

Ax falls in S. Tahoe; positions gone, retirements imminent

By Kathryn Reed

“Thank you for your email. Eugene Palazzo is no longer employed (sic) with the City of South Lake Tahoe. Please contact Tracy Franklin at 530-542-6093 or tfranklin@cityofslt.us. Have a great day. Gene”

That is the auto-reply Gene Palazzo left on his email Feb. 23, the day he found out he no longer had a job with South Lake Tahoe. He had been the director of Redevelopment and Housing.



His is one 11 positions being eliminated. Another 10 employees are taking early retirements.

Some departments are being re-organized, while some people are taking on new responsibilities in positions that are being created.

“This will allow us to streamline operations,” City Manager Tony O’Rourke told *Lake Tahoe News* late Wednesday. “The reorganization is more of a rebalancing. It allows us to introduce new concepts to the city.”

The anticipated re-org is expected to save the city \$10.2 million across five years.

The city has been in the red millions of dollars a year for the past few years, with the anticipation of much the same in the future because of declining revenues from hotel, sales and

property taxes.

Spending is the main area the city can control. That is what the reorg is all about. Past practices have been to take from reserves to cover the deficit. O'Rourke and the current council want the city to live within its means.

"We have to control our own destiny," O'Rourke said. Seventy-eight percent of the General Fund goes toward employee salaries and benefits.

The City Council will discuss the reorganization and five-year budget during the work session March 1 after the regular council meeting.

Positions eliminated on Wednesday also include assistant city manager (Rick Angelocci) and assistant Parks and Recreation Director (Chris Hawken).

The employees represented by unions – those who are not at-will employees – have been told what is in store. However, it is the council that must vote on those jobs. That will happen March 15. The workers have 30 days after that to vacate their jobs.

With bumping rights in the city, the exact people leaving all positions is not known. It's the positions the city desires to eliminate that are outlined here.

O'Rourke said he wants to work with the unions to abolish the bumping rule because it can mean a person who is less qualified or not a good employee keeps his job based on seniority and nothing else – and bumps a newer hire into the unemployment lines when that person in fact is the one who management would have preferred stayed on the payroll.

Severance packages are still being worked out for everyone.

The positions likely to be eliminated are:

- Accounting technician – (was filled by a temporary employee)
- Assistant engineer – (position was vacant)

Funding will dictate if another engineering position is cut in October.

- Associate planner
- Fire division chief (was vacant)

This leaves one division chief per shift. Fire Chief Lorenzo Gigliotti is keeping his job for now, but will have to step it up a notch, which includes taking a shift in the firehouse and filling in when a division chief is out.

- Housing rehabilitation specialist
- Senior accounting technician
- Senior airport assistant
- Administrative assistant in public works – (was temporary worker).

Those being offered early retirement will leave at different times. They include:

- Fire captain
- Fire engineer
- Human resource analyst
- Information technology manager
- Public Works director (John Greenhut will leave in May.)
- Police captain (Martin Hewlett will leave next February.)
- Police sergeant

- Police officer
- Recreation supervisor (John Collins is leaving; Rob Swain is moving from the ice rink to the senior center.)

One other position is likely to be gone with early retirement; that was expected to be finalized Thursday.

In O'Rourke's staff report, he says, "The vacant positions resulting from these early retirements will be filled, with the exception of the Public Works Director, Human Resource Analyst and Recreation Supervisor. The Police Captain position will be reclassified to a Community Service Officer and the Police Sergeant reclassified to a Community Service Officer."

O'Rourke met with everyone Feb. 23 who would no longer be receiving a paycheck from the city, except for Hawken, who no one could locate.

South Tahoe downsized in 2009 in what was called a cost containment plan. On April 21, 2009, the council approved six early retirements in various departments, seven people lost their jobs, and a few positions were left vacant.

Seven months later, on Nov. 17, the council laid off one person, approved nine early retirements and froze more positions.

This is also when furlough days started.

Consolidation, which means departments are being reclassified, is also part of the plan that will be before the council in March.

Hilary Hodges, the current planning manager, will head the Development Service Department at least for the interim. This department will include redevelopment, housing, economic development, sustainability, planning, building and the engineering section of public works.

Stan Sherer, who took over the Parks and Recreation Department last month, will run the Community Services Department. The new department will also include streets, fleet management and facilities maintenance – everything that was in public works except for engineering.

The airport and parking will come under finance; still led by Christine Vuletich.

“Those are enterprise operations that should break even at best or make money. We really need a financial focus on those operations,” O’Rourke said.

Four other positions are being reclassified, with current staff filling the jobs.

The city’s special events coordinator will be Lauren Thomaselli. She has been running Explore Tahoe. Someone within the city will fill her shoes at the visitor center.

“The city is going to be much more engaged in producing new events and assisting other people’s events. This is tied to economic development,” O’Rourke said.

Engineer Jim Marino will be the capital improvement coordinator.

Tracy Franklin, who worked in Redevelopment and Housing, will be the volunteer coordinator. One of the things in the citizens’ survey that was recently released was the desire by locals to volunteer more. The city could reap millions of dollars worth of free service from residents.

Nancy Kerry, manager of Redevelopment and Housing, is moving into the role of communications/public affairs manager. She will work directly for O’Rourke. The job will also include marketing of city services, like Parks and Recreation.

“This is a major step forward, but not the only or final step,” O’Rourke said of all the changes. “We will have to

monitor and modify as we go forward.”