

## A McCloud on the Horizon

Four years ago, at a foundation board meeting on our porch in the tiny Northern California hamlet of McCloud, Canadian water activist Maude Barlow gave an alarming presentation about the scarcity of fresh water worldwide and the coming conflicts over access to water. I admit, at the time this sounded far-fetched.

Little did I know that this issue would soon confront us right in McCloud. For years, Rod and I have gone to our second home just to hike, fish and relax. Now our backwoods adventures are mixed with community meetings at the Scout Hall and board strategy sessions by the wood stove at the local bookstore. Water politics has come to McCloud.

A former lumber company town, McCloud was founded in the 1880s, and retains the quaint character of an alpine mill town. Glacier-fed springs supply the 1,300 residents with drinking water so pure that it requires no treatment. When the McCloud River Lumber Company sold the houses and buildings to individual owners in 1965, they transferred their water rights to the McCloud Community Services District a Siskiyou County public agency.

Home at one time to the biggest lumber milling operation in California, but finally reduced to producing wooden pencils, the McCloud mill closed two years ago. Logging, once the mainstay of the local economy, is nearly nonexistent. A luxury dinner train, a restored Victorian hotel, old houses turned into bed and breakfast inns, and the stunningly beautiful location at the foot of Mt. Shasta have brought tourists and some employment in the past few years. But jobs in town are scarce, and many families have turned to public assistance.

Thinking to help the local economy, the Services District Board made a deal in October 2003 with Nestle Waters North

America, parent of Arrowhead, Calistoga, Perrier, Pellegrino and other bottled water companies, allowing the Swiss giant to tap the town's springs to build a water-bottling plant in McCloud. Nestle optioned the 250-acre site of the town's last remaining historic lumber mill.

Initially, most townspeople were open to the project, even if the District Board had overlooked the need for public hearings. But that was before copies of the Nestle contract began to circulate and the questions emerged. Standing up a 1 million-square-foot prefab plant in a town of wooden cottages? Unnecessarily knocking down the old mill, making McCloud a "historic mill town," as its promotional materials say...without a single historic mill? Access to 521 million gallons of water per year, plus an unspecified amount of surface water, for as little as \$300,000? Three hundred water tanker truck trips per day to and from the bottling plant? No environmental impact study of the consequences for the water table, fish or wildlife of extracting large amounts of water? No other beverage business allowed in town, not even a microbrewery, for the 100 years of the contract? Optimistic projections of job creation for the region, while water-bottling plants are mostly automated? And most startling, the guarantee that Nestle can buy McCloud's water at the same low price for a century.

Once the contents of the contract became known, a major brouhaha erupted. Residents formed "Concerned McCloud Citizens." In response to a suit they filed, a Superior Court judge ruled in March that the Services District had not followed due process and halted the Nestle contract until an environmental study could be conducted. The *Los Angeles Times* and *Wall Street Journal* came to town, and headlines shouted, "Plan to Sell Water Roils Town." Locals and



McCloud – at the foot of Mt. Shasta.

part-time residents chose sides. The *Mt. Shasta Herald* urged McCloudites to get on with the Nestle project, for the sake of economic development. The McCloud Land and Building Preservation Association formed, to save the old mill.

The locals joke that when McCloud was a company town, "Mother McCloud," as they called the McCloud River Lumber Company, took care of everything. The company maintained the houses, provided health care, even ran steam pipes from the mills to heat the buildings in town. In Nestle, some residents may see a new "Mother McCloud" – a giant company to take care of the town.

But in response to the water controversy, other McCloud dwellers are taking more responsibility for their economic future. They see that if attracting another "Mother McCloud" exacts the costs of the Nestle deal, the price may be too high. So there is ferment now in McCloud about how to bring about the same benefits to the local economy, but without Nestle. Several local women have started an independent bookstore, and I have recently joined them as a partner. A family has restored and reopened the old company store. Two community colleges have agreed to conduct woodworking classes in the vacant mill, if it is preserved, and there are dreams of manufacturing furniture there for the likes of Pottery Barn.

However the Nestle fight comes out, I hope it will have one lasting effect – that McCloud residents finally recognize that they are responsible for the future of their town. Ω

*With thanks to Malcolm Margolin, master of titles.*