

Sass: Create a vision the South Shore agrees on

Publisher's note: *Lake Tahoe News asked the seven South Lake Tahoe City Council candidates a series of questions. All are the same except for one that is specific to each candidate. The responses are being run in the order LTN received them.*



Name: Austin Sass

Profession/work experience: Work experience: I am currently retired, but started my career in sales and marketing management and was fortunate enough to be given the opportunity to progress to executive management before returning to Lake Tahoe where I worked locally for several tourism and recreation companies. Details are below.

2008-2011 Aramark Lake Tahoe, NV director of Sales and Marketing

2002-2008 Heavenly, Vail Resorts, SLT, CA director of Resort Sales

2000-2002 Furniturefan Inc. Sudbury, MA senior vice president

1997-2000 Maptech Greenland, NH vice president

1992-1997 Spacelabs Medical Redmond, WA general manager

1991-1992 Meredith Corporation, LA, CA senior sales and marketing manager

1987-1991 Hearst Corporation, Santa Monica, CA western sales manager

1984-1986 Yale University Athletic Department, New Haven, CT

manager of sales and marketing

Age: 61

What organizations, committees or groups are you or have you been involved with?: City of South Lake Tahoe Planning Commission, Lake Tahoe Unified School District School Bond Oversight Committee, Ecotourism Committee, Lake Tahoe South Shore Chamber of Commerce, St. Theresa's Food Pantry volunteer, Lake Tahoe Visitors Authority Sales Committee, Little League coach South Lake Tahoe

Why are you running for City Council?: I am running for City Council because I care. This is my home and will be my home for the rest of my life. I love it here.

I am passionate about South Lake Tahoe and I would like to contribute to its future by utilizing my professional experience in management and tourism and my passion for all things that are recreation. I think I can help avoid the mistakes of the past and work to improve the future.

Why should people vote for you over the other candidates?:

- I have the time and will devote my energy to be thoroughly informed and do the job well.
- I am not aligned with any business entity and will cast votes based on what's best for locals.
- Like many of us, I came to Tahoe because of its beauty and recreational opportunities. As a 30-year local and avid hiker, biker and skier, I want to help us develop fiscally smart recreational improvements and ideas. If we improve the recreation experience, we will improve our lives, have more to market and tourism dollars will follow.
- City surveys have shown that we want improvements to our infrastructure and our preference is that tourists pay for these improvements. I have worked in most of the tourism industry as a manager for many years gaining valuable experience on how the tourist and tourism companies think. As

we look to raise revenues to improve our city, I would like to use that expertise for our advantage.

- The city is a business. Professionally, I have over 25 years managing businesses. I understand the business of contracts, budgets, strategic plans, and building a team. I would hope these experiences could benefit the city.
- I am fiscally conservative with an independent spirit ready to preserve the environment and deliver reliable core city services.

What do you think is the most pressing issue facing South Lake Tahoe and how will you deal with it?: Money: things we can't keep pushing down the road are street improvements, storm water runoff, city equipment (fire, snow, police, road repair), code enforcement, recreational facilities like our rec center, and bike paths.

We also need money to deal with the \$50 million-plus in unfunded liabilities we face with employees past and current.

Dealing with it is really about expenses and revenue. On the expense side, we can't afford to waste any more money. Consultants, parking meters, poor capital purchases, studies and more studies. We need to watch every penny and make sure the expense was justified and necessary. Renegotiating debt and employee benefits are expenses we should continue to lower if we can and it's fair.

On the revenue side, if you keep reading you'll see my thoughts on revenue increases.

If the city cannot reach an agreement with its bargaining units, are you willing to go to impasse? Why or why not?: There is no choice about impasse. If the city and the bargaining units cannot agree, there is a process where a state appointed person makes an opinion on whether or not it was a fair discussion by both parties. If the appointee concludes that both sides were acting fairly and cannot reach

a deal, the city has the right to impose their offer on the employees.

I don't know what the current offers are since these discussions are confidential and behind closed doors. I sincerely hope the city and the bargaining units have been negotiating fairly and will be able to reach a compromise position that works for both sides. An impasse is never a good result in negotiations.

How would you resolve the CalPERS and health care issues in the city?: CalPERS – The state of California won't let cities lower their CalPERS contribution and increase the amount employees pitch in. Gov. [Jerry] Brown tried to get cities the right to do this but the California state Legislature voted it down. This was part of the Pension Reform Act he proposed. I think employees should pay more toward CalPERS and be in line with what most people pay into Social Security in the private sector. At this point, if City Council concurs, South Lake Tahoe might join the growing list of cities trying to get the California Legislature to support Gov. Brown's proposal. I am willing to put myself out there and explain the financial impacts and demand the legislature allow us to do this.

Health care – So let's look at the current state of things. Forty-nine years ago the city decided to become self-insured rather than contract with an outside firm like Blue Shield. The city pays the medical costs for all employees and because we are a small pool, we have less negotiating room with health care providers. That idea was flawed.

Also, a long time ago the city agreed to insure retired employees, their family and dependents (about 30 years ago). As more and more employees retired it became part of the labor contracts. The city pays the medical bills. There is no insurance provider. The labor agreements also said if you work for the city for 25 years, it's 100 percent coverage. At 20 years, 90 percent. The cost of medical care has gone up about 200 percent over the past 25 years. There are only a handful

of cities in the state that do this.

In 2001 the city said going forward with new hires we will only cover the employee and no longer the dependents. In 2007 a new provision limiting city outlay was put in for employees hired after January 2008.

However, despite the changes, the city faces a 50-year liability with retired employees and those actively employed prior to 2008. The current cost of the plan to the city is \$19,000 per active and retired employee and their dependents. The current outlay by the city is \$5 million annually. Looking back, prior councils never envisioned that retirees would live into their 80s rather than the 62-67 life expectancy back in the early '70s. They also never foresaw medical costs going up 200 percent.

So going forward, the opportunity to reduce the city's outlay and to reduce the unfunded medical liabilities is to renegotiate health care with the current employees. This is because the current contracts state that retirees get the same health care plan as current employees.

It's never desirable to change a retiree's benefit and I agree it is unfair because retirees generally are living on a fixed income. However, the other choices are current residents pay higher taxes to fund the generous health care coverage, current employees agree to pay more so retirees keep the same benefits, the city does a Detroit and could eventually be forced to file bankruptcy. I am willing to make employees pay for some of their medical care. It's a tough, call but not many employees get coverage covered 100 percent by their employer.

What is your opinion about term limits for the council?: I support term limits.

If the city has positive cash flow, where should the money be spent?: Capital investment in our infrastructure. We have been

deferring maintenance for too long.

What are your ideas for increasing the city's revenues?: City surveys have shown that residents want improvements, but do not want to pay for them. They want tourists to pay for them.

Given that, I think we need to have city staff look at revenue and cost projections as a result of a fee or tax on everything from sightseeing tours, recreational vehicle and equipment rentals, lodging, dining and vacation home rentals. Everything the tourist spends money on. Once we have a forecast, we need to decide what will produce bottom line revenues without causing too much pain on tourists and not affecting the pocketbooks and space of locals.

Another thing I would do is start enforcing our own ordinances. For example, the vacation home rental ordinances. I'm sure there are thousands of dollars in fines that could be levied every weekend if monitored at the right time and on the right day. Too many cars, too much noise and too much garbage not put out properly. Not only would it raise money, but it would make our local quality of life better. Personally, I am tired of people treating my neighborhood like a fraternity house.

Finally, it's time to really put the recreation foot forward and attract people to Tahoe to enjoy the natural surroundings, the hiking, biking, and the water sports. We need to work cooperatively with Douglas and El Dorado counties to utilize all of our fields and facilities for more events and tournaments.

I support the creation of a sports and recreation commission to develop a plan that would drive revenues for the sole purpose of improving and maintaining our recreational uses. We need better sales and marketing. Second, paint a better picture of our options even when they are not in the city. The Rim Trail and our hiking is under promoted, our mountain bike

trails have limited accessibility and visibility. We need to work closer with TAMBA, the bike coalition, the LTVA, our fishing charter entrepreneurs, our watercraft rental companies, the USFS, the lodging community and others to make it perfectly clear that we are one of America's All Year Playgrounds.

We need to put our collective experience, market insight and combined expertise to better put our products out there.

What is your vision for the 56-acre project?: That depends on budget. It's county land and the City Council needs to decide if we should invest funds in lands we do not own. The first step is to find out what the county is willing to pay for, if anything, and then we need to renegotiate the MOU with the county. We need to clarify if the city will eventually own the land or is it a long-term lease or status quo. As it stands now, we pay the maintenance, which burdens the budget.

If I had a magic wand, I would relocate the campground to somewhere a little quieter and move Highway 50 away from the lake. I would turn it into a big park with grassy areas to sit in and playfields and connect it with Lakeview Commons. I would make the needed improvements to the current facilities and turn the project into something that would draw sports tournaments and events to South Lake Tahoe.

Right now it's in limbo. I would want to work with the county to move the project on.

What would you do to improve relations with El Dorado County?: I think you need to start communicating with them first. Our elected and their elected need to develop good working relationships. That means taking the time to get to know them so that the sharing of ideas can occur.

In the business world people get together for lunch or coffee not to thank someone for their business, but to develop a working relationship with them. It's easier to have a frank

conversation with someone once there is a level of trust and respect for them. That does not come from meeting once a year.

Is the city on the right course with restructuring debt and focusing on recreation? Why or why not?: Yes to both.

Restructuring debt is a no brainer as long as you are not selling the future to lower your payments today. We need to refinance and take advantage of lower interest rates where it makes sense.

We are never going to have factories or large production facilities. People are not going to come here just to gamble. They can do that anywhere. It's about the lakes, the mountains, the forest and getting outside. To me recreation is what we have to offer and that is what brings tourists here and gets them to spend a few nights.

Name one vote the City Council made in the last four years you are proud of and one you are disappointed in – and why?: I am proud that the City Council voted on the Harrison Avenue project. The council took a risk and once the businesses invest in themselves the area will look great. The project also dealt with some of the environmental issues regarding runoff.

I was disappointed in the decision to install parking meters. The program was so upsetting to locals that we had an uprising like this town has never seen. I think the council missed the boat on this one. I'm also disappointed that council never had a plan in case the meters were removed. Now we have wasted \$250,000 and have to pay to remove them. An exit strategy should have been formulated when council agreed to revisit the parking kiosk program at the time they voted to put them in.

What is working in the city and what isn't; and how would you go about changing what isn't working?: The city is not committed to economic development. We need to engage the community more and help people who want to invest or reinvest

in businesses. It's hard to do business here because we are so regulated. We need to help businesses thrive. We need to build partnerships.

One thing I would like to accomplish is the creation of a vision plan that the entire South Shore can agree on. Investors want predictability and a plan for the future. I would want to push hard for the city and the two counties to come together and develop a plan for the future. Bring in the business community, the environmental entities and the public works people and let's figure out how to move forward. Communication and cooperation!

What's working is that the city is slowly looking better. Caltrans has made a big difference on Highway 50. The city's work on Lakeview Commons, Pioneer Trail and Harrison Avenue has really made things look better and work better for locals and tourists.

Being on the council requires working with four others. Give readers an example of how you work well others in difficult situations with differing opinions: Being part of a large business/company (like the city is) requires effective negotiating within your own organization both with people you work with, work for, and oversee.

An example of this is with the launch of a new product. I was general manager at a company in Seattle. We had an idea for a new product. Sales wanted it to look sleek and new, manufacturing wanted to be able to produce it using current assembly line processes and at a set and constant cost, engineering wanted to integrate a new and expensive technology, service wanted to be able to do diagnostics via the Web, retailers wanted the footprint as small as possible and my CEO wanted to make 24 percent annually after all costs.

Everyone had their own priorities. As the senior manager of the division I needed to understand everyone's concerns, I

needed to make everyone a hero, I needed everyone to compromise to achieve the greater goal. Everyone could not get everything they wanted, but with patience, good listening skills and passion for the end product I was able to introduce the product with tremendous results. In the end, the concept of team and working for the greater good sealed the deal. Sometimes it's about leaving your ego at the front door and just doing what's best for your company or in our case, the city of South Lake Tahoe.

What is your opinion about the following topics:

- **Ferry service on Lake Tahoe?:** Good idea if we can figure out where the boats will dock, where cars will park and how to ensure low lake levels don't ground the ferries. As important, how do we pay for it? If we can figure this all out, it will help the environment and be a cool tourist attraction.

- **Loop road?:** If I had to vote today, there is not a loop road plan I could support. Personally, I don't think we will see a loop road anytime soon. There is no funding.

- **Future of Lake Tahoe Airport?:** Hopefully we have paid our last consultant regarding the airport. We need to figure out how the city can offset the expenses associated with it.

- **Increasing the transient occupancy tax?:** I'm open to the idea as long as the money is earmarked to drive tourism.

- **Changing the vacation rental ordinance to reduce the number of such units in neighborhoods?:** I don't think that is realistic given that over 65 percent of our homes are second homes. I would be happy if we started enforcing the ordinances and changing mindset of the guests staying in our neighborhoods.

You boast of being the man who understands multimillion-dollar budgets, but you have only been in middle management, not the person making the final decision. Can you explain your real budgetary experience?: Wow! You are misinformed *LTN*. Three

times in my professional career I have been in executive management where I was responsible for creation, justification, management and held accountable for the bottom line. That's fact, not fiction *LTN*.

Approving and understanding the budget is arguably the most important job City Council does. I don't look at a budget and get glassy-eyed. I like budgets and pride myself in understanding every line item and the detail behind them. I feel I know what questions to ask and will not approve a city budget unless it fiscally conservative, can be supported by fact, is based on actuals from prior year and has realistic revenue forecasts. I feel confident I can do this because of my experience and my familiarity with our local economy.

Tell the voters something about yourself that they may not know: I love to cook.