

**MINUTES OF THE MEETING  
OF THE  
NEVADA LEGISLATURE'S MARLETTE LAKE WATER SYSTEM  
ADVISORY COMMITTEE  
(*Nevada Revised Statutes 331.165*)  
January 17, 2001  
Carson City, Nevada**

The second meeting of the Nevada Legislature's Marlette Lake Water System Advisory Committee (*Nevada Revised Statutes* [NRS] 331.165) was held on Monday, January 17, 2001, at 9:30 a.m. in Room 302 of Legislative Building, Carson City, Nevada. Pages 2 and 3 contain the "Meeting Notice and Agenda."

**COMMITTEE MEMBERS PRESENT:**

Senator Lawrence E. Jacobsen, Chairman  
Assemblyman Joseph (Joe) E. Dini, Jr., Vice Chairman  
Senator Mark E. Amodei  
Robert E. Erickson, Research Director, LCB (nonvoting member)  
Gene Weller, Deputy Administrator, Division of Wildlife, State Department of Conservation and Natural Resources (SDCNR)  
Mike Meizel, Chief, Buildings and Grounds Division, Department of Administration  
Wayne R. Perock, Administrator, Division of State Parks, SDCNR  
Steve Robinson, State Forester, Division of Forestry, SDCNR

**LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:**

Brenda J. Erdoes, Legislative Counsel  
Bruce Daines, Deputy Legislative Counsel  
Nenita Wasserman, Senior Research Secretary

**MEETING NOTICE AND AGENDA**

Name of Organization: Nevada Legislature's Marlette Lake Water System Advisory Committee  
(*Nevada Revised Statutes 331.165*)

Date and Time of Meeting: January 17, 2001  
Time: 9 a.m.  
Place of Meeting: Legislative Building  
Room 3142  
401 South Carson Street  
Carson City, Nevada

### A G E N D A

- \*I. Approval of Meeting Minutes from October 15, 1999
- II. Overview Reports by State and Local Government Entities
- A. Update on Issues Related to Marlette Hobart Water System, Including “Engineering Report for Upgrading the Marlette Lake Hobart Reservoir Water Delivery System”
- Edwin D. James, P.E., General Manager, Carson Water Subconservancy District
  - Mike Turnipseed, Director, State Department of Conservation and Natural Resources (SDCNR)
  - Mike Meizel, Chief, Buildings and Grounds Division, Department of Administration
- B. Update on Forestry Programs and Issues in Marlette Hobart Watershed  
Division of Forestry, SDCNR
- C. Update on Wildlife Programs and Issues in Marlette Hobart Watershed  
Gene Weller, Deputy Administrator, Division of Wildlife, SDCNR
- (continued)
- Update on State Parks Programs and Issues in Marlette Hobart Watershed
- Environmental Improvement Projects
  - Public Use
  - State Park’s Backcountry Permits
  - Potential Backcountry Recreation Opportunities
  - Concessionaire’s Activities
- Wayne R. Perock, Administrator, Division of State Parks, SDCNR
- D. Update on State Lands Programs and Issues in Marlette Hobart Watershed  
Pamela Wilcox, Administrator, Division of State Lands, SDCNR
- E. Update on Local Government Issues Related to the Marlette Hobart Watershed and Water System
- \*III. Discussion of Issues Related to Marlette Lake Watershed and Water System and Committee Recommendations
- IV. Public Comment

\*Denotes items on which the committee may take action.

Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Research Division, Legislative Counsel Bureau, in writing, at the Legislative Building, 401 South Carson Street, Carson City, Nevada 89701-4747, or call Nenita Wasserman, at (775) 684-6825, as soon as possible.

Notice of this meeting was posted in the following Carson City, Nevada, locations: Blasdel Building, 209 East Musser Street; Capitol Press Corps, Basement, Capitol Building; City Hall, 201 North Carson Street; Legislative Building, 401 South Carson Street; and Nevada State Library, 100 Stewart Street. Notice of this meeting was faxed for posting to the following Las Vegas, Nevada, locations: Clark County Office, 500 South Grand Central Parkway, and Grant Sawyer State Office Building, 555 East Washington Avenue.

## **APPROVAL OF MEETING MINUTES FROM OCTOBER 15, 1999**

Chairman Jacobsen introduced audience, committee members, and staff.

SENATOR AMODEI MOVED TO ACCEPT THE MEETING MINUTES OF OCTOBER 15, 1999, AS SUBMITTED. THE MOTION WAS SECONDED BY MIKE MEIZEL. MINUTES UNANIMOUSLY APPROVED.

## **OVERVIEW REPORTS BY STATE AND LOCAL GOVERNMENT ENTITIES**

### **Update on Issues Related to Marlette Hobart Water System, Including “Engineering Report for Upgrading the Marlette Lake Hobart Reservoir Water Delivery System”**

**Edwin D. James, P.E.**

Edwin D. James, P.E., General Manager, Carson Water Subconservancy District reviewed a report that Carson Water Subconservancy District hired Ryan Caldwell is part of an overall project looking at the water system needs in the entire Carson Water Shed. Mr. James explained there are four parts to the study which include Douglas County, Carson City with Moundhouse, Stagecoach, and Churchill County.

Mr. James gave an overview of the Marlette Lake water system and described the flow of the water. He stated that:

- Carson City receives water through Ash Canyon. The tunnel has collapsed so that the water is pumped and a float used on the surface of water.
- The engineers looked at the status of the existing system and noted where improvements can be made.
- The intake out of the Marlette needs work and there are erosion problems that need to be addressed.

Looking at the east slope system, Mr. James described areas that attention in a slide presentation. Pictures can be viewed on CDROM which is Exhibit B of these minutes: Mr. James pointed out that to date:

- The system has been used on a water demand water supply basis.
- The state provides water necessary to meet that demand.
- The water Conservancy’s goal is for the state to sell the water and noted there are four different phases of increasing the system. The existing system can produce up to 1,873 acre feet on average, current demands are 1,000 acre feet.

- If repair work is done on the east slope, the supply on the average can be increased to 2,600 acre feet. Carson City would be able to take 1,200 gallons per minute if the pipe were repaired.
- A different proposal for the Marlette System is to increase water supply by installing a permanent pump station (spend one-half million dollars).
- The study looked at the future of the system, at what is the growth and water demand for the area and found by the year 2020 to 2030, the demand for water will exceed the groundwater supply.

Senator Amodei remarked that when looking at what the state is generating in revenues at the existing capacities and the proposed \$5.5 million, there is a potential to recoup that within a relatively short period of time. If the life of that improvement is long enough, that alleviates conservation concerns that would be intended with having any kind of pumping facility at Marlette. He asked what are the costs for to go that next step to look at a cost benefit of a pumping facility? He stated there is also the issue of the condition of the pipe in Storey County.

- If there is excess capacity in the system, it is a matter of time before someone with that water and location doesn't say that it is not being used.
- Action must be taken relatively soon to preserve what the state has in terms of water resource, someone else is going to that does have some capital.
- He thanked Mr. James for his presentation – and stated that if this committee needs to do something to take this to the next step, the committee should take action on that.

Mr. Dini requested the Legal Division of the Legislative Counsel Bureau to review of the water rights. It was his understanding that when the state took over the Virginia City Water Company, it guaranteed Storey County would be provided water. He asked how can Virginia City be guaranteed a water supply in the future unless there is some growth.

Mr. Meizel responded that the water rights that were taken from Storey County allow the state to distribute water in Virginia City, Gold Hill, Silver City and Carson City. He stated that there is still the decree that must be dealt with and that the State Engineer would rule on it as to where the water would go.

Responding to Mr. Dini's question, Mr. James responded that a reserve is kept for Virginia City by agreements. Virginia City should always have the first priority because that is their only source of water and it should be built into the system.

Mr. James stated his office would work closely with the state to put for a proposed financial package. Environmental needs would be included in the analysis, making sure what is proposed does protect the parks, wildlife, and what is proposed does not have an adverse effect.

Senator Jacobsen stated that one of the major challenges would be to take that water off the hill and store it in Carson City. It was his opinion that history of the Marlette Lake System must be analyzed. Mr. James responded a comparison of all historic studies was completed and the water supply pictures that were previously done.

### **Pete Andersen**

Pete Andersen , Resource Program Coordinator, Director, State Department of Natural Resources (SDCNR) gave a status report on the Division of Forestry's roles. He stated that the Tahoe environmental projects are making progress as far as vegetation management and fuels reduction. The information that is being developed will be beneficial to the long-range management and land use. Inmate crews have been used for those efforts.

Mr. Andersen addressed the overall health of Hobart/Marlette Watershed and the critical nature of that watershed. He explained that a review of how that resource is managed is important and needs to be an integral part of any improvements made to the system. He noted that:

- There is a significant fuel loading problem across the watershed both in standing and down timber.
- Whatever activities are completed, result in benefits of the resource and must be protected.
- There are significant fire dollars available to Nevada from the National Fire Plan for fire prevention, suppression and rehab dollars. There are some excellent opportunities statewide for some of the fuel management issues.

In response to Mr. Perock's question, Mr. Andersen stated that the Division of Forestry had a good summer and was able to treat many acres of land. It has been a step in the right direction but must be expanded to address the fire concerns.

### **Mike Meizel**

Mike Meizel, Chief, Buildings and Grounds Division with the Department of Administration, presented information on the management of Building and Grounds Division property in the Marlette Lake and Hobart Reservoir area. He stated that his office had worked with Mr. James on the figures the state completed a study through the State Public Works Board which analyzed a way to get water from Marlette Lake to Moundhouse. The conclusion paralleled Mr. James' study. He stated that a water pump would be the most economical and explained in the past, water was sold to Carson City and Lakeview. The State discontinued using the Ash Creek Water Treatment Plant that was used from the mid-1970s in 1999 because Carson City has a full water treatment facility.

Mr. Meizel stated the status of the system during a wet year is there is a good supply of water, during a dry year less water is produced but the state could still meet its demands without doing anything to the system. He made the following points in his testimony:

- A phase-in approach like increasing the size of pipelines down to Carson City are the first steps that would be taken. It was his opinion the study was good and straightforward.
- Storey County uses the water for Gold Hill, Silver City, and Virginia City.
- Two projects were funded through the 1999 Legislative Session.
  1. An engineering project on a gravity collection system from Marlette Lake for \$61,000.
  2. A preliminary engineering project that would design an emergency action plan for both Hobart Reservoir Dam and Marlette's Dam.
- It is important to have a plan for the water from Marlette Lake.
- The Building and Grounds Division works with the Division of State Parks and the Division of Forestry to keep the road system in good condition. On the Lakeview side from Red House down to the diversion tanks, the road is primitive. There has also been increased bicycle traffic through the Lakeside community and if the traffic continues to increase, the road may be closed.

### **Pat McInness**

Pat McInness, Engineer, Buildings and Grounds Division in the Department of Administration, also presented information on the water rights on Marlette Lake. The following points were addressed in his testimony:

- There is 3,000 acre feet of water from Marlette Lake which is predicated only on using three feet of the draw down because fisheries protection. If the water level is decreased by three feet, the spawning ground of the fish is moved.
- The Division of Building and Grounds will rent the historic pump house located at Lakeview on a short-term basis

until State Parks is ready to take the building over. The purpose of keeping the house occupied is to reduce the risk of vandalism, which may occur due to its location. A Lakeview Interpretative Center explaining the history and significant of the area and pipeline is under consideration.

## **Update on Forestry Programs and Issues in Marlette Hobart Watershed**

### **State Department of Conservation and Natural Resources (SDCNR), Division of Forestry**

#### **Pete Anderson**

Pete Anderson, Resource Program Director with the NDF presented information on several programs taking place in the Marlette Lake and Hobart Reservoir areas include:

- Utilizing inmate crews to continue to work on problems that have plagued the Carson Range for the last 20 years including vegetation management and fuels reduction;
- Managing the Hobart/Marlette watershed as a “whole” water resource.
- Recognizing that a wildland fire could be catastrophic to the health of the watershed;
- Addressing the fuel load problems with dead standing and downed timber. (Due to the most recent fire season, the Federal Government has established the National Fire Plan, which has resulted in a significant increase in funding for fire prevention and rehabilitation.)
- Taking a comprehensive look at the watershed and developing a plan to protect it from wildland fire and working to manage the fuel loads that have accumulated over the past 25-30 years.
- Planning to utilize mechanical treatments and replanting native vegetation in the Marlette/Hobart watershed before using prescribed fire; and

## **Update on Wildlife Programs and Issues in Marlette Hobart Watershed**

#### **Gene Weller**

Gene Weller, Deputy Administrator, Department of Wildlife, SDCNR addressed concerns regarding the movement by the Federal Government to abandon fish hatchery programs. The DOW recently completed a comprehensive management system study, which recommended stocking more fish, the most frequent request from the public and stakeholders. While a few groups would like to see hatcheries eliminated, it is doubtful due to a likely overwhelming public outcry.

Mr. Weller provided a recap of the new spawning operation at Marlette Lake. He noted that:

- Mason Valley Hatchery personnel, biologists, and summer students manned the spawning station at Marlette Lake.
- Extensive use of volunteers was used for the spawning activities this year, including Senator Lawrence E. Jacobsen, who assisted in spawning activities on June 8 and 13, 2000.
- Approximately 645 hours of volunteer help was realized over the spawning season. The monetary value of utilizing volunteers was approximately \$18,000 which means matching federal program funds and reduce money from licensing fees for hatchery programs are available.
- In mid-May 2000, the road was cleared to permit vehicle passage to Marlette Lake. At this time, installation of the bottom screen on the fish trap took place.

- On May 31, 2000, the Mason Valley Hatchery crew and volunteers installed the spawning trap and set-up the site for use.
- In early June 2000, the first spawn took place where 179 female trout produced 189,655 eggs.
- On June 8, the second spawn took 157,450 eggs from 180 females. The third spawn took place on June 13, 2000, and 260 females produced 193,995 eggs.
- On June 20, 2000, 243,331 eggs from Tahoe strain rainbow trout were sent to the Gallagher Hatchery, which will be used for Eastern Regional needs.
- The fourth spawn took place on June 21, 2000, which harvested 151,747 eggs from 192 females.
- At this time, the crew and volunteers dismantled the fish trap and egg collection site. On June 22, the DOW returned the trailer and trap materials to the Mason Valley Hatchery.
- In the 2000 spawning operation at Marlette Lake, 811 females produced 692,847 eggs, which made an average take of 854 eggs per female trout. This was the second best take in 15 years. There was not a shortage of males in the 2000 season.
- The DOW used the air spawning method, where compressed air is injected into the cavities of the ripe females to strip the eggs, during the 2000 spawning season. By using the air spawning method, there was less physical damage to the female fish. The survival rate for the eggs in the 2000 spawning season was around 75 to 80 percent, an increase from the usual survival rate of 60 to 65 percent
- Frame nets were also used in the 2000 spawning season. The nets are effective in providing fish earlier in the spawning run. A solar powered electric fence was set around the trap site to deter bears from entering the site.

## **Update on State Parks Programs and Issues in Marlette Hobart Watershed**

### **Division of State Lands and Nevada Tahoe Resource Team**

#### **Jay Howard**

Jay Howard, Resource Ranger, Nevada-Tahoe Resource Team, SDCNR, presented information on programs and activities in the Marlette/Hobart area. He explained the most significant programs taking place are the Environmental Improvement Projects (EIP). The Federal Government, the State of Nevada, the State of California, local governments, and private partners are preserving Lake Tahoe's unique environment through partnerships. The State of Nevada put together the Tahoe Resource Team which has the goal to protect and enhance the quality of the air and water, protect and restore natural watercourses, wetlands, and wildlife habitats, fisheries, vegetation and the forest. The Tahoe Resource Team is looking at the prevention and control of erosion and the enhancement of recreational and tourism opportunities in the Lake Tahoe Basin.

Points that Mr. Howard covered included EIPs taking place in the Lake Tahoe State Park included:

- The development of the North Canyon alternative hiking trail will travel four miles from Spooner Lake to Marlette Lake. The trail will be limited to hiker and equestrian users only. The trail is being developed as an alternative to alleviate conflict between hiker, equestrians, and mountain bikers on the Flume Trail;
- Forest restoration phases one through five, this is a multi-phase, multi-million dollar project to reduce the threat of fire and increase health and vigor of forest and state lands. Thinning of overstocked white fir occurred this past summer around the Spooner picnic area. Standing dead timber was removed above Spooner meadow. A small scale (450 cords) went to parks public fuel wood sale, which removed dead timber from approximately 10-15 acres. If conditions right, another 40 acres will have a small scale logging and thinning operation occur over snow further north of Spooner meadow scheduled;
- An archeological study was completed in the North Canyon corridor and areas around Marlette Lake;

- Several wildlife projects are taking place and in the planning stages. Projects include sugar pine old growth habitat restoration, wildlife habitat enhancement, and North Canyon old growth habitat restoration. These projects involve thinning for habitat health and planning for the benefit of wildlife species; and
- Maintenance will take place on the North Canyon road and Tunnel Creek road to assure compliance with minimum standards for reducing sedimentation loss and keeping structural integrity of the roads. Last fall, State Parks upgraded a lower canyon culvert crossing. State Parks is planning to grate and solve seepage problems on the road this summer.
- The planning section of Nevada State Parks is moving forward on EIP projects in the area. Spooner Summit trail head on Highway 50, Spooner parking lot improvements, and Spooner Lake visitor center are all projects under consideration.

Continuing, Mr. Howard stated that the backcountry of Lake Tahoe Nevada State Park is comprised of approximately 14,000 acres from Spooner North to Tunnel Creek and from Sand Harbor to parts east of Hobart Reservoir and above Washoe Valley. He gave a brief overview of Division of State Parks issues on this area and remarked that:

- Some popular portions of the backcountry are the North Rim Trail, Flume Trail, and the Tahoe Rim Trail. Summertime activities include catch and release at Hobart Lake, equestrian, mountain biking, and hiking. Winter activities include cross-country skiing and snowshoeing. There are two primitive unimproved campgrounds.
- The park as a whole receives close to one million visitors per a year, with nearly 150,000 visitors going to the Spooner Lake area. Approximately 60 percent of visitors to Spooner are mountain bikers, 10 percent hikers. Many park users go uncounted as they enter the park from Tunnel Creek, the Tahoe Rim Trail, and Ash Canyon.
- The backcountry is managed as a state primitive area, which is “a protected natural environment, managed to prevent damage of the natural conditions and to provide opportunities for solitude or primitive recreation special features.” Vehicles are prohibited with the exception of backcountry permit holders, government vehicles on official business, and emergency traffic. Backcountry permits are available to applicants who meet specific criteria, and on a case-by-case basis.
- Additional recreation opportunities exist in the backcountry area under special use permit that allows a concessionaire to operate a cross-country ski area based at Spooner Lake. In the year 2000, the same operator began a mountain bike rental and guide service. The concessionaire also operates two backcountry primitive style cabins in the North Canyon and is permitted to build one more this summer.
- The campground near Franktown Creek may be closed permanently due to lack of use. Building another primitive camping area at Hobart reservoir is under consideration.
- The Division of State Parks is considering another potential camping area at Twin Lakes. This area is experiencing an increase in visitation from the Tunnel Creek Trail and the Tahoe Rim Trail.
- The presence of a backcountry seasonal ranger has offered a tremendous opportunity for educating the recreational users in the area as well as assisting in emergencies.

## **Update on State Lands Programs and Issues in Marlette Hobart Watershed**

### **Pamela Wilcox**

Pamela B. Wilcox, Administrator and State Land Registrar for the Division of State Lands, SDCNR, presented an overview of Interagency Lake Tahoe Programs and how the programs relate to the Marlette Lake Water System. The new programs have resulted from the Tahoe Presidential Summit. The Summit recognized that to preserve Lake Tahoe, all interested parties would have to contribute. The goal is to evaluate every acre in the Lake Tahoe Basin, so the entire ecosystem can be healthy.

- The 1999 Legislature provided funds for Nevada’s portion of the Tahoe EIP through Assembly Bill 285 (Chapter

514, *Statutes of Nevada 1999*) which establishes a program to protect the Lake Tahoe Basin. The Nevada Legislature allocated \$3.2 million this biennium for environmental improvement projects and promises the remaining \$53.2 million through the year 2007. This would make up Nevada's \$82 million share of that EIP. Additionally, the 1999 Legislature designated funds to agencies for additional staff to establish the Tahoe Interagency Team.

- Of the nine approved projects by the Legislature during the last session, four of the projects benefit the backcountry around Marlette Lake. These projects include an old growth restoration project, restoring a hiking trail, an upland wildlife enhancement project, and the first phase of the forest enhancement project.

## **Update on Local Government Issues Related to the Marlette Hobart Watershed and Water System**

### **Greg Hess**

Greg Hess, Storey County Commissioner presented additional information at the January 17, 2001 meeting. He stated that Storey County is concerned that:

- The Marlette Water System is Virginia City's only source of water.
- The pipeline from Five Mile Reservoir is in decrepit shape and was not maintained properly years ago. Parts of the pipeline have been exposed for 40-50 years, and in many places, a pencil can be pushed through the metal pipe. Several preventative measures are taking place to try to eliminate water loss from the pipe.
- If a leak occurs during the summer, it can take weeks to locate. Storey County has received a grant to assist in upgrading the water system but none of the pipeline is located in Storey County. The pipeline crosses Washoe, State, federal, and private land. Easements are needed to be able to properly repair and maintain the pipeline.
- Virginia City's problems do not come from the pipeline but from the unfunded mandate to build the new treatment plant and the discrepancy in the billing for the water from the State.
- It has not been able to identify where the difference in water usage originates. Virginia City is of the opinion that the difference comes from the metering. The City would like to see the meter moved east of Five Mile Reservoir since the meter needs a minimum of 10 to 15 feet of straight-line pipe to operate correctly.
- The discrepancy can be as much as fifty-percent and Story County only has approximately 400 billable water users.
- There is high water usage but only allow 12 new residential hookups a year, and no more than three per a person for Virginia City, Gold Hill, and Silver City. Additionally, Virginia City has discussed the prospect of entering the water business but needs a pipeline.

## **DISCUSSION OF ISSUES RELATED TO MARLETTE LAKE WATERSHED AND WATER SYSTEM AND COMMITTEE RECOMMENDATIONS**

Chairman Jacobsen made the following points regarding what the committee would like to see.

- Continuation of the project of Carson City Water Conservancy District including cost benefit analysis and involvement of all stakeholders.
- Cooperation of Washoe County and Bureau of Land Management with Storey County officials on reinstatement of original right of way of waterline from Lakeview to Virginia City.
- Support for commitment by Department of Administration to perform additional metering of water transported and

sold to Virginia City.

- Tours following the 2001 Session of the Yerington Hatchery, Federal Lahontan Hatchery, Water Master's House at Lakeview Estates, Water Treatment Facilities in Carson City, EIPs in Marlette/Hobart Watershed.

### **PUBLIC COMMENT**

There was no one from the public who wished to make a comment.

Chairman Jacobsen adjourned the meeting at 1 p.m.

Exhibit A is the "Attendance Record" for this meeting.

Respectfully submitted,

Nenita Wasserman  
Senior Research Secretary

Robert E. Erickson  
Research Director, Research Division and nonvoting member of Marlette Lake  
Advisory Committee

APPROVED BY:

\_\_\_\_\_  
Senator Lawrence E. Jacobsen

Date: \_\_\_\_\_