

ORAL HISTORY INTERVIEW

DAVID STIX JR.



STATUS OF INTERVIEW:
OPEN FOR RESEARCH



Interview Conducted and Edited by:
Donald B. Seney in 2006
California State University-Sacramento
Bureau of Reclamation
Newlands Project Oral History Series



Interview desktop published–2019
Oral History Program

Bureau of Reclamation
History Program
Denver, Colorado

SUGGESTED CITATION:

STIX, DAVID JR. ORAL HISTORY INTERVIEW.

Transcript of tape-recorded Bureau of Reclamation Oral History Interview conducted by Donald B. Seney. Edited by Donald B. Seney and desktop published by Andrew H. Gahan, historian, Bureau of Reclamation. Repository for the record copy of the interview transcript is the National Archives and Records Administration in College Park, Maryland.

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INTERVIEWER: DONALD B. SENEY

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Editorial Convention

A note on editorial conventions. In the text of these interviews, information in parentheses, (), is actually on the tape. Information in brackets, [], has been added to the tape either by the editor to clarify meaning or at the request of the interviewee in order to correct, enlarge, or clarify the interview as it was originally spoken. Words have sometimes been struck out by editor or interviewee in order to clarify meaning or eliminate repetition. In the case of strikeouts, that material has been printed at 50% density to aid in reading the interviews but assuring that the struckout material is readable.

The transcriber and editor also have removed some extraneous words such as false starts and repetitions without indicating their removal. The meaning of the interview has not been changed by this editing.

While we attempt to conform to most standard academic rules of usage (see *The Chicago Manual of Style*), we do not conform to those standards in this interview for individual's titles which then would only be capitalized in the text when they are specifically used as a title connected to a name, e.g., "Secretary of the Interior Gale Norton" as opposed to "Gale Norton, the secretary of the interior;" or "Commissioner John Keys" as opposed to "the commissioner, who was John Keys at the time." The convention in the Federal government is to capitalize titles always. Likewise formal titles of acts and offices are capitalized but abbreviated usages are not, e.g., Division of Planning as opposed to "planning;" the Reclamation

Projects Authorization and Adjustment Act of 1992, as opposed to “the 1992 act.”

The convention with acronyms is that if they are pronounced as a word then they are treated as if they are a word. If they are spelled out by the speaker then they have a hyphen between each letter. An example is the Agency for International Development’s acronym: said as a word, it appears as AID but spelled out it appears as A-I-D; another example is the acronym for State Historic Preservation Officer: SHPO when said as a word, but S-H-P-O when spelled out.

Introduction

In 1988, the Bureau of Reclamation created a History Program. While headquartered in Denver, the History Program was developed as a bureau-wide program.

One component of Reclamation's History Program is its oral history activity. The primary objectives of Reclamation's oral history activities are: preservation of historical data not normally available through Reclamation records (supplementing already available data on the whole range of Reclamation's history); making the preserved data available to researchers inside and outside Reclamation.

In the case of the Newlands Project, the senior historian consulted the regional director to design a special research project to take an all around look at one Reclamation project. The regional director suggested the Newlands Project, and the research program occurred between 1994 and signing of the Truckee River Operating Agreement in 2008. Professor Donald B. Seney of the Government Department at California State University-Sacramento (now emeritus and living in South Lake Tahoe, California) undertook this work. The Newlands Project, while a small- to medium-sized Reclamation project, represents a microcosm of issues found throughout Reclamation: water transportation over great distances; three Native American groups with sometimes conflicting interests; private entities with competitive and sometimes misunderstood water rights; many local governments with growing water needs; Fish and Wildlife Service programs

competing for water for endangered species in Pyramid Lake and for viability of the Stillwater National Wildlife Refuge to the east of Fallon, Nevada; and Reclamation's original water user, the Truckee-Carson Irrigation District, having to deal with modern competition for some of the water supply that originally flowed to farms and ranches in its community.

Questions, comments, and suggestions may be addressed to:

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For additional information about Reclamation's history program see:
www.usbr.gov/history

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**Oral History Interview
David Stix Jr.**

Seney: In the city hall in Fernley, Nevada. Today is September 20, 2006. This is our first session and this is our first tape. And, I should say, the mayor of Fernley is who I'm with. (Laugh) I see there are a lot of signs around here. It's election time.

Stix: Yeah. It's that time of year.

Seney: Yeah. How do things look, in terms of your campaign?

Stix: They're looking good.

Seney: Good.

Stix: They're looking good. In a small community like this we don't have much, enough income or money to afford doing polling. So, it's hard to say where its going to end up.

Seney: Yeah. Well, your family's been here a long time I take it?

Stix: We have.

Seney: I noticed your, in reading the local newspaper,

your father actually owns a feedlot and there are some questions of development around that?

Fernely Native

Stix: Yes. We currently have a feedlot that we've had since 1965.

Seney: I see. When did your family come to Fernley?

Stix: In 1965.

Seney: In 1965?

Stix: Yeah. Yeah.

Seney: And, that makes you kind of senior residents, I would think. (Laugh) Doesn't it?

Stix: Yeah. I was, that's when I was born, the same year.

Seney: Oh. Were you born actually in Fernley?

Stix: No. No. At St. Mary's Hospital in Reno.

Seney: Oh. Well, that's close enough.

Stix: Yeah.

Seney: That makes you a born local?

Stix: Yeah. Oh yeah.

Seney: And your father and mother, etcetera, outsiders, right?

Stix: Right. I say that. Yes. (Laugh)

Seney: Well, I know how it is in (Stix: Yeah.) these small towns. What do you do? What is your business?

Stix: For the city?

Seney: No.

Stix: Oh, I'm sorry. (Seney: Yeah.) Well, I help out with the family business, the feedlot.

Seney: I see. Okay.

Stix: We run several thousand head of mother cows that we raise calves off of them, (Seney: Ah.) the calves off of them. And then we have a feedlot where we actually feed cattle, get them started in the feedlot, and then we sell them to the big commercial feedlots.

Seney: I see. So, you grow them up to a certain stage (Stix: That's correct.) and then they get shipped off to be finished (Stix: That's correct.)

somewhere else?

Stix: You bet.

Seney: Do you have, do you have farmland that you grow feed on for your animals?

Stix: We do have some other properties that we're partners with, with a ranching family out of Reno, and we do raise hay on those properties. They are a partnership (Seney: Right.) ranch and we do get some of the hay off of it. But, in this day and age with the costs the way they are, we try to sell as much as we can to pay for the costs, and then we might buy hay from another person that raises hay, depending on the price. So, because it costs us to put it up ourselves as well.

Seney: Oh, I see, so you—by the way it's the hay that you're in partners with? Is that Newlands Project¹ irrigated land?

Stix: No, but one of them, interestingly, is Lovelock,

1. Authorized by the Secretary of the Interior March 14, 1903, the Newlands Project was one of the first Reclamation projects. It provides irrigation water from the Truckee and Carson rivers for about 57,000 acres of cropland in the Lahontan Valley near Fallon and bench lands near Fernley in western Nevada. In addition, water from about 6,000 acres of project land has been transferred to the Lahontan Valley Wetlands near Fallon. For more information, see Wm. Joe Simonds, "The Newlands Project," Denver: Bureau of Reclamation History Program, 1996, www.usbr.gov/projects/pdf.php?id=142.

which has their own water (Seney: Right.)
district. (Seney: Right.) The Pershing County
Water Conservation District. (Seney: Right.)
That's where one of them are.

Seney: Ah.

Stix: Yeah.

Seney: Explain that to me. I mean, you're growing the
alfalfa there and its actually better for you to sell
that alfalfa and buy other alfalfa?

Stix: If its good quality. (Seney: Ah.) When you're
feeding cattle the way we feed them we don't
need the top quality feed.

Seney: Ah. Okay.

Stix: Because we're just starting them and getting
them ready, getting the sickness out of them, and
getting them used to eating and, of course,
putting weight on, (Seney: Sure. Sure.) because
we want them to gain. But, we don't need the
high-dollar feed, like say a dairy. (Seney: Ah.)
You know, a dairy wants the highest total digest
of nutrient A they can possibly get into an animal
to produce more milk. So, they're going to pay
(Seney: Ah.) the top dollar for hay. We don't
want to buy that hay. (Seney: I see.) We want to

sell it (Seney: Yeah.) if we're raising it.

Seney: I understand.

Stix: Right.

Seney: What's the difference in the price per ton? Per ton right?

Stix: Right, per ton. High-test hay can go to a hundred and fifty, a hundred and sixty bucks a ton. And, we're in the market of looking for hay between \$80 and \$90.

Seney: That does make a big difference.

Stix: Yes.

Seney: How many tons of hay will you use in your feedlot annually?

Stix: The feedlot in Fernley will go through about 5,000 tons.

Seney: Wow. That does make a great deal of difference (Stix: Right.) (Laugh) at \$70 or \$80 a ton difference?

Stix: That's right.

Seney: Yeah. Right. When did you get involved in

local politics and why?

Entrance into Fernely Politics

Stix: Well, it was growth actually, is what spawned it. There was a project going in that was one of the big ranches that we call the Davis Ranch, its now the Desert Lakes Golf Community, and I was a resident. I don't live at the feedlot. I have a piece of property that's east of, or west of the feedlot, and right next door was a project going in that was going to have eight hundred homes and a golf course. And, you know, I'll start going to the meetings. And, I was kind of concerned, of course, (Seney: Right.) the change and the growth. (Seney: Right.) And, I sat there through a few meetings and it was one of those things where a bunch of friends came up and said, "Hey, you really should run." And, not knowing at all what I was getting into I ran and, I mean, no politicking, and no campaigning, and I won. (Seney: Right.) And there was an . . .

Seney: And what year was this?

Stix: This was in 1996. Okay? I took office, took my first oath as a town board, Fernley Town Board member in January of 1997.

Seney: Now, this is when the growth was really starting

to take off, wasn't it, in the mid '90s?

Stix: It was, it was, yeah, it was kind of taking off. Like I say, the Desert Lakes project was just approved out there. That's when it kind of hit. In my time as, on town board, we were doing between 300 and 400 new hookups a year. That's new homes hooking up to (Seney: Right.) the city water system. But, it really took off, well it tripled in 2004 and five.

Seney: So, that would really be the big (Stix: That was the . . .) skyrocket?

Fernley's Economic Outlook

Stix: That's when we went to eighteen-point-some-odd percent growth, (Seney: Ah.) was two years ago, and then last year it was pretty, (Seney: Right.) pretty big too. So.

Seney: Now, I happen to know, particularly from my consuming habits, that Amazon.com is located here?

Stix: Yes. They are.

Seney: And, when did they come to town?

Stix: Amazon came to Fernley in, I'm going to say, right about the time we were elected the first

mayor and city council. It was right around 2001. That building was originally, in the mid '90s, built for Stanley Tool Company, and then Stanley made some major changes and they closed it down and sold it to (Seney: Ah.) Amazon.com.

Seney: I see. I see. (Stix: Uhm-hmm.) What other businesses have come in here? And, I appreciate Amazon being here.

Stix: You bet.

Seney: I hope you're making them welcome, (Stix: You bet ya.) and treating them right?

Stix: You bet.

Seney: Because, I get pretty much overnight service for my books, (Laugh) which I like. (Stix: Yeah.) How many people do they employ? Do you have an idea?

Stix: Well, Amazon is very cyclical because of the holidays. (Seney: Ah.) In fact, you'll see a stream of Greyhound buses or Stage Line buses lined up out there during the holidays because they, we do not have the workload, or the workforce (Seney: Right. Right.) for their part-time hiring in the holidays. (Seney: Ah.) So, it

goes up and down.

Seney: So, they'll bus people in from Reno?

Stix: That's right. Wherever they can get them they'll bus them in from Fallon or wherever (Seney: Right.) to make those quotas to (Seney: Right.) get the products out. And, that's for everything, taking orders, shipping and receiving, what have you. Our newest company that's here, that just opened a month ago, is Sherwin-Williams, and they're (Seney: The paint company?) making latex-based paints.

Seney: So, they're actually manufacturing the paint here?

Stix: They're manufacturing the paint, right from the raw material, right into the gallon pails or five-gallon buckets. So, they're out there now. Right now they're at about approximately ninety people. They do have room for expansion. They built the facility to expand (Seney: Right.) to another forty or fifty people. But, very high-tech. All the stacking of the buckets of paint is automated. So, that's a nice facility. We have that.

We have Quebecor USA, and they're a company based out of Canada, that is a contract printer that prints for all kinds of magazine

inserts, newspaper inserts, (Seney: Ah.) that contracts out to whoever, whatever retail company needs the printing. We have A-R-E. They're a camper company. They come from the East Coast and they make camper shells. And then, we also have Trex Corporation, making the exterior all-season decking material out of wood products and plastic, (Seney: Uh huh.) an extruded product. We have Honeywell/U-P-S Logistics here.

Seney: What does that mean?

Stix: Honeywell/U-P-S? (Seney: Uh huh.) It's a logistical company for the transportation of goods. They have a warehouse where items come in and, for Honeywell, but it's a joint venture with U-P-S.

Seney: I see. I see.

Stix: So, they bring them here into Fernley and house them here and then ship them out from here.

Seney: I know Nevada, and maybe you can be more specific, I know Nevada's laws are helpful to people who want to do what Amazon is doing, and want to do, I take it, what Honeywell-U-P-S is doing, that is bring things in, parts of one kind or another I suppose with Honeywell to be

transshipped out when they're ordered. There's no tax on that, right?

Stix: The warehousing part (Seney: Right.) is where Nevada is lenient. We don't have the warehousing taxes that most communities have, so that you can have an inventory without it costing an arm and a leg. (Seney: Aha.) Where some other states is (Seney: Right.) they're trying to have zero inventory. (Seney: Right. Right.) Right.

Seney: Right. I know the ad valorem tax in (Stix: Yeah.) California will get you for what you've got on your floor.

Stix: There you go.

Seney: Yeah.

Stix: Just-in-time delivery. (Seney: Yeah.) And, yeah.

Seney: So, this is a big advantage, isn't it?

Stix: You bet ya.

Seney: In terms of attracting people? What else have you got? What else is, in economic terms, is here now?

Stix: Well, I think the biggest thing we have that we can talk about is what our growth is doing to our economy. Not only do we have the big-box folks –and by the way, we have Lowes and Super Wal-Mart that's in their final stages of approvals, (Seney: Uh huh.) and they'll start breaking ground pretty soon—but we have a wonderful ability . . .

Seney: By the way, let me stop you. Are you worried at all about the local businesses, given this Super Wal-Mart coming in?

Stix: Well, here's the thing, the kind of products that the Super Wal-Mart sells is, we don't have those old established businesses, ma and pas if you want to call them. (Seney: Right.) You know, Fallon had a lot of them and it was hard on them. (Seney: Yeah.) And, it's even hard on their big Raley's and Safeway, (Seney: Right. Right.) that's downtown. Well, all we've had was the Scolari's Market for years. But, we really didn't have a lot. We got our Radio Shack. He's been in business for a couple three or four years. So, those are the kind of guys, but we didn't have a lot of really established small business for Wal-Mart to harm.

Seney: Most people would go to Reno for what . . .

Stix: Yes. Yeah. Yeah.

Seney: That's where everything is?

Stix: Yeah. Fifty percent of our workforce commutes to Reno for jobs. So, it makes a new commercial venture in Fernley tough, (Seney: Right.) because you're competing with Reno businesses. (Seney: Right. Right.) But, the more Sherwin-Williams that open and the more people can live and work here, (Seney: Right.) we'll start seeing more of that retail booming. The Wal-Mart Distribution Center for Nevada and California is now in the Reno-Tahoe Industrial Park, which is just up the canyon (Seney: Right.) a few miles. A lot of people from Fernley work there, but that's as far as they have to go. (Seney: Yeah.) Then they come back here. (Seney: Right. Right.) So, our future for economic growth is going to be tremendous for new businesses.

Seney: So, go ahead Doug. I interrupted you as you started to talk about the Lowes coming, and (Stix: Right.) Wal-Mart coming?

Stix: That's what I was saying. Our economic future is looking really good and a lot of its based on the growth that's happened here in Fernley on the new rooftops and then, of course . . .

Seney: The "new rooftops" meaning homes?

Stix: Homes. Right.

Seney: That's a way of saying "homes." Right?

Stix: Right. That's right. That's right.

Seney: It's, the planner's language is here?

Stix: Well, it's the retailer's language.

Seney: Oh, I see.

Stix: Because that's what they like to count.

Seney: Oh, I see, so putting Wal-Mart or Lowes they'll come in and say, "How many rooftops we got here?"

Stix: You bet. You bet. (Seney: Ah.) You bet.

Seney: Can you—who else is coming, in the wind? Can you say? Or, if you can't say specifically . . .

Stix: Yeah, I can't, because a lot of our economic development is really private, motivated (Seney: Right.) through the industrial parks, and they usually make them sign a confidentiality disclosure that they can't say until the right time. (Seney: Right.) But there's . . .

Seney: Are there some of those?

Stix: Oh yeah.

Seney: Can you just mention, are they retail? Are they more manufacturing?

Stix: More manufacturing. (Seney: Okay.) More manufacturing, and some retail. (Seney: Okay.) And some retail. The problem with the retail, there's not that many issues of being confidential, (Seney: Right.) the issue is you hate to say something and then—because we've had a lot of them come and look and then turn and leave. (Seney: Right. Right.) You know, so we've had the Smith's here looking, and we've had the Super K-Marts, and we've had, supposedly Walgreens is looking at an area. So, we've got those but, (Seney: Yeah.) you know, I tell people when the door is open.

Seney: Right. I would think a Super Wal-Mart would, you know, people would come into Walgreens or a Smith's and say, "Oh well, we'll pass," (Stix: Yeah. They . . .) because of the Wal-Mart?

Stix: Well, that's what happened to Smith's. Smith's was here nosing around and then Wal-Mart got really vigorous. (Seney: Ah.) You know, (Seney: Right.) got an option on a piece of property, (Seney: Right.) and we never saw

Smith's again. (Laugh)

Seney: Well, I can understand that.

Stix: That's right.

Seney: And, I'm sure you can too?

Stix: Well, yeah.

Seney: Yeah.

Stix: That's the, that's the American way. (Seney: Yeah.) That's the free enterprise. (Seney: Right.) You know, you see K-Mart and Sears teaming up, that's what they're after. (Seney: That's right. Absolutely.) They're after that market share.

Seney: Absolutely.

Stix: The buying power.

Seney: Yeah. That's right. That's right. (Stix: Yeah.) They've got to be on the same footing with Wal-Mart?

Stix: That's right.

Seney: So, but the, things look rosy for more

manufacturing jobs?

Stix: You bet. Absolutely.

Seney: Great.

Stix: Yeah. There's a lot of new companies out there looking to come here. You know what Don, can we . . .

Seney: Sure. [Tape paused] Well, let's, let's talk about water then.

Fernley's Water Needs

Stix: You bet.

Seney: That's mainly why I'm here, but we want to set the stage, kind of, in terms of growth because, again you said you'd hit eighteen percent in 2004-2005 (Stix: That's correct.) I think?

Stix: You bet. Its put quite a strain on the natural resources. Fernley, the city of Fernley itself has its own groundwater supply, (Seney: Right.) but its limited, and its limited based on two factors. Its limited because we have a perennial yield of 500 acre feet, but we also have the yield from the canal as a recharge (Seney: Right.) system. And, that was determined by the state water engineer in the '80s to get us another 8,000 acre feet of

water in our groundwater supply. So, the city of Fernley has eighty-five, between eight-five and eighty-six hundred acre feet of groundwater in its name. (Seney: Right.) We're not pumping at all near that area. We're near . . .

Seney: How much are you pumping now?

Stix: Right now we're about fifty-five, between 5,000 and 5,500.

Seney: When this determination was made in the '80s, was that done in order to give you a kind of sense of how much you could develop, and (Stix: That's correct.) and whatnot, and sort of set the limits as well as the opportunities?

Stix: You bet ya. In the '80s a couple things happened. One, the town board really became a cohesive unit. We had a town board. It was its own body. Prior to that we had county commissioner involvement. (Seney: Right.) There was a couple county commissioners that sat on the town board with the town board. It became its own entity, and the economic development of Fernley, the horizon, what the horizon was looking like was positive. (Seney: Right.) We'd already had some growth. Perry De Loreto [spelling?] came in and did a project that didn't go very far. It was a little bit early,

premature. (Seney: Right.) And, at that point we had an ordinance set up to require the dedication of surface water rights done. That was in 1984.

So, a lot of things were happening, and an application was made based on that to acquire, open up the basin for more water, and it was granted based on the canal. (Seney: Right.) I will tell you, since then, in the last four years since we've become a city, the Desert Research Institute has done numerous studies that have really backed up the state water engineer's opinion at that time. But, we do, we get seventy-five percent of our groundwater recharge for our wells comes from the canal. And, they did that with the most latest state-of-the-art (Seney: Right.) technology. Temperatures. By dealing with temperatures through the canal (Seney: Ah.) floor, is how they did it. So, we have that.

We have that issue and then we have this dedication ordinance that was created in '84 that required all ranches, or any property owner—I shouldn't distinguish because—(Seney: Right.) any property owner that wants to build a project to hook houses up to a city water system needs to dedicate the surface water or groundwater. There could be groundwater associated. At one ranch there is (Seney: Ah.) groundwater associated with the development, and that was the Desert Lakes. (Seney: Uh huh.) My

neighbors. (Seney: I see.) There was groundwater that came with that, as well as surface water.

So, we have those two issues of the water, and we knew that we did not have the base of population, nor did we have enough surface water to justify the building of a facility to turn that surface water into drinking water. (Seney: Right.) So, we started holding onto it and banking it, but we have this 8,600 acre feet of groundwater there that we could utilize. (Seney: Right.) Okay? (Seney: Right.) And we knew we'd be, at some point, we'd be using a combination of both.

Well, about three years ago we got to the point where we decided that we were, with what was on the horizon, paper, on the horizon for new development, that we better stop giving out our groundwater and only requiring dedication, period. (Seney: Right.) Because, you could come into Fernley before 2004, if you had property that didn't, never had water rights on it, you could buy a paid-in-lieu of fee.

Seney: How much?

Stix: Well, when I came to Fernley it was \$500. We raised it to \$1,000 in 1989.

Seney: This is per acre foot?

Stix: Per acre foot. And, we raised it to \$1,000 and, when we became a city, roughly, and then we raised it to \$5,000 in 2004.

Seney: Its still cheap.

Stix: Its very cheap Don, (Seney: Right. Right.) and that's what happened. A month later, in 2004, we all sat down, the staff and I, and made a determination. "We aren't charging enough for in-lieu-of fee. (Seney: Right. Right.) We are not going to be able to go buy it because we cannot react to what the market's doing. (Seney: Right.) Because, we have to abide by state law, get appraisals. The appraisals, we can only pay five percent above or below what the appraisal is, and this market is going too haywire. (Seney: Yeah. Yeah.) We've got to turn this over to the private sector," and that's what we did. We said, "No more in-lieu-of fees for residential. You've got to bring the water to the city and dedicate it." And it just, it made water rights skyrocket to, the highest I've heard is about 23,000 acre, \$23,000 an acre foot for surface water.

Seney: Here in Fernley?

Stix: Here in Fernley.

Seney: And, its gone beyond that in Reno?

Stix: In Reno. Especially groundwater. (Seney: Right.) Groundwater is very valuable because (Seney: Right.) obviously . . .

Seney: Its dependable?

Stix: Right.

Seney: More dependable, right?

Stix: So. So, we had that issue. We made our change, and now we got the base. Now we've got all these properties out here that dedicated water. We've got to get them utilizing that surface water from the Truckee River, turning it into drinking water, and that's what we're heading to go. So, that's the key thing with water right now is that we've got to get that surface water going, and we are. In 2009 we'll be looking at treating surface water.

Seney: What is the status of the quarrels over the TROA [Truckee River Operating Agreement]?² How—I

2. "More than 27 years in the making, the Truckee River Operating Agreement (TROA) now guides use of the river that winds nearly 120 miles from the mountains of Lake Tahoe to Pyramid Lake and is the primary water source for Reno and Sparks. The long-pursued
(continued...)

was told, just the other day, that it looked like maybe you'd reached a solution. Have you been able to resolve that?

Truckee River Operating Agreement

Stix: We, it, tentatively we have. Tentatively we have. And, the solution was—see, originally Don—I don't know, do you have enough history on the background between the tribe and Fernley?

Seney: Probably. I may have. (Stix: Okay.) No. No. But, I want your's too. (Stix: Okay.) Yeah. Yeah. Please. (Stix: Okay.) By all means.

Stix: Well, when TROA was born out of Public Law

2. (...continued)

plan brings the Truckee River's management into modern times, protects the area from protracted droughts and offers a promising future for the region....

"The agreement brings an end to historic uncertainty between Nevada and California over distribution of the river's water, allocating 90 percent to Nevada. Beyond enhanced drought storage for the Truckee Meadows community, it modifies the operation of federal and selected non-federal reservoirs in the river system to protect and improve water quality and enhances conditions for the endangered Pyramid Lake cui-ui and the threatened Lahontan cutthroat trout. By retaining more water in upstream reservoirs, TROA also expands the range of recreational opportunities, including boating and fishing." See, Truckee Meadows Water Authority, "Truckee River Operating Agreement," http://tmwa.com/water_system_settlement/ (Accessed 2/2019)

Bureau of Reclamation History Program

101-618,³ the tribe saw an opportunity to be able to use, getting Fernley—I hate to use the word "weaned." That's pretty primitive—ranchers . . .

Seney: That's the right word. Yeah. (Laugh)

Stix: Less dependent (Seney: Yeah.) or non-dependent (Seney: Right.) on the canal.

Seney: I see. You're thinking of it in stricter terms?

3. Public Law 101-618 became law on November 16, 1990. The Law contains two acts: The Fallon Paiute-Shoshone Tribal Settlement Act and the Truckee-Carson-Pyramid Lake Water Rights Settlement Act. The main topics of the legislation are:

1. Fallon-Paiute Tribal Settlement Act
2. Interstate Allocation of water of the Truckee and Carson rivers.
3. Negotiations of a new Truckee River Operating Agreement (TROA).
4. Water rights purchase program is authorized for the Lahontan Valley wetlands, with the intent of sustaining an average of about 25,000 acres of wetlands.
5. Recovery program is to be developed for the Pyramid Lake cui-ui and Lahontan cutthroat trout.
6. The Newlands Project is re-authorized to serve additional purposes, including recreation, fish and wildlife, and municipal water supply for Churchill and Lyon counties. A project efficiency study is required.
7. Contingencies are placed on the effective date of the legislation and various parties to the settlement are required to dismiss specified litigation.

Source: [http://www.usbr.gov/mp/lboa/public law 101-618.html](http://www.usbr.gov/mp/lboa/public%20law%20101-618.html)
(Accessed December 2011).

Stix: Right. And knowing that relying on a surface water system like TMWA [Truckee Meadows Water Authority], in the Truckee Meadows, that we would be needing storage. There's no doubt about that. (Seney: Right. Right.) If we're going to use surface water we've got to have storage. (Seney: Right.) There's no way around it. And, they saw that opportunity to say, "You know what? We want to get Fernley off the canal," Don, because we don't mince any words about it. You get Fernley off the canal, the future of the canal looks very bleak. (Seney: Right.) Because ag's [agriculture], all along the Truckee Division ag's going out. (Seney: Right.) The line's already in the sand. Not by Fernley. I'm not saying Fernley promotes this, (Seney: Right.) but the Carson Division is for Fallon and the Truckee Division's (Seney: Right.) for Fernley.

Seney: And that's just the natural (Stix: But that's . . .) forces of development (Stix: Right.) at work?

Stix: But, you know the history of the Newlands Project. That's not the way it is.

Seney: Right.

The Truckee Division

Stix: The Truckee Division was for Fallon, to help supplement the Truckee River in drought years,

(Seney: Right.) or help supplement the Carson River (Seney: Right.) in drought years. That's why the division was built, the Truckee Division. So, so we know with the demise of the Truckee Division would be diversion, if it wasn't for the city. Because, its pretty hard to uproot a community of 19,000 people and growing (Seney: Right.) that needs that water. So, they saw that opportunity to go, to say, "You know what, Fernley we're not going to approve TROA unless you get off the canal." And, we've been fighting with this for ten years, back and forth. (Seney: Right.)

And, we nearly got to a solution seven years ago when the federal government came forward, mainly with Harry, Senator Harry Reid,⁴ and said, "How about it we build you a pipeline from the river to Fernley?" Well, it sounds good at first, (Seney: Yeah.) but then we got to thinking about not only, not only about the recharge—at that time we really didn't think about the recharge. It wasn't an issue (Seney: Yeah.) but,

4. Harry M. Reid served the state of Nevada in the U.S. Senate from 1987 to 2017. Senator Reid also participated in Reclamation's Newlands Series oral history project. See, Harry Reid, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interview conducted by Donald B. Seney, edited by Donald B. Seney and further edited and desktop published by Brit Allan Storey, senior historian, Bureau of Reclamation, 2013, [/www.usbr.gov/history/oralhist.html](http://www.usbr.gov/history/oralhist.html).

we got to worrying about what the physical environmental impacts of Fernley would be over a hundred years of that ditch going through there with water. And, you don't have to look very far Don. Just look beyond the canal, that direction, and you can see what Fernley (Seney: Right.) looked like pre-1903. (Seney: Right. Right.) 1902. So that . . .

Seney: Beautiful desert country?

Stix: Beautiful desert country. So, we were worried about that and things kind of came to a halt. We became a city. I became the first mayor.

Seney: Now, let me stop you and say I understand there were some, also discussions with the tribe at some point in the past of drilling wells right adjacent to the Truckee River, taking water that really would have been Truckee River water but then making some kind of an agreement. What happened to that?

Developing Water Supplies

Stix: Well, there's two things you can do in Nevada. Carson City does this. But, you have to have a certain amount of surface water flowing through the river to do it. They call them "rapid infiltration wells." Okay, and if you do get close enough to the river the state water engineer

recognizes that you can drill and draw that water and its getting a little bit of a filter, naturally, (Seney: Right.) but you still have to have water flowing through it. Okay? That was never really discussed with the tribe too much because you're still talking about taking surface water, diverting it down the Truckee River, and pulling it out of the ground (Seney: Right.) for whatever the state water engineer would determine. Acre for acre foot, I don't know how or what would come out, (Seney: Right.) but there's a little bit of a difference. (Seney: Right.)

What the tribe's issue was, because we were concerned about the canal, was they've got a tremendous amount of groundwater that's not connected to the Truckee River, okay, (Seney: Right.) that's actual recharge. If the Truckee River wasn't there, there'd be a certain amount of groundwater there. The state water engineer recognize it. (Seney: Right. Right.) Its not recharged by the river, but its way higher than the state water engineer would determine. And, that was one of the things that was put into the pot to sweeten it.

The problem is, we knew the state water engineer would not over allocate the basin. Okay, this is water the tribe's deemed as theirs, sovereign. Okay? The state water engineer has

no control over it. As a subdivision of the state of Nevada we couldn't go against the state water engineer. We'd still have to get the approvals to transfer it to Fernley, and if he said it wasn't there (Seney: Uh huh.) its not there.

Seney: No matter what the tribe said about it?

Stix: That's right. (Seney: Yeah.) They're claiming its their sovereign right to have that water, and state water law does not differentiate between a tribe's sovereign laws. (Seney: Right. Right.) Its there or its not there. And he's, and they act very much on the conservative, Don, (Seney: Right.) the state water engineer.

Seney: I understand. Yeah.

Negotiating with the Pyramid Lake Tribe

Stix: They don't want to get in the horrible thing of drying something up. So, that was their cue on the books and that was part of the deal. But, we never quite came into agreement, and then here a few years ago when Chairman Norm Harry⁵ was reelected as chairman things got a little tenser.

5. Norman Harry participated in Reclamation's Newlands Series oral history project. See, Norman Harry, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation oral history interview conducted by Donald B. Seney, edited by Donald B. Seney and desktop published by Brit Allan Storey, senior historian, Bureau of Reclamation, 2012, www.usbr.gov/history/oralhist.html.

TROA was starting to look like it was going to get closer to signed, and what have you, and the tribe really wanted to use this as an ability to stop the . . . [Tape Paused]

Seney: You said that when Norm Harry became tribal chairman things got a little more tense. Why was that do you think?

Stix: Well no. I, I'm sorry. Let me correct that. We started coming to the table more.

Seney: Oh, I see.

Stix: I think it was the timing with TROA.

Seney: I see. Okay.

Stix: No, I had some wonderful meetings with Bonnie Smith. Bonnie Smith and I got along great. Just saw her today, in fact, (Seney: Right.) in Fernley here. So no, and I get along with Norm. Our families go back years. (Seney: Right. Right.) My dad was practically raised out there. (Seney: Uh huh.) He was raised on a place called Quail Canyon, near Pyramid Lake. (Seney: I see.) So, we know each other. But when, it seems the timing when Norm became chairman that's when TROA was getting closer to closing, (Seney: Right. Right.) coming to fruition. So.

Seney: Well, there have been many threats about that.

Stix: Yeah. Yeah. (Laugh) So, the pressure was on.

Seney: Right.

Change in the Federal Administration

Stix: And, in the meantime things changed. The Bureau of Reclamation, with help thanks to Betsy Rieke,⁶ and I really think the change in the administration . . .

Seney: The national administration?

Stix: The national administration. There seemed to be this attitude that, you know, "We don't feel the way the tribe does. We don't, we think Fernley should get storage because they are the other municipality, water purveyor, that has water rights (Seney: Right.) out of the river." And, the canal should not be made as a, you know, the pivoting point. (Seney: Right.) And, that's

6. Elizabeth (Betsy) Rieke served as Assistant Secretary of the Interior for Water and Science under the Clinton administration from 1993 to 1996. Ms. Rieke also participated in Reclamation's Newlands Series oral history project. See, Elizabeth (Betsy) Rieke, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation oral history interview conducted by Donald B. Seney, edited by Donald B. Seney and further edited and desktop published by Brit Allan Storey, senior historian, Bureau of Reclamation, 2013, www.usbr.gov/history/oralhist.html.

exactly what the Bureau of Reclamation—Paul Taggart [spelling?] and I took a trip to Washington D.C., a very fast trip, met with Undersecretary Limbaugh, who was then acting when Gale Norton⁷ resigned, and we laid it all out and said, "We need that storage and we do not think the canal should be made a part of the deal, that we should have to give up the canal." And, he felt that way and told us that they would stand behind the state of Nevada, which the state of Nevada has taken up the same similar position.

Seney: How did you arrange that meeting with him?

Stix: It was so funny. Paul Taggart's [spelling?] secretary, at his office, called up the Secretary of the Department of Interior, and two weeks later they said, "Can you be here in a week, on a Monday, at four o'clock?" "We'll be there."

Seney: That's interesting, don't you think?

Stix: I was, I was, I didn't think we'd go. I didn't think. When we got the call (Seney: Yeah.) I was so excited. And actually I'm going, "Oh no, with this going on, stuff going on in Fernley and the ranch," I was like, "I didn't think we'd go."

7. Gale Norton served as Secretary of the Interior under George W. Bush administration from 2001 to 2006.

Now I got to go." (Laugh) At least, well it was three days. (Seney: Yeah.) A day going, a day there, and a day coming back. And, walking down the halls of the Interior Department was very humbling.

Seney: It's a very impressive building.

Stix: Well, its one of the oldest ones. It was intimidating. But, one of the things I was amazed at was at how empty it was. I was very, I was amazed. (Seney: Yeah.) And we walked down—you know, the wing is Science and Water on one side, and Lands and Geology, the Mines, on the other. (Seney: Right.) And, we went down that wing and we finally had to poke our head into an office, a little gal sitting there at the table, "We're here to see Secretary Limbaugh ." "Oh, hang on a minute." (Seney: Yeah.) You know.

Seney: Was he actually in the secretary's office?

Stix: I don't know.

Seney: Because its supposed to be one of the finest offices in Washington D.C., the Office of the Secretary of the Interior, their own private office.

Stix: Oh, no. No. No. He was in his wing, which was Undersecretary of Water and Science. (Seney: I

see.) He was in his wing, (Seney: Yeah.) which was at the end on the left. And, whoever's in charge of the B-L-M [Bureau of Land Management] and Mining was on the opposite (Seney: Right.) side. Right. No, he came from there with then Commissioner Keys⁸ was there, and then a couple of his deputies was there.

Seney: Ah. Do you know how you got this meeting, I mean, and why?

Stix: Well, we got the meeting to—we heard that there was a fundamental shift in the Bureau's position on Fernley and TROA, and the canal and the tribe.

Seney: In your direction?

Stix: In our direction. (Seney: I see.) And when we found that, it was recommended to us that we go back and see Mr. Limbaugh.

Seney: Who recommended that to you?

8. John W. Keys III served as Commissioner of the Bureau of Reclamation from 2001 to 2006. Mr. Keys also participated in Reclamation's oral history program. See, John W. Keys, III, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Brit Allan Storey, senior historian, Bureau of Reclamation, from 1994 to 2006, in Denver, Colorado; Boise, Idaho; Washington, D.C.; and Moab, Utah, edited by Brit Allan Storey, 2008, www.usbr.gov/history/oralhist.html.

Stix: Uhm . . . Betsy Rieke.

Seney: Was she helpful, do you think, in setting up the appointment, maybe?

Stix: I don't know. She may have been.

Seney: Yeah.

Stix: I mean, we told her we were going. We didn't know what day, other than we called her up and said, "We are leaving. (Seney: Ah.) And, we have an appointment (Seney: Yeah.) with the Undersecretary." But . . .

Seney: Well, you know, I think, and obviously you think too, it's unusual to get this kind of a meeting and usually somebody has to, you know, interject themselves and smooth the waters, so to speak, and I was just curious who that might have been?

Stix: Yeah. It was, it was . . .

END SIDE 1, TAPE 1. SEPTEMBER 20, 2006.

BEGIN SIDE 2, TAPE 1. SEPTEMBER 20, 2006.

Issues with the Tribe

Stix: Since then we've, that position's being maintained. It sounds like now the tribe has backed off and said, "Okay, Fernley can be in

TROA. The only language we want is that they have to abide by all state and federal laws, whether its treatment on the project or (Seney: Right.) delivery of the water." Which, we don't have a problem with. The snag-up right now is the tribe's attorney wants to put this enormous language of how you actually say, "We're going to abide by state and federal law." And, the Bureau's position is, "It's that simple. Abide by state and federal law." (Seney: Yeah.) We're kind of concerned, a cautious optimism right now is lingering with myself and the city attorney because I think we're going to be having these same discussions in a few months when we negotiate for the storage contracts. I think they're waiting to use those. (Seney: Ah.) Because we do. We have to negotiate now for a storage contract with the Bureau to store the water. So, we got those issues.

Seney: How much water do you think you're going to get to store?

Water Storage Opportunities

Stix: Well, the document has 10,000 acre feet written in it. Yeah.

Seney: For you guys (Stix: That's right.) to be able to store? Where?

Stix: To store . . .

Seney: At Stampede?⁹ Or . . .

Stix: We don't know which reservoir. (Seney: Yeah.) It's not particular about that. But, I always make people understand that we're not getting 10,000 acres of free water. We're just getting the right to store it in one of those (Seney: Right.) reservoirs. (Seney: Right.) We have to use our water.

Seney: Right. Right. And, how will that work? How will you get water to store up there? How does that work?

Stix: Well, instead of, in a good wet year, you know, we require 1.12 acre feet of dedication per home that hooks onto our system, but our homes really only use, over a course of a year, about fifty to sixty, seventy, .7, (Seney: Right.) .58 acre feet. We would take the balance of that and we would store it, (Seney: Ah.) into the, into the reservoir, and then when we needed it we'd go ahead (Seney: Right.) and (Seney: Right.) divert it.

9. Completed in 1970, Stampede Dam and Reservoir are major features of the Washoe Project in west central Nevada. The water storage capacity is 226,500 acre-feet which is reserved by court decree for fishery enhancement, primarily for the spawning of the endangered cui-ui, along the Truckee River downstream from Derby Dam and facilities operation of the Pyramid Lake Fishway.

Seney: So, this would be out of the flows from the (Stix: That's correct.) Truckee River?

Stix: That's correct.

Seney: It's, that are not, you're not going to be taking out down here, right?

Stix: Right.

Seney: So, that would be water then that would normally flow into the canal or infiltrate into the—and you're just putting it in a different place?

Stix: Well we're, we're guaranteed our acre foot allotment. We're guaranteed it at the head gate where it turns out into our plant, just like the farmer's guaranteed his acre foot at the field. Okay?

Seney: Oh, I see. Okay, now its clear to me.

Stix: See Don?

Seney: Its what's coming down the Truckee and turning into the Truckee Division?

Stix: That's right.

Seney: That's the 10,000 acre feet?

Stix: Right. That's why the tribe calls our recharge "losses," because the government has to come up with that water in the losses of the transportation. (Seney: Right. Right.) That's not part of our allotment. (Seney: Right.) The tribe wants those losses back in the river to go to Pyramid Lake, (Seney: Sure. Sure.) and those losses are our recharge because they don't count towards our (Seney: Ah.) four and a half acre foot per acre of water that we have.

Seney: So, this is all banked then against your—yeah.
[Tape Paused]

Stix: I'll get it.

Seney: I'll get it. No, I got it. (Door closes) So again, to make this clear to my thick skull here, the water you'd be turning out into the Truckee Division you're going to be storing upstream instead?

Stix: That's correct.

Groundwater Supplies

Seney: Did you get a net gain off of this then? Because, you have 8,500 according to the state engineer, and now you've got 10,000 acre feet, or will there be some transportation losses on those, the 10,000?

Stix: Well, when you say, 8,500 (Seney: Right.)
you're talking what I mentioned earlier?

Seney: Right.

Stix: That's groundwater. Remember its separate.

Seney: That stays?

Stix: Yeah. That's apples. Here's the groundwater. It stays. (Music playing) That's why we want to use the canal as our transportation mechanism to transport the water rights. (Seney: Ah.) Okay Don? Because we still get that net (Seney: Ah.) amount at the head gate and that's why the tribe wants us off the canal so bad. (Seney: I see. I see.) Because they'll get, if we got it in a pipe (Seney: Yeah.) we don't get those losses anymore. The tribe wants them. (Seney: Yeah. Yeah. Right.) They want them back in the river, (Seney: Right. Right.) to go down instead of going through the ground in here. Well, we want them to. Okay? Its always been a part. "We'll talk, but you're not telling us where our groundwater's going to come from when we quit using the canal. You need to mitigate that," and, they (Seney: Right. Right.) never would. (Seney: Right. Right.) Okay? So, but no we get, we get 10,000 acre feet stored. And, its just like our project water now, if we store 10,000 acre feet

and we need 3,000 of it for a drought we're going to get 3,000 of it delivered to our treatment plant (Seney: Uh huh.) in Fernley. (Seney: Uh huh.) Right.

Seney: Along with the groundwater allocation that you use?

Stix: That's right. (Seney: I see.) That's right. (Seney: I see.) Because we're going to be calling on that water through the canal. Okay? And, don't forget, Fallon, there's going to be a long time. I mean, the Bureau doesn't want to lose the project. (Seney: Right.) They don't want to see it blow away. (Seney: Right.) Well, Fallon still has the right, when they don't meet their target storage, in Lahontan [Reservoir] they can divert water (Seney: Right.) out of the Truckee. (Seney: Right.) So, there's still going to be water flowing through there, (Seney: And recharge your . . .) and recharging the Fernley groundwater basin.

Seney: Right. Right. Are you involved in any of these other plans to bring water in? I know there are a couple who bring some water into that area. Any of that going to accrue to your benefit here?

Possibilities for New Water Supplies

Stix: Don, its, it will. We've kind of been staying

back, keeping an eye on it, because a lot of it is (Seney: Right. Aquatrac?) Aquatrac. I know Tom Gallagher very well. He's given us two briefings on what he's doing and how things are coming along, but he's got a long process. He's got to convince the state water engineer now to open up that basin. (Seney: Uh huh.) See, he's got to, he's going to be asking the state water engineer to over-allocate the basin, but they're going to be doing it on good sound scientific data, that there is more water in that basin than what he has on his books, (Seney: Right.) meaning the state water engineer.

Seney: I understand that there's been a revision in how much water is in that basin?

Stix: Right.

Seney: Yeah.

Stix: But, Tom Gallagher still hasn't done all the scientific data to show the state water engineer, because I think its like, he's thinking a 100,000 acre feet.

Seney: That's a lot of water.

Stix: That's a lot of water.

Seney: Yeah.

Stix: A lot of water. But, nevertheless we're not going to shut our door to anybody. (Seney: Right.) Right now our developers, or the property owners, are responsible to bring the water for their project, but Tom Gallagher has asked us for a amount. We just haven't answered if there was an amount the city of Fernley could see that would . . .

Seney: Uh huh. That you would take?

Stix: That we would take.

Seney: Contract with him for?

Stix: That's correct. Yeah.

Seney: Yeah.

Stix: Yeah.

Seney: How, when you think you only say the 10,000 acre feet stored, and the eight-five, thousand, what kind of development does that permit you? What kind of a population?

Water Needs for Future Growth

Stix: It's been a . . .

- Seney: Are you looking at?
- Stix: We're probably going to be looking at somewhere around forty, forty to fifty thousand.
- Seney: And today, how many?
- Stix: We're at eighteen-seven.
- Seney: Eighteen-seven?
- Stix: Just shy of 19,000.
- Seney: Yeah. Yeah. And that, of course, takes into consideration the fact that you'll be adding some, some new businesses and manufacturers and what not?
- Stix: That's correct.
- Seney: By the way, does the Sherwin-Williams plant use much water?
- Stix: They're not one of our biggest water users but they do. They do (Seney: Yeah.) use some water. I would have to look now. (Seney: Right.) Quebicare, the printing company, they use a lot of water, believe it or not, for printing.
- Seney: That's interesting.

Stix: We used to have Mission Linen here, the linen uniform. They used a lot.

Seney: I'll bet they did. Yeah.

Stix: We really noticed it when they left. They put all their branches into Carson [City]. (Seney: Ah.) They just put everything into their Carson plant and shut the one down here in Fernley.

Seney: I see. Yeah. Well, that might be good in anyway, (Stix: Uhm-hmm.) in the long run? Might it?

Stix: Oh yeah. Yeah.

Seney: Yeah. Right.

Stix: They needed to update their technology for reuse you know. (Seney: Ah.) Mission was one of the oldest facilities out there.

Seney: And they weren't reusing the water much?

Stix: They were doing a little bit, but there's (Seney: Yeah.) a lot more reuse technology out there that probably would have helped. (Seney: Right. Right.) Quebikor has a huge reuse program that . . .

Seney: Does the state mandate that?

Stix: The reuse?

Seney: Yeah.

Stix: No. It's them, based on quality. Based on quality. (Seney: Ah.) Because see, they want to, they need a certain amount of quality of water and, in their product, and somehow in their reuse process if you got a lot of salt or a lot of those kinds of things in your water it can mess up your program. (Seney: Right. Right.) So.

Seney: So, I think at this point you feel pretty good about being able to get what you want out of this?

Cautiously Optimistic for a Favorable Result

Stix: Yeah. We're, we're . . .

Seney: You're smiling nicely. The tape won't show that.

Stix: Yeah. We're comfortable, but we want to, we want to cross our fingers (Seney: Sure.) because we've been through this with the tribe before and we just hope that, you know—I'll be frank and it sounded like earlier you could be, because some of my own philosophies—Chairman Norm Harry has said, from time to time, that he understands our issues and we just want to make things work

and what have you. I don't think he does and I would never say that I understand the tribe's issues, because I don't. I'm not one of them, Don. (Seney: Right.)

On the other hand, they do not have a water system and the economic, the issues that center around economic development, how important the city is, you know. I believe in free enterprise and the market will dictate the speed, but we have a lot to do if we bring it to a crashing halt, (Seney: Right.) you know, if we're not doing the right things and we're not taking care of, taking care of our infrastructure. But, I don't think Chairman Harry knows because they have not been faced with that, making sure that all their people are supplied and that they have good growth. (Seney: Right. Right.) And, I think there is a difference. There are issues about getting more water in the river are their own business and it goes back many years before I was even, my family was even in this country. So, I don't dare ever say "I understand the way they're feeling." I don't. And, they don't understand what we're going through. I think if it was us and Truckee Meadows . . .

Seney: It would be the same thing?

Stix: Well, we would understand a little bit more,
(Seney: Oh, I see what you mean) about each

other's (Seney: Yeah.) issues, (Seney: Right.) and what we're dealing with.

Seney: Right. Well, there's definitely a cultural (Stix: Oh yes.) difference? There's no question about it. (Stix: No.) In all my interviews with the tribal people that absolutely stands out, and that's one of the things, of course, from my point of view, I want them to express so those issues are understood in terms of this conflict.

Stix: You bet.

Seney: But, I take it—let me say that you must be, want to get this thing taken care of pretty quickly so the administration doesn't change on you, I would think?

Political Questions

Stix: Well, that's one of the things that are concerning us, but so does everybody, (Seney: Right.) because then there's going to be new people you have to train.

Seney: Exactly.

Stix: You know what I'm saying?

Seney: Yeah.

Stix: And, they're, everybody really wants to get this thing rocking and rolling, and it sounds like now we're okay as far as the federal. (Seney: Right.) It looks like its going to be signed. (Seney: Right.) But, the big thing is now we're going to have a new governor to sign it on behalf of the state.

Seney: Oh.

Stix: So, that one we do know. Its not going to be ready to sign by the end of the year, and either way we're going to have a new governor. Republican or Democrat we're going to have a new governor.

Seney: Of course, there's been so much continuity on the state's side with Roland Westergard (Stix: Oh yeah.) and whatnot, carrying all this through. I can't imagine, unless there's something dramatic that (Stix: No, there . . .) the governor wouldn't—and I would think the governor would want you guys satisfied more than they worry about the tribe because Senator Reid's worrying about the tribe. Wouldn't you look at it that way?

Stix: Well, you would hope to. (Seney: Yeah.) And so far we have not got an indication from the state. I know the state has really pushed hard for us to try to get our differences taken care of, and

we were prepared to go back to the table with mediation, (Seney: Right.) a paid mediator. But, that got stopped when the tribe finally said, "Okay, we'll agree to the language. We're just going to fight the battle at a different stage of the program (Seney: Ah.) down the road." I mean, we got two stages really, Fernley, to look at; a contract for the storage, and we're going to have to go through all the permitting to get our treatment facilities (Seney: Yeah.) near the—we already have a piece of property that's paid. In fact, I believe today it becomes ours. The escrow closes. But, its private property, not on federal land, and it already uses and existing takeout of the canal to deliver the water to other ranches.

Seney: I see. I see.

Stix: So, so we have that issue.

Seney: Senator Reid help you out on that?

Stix: No.

Seney: Offers were made, were there not, for a water plant for you guys?

Stix: Senator Reid, the only significant offer that we got was the offer to build the pipeline so we wouldn't have to use the canal. But, but no,

Senator Reid, their office has said, "If you need something for a treatment plant, come talk to us." (Seney: Right.) We're at the design stage now Don where if we need to, we're going to find out here in the next few months what its going to cost, (Seney: Right.) and then we're going to send it out to every delegator we know, (Seney: Right. Right.) congressional delegation, and say, "Here's our plant. Here's what its going to cost." (Seney: Right.) Because, you know, the main reason for this plant for '09 is for arsenic, (Seney: Right.) the Clean Water Act. (Seney: Yeah.) So, and we really feel that's a unfunded mandate and we're going to be really asking for help (Seney: Right.) building that.

Seney: Right. Well, I know Senator Reid did that for Fallon.

Stix: Right. Right.

Seney: To get the arsenic out of that water.

Stix: You bet. We're gonna, we're going to go ahead and push really hard to get some help on that and I hope it happens.

Seney: Let me ask you, why do you think, is it Bob

Pelcyger¹⁰ who wants the voluminous language that said that, that boils down to saying you guys will go along with all the state and federal laws?

Concern about Future Tribal Actions

- Stix: Well, I would be assuming because technically their attorney, that's supposed to draw the language, is Settlemyer [spelling?].
- Seney: Right. Don Settlemyer [spelling?], right.
- Stix: But I mean, Mr. Pelcyger, we know he's their consultant now (Seney: Right.) so I can't help but think he's a part of it.
- Seney: What's going on do you think? What's your suspicion? Why not just the simple language that the Bureau . . .
- Stix: I have no idea. That's why we don't want any—we don't want them to be in a process that they have never been a part of in the past. I

10. Robert S. Pelcyger participated in Reclamation's Newlands Series oral history project. See, Robert (Bob) S. Pelcyger, *Oral History Interviews*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews conducted by Professor Donald B. Seney for the Bureau of Reclamation, in 1995 and 2006, in Reno, Nevada, and Boulder, Colorado, 1995 interviews edited by Donald B. Seney and all interviews further edited by Brit Allan Storey, senior historian of the Bureau of Reclamation, 2013, www.usbr.gov/history/oralhist.html.

mean, and that's our concern that they're going to have a thumb on every process we go through now for building our treatment facility and what have you, and that's not the way its intended. (Seney: Right.) That's true that—the B-O-R [Bureau of Reclamation] has a trust responsibility to the tribe and, you know, what they claimed happened to the Truckee River when the Truckee Division was built, I mean my goodness the safeguards that are in place now for, you know, E-I-Ss [Environmental Impact Statement] and what have you, that's, you know, that's not our intention (Seney: Right.) to harm anything. So, I just don't know what the language is. (Seney: Yeah.) It's an attorney thing I guess. (Laugh)

Seney: Well, again, you must feel pretty good about this because you came kind of late to the process, really, of the TROA negotiations, and to be able to get pretty much what you, what you wanted is . . .

Stix: Well, Fernley was in there from the beginning. (Seney: Right.) I personally came along in '97. (Seney: Right.) I wasn't on the town board very long and they asked me, they had a resignation of the man on the town board that was involved in the law. (Seney: Right.) So, I was, I've been in part of it through, well Mervin Wright, they went through several chairmans. (Seney: Right.

Right.) Mervin Wright, Norm Harry, Allen Mandel [spelling?], Lonnie Smith, Norm Harry (Seney: Norm again? Right.) again. So. So, I've been there but its been a long process. (Seney: Right.) I mean, oh yeah, its outlived me, when I came along, (Seney: Right. Right.) definitely. But, Fernley was in there from the beginning, (Seney: Right. Right.) pretty much.

Seney: Well, anything else you want to add?

Stix: I don't think so Don.

Seney: Okay. Well, great. I appreciate it. Thank you very much.

Stix: You bet.

Seney: All right.

END SIDE 2, TAPE 1. SEPTEMBER 20, 2006.
END OF INTERVIEW.