

Nev. has weakest rise in consumer spending in U.S.

By Scott Sonner, AP

RENO – Consumer spending in Nevada rose to its highest level in five years in 2012 but continued to lag far behind the national average, according to a report released Thursday showing a wide discrepancy in economic recovery from the recession across the country.

Personal consumption expenditures jumped 28 percent in North Dakota, the largest gain nationwide, from 2010 through 2012. It surged nearly 16 percent in Oklahoma, the U.S. Bureau of Economic Analysis report said.

By contrast, spending rose a scant 3.5 percent in Nevada, the weakest for any state and far below the 10.7 percent national average during that two-year stretch.

The study shows consumer spending in Nevada went on a wild ride for nearly a decade, doubling from \$39.5 billion in 1999 to \$80.5 billion in 2007, but had fallen off to \$76.6 billion by 2009 before slowing climbing again the next three years to a peak of \$81.4 billion in 2012.

For the whole period from 1997-2012, Nevada's 6.4 percent growth was second only to Hawaii's 6.8 percent – half again as much as the national average of 4.1 percent.

But it truly was a roller coaster like few other states experienced – doubling the national average with 12.9 percent growth in 2004 at the peak of Nevada's housing boom, and five years later suffering a 4.6 percent decline that was three times worse than the U.S. average in 2009 when the state led the nation in bankruptcies, foreclosures and unemployment.

And while Nevada's growth from 2010 to 2012 was the nation's worst, it was one of only four places that posted a gain in 2012 compared with 2011 – 3.8 percent compared to 2 percent. The others were Arizona, North Carolina, Utah and the District of Columbia.

Brown pitches \$6 billion water bond

By Melanie Mason, Los Angeles Times

Seeking to balance the state's water needs with his reputation for fiscal caution, Gov. Jerry Brown called for a "no-frills, no pork" \$6-billion water bond in an email to campaign supporters Tuesday afternoon.

Brown kicked off the letter by noting that "drought conditions in California grow more serious by the day," and acknowledging more must be done for the state's water infrastructure.

But, he says, the \$11.1-billion bond currently set to go before voters in November has "a price tag beyond what's reasonable or affordable." He describes the measure, originally written in 2009, as "pork-laden."

Instead, Brown pitches a \$6-billion plan similar to the framework his office circulated in June. The proposal, he says, "invests in the most critical projects without breaking the bank."

[Read the whole story](#)

Truckee resident found dead in Stampede Reservoir

A missing Truckee resident was found dead Aug. 8 at Stampede Reservoir.

Nathen Johnson, 32, was last seen alive Aug. 2. Police said cell phone records led them to the reservoir.

Officers found Johnson's body in the water near his private boat. An autopsy will be conducted. Police do not suspect foul play.

– Lake Tahoe News staff report

Equipment failures to cost STPUD \$3 mil.



The aeration basin at South Tahoe Public Utility District. Photos/Ross Johnson

By Kathryn Reed

South Tahoe Public Utility District is facing unexpected multimillion-dollar equipment expenses. Two of the three aeration units at the sewer plant need to be replaced.

When the PVC pipe started to require multiple repairs the material was sent out to be investigated to see why it was failing. The plastic and couplers were falling apart.

Normal PVC pipe that is put in the ground is expected to last 50 to 100 years. These aeration pipes at the plant are 27 years old. Only a handful of companies make this specific pipe for aeration systems and they can make them to the standards they want. The manufacturer told South Tahoe PUD these specific pipes only have a life expectancy of 20 years.

“One would think with manufacturing processes it could be longer,” Paul Sciuto, deputy general manager, told *Lake Tahoe News*.

It will cost about \$3 million to replace the two aerators. The board this summer approved a contract for the design of the

first aerator. It's anticipated it will be operational next spring, with the second one coming on board in 2016.

During the design phase the district will look at what options exist beyond the material and design that is in place now.

Until that time the maintenance team for the district will be extra vigilant to make sure things get fixed when they do breakdown. Epoxy and steel metal bands are two of the methods to do so.



Activated sludge at the sewer plant.

"We have a 4 million gallon river coming at us every day so can't shut the plant down," Sciuto said.

That is why there are redundancies built into the system and backups to the backup.

The district has met its treated water quality requirements since 1995 and does not want to mar that record. It's not like the aeration process can be skipped.

"The aeration basins are a critical part of the biological process at the treatment plant," Sciuto said. "It's almost like you see bubbling chocolate milk. It's pretty uniform when you look at the surface of the water. If there is an area with less bubbles, there is probably a failure in the air pipe."

The air is helping breakdown the organic material. Air is being blown 24/7. Each basin is about 20 feet by 100 feet.

Usually only one is in operation at a time. However, two were required over Fourth of July.

While the district knew the aerators would eventually need to be replaced, it was not on the capital improvement list for the near future. To deal with the unexpected expense money will be used from the sewer enterprise fund that had been earmarked for other projects. Some work in Diamond Valley and a couple collection system projects will be pushed out a few years. There could be other projects that will be delayed.

7 candidates qualify for SLT council election

South Lake Tahoe will have seven people to choose from in November to fill the three City Council seats.

Incumbents Tom Davis, Brooke Laine and Angela Swanson are on the ballot. Former Councilman Bruce Grego, former candidate Austin Sass, and newcomers Wendy David and Matt Palacio round out the field.

Suzie Alessi is running uncontested for another term as city clerk. Dave Olivo has no challengers to retain his seat as city treasurer.

El Dorado County Elections Department had not updated its list so *Lake Tahoe News* is refraining from listing candidates for other South Shore races until it is complete.

SLT rejiggers debt; spending on infrastructure

By Kathryn Reed

Money was the dominant theme during this week's South Lake Tahoe City Council meeting – mostly how to cut expenses.

With the reduction of some long-term debt, the city will then have money to invest in infrastructure.

And an added source of revenue is changing the pricing at the city owned parking garage at Heavenly Village.

City Manager Nancy Kerry and staff have been scrutinizing the budget to come up with significant cost savings in relation to some of the unfunded liability that is on the books.

Staff estimates saving \$264,000 a year by paying off the CalPERS side fund with pension obligation bonds. This will add up to a savings of \$3.3 million once the bill is all paid.

This side fund is a portion of public safety's unfunded CalPERS liability. As of Sept. 30, 2013, that figure was more than \$11.6 million. Issuing bonds would pay off that debt, while incurring a smaller overall debt because of lower interest rates.

The council unanimously agreed to do this.

The same five then acted as board members to the Successor Agency, which handles things regarding properties that the defunct-Redevelopment Agency oversaw.

Some of the bonds pertaining to Lake Tahoe Resort Hotel

(former Embassy Suites), Ski Run Village and Heavenly Village will be refinanced. A lower interest rate will reduce the payments on the more than \$135 million of debt.

When it comes to the parking garage, the \$3.75 per hour rate is not changing, but there may be more opportunities for validation from various businesses.

Before the meeting it cost businesses \$1.50 to buy an hour's worth of validation from the city. That has been cut to \$1. The consumer is likely to receive a free hour from participating businesses. The cinema, though, retains its sweetheart deal of paying 35 cents per validation. However, the number of free hours for the public went from four to three.

The goal is with more businesses opting into the program, patrons might find more incentive to stay in the village longer and ultimately spend more money. Signs saying which businesses validate will likely be erected in the garage. It is up to each business to decide if a purchase is necessary to get a validation stamp.

Annual passes will resume. They will be \$600. Monthly passes are \$125, while it costs \$400 for a ski season pass.

Staff is looking at renting the top part of the garage for special events. This already happens on New Year's Eve. It's also possible there will be advertising for local shops on the back of parking tickets.

By the end of the fiscal year – Sept. 30 – projections are for a surplus of \$500,000 in the general fund. That money is going into infrastructure. The plan is to improve recreation facilities, which ideally will have locals and tourists taking out more cash to play in South Lake Tahoe. That additional revenue would then pay for things like more streets being upgraded.

Money is being set aside to build a bike park at Bijou Community Park, for planning Regan Beach improvements, planning for upgrades to the Recreation Center and planning for completion of the 56-acre site – which is across Highway 50 from Lakeview Commons.

In other action:

- The council on a 3-2 vote upheld its decision to delay further implementation of the plastic bag ban to October 2015. Brooke Laine and Angela Swanson were in the minority.
 - Ben Fish with TAMBA, the mountain bike group, said plans for the bike park at Bijou Community Park were resubmitted to staff last week.
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Tahoe Queen not damaged, may sail in a week

By Kathryn Reed

The Tahoe Queen is structurally capable of operating, but because it does not have updated U.S. Coast Guard mandated paperwork in place it is sitting idle at Ski Run Marina in South Lake Tahoe.

The Coast Guard on Aug. 6 inspected the vessel to see if had been damaged. It wasn't. The sightseeing paddle-wheeler ran aground Aug. 4 off Regan Beach with 257 passengers on board.

All were safely evacuated, mostly via small law enforcement boats.

The certificate of documentation is what's delaying the boat

from operating. This is similar to registering any watercraft with the state. The difference for the Queen is that because of its tonnage it is required to have the federal certification.

Coast Guard Lt. Theo Vaughan did not know how long the Queen has been out of compliance.

The Queen cannot carry passengers without the valid documents. Vaughan estimated the paperwork should be completed within a week.

“The vessel will be allowed to operate. The only thing pending is the administrative issue,” Vaughan told *Lake Tahoe News*.

The full investigation of what caused the Queen to launch itself onto the sandbar is ongoing. Vaughan said it could be two months before it is finished. The report must be signed off by folks at headquarters in Washington, D.C.

“The low level of the lake is definitely a contributing factor,” Vaughan said.

As for what might happen to the captain or any other crewmember remains to be seen.

“We will look at the report and see if any changes need to be made based on recommendations,” Dave Freirich, spokesman for Aramark – parent company of the Queen, told *Lake Tahoe News*.

1 arrest in S. Tahoe

marijuana trimmings case

Nearly 300 pounds of marijuana trimmings were confiscated Thursday in South Lake Tahoe.

Dwayne Crenshaw was arrested on charges of possession of marijuana for sale and manufacturing of a controlled substance.

"The marijuana trimmings were being used to create concentrated cannabis oils via several methods including butane fuel extraction," Matt Underhill, commander of South Lake El Dorado Narcotics Enforcement Team, said in a statement.

Also found at the Fresno Avenue residence on Aug. 7 at 7am were 180 expended and 65 partially used butane fuel canisters, all 300 ml in size. Agents seized nine extraction tubes made of glass and steel, which they said were used to process marijuana/hash oil. Agents also confiscated approximately 10 ounces of concentrated cannabis in various forms.

"In addition to being illegal, (butane hash oil) extraction is a highly volatile process. When an ignition source such as a cigarette or pilot light comes into contact with the butane, an explosion will occur. The size and damage of the explosion are dependent upon the amount of gas present, but can cause serious injuries and death," Underhill said.

The last such explosion in South Lake Tahoe was in 2013.

– Lake Tahoe News staff report

Man charged with starting Rim Fire

By Scott Smith, AP

FRESNO — A California man was charged Thursday with starting the state's third-largest wildfire, a 2013 blaze that charred hundreds of square miles of land in Yosemite National Park and the Stanislaus National Forest.

A grand jury returned a four-count indictment against Keith Matthew Emerald, 32, alleging he started a fire Aug. 17, 2013, and it spread beyond his control and turned into the massive Rim Fire.

The fire raged for two months across 400 square miles of land. The wildfire also ranks as the largest in the Sierra Nevada's recorded history. The costs of fighting it totaled more than \$125 million. Federal prosecutors said temporary fire restrictions in place at the time prohibited fires.

Investigators said Emerald, who has not been arrested, has at times admitted to starting the fire and other times denied it.

Hunting for deer with a bow that day, he initially told investigators that he caused a rock slide that sparked the fire, according to a search warrant affidavit for sites, including his house. He then allegedly suggested it was started by marijuana growers in the area.

After multiple interviews, he acknowledged starting a fire and cooking a meal. He burned trash from his backpack, but some of the embers blew uphill and set the brush on fire, he allegedly told investigators in a handwritten statement with some misspellings.

"The terrain was almost vertical, so I physically couldn't put it out," he wrote.

He expressed concern about possible community retaliation if his name were disclosed.

He was picked up by a rescue helicopter from the Clavey River Canyon area of the Stanislaus National Forest about an hour after the fire was reported, prosecutors said.

A resident of Columbia, a town in the Sierra Nevada foothills, Emerald is also charged with lying to a federal agent by saying he did not set the fire. A call to his attorney, federal public defender Janet Bateman, was not immediately returned.

Prosecutors said no court date has been set for his arraignment.

Authorities previously said the wildfire was started by an illegal fire set by a hunter, but they withheld the hunter's name pending further investigation.

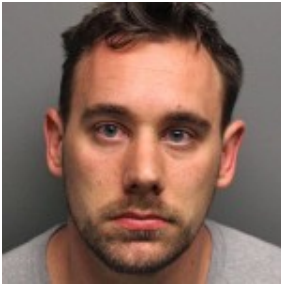
"The Rim Fire was one of the largest in California history and caused tremendous economic and environmental harm," U.S. Attorney Benjamin Wagner said in a written statement. "While those harms cannot be undone, today we have brought criminal charges relating to the cause of the fire."

The charges were the result of an investigation by the U.S. Forest Service and the Tuolumne County district attorney's office, Wagner said.

Placerville man accused of

propositioning minor

A Placerville man was arrested by Placer County sheriff's detectives Monday night for allegedly communicating with a minor for sexual purposes.



Shawn Michael
Roediger

Shawn Michael Roediger, 26, was arrested without incident in Placerville after he placed an online ad July 29 seeking a sexual relationship with a “young girl” who would be his “sex pet”, according to deputies.

A sheriff's detective responded to the ad as a 13-year-old girl and they corresponded for one week.

Roediger faces charges of attempted lewd and lascivious acts with a child; communicating with a minor for purposes of committing a sexual act; and distributing harmful matter to a minor.

His bail was set at \$100,000.

– Lake Tahoe News staff report