



Record Searchlight

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McCloud residents fighting Nestle deal

Group wants more review of planned water bottling plant

By Alex Breitler, Record Searchlight
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MCLOUD -- Residents fighting a proposed water bottling plant in this old timber town are taking their case to court today, claiming that state environmental law has been violated.

Concerned McCloud Citizens -- a group composed of an unknown number of residents -- has filed a lawsuit asking a Siskiyou County judge to set aside an agreement allowing Nestle Waters North America to open a \$60 million plant.

Nestle and the McCloud Community Services District announced the agreement in 2003. Under the plan, Nestle becomes one of the district's customers, paying about \$45,000 a year for up to 1,600 acre-feet of water from springs that feed the McCloud River.

Claiming potentially serious impacts to the area's water supply and aesthetics, the citizens group argues that Nestle and the services district should have completed environmental studies before shaking hands on the deal.

The district "simply opted to skip" proper review under the California Environmental Quality Act, the lawsuit says. In doing so, the suit says, the district reached an agreement with Nestle that "irrevocably" commits it to the project while residents remain ill informed.

"There could be no clearer violation of CEQA," states the lawsuit, filed by Donald Mooney, a Davis-based attorney.

The hearing is scheduled for 1:30 p.m. at Siskiyou County Superior Court in Yreka. The judge will probably hear the case and give a written ruling within 90 days, Mooney said.

Pete Kampa, general manager of the services district, defended the deal.

"Our position has always been that we didn't know what the project was until we could come to agreement on price terms and conditions of a sale," he said this week.

The environmental reviews demanded by the citizens group are now under way by the county, Kampa said. A draft environmental impact report should be released this spring.

The McCloud plant would bottle Arrowhead Mountain Spring Water and eventually employ up to 240 workers. Nestle is purchasing the old California Cedar Products mill for its factory.

It is expected to open in 2006 and will draw water from a spring three miles north of the mill. Kampa has said that the water would amount to one-tenth of 1 percent of the annual average flows on the McCloud River and would be less than the old lumber mill used.

But residents are concerned about the length of the 50-year contract, which is renewable another 50 years after that. The bottler's maximum annual take would nearly equal the demand of the entire town, the lawsuit states.

That's enough water to cover McCloud in a 1-foot deep pool.

The plant would be Siskiyou County's third major water bottler. Crystal Geyser in Weed and Coca-Cola/Dannon in Mount Shasta also market water that starts as snow on Shasta's slopes and filters through the porous volcanic rock over many years, re-emerging in springs far below.

On top of its annual water purchase, Nestle will pay hundreds of thousands of dollars for hookup costs and community improvement projects.