

All schools in Tahoe basin open on Friday

Ma Nature did not let weather forecasters down – she brought at least 6 inches of white stuff to South Lake Tahoe and Kings Beach, 8 inches in Meyers, 2 inches at Round Hill and 4 inches at the top of Kingsbury Grade on Thursday, with more on its way.

Snowplow drivers have been busy. This means schools throughout the Lake Tahoe Basin are open.

However, a winter weather advisory remains in effect for the Lake Tahoe-Truckee area through 4pm Friday. While the white stuff was not falling this morning, expect more to come in the afternoon. Another 2-5 inches are forecast above 7,000 feet, with 1-4 inches below that elevation.

“The cold and unstable nature of this system favors the development of narrow heavy snow bands, which can produce significantly higher snowfall amounts over a small area,” the National Weather Service in Reno says. “Snowfall rates of 1 to 2 inches per hour are likely in the heavy snow bands.”

Temperatures will remain cold, with single digits overnight Saturday. The sun will come out Sunday before the next system moves in Tuesday.

– Lake Tahoe News staff report

South Lake Tahoe set to spend \$1 mil. for ladder fire truck

By Kathryn Reed

South Lake Tahoe's ladder truck is so old that some of the firefighters working for the department were born after it first hit the streets.

Fire Chief Brian Uhler told the City Council on Nov. 6 that the normal life of the vehicle is 15 years. The one the city has title to is 30 years old. In the vehicle world it's an antique, and if it were a person, it would be in a convalescent home on life support.



A ladder truck, like the one Tahoe Douglas brought to the Pioneer Trail fire this fall, allows crews to get above power lines.

Photo/LTN

The ladder truck is in such lousy shape that it was pulled from service this year because of safety concerns and high maintenance costs.

In the last five years, the current ladder truck has needed almost \$100,000 in repairs.

"The vehicle emits a large amount of smoke because a major engine overhaul is overdue and the ladder's electrical components are known to be unreliable," Uhler wrote in his staff report.

Rob Hembree, one of the station commanders, pointed out how when the convention center project was approved, it was with the caveat the city had a ladder truck that could fight a fire at that structure.

The tallest building in the city limits is nine stories.

But it's not just tall structures that benefit from a ladder truck. The house fire on April Avenue and Pioneer Trail in September was extinguished with the help of Tahoe Douglas' ladder truck.

This type of unit is ideal for fires at commercial properties. It allows a trench to be cut on a roof without getting on the roof. That can save lives. Having a ladder truck in the city limits could help keep fire insurance costs down, too.

With a room full of firefighters, the council heard from official spokesmen from the department as well as impassioned pleas from those working the various rigs.

In the end, the council approved the purchase of a ladder truck for \$1,045,501. It will arrive next year. Another \$75,000 will be spent on renovating Station No. 2 so the vehicle can be parked indoors.

The city has negotiated a loan with Republic First National for 10 years at 3.26 percent interest. The loan payments will

come from Proposition 172 dollars. Until this week, the approximately \$600,000 from this 1992 state initiative went into the city's general fund for fire and police to split.

Now the fire share will be allocated for capital expenditures. This includes vehicles and other equipment the women and men need.

The first payment won't be due until fiscal year 2013-14, so no revisions to the current budget are needed.

It hasn't been decided what the old ladder truck will be used for. It might have a new life as a training apparatus at the fire academy, possibly it will be the truck decorated for the holidays. But it's so old that parts are hard if not impossible to obtain, and the likelihood of another department wanting it are nil, according to officials.

In other action:

- Harrison Avenue improvements are going forward, with 82.46 percent of the property owners agreeing to form an assessment district. The council then unanimously approved its creation. This means work on the streetscape will begin next building season.

- The city and El Dorado County are joining efforts to release a request for proposal to find someone to conduct a comprehensive parks, trails and recreation master plan. Proposals are due Dec. 14, with the council expected to review them in late January and the county in early February.

- The empty lot at the southwest corner of Highway 50 and Ski Run Boulevard has been sold to an undisclosed buyer for \$750,000. The buyer sought the confidentiality clause. The city is holding to it until all the paperwork is signed. The city had to sell this parcel because it was part of the now defunct Redevelopment Agency.

- Stan Sherer, the Community Development director who was let go earlier this year, filed a \$1 million claim against the city. It was reported out from closed session that the council rejected that claim.
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Nevada Legislature includes 21 new members

By Sean Whaley, Nevada News Bureau

CARSON CITY – The 63-member Nevada Legislature will see quite a few new faces when it convenes Feb. 4, including 11 members in the Assembly and 10 members in the Senate, although several newly elected state senators have moved up from the Assembly.

One of the new Assembly members is Democrat Ellen Spiegel in District 20 in Henderson, who served in the 2009 session but lost re-election in 2010. Also new will be Republican Wes Duncan in District 37. Duncan unseated Democrat Marcus Conklin in the only loss by an incumbent in the 42-member Assembly.

One newly elected Assembly candidate's future is in legal limbo. Democrat Andrew Martin won in Assembly District 9 in Las Vegas, but a Clark County District judge on Monday ruled him ineligible for the seat because he did not reside in the district. The ruling could be appealed to the Nevada Supreme Court.

Democrats now have a 27-15 majority in the Assembly.

In the 21-member Senate, five of the new members have all served in the Assembly. They include Democrats Tick Segerblom,

Kelvin Atkinson, and Debbie Smith, and Republicans Scott Hammond and Pete Goicoechea.

A sixth new member, Joyce Woodhouse, previously served a term in the state Senate but lost re-election in 2010.

Only four new Senate members have no previous legislative experience: Democrats Patricia Spearman, who defeated Democratic incumbent John Lee in the primary, Justin Jones and Aaron Ford; and Republican Mark Hutchison.

Democrats maintained their narrow 11-10 edge over Republicans in the Senate for the 2013 session after several extremely close races split between the two parties in Tuesday's election.

Legal battle looms in states approving use of recreational pot

By Sari Horwitz, Washington Post

The approval of ballot initiatives legalizing recreational marijuana use in Washington state and Colorado on Tuesday could set the stage for a significant legal battle with the Justice Department, one that may bring fresh scrutiny to federal drug policy.

On Wednesday, the Justice Department said it was reviewing the initiatives but would not comment further on how it would respond to the first attempt by any state to legalize marijuana for reasons other than medicinal purposes. A spokeswoman for the Drug Enforcement Agency said that its

“enforcement of the Controlled Substances Act remains unchanged.”

The ballot initiatives in Colorado and Washington state are a step beyond the measures that have legalized marijuana for medicinal purposes in the District and 17 states, including Massachusetts, which passed such an initiative Tuesday.

In the run-up to the latest initiatives, the Justice Department was unusually muted about the possible conflicts between federal and state laws, even as former DEA officials called on Attorney General Eric H. Holder Jr. to publicly oppose the measures.

On Wednesday, Democratic Colorado Gov. John Hickenlooper signaled his awareness of the legal conflict with the Justice Department, cautioning voters that the marijuana initiative violates federal law.

“The voters have spoken and we have to respect their will,” Hickenlooper said in a statement. “This will be a complicated process, but we intend to follow through. That said, federal law still says marijuana is an illegal drug, so don’t break out the Cheetos or gold fish too quickly.”

Colorado Amendment 64 allows individuals 21 and older to buy up to an ounce of marijuana at retail stores that are regulated. Possession of marijuana would be legal, although it would not be legal to use the drug publicly. Washington’s Initiative 502 is similar and allows adults 21 and older to buy up to an ounce of dried marijuana; up to a pound of a marijuana-infused product, such as brownies; or up to 72 ounces of marijuana-infused liquids.

Supporters of the measures argued that they would bring in hundreds of millions of dollars in tax revenue, with the funds being used for education, health care and other government services. They also said that the initiatives would give proponents a chance to show that decriminalization of

marijuana could benefit the country's war on drugs.

In Colorado, the measure was supported by more than 300 physicians in the state, including Bruce Madison, the former associate medical director of faculty at the University of Colorado School of Medicine, who said that current laws waste "hundreds of millions of dollars in a failed war on marijuana, by ruining thousands of lives by unnecessary arrest and incarceration, and by causing the deaths of hundreds of people killed in black-market criminal activities."

Opponents of the measures in both states warned of a federal crackdown and unauthorized drug use by children. They also argued that the states could attract "drug tourists."

A similar proposal legalizing marijuana use was on the ballot in Oregon but did not pass.

In September, nine former DEA administrators wrote a letter to Holder expressing their concerns about the initiatives. The attorney general did not respond.

"To continue to remain silent conveys to the American public and the global community a tacit acceptance of these dangerous initiatives," wrote the former administrators, who oversaw the DEA under both Democratic and Republican presidents from 1973 to 2007. "We urge you to take a public position on these initiatives as soon as possible."

The Justice Department can file suit to try to block state laws that it deems to have violated federal statutes. It did so, for example, after Arizona passed a law in 2010 that the state said was aimed at cracking down on illegal immigrants but that the Obama administration believed was unconstitutional.

On Wednesday, Justice spokeswoman Nanda Chitre would not comment on whether a lawsuit is being considered. "The Department of Justice is reviewing the ballot initiatives, and

we have no additional comment at this time," Chitre said.

Court: Online travel agencies not liable for local tax collections

By Danny King, Travel Weekly

Online travel agencies won two more legal victories in California, in Anaheim and Santa Monica, over the issue of who is responsible for millions of dollars in annual hotel taxes when rooms are booked through intermediaries.

The California Second District Court of Appeals affirmed judgments by the Superior Court of Los Angeles County, which concluded that OTAs were not liable for local lodging taxes on their hotel reservation services.

OTAs recently gained a similar legal victory in Hawaii, according to Travel Tech (formerly the Interactive Travel Services Association), the Washington-based trade group that represents the OTAs.

The most recent victories are notable because Anaheim is home to Disneyland, while the seaside city of Santa Monica attracts more than 6.7 million visitors a year from outside of Los Angeles County.

Other municipalities that have taken on the OTAs in court and lost include Houston; Philadelphia; and Branson, Mo. Notably, a 2010 ruling that awarded the city of San Diego \$21.2 million was overturned last September.

The issue of occupancy-tax responsibility is a big one in the U.S. because OTAs will book about \$16.5 billion of the estimated \$114 billion in total U.S. hotel and lodging revenue this year, or more than 14 percent of hotel booking revenue, according to research firm PhoCusWright.

OTAs typically mark up rooms by about 25 percent. Expedia, Priceline, Travelocity and Orbitz collectively account for more than 90 percent of U.S. travel sold through OTAs.

“In the span of less than one month, OTCs have recorded impressive victories in three of the largest travel and tourism markets in the nation,” said Travel Tech Chairman Simon Gros, in a statement. “It is a shame that communities continue to waste taxpayer dollars on such futile litigation.”

Washington is the most notable exception to this trend, as the nation’s capital in September won its ruling after Judge Craig Iscoe of the District of Columbia Superior Court wrote that the OTAs are responsible for transient taxes on the gross amount collected for hotel rooms from customers, not just on the net amount paid by OTAs to hotels.

Other decisions that have gone the municipalities’ way involved San Antonio and Florida’s Orange County, which the Walt Disney World Resort.

Orange County last year reached a settlement with Expedia, in which Expedia paid the county an undisclosed amount to resolve a 2006 case.

Meanwhile, in a July 2011 ruling involving San Antonio and 172 other Texas cities, including Dallas and Austin, the OTAs lost a \$20.6 million decision.

El Dorado County DA messing with lives without showing evidence

By Kathryn Reed

People with knowledge of the lingering investigation into potential criminal activity by South Lake Tahoe officials in connection with Gino DiMatteo have told *Lake Tahoe News* there are ulterior motives involved.

No longer is the El Dorado County District Attorney's Office using the word "bribery" or naming names in its investigation.

The district attorney, Vern Pierson, refuses to address the media in any way other than press releases. Only his secretary, Nancy Anderson, is allowed to speak for him.



El Dorado County
District Attorney Vern
Pierson

Anderson this week emphatically told *Lake Tahoe News* her agency did not use the word bribery to describe what DA investigators are currently probing. Nor would she say what the focus is or who the focus is on.

A Nov. 2 press release from Pierson's office says, "... the

investigation into certain South Lake Tahoe City officials as to their dealings with DiMatteo is ongoing.”

Former South Lake Tahoe City Manager Tony O’Rourke told *Lake Tahoe News*, “No one has ever contacted me in any way shape or form. So any investigation is not thorough or comprehensive. I don’t think there was anything there. I think [Pierson] has hung [City Councilwoman Angela Swanson] out to dry. He needs to buy time to look like he did something.”

Swanson had previously been named by the DA’s office as the city official DiMatteo is accused of bribing. But no evidence has been presented to the public, to Swanson or to DiMatteo’s attorneys to substantiate the allegation.

O’Rourke was at many of the meetings where the city’s pot ordinances were being written. Those meetings also included DiMatteo, who at the time owned the medical marijuana dispensary City of Angels II.

O’Rourke thought it would be fine for DiMatteo to move his business last summer to accommodate his landlord wanting him out. But the council changed its mind after O’Rourke left the city and information was presented about some questionable activities pertaining to DiMatteo’s business.

(Swanson is no longer talking to the media. She continues to fulfill her duties on the council.)

At one time she had aspirations of running for El Dorado County supervisor. Keeping her name tied to a criminal investigation would thwart the likelihood of her being elected.

Swanson has been outspoken in her support for medical marijuana, so bribing her would not likely alter a vote. Those close to the case say if DiMatteo were to have bribed anyone, it would likely have been one of the men on the council because of their views about the pot clubs.

It is not known how much taxpayer money has been spent to-date on the various investigations involving DiMatteo.

Criminal complaint

DiMatteo at his first appearance in U.S. District Court in Sacramento on Nov. 6 was released on a \$500,000 bond and GPS monitoring. It was on Nov. 2 that the county dropped the state charges and federal charges were levied against DiMatteo. However, this does not mean state charges will not be reinstated. That is what happened in the Karsten Gronwold child molestation case that rocked the South Shore a few years ago.

The five-page complaint does not say a word about bribery.

DiMatteo faces two counts – possession with intent to distribute marijuana and manufacturing at least 100 plants.

Here is the full complaint.

LTCC, LTUSD officials relieved Prop. 30 passes

By Kathryn Reed

California lawmakers have a handful of years to figure out a more sustainable way to fund K-14 education. That is because the tax measure approved Nov. 6 by voters will expire.

"I've been dealing with finances in community colleges for the last 12, 13 year and it's been unstable the whole time," Kindred Murillo, Lake Tahoe Community College president, told *Lake Tahoe News*.

Jim Tarwater, superintendent of Lake Tahoe Unified School District, said it is long overdue for Sacramento to get its act together.

"What they have got to have is stability. There is not an organization or company around that doesn't know how much money it has to function," Tarwater said. He doesn't understand how lawmakers ever rationalized taking money away from K-12 midyear when those dollars had been allocated.



Gov. Jerry Brown's efforts paid off on election night. Photo/Los Angeles Times

LTCC and LTUSD, respectively, would have faced \$632,000 and \$1.6 million in cuts this fiscal year had Proposition 30 failed. With contracts in place, cutting people midyear is not a possibility.

For now though, both institutions can breath a sigh of relief. And both can put a few dollars back into reserves that were designated to cover the potential state take-away.

The anticipated revenue to be gained via Proposition 30 is estimate at \$6 billion annually for education, with 89 percent for K-12 and 11 percent for community colleges. This will come from starting this tax year by increasing taxes on those who make more than \$250,000, as well as upping the sales tax one-quarter cent to 7½ percent beginning Jan. 1. The income tax is for seven years and the sales tax for four.

While the money will go for several things, the bulk is allocated toward education.

People in all capacities of education are hailing the approval of Proposition 30 as a victory for schoolchildren. The measure passed with 53.9 percent of the voters saying yes.

"This is a great win for our schools and public safety. Our local schools will not face more cuts this school year and in the near future. The voters of California have stood up to support our schools and we are all grateful," Mike Patterson, a past president of the local teachers' union and member of the state union, told *Lake Tahoe News*.

For LTUSD, it means programs will not have to be cut. Nor will the school year be shortened by 12 days.

When it comes to people, in the last four years about two dozen teachers have been let go, mostly through attrition; that many classified employees have received pink slips; and the administration has cut nine jobs.

“For California community colleges it will finally allow us to begin adding back some of the thousands of classes we have been forced to cut since we began this nightmare of educational rationing in 2008,” Brice Harris, California Community Colleges chancellor, said in a statement. “With this vote of support from California’s citizens, community colleges will receive \$210 million in additional funding this year. This should allow us to serve an additional 20,000 students statewide and to begin erasing the financial deferrals that have plagued our budgets in recent years.”

Since 2008, the 112-college system has endured \$809 million in cuts. It has meant cutting nearly a quarter of the classes that were once offered and losing about 500,000 students.

But according to Murillo, the next few years will be tough for community colleges because of how the state reimburses institutions. Core classes and sticking to the mission of providing transfer-remedial-career/tech courses will alter what is in the class schedule.

LTCC is reviewing all of its classes with the goal of by early next year to have a firm grasp of what people will be able to repeat, what the state will pay for, what must stay in a certificated program and everything in between.

Plus, in two years the college will have to deal with the priority registration mandate coming down from Sacramento.

Here is how all the California propositions on the Nov. 6 ballot did:

Proposition Title			Yes Votes	%	No Votes	%
Yes	30	Temporary Taxes to Fund Education	4,959,206	53.9%	4,241,246	46.1%
No	31	State Budget, State and Local Government	3,369,175	39.2%	5,220,193	60.8%

Proposition Title			Yes Votes	%	No Votes	%
No	32	Political Contributions by Payroll Deduction	3,973,720	43.9%	5,086,590	56.1%
No	33	Auto Insurance Prices Based on Driver History	4,046,275	45.4%	4,872,423	54.6%
No	34	Death Penalty	4,269,535	47.2%	4,776,815	52.8%
Yes	35	Human Trafficking	7,309,737	81.1%	1,698,939	18.9%
Yes	36	Three Strikes Law	6,181,771	68.6%	2,826,624	31.4%
No	37	Genetically Engineered Foods Labeling	4,277,985	46.9%	4,835,045	53.1%
No	38	Tax for Education. Early Childhood Programs	2,489,028	27.7%	6,495,745	72.3%
Yes	39	Business Tax for Energy Funding	5,295,968	60.1%	3,522,579	39.9%
Yes	40	Redistricting State Senate	6,068,518	71.4%	2,427,514	28.6%

Source: *California Secretary of State*

Speeding ticket turns into arrest on drug charges

A speeding stop turned into a marijuana bust for a Nevada Highway Patrol officer.

The trooper pulled over a Black Mercedes on Nov. 4 that was

traveling east on Interstate 80 in Elko. The trooper said the driver, William Dashawn Nixon, 35, of Ohio acted nervous. Then the officer smelled marijuana.

A search of the vehicle turned up about 7.5 pounds of marijuana.

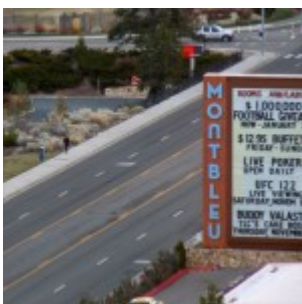
Nixon and Lewis R. Price, 27, of Ohio were arrested on possession of controlled substance/marijuana, possession of controlled substance with intent to sell, and transport of controlled substance.

– Lake Tahoe News staff report

MontBleu and parent company report revenue gains

By Steve Green, Las Vegas Sun

Lower interest expenses drove a higher third-quarter profit for casino operator Tropicana Entertainment Inc. of Las Vegas, the company reported today.



Tropicana, which has casinos in smaller Nevada markets as well as in Atlantic City and around the country, said it earned \$20.9 million in the quarter ended Sept. 30, up from \$14.9 million in the year-ago quarter.

Interest expenses fell from \$8.2 million to \$3.7 million, thanks to a new \$175 million credit facility cutting Tropicana Entertainment's main interest rate from 15 percent to 7.5 percent.

The previous high-interest debt was left over from the bankruptcy of the old Tropicana Entertainment Holdings LLC, which in 2010 saw its casinos nationwide spun off to different investment groups, including Tropicana Entertainment.

The profit improved even as net revenue fell from \$175.4 million to \$171.5 million amid difficult operating conditions in Atlantic City and at the company's Nevada casinos in Laughlin and Lake Tahoe.

Tropicana Entertainment said the Tropicana Atlantic City generated net revenue of \$83.2 million, down from \$86 million as the property was hit by the double whammy of a 1.8 percent decline in casino revenue citywide and the addition of a new competitor there, the Revel resort that opened in May.

Hurricane Sandy, which hit the East Coast this quarter, didn't affect third-quarter results. Tropicana said in Wednesday's report that its Atlantic City property likely didn't incur significant damage, but it so far is unable to estimate losses resulting from the five-day closure of all casinos in the city and the aftermath.

For Tropicana's three Nevada casinos, quarterly net revenue dipped from \$33.2 million to \$32.7 million. The Tropicana Laughlin and the River Palms in Laughlin saw net revenue decline \$900,000 amid weak visitation trends to the city, while the MontBleu in Lake Tahoe played lucky at its table games and posted a net revenue gain of \$300,000.

The company's Casino Aztar in Evansville, Ind., generated net revenue of \$31.3 million, off slightly from last year. Tropicana's casinos elsewhere, including in Mississippi and Louisiana, produced \$24.3 million in net revenue, again down just slightly from the 2011 quarter.

Overall, the company said, "uncertain economic conditions continue to adversely impact us and the gaming industry as a whole."

Tropicana Entertainment does not own the Tropicana Las Vegas, which is controlled by a separate group of investors. Investor Carl Icahn controls Tropicana Entertainment as well as the mothballed Fontainebleau resort project in Las Vegas.

Cole returns, Conner joins South Tahoe City Council

By Susan Wood

In line with the early absentee counts, South Lake Tahoe voters tapped community jack-of-all-trades JoAnn Conner and incumbent Hal Cole to lead the town over the next four years. With all precincts reporting by 12:40am, Cole received 26 percent of the vote with 1980 ballots cast. Conner seized the second seat with 1928 votes at 25.3 percent.

The other three candidates: marketer Austin Sass, incumbent Bruce Grego and businessman Clinton Schue followed behind with 20.2 percent, 18.7 percent and 8.9 percent of the vote, respectively.

A high vote-by-mail turnout characterized the evening for El Dorado County. Results are unofficial and as always are expected to be finalized in the next few weeks.

For South Lake Tahoe, 52.9 percent of the city's 9,248 registered voters cast their ballots for their favorites of the five candidates.



Hal Cole



JoAnn Conner

The race showed a little bit of everything – from the standard debate circuit to a last-minute, anti-candidate campaign with signs reading “No Sass,” a measure of no confidence to Sass’s support of the Loop Road project, one of several proposals the candidates will need to wrestle with in the near future. With new ideas coming from a creative, resourceful city manager in a post redevelopment agency era, the entire council will have its hands full in terms of responsibility. Projects and plans remain pending from Stateline to the Y in a city with much of its focus on tourism.

Cole, who runs a construction company, would be going on his fifth term with a city struggling to still define itself in the last decade. Even as a newcomer, Conner has a long history with the city working in fields ranging from social work to education.

Cole and Conner share several things in common, with one being a desire to put recreation as a focus of the city.

“I think this recreation master plan doesn’t sound like much to some people, but it’s a big deal. We’ve been skirting

around this issue for a long time,” Cole said.

He wants the city to re-embrace the phrase being the all-year playground.

Conner knows developing recreation assets and then promoting them is critical to developing a better economy.

Another big issue with her is to immediately work on talking to businesses that would be good to relocate here that would bring jobs for people who already live in the area.

Cole served three four-year terms, took two years off and is now starting the second term of this stint. He tells *Lake Tahoe News* this will be his last run. After all, he turns 64 next month. But there is more work to do, he says.

“I’ve had a great career. I’m really excited with [City Manager] Nancy [Kerry]. She has more energy than I’ve seen in anybody,” Cole said.

He said he has great hopes with Kerry and Conner.

Conner is ready to get to work, but is realistic in her approach.

“I think the first thing I need to do is learn more, study the budget, meet with people who already offered to share their insights so I can learn more,” Conner told *Lake Tahoe News* early Wednesday morning.

The councilmembers-elect will join Angela Swanson, Tom Davis and Claire Fortier. The latter may soon be vacating her seat due to family obligations, leaving another possible seat up for grabs. It would likely be filled by appointment.