to now has been taxable revenue for the gaming properties.

Now the 2011 Legislature, through Assembly Bill 219, seeks to redirect a majority of such “unclaimed property” to the state’s cash-starved coffers with the remainder staying at the casinos.

**Read the whole story**