

**MINUTES OF THE
SENATE COMMITTEE ON NATURAL RESOURCES**

**Seventy-third Session
March 16, 2005**

The Senate Committee on Natural Resources was called to order by Vice Chair Mike McGinness at 1:30 p.m. on Wednesday, March 16, 2005, in Room 2144 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Dean A. Rhoads, Chair
Senator Mike McGinness, Vice Chair
Senator Mark E. Amodei
Senator Bob Beers
Senator Bob Coffin
Senator Michael Schneider
Senator Maggie Carlton

STAFF MEMBERS PRESENT:

Martin P. Hefner, Committee Policy Analyst
Jonathan Sherwood, Committee Secretary

OTHERS PRESENT:

Deloyd Satterthwaite, Chair, Rangeland Resources Commission
Don Henderson, Director, State Department of Agriculture
Benny Romero, Chair, State Board of Agriculture, State Department of Agriculture
Allen Biaggi, Director, State Department of Conservation and Natural Resources
Hugh Ricci, P.E., State Engineer, Division of Water Resources, State Department of Conservation and Natural Resources
Jo Simpson, Bureau of Land Management

Vice Chair McGinness opened the meeting with a presentation by Deloyd Satterthwaite, Chair, Rangeland Resources Commission. Mr. Satterthwaite said the Commission had been created by previous legislation in order to demonstrate the benefits of public-lands grazing. He said the

Commission assessed fees on permit holders who utilized public lands for grazing. He said the assessment was ten cents per animal-unit month (AUM). This fee, he explained, could be refunded if the permit holder did not agree with the Nevada Rangeland Resources Commission's (NRRC) program. He said the NRRC was composed of nine members: six from the grazing boards, one from the Nevada Cattlemen's Association, one from the Nevada Woolgrowers Association and one from the Nevada Farm Bureau. He said the funds generated from the assessment were used in research and study groups on grazing and rangeland issues. He said the NRRC did everything they could to promote and benefit public land use in the State. He said a list of accomplishments by the NRRC could be found on the handout given to the Committee ([Exhibit C](#)). He also gave the Committee copies of the NRRC statistics for 2003 and 2004 ([Exhibit D](#)). Mr. Satterthwaite explained because the NRRC used a lot of funding for promotion, it would be difficult to see immediate benefits. He said the NRRC was creating a good image for the ranching industry.

Vice Chair McGinness asked if the 30 refunds requested in 2003 and the 41 refunds requested in 2004 were commentary on the NRRC's effectiveness or if something in the ranching industry had changed. Mr. Satterthwaite said the NRRC was still not finished with its goals. He said the refund figures had surprised him, but he did not know the reason for refunds. He said he hoped it was not something the NRRC was doing to drive away the people. He said the Commission had primarily done promotions to the ranchers initially. Mr. Satterthwaite explained the present strategy of the NRRC was to promote issues to people in Washoe County and Clark County. He said the people in those counties needed to know ranchers were good stewards of the land. Vice Chair McGinness asked if the NRRC sent out the list of accomplishments when doing promotions. Mr. Satterthwaite replied the list was sent out with every billing. He said the newsletter and Web site would also offer a greater chance for awareness. Vice Chair McGinness asked if the NRRC's revenues were consistent. Mr. Satterthwaite said revenues were steady but not like when the NRRC began.

Don Henderson, Director, State Department of Agriculture, said the NRRC was dependent on grazing records from the Bureau of Land Management (BLM) and the U.S. Forest Service. Mr. Henderson said the records were typically poor and inaccurate. He said the NRRC would receive the records and then send those same records to the permit holders. He said the permit holders would then be

Senate Committee on Natural Resources
March 16, 2005
Page 3

asked to correct any errors on their records and submit their payment with the corrected records.

Vice Chair McGinness requested introduction of Bill Draft Request (BDR) 50-648.

BILL DRAFT REQUEST 50-648: Prohibits importation into Nevada of certain live animals to protect State from effects of chronic wasting disease. (Later introduced as [Senate Bill 192](#).)

SENATOR BEERS MOVED TO INTRODUCE BDR 50-648.

SENATOR AMODEI SECONDED THE MOTION.

THE MOTION PASSED. (SENATOR COFFIN WAS ABSENT FOR THE VOTE.)

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Benny Romero, Chair, State Board of Agriculture, State Department of Agriculture, spoke from a prepared statement explaining the functions and issues of the Board ([Exhibit E](#)). He also provided a packet of information regarding statutes governing the board, contacts and a list of the upcoming BDRs and the Board's positions on those ([Exhibit F](#)).

Chair Rhoads asked if the Board had a policy regarding the potential threat of terrorism against agriculture. Mr. Henderson said there was no formal policy regarding terrorism. He said the Board was working with the Division of Emergency Management and the U.S. Department of Agriculture in agricultural-vulnerability studies. Chair Rhoads asked if there were any members of the Board on the Nevada Commission on Homeland Security. Mr. Henderson said there was no specific agricultural position on the Commission. Chair Rhoads said the Board should try to get someone appointed to the Commission. Mr. Henderson said he would look into that issue.

Senator McGinness asked why Susan Ray was listed on the Board's roster as representing Nye County but had a Las Vegas address. Mr. Henderson said she did live in Nye County. Senator Carlton asked about the seed bank. Mr. Henderson replied the seed bank was a program of the Division of Forestry.

Senator Beers asked if the fire-ant issue had been resolved in Las Vegas. Mr. Henderson said the ants had been removed. He said it was a continuing effort and every summer 1,700 traps were set to stop the fire ants.

Allen Biaggi, Director, State Department of Conservation and Natural Resources, spoke from a prepared statement to introduce Hugh Ricci, P.E., State Engineer, Division of Water Resources, State Department of Conservation and Natural Resources ([Exhibit G](#)).

Chair Rhoads made an announcement regarding a field trip being offered to the Committee to view a sage grouse lek on either March 31, 2005, or April 6, 2005.

Mr. Ricci began his presentation on the overview of existing water studies and research in Nevada ([Exhibit H](#), original is on file at the Research Library). Chair Rhoads asked how many water basins there were in the State. Mr. Ricci said there were 232 basins in the State. Chair Rhoads asked if the basins were defined by terrain. Mr. Ricci said the basins were established on topographic divides. Through a PowerPoint presentation ([Exhibit H](#)), Mr. Ricci described the basins and recent reports by the U.S. Geological Survey (USGS). Mr. Ricci showed a map illustrating basins with higher water-recharge values than previously estimated and those with lower-recharge values. He showed how the data from the studies was synthesized into a chart.

Mr. Ricci described the Lincoln County Conservation, Recreation and Development Act of 2004 in [Exhibit H](#). Chair Rhoads asked for what the \$6 million was going to be used. Mr. Ricci referred to a list of projects within [Exhibit H](#) in response to the question. He referred to prior USGS studies in the State that used appropriated funds. Chair Rhoads asked if information from those previous studies was available. Mr. Ricci said the information was available. He said there were at least 20 publications that resulted from the studies. He continued discussing the Lincoln County Conservation, Recreation and Development Act of 2004. He said the project had already been going for five months and things were still in the planning stages. Mr. Ricci said he also did not know how Utah would fit into the project but Utah would be a part.

Mr. Ricci continued with his presentation of [Exhibit H](#) with discussion of the BLM Corridor Environmental Impact Statement (EIS). He said the Southern Nevada Water Authority submitted right-of-way applications to the

BLM for proposed facilities on BLM-managed land. The applications were for both pipelines and well fields. He said the BLM determined an EIS was necessary because of these applications. He also said the EIS was to comply with the National Environmental Policy Act. He said the EIS would determine the impact of construction of the new facilities and the environmental impact of the anticipated water being withdrawn. He said the EIS would be completed one year prior to the Basin and Range Carbonate Aquifer System Study (BARCASS) in the Lincoln County Conservation, Recreation and Development Act of 2004. He said he did not know how the two studies would affect each other but data from one would probably be used in the other by USGS.

Mr. Ricci presented a slide in [Exhibit H](#) that showed different contributors to USGS projects. The projects included stream gauging and groundwater monitoring. He said the total amount of money spent between fiscal year 1992 and fiscal year 2005 was approximately \$26.5 million. He said it was about half federal funds and half state funds.

Mr. Ricci continued his presentation with [Exhibit H](#). He described the Precipitation-Elevation Regression on Independent Slopes Model (PRISM). He said the PRISM indicates there is more precipitation and the bands were reduced in size. He said with the new model, less precipitation created more bands. He said the older model began being measured at 20 inches while the new model had some bands of 40 inches and even as high as 52 inches. He said the model was originally from Oregon and required a fee to use it. He said the USGS adapted some of the model's methods in determining precipitation in Nevada. Coupled with the new model, he said, USGS estimates were higher than previously expected. Mr. Ricci also said the figure would be even higher if the PRISM was used exclusively. Senator Coffin asked where the precipitation measurements were taken to get to 52 inches. Mr. Ricci said the area is in the Sierra Nevada Mountains and is small in size. Senator Coffin asked if there was any proof the large precipitation numbers were going into an aquifer. He said the water actually going into an aquifer was based primarily on estimates from data on water leaving a specific area and the size of that area. Senator Coffin asked if studies could be done with tree rings to gauge precipitation and actual water levels. Mr. Ricci said tree-ring studies easily show how much rain fell, but do not show the plant communities that were there.

Mr. Ricci continued his presentation by discussing the Diamond Valley project budget. Chair Rhoads asked if USGS did the studies. Mr. Ricci said USGS was

the cooperator in all of the studies. Mr. Ricci said the Southern Nevada Groundwater Data Network was a continuous program with a budget of approximately \$1.7 million over the past four years. He explained the project measured 75 to 100 wells in the alluvial aquifer and about 30 wells in the regional carbonate aquifer. He continued the presentation by talking about the Humboldt River Basin Assessment. He said the project would try to determine groundwater stress in one area and its impact on another area.

Mr. Ricci continued his presentation by explaining State Engineer's Order No. 1169. He said it originated at the request of the Southern Nevada Water Authority and Coyote Springs Investment for an additional appropriation over the 16,000 acre-feet already appropriated in that basin. He said the Southern Nevada Water Authority and Coyote Springs Investment, LLC, were given 5 years to develop a program to pump at least 50 percent of their 16,000 acre-feet already appropriated. He said they were also required to monitor and produce a report on the impacts of the pumping. Chair Rhoads asked if Mr. Ricci had wanted the Southern Nevada Water Authority and Coyote Springs Investment, LLC, to do this. Mr. Ricci said he had told them to complete these reports. Chair Rhoads wanted to know what was being done with the pumped water. Mr. Ricci said the original proposal was to have a pipeline from the well-field in the Coyote Springs area to the Moapa Valley Water District's water system. He said the Moapa Valley Water District could then take the water to their customers so there would be no wasted water. Mr. Ricci said another proposal for the winter months was to put the water into the Muddy River below the gage in order to ensure accurate readings of the river. Chair Rhoads asked what the results were from the study. Mr. Ricci said pumping had not started yet because the pipeline is still not finished.

Senator Carlton asked if the Moapa Valley Water District received the water, and the water came back out, would it be part of the return-flow credit system. Mr. Ricci said the return-flow credit system was the responsibility of the Colorado River Compact (CRC) and the U.S. Bureau of Reclamation. Mr. Ricci said he believed if that occurred, approval from the other states involved in the CRC would be needed. Senator Carlton said she was concerned with the option of pumping the water into the Muddy River and that water flowing into Lake Mead and becoming the property of the other states in the CRC. She asked if that problem was contemplated. Mr. Ricci said water would be pumped into the Muddy River for only two years. He said approval was needed from the other states in the CRC before that option could occur.

Chair Rhoads asked if the wells began dropping the water table in that area, could Mr. Ricci order a halt to the pumping. Mr. Ricci said he could. He said the purpose of Order No. 1169 was to see what the impacts would be. He said there were models already created for potential impacts, but this order would provide actual data for the models.

Chair Rhoads asked what area would be most helpful for the Legislature to study. Mr. Ricci said the area around Lincoln and Nye Counties was a real concern for him. He said no amount of studies could arrive at a final number. Mr. Ricci said the studies would only get the range number smaller. Senator Coffin discussed a news story that detailed some documents and data from the USGS in regard to the Yucca Mountain project were apparently falsified by USGS employees. Senator Coffin asked Mr. Ricci if any new studies or projects had been originated from the faulty data from the USGS. Mr. Biaggi said the information Senator Coffin had spoken of was new to him and said he would examine the information and how it impacted the research of water projects in southern Nevada.

Chair Rhoads asked how a city like Phoenix, Arizona, dealt with high population growth and water needs. Mr. Ricci said Phoenix was utilizing a commitment from a central Arizona project. Chair Rhoads asked if Nevada had banked some of Arizona's water. Mr. Ricci said Arizona had banked water for Nevada. He said California is also banking water for Nevada. Mr. Ricci said if a water shortage occurred on the Colorado River, Arizona would be the first to be affected by the shortage. Senator Beers asked if that provision was part of the compact. Mr. Ricci said Arizona agreed to the provision early in the CRC.

Senator McGinness asked if the pumping which will occur in Lincoln County and White Pine Counties became too strenuous on the aquifer, would Mr. Ricci be able to control the level of pumping. Mr. Ricci said Order No. 1169 allowed him the authority over the project. Mr. Biaggi said the State Engineer had two responsibilities in the project. The first, he said, was to examine what water was available and make a decision on what could be transferred without harming the public interest and environmental concerns. The second, he explained, was to not rely solely on models or estimates.

Chair Rhoads said that White Pine County, Lincoln County and Nye County were mentioned, but the other counties are also concerned about water issues. Mr. Ricci said he could only deal with the applications currently in his office.

Chair Rhoads asked if there were filings pending in other parts of the State. Mr. Ricci asked if Chair Rhoads meant interbasin transfers. Chair Rhoads replied yes. Mr. Ricci said an EIS had been completed on the Honey Lake and Warm Springs Valley importation project to the North Valleys. Mr. Ricci said he could not recall any other pending interbasin transfers that were not in Coyote Springs or from the Southern Nevada Water Authority.

Senator Amodei asked if BARCASS would be putting test wells in the carbonate aquifer. Mr. Ricci said with the time allotted to BARCASS, he did not think test wells would be placed. Senator Amodei asked if there was going to be any study on the basins in western Nevada. Mr. Ricci said western Nevada is being fully utilized at the moment. Senator Amodei asked if Mr. Ricci was comfortable with the procedures for interbasin transfers. Mr. Ricci said once his office received a decision on the transfer of water from Sandy Valley, he would have a better idea on the issue.

Jo Simpson, Bureau of Land Management, spoke about the BLM Corridor EIS. She said the BLM will have people on the USGS study team to bridge communications between the BLM and USGS. She said as data is being developed with the USGS it will be transmitted to the BLM EIS team. Chair Rhoads asked if both studies would be conducted by contractors.

Senate Committee on Natural Resources
March 16, 2005
Page 9

Ms. Simpson said the BLM study was being done by contractors. She was not aware of how USGS was conducting their study.

Chair Rhoads adjourned the meeting at 3:20 p.m.

RESPECTFULLY SUBMITTED:

Jonathan Sherwood,
Committee Secretary

APPROVED BY:

Senator Dean A. Rhoads, Chair

DATE: _____