Susan Joseph-Taylor Division of Water Resources 901 South Stewart Street Carson City, Nevada 89701 November 24, 2011

Re: Public comment on SNWA Groundwater Development Project applications in Lincoln—County

The State Engineer is faced with a decision of unprecedented importance for which Nevada Water Law is an inadequate basis. A decision granting rights to a certain volume of groundwater will determine whether or not the pipeline is built. The consequences building the pipeline are far greater than the impacts of drawing the quantity allowed by this decision from the targeted basins. The proposed pipeline will dramatically change Eastern Nevada in ways that threaten the basis of the way of life of this region. Nevada Water Law is far too narrow in scope for a decision with such far reaching consequences. I ask the State Engineer to deny these applications.

In Lincoln County the plan for the pipeline, announced 22 years ago, has already set in motion this process of change. What is already happening in this county is an example of the consequences of a project of this scale.

Anticipation of the pipeline has created a market for exported rural water. Developers have purchased the principal ranches in northern Lincoln County along with their water rights, paying several times the normal amount, and have approached SNWA offering to pay to use their planned pipeline to transport the water to a proposed development at Coyote Springs, a heretofore uninhabited valley in Southern Lincoln County, 50 miles north of Las Vegas.

This planned unit development at Coyote Springs will have a population 20 times greater than the present population of the Lincoln County. Though groundwater at Coyote Springs is sufficient for a major development there, much of that water is unavailable. The water transported from northern ranches will be used to replace water rights at Coyote Springs which the developers sold to SNWA for the money with which they bought the land for the development.

In 1998, to prevent SNWA from exporting all the available groundwater from valleys in Lincoln County, Lincoln County Commissioners struck a Faustian bargain with Vidler Water Company, forming a partnership and creating the Lincoln County Water District. Vidler proposed applying for water rights throughout Lincoln County for new farm land the federal government would give them in exchange for their land holdings in northern Nevada. This would demonstrate the need to keep groundwater for use in the county.

The federal government was not interested in such land trades. Instead, Vidler steered the partnership into water exportation projects, sharing profits and expenses, with Vidler fronting the cost of securing water rights to be sold to the developers at Coyote Springs and another group at Toquop. Like Coyote Springs, Toquop is remote from any community in Lincoln County, but it is very near the rapidly growing Clark County city of Mesquite. SNWA protested Vidler

## Louis Benezet HC 74 Box 150 Pioche, Nevada 89043

applications near Toquop since these were near the Virgin River, and that is why Lincoln County, on Vidler's advice, dropped its protests of the pipeline and agreed to play along.

Additional agreements with SNWA made the pipeline available for the water transfers, mentioned above, from northern ranches to Coyote Springs, with payment for this use of the pipeline to be channeled through the Lincoln County. <u>SNWA changed their plan for the pipeline</u>, increasing the diameter of the pipe from 6 feet to 8 feet and nearly doubling the volume of water that could be moved south.

At this time the County officials say their number one concern is to increase the tax base. The county's debt to Vidler for ongoing water development is huge and growing. There is the cost of new layers of bureaucracy to deal with Vidler, SNWA, and the developers, and of preparing for the needs of hundreds of thousands of new residents in a county with a population of 5,000.

The inflated courthouse has had to cut basic social services. Having signed off on deals that, if the pipeline is constructed, mean the end of the traditional farming and ranching community, county officials look for salvation to Vidler and the developers at Coyote Springs and Toquop.

For our county officials the world of ranchers and small businessmen has been replaced by that of consultants, engineers, lawyers, and people with a lot of money. Greed is there; the revolving door is turning. One commissioner resigned to head the new water authority; another left to work for a developer. Our officials have a new constituency to account to and it's not those who elected them. As one county commissioner recently said to me, "Vidler now runs Lincoln County."

Currently Vidler and Lincoln County Water District are pursuing more water rights in northwestern Lincoln County valleys for sale to Coyote Springs. A pipeline link to these valleys would aim beyond into Nye County, where SNWA presumably still has applications on hold. And though now Toquop and Coyote Springs are stalled, perhaps in trouble, because of "the economy," the Vidler people act unfazed. Their ace in the hole is SNWA, who will surely buy the water rights if the developers don't.

At hearings in 2008, on the SNWA applications and on the applications to transfer water from the Lake Valley to Coyote Springs Valley, I presented many sheets of signed petitions, from Lincoln County residents to the State Engineer, asking him to deny both sets of applications. Sitting at a table outside the Pioche Post Office I presented the petitions to all who passed. All signed except one who has since signed on to the protest by the Great Basin Water Network,

The idea to pipe water to Las Vegas goes back to the time in the 1950's when the city had grown beyond the point where local pumping could sustain it. The pipe to Lake Mead was the solution. At first the new supply must have seemed limitless, but by 1976 the Idea of another pipeline was being considered. The water source was to be Pahranagat Valley in Lincoln County. A study by Nevada Water Resources, "Water for Southern Nevada" identified two problems: 1) The new water supply would only extend growth at the present rate for ten years and 2) taking this water

## Louis Benezet HC 74 Box 150 Pioche, Nevada 89043

would end agriculture around Alamo, a Mormon farming community founded in 1901. The idea was shelved not abandoned.

Looking back, 1976 would have been a good time for Las Vegas' leaders to stop and take a good look at where the city was going. Had they done so they would not have turned the city government over to the developers and the city today would be able to better survive the national economic recession and the drought in the Colorado basin.

Las Vegas has been in a boom and bust cycle and in a state of denial characteristic of such an economy. The drought and the Recession are reality's way of administering a dose of "tough love" to Southern Nevada. This is a chance to recover, find value in livelihood not money growth in community not population. Without a change in thinking and being water from the north will only be squandered and there will always be a water crisis on the horizon.

I ask State Engineer to deny all SNWA applications. Putting an end to the pipeline plan now would be for Lincoln County and for Eastern Nevada really an act of mercy.

In Benery

It may be so for Las Vegas also.

Louis Benezet