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Bevan Lister
P.O. Box 124
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09 May 2003

The Honorable Mark Manendo, Chairman
Assembly Government Affairs Committee
Carson City, NV

Re: SB 487

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to present some thoughts in regard to the legislation currently referred to as Senate Bill (SB) 487.

I am a citizen of Lincoln County and come before you representing only myself, but with the encouragement and moral support of a large number of other Lincoln County citizens. There have probably been a number of folks appear before you on this subject presumably representing Lincoln County. As far as I could find in the minutes for the Lincoln County commission, they have never officially hired any lobbyists, neither have they taken an official position on any legislation. I submit to you that, in my opinion, those who have appeared before you supposedly representing Lincoln County are actually representing the Lincoln/Vidler business partnership.

There have been some comments in opposition to this bill as it regards to water rights and brokerage. In my estimation, this bill is not about water. This is a bill to change the structure of our government. It is because of this that I strongly oppose the passage of this legislation.

If we continue and make legal these business partnerships where the county has a profit sharing interest in the business, then policy decisions are no longer based on public good, but on profit potential. I believe that governments are instituted for the benefit of man, to protect the interests and rights of the individual, and to provide for orderly society. This legislation turns government into a business-for-profit. Government becomes a commodity to be sold to the highest bidder.

Lincoln County has been involved in a business partnership just such as this legislation describes since September 1998. The net effect of this legislation is to make legitimate a relationship that has formerly been illegal (Attorney General opinion AGO 2002-15). A partnership that has been doing business for a number of years, is now asking the legislature to make it legal.

Let me describe to you how this has worked in Lincoln County from a citizens perspective. In September 1998, Lincoln County and Vidler Water Co. of Delaware entered into a memorandum of understanding that created the business partnership. In December 1998, applications for water

were filed with the state water engineers office for nearly 100,000 acre-feet annually in several basins in Lincoln County. No action was ever taken by the County commission initiating those applications. No plan was in place as to how or where this water would be used. Even now, the plan that Lincoln County has for this water is "the Lincoln County Water Plan will be accomplished under the joint agreement and partnership of Lincoln County and Vidler Water Company." To the best of my knowledge, the blanket filing of applications was never discussed in open meeting. Test wells have been drilled, monitoring wells have been drilled, professional services have been rendered extensively, court cases have been propagated, and none of this is ever approved or seldom even discussed in the meetings of the Lincoln County Commission. No report is ever made of how much money has been spent, or how much Lincoln County is in debt. It appears from my perspective that Vidler is running the show and Lincoln County has nothing to say about it.

With a little digging, I have found that Lincoln County is being represented here at the legislature by 14 paid lobbyists. Two of these have some semblance of legitimacy. The other twelve just happen to have Vidler Water, Pico Holdings, and Nevada Land and Resource as some of their other clients (Vidler Water and Nevada Land and Resource are both subsidiaries of Pico Holdings). As I stated before, there is no record of Lincoln County hiring lobbyists, so who are they representing, who is paying for these services, and what legislation are they supporting? These are just a few of the discrepancies that are occurring, but they are symptoms of a greater fault.

If we undertake to mesh public and private bodies, which laws apply? From my experience, when Lincoln/Vidler want to be public, then government laws and rules apply, but when government laws present problems, then we claim private status. Vidler needed Lincoln County to give their water applications "public" status so the state engineer would have to hold them in their place until Lincoln/Vidler was ready for action on them. Lincoln needed Vidler to provide money and services outside of the constraints of bidding, bonding, and public accountability.

If we are going to allow these partnerships, how will we determine who our partner should be? Will there be a bidding process where the low bidder gets the job, or the high bidder, or the one that can buy the most votes? Certainly there should be some competition in the process of selecting a business partner.

This legislation completely annuls the open meeting law. Decisions are made and carried out by the private side of the partnership. There is never even a public discussion of these actions. All that a commissioner has to do is suggest that he would like to see "this" or "that" happen, and the private partner carries it out. The action does not have to go through legal government channels. The private company has a power beyond the people. Millions of dollars are spent and the public has no access to where or how or why those funds were spent. Will the county auditor have the responsibility to audit all of the partner's books? In the case of a Vidler, how could this ever be accomplished? And would the partner allow it? When money is spent, is it public or private? When money is received, is it income, or a bribe? We set the stage for rampant corruption.

Contract/bid laws also go out the window. No longer will there be a requirement for invitations to bid or award to the low bidder. Nevada prevailing wage will no longer be paid. My father is a well drilling contractor, do you think he was given an opportunity to bid on the millions of dollars in well projects that Vidler has paid for in the last 4 years?

The State Water Engineers office has categorically opposed water applications for brokering purposes. This bill sets the stage for whole scale water brokering. Water will be drained from the rural areas of the state and sold to the highest bidder with the people of the area having no voice in the matter. Water would no longer be affordable for agriculture, and development in the rural areas would never occur because the small towns could never compete for water at the same price the large municipalities would pay. A state resource will become a brokered commodity, far more valuable than any agricultural commodity. The only benefit will be to the business entity selling the water.

This legislation is unnecessary. There is more than sufficient current means for the goals of this a bill to be accomplished. The county could offer a private company a franchise, or set up a special district. Heaven forbid that they go out to the people of the county and ask for help or support if they feel that this issue is a priority for the county. This action is like the man that goes into the physician with a sore toe and the doctor cuts off the man's hand. The problem is one of tax base and the ability to put water to beneficial use locally, and this bill solves neither of these problems.

I understand that someone has submitted a bill to change the name of the state of Nevada to East California. SB 487 fits very well with that bill. If we are going to turn our government over to business to run, then the name of the county should be changed to the name of the business that owns it. It is only right that since Vidler Water Co. now owns Lincoln County, the name of the county should be changed to Vidler County.

Many years ago, a great President stood at the edge of a battlefield and said, "that government of the people, by the people, and for the people shall not perish from the earth." We stand at the threshold of changing that vision to a government of the people, by the business, for the money. Please strike down this bill and send a clear message to the local governments of this state that they need to represent their constituents, not their business partners.

Thank You.

Bevan Lister

