

S. Tahoe cuts staff, gears up to make town more liveable

By Kathryn Reed

In a matter of seconds the South Lake Tahoe City Council voted to do away with a list of positions. This, after hearing about 2½ hours of testimony – from staff and a dozen others – on the 2011-12 budget.

“It seems so anticlimactic. With these votes we’ve affected so many people’s lives,” Mayor Hal Cole said as he adjourned the meeting.

As the room cleared out, sitting in the very back was Marty Scheuerman. Dressed in his uniform as a division chief with the South Lake Tahoe Fire Department, his body language did not exhibit that of the usually confident firefighter. Instead, he shook his head – not believing this day had finally come.



South Lake
Tahoe Mayor
Hal Cole on
Oct. 18
delivers the
state of the
city address.
Photo/Kathryn
Reed

His was one of the 19 positions eliminated on Tuesday. In one month, he along with the 18 others (including all three division chiefs) will be without jobs. It's possible some of them will be hired for one of the six jobs being created by the city.

He is not ready to retire. He wants to keep working. He is not alone.

Ray Zachau is a division chief and the fire marshal. One of the new positions being created is fire marshal. If he applies and were to be picked for the job, he would get the pay of a captain.

But it's a job.

Even though the city made a convincing case for downsizing, what with 65 percent of the budget going toward personnel expenses and revenues declining – it still means the 16.5 percent unemployment rate in South Lake Tahoe is about to jut up.

While the room was filled Oct. 18 with current and former employees, their pleas to the council members to rethink their impending decisions were unsuccessful. The council on 5-0 votes ultimately chose to go forward with approving the \$94.7 million budget (of which \$28.6 million is the general fund budget) and subsequent cuts in staff.

Pulled from the agenda were items D and E under New Business – which both had to do with the General and Public Works contracts.

Steve Crouch, who represents this sector (which at about 60 employees is the largest employee group), was conspicuously absent from the budget hearing. His limited time as negotiator is not being well received by all employees.

Negotiations with other labor groups are ongoing. The

firefighter association contract was approved Tuesday. If and when other groups settle, appropriate addendums will be made to the 2011-12 budget (fiscal year started Oct. 1) to reflect any changes.

The city speaks

Another noticeable bit of silence was Councilman Bruce Grego. He said nothing about the budget, the people being let go, or the future of the city.

Councilman Tom Davis said how hard this has been and how frustrated he is, adding that as much as employees fight for their jobs, no one has come forward with another way to eliminate the \$5.2 million deficit.

Councilwoman Claire Fortier said is it time to invest in the city so it is a viable place for residents, employees and tourists.

Cole said reliance on reserves, while they are being used this fiscal year and likely will be next year as well, must end and the public sector must wake up to the realities the private sector has been living with for years – the need to live within their means.

Councilwoman Angela Swanson made the most impassioned speech, echoing on speaker Mary Ann Klein's plea to not lose the sense of community when talking numbers and positions. But ultimately, Swanson said, "I was elected to serve 20,000 people, not just the 200 who work here."

The day started with Cole giving the state of the city address.

In many ways it was much like a recap of a year's worth of council decisions. Where the city has been, the decisions made to keep it afloat, and the vision for the future were neatly outlined in his 30-minute speech.

He was adamant in saying the vision is that of the council's, to which they direct City Manager Tony O'Rourke and the rest of the staff to carry out their policy decisions.

"We have to rebuild this community. That is our long-term future. We need to maintain the residential base and attract tourists," O'Rourke said. He is the first city manager to embrace and openly acknowledge South Lake Tahoe is a tourist-based economy and as such must work too attract tourists while maintaining a town people want to live in.

What others said

Noteworthy were the faces in the crowd not usually at a council meeting – representatives from Heavenly Mountain Resort, South Tahoe Public Utility District, El Dorado County Sheriff's Department, South Lake Tahoe police and fire, Barton Health, and Tahoe Regional Planning Agency.

Pete Sonntag, general manager at Heavenly, explained the resort's \$25 million investment in the gondola was contingent upon lift ticket sales not being taxed. He said if the city were to renege on that deal, it would likely make future developers question whether the city will stick by its contracts.

He pointed to the 1,500 employees the resort has in the winter with an annual payroll of \$16 million as evidence the company is part of this community.

"Our company may be based in Colorado, but we're locals," Sonntag said of the employees.

Recreation was a common theme Tuesday.

Teri Jamin, who worked for the city from 1984-2009, talked snowplow drivers and parks and rec. She believes the personal touch at the rec center will be compromised with the elimination of staff.

“The litmus test is in the end result; is it in the best interest of the city of South Lake Tahoe?” Jamin said.

Setting the record straight

- People still don't understand the city can't do anything about the hole – aka would be convention center. It's in bankruptcy.
- It was noted the current operators of the ice rink are paying utilities, are responsible for maintenance and operations costs, and must set aside money for future capital improvements.
- In the past, 16 full-time employees and three or four seasonal workers were used for snowplowing. This winter, 10 full-time workers will do the job with the assistance of 11 seasonal workers.
- Bijou Golf Course will not be operated by a private entity because the return on invest is not there.
- Talks are under way to have El Dorado County operate the senior center and Lake Tahoe Boys & Girls Club to have a greater role in youth recreation.

“The service will be seamless,” O'Rourke said. And services will not be diminished.

- The City Council's budget was slated to go up 4 percent or \$7,800 to pay for any classes or travel the five may want to partake in. However, they voted that out of the budget.
- It will be in early 2012 the council will be asked to formally approve going forward with the certificate of participation to pay for infrastructure. There would be \$4 million for roads, with \$1 million divvied up between Harrison Avenue and Linear Park. Linear Park is slated to get about a quarter of that \$1 million, with another \$20,000 in city coffers for Linear Park donated from Core 24 Charities.

- Even if the Tahoe Valley Community Plan were adopted, it could not be implemented until the Tahoe Regional Planning Agency adopts its Regional Plan.