

STATE OF NEVADA
DEPARTMENT OF CONSERVATION and NATURAL RESOURCES
DIVISION OF WATER RESOURCES
BEFORE SUSAN JOSEPH-TAYLOR, HEARING OFFICER

IN RE:

APPLICATIONS 53987 THROUGH 53992, INCLUSIVE,
AND 54003 THROUGH 54030, INCLUSIVE, FILED BY
THE LAS VEGAS VALLEY WATER DISTRICT TO
APPROPRIATE THE UNDERGROUND WATER OF DELAMAR
VALLEY (182), DRY LAKE VALLEY (181), CAVE
VALLEY (184), AND SNAKE VALLEY (195)
HYDROGRAPHIC BASINS, LINCOLN and WHITE PINE
COUNTIES, NEVADA.

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1 I do that a lot when I work with farmers on crops
2 because six months ago we thought gasoline would be \$5 a
3 gallon and now it looks like it's two. That's the
4 variability that we live in. So we need to look at that
5 variability and it gives an idea of what kind of ranges could
6 occur in White Pine County.

7 Q. Thank you, Dr. Harris. I have no further
8 questions.

9 HEARING OFFICER JOSEPH-TAYLOR: Cross-
10 examination, Mr. Van Zandt.

11 MR. VAN ZANDT: Thank you, Madam Hearing Officer.

12 CROSS-EXAMINATION

13 BY MR. VAN ZANDT:

14 Q. Good morning. How are you?

15 A. Good.

16 Q. The exhibits that you have prepared which include
17 3051 and 3052, those were not specifically prepared for this
18 hearing, were they?

19 A. No. They were specifically prepared for the
20 Sedge report and for the Great Basin College looking at the
21 feasibility of a business incubator complex in Elko, Ely and
22 Winnemucca.

23 Q. Would it be fair to say that there's no specific
24 information in Exhibits 3051 or 3052 that directly relates to
25 the Spring Valley?

1 A. It's county wide.

2 Q. And those reports, 3051 and 3052, they also do
3 not talk about water resource issues; is that correct?

4 A. Yes.

5 Q. So the only report that you prepared that relates
6 to Spring Valley and water issues is Exhibit 3063?

7 A. Yes, specifically.

8 Q. Have you had a chance to review the White Pine
9 County water resources plan, Exhibit 3069?

10 A. No, sir, I don't think I have.

11 Q. You have not looked at this report?

12 A. No, sir.

13 Q. Did your analysis look at any development
14 projects in the Spring Valley area of White Pine County?

15 A. I mainly worked with Karen Rajala and in working
16 with her we were able to get how much alfalfa hay was in
17 production and how much alfalfa hay would be taken out of
18 production.

19 Looking at any kind of agricultural production
20 that would be taken out, that was specifically what I did in
21 this study.

22 Q. So you didn't look any economic development
23 projects that were proposed?

24 A. No.

25 Q. Would it surprise you to learn that the water

1 resources plan does not contain any economic project
2 development for Spring Valley?

3 A. No economic development projects?

4 Q. Yes, sir.

5 A. Is that like new housing, whatever, those kind of
6 things? Those would be whatever the county had okayed or
7 whatever. If there is any new development, I would have to
8 go to the White Pine County economic development group.

9 Q. Your report, Exhibit 3063, contains I think an
10 employment figure for Spring Valley, a total employment of 31
11 people; is that correct? It's on page 5 of Exhibit 3063.

12 A. Okay, yes. That would be in total -- what it
13 amounts to, we were able to get an estimate just in Spring
14 Valley of the alfalfa being 21 people. Then we used a White
15 Pine model. It's more expensive to get -- you can do models
16 from implant from a zip code type model, but it's more
17 time-consuming, more expensive. What we have here are
18 linkages within White Pine County.

19 Q. In terms of growth within the Spring Valley area,
20 your analysis really doesn't address that, does it?

21 A. No. You would have to -- probably what we would,
22 we would have to use data from the state demographer who does
23 estimates mainly for incorporated towns and counties and I
24 don't believe Spring Valley is in that.

25 Q. You did make one estimate that interested me.

1 You said that there could be a shift in the labor pool where
2 people are working, say, in the ranching/farming industry and
3 might go into other areas such as tourism or retail or
4 something like that?

5 A. We would have to get more information on
6 modeling, but what we do is generally delivery models which
7 allows labor that is one sector to be employed in another
8 sector.

9 What we would have to do is use some labor force
10 data from the Department of Employment, Training and
11 Rehabilitation to get those type of linkages. It may be some
12 that might migrate to the other sectors and others that may
13 just leave. That happens a lot in these boom/bust towns,
14 communities.

15 Q. Would it be fair to say that given the
16 limitations of your analysis in Exhibit 3063, you can't
17 really make predictions on Spring Valley at this point with
18 regard to this project?

19 A. The main thing that this one shows is if you take
20 the water out, what would be the economic impacts, a snapshot
21 today, and the future would have to be some dynamic model.

22 Q. And that's presupposing that a lot of water would
23 be removed from Spring Valley, including surface water,
24 correct?

25 A. I'm sorry?

1 Q. That water would be removed from Spring Valley,
2 including surface water, correct?

3 A. What you would do, correct me, if you do it
4 through time, what you would do is look at it with no water
5 constraints and then do it again where you have removal of
6 water, to whatever degree that would be and then compare with
7 and without gives an idea of the economic impacts.

8 Q. But if the water is still in the valley for
9 farming and ranching and these other uses that you indicate
10 here, then there wouldn't be any economic impact, would
11 there?

12 A. If the water -- we would have to work with our
13 budgets and I would work with plant scientists to see if the
14 water, enough water is available for alfalfa hay production.
15 If there were limitations they would be the ones to tell me.

16 Q. Did you do any analysis of the impact of an
17 economic decline in Clark County on White Pine County?

18 A. No. I am familiar with some studies that have
19 been done in Clark County.

20 Q. But you would agree that there is some money from
21 the tax base --

22 A. Oh, yeah.

23 Q. -- from Clark County that reaches White Pine
24 County, correct?

25 A. That's the linkage, you need to have an inter-

1 linkage right now. What is the degree of that linkage and
2 that gets into second houses, people who live in Clark County
3 in the summer or have second houses, what are the economic
4 linkages, yes, they are and we need to quantify those
5 linkages as well as fiscal linkages, correct.

6 MR. VAN ZANDT: No further questions.

7 HEARING OFFICER JOSEPH-TAYLOR: Redirect,
8 Mr. Kenna?

9 MR. KENNA: I just have one follow-up question.

10 REDIRECT EXAMINATION

11 BY MR. KENNA:

12 Q. When Ms. Rajala was testifying, she talked about
13 the future hopes for economic growth in Spring Valley in
14 White Pine County which can include light industrial and
15 other factors. Did you attempt to make any analysis on the
16 impact on those sorts of things going into the future?

17 A. No, we didn't. Those are areas that could be
18 looked at.

19 MR. KENNA: Thank you.

20 HEARING OFFICER JOSEPH-TAYLOR: Recross?

21 MR. VAN ZANDT: No, thanks.

22 HEARING OFFICER JOSEPH-TAYLOR: Questions of
23 staff?

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