

# SLT council can't decide how to allocate surplus



Jim Marino with the South Lake Tahoe Public Works Department goes over the dilapidated conditions of city infrastructure at the Feb. 10 workshop. Photos/Kathryn Reed

## By Kathryn Reed

A workshop Monday was designed for the South Lake Tahoe City Council to figure out how to allocate any surpluses so policy is in place before the money is in hand and it doesn't get wasted. The council fell short of that goal.

City Manager Nancy Kerry said part of the goal was "to be more strategic" so the council, and therefore staff, would have a policy to follow instead of being reactive.

While some council members talked about divvying up the money by percentages, no consensus was found to create such a policy. Although hotel tax dollars are not as robust in January and February because of the lack of snow, there is still the possibility that at the March mid-year budget session a half million dollars will need to be allocated.

Instead, the council adopted a community investment policy that says, "We will focus on the built environment based on critical need and prioritize investment in geographic locations that strive to achieve the greatest return on investment."

A line item will be added to the budget for the community investment. But there was no true definition of the investment.

South Lake Tahoe has plenty of things it needs to spend money on, but the money to do so is lacking. However, revenues are on the upswing, so such a policy is needed so the money is not frittered away.

Only two members of the public attended the 2½-hour meeting. Neither spoke.

While these five electeds heard a presentation from public works about the need for roads, facilities and fleet investments, any council could redefine community investment. Even these five, while sympathetic to the needs, did not commit to their being the focus of any new money.



The South Lake Tahoe City Council members, from left, Tom Davis, JoAnn Conner, Angela Swanson, Hal Cole and Brooke Laine, are unable to decide Feb. 10 how to deal with potential budget

surpluses.

Jim Marino, No. 2 guy at public works, said if the 256 lane miles of city roads had been maintained properly, the weather the past few days would not have created the number of potholes that it has.

He told the council more than 47 percent of the roads in the city have about five years of life left to them. It would cost \$119,522,327 to replace current roads. The deferred maintenance backlog is at more than \$26 million. If no more money is put toward roads, the deferred maintenance bill grows by \$3 million annually.

To fix the roads, replace aging vehicles and bring facilities into the 21st century, the city would need to spend about \$300 million, Marino said.

While the city has seen \$80.5 million worth of capital improvements this century, 71 percent of those dollars came from state or federal sources.

“Those are new facilities we need to maintain,” Marino pointed out. But the maintenance fund has not increased. That is why the deferred maintenance bill keeps increasing.

There was agreement that recreation should be its own category when it comes to “extra” investing.

The other thing the council agreed to on Feb. 10 was for an analysis of the reserve policy to be conducted.

Consultant Mike Levison, who has a history of helping the city with strategic planning, said most cities have a reserve of about 18 percent. South Lake Tahoe, more than 10 years ago, set the policy to have a 25 percent reserve. This was after not having any extra in the kitty.

Excess reserves – money beyond the 25 percent – have been used

in the lean years of late. But the 25 percent has not been tapped. To alter the 25 percent rule would take four out the five council members.

**In other action:**

- There was talk of Tahoe Olympians. Sierra-at-Tahoe is taking the lead in figuring out how best to celebrate the accomplishments of its three Olympians – Jamie Anderson, Hannah Teter and Maddie Bowman. All are residents of Meyers. South Lake Tahoe and Lake Tahoe Visitors Authority have offered to help. What the community event will be has not been determined. Sierra is not allowed to advertise anything involving its athletes until the Games are over.

- El Dorado County Elections Department has ruled that if the council at its regular meeting Feb. 18 decides to put a paid parking question to voters, that it can be on the June ballot.