

O'Rourke presses to upgrade S. Tahoe's infrastructure

By Kathryn Reed

On June 5, the South Lake Tahoe City Council is slated to have a workshop on the capital improvement program, or the infrastructure of the city.



At the June 19 meeting, the council is expected to approve the certificate of participation that is basically a \$5 million loan. That money is slated for roads, Harrison Avenue upgrades and revamping Linear Park. (This will be City Manager Tony O'Rourke's last meeting before beginning a job in Washington.)

Infrastructure improvements will begin before the COP money is in hand.

"We don't have to wait for the COP. We will reimburse the general fund," O'Rourke told *Lake Tahoe News*.

In other words, O'Rourke is OK'ing the city to take money from one fund to be used in other, without a definite guarantee fund No. 1 will be repaid. O'Rourke is literally banking on the assumption the council still favors the COP process. Because it's not a tax, residents don't have to vote on it – though it will be taxpayer money that pays back the loan.

At a meeting in July 2011, Councilman Tom Davis said, "The interest is \$32 million over a 30-year period so really it's \$10 million a year. (The COP) just doubled the cost."

O'Rourke at the May 15 council meeting went over the five-year budget scenario in a big picture scenario without getting into

the nitty-gritty.

As with most financial documents, it's not stagnant and it's built on presumptions that don't always come true.

For instance, transient occupancy tax collections in March were 8.2 percent less than the previous fiscal year at the same time. This meant the city needed to make a \$600,000, or 6 percent mid-year adjustment to the budget.

O'Rourke told the council it should cut the 25 percent operating reserve to 20 percent. The money in the fund now equates to 35 percent of the general fund. He said that excess, so to speak, should go to capital improvements over several years. This would include purchasing fire trucks.

Adjusting the reserve would need to be brought back to the council and four of the five need to approve it.

What wasn't discussed at the meeting this month was merging resources with Lake Valley Fire Protection District.

While the city in March appeared hot to get to the negotiating table, no meetings between the departments have ever occurred.

O'Rourke told *Lake Tahoe News* the city is doing an analysis of what is appropriate.

He said, "We're of the mindset of let's date before we get married."

O'Rourke added that consolidation is not off the table, but more research needs to be done before that would occur.

He also said going forward the budget has Brian Uhler remaining as police and fire chief.

When it comes to what happens at Harrison Avenue, that could be decided today as city staff meets with business owners.

"We want to see it improved, but if there is any delay by

property owners or no interest, we can move the money elsewhere," O'Rourke said. "There is no lack of needs."

An item that could come with a price tag of close to \$500,000 is upgrading the finance department's software and hardware. However, the idea is it will create efficiency in the department, and therefore throughout the city. An RFP has been released.

A stream of revenue could be collecting more hotel tax. A request for proposal was released May 14 seeking firms that could primarily go after delinquent or non-existent taxpayers.