

EXPLORATION, DEVELOPMENT, AND GREED: A CHRONOLOGICAL STUDY IN COLORADO RIVER PUBLIC POLICY

Abstract

Overdrawing water in arid Southern Nevada to support aggressive development requires a substantive re-balance of hydrological efforts with economic desires. Other environmental benefits will follow.

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This discussion is the second of a three-part series on water issues confronting those living along the Virgin River Basin 222 in the communities of Mesquite and Bunkerville.

The information presented is from a draft of a public policy book I am writing, which addresses the exploration, development, and management of the Colorado River within the context of public policy, primarily in Clark and Lincoln counties.

In Series One, I addressed how the rising demand from unrestrained growth has exceeded the overappropriated supply of water from that Basin.

Today, I deal with the use of millions of dollars of public funds gifted by government employees to a handful of individuals for publicly owned water originally appropriated to their ancestors in the 1927 Virgin River Decree for local irrigation, but presently unused for that purpose under the pretense of conservation.

To be clear, this is not research into the actual market value of water, as it requires an examination of tradeoffs, environmental impacts, resource availability, energy

economics, and applied econometrics, among other factors, none of which has been done.

Virgin River Decree (1927)

Virgin River flowing between Mesquite and Bunkerville Decreed water.

1927 Virgin River Decree Statistical Summary				
Statistics	Harvest Acres	(ft ³ /s)	Acre Feet	AcreFeet Yearly
Sum	1,963.14	48.66	14,213.22	
Average	16.92	0.42	122.53	7.239463
Median	14.45	0.35	104.63	7.240042
Mode	13.11	0.32	65.81	7.239544
Leavitt holdings	495.52		3587.6	
	25.24%		25.24%	
Hafen Holdings	43.84		317.41	
	2.23%		2.23%	
Mary Hafen interrelation holdings	663.72		4805.31	
	33.81%		33.81%	



Today's focus is on profiteering from the appropriation of publicly owned water granted to stockholders of the Mesquite Irrigation Company (MIC and the Bunkerville Irrigation Company (BIC) under the 1927 Virgin River Decree for irrigation.

The picture represents the locations of various MIC and BIC shares. It's essential to see that, for the most part, development has overtaken agricultural irrigation. When was the last time anyone saw large-scale alfalfa irrigation or dairy operations?

"Desert, semidesert, call it what you will. The point is that despite heroic efforts and many billions of dollars, all we have managed to do is turn a Missouri-size section of the West into a Nevada-size section. The feat has been wrought mainly with the aid of water."
 Marc Reisner, *Cadillac Desert* (p. 10)
 Kindle Edition

Uses of Water

The infographic 'Uses of Water' features a grid of 12 circular icons, each with a corresponding label below it. The icons are arranged in two rows of six. The top row includes: a person drinking water (Drinking), a blue fish (Aquatic Life), a person swimming (Swimming), a water fountain (Fountains), a person bathing (Bathing), and a construction site (Construction). The bottom row includes: a green plant (Plants), a factory (Industries), a person cleaning a floor (Cleaning floors), a person cooking (Cooking), a person washing dishes (Washing Utensils), and a person farming (Farming). A green infinity symbol is located in the top right corner of the infographic.

- *"The water of all sources of water supply within the boundaries of the State, whether above or beneath the surface of the ground, belongs to the public."*
[Nevada Revised Statutes \(NRS\) 533.025](#)

Just a reminder that when Nevada established its constitution, it recognized the public trust doctrine, and under that doctrine, the public owns all sources of water, ostensibly, as a public trust issued, appropriated, and delivered for beneficial use by the public.

Having worked in government at the local, state, and federal levels, and taught various Public Administration courses over a career spanning nearly 40 years, I am aware of the differences between government employees acting in the public's best interest and those who profit under the guise of serving a public trust function.

In this discussion, I will refer to activities performed by employees of the Department of the Interior's Bureau of Reclamation, the Southern Nevada Water Authority, and the Virgin Valley Water District.



It's impossible to discuss the local profiteering without referring to the work of individuals like Patricia Malroy in her effort to supply water to meet the growing demand in the Las Vegas Metropolitan Area.

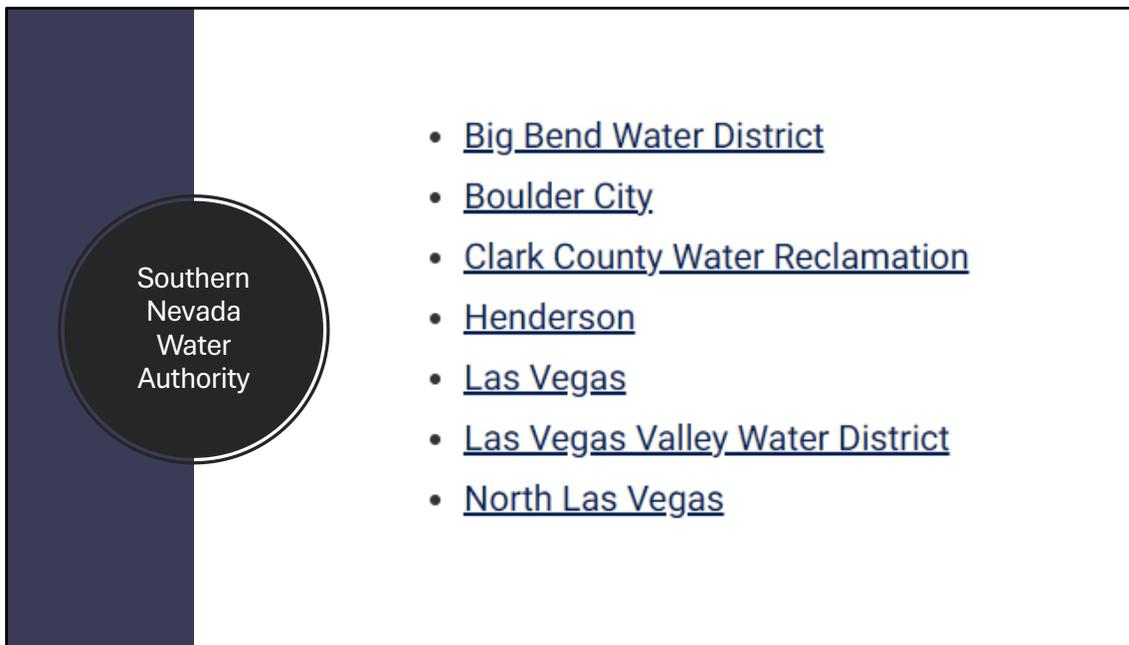
In 1989, the Las Vegas Water District appointed Mulroy, known as the Water Witch, to manage the water supply for the growing population. The Las Vegas Valley gets just four inches of rainfall yearly. Moreover, the depletion of the groundwater springs that once supplied Las Vegas had caused the land to collapse. And Mulroy feared that growth would require more water than was available.

Seven months into her tenure as general manager of the Las Vegas Valley Water District, she proposed pumping 50,000 acre-feet of water to the Las Vegas metropolitan area from Snake Valley, located northeast of the metro area, along the Nevada-Utah border.

Her plan called for spending \$330 million to divert 91,000 acre-feet of water from the [Spring Valley](#) basin, which comprises more than 100 springs located between the Snake Range and the Schell Creek Range in portions of Nevada's [Great Basin](#). In

simple terms, she was proposing the use of public funds to divert their publicly owned water from their original appropriations to meet the needs of the Las Vegas Metropolitan area.

Later, she would push the use of those dollars and more to pay for unused irrigation water appropriated under both the Virgin and Muddy River Decrees, considering it beneficial to the Las Vegas Metropolitan area.



Mulroy proposed the creation of a regional water authority as the government administrator and banker for her proposals. As a result, the Southern Nevada Water Authority (SNWA) was formed in 1991 to include the seven Water and wastewater agencies in the Las Vegas Valley. And Mulroy was appointed the SNWA's first general manager.

Once water resource areas were located, authorities would offer pay incentives to divert their appropriations to serve the SNWA market while promoting the effort as water conservation.



Virgin Valley Water District

Two years after creating SNWA, in 1993, Nevada state senator R. Hal Smith (R, Clark 2) introduced Bill Daft Request (BDR-S.B. 50) (amended in 1995) to create "a single government entity by combining the Bunkerville Water Users' Association and the Mesquite Farmstead Water Association" to combine them into the [Virgin Valley Water District \(VVWD\)](#) as a political subdivision of this State.

The legislators mandated that the elected Board of the VVWD "adequately and efficiently provide water service for the economy and well-being of the residents of the Virgin Valley area."

At that time, those forming the VVWD reported a total water share division of 64% for Mesquite and 36% for Bunkerville, mostly created from stockholder shares under the 1927 Decree.

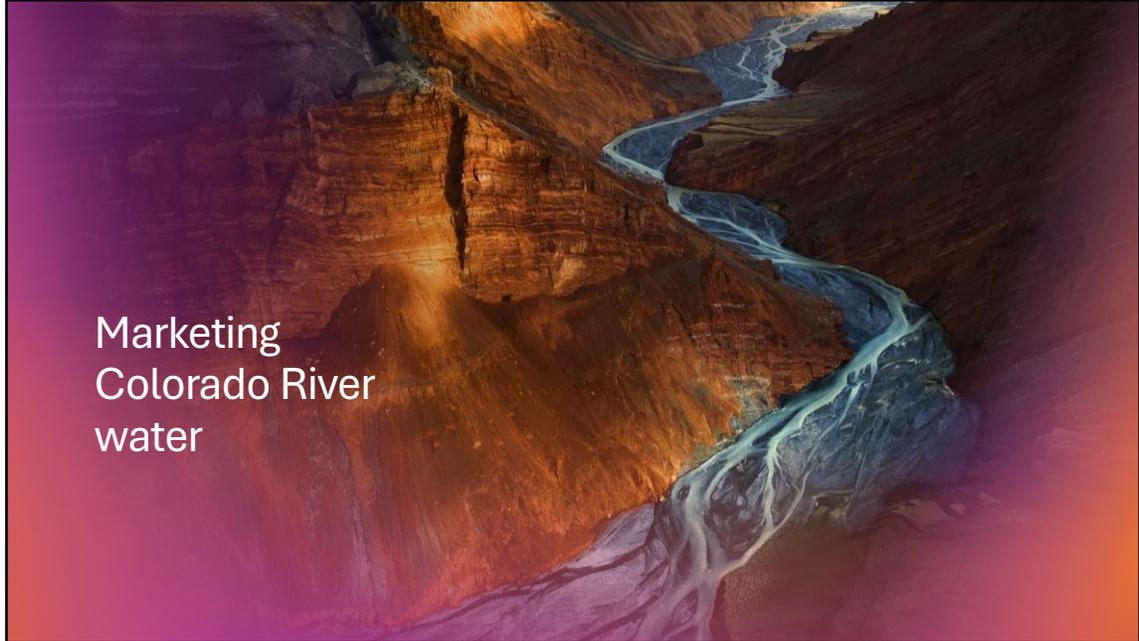


Also, in 1993, the Southern Nevada Water Authority Board of Directors, for Malroy, agreed to reimburse the Las Vegas Valley Water District for all costs incurred in acquiring water rights from the Virgin River, a tributary of the Colorado River.

Joe Bowler, and the Leavitts (Todd, Cecil, Vinnie, Katheryn, and Kenyon), along with Paul Jensen, Kraig Hafen, and Charlene Hughes, either directly or through family members received public funds from both the water board and SNWA for selling or leasing their unused Decreed stock shares.

In addition, VVWDB records suggest that family members associated with board members Harold Wittwer, Michael Waite, Robert Anderson, and Bill Tanner received VVWDB payments for their respective shares of Decreed Virgin River water.

Records do not show a direct or familial benefit for board members, Dave Bennett, Mark McEwen, John Paul, Ted Miller, Karl Gustaveson, or Robert (Bubba).



At the federal level, the marketing of Virgin River and Muddy River, (also a Colorado River Tributary), water began when Secretary of Interior Bruce Babbitt, a Clinton appointee, in 2001, signed a “Final Environmental Impact Statement (EIS)” for Colorado River Interim Surplus Guidelines,” allowing the Secretary of Interior to declare surplus water availability in Arizona, California, and Nevada through 2015.



SNWA payments for MIC and BIC
stock shares begin.

Four years later, during the June 7, 2005, VVWDB meeting, the Water Boards hydrologist, Michael Johnson, informed board members Kraig Hafen, Theron Jensen, Cecil, Kenyon Leavitt, and Dave Benett that the Southern Nevada Water Authority was in the process of purchasing 360 shares of Bunkerville Irrigation water from Dixie Leavitt for \$3,150 per acre-foot [8.75 acre feet per share].

And then, on July 21, 2005, the Southern Nevada Water Authority (SNWA) awarded the Dixie and Ann Leavitt Foundation \$11,686,500 for 350 BIC shares (\$33,900 per share), or at the official rate of 7.24 acre-feet per share, equaling 2,534 acre-feet, at \$4,611.88 per acre-foot.

Following the announcement on September 9, 2005, the Water Board paid Kelly and Karla Jensen \$126,000 for 4 BIC shares, amounting to \$31,500 per share. In acre-feet, four BIC shares amount to 28.96 acre-feet, resulting in a value of \$1,087.70 per acre-foot.

Then, in December 2005, the water board awarded the Marily Baier Trustee

\$94,500.00 for 3 BIC shares, also at \$31,500 per share. Three shares equal to 21.72 acre-foot, or \$4,350 per acre-foot.

Colorado River guidelines

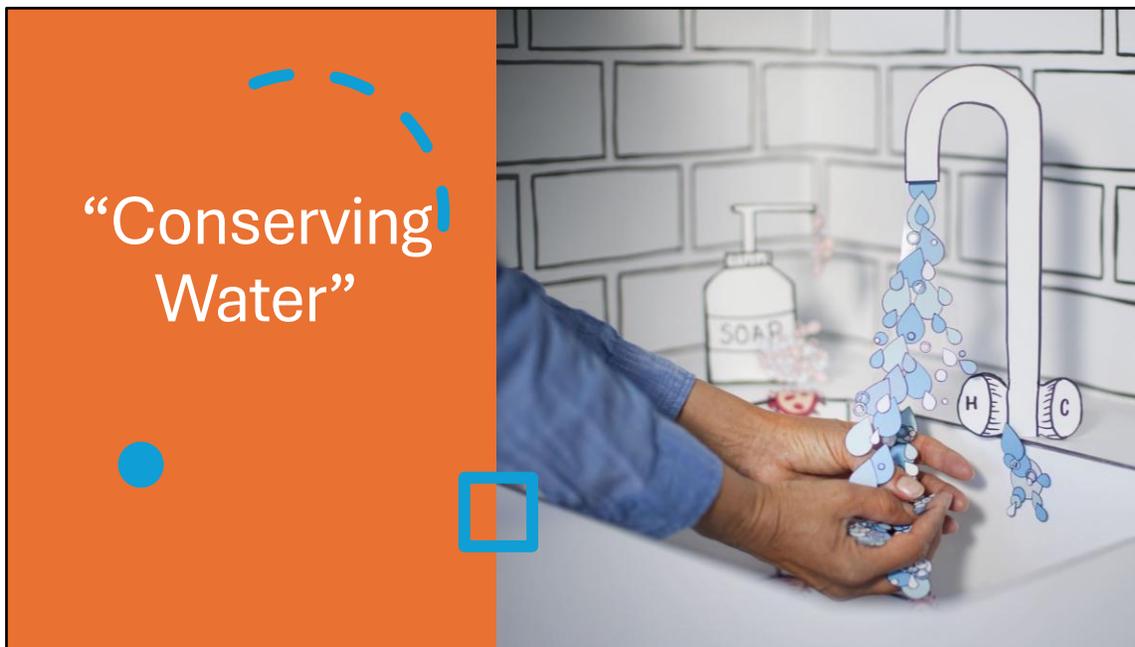


Then, two years later, on December 13, 2007, Secretary of the Interior Dirk Kempthorne, a George W. Bush appointee, signed the Colorado River **Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead Record of Decision (ROD)**.

The 2007 guidelines require compliance with the 2006 consolidated decree in *Arizona v. California* (547 U.S. 150), which enjoins the Secretary of the Interior from delivering water outside the framework of apportionments defined by law (i.e., the BCPA).

However, the guidelines allowed the Southern Nevada Water Authority (SNWA) and the Colorado River Commission of Nevada to enter into a Lower Colorado River Basin Intentionally Created Surplus (ICS) **Forbearance contract Agreement** to adjust the “surplus” water supply and demand issue and avoid Lower Basin shortages, which essentially allows them to take water outside appropriation limits.

In simpler terms, a pay-to-play contract under the guise of conservation.



The guidelines enable different types of conservation efforts.

System “Efficiency” ICS: allows SNWA, as the contractor, to account for the water “saved” (paid for) as an increase in Lake Mead.

Imported ICS enables SNWA to pay for non-Colorado River System water and claim its flow into the Mainstream as an additional accountable credit.

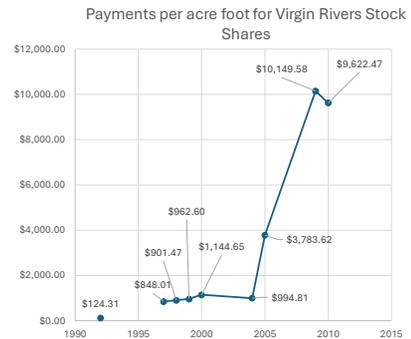
Tributary Conservation Intentionally Created Surplus (ICS): allows for the **development of** Muddy and Virgin River surface water rights with a priority date that precedes the BCPA (pre-1929 rights)

Tributary Conservation allows SNWA contracts, at public expense, for “unused” Decreed water from the Muddy and Virgin River Rivers if obtained before June 25, 1929 (the effective date of the Boulder Canyon Project Act of 1928).

Pricing variations for Virgin River water stock shares

Virgin Valley Water Distric Board price setting for Virgin River stock shares			
Years	MIC	BIC	Virgin Valley Water Distric Board Members
1992	\$900.00		John Lee, Crescent Hardy, J.L. Bowler, Todd Leavitt and Sam Reber
1996	\$6,000.00	\$8,287.30	Rebr, Hardy, Cecil Leavitt, Paul Jensen and Vinnie Leavitt.
2005	\$22,806.00	\$31,500.00	Kraig Hafen, Theron Jensen , Cecil and Kenyon Leavitt, and
2009	\$71,422.72	\$86,000.00	John Paul, Ted Miller (replaced Kraig Hafen), Kenyon Leavitt, Cecil Leavitt, Dave Bennett
2010	\$65,000.00	\$72,000.00	John Paul, Karl Gustaveson, Kenyon Leavitt, Ted Miller and Mark McEwen, who replaced Cecil Leavitt.

\$ 86,000 to Leona Tanner for 1 BIC share on 8/6/200. Both Bennett and Gustaveson were City Council appointees to the Water District



With profits from unused river water stocks in sight, and despite rising demand for cleaner groundwater for domestic use, stockholders on the Water Board continued to use public funds to pay for unused irrigation water, thus establishing a market value for that publicly owned but appropriated water.

Records show that the lowest price recorded for MIC water acquired when the District formed amounted to \$900 per share.

However, by 1996, Reber, Hardy, Paul Jensen, Cecil, and Vinnie Leavite had increased the market value of a MIC share to \$6,000 and the value of a BIC share to \$8,287.30.

When Kraig Hafen joined the board in 2005 along with Theron Jensen, Cecil and Kenyon Leavitt, and Dave Bennett, they had raised the market value of MIC shares to \$22,806.00 and continued to increase the value of BIC shares to \$31,500.00, as mentioned previously.

In 2009, Board members John Paul and Ted Miller, who replaced Hafen, Bennett, and the Leavitts, set the price of a MIC share at \$71,422.72 and increased the value of a BIC share to \$86,000 per share.

The board concluded purchasing Virgin River stock shares in 2010, at which time Paul, Karl Gustaveson, the Leavitts, Ted Miller, and Mark McEwen had lowered the value of a MIC share to \$65,000 and reduced the market value of a BIC share to \$72,000 per share.



Virgin Valley Water District Board Virgin River Decree purchases 1993 to to 2010			
Statistics	Shares	Purchase price	Price per share
Totals	549	\$12,159,670.86	\$22,148.76
Average	7.32	\$164,319.88	\$17,895.41
Median	1	\$12,000.00	\$12,000.00
Mode	1	\$8,287.30	\$6,000.00

By 2010, the board had spent \$12,159,670.86 of public funds allocated for domestic needs to acquire 549 shares of publicly owned but polluted river water, valuing each share at \$22,148.76 with an average of \$17,895.41 per share and a median value of \$12,000 per share.

The difference between the average and the median, the middle value, reflects the significant variation in pricing over time.



On November 17, 1994, and on January 1, 1996, the Nevada Legislators under N.R.S. §§ 77.074 and [277.120](#) authorized Mulroy for SNWA to enter into Forbearance Agreement contracts (as permitted under Section 5 of the Boulder Canyon Project Act of 1928).

That allowed her, in collaboration with the Department of Interior, to use public funds to pay for “Intentionally Create” Unused [public water] Appropriations (ICUA). Then, calculate the amount (minus evapotranspiration) that flows into Lake Mead.

However, development has overtaken historical areas of irrigation raising the question of compliance with the contract provision.

Southern Nevada Water Authority, purchases and Leases, of Bunkerville Irrigation Company stock shares purchases and leases and maintenance fees 2005-2023										
Statistics	Water Year	Shares Common	Cost Per Share Common	Shares Preferred	Cost Per Share Preferred	Total Cost	Spent	Term/Years	Acre Feet (7.23 af per share)	Total cost per acre
Totals	Years	8,648.00	NA	0	0.00	\$17,340,532.56	\$17,340,532.56	NA	62,525.04	\$277.34
Average		73.52	\$2,403.80	0	0.00	\$65,683.84	\$65,683.84	5.28	236.84	\$437.68
Median		7.00	\$1,483.01	0	0.00	\$9,630.40	\$9,630.40	3.00	50.61	\$205.12
Mode		1.00	\$1,816.00	0	0.00	\$1,816.00	\$1,816.00	10.00	7.23	\$251.18
Min	2009	1.00	\$934.20	0	0.00	\$1,203.80	\$1,203.80	1.00	7.23	\$129.21
Max	2023	250.50	\$80,056.23	0	0.00	\$742,286.94	\$742,286.94	10.00	1,811.12	\$11,072.78
Dixie and Anne Leavitt Foundation (Virgin River)	7/21/2005	350.00	\$85,621.30	NA	NA	\$11,686,500.00	NA	NA	2,534.00	\$4,611.88
Maintenance fee	2009-2023	NA	NA	NA	NA	\$940,420.75	NA	NA	NA	NA
Total		8,998.00	\$3,330.46			\$29,967,453.31	NA	NA	65,059.04	\$460.62

Data Source: Source: Bronson Mack, Media Relations & Public Outreach Manager, Southern Nevada Water Authority, filed at SNW Virgin and Muddy River Purchases and Leases, current 7-20-25.

SNWA payments to BIC stock holders 2005-2023

In 2005, SNWA provided the Dixie and Ann Leavitt Foundation with \$11,686,500 for 350 shares (2,534 acre-feet of previously used, but now polluted, Virgin River irrigation Water).

Additionally, they received \$ 2,014,954.99 for leasing 224.5 shares between 2009 and 2011. These totals were included in the overall SNWA share payments of \$17,340,532.56 to them and other holders of BIC stock shares, with a median value of \$9,630.40 for a 50.61 acre feet, with a term of 3 years

In addition, Bunkerville Irrigation Company received maintenance fees amounting to \$940,420.75 between 2009 and 2023

Therefore, in total, BIC stockholders and the Bunkerville Irrigation Company earned \$29,967,453.31 by selling or leasing 65,059.04 acre-feet of over time, bringing the per acre-foot value to \$460.62 per acre-foot or \$3,330.46 per share.

Southern Nevada Water Authority, purchases and Leases, of Mesquite Irrigation Company stock shares, purchases and leases and maintenance fees 2005-2023

Statistics	Water Year	Shares Common	Cost Per Share Common	Shares Preferred	Cost Per Share Preferred	Total Cost	Spent	Term/Years	Acre Feet (7.23 af per share)	Total cost per acre
Totals	Years	10,590.49	NA	0.00	NA	\$28,046,532.35	27,842,454.71	NA	76,569.27	\$250,531.39
Average		18.55	\$2,682.23	0.00	0.00	\$49,118.27	48,932.26	6.25	134.10	\$438.76
Median		5.00	\$1,183.62	0.00	0.00	\$7,251.86	7,101.72	8.00	36.15	\$163.71
Mode		1.00	\$1,620.00	0.00	0.00	\$1,620.00	1,620.00	10.00	7.23	\$224.07
Min	2008	0.33	\$933.40	0.00	0.00	\$368.17	368.17	1.00	2.39	\$129.10
Max	2023	391.25	\$71,422.72	0.00	0.00	\$8,020,103.08	8,020,103.08	10.00	2,828.74	\$9,878.66
Maintenance fee	2009-2023	NA	NA	NA	NA	\$890,000.00	NA	NA	NA	NA
Total		10,590.49	\$2,732.31			\$28,936,532.35	NA	NA	76,569.27	\$377.91

Data Source: Source: Bronson Mack, Media Relations & Public Outreach Manager, Southern Nevada Water Authority, filed at SNW Virgin and Muddy River Purchases and Leases, current 7-20-25.

SNWA payments to MIC stock holders 2009-2023

Those individuals holding stock shares in MIC received a total of \$28,046,532.35 from SNWA with a median value of \$7,251.86 for 134.10 acre-feet with a median value of \$438.76 between 2008 and 2023.

In addition, Bunkerville Irrigation Company received maintenance fees amounting to \$940,420.75 between 2009 and 2023

Therefore, in total, BIC stockholders and the Bunkerville Irrigation Company earned \$29,967,453.31 by selling or leasing 65,059.04 acre-feet of over time, bringing the per acre-foot value to \$460.62 per acre-foot or \$2,732.31 per share.

SNWA summary payments to BIC and MIC stock holders

Southern Nevada Water Authority, purchases and Leases, of Mesquite and Bunkerville Irrigation Company stock shares, purchases and leases and maintenance fees 2005-2023										
Statistics	Water Year	Shares Common	Cost Per Share Common	Shares Preferred	Cost Per Share Preferred	Total Cost	Spent	Term/Years	Acre Feet (7.23 af per share)	Total cost per acre
Totals	Years	19,238.49	NA	0.00	NA	45,387,064.91	45,182,987.27	NA	139,094.31	\$438.42
Average		23.04	\$2,590.25	0.00	0.00	54,355.77	54,241.28	5.95	166.58	\$176.94
Median		108.45	\$224.07	0.00	0.00	7,474.23	7,474.23	4.00	36.15	\$176.94
Mode		5.00	\$1,325.83	0.00	0.00	7,474.23	7,474.23	4.00	36.15	\$224.07
Min	2005	1.00	\$1,620.00	0.00	0.00	1,816.00	1,816.00	10.00	7.23	\$11,072.78
Max	2023	391.25	\$80,056.23	0.00	0.00	8,020,103.08	8,020,103.08	10.00	2,828.74	
Lonetti	2008	83.26	\$668,162.39			\$8,416,506.00			602.00	\$13,980.91
Maintenance fee	2009-2023	NA	NA	NA	NA	\$1,830,420.75	NA	NA	NA	NA
Total		19,238.49	\$2,891.81	NA	NA	\$55,633,991.66	NA		139,696.31	\$438.42

Data Source: Source: Bronson Mack, Media Relations & Public Outreach Manager, Southern Nevada Water Authority, filed at SNWA Virgin and Muddy River Purchases and Leases, current 7-20-25.

In total, in addition to the \$12,159,670.86 SNWA paid MIC and BIC stockholders, SNWA added \$45,387,064.91 to stockholders of MIC and BIC shares. They also gave Lonetti 8,416,506.00 for Virgin River certifications and gave another \$1,830,420.75 to MIC, BIC and the VVWD in maintenance fees.

In total, SNWA paid out \$55,633,991.66 to account for 139,696.31 acre feet of water at \$438.42 per acre foot or \$2,891.81 per share.

BIC Purchasing and leasing profits

SNWA payments to Bunkerville Irrigation Company stock share holders 2009-2023				
Active years	Shareholder family name	Paid	Acre Feet	Contract Type
2009-23	Bunker	\$8,300,107.34	33,926.78	Leases and Extensions
2009-23	Hafen	\$2,834,426.19	11,821.05	Leases and Extensions
2009-23	Leavitt	\$2,354,040.35	5,426.12	Leases, Extensions and purchase
2009-23	Bowler	\$1,772,412.43	7,403.52	Leases and Extensions
2009-23	Draskovich	\$770,445.53	1,684.59	Leases and Extensions
2022	Seeklus	\$497,072.38	50.61	Purchase
2022	Hardy	\$284,041.36	28.92	Purchase
2011-2020	Virgin Valley Water District	\$262,870.16	1,171.26	Leases, extensions and exceptions
2009-12	Roberts	\$81,549.44	231.36	Lease and extensions
2009-19	Faught	\$40,144.36	159.06	Leases and Extensions
2017-23	Haviland	\$28,550.34	151.83	Leases
2009-23	Perez	\$26,003.91	108.45	Lease and extensions
2009-23	Sandoval	\$26,003.91	108.45	Lease and extensions
2009-23	Brotherson	\$25,833.84	108.45	Leases and Extensions
2009-23	Jensen	\$23,342.46	93.99	Leases and Extensions
2013-14	American Bank of the North	\$10,896.00	43.38	Lease and extensions
2009	Houston	\$2,792.56	7.23	Lease
		\$17,340,532.56	62,525.04	

The Bunker family earned \$8,300,107.34 from SNWA between 2009 and 2023. The Hafen family came in second at \$2,834,040.35, and the Leavitt clan was third at \$2,354,040.35. Additionally, \$1,772,412.43 went to the Bowlers. Others received lesser amounts, with the lowest being \$2,792.56 for a single lease from the Houston family.

The Leavitts sold some stock shares as part of the \$2,354,040.35 take. Guy Seeklus that year sold 50.61 acre feet for \$497,072.38 or \$9,821.63 per acre foot and Peri Hardy in 2022 sold 28.92 stock shares for \$284,041.36.

MIC purchasing vs. leasing profits

SNWA payments to Mesquite Irrigation Company stock share holders 2009-2023				
Active years	Shareholder family name	Paid	Acres Feet	Contract Type
2009-2023	Hafen	\$11,267,785.60	51,124.69	Leases, extensions and partial purchase
2009	Burns	\$8,020,103.08	863.99	Purchase
2008 and 2022	Greenscope LLC dba Oasis Golf Course	\$1,960,936.16	220.52	Purchase and exception
2011-21	VWWD	\$883,927.44	4,927.05	Leases, exceptions and extensions
2017-22	NLH LLC	\$828,173.97	375.96	Purchase and Lease
2009-23	Rebrer	\$739,207.58	1,973.79	Leases and Extensions
2009-23	Lavett	\$637,972.68	2,231.61	Leases and Extensions
2009-23	Pollock	\$452,646.68	1,793.04	Lease
2009-23	Hughes	\$420,813.79	2,122.01	Leases and Extensions
2009-23	Black	\$396,439.20	1,562.10	Leases and extensions
2009-22	Drukovich	\$389,533.60	432.80	Lease, extensions and purchase
2009-23	Bowler	\$385,427.03	1,897.88	Lease and extensions
2009-23	Jensen	\$298,754.46	1,737.01	Leases and Extensions
2009-23	Stynes	\$230,244.00	\$1,884.50	Leases and Extensions
2009-23	Jones	\$197,076.48	\$656.12	Leases and Extensions
2022	Obsidian Real Estate, LLC	\$181,649.64	21.69	Purchase
2009-23	MIC	\$152,206.40	791.69	Leases and Extensions
2009	Eaton	\$130,817.85	13.25	Purchase
2009-19	Mass	\$88,764.20	397.85	Leases and Extensions
2009	Kumandy	\$71,422.72	7.23	Purchase
2022	Cowart	\$60,549.88	7.23	Purchase
2009-23	Faught	\$57,478.06	312.70	Lease and extensions
209-23	Lee	\$55,061.02	271.13	Leases and Extensions
2018-23	Overett	\$47,616.59	302.66	Lease and extensions
2018-23	Elliott	\$47,616.59	302.66	Lease and extensions
2009-2023	Fue	\$27,156.70	122.91	Lease and extensions
2017-23	Towson LLC	\$23,470.11	151.83	Lease
2009-23	Shaner	\$22,250.86	106.45	Leases and Extensions
2017-23	LDR Bishop Corporation	\$15,646.74	101.22	Lease
2013-23	Bethmann	\$12,801.17	78.53	Lease and extensions
2017-23	Stokes	\$9,779.23	63.26	Lease
2009-2012	Gleaves	\$9,320.69	28.92	Lease and extensions
2017-23	Boisford	\$7,823.37	50.61	Lease
2017-23	Woods	\$7,823.37	50.61	Lease
		\$28,046,532.35	76,549.27	

The Hafen family received \$11,267,785.60 for leasing and offering a partial purchase to SNWA for 51,124.69 acre feet divided between 2009 and 2023. Their two partial purchases brought in \$164,272.25 and on average they leased 412.03 acre feet for \$215.59 per acre foot.

In 2009, the Burns group partnership sold 863.99 acres of their stock shares to SNWA for \$8,020,103.08 or \$863.99 per acre foot.

In total MIC share holders earned \$28,046,532.35 for leases between 2009-2023



It was Colby Pellegrino, Deputy General Resources Manager for the SNWA, who outlined SNWA's pricing strategy during litigation between the owners of the Paradise Canyon Golf Course and the Virgin Valley Water District.

She alleged that SNWA does not attempt to predict where the market will go; instead, they were attempting to apply the time value of money (TVM).

Essentially, she was saying they were paying for water now because it would be more expensive later.

Understanding that money spent at present will yield returns more in the future assumes that ICS credits have a monetary value to SNWA investors, not just the sellers or lessors.

However, SNWA like the VVWD board bears the responsibility of ensuring that its investment of public dollars returns a measurable value for both individual investors in SNWA's water dealings.



On May 31, 2017, the Nevada Commission on Ethics addressed the issue of relationships among VVWDB members whose families benefit from leasing or purchasing water shares from the District.

The Commission issued an advisory opinion concerning the conduct of Board member Richard Bowler, whose family members benefit from leasing or purchasing water shares from the District. Bowler noted that the District's pricing determinations on water shares might have an impact on comparable market pricing for water shares owned by the Bowler family.

The Commission heard the matter on April 19, 2017, saying that Bowler must disclose the whole nature and extent of his familial relationships and the associated effect of any actions to be taken by Bowler in his official capacity on the interests of his family members and must abstain from participating in or acting on any official matters that specifically involve his family members and their water shares.

However, Bowler is not prohibited from participating or voting on District matters

that do not specifically involve his family members and their water shares, provided such matters do not offer a detriment/benefit to his family members that is greater or less than any detriment/benefit for other owners of water shares.



The price of a share of BIC water became an issue when on May 15, 2018, the owners of Paradise Canyon LLC, DBA [The Wolf Creek Golf Club](#), [filed a civil action \(A-18-774539-B\)](#) against the [Virgin Valley Water District Board \(VWVDB\)](#).

The Golf Club owners sought a jury decision on whether or not the publicly elected Water Board applies the covenant of good faith and fair dealing in setting irrigation water rates.

In this case, the VWVDB claims that the price of \$1,115 per share that SNWA is willing to pay to convert river water into domestic use in the Las Vegas metro area is the same for all users. The owners of Paradise Canyon claim that paying the traditional price of \$300 to use highly polluted River Water for local irrigation requires a different pricing model.

On June 5, 2023, the Jury concluded that when the owners of Paradise Canyon had a justified expectation that the local market around the City of Mesquite, on and after January 1, 2020, would exclude rates paid by SNWA, upon which the Water District based its increased price to \$1,200 per share. The Jury then set a fair rate of leased

irrigation shares at \$300 and awarded the owners of Paradise Canyon \$811,000 in damages.

On April 24, 2025, Nevada Supreme Court Justice Lidia S. Stiglich, with Ron D. Parraguirre and Linda Marie Bell concurring, gave the Virgin Valley Water District Board (VWVDB) in Mesquite, Nevada, **sole and absolute discretion to set the rental rate on irrigation water they delivered after January 1, 2020**, and by default giving the same rate-setting authority to SNWA authorities to divert the Water to Lake Mead.

Digging into this case is the subject of our next meeting.

Bio



Michael Manford McGreer retired from government service in 2006. He moved from his home in Northern Virginia to Mesquite, NV., to pursue his writing and lecturing career.

Mike taught graduate and undergraduate programs at the University of South Dakota, George Washington University, and Western Governors University.

He is the Past President of the Stuttgart, Germany, Chapter of the Armed Forces Communications and Electronics Association (AFCEA). He has Fifty-five awards and commendations, including an award for Exceptional Civilian Service from The Defense Threat Reduction Agency (DTRA) for his contributions to reducing Weapons of Mass Destruction (WMD).

Mike has worked extensively with members of the international intelligence community in activities associated with the strategic and tactical deployment of Command, Control Communications, Computer, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems. He also served as Chief Information Officer for the Defense Threat Reduction Agency (DTRA). The agency provides combat support, operations, and research and development activities concerning chemical, biological, and nuclear weapons of Mass Destruction (WMD).

He is the Past President of the Stuttgart chapter of the Armed Forces Communications and Electronics Association (AFCEA).

He has numerous articles published in online magazines and newspapers on federal policy and alternative energy strategies."

He stays current on public policy issues through collaboration in professional online discussions. He is the founder and managing editor of mesquateralliance.com

He is the author of "No Harm, No Foul," a fictional account of biological warfare in the 21st Century, and has authored historical and genealogy books. He is currently working on a public policy case study of water management along Colorado River Basin 34 Hydrographic Region No. 13, Basin 222, a tributary of the Southern portion of the Colorado River.

Mike holds a Bachelor's Degree in Criminal Justice Administration, a Master's Degree in Public Administration (emphasis on Public Policy analysis) from Boise State University, Boise, Idaho, and a Doctorate in Public Administration (emphasis on (Operations Research and Systems Analysis)from Nova Southeastern University, Davie, Fla.

He is married to Bonnie Jean LaJeunesse McGreer. They are the parents of one son, one daughter, four grandchildren, and four great-grandchildren. His recreation interests include motorcycle touring, classic cars, golf, genealogy, and travel.

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