

## **Nevada Mining Association and Kinross Gold Testimony on SB155**

For the record, my name is Jay Dixon. I am the Chief Hydrologist for KG Mining (Bald Mountain), Inc., a subsidiary of Kinross Gold Corporation, a senior mining company operating the Round Mountain and Bald Mountain gold mines in Nevada. I am also the Chair of the Water Working Group with the Nevada Mining Association. I am a registered Professional Engineer and Licensed Water Rights Surveyor in Nevada. I am testifying against SB 155 on behalf of Kinross and the Nevada Mining Association.

Over the last handful of years, the Nevada Division of Water Resources, specifically the State Engineer's Office, has managed significant turnover and loss of institutional knowledge due in large part, to several closely spaced retirements. In fact, this is the second legislative session in a row in which we have an 'Acting State Engineer.'

The State Engineer, as Chief Administrator of the NDWR, plays a significant role in the mining industry in Nevada as it pertains to the beneficial use of water in support of our ability to extract and process minerals. As such, it is imperative that the State Engineer continues to have the necessary tools and qualifications to make extremely important, and often times, highly technical and complex water resource decisions based on the best-available science. This has been true since the Office was created nearly 120 years ago. The Professional Engineering licensure is an important step toward ensuring the necessary technical background and compliance with certain ethical rules that are incumbent upon all regulated Professional Engineers in Nevada.

I am testifying against SB 155 for the following reasons and in doing so, I would like to offer a few simple alternative suggestions.

1. Removing the PE requirement would potentially open the position up to political agenda-driven appointments. Licensed PE's must adhere to regulated ethical standards that are directly related to the evaluation and interpretation of technical information that can have a significant effect on public safety and resources. Water policy decisions need to be based on science and sound engineering in order to protect the public interest; not promote political agendas.
2. Leading up to this legislative session, references were made to the State Engineer position in Utah as an example of a western state that had removed the Engineer requirement. Actually, Utah has a split agency that manages its water resources via the

Division of Water Resources and the Division of Water Rights. Title 73, Chapter 2 of Utah Code specifically requires that the Chief Administrator of the Division of Water Rights be an Engineer.

3. Instead of removing a requirement that has served Nevada well since 1903, the Legislature can support the Division in working within the existing statutes and regulations to provide the necessary tools and financial resources for more effective succession planning.
4. In the private sector, when a company is struggling to fill and maintain positions that are considered critical to the business, the most effective mitigation tool is to improve the compensation for that critical position. In Nevada, it is well-documented that the State Engineer's position is not well-aligned with the private sector as it pertains to compensation for Professional Engineers. In fact, it is readily apparent that the Engineers and technical staff at NDWR earn much less than comparable positions at many City and County entities throughout Nevada.
5. Instead of changing the law, simply de-couple compensation at NDWR from other state agencies in recognition of the critical role and complex nature of effective water resources management in Nevada.

Respectfully,



Jay Dixon, P.E.

Chief Hydrologist – Kinross Gold