

Fallen Leaf Lake residents up in arms



A full house gathered Sept. 5 at Fallen Leaf Lake to argue about who is going to run the marina and store



As scenic as the Fallen Leaf Lake is, the community is divided over how things are being operated.

By Susan Wood

FALLEN LEAF LAKE — Tears, cheers, jeers and sneers encapsulated a contentious community meeting last weekend at this normally quiet hamlet that backs up to the Desolation Wilderness near South Lake Tahoe.

At stake for the standing-room-only crowd is the hub of the

village – the marina and general store. Long-time, fourth-generation residents John and Ruth Rich have run it for 14 years under the auspices of Fallen Leaf Landing.

Despite the backing of a vocal part of the community, the Rich family has been embroiled in a disagreement since April with the Community Services District board over control of the operation.

The district was formed to represent the interests of the Fallen Leaf Lake Community. The board's handling of the concessionaire issue has some wondering if board members should be recalled. Others are in favor of how the board is handling the situation.

The board solicited other vendors to operate the marina and general store, but only the Rich family responded.

The CSD led by President Dana Clark has suggested the district run the marina and general store if no agreement with the Riches can be reached. But residents wonder how the board thinks it has the time and expertise to do so.

A big issue between the district and the Riches is money. The two sides have wrestled over a contract, but they have not been able to reach common ground. The primary issues that remain are the amount of rent the CSD is expecting and disclosure of accounting practices.

The dual operation brings in \$550,000 in annual revenue, while the Rich family pays \$90,000 in rent to the district. The CSD board has tried to get more money in a new contract. Negotiations started at \$134,000, with the latest figure whittled down to \$103,000.

Clark said by phone Monday that the community district needs more money so it can rebuild reserves in case a complete overhaul of the facilities is necessary. He figured at least \$500,000 would be needed, adding the district has \$170,000 in

reserves.

“What we’re looking for is a partnership with trust on both sides,” Clark said. He admitted the issue has divided the community.

When all was said and done the Saturday of Labor Day weekend, the board wrapped up the 3.5-hour meeting by agreeing 5-0 to make one last stab at hashing out a contract by Sept. 19. What happens if those negotiations fail remains to be seen.

The “R” word “recall” has come up by a segment of the community, with Betsy Wheeler circulating a petition to demand the board continue to grant concession operations to the Rich family.

“They are the face of Fallen Leaf Lake,” said Chuck White, who accused the board of not appreciating the efforts of the Riches.

Plan B for the CSD also involves having a task force help design a CSD-run operation, which would be partly paid for by an endowment. Some in the community doubt the financial soundness of relying on these donations. The board says it has \$30,000 in hand for the endowment. Other funds have been pledged, but have not materialized.

Clark is convinced it can get another operator in place with the \$170,000 it has in the bank.

Other issues that have surfaced with district board members range from uncompleted maintenance jobs to boat-washing irregularities to the use of the so-called extra room over the general store and the Riches’ overall performance versus its return on investment for the district.

Rich said by phone after the meeting that he hopes the two sides can come to an agreement, although he believes the board’s problem has been “all personal” thus far.

That Saturday, when everyone gave up a glorious Tahoe morning to be indoors bickering, Rich addressed the crowd with his wife by his side. He provided tearful testimony of hard times trying to run the marina and the store while feeling abandoned by the district.

“The board didn’t bail me out then,” he said of his economic situation. “And I don’t think I let the community down.”

He was greeted with a standing ovation.

After much time, the couple was asked if they would accept a one-year contract designed to place the operators on probation. Ruth Rich declined the temporary offer. It’s hard for them to conceive being on probation after operating it all these years.

“We have to get on with the rest of our lives,” she said.

John and Ruth Rich will be negotiating with board members Terri Thomas and Mike Kraft.

“I’m just grateful we’re moving closer to a solution,” resident Debra Barnes said.

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