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## State of California—Department of State.

I, FRANK C. JOHDAN, Secretary of State of the State of California, do hereby certify that a roll, consisting of

a certificate by the Chairman of the Board of Supervisors of the County of San Diego. State aforesaid, over the seal of said Board, setting forth the submission to the qualified electors of certain unincorporated territory within said county, known as Fallbrook Public Utility District, of the following proposition, to wit:

Shall Fallbrook Public Utility District | the organized under the provisions of the | TES | Public Utility District Act, approved May: 1521 - Statutes 1921, Chapter 560, | RO |

and showing that at the election held in said unincorporated territory on the 23rd day of May, 1922, there were 165 votes wammy cast in favor of and 13 votes cast against said proposition,

and

a copy of the minute order of said Board of Supervisors declaring the result of said election, as aforesaid, and setting forth the name and boundaries of said public utility district and the fact of the formation of said district under the provisions of Chapter 560, of the Acts of theregular session of the 44th legislature of said State, duly certified by the Clerk of said Board.

was this day filed in this office,

And I therefore certify that said district

has been duly incorporated under thename

PALIBROOK PUBLIC UTILITY DISTRICT

in accordance with the provisions of an Act entitled

3624

3626



## State of California—Department of State.

\*An act providing for the incorporation of public utility districts in unincorporated territory, authorizing such districts to incur bonded indebtedness for the purpose of the construction of works and the acquisition of property, and to levy and collect taxes to pay the principal and interest on bonds and for carrying on their operations, and providing for the powers, management and government of such districts, and imposing certain duties and functions in connection with such districts upon certain county officers. \* Approved May 31, 1921.

IN WITNESS MESSEOF, I have hereunto set my hand and caused the Great Scal of the State of California to be affixed hereto this State day of June, A. D. 1922.

Secretary of State.

Deputy.

Deput





### COPYRIGHT INFORMATION

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The Fallbrook Public Utility District felt it was important as part of celebrating its 100-year anniversary to produce a historical book. What stories are important in the history of a water agency? We felt the stories told in this book would help tell the stories of this community, and remind the public why they formed this agency 100 years ago.

When people first settled in this area, they didn't first look to create a local government to form a town, but rather to come together to form an agency to help them get water. The first priority was to obtain a reliable water supply. That was the beginning of the Fallbrook Public Utility District 100 years ago on June 5, 1922. Since then, the community has grown and the agency has grown to support it.

The development of a system to bring imported water into the community led to the growth of the agriculture-based economy that drove this community from its earliest days. Fast forward to 2022, the needs of the community have continued to change and water costs are playing just as big a role as water reliability in the future of our community. The rising cost of water has made it increasingly difficult for Fallbrook's economy to be based on avocados and agriculture in general. Imported water costs have escalated substantially over the past two decades. The district is focused on this challenge in the coming years. We are focusing on how to maintain reliable water supplies at a cost that also maintains agriculture and is affordable for the community.

We recognize that Fallbrook is unique in San Diego County, with a strong sense of small-town community that is lost in many other regions. We exist as an agency only because we were formed by the public we continue to serve. This book is meant to not only document the long, colorful history of the district but to show the long history of support from the community we serve — the community that has made every success identified in this book possible.

Jack Bebee, General Manager Dave Baxter, Board President Charley Wolk, Board Vice President



This book is made possible by the Board of Directors of Fallbrook Public Utility District (FPUD), who felt it was important to document the district's achievements on the occasion of its 100th anniversary, while also providing a historical resource for the community. Current Board Members include Dave Baxter, Jennifer DeMeo, Ken Endter, Don McDougal and Charley Wolk.

In addition to Board Members, I would also like to thank current and former FPUD staff members for their insights, including General Manager Jack Bebee, Public Affairs Manager Noelle Denke, and former General Managers Keith Lewinger and Gordon Tinker.

I would like thank to Martha Lennihan, who worked as FPUD's outside counsel for 23 years and used her legal expertise and patience to help me understand the legal complexities of the U.S. vs. Fallbrook case, including its historical roots in some of the unresolved water rights issues in the case, which stretched back to the 1926 lawsuit between Santa Margarita Ranch and Vail Ranch. I also very much appreciate Jeremy Jungreis for his insights as Camp Pendleton's legal counsel and water resources director during a critical period when the conjunctive use project was being negotiated.

I owe special thanks to Tom Frew of the Fallbrook Historical Society for his mentoring and for making the archives available to me during multiple research trips over the past year. Thanks, too, to Pat Saunders, also of the Historical Society, for her help in connecting

me with longtime Fallbrook residents with unique perspectives of the community.

I would also like to thank several current and former community members who have helped me gain insights into Fallbrook's history, including Jorgine Brause, the daughter of Franz Sachse, a former FPUD attorney and board member who served the district mostly in a legal capacity from the 1940s to the 1970s. Mrs. Brause provided me with original memorandums and other historical documents from her father for use with this historical project.

I also wish to thank Joe Naiman, reporter for the *Village News*, Lila Hargrove, CEO of the Fallbrook Chamber of Commerce, as well as Nile Peterson, a fourth-generation Fallbrook resident and longtime Calavo Growers employee, for their assistance.

In documenting FPUD and Fallbrook history, I have supplemented my interviews with information I have obtained from a variety of sources, including published reports, books, internal FPUD memos and reports and printed speeches. I have carefully referenced or footnoted every source, making it easy for anyone to retrace my steps.

My intent is to provide an easy-to-read book that covers the essential facts about Fallbrook, FPUD history and the district's ongoing efforts to provide sufficient water resources to nurture and sustain the community. Any errors of fact or interpretation are my own.

— Jeff Crider



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When Fallbrook Public Utility District was established in 1922, Fallbrook had roughly 800 people and several hundred acres of farmland irrigated by wells, mostly citrus and olive trees. FPUD, for its part, had all of 500 acres in the historic downtown area.

Today, Fallbrook is a bedroom community of approximately 35,000 people, though it continues to have a significant agricultural base that includes avocados, lemons and other subtropical fruits as well as cut flowers, macadamia nuts and other specialty crops, including coffee. FPUD, for its part, encompasses 28,000 acres or 44 square miles with more than \$440 million worth of water and wastewater infrastructure.

It's taken a century to reach this level of growth. It will quickly become apparent in reading this book, however, that the history of Fallbrook and the history of FPUD are tightly intertwined for it is impossible to nurture and sustain a community without water, especially one with an agriculture-based economy.

This commemorative book is an attempt to bring to life noteworthy events and milestones in FPUD history as the district has worked to provide Fallbrook with the water supplies needed to develop and sustain its economy for the past 100 years.

Providing Fallbrook with sufficient water supplies has never been easy, however, as this book reveals. For starters, even though FPUD is bordered by two rivers, the Santa Margarita River in the north and the San Luis Rey River in the south, the district was initially only able to tap these rivers during its earliest years.

While the San Luis Rey initially held promise when FPUD started pumping its waters into Fallbrook in 1939, Fallbrook quickly outgrew its 2,000 acre-foot per year allocation of San Luis Rey River water. In fact, after a few years of drought, falling groundwater levels and a lawsuit by the San Luis Rey Heights Mutual Water Company, FPUD was ordered to stop pumping water from the San Luis Rey River altogether in 1954.

Tapping the more formidable Santa Margarita River, for its part, proved to be even more legally perilous after the U.S. government purchased the historic Santa Margarita Ranch in 1942, which it used as the site for Camp Pendleton, the largest Marine Corps training base on the West Coast.

FPUD and Camp Pendleton initially shared the waters of the Santa Margarita River, even working out the details of a permanent water sharing agreement, which was widely publicized by the news media. Then suddenly, on January 25, 1951, the U.S. government filed suit against FPUD, and eventually more than 7,000 Fallbrook area residents, claiming the river's waters for Camp Pendleton.

Fortunately for Fallbrook, FPUD had the foresight to become a founding member of the San Diego County Water Authority, which enabled it to import Colorado River water to sustain local residents





Above: This truck was used by the Rodgers' family who farmed the open land on Alturas Road before FPUD's water treatment plant and Camp Pendleton were built. *Courtesy of Tom Rodgers* 



and farming interests beginning in 1948. FPUD, in fact, has relied on Colorado River water imports for more than 70 of its 100 years.

It's only been recently with the resolution of the sevendecade U.S. vs Fallbrook court case, the dramatic improvement in FPUD-Camp Pendleton relations, and the collaborative pursuit of a conjunctive use project completed last year that the waters of the Santa Margarita River can finally be used for the benefit of both FPUD and Camp Pendleton as originally envisioned.

Before delving into the highlights of FPUD's history, however this commemorative book paints a picture of what Fallbrook was like in the early days, how its agriculture-based economy evolved, and how its water needs grew in the decades leading up to FPUD's establishment in 1922.

With this in mind, the first chapters highlight Fallbrook's founding by the Reche family, its emergence as an attractive agricultural community as well as legal challenges facing the first Fallbrook Irrigation District, which was forced to dissolve in 1898.

Subsequent chapters describe the continued growth of Fallbrook's agriculture-based economy and its rising water needs. By 1920, Fallbrook's population had grown to more than 800, while growers had several hundred acres of crops under cultivation<sup>1</sup>.



A water tank stands on the land where the family of Tom Rodgers lived, worked and farmed. This is on Alturas Road, long before Camp Pendleton and FPUD's water treatment plant were built. *Courtesy of Tom Rodgers* 



They needed supplemental water not only for the Fallbrook townsite, but to develop its increasingly lucrative agribusiness economy.

Fallbrook Public Utility District (FPUD) was established in 1922 to bring water to the 500-acre townsite, while a new Fallbrook Irrigation District (FID) was established in 1924 to bring irrigation water to 10,000 acres of land.

By this time, Fallbrook had established itself as a prime location for olives, lemons and avocados.

FID failed to obtain needed financing to develop its proposed irrigation projects along the San Luis Rey River, however, and the district was forced to dissolve in 1937. FPUD then annexed 5,000 acres of FID's land and henceforth took responsibility for providing sufficient water to support rising domestic and irrigation needs in the greater Fallbrook area.

Faced with dramatically increased demands for water, FPUD became a founding member of the San Diego County Water Authority in 1944, with Colorado River water supplementing local supplies beginning in 1948.

A new chapter in Fallbrook's history would unfold during World War II when the U.S. Marine Corps purchased the historic Santa Margarita Ranch and established Camp Pendleton on the rolling hills west of Fallbrook.



The Marines were initially good neighbors and worked collaboratively with FPUD to develop plans for a dam and reservoir along the Santa Margarita River. The parties eventually agreed to share 20,000 acre-feet of stored Santa Margarita River water per year, with 12,500 acre-feet or 62.5 percent going to Camp Pendleton and 7,500 acre-feet or 37.5 percent, going to FPUD.

The U.S. government abruptly changed course in 1951, however, and hit FPUD — and eventually more than 7,000 other Fallbrook residents, ranches and businesses — with a lawsuit challenging their right to use Santa Margarita River water.

Fallbrook was suddenly faced with a David and Goliath-type battle against the U.S. government, which initially asserted that it had a "paramount right" to all of the water in the Santa Margarita River.

The resulting legal battle catapulted Fallbrook into the national consciousness with headlines from the *Los Angeles Times* to *The Saturday Evening Post* warning of a federal "water grab." The fear was that if the federal government was successful in taking Fallbrook's water, every other community in America could face a similar fate.

Charles M. Peters, an amateur filmmaker, created a movie in 1952 about the Fallbrook case, documenting the abuse of power by



Tom Rodgers' father operates a tractor on the open land he and his family farmed on Alturas Road. *Courtesy of Tom Rodgers* 



Above: Train tracks leading to and from Fallbrook suffered tremendous damage as a result of the 1916 flood along the Santa Margarita River. *Courtesy of the Fallbrook Historical Society* 



federal bureaucrats and the threat they posed to the American way of life. Cecil B. DeMille, the famed motion picture producer and director, provided a prologue to the film.

FPUD eventually won the legal battle, with an initial settlement in 1968 creating a two-dam "physical solution" on the Santa Margarita River. By the late 1960s and early 70s, however, the environmental movement was underway, and the resulting permit requirements, combined with escalating estimated costs and fractured political support, ultimately doomed the project. Meanwhile, tensions continued between FPUD and Camp Pendleton officials.

FPUD General Manager Gordon Tinker, himself a former Navy commander, came up with a new solution in the early 1990s that involved pumping water from the groundwater basin under the Santa Margarita River and recharging the basin with captured stormwater rather than building a dam and reservoir.

The concept, called a conjunctive use project, continued to gain traction after Tinker's departure in 1999 with the help of a new generation of leaders at Camp Pendleton and FPUD, which paved the way for new thinking and heightened interest in developing a water project that would benefit everyone involved.



A new settlement that spelled out the details of the conjunctive use project was finalized by the U.S. District Court in San Diego in 2019. The settlement effectively ends the nearly seven-decade court battle between Camp Pendleton and FPUD over the use of Santa Margarita River water — the longest running water rights dispute in California history

FPUD and Camp Pendleton relations have since come full circle, with leaders of both sides working cooperatively and collaboratively to share the waters of the Santa Margarita River and its groundwater basin in this new era of climate change.

Meanwhile, Fallbrook itself has changed. While agriculture is still a major component of the local economy, accounting for about a third of local water consumption, agriculture is no longer the sole economic focus of the community. In recent decades, Fallbrook has become more of a bedroom community with a mix of commuters, local merchants and home-based consultants who enjoy Fallbrook's rural atmosphere and small town feel.

Despite Fallbrook's considerable growth in recent decades, local residents have repeatedly defeated efforts to incorporate the community.

FPUD, for its part, has remained focused on keeping local water rates from skyrocketing out of control, not only to sustain local agribusinesses, but for the benefit of local ratepayers, who range from young families to retirees.

With this in mind, the district has announced plans to separate from San Diego County Water Authority to instead purchase lower-priced supplemental water from Los Angeles-based Metropolitan Water District through Eastern Municipal Water District. At the time of this writing, FPUD was awaiting approval from the Local Agency Formation Commission (LAFCO) to change its imported water supplier. If LAFCO allows FPUD to separate from the Water Authority and instead contract with Eastern for supplemental water supplies, FPUD would still have to obtain the consent of local voters before any changes are made.

One thing that has become apparent to me from studying FPUD's history is that the district is fiercely independent and protective of its customers, the people of Fallbrook. Joe Naiman, a *Village News* reporter who has covered FPUD since 1997, agrees with this assessment.

FPUD tries to be responsive to local residents, Naiman said, especially since the district is the primary government agency serving the Fallbrook area. "People trust FPUD," he said, adding, "FPUD is the local government."

While this book highlights many of the formidable challenges FPUD has faced over the past century, it also notes the district's achievements, which are significant. As FPUD commemorates its 100th anniversary, it has much to celebrate.

— Jeff Crider



#### FALLBROOK'S PENNSYLVANIA ROOTS

The first American pioneer to homestead land in the Fallbrook area was Vital C. Reche, who was born in Rochester, New York in 1828.

The son of a French Canadian pioneer with the same name, Reche grew up in New York and, in 1850, married Amelia D. Magee, whose family later developed a coal mining business after discovering the valuable fuel source along Fall Brook Creek, a tributary of the Tioga River in northern Pennsylvania.

In 1864, the Magees not only established the Fall Brook Coal Company, but founded the township of Fall Brook, Pennsylvania. They also built a railroad to transport coal to the cities of Corning and Watkins.

Vital and Amelia worked with Amelia's relatives in their coal mining and railroad businesses in the 1860s before eventually homesteading 160 acres of land in July of 1869 in Live Oak Canyon, in and around today's Live Oak Park, with their four children.

The Reches named their new home Fall Brook, after the coal mining township Amelia's family established in Pennsylvania. The Reches were subsequently joined by other family members, including Anthony C. Reche and Lt. Henry C. Magee, who settled their families on nearby land.<sup>2</sup>

Joan de Charmoilles Hinchliff writes in a 1961 study of the evolution of Fallbrook's agriculture that the Reches initially focused

on crops to satisfy their own needs, but soon identified agricultural commodities they could sell to generate income.

"The land near their homes in the valley was cleared of the large oak trees so that gardens, fruit trees, vines, and pastures could be planted to provide food for their own needs. Sheep grazed the nearby hills and their wool provided a cash crop. Some of the oak groves were treated as commercial wood lot; firewood was cut with Indian labor and transported to San Diego."

Beekeeping was also identified early on as a lucrative crop for the Fallbrook area and the Reche family was actively involved in producing honey, which they marketed as Fall Brook Honey.

"Beekeeping was quickly developed as a cash enterprise since the hills of San Diego County, covered with sage, buckwheat, and wild alfalfa, provided an excellent environment for apiculture," de Charmoilles Hinchliff writes, adding, "This bee industry was so profitable in Fallbrook that sheep, who consume and trample the brush, were limited in favor of production of honey. The honey from this district was noted as the choicest of Southern California wild honeys, and was shipped as far away as England and Germany."<sup>3</sup>



Above: A view of Fallbrook in 1887. Courtesy of the Fallbrook Historical Society.

Below: Vital C. Reche, standing, and his wife, Amelia D. Magee, sitting at left, are widely considered to be the first American pioneers to settle in Fallbrook, which they named after the Pennsylvania coal mining township that Magee's family had previously established. The son of a French Canadian pioneer with the same name, Reche grew up in New York state and married Magee in 1850. The Reches homesteaded 160 acres of land in Live Oak Canyon in 1869. *Courtesy of the Fallbrook Historical Society* 



Vital and Amelia Reche also established a hotel to accommodate other settlers as well as a stagecoach stop, a grocery store, and Fall Brook's first Post Office with Vital Reche being the first postmaster.<sup>4</sup> By 1882, California Southern Railroad had established a railroad line connecting San Diego with Temecula, with the Fallbrook Depot being located near the Santa Margarita River, at the intersection of today's Sandia Creek and De Luz Roads.

Hundreds of railroad workers were involved in building the railroad, "mostly Chinese men from San Francisco," according to Elizabeth Yamaguchi, a historian with the Fallbrook Historical Society who wrote about the area's railroad history in a July 17, 1994 article published in the *North County Times*.<sup>5</sup>

Trains initially brought rails and telegraph poles into the Fallbrook area. "Trains also brought people seeking land," Yamaguchi wrote, "and carried back to San Diego markets the produce of Fall Brook farmers: wheat, honey and wool. Newspaper correspondents from San Francisco and the East rode the line as it progressed and publicized Fall Brook farmers."

Unfortunately, locating the rail line near the Santa Margarita River proved to be bad move, especially given the river's history of flooding.

"The floods of 1883/1884 caused so much damage around Fallbrook Depot that merchants moved to the bluff above the river," Fallbrook Historical Society President Don Rivers wrote in a July 9, 1998 report published in the *Village News*. By the time the rail line was repaired, in 1885, a new settlement was established on the bluff — the site of today's Fallbrook.

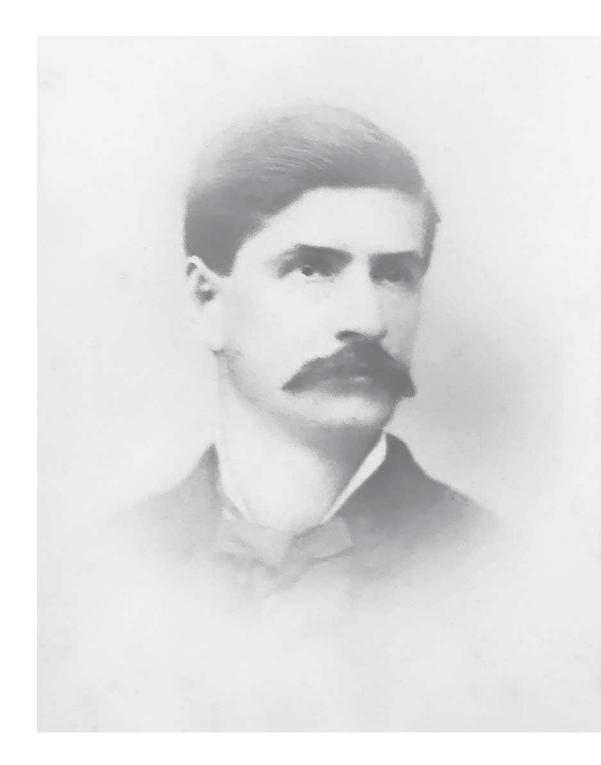
Some 400 people were said to be living in the Fallbrook area by 1885.<sup>6</sup>

"The town's promoters wanted to call it Fallbrook, but Reche already had the post office (Fall Brook) by that name, so town fathers had to settle for West Fallbrook," Rivers wrote.



Above: Street scene in Fallbrook in the late 1800s. *Courtesy of Ahrend Studios*Right: Vital C. Reche's son, Charles, became one of the largest beekeepers in Southern California.

Courtesy of the Fallbrook Historical Society





Reche's homestead was also surveyed to become a town, but it never developed and Reche's post office was discontinued in 1888 and moved to West Fall Brook, where it was called the West Fall Brook Post Office. The spelling was not changed to Fallbrook Post Office until 1950.

Meanwhile, the original Fall Brook township in Pennsylvania became a ghost town after the town's coal business died out in the late 1800s, Rivers wrote, adding that in 1900 Fall Brook's charter was annulled.

# A Time When Deer and Bear Were Plentiful

When the Reche and Magee families first settled in the Fallbrook area in the late 1860s and 70s, deer and bear were among the many wild animals that roamed Santa Margarita Canyon.

"At that time, bear and deer were plentiful," *The Fallbrook Enterprise* wrote in a March 24, 1911 historical report. "Deer were to be found in droves of 25 and more. The biggest bear ever killed so far as known was killed on the spot where Ridgley & Martin's store now stands. They were so numerous in the canyon where Santa Fe's magnificent Fallbrook depot with its Grecian style of architecture now stands, that it was unsafe to travel around that vicinity at night. There is now no longer any trace of a bear in this 'neck of the woods,' but each year a few deer are killed in the hills hereabouts."

A scenic view along the Santa Margarita River. Courtesy of Jeff Crider



#### **FALLBROOK'S FIRST IRRIGATION DISTRICT**

A Supreme Court case involving the first Fallbrook Irrigation District generates national headlines

While it didn't take long for early settlers in Fallbrook to appreciate the area's agricultural potential, they also recognized, like farmers elsewhere in California, that they couldn't depend on winter rains to irrigate their crops.

This was the case even in the late 1800s, when California experienced several exceptionally wet years. "One year 30 inches might fall and another only five, and in the short years there would not be enough to produce a crop to harvest," Don Rivers writes in an account of Fallbrook's early water history.<sup>7</sup>

Fallbrook residents voted 87 to 14 in favor of a ballot proposition establishing the first Fallbrook Irrigation District in March 1891. "There is a great rejoicing among the Fallbrook people," the *Los Angeles Times* wrote in a March 31, 1891 report, highlighting the majority of voters who favored establishing the district.<sup>8</sup>

"The soil is said to be especially adapted to the culture of citrus fruits, and as all of the 12,500 acres included in the district, with the exception of some 500 acres, can be supplied with water at a reasonable cost, the prospects are particularly encouraging to that section for the near future," the *Times* later wrote in a February 11, 1892 report.9

The first Fallbrook Irrigation District was established based on the Wright Act, an 1887 law approved by California's legislature, which gave local residents the ability to form irrigation districts to

support the development of local agriculture.

But while forming an irrigation district made sense to people who needed water for farming, some Fallbrook area property owners had land that was not well suited for agriculture. They petitioned to have their land excluded from the district so that they wouldn't have to pay tax assessments for an irrigation district whose water they didn't need. Rivers documents 15 lawsuits filed by Fallbrook residents who refused to have their property included within Fallbrook Irrigation District.

One of the petitioners was Maria King Bradley, whose 40 acres of land were sold by the district because she failed to pay an assessment on her property that was needed to form the district. Bradley's case generated national headlines because it initially prompted a federal judge to rule in 1895 that the Wright Act was unconstitutional — a decision that, if sustained, would pull the legal rug out from under every irrigation district in California.

"The decision of Judge Ross in the United States circuit court at Los Angeles, holding the Wright Irrigation law unconstitutional, is the worst setback California has received since hydraulic mining was stopped," *The Meriden Weekly Republican* in Meriden, Connecticut wrote in a July 25, 1895 report, noting that the decision could affect 1.5 million acres of California land and millions of dollars in bonds sold in financial markets in New York, Boston and Switzerland.<sup>10</sup>



Fortunately for irrigation districts across California, the U.S. Supreme Court re-affirmed the legality of the Wright Act in an 1896 ruling. But, upon further examination, Judge Ross determined in 1898 that Fallbrook Irrigation District itself had been illegally organized because the original petition to form the district "was not signed by sixty, or a majority of the holders of title or evidence of title to lands within the district, and that no notice of the presentation of the petition to the board of supervisors was ever published in accordance with the law."<sup>11</sup>

As a result, the first Fallbrook Irrigation District was disbanded in 1898.

Denver Oren Lamb, a Fallbrook pioneer and dry farmer who came to the community with his family in 1886, believed that the first Fallbrook Irrigation District failed because growers didn't support it. "In the case of the old Fallbrook Irrigation District," he said, "a non-agricultural people voted a bond issue on a rural population that had no choice. ... 90% of the land owners in the District were opposed to the District for the reason that things hadn't developed to the point where they needed water." 12

Left: Watkins Bros Livery Stable circa 1894. Courtesy of the Fallbrook Historical Society



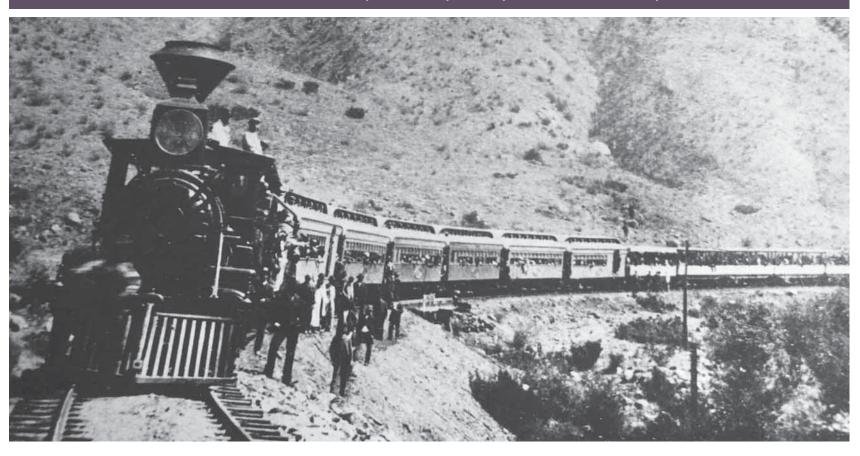
Above: The Hotel Ellis in Fallbrook in the late 1800s or early 1900s. *Courtesy of Ahrend Studio*s



Above: West Fallbrook in 1891. Courtesy of the Fallbrook Historical Society



Above: Students at Reche School in Fallbrook in 1889. Courtesy of the Fallbrook Historical Society Below: The California Southern Railway at Temecula Canyon. Courtesy of the Fallbrook Historical Society





#### A GREAT PLACE FOR CITRUS AND AVOCADOS

Honey and olive oil were also among Fallbrook's first successful cash crops

The lack of an irrigation district didn't stop Fallbrook growers from expanding their plantings of citrus and olive trees in the early 20th century, while continuing to expand the area's honeybee industry.

Fallbrook's allure as a favored location for citrus was cemented in 1913, when California experienced an exceptionally hard freeze. Citrus trees in Fallbrook, however, suffered minimal damage.

"During my 44 years in Fallbrook, I have seen but one frost which did any damage. That was in 1913. I think about 10 percent of the fruit was injured and the new growth was withered back about five or six inches," Fallbrook pioneer Denver Oren Lamb wrote in a 1930 court deposition, adding, "There was no injury to the trees." 13

Fallbrook's temperate climate made it particularly well suited for lemons, which are most sensitive to freezing weather. "A citrus association was formed in 1916 and a new packing house was built along the new railroad line and these contributed to the rapid development of citrus in the area," Joan de Charmoilles Hinchliff writes in a 1961 study of the evolution of Fallbrook's agriculture.<sup>14</sup>

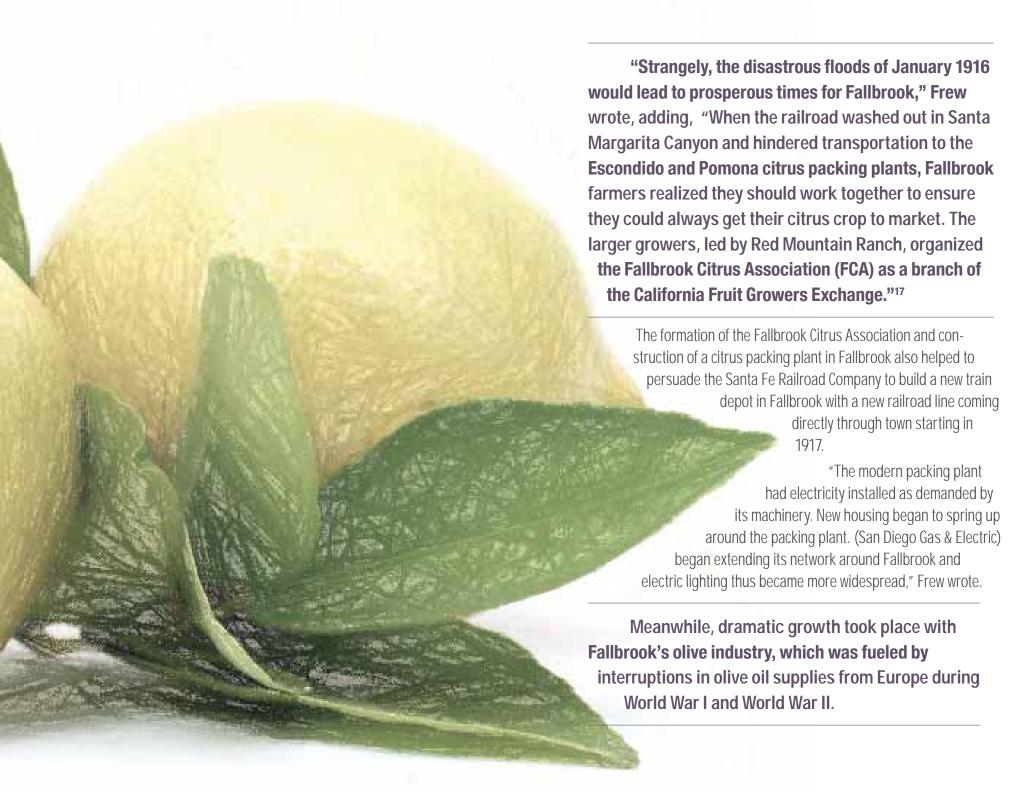
Fallbrook had about 100 acres of lemons and oranges in 1890 and 514 acres by 1895, with 384 acres of lemons and 130 acres of oranges.

# Total acreage devoted to citrus increased to 348 acres by 1915 and to 586 acres by 1919.15

Despite Fallbrook's favorable climate, de Charmoilles Hinchliff notes that citrus acreage in Fallbrook did not expand as rapidly as other citrus-growing regions of Southern California in the late 1880s, such as San Bernardino and Riverside, because of high transportation costs resulting from repeated washouts of the California Southern Railway line south of Temecula.

"The growers suddenly found it necessary in 1891 to transport their fruit by horse-drawn wagon to a railroad at Temecula, which increased their costs and discouraged many, and (led) to the abandonment of some groves," de Charmoilles Hinchliff wrote. "An additional factor which delayed large-scale planting at that time was the private well as the only source of irrigation water." 16

It wasn't until the floods of January 1916 that Fallbrook citrus growers finally banded together to form their own citrus marketing association and build their own packing house, said Tom Frew, a Fallbrook Historical Society volunteer who produced an article documenting the history of the Fallbrook Citrus Association.

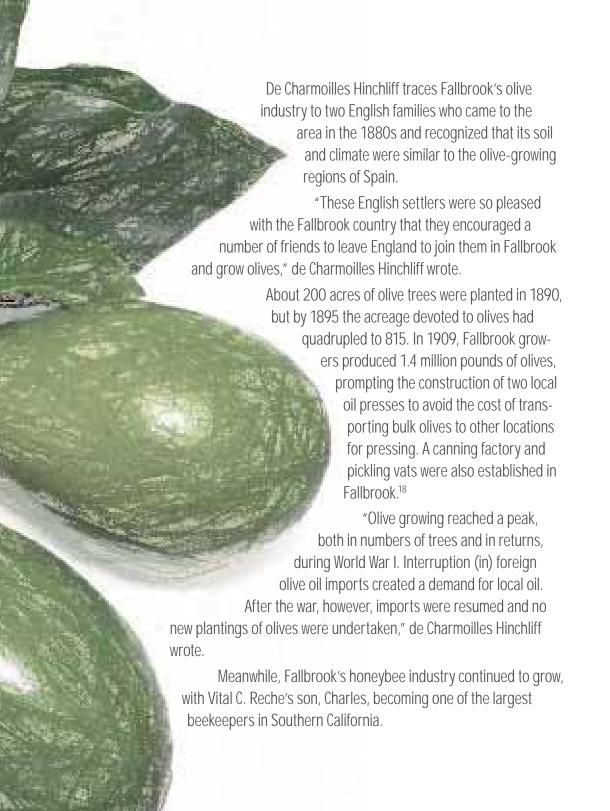




Above: Fallbrook's early citrus pickers loaded their lemons into wooden boxes like these. *Courtesy of Tom Rodgers* 



Above: Early citrus plantings in Fallbook. *Courtesy of Tom Rodgers* 



De Charmoilles Hinchliff, citing reports from The Fallbrook Enterprise, notes that Orange County growers started planting avocados in Fallbrook after hearing how Fallbrook area growers had largely escaped the freezes of 1912 and 1913.<sup>19</sup>

One of the best-known Fallbrook avocado growers was A. H. Anthony, who started his local groves in 1923. "During the 1920s, however, the acreage in avocados increased only modestly because of limited water supplies," de Charmoilles Hinchliff wrote.<sup>20</sup>

"During the 1920s," she added, "most avocado groves were planted to several varieties because the industry had not yet determined which were of commercial quality or which would meet various market timing requirements. However, even at this time the Fuerte was looked upon as probably the best variety. When it became evident in the 1930s that the Fuertes planted in this area did exceptionally well and the market began to welcome the appearance of Fuertes between October and May, the growers began to concentrate on planting this variety."<sup>21</sup>

Fallbrook area growers had some 1,500 acres of various crops under cultivation by 1924, Gloria Walls Seelye writes in her 2000 book, *Fallbrook: The Friendly Village.*<sup>22</sup>



#### A TALE OF TWO WATER DISTRICTS

The Fallbrook area was initially served by the second Fallbrook Irrigation District and by Fallbrook Public Utility District in the 1920s and 30s, but only FPUD survived

Fallbrook's early 20th century water history is the story of two water agencies, each of which was committed to securing the water Fallbrook needed to grow.

Fallbrook Irrigation District and Fallbrook Public Utility District spent their early years trying to secure water from both the Santa Margarita and San Luis Rey rivers.

Early news accounts do not explain why Fallbrook had two water agencies. By 1938, however, only Fallbrook Public Utility District was left standing. The following sections provide highlights of both water agencies' activities in the 1920s and 30s, as documented by local and regional newspapers and internal FPUD reports.

## Fallbrook Irrigation District

Fallbrook Irrigation District, formed in 1924, appears to have been the most aggressive of the two water agencies in the early days. Its focus was providing irrigation water to Fallbrook area farmers to support local agribusiness growth.

In fact, the organizing committee that set up Fallbrook Irrigation District was guided by legendary consulting engineer, Joseph B. Lippincott, and the district hired him to do its initial survey work in Santa Margarita Canyon.<sup>23</sup>

Lippincott was widely known by California water agencies in the early 20th century. He was also vilified by many, depending on their point of view. Lippincott consulted for the city of San Francisco and was involved in its efforts to build the controversial Hetch Hetchy Reservoir in Yosemite National Park. Lippincott subsequently played a key role in helping the city of Los Angeles with its clandestine efforts to purchase land and water rights in the Owens Valley, effectively stripping the valley of the water needed to grow its own agriculture-based economy.

Fallbrook Irrigation District's first major action took place in 1928 when it filed suit against Santa Margarita Ranch and 49 other defendants to condemn a dam site along the Santa Margarita River, according to a November 28, 1928 report in the Escondido Times-Advocate.<sup>24</sup>

"The irrigation district seeks title to 113.87 acres which are proposed as (the) eventual site of the dam to create a reservoir approximating the size of Lake Hodges," the *Times-Advocate* wrote, adding, "The flow of the river is estimated at 29,000 acre-feet, of which only 3,000 feet is said to be used by defendants. The plaintiff irrigation district seeks control of the 26,000 acre-feet believed to be wasted in the sea each year, or any amount over the 3,000 (acre-feet) used heretofore for the old system of irrigation."

The *Times-Advocate* noted that Fallbrook Irrigation District included 10,000 acres of irrigable land and that "impounding of water now wasted will bring the area into great productivity, adding to the wealth and assessable value of the county."

But Fallbrook Irrigation District's early efforts to obtain a dam site and water from the Santa Margarita River were impeded by a previous water-rights lawsuit between the Margaret R. Vail Ranch and Rancho Santa Margarita.

Vail Ranch filed suit against Santa Margarita Ranch in October 1926 to clarify its water rights from the river. But that didn't stop Fallbrook Irrigation District from moving forward with its plans to build along the river.

"The Fallbrook Irrigation District asks the right of the storm waters, claiming the water is only being wasted in the ocean and it is their plan to build a dam about a mile and a half north of Fallbrook and catch the water for later use," the *San Diego Evening Tribune* wrote in a September 4, 1926 report.<sup>25</sup>

"Attorneys for the Santa Margarita and Vail Ranches, who were the protestants, claimed the waters of the river were not enough to answer the needs of the ranchers, while the irrigation district set forth the claim an untold amount of storm water from the river was being wasted." <sup>26</sup>

While the Vail-Santa Margarita Ranch litigation continued, Fallbrook Irrigation District applied for a \$2.3 million loan from the nascent Public Works Administration (PWA), which President Franklin D. Roosevelt's administration created in 1933 as part of his "New Deal" to put people to work building roads, bridges, dams and other important infrastructure during the Great Depression.<sup>27</sup>

"If this loan comes through, Fallbrook will be unrecognizable in a very few years," the San Diego Union wrote in a March 11, 1934 report.<sup>28</sup>

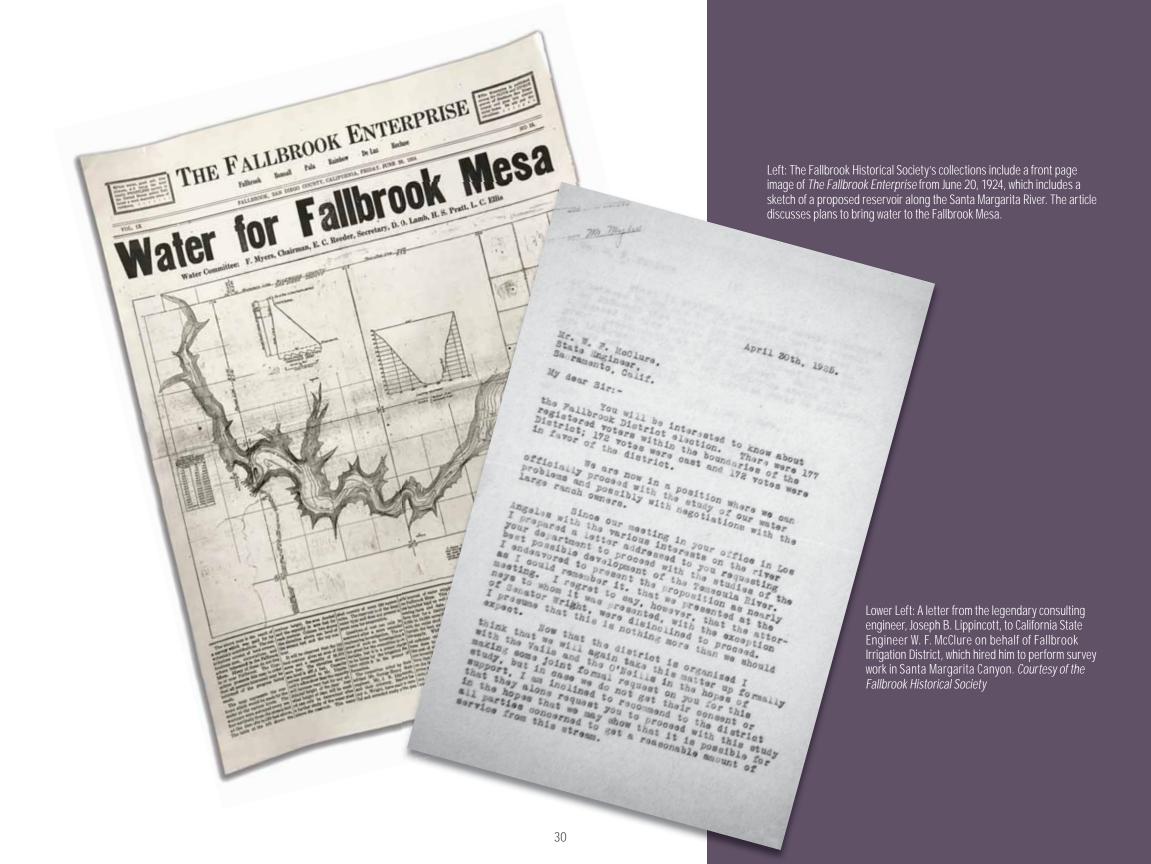
"The project contemplates a 240-foot earth and rock dam on the Santa Margarita River to impound 60,000 acre-feet of water for an irrigation yield of 15,000 acre-feet a year," Fallbrook Irrigation District President Dr. B.C. Davies told the *Union*. "This will take care of requirements on 16,500 acres of citrus-avocado land, due to our favorable soil conditions, and we have 10,000 acres within the district now."

Davies added, "This project will increase the population of the Fallbrook district five-fold at least, for many landowners do not live here because of limited irrigation water at present. The district now has no works and no bonded debt."

The PWA rejected the district's \$2.3 million loan request, however. District officials subsequently learned from the PWA that the federal agency would be more likely to approve a loan request for a smaller water project of roughly half the size of the district's original application.

Fallbrook Irrigation District responded by providing the PWA with an amended application for \$1 million in loan and grant funding for a water project on the San Luis Rey River.

"The district seeks to divert from the river 30 cubic feet a second by direct diversion, aggregating 10,000 acre-feet yearly, and 15,000 acre-feet a year from underground storage by pumping from a series of 10 wells from Oct. 1 to July 1 each season at a maximum rate of 500 cubic feet per second," the *San Diego Union* wrote in a December 11, 1934 report.<sup>29</sup>





Fallbrook Irrigation District officials also explored the possibility of securing supplemental water supplies from neighboring San Diego County communities, including Escondido, Vista and Oceanside. None of these communities were interested in sharing their water with Fallbrook, however. In fact, the city of Oceanside came to view Fallbrook as a threat to its water supplies from the San Luis Rey River.<sup>30</sup>

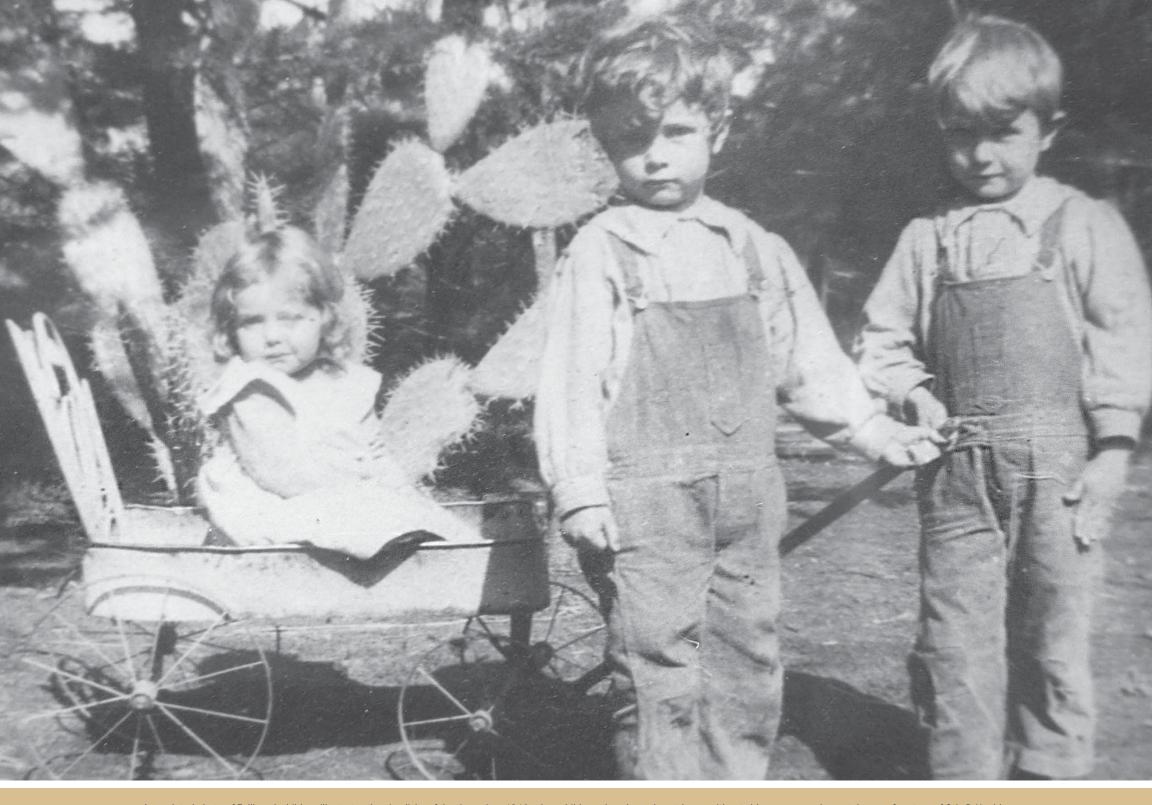
The PWA, however, also rejected Fallbrook Irrigation District's \$1 million request, according to a July 16, 1937 report in the *Weekly Times-Advocate*.<sup>31</sup>

By this time, a movement of ranchers favoring dissolution of Fallbrook Irrigation District was gathering steam. Fallbrook voters opted to dissolve the district in 1938 and its assets were acquired by Fallbrook Public Utility District.

Franz R. Sachse, who served as counsel to Fallbrook Irrigation District and later Fallbrook Public Utility District, noted in a speech that irrigation district officials took the initiative in proposing the annexation because of the value of the district's San Luis Rey River water rights.

"Bill Scott and Jack Owens of the Irrigation District decided that these applications were too valuable to allow to lapse, and proposed that when the Irrigation District dissolved, 5,000 of its acres be annexed to the Utility District, and the Utility District take over its applications," Sachse said. "To accomplish this required the consent of the landowners to annex. Jim Wayman did most of that leg work and we finally came up with a 5,000 acre District, full of holes and windows, but large enough to hope to develop a water supply." 32

Students gather in front of West Fallbrook Union Grammar School in the early 1900s. Courtesy of the Fallbrook Historical Society



An undated photo of Fallbrook children illustrates the simplicity of the time, circa 1940, when children played mostly outdoors, without video games and smartphones. Courtesy of Otis P. Heald

### Fallbrook Public Utility District

Fallbrook Public Utility District (FPUD) was incorporated on June 5, 1922 to provide water to business and residential customers in downtown Fallbrook, an area consisting of about 500 acres.<sup>33</sup>

FPUD started by supplying water to its customers from wells on the Fallbrook Mesa, but by 1933, the district was pumping Santa Margarita River water into its service area, according to early news reports.

"When the district was organized, we pumped from wells on the mesa," FPUD President Clarence E. Lamb told the *San Diego Union* in a March 11, 1934 report.<sup>34</sup>

"In 1925 we delivered 630,000 gallons. In 1932 we pumped 7,000,000 gallons from four wells and last year, the first year of our new system, we used just double that figure."

That "new" pumping system resulted from a bond initiative that local voters approved after FPUD obtained an agreement in 1932 from the corporate owners of Santa Margarita Ranch to pump "all the water Fallbrook needs from the river sands north of town," according to an April 22, 1932 editorial in the Weekly Times-Advocate.<sup>35</sup>

The agreement allowed FPUD to obtain 10 miners' inches of Santa Margarita River water for free, which amounts to about one half acre-foot per day.<sup>36</sup>

"The first high hurdle has been surmounted," the *Weekly Times-Advocate* cheered in its editorial. "The next will be to raise the money for construction of the pumping plant, pipe line, and purification equipment."

Three months later, on July 19, 1932, Fallbrook residents voted 191-3 in favor of a \$25,000 bond issue to build a pumping system to bring Santa Margarita River water into town. River water started arriving in Fallbrook proper in 1933, according to a March

11, 1934 report in the *San Diego Union*, which detailed the pumping operation:

"A year ago, the Fallbrook Public Utility District, serving 756 acres grouped around the town itself, began operating its new pumping plant in the Santa Margarita River bed. An electric turbine hikes out the underground water and sends it to a diesel booster plant, which lifts it 580 feet and drives it two miles to a reservoir above Fallbrook." <sup>37</sup>

FPUD President Lamb said the new pump and the installation of additional pipelines would enable the district to continue to expand its water deliveries. "We expect to deliver 20,000,000 gallons this year, which means better crops on every tract," he said, adding, "(Workers) now are installing more than a mile of eight-inch main to expand the utility district's distribution system."

FPUD also moved quickly in 1938 to not only take over the assets of the Fallbrook Irrigation District upon its dissolution, but to supplement Fallbrook's water supply with water from the San Luis Rey River.

News reports indicate the California Division of Water Resources was preparing to authorize FPUD to take up to 5,000 acre-feet of water per year from the San Luis Rey River in 1938. FPUD also purchased 80 acres of land on the Cooper Ranch for a pumping facility in November of the same year, according to a November 25, 1938 report in the *Weekly Times-Advocate*.<sup>38</sup>

FPUD directors voted to set up an election on December 14, 1938 for a \$150,000 bond initiative that would pay for an expansion of water supply and distribution facilities. The board also voted to annex 500 acres, expanding the district to 4,700 acres.<sup>39</sup>

Fallbrook voters subsequently voted 385 to 5 in favor of the \$150,000 bond initiative in the December 1938 election.

"A pumping plant, reservoir and pipe line will be built to supply the district with 2,500 acre-feet of domestic and irrigation water annually," the *Times-Advocate* wrote in a December 16, 1938 report. The plant was to be built on 80 acres of San Luis Rey Valley land that FPUD acquired from Cooper Ranch.

By the summer of 1939, a pipeline had been installed to bring water from the San Luis Rey River into Fallbrook.

"The first reservoir and well have been completed," the Weekly Times-Advocate wrote in a July 28, 1939 report. "The laying of a steel pipe line from the San Luis Rey River to Fallbrook is now progressing at a rate of 2,000 feet per day. By August 20, a modern diesel pumping plant will be operating and Fallbrook will have its first reservoir full of water."<sup>40</sup>

According to the Los Angeles Times, the reservoir had a capacity of 1 million gallons, which equates to just over three acre-feet, a tiny reservoir compared to FPUD's modern Red Mountain Reservoir, which holds 1,335 acre-feet.

Nevertheless, the completion of the reservoir and pipeline of water from the San Luis Rey River was heralded as the culmination of a half-century battle to obtain a supplemental water supply for Fallbrook.

"The success of that long struggle was celebrated on September 16, 1939, by a water day celebration at which Governor Culbert Olson made the principal speech of the evening," the *Weekly Times-Advocate* wrote in a June 14, 1940 editorial.<sup>41</sup>

This original bottle of Fallbrook olive oil from Frank Capra's Red Mountain Ranch is included in the collections of the Fallbrook Historical Society.

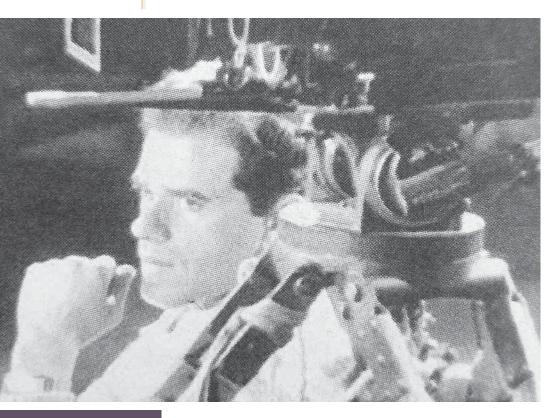
## Frank Capra, the Hollywood Director, Becomes a Part-Time Fallbrook Resident in 1939 and Later Serves on FPUD's Board

Frank Capra, the Academy Award-winning director known for "It's a Wonderful Life" and other film classics, joined Fallbrook's agricultural community in 1939 when he purchased 450 acres of the Red Mountain Ranch. The Italian-born director later purchased another 500 acres of citrus and olive groves and served on FPUD's board of directors from 1953 to 1955.<sup>42</sup>

Capra produced Fallbrook Olive Oil for several years, but his olive oil business suffered after the U.S. allowed imports of olive oil from Europe following World War II.

"The price of olive oil took a terrible skid because after World War II, the U.S. helped Greece and Italy by letting a lot of imports in, and we couldn't compete with it," said Capra's brother-in-law, Jim Warner, a retired developer who ran Capra's olive oil processing plant as well as Capra's other ranch operations. 43





Above: Famed Hollywood director Frank Capra lived part-time in Fallbrook beginning in 1939 and full-time from 1951 to 1961, when he relocated to the Palm Springs area. Capra served on the FPUD Board of Directors from 1953 to 1955. Courtesty of Fallbrook Historical Society

Capra, his wife, Lucille, and their three children lived parttime in Fallbrook until 1951, when they became full-time residents. "He continued to make movies even then," Jean Henshaw writes in an article titled "Fallbrook's Memento." "He made educational films for young people the first few years and later returned to directing Hollywood films, most notably 'Hole in the Head' with Frank Sinatra and 'Pocketful of Miracles' with Glenn Ford."44

Capra and his wife moved to the Palm Springs area in 1961. He sold his ranch in 1977, but donated 14 acres of his holdings, including the ranch house, to the California Institute of Technology, his alma mater, which used the facility as a retreat house for students, faculty, alumni and campus organizations. <sup>45</sup> Capra was also a sponsor of CalTech's filmmaking program. <sup>46</sup>

Capra produced some of Hollywood's most famous films of the 1930s and 40s, including "It Happened One Night" in 1934, "You Can't Take It With You" in 1938, "Mr. Smith Goes to Washington" in 1939, and "It's a Wonderful Life" in 1946.

Many entertainers visited Capra at Red Mountain Ranch, including John Barrymore (1882-1942) and his sister, Ethel Barrymore (1879-1959) and Lon Chaney, Jr. (1906-1973).

"In the early days of screen, actors and actresses under contract with the Hollywood studios were allowed to travel only 150 miles from the studio. Thus, this area became a popular destination," the Fallbrook Historical Society writes in one of its displays involving local celebrities.

Other celebrities have also had homes in Fallbrook at some point in their lives, including Earle Stanley Gardner, an attorney and best-selling author who wrote the Perry Mason detective series; Rita Coolidge, a Grammy award-winning singer; Martin Milner, an actor best known for his starring roles on two TV series, "Route 66," in the early 1960s, and "Adam 12," in the late 1960s through the mid-1970s; Rick Founds, a Christian singer and songwriter; Dode Martin, a professional drag racer; and Laura McNeal and T. Jefferson Park, both award-winning novelists. Fallbrook has also attracted its share of Major League Baseball stars, including Shane Peterson, a baseball outfielder for the St. Louis Cardinals; Edwin Donald "Duke" Snider, a baseball center fielder who spent most of his career playing for the Brooklyn and Los Angeles Dodgers; and Cliff Dapper, whose credits include playing as catcher for the Brooklyn Dodgers in the 1942 season.



#### THE SAN LUIS REY BECOMES FALLBROOK'S NEW SOURCE OF SUPPLY

Fallbrook's growth accelerates with San Luis Rey River water, but more water is needed.

Fallbrook's agriculture-based economy continued to grow through the 1940s, with avocados and lemons becoming the top crops.

"The soils and elevations of this District are unsurpassed for lemon and avocado culture, and the only factor limiting the further development and growth of the area is the need for water," the Fallbrook Public Utility District Board of Directors wrote in an October 1, 1948 report titled "Fallbrook's Water Problem."

The report detailed growth taking place in the Fallbrook area in the 1930s and 40s, noting the increased use of water for both domestic and irrigation purposes.

"Growth of Fallbrook was steady but slow until 1939 when the first major water development program was completed," the FPUD directors wrote, referencing the tapping of water supplies from the San Luis Rey River.

"Since then, growth has been greatly accelerated, increasing the last two years at a rate of nearly 50% per year. Water development has made this growth possible. Each successive water development has been utilized to fullest capacity to care for not only existing demands, but to extend new plantings which as they, in turn, matured and have multiplied the demand," the FPUD directors stated, noting a mix of water supplies that included "approximately 1,800 acre-feet per year" of Santa Margarita River water and 2,500 acre-feet per year of San Luis Rey River water with an additional 2,500 acre-feet "tentatively allocated to Fallbrook" under the same permit.<sup>47</sup>

"The District has been able to just take care of its 5,000 acres from year to year by the greatest of efforts. More detailed information as to the growth of the District is indicated by the fact that meter connections to Utility District lines have increased from 245 in 1940 to a total of 750 as of August 31, 1948. At the same time, there has been a marked increase in domestic connections as distinct from connections for purely irrigation purposes. This is indicated by the fact that, at present, 85% of all meter connections are meters of 1" or smaller."

FPUD directors also noted in their report that grower requests for annexation to the district increased as they began to exhaust their groundwater wells.

"Notwithstanding FPUD's efforts, the situation of these land owners outside present District boundaries remains critical. Without exception, the water level in private wells has dropped to a point where irrigation of these lands approaches not only economic but physical impossibility," the FPUD directors wrote, adding, "An



indication of the acute shortage can be obtained from the present list of requests for annexation to the Fallbrook Public Utility District. As of September, 1948, 86 individuals representing 86 parcels of land, totaling over 5,000 acres, have requested annexation. Due to the fact that the water supply of the District is presently inadequate for even its limited area, no action is being taken upon any requests for annexation at this time."

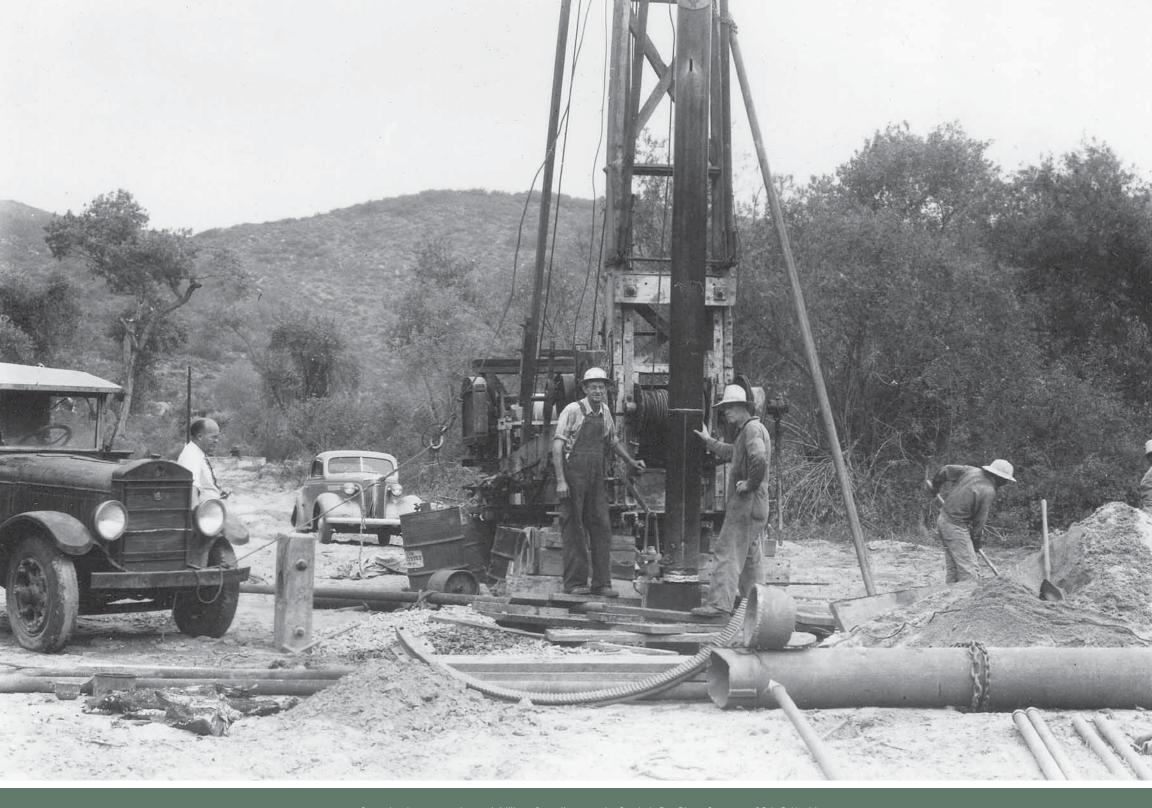
In fact, even without annexing additional acreage into the district, FPUD directors anticipated a 35% increase in water demand within the district's existing boundaries in 1949 as newly planted fruit trees matured.

"This increase represents not only the anticipated growth within the area," FPUD directors wrote, "but also the fact that large acreages of young plantings are coming into greater production, with proportionate increase in water use."

FPUD responded to these increasing demands for water by applying to the state Division of Water Resources for 30,000 acre-feet of Santa Margarita River water per year and by joining other communities across San Diego County in tapping imported water supplies from the Colorado River.<sup>48</sup>

Left: Willard Boren was general superintendent of Fallbrook Public Utility District from 1940 to 1980. He is pictured here in 1948 along the Santa Margarita River. *Courtesy of FPUD Archives* 







#### FPUD TAPS THE COLORADO RIVER

FPUD, a founding member of the San Diego County Water Authority, was the first North San Diego County community to receive Colorado River water, which arrived in Fallbrook in 1948

While the piping of water from the San Luis Rey River into Fallbrook was heralded in 1938 in a celebration that included California Governor Culbert Olson, Fallbrook still needed more water.

Indeed, just six years later, Fallbrook Public Utility District's consulting engineers and the district's attorney provided FPUD's board of directors with a report warning that even the combined waters of the San Luis Rey and the Santa Margarita rivers were not sufficient to sustain Fallbrook's growing agriculture industry.

"The primary object and purpose of the Fallbrook Public Utility District is the supplying and furnishing of water to the inhabitants thereof for domestic uses and not for irrigation purposes," attorney Shelley J. Higgins wrote in an August 23, 1944 report co-signed by consulting engineers Henry L. Wright and John Chase.

"From the present water facilities now owned and operated by the District on the San Luis Rey River and the Santa Margarita River, there is at the present time a sufficient supply of water available for all domestic use of the inhabitants of the District. There is not, however, a sufficient amount to care not only for domestic use, but also to furnish water for irrigation purposes to lands within the District now under the course of development. If the District proposes to continue its present plan of allowing water to be used for irrigation purposes within the District, then it is immediately necessary that an additional supply of water be secured."

Fortunately for Fallbrook, there was another potential source of water that would soon become available to San Diego County: Imported water from the Colorado River.

Many water agencies saw the Colorado River as a critical resource to sustain Southern California's growth and development, from the farm fields of the Imperial and Coachella Valleys to the ever-expanding cities along the coast from Los Angeles to San Diego.

Hoover Dam was constructed during the height of the Great Depression of the 1930s, along with some of the initial infrastructure needed to divert Colorado River water into Southern California.

By October 1939, the Metropolitan Water District of Southern California (MWD) had completed 242 miles of the Colorado River Aqueduct, which carried precious Colorado River water from Parker Dam across the Mojave Desert and through a 13-mile tunnel bored through the base of the San Jacinto Mountains from a point near Cabazon to an area near San Jacinto. By June 19, 1941, Los Angeles-based MWD had developed sufficient infrastructure to deliver Colorado River water as far west as Pasadena.



Communities across San Diego County, for their part, were also eager to tap into the Colorado River supply. Fallbrook Public Utility District joined eight other San Diego County cities and irrigation districts in calling for creation of a government agency that would have the legal authority to develop the necessary infrastructure so that it could purchase and distribute Colorado River water in San Diego County.

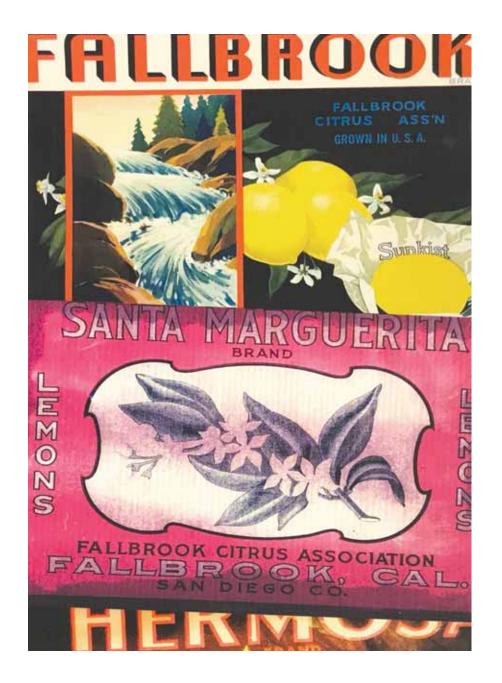
The urgency of creating a new countywide agency to purchase and distribute Colorado River water was also heightened after the Japanese attack on Pearl Harbor and the U.S. entry into World War II. San Diego quickly became a hub of Naval activity and its population nearly doubled to over half a million residents by 1943.

"This is the first time that there has been any encouragement to work in unison, but San Diego's doubling in population the last two years and the shortage of water supply in San Diego County makes it necessary for immediate action," State Senator Ed Fletcher asserted in a report published April 16, 1943 in the *Times-Advocate* in which he described legislation authorizing the creation of a San Diego County Water Authority.<sup>49</sup>

Left: Aerial view of Fallbrook, date unknown. Courtesy of the Fallbrook Historical Society



Above: Students line up for a photo promoting the Emily Johnson Duffy Ranch School, an all-girls school near Fallbrook that was previously known as the Lilac Ranch School. Courtesy of the Fallbrook Historical Society



San Diego County voters overwhelmingly approved establishment of the San Diego County Water Authority in May of 1944, with FPUD being one of the founding members of the Authority.<sup>50</sup>

The San Diego County County Water Authority eventually joined Metropolitan Water District in 1946 so that it could receive Colorado River water deliveries from the Los Angeles-based agency. But before that happened, President Franklin Roosevelt authorized the Navy to build a 71.5-mile aqueduct to bring Colorado River water from MWD's Colorado River Aqueduct near San Jacinto to the San Vicente Reservoir near Lakeside.

"The aqueduct was approved by President Roosevelt as an emergency measure because of San Diego's present total dependence on rainfall for its supply in back-country reservoirs," the Los Angeles Times wrote in a December 21, 1944 report.<sup>51</sup>

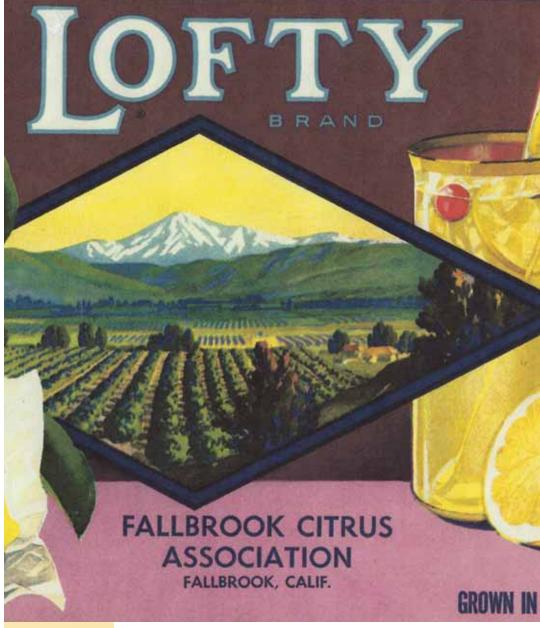
Another historical report noted that military installations and related war housing projects were consuming more than 50 percent of San Diego's water supply, which created "a problem of national importance." 52

Roosevelt encouraged the San Diego County Water Authority to collaborate with MWD on the use of Colorado River water, which they did.

Left: The Fallbrook Historical Society collections include several citrus packing labels from the Fallbrook Citrus Association. *Courtesy of Jeff Crider* 



According to a June 13, 1948 report in the San Diego Union, Fallbrook was the first North San Diego County community to receive Colorado River water. "The branch line from the San Diego Aqueduct was finished a month ago and Colorado River water has been in general use here since," the report stated.<sup>53</sup>



Above and Left: Images of citrus packing labels included in the collections of the Fallbrook Historical Society. *Courtesy of Jeff Crider* 



#### THE U.S. NAVY ACQUIRES SANTA MARGARITA RANCH

The U.S. Navy started to investigate the Santa Margarita Ranch as a potential site for U.S. military operations as tensions increased with Japan during the months leading up to U.S. involvement in World War II.

The San Pedro Pilot News announced the U.S. Navy's purchase of 8,000 acres of Rancho Santa Margarita land for an ammunition depot on May 8, 1941.<sup>54</sup> The Navy's initial purchase of Santa Margarita land took place just three weeks before President Franklin D. Roosevelt announced a national emergency and seven months before the Japanese attack on Pearl Harbor, which triggered the U.S. entry into World War II.

Less than a year later, in March 1942, the Navy announced its purchase of 120,000 acres of the historic Santa Margarita Ranch, which it planned to use to create the largest military training base on the Pacific Coast. After five months of construction, the Rancho Santa Margarita y Las Flores, which included San Onofre, became the largest Marine Corps training facility in the country.

President Roosevelt dedicated the base as Camp Pendleton on September 25, 1942 in honor of Major General Joseph H. Pendleton, who served during World War I and had long advocated the establishment of a West Coast training base. Indeed, before Camp Pendleton was established, the only Marine Corps training bases were located in Quantico, Virginia; Parris Island, South Carolina; and San Diego.

#### The Santa Margarita Ranch

Rancho Santa Margarita y Las Flores was the largest cattle ranch in Southern California, dating back to the days when California was part of Mexico.

The 133,000-acre ranch included 35 miles of coastline stretching from Oceanside northward into Orange County and westward across three mountain ranges, including portions of San Diego and Riverside County. The ranch also included several small lakes, rivers and streams, including the Santa Margarita River, which flows southwesterly from the confluence of Temecula and Murrieta creeks near Temecula to an area roughly three miles north of Oceanside, where it spills into the Pacific Ocean.

"The huge rancho was practically a principality," Cecil C. Moyer writes in *Historic Ranchos of San Diego*. <sup>56</sup>

In the early 1880s, when Fallbrook and other areas of northern San Diego County were first being settled, the *San Francisco Examiner* described the Santa Margarita Ranch as being filled with "rich and luxuriant" vegetation.

"Those who imagine San Diego a barren land should visit it now, while its wheat fields are in their glory, flowers in bloom, thousands of acres of wild oats waist high, waving on the uplands, and the valleys covered with a matted growth of alfileria so thick that it is with much difficulty that horses can get through them," the *Examiner* wrote in a May 1, 1881 report.<sup>57</sup>

One of the oldest buildings in California, in fact, is the Las Flores Adobe, which was built in 1868 and is now accessible as a museum on the grounds of Camp Pendleton. The National Park Service has documented the early history of Santa Margarita Ranch and the Las Flores Adobe, a National Historic Landmark that was originally part of the Las Flores Ranch, which included the San Luis Rey Mission.

"After Mexico won its independence from Spain in 1821, the Old Spanish missions became secularized administrative districts run by government officials," the National Park Service writes, adding, "The Mexican government split these districts up into large ranches and granted the land to prominent men, marking the beginning of the rancho era in Mexican history. Pío Pico, a member of the Alta California elite and the last Mexican governor of California, obtained Rancho Santa Margarita y Las Flores by grant of the Mexican government in 1841. The land grant was for 133,441 acres north of the San Luis Rey de Francia Mission and included the future site of Las Flores Adobe." 58

Pío Pico operated the ranch, but eventually ran into financial trouble and wound up selling the ranch to his brother-in-law, Don Juan Forster, in 1864, an Englishman who had become so enamored with the Spanish language and Mexican culture that he changed his name from John to Juan.

"A native of Liverpool, England, Forster led an adventurous life, traveling across South America and Mexico before arriving in California, where he married Pío Pico's sister, Ysidora, in 1837," the National Park Service writes. "The family resided in the San Juan

Capistrano Mission, where they ran a successful horse and cattle ranch until President Lincoln returned the mission to the Catholic Church."<sup>59</sup>

Sometime after purchasing Santa Margarita Ranch from Pío Pico, Forster planned to bring in settlers to develop the ranch for raising everything from livestock to a variety of fruits, vegetables and grains, according to the *San Francisco Examiner*.<sup>60</sup>

"At present (Don Juan) is keeping upon his rancho about 40,000 sheep, 4,000 cattle and 1,500 horses. Of the 145,000 acres of land, the rancho could be divided about as follows: 100,000 acres upon which various kinds of crops could be raised, including potatoes, corn, wheat, barley, grass fruits and dairy produce. The remaining 45,000 acres is first-class grazing lands, upon which grass, wild oats and alfilenia grow luxuriantly."61

Forster's development plans never really came to fruition, however. He gave the ranch to his son, Marco, who built the Las Flores Adobe in 1868 and lived there with his family for 14 years. After Don Juan Forster died in 1882, Marco sold the adobe and the ranch to Richard O'Neill and James L. Flood, whose descendants formed the Santa Margarita Company.

The Santa Margarita Company made headlines in October 1926, when it filed suit against the Vail Ranch over the use of water from the Santa Margarita River.

"The Santa Margarita Company claims prior rights to the waters of the Santa Margarita River and that claim is now being contested by the Vail interests in what promises to be one of the longest drawn-out and most expensive lawsuits in the history of California," the *Los Angeles Times* wrote in a June 17, 1928 report, adding, "In January, 1927, the defense began to offer evidence, and a year later was still at it. More than 29,000 typewritten pages had then been introduced in the transcript of evidence and 1,315 exhibits of various kinds had been received and filed."



The lawsuit would eventually last 14 years until it was finally settled in 1940, with the judge divvying up all of the waters of the Santa Margarita River, with one third going to the Vail Ranch and two thirds going to Santa Margarita Ranch.<sup>63</sup>

The problem, of course, is that the 1940 settlement failed to take into account the other water rights claims of every other individual and entity with an interest in Santa Margarita River water — a fact that would later come back to haunt everyone with an interest in Santa Margarita River water, including Fallbrook Public Utility District, Camp Pendleton and the U.S. government.



Above and Left: Scenic views of the Santa Margarita River. Courtesy of Jeff Crider



#### FRIENDLY NEIGHBORS

The U.S. Navy and Fallbrook Public Utility District held widely publicized discussions from 1942 to 1950, focusing on construction of a multi-use dam and reservoir along the Santa Margarita River that would provide water for both Fallbrook and Camp Pendleton

In June of 1942, two months after the U.S. Navy announced its purchase of Rancho Santa Margarita, Fallbrook Public Utility District engaged with the city of Oceanside to build a multipurpose dam along the Santa Margarita River that would serve everyone's interests.

"The dam would provide water for Fallbrook, Oceanside, the Naval ammunition depot and Camp Pendleton, new Marine camp on the Santa Margarita Ranch, and also would provide flood and silt control as well as a lake for sea planes and marine boat training," the San Diego Union wrote in a June 27, 1942 report.<sup>64</sup>

The report also stated that J.B. Lippincott had completed an engineering study for the project and recommended construction of a 156-foot concrete arch dam.

Subsequent news reports highlighted collaborative efforts involving the U.S. Navy, the U.S. Army, FPUD, and the Bureau of Reclamation to build a multi-use dam and reservoir along the Santa Margarita River, which by 1949 had become a \$22 million project.

"Army, Navy and Reclamation officials have approved a revised contract under which a twenty-two million dollar, dual-purpose dam may be built near Fallbrook," the *San Diego Union* wrote in an April 16, 1949 report, quoting Congressman Clinton D. McKinnon.<sup>65</sup>

"The dam would store water for the Fallbrook farm area and Camp Pendleton and would serve as a flood control barrier,"

the report continued, adding that McKinnon "has sent the revised contract to the Fallbrook Public Utility District and its attorney, Phil D. Swing, for approval."

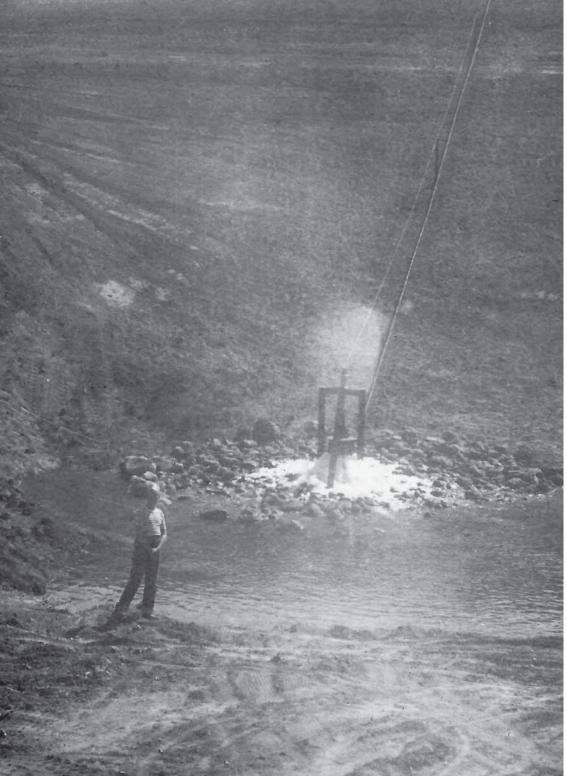
Further discussions between FPUD and Newcomb Bennett, chief of the Bureau of Reclamation's Project Planning Division, took place three weeks later in Washington, D.C., setting the stage for legislation that Rep. McKinnon planned to introduce to authorize the collaborative project. "The project would be financed by three agencies, with the Navy paying 65 percent, FPUD 25 percent, and Army Engineers 10 percent," the *San Diego Union* stated in a May 5, 1949 report.66

By December of 1949, the agencies had also worked out a formula to share the water from the soon-to-be constructed reservoir as it was being filled, according to the *San Diego Union*, which headlined its report: "Fallbrook Water Pact Reached." 67

"A mathematical table establishing relative water rights between the district and the Marine Corps for various water levels in the reservoir during the fillup period was worked out by representatives of the district, the Marine Corps, Navy, Reclamation Bureau, and (the) Justice Department," the San Diego Union stated in a December 16, 1949 report.



Above: Young boys celebrate as the first water arrives to fill Red Mountain Reservoir, circa 1949. Courtesy of Otis P. Heald







Above Left: The first water enters Red Mountain Reservoir in 1949. Top right: "Fat" Millis operates a D-8 Caterpillar bulldozer as part of the construction of Red Mountain Dam. Bottom Right: Crews inspect a freshly installed inlet-outlet valve as the first water enters the reservoir. *Courtesy of Otis P. Heald* 

"Fallbrook will be assured of 7,500 acre-feet of water a year — rain or shine — when the reservoir is filled, and Camp Pendleton is scheduled to get 12,500 acre-feet annually," the San Diego Union wrote, quoting Phil D. Swing, FPUD's attorney.

FPUD's meetings with the Marine Corps. took place December 12, 13 and 14, 1949 at Camp Pendleton and at the FPUD office.

Navy Capt. C.R. Johnson followed up the meetings by sending a letter to FPUD President Franz Sachse on December 22, 1949, along with a copy of a memorandum of understanding with details of the proposed water-sharing agreement. According to the MOU, the reservoir would have a capacity of 188,000 acre-feet, and an annual yield of 20,000 acre-feet of water, with 62.5 percent of the water going to Camp Pendleton and 37.5 percent going to FPUD.

"It is requested that the Fallbrook Public Utility District signify by resolution that the memorandum of understanding is satisfactory and that five copies of the memorandum be executed and returned to this office, together with five certified copies of the resolution authorizing the approval," Capt. Johnson wrote in his December 22, 1949 letter to Sachse, adding, "The approved copies of the memorandum will be forwarded to the Navy Department in Washington for signature of the Navy Department and the other interests that are a party thereto."

The San Diego Union produced another report on June 21, 1950, involving an agreement between FPUD, the Navy and Camp Pendleton officials: "Fallbrook, which owns water rights on the Santa Margarita River, will take a third of the 20,000 acre-feet of water to be impounded and will pay seven million dollars of the cost of the dam construction, according to an agreement reached with the Navy



**GEORGE F. YACKEY** 

Department and Camp Pendleton authorities."<sup>68</sup>

Based on this agreement, FPUD General Manager George Yackey told the *San Diego Union* that the district was planning to build additional storage reservoirs. "One of them, the Red Mountain Reservoir, was put into use last summer and is now filled," Yackey said, adding that the next reservoir FPUD planned to build would store 3,000 acre-feet of water.<sup>69</sup>

Things started to change,

however, when the Marine Corps announced in September 1950 that it planned to build the dam on its own to satisfy rising water needs at Camp Pendleton, and that it had the authority to do so without legislation. Lt. Col. A.E. Dubber, the officer in charge of Marine utilities and public works, advised Rep. McKinnon of the Marine Corps' decision during a meeting that also included Dan A. Kimball, Navy undersecretary, and Rear Admiral Joseph Jelley, chief of the Navy Bureau of Yards and Docks.



O. P. HEALD Harassment is Hell-

GEORGE F. YACKEY
. . . State's Rights at Stake

ONE EAR
to the Ground



FALLBROOK SE

Local A A Centr In Wate

Outstanding figure water rights battle is U. S. congressman, P Fallbrook Public Uti tion supplying water to m 4000 inhabitants of the I area.

Embattled farmers and of the Santa Margarita Ri have taken up the cudge the Federal government they claim is a confiscator on the part of the Depar Justice.

Who Is Involved

Involved are Camp Pend Attorney General's office citizens of Fallbrook with water within the Santa I watershed as the prize.

Citizens claim an invasion Federal government of the rights under the Fifth Am of the U.S. Constitution.

story: "Fallbrook Water Share Promised."

According to the *Times*, "Franz Sachse, president of the

the proposed \$22 million dam. 71 The Los Angeles Times headlined its

According to the *Times*, "Franz Sachse, president of the water district, expressed himself as 'extremely hopeful' that a satisfactory solution of the local water problem would be formally approved by the Navy Department as a result of the series of conferences held here and in which Lt. Col. A. E. Dubber, USMC, head of Marine Utilities, and David Agnew of the Navy Bureau of Docks and Yards, participated."<sup>72</sup>

Newspapers across the country covered FPUD's legal battle with the U.S. government over the right to use Santa Margarita River water. At left is a photo of the front page of the *San Diego Daily Transcript*, with a photo of FPUD General Manager George F. Yackey. *Courtesy of FPUD* 



#### THE BETRAYAL

Without warning, the U.S. government filed suit against Fallbrook Public Utility District along with thousands of ranchers and other residents, challenging their rights to use water from the Santa Margarita River.

The lawsuit, filed January 25, 1951 in federal court "under authority of the Attorney General of the United States and at the request of the Secretary of the Department of the Navy," 13 left many Fallbrook area residents feeling betrayed by the federal government and by the U.S. Marine Corps at Camp Pendleton. After all, FPUD had literally spent years discussing the various ways in which they could collaboratively share the cost of building a dam on the Santa Margarita River as well as the water captured by its reservoir.

The common pursuit of this joint objective along with various agreements previously reached between FPUD, the Marine Corps, the Navy and other federal agencies was widely publicized by multiple media outlets, which documented proposed cost and water sharing agreements between the parties, as previously noted in Chapter 8.

All of this came to naught on January 25, 1951, however, when the United States of America filed a lawsuit in federal court in San Diego against FPUD and roughly 50 other defendants, including Vail Ranch, the latter of which had previously fought a 14-year water rights battle against Rancho Santa Margarita before the U.S. Navy acquired the property. The federal government subsequently added over 7,000 Fallbrook residents and ranchers to its complaint, initially forcing each to incur attorneys' fees in their own defense.

The federal government said it needed water for national defense, citing the onset of the Korean War. But that wasn't enough to offset the anger of Fallbrook area residents, and their fears of government overreach.

The outrage felt by Fallbrook residents and by FPUD officials was reflected in news reports across the country, which described the federal government's lawsuit as a "water grab."

Many feared that the U.S. government was trying to assert federal power over state rights involving water, just as it had done during its controversial Tidelands lawsuits in California, Texas and Louisiana in the 1940s. In the Tidelands lawsuits, the federal government asserted that it had "paramount rights" over the land, minerals

and other resources underlying the Pacific Ocean and the Gulf of Mexico along both states' coasts.

Lt. Col. A. C. Bowen, the officer in charge of the Navy's Office of Ground Water Resources, downplayed such interpretations of the federal government's lawsuit involving FPUD and other users of Santa Margarita River water.

"The government should have explained in public statements that nobody is trying to take any water away from the farmers in the Santa Margarita Watershed," Lt. Bowen told *The Press-Enterprise*.<sup>74</sup>

"What we are trying to do is very simple: we are trying to get a legal adjudication in the watershed to establish just exactly what our water rights are. We are not claiming that we own any certain amount of it. All we're trying to do is get a ruling on just how much water we have a right to take from the Santa Margarita River."

But Lt. Bowen's statement failed to address the verbiage contained in the January 25, 1951 complaint, in which the federal government asks the court to assert that Camp Pendleton has a "paramount" right to 35,000 acre-feet of surface and groundwater from the Santa Margarita River basin<sup>75</sup> — an amount nearly 10,000 acre-feet greater than the average documented annual flow of the river at that time.<sup>76</sup>

"To meet the great demands arising from these military installations for military, agricultural and other needs, the United States, as against the defendants herein named, asserts that it has a paramount right to 35,000 acre-feet of water annually from the Santa Margarita River," the federal government wrote in its complaint, adding, "That quantity of water must be derived not only from the surface flow which, as indicated, is intermittent, but must likewise be pumped from the great subterranean basin described in some detail in earlier paragraphs."

The federal government's assertion that it had a "paramount right to 35,000 acre-feet of water annually from the Santa Margarita River" vastly exceeded the amount of water the Navy told the state of California it needed in its 1948 water rights application.

"The U.S. Navy in its Water Rights Application No. 12576, estimates its total requirements for military, domestic and irrigation use at Camp Pendleton as 12,540 acre-feet per year, of which 8,420 acre-feet per year would be used for domestic purposes, and 4,120 acre-feet would be used for irrigation," according to a November 1, 1948 report produced by the state of California's Division of Water Resources.<sup>77</sup>

The U.S. government also asserted in its January 25, 1951 complaint that it planned to use any surplus water that exceeds the military's needs. "During any period when the quantity of water exceeds the military demands described in this paragraph, it is utilized by the United States of America for agricultural purposes, as it was historically used by the Rancho Santa Margarita, predecessor in interest of the United States of America. Though the agricultural use of water varies as the demands for military uses fluctuate, the United States of America, however, asserts its rights to the full use of water for agricultural purposes as enjoyed by the above-mentioned Rancho Santa Margarita."

The U.S. government further asked the court to "declare and determine that all of the rights of the United States of America are paramount and superior to those of the named defendants by virtue of the riparian character of the lands above-mentioned and the ownership of them by the United States, and by reason of its acquisition of the above-mentioned rights to the use of the water and the application of those rights to military purposes."<sup>78</sup>

Moreover, the U.S. government asked the court to determine that "all of the rights asserted by the defendants in this cause to

the waters of the Santa Margarita River are subject and subordinate to the rights of the United States of America to the continued flow undiminished over, above, and through the lands described, including the rights of the United States of America in the subterranean basin to which reference has been made."

FPUD attorney Phil D. Swing said the United States government was asserting unprecedented federal power in its complaint.

"This is a momentus dispute," Swing told the San Diego Union in a May 22, 1951 report. "It strikes at the very basis of the manner in which property may be transferred. All of the Western states have assumed that the federal government consented to the states regulating water rights as well as property rights. We have always assumed that we were protected by the Fifth Amendment, which declares that no citizen shall be deprived of his property without compensation.

"But here we find the government contending not only that it owns all water rights within the boundaries of Rancho Santa Margarita, which it acquired by purchase, but that it can reach all the way up the river for 60 miles and take away from citizens the water rights they have enjoyed for more than 50 years."

It didn't take long for Fallbrook area farmers and others to see where the federal government was going. "The real reason for the suit, according to the farmers and many Congressmen, is an attempt of the U.S. Attorney General to seize California's internal water rights under the 'paramount' rights doctrine set forth in the complaint, thus extending Federal power and breaking down states' rights," the Los Angeles Times wrote in a July 7, 1951 report. "Asst. U.S. Atty. Gen. Vanech has admitted that a doctrine of 'sovereignty' is being invoked. This means that the water would be seized without compensation, in violation of the Constitution."

The U.S. government's assertion of "paramount" rights followed controversial Supreme Court rulings in the Tidelands cases in California, Texas and Louisiana, in which the federal government sought control of the nation's coastal oil reserves. Many feared that the federal government would use the same rationale to seize control of the nation's water.

Long Beach Harbor Commission President W.R. Martin went so far as to send a letter to each of the nation's 48 governors, citing the Fallbrook case and warning them that the federal government may target their water resources as well.

"Although there is no mention of such a power in the U.S. Constitution or in laws passed by Congress," Martin wrote, "the U.S. Supreme Court held that the Federal government has the 'paramount power' to take over California's tidelands because the State's tideland oil resources are essential to the national defense and might be the subject of a war.<sup>81</sup>

"Texas and Louisiana later received similar adverse Supreme Court decisions in Federal lawsuits to seize their tidelands, and now the Federal government is using the same theory to try to confiscate water rights of farms owning inland property."82

Helicopters swooped over Fallbrook farmers' lands, taking pictures of their property, after Navy men served them with the government's complaint.

The Los Angeles Times confirmed the government's tactics in a July 7, 1951 report. "'Mostly noncommissioned officers in uniform,' it was stated, were being used to 'find out about titles' by 'calling on' the farmers. These visits then were followed up by the Navy men deputized as U.S. Marshals, serving the actual complaints. Meanwhile, helicopters swooped overhead taking pictures of the farmers' lands and wells and irrigation ditches, creating additional fear and uncertainty."

The federal government also targeted celebrities in its Fallbrook case, including Hollywood filmmaker Frank Capra, a Fallbrook property owner who also served on FPUD's board of directors from 1953 to 1955, and Erle Stanley Gardner, an attorney and author who created the Perry Mason series of detective stories. Gardner's Temecula ranch was named in the federal suit as a defendant.<sup>84</sup>

When Judge Guy C. Jackson, Jr., chairman of the Texas Property Defense Association, learned of what was happening in Fallbrook, he said the federal government's action "dangerously approaches the police state," according to a July 29, 1951 report in *The Austin American*.85

By late July, the state of California officially joined the lawsuit, filing a motion in U.S. District Court in San Diego as an intervenor.

"The intervenor alleges that the suit has been the cause of widespread public concern throughout the State; that (the) purpose of the intervenor is to establish that the United States acquired no

greater rights to the waters of the Santa Margarita River than would have a private successor to the Rancho Santa Margarita and that the United States is required to have its water rights ascertained in accordance with the laws of the State of California," the *Los Angeles Times* wrote in a July 31, 1951 report, highlighting the state of California's arguments in the case. 86

The San Diego County Board of Supervisors, for its part, was so outraged that it called for a congressional investigation, which was soon underway.<sup>87</sup> Meanwhile, news of the U.S. vs. Fallbrook lawsuit made headlines across the country, including a December 1951 article in *Reader's Digest* titled "Washington's Tyranny: Another Case Study" as well as a January 5, 1952 article in *The Saturday Evening Post* titled "The Government's Big Grab."

#### How Passage of a Defense Bill Enabled The Navy to Betray Fallbrook Public Utility District

The U.S. Navy's betrayal of FPUD was facilitated by Congress's passage of a defense omnibus bill in 1950, which gave the Navy the financial power to build, own and operate a dam and reservoir on the Santa Margarita River on its own, according to a U.S. Senate Subcommittee report.

"It is apparent from the testimony that the Navy does not come into the court of public opinion with entirely clean hands," the U.S. Senate Subcommittee on Interior and Insular Affairs wrote in a July 1, 1952 report.<sup>88</sup>

"The Navy had participated in the original negotiations with the Fallbrook Public Utility District, which culminated in the memorandum of understanding approved on December 14, 1949. From the negotiations it was apparent that the Navy was not only willing but anxious that the Army engineers, the Bureau of Reclamation, and the Fallbrook Public Utility District jointly undertake the necessary steps to build the reservoir contemplated at the De Luz site. It was obvious that the Navy saw no chance of building the project itself at that time, and hoped to gain by the sponsorship of the project by the Bureau of Reclamation, the Army Engineers, and the Fallbrook Public Utility District."

The dynamic apparently changed after the Navy realized it could potentially build the dam on its own, according to the U.S. Senate Subcommittee report.

"After the passage of the omnibus defense public works bill, which in effect authorized the Defense Department to build anything it wanted to, provided the construction was connected with a defense installation, the situation was quite different. The Navy saw the chance to build the project itself and to exclusively own and operate it. Thereupon, the Navy took advantage of the technical machinations of the legalists in the Attorney General's Office as a convenient method of escape from an agreement mutually and openly arrived at. This was nothing more or less than Federal interagency politics in the raw."

## How the Tidelands Oil Disputes Set the Stage for the U.S. vs. Fallbrook

After winning Supreme Court decisions allowing the U.S. to assert "paramount" rights over state control of offshore oil and gas reserves, many saw the Fallbrook case as a federal effort to trample state laws governing water rights

The United States of America v. Fallbrook Public Utility District was unlike any other water rights case because this time the United States was making an argument that it had never made before.

For the first time ever, the United States argued that it had a "paramount right," above and beyond everyone else's, to the water in the Santa Margarita River, and that it needed to assert this right, even superseding state laws, for the defense of the country.

This is one key reason why the Fallbrook case became national news. After all, if the U.S. prevailed in the Fallbrook case, there would be nothing to stop the federal government from taking control of rivers and other water resources anywhere else in the country.

Fortunately, U.S. assertion of "paramount" rights over the nation's natural resources proved to be short lived.

The idea originated in 1947, when the U.S. Supreme Court ruled in favor of the federal government in its first "Tidelands Case," a lawsuit challenging California's ownership of the submerged lands within three miles of California's coast.

The U.S. had filed suit against California in 1945 challenging the state's right to the oil and natural gas resources beneath its shoreline.

But while state and federal governments had previously recognized state ownership of all submerged lands within their respective boundaries since America's Declaration of Independence from England, the Supreme Court ruled on June 23, 1947 that the U.S. owned the submerged lands along the coast.

"In doing so, the Court raised a startlingly new and alarming concept of property rights — the concept of the 'paramount right' of the Federal Government to take natural resources based on the Government's need for those resources, even though it could not establish title to these resources or the soil from whence they come," E.J. Sullivan wrote in a December 2019 article, "The Tidelands Question," published in the Wyoming Law Journal.89

Sullivan said the Supreme Court decision paved the way for the nationalization of natural resources.

"This decision, as read by Mr. Justice Black, was based on an entirely new and unprecedented philosophy of property rights; namely, that the federal government needs the oil contained in the lands for national defense and for conducting this country's international relations. This need, said the Court, transcends the rights of a mere property owner," Sullivan wrote, adding, "The philosophy of federal control based on need clearly opens the way to complete nationalization of all natural resources. If California is made to give up her oil, why should it not be possible for the

United States to lay equal claim to minerals and other resources of other states, coastal or upland?"90

The Truman administration created further uproar when the U.S. filed subsequent lawsuits against Texas and Louisiana as it sought control of their submerged lands. The Supreme Court, for its part, ruled against Texas and Louisiana in their cases, just as it had against California.

"It became a national issue, resulting in three Supreme Court decisions against the states, three acts of Congress in favor of the states, two presidential vetoes against the states, and a major issue in a presidential campaign, before the states finally won the victory," Price Daniel, Sr. wrote in an article titled "Tidelands Controversy," for the Texas State Historical Association. 91

Public outrage over the Tidelands lawsuits is partly why news involving the Fallbrook case was so combustible in the early 1950s. After all, if the Supreme Court was willing to let the federal government trample state rights in its quest to gain control over the nation's oil and natural gas reserves, what would stop it from exercising the same control over rivers and streams?

President Eisenhower reasserted the power of state rights when he signed the Submerged Lands Act into law on May 22, 1953. The law grants coastal states title to natural resources located beneath their submerged lands to a point three miles from their coastlines, except three marine leagues for Texas and Florida's Gulf of Mexico coastline.

The San Bernardino County Sun published an editorial praising the Submerged Lands Act after it won Senate approval, noting that the new law would uphold the power of state rights in both the Tidelands and Fallbrook cases.

"California now stands a good chance of withstanding two federal encroachments on its natural resources," the *Sun* wrote, adding, "The Fallbrook case, in which the government endeavored to establish prior rights over water where it exists adjacent to military installations, may also be a far-reaching victory for all other states, and holds equal importance with the tidelands oil dispute. Preservation of states' rights is of vital importance to the whole country whether the locale of the battle be in California or any other state, large or small." 92

It would take another five years, however, before the courts would reaffirm the primacy of California state law over water rights in the Fallbrook case. Once state law was reaffirmed, the court could begin to address the many other legal questions raised by government and FPUD filings in the Fallbrook case, including the legally problematic 1940 settlement that divvied up the waters of the Santa Margarita River solely between the Vail and Santa Margarita Ranches, as if no one else had any rights to the river's waters.

#### Phil D. Swing

The Tip of Fallbrook's Spear

The tip of FPUD's spear during the critical first years of Fallbrook's court fight against the federal government was attorney Phil D. Swing, a prominent water attorney and former congressman who co-authored the legislation to build Hoover Dam and bring Colorado River water into Southern California.

In fact, by the time Swing became FPUD's attorney in 1948, Swing had already spent more than 30 years helping to establish and guide Southern California water agencies in an effort to provide water security and develop the region's economy.

Born in San Bernardino in 1884, Swing graduated from Stanford University in 1905, studied law and traveled to the Imperial Valley where he immediately saw the need to import Colorado River water to develop Imperial County agriculture.

Swing took on multiple legal assignments, serving as deputy district attorney of Imperial County from 1908-1911 and later district attorney from 1911-1915. "In that capacity, he drew (up) the documents to form the Imperial Irrigation District, covering 900,000 acres, the biggest such enterprise in the United States," according to an August 9, 1963 report in the San Diego Union.

Swing served as chief counsel of Imperial Irrigation District from 1916 to 1919, later moving on to become an Imperial County Superior Court judge from 1919 to 1921. He subsequently served as a Republican congressman for San Diego and Imperial Counties from 1921 to 1933, during which time he joined California Senator Hiram Johnson in co-authoring a series of bills that eventually led to the construction of Hoover Dam and the All-American Canal.

"(Swing) was the spearhead for the dam and canal and deserves more credit for getting them than any other man.

He was a brilliant man admired by friends and foes alike," M.J.

Dowd, executive officer of the Imperial Irrigation District Board of Directors, told the San Diego Union in an August 9, 1963 interview.

Swing subsequently consulted for water agencies across Southern California.

Before becoming FPUD's counsel in 1948, Swing had worked for both San Diego and the San Diego County Water Authority.

President Roosevelt had also appointed Swing in 1944 to serve on a committee tasked with providing recommendations to solve San Diego's regional water problems. The committee recommended that the Navy build the San Jacinto-San Vicente Aqueduct as a wartime project. The aqueduct was designed by the U.S. Bureau of Reclamation and built under Navy supervision. It was subsequently turned over to the San Diego County Water Authority.

When Swing retired from FPUD in 1956, he was replaced by another Stanford-educated attorney, Franz Sachse, who represented Fallbrook through 1978.



FPUD attorney Phil Swing, above, fought the U.S. government during the initial years of FPUD's nearly seven-decade legal battle with Camp Pendleton. Swing was previously a congressman and co-authored the legislation authorizing construction of Hoover Dam and related infrastructure so that Colorado River water could be stored and brought into Southern California. Courtesy of the Imperial Irrigation District



#### **CONGRESS COMES TO FALLBROOK**

Members of Congress were so alarmed by reports of the U.S. vs. Fallbrook case that they held two days of public hearings at Fallbrook High School to learn firsthand about the impact of the lawsuit on the community.

"Fallbrook has become a symbol of resistance to a new philosophy which many consider as indicative of a trend toward socialism and an unwanted seizure of power previously held by the states, as well as an abrogation of private rights," the Long Beach Press-Telegram wrote in an August 19, 1951 editorial.93

The Los Angeles Times was particularly incensed at the federal government's lawsuit targeting Fallbrook Public Utility District and the thousands of local residents and farmers that had always depended on water from the Santa Margarita River.

Even before a congressional investigation of the Fallbrook case began with two days of hearings in Fallbrook in August of 1951, the *Times* had identified William H. Veeder, a "special assistant" to Attorney General James Howard McGrath, as the villain in the case.

According to the Times, citing "eyewitness accounts," it was

Veeder who sabotaged the collaborative agreement that FPUD had been working on with federal agencies to build a dam on the Santa Margarita River, which was referenced in media reports as the De Luz Dam. The *Times* also identified Veeder as the attorney who prepared the government's lawsuit.

Phil D. Swing, FPUD's attorney, stated for the record during the congressional hearing in Fallbrook that Veeder was initially supportive of the agreement, but later "sabotaged" it, according to an August 14, 1951 report in the *San Diego Union*.

"Swing brought out the fact that a memorandum of agreement for construction of De Luz Dam, 94 signed by various government agencies, and the district, all of whom were in accord, including Veeder, was lost behind an 'Iron Curtain' in Washington.

"Swing said the next he or the district knew about the case, despite their efforts to have it ferreted out, was when the government began serving summons, signed by Veeder, on 14,000 watershed property owners. Two thousand already have been served in a suit the government claims is merely to establish the Navy's water rights for Camp Pendleton, but which Fallbrook land owners charge is a 'grab' based on federal sovereignty." 95

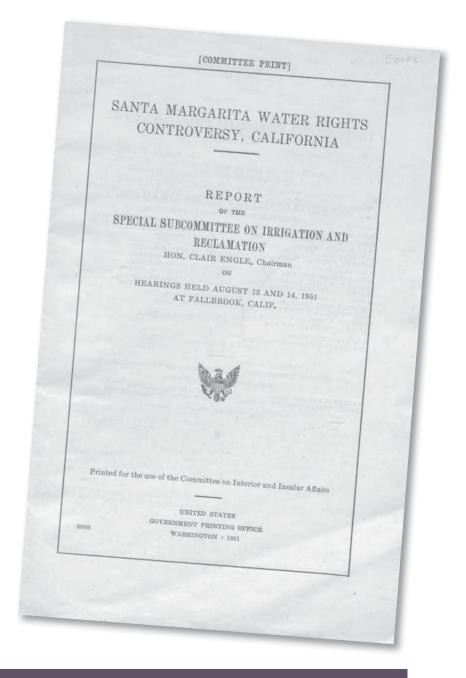
Concerns about the potential abuse of federal power were readily apparent to members of the House Public Lands Subcommittee, who attended the hearing.

"The implications of this suit go far beyond California," said Congressman John Saylor, a Pennsylvania Republican. "This may be one of the great lawsuits in our history because if the government wins, there's no telling when they will move into the coal fields of Pennsylvania, or the oil fields of Texas."96

Saylor's viewpoint was also shared by Franz R. Sachse, an attorney specializing in water law who was elected to FPUD's board in 1946, eventually becoming the district's president until 1950, when he was recalled to active duty with the U.S. Air Force.

Sachse told the congressional panel that his parents bought 35 acres of land in Fallbrook in 1935, which they used to raise avocados. He said he and his wife were named as defendants and served with the federal government's lawsuit, even though their land lies "wholly within the watershed of the San Luis Rey River, not the Santa Margarita." 97

Sachse said he relied on water from FPUD to supply 80 percent of his water needs, with the remaining 20 percent coming from an onsite well. "Without the water supplied by the Fallbrook Public Utility District," he said, "our property would literally 'dry up



Right: The cover page of the House Special Subcommittee on Irrigation and Reclamation's report on "The Santa Margarita Controversy," dated September 18, 1951. The report includes many details about the conflict, including testimony from the August 13-14, 1951 congressional hearing in Fallbrook as well as a copy of the memorandum of understanding between FPUD, the U.S. Navy, the U.S. Army, and the Department of Interior detailing their water sharing agreement, which the parties reached in December 1949. *Courtesy of Jeff Crider* 



and blow away' because there is absolutely no possibility of operating it on the water produced from our own well."

Moreover, Sachse said the federal government's lawsuit, if successful, threatened water rights throughout the West.

"If the theory of this Complaint should become the law of the land," Sachse said, "the whole concept of water law upon which we have developed the West will cease to exist. Literally thousands of irrigation projects, large and small, throughout the West will have their water rights jeopardized."

Sachse added, "If the mere ownership of riparian land by the United States results in a paramount sovereign right in the Federal Government to all the surplus waters of a stream, then I submit that there is no stream in the West to which the Government could not lay claim tomorrow."98

Fallbrook and Rainbow area farmers, for their part, told congressional committee members they were taken aback by the government's lawsuit against them. Several said they had rights to use Santa Margarita River water going back into the late 1800s.

Left: Portrait of Attorney General James Howard McGrath, who the *Chicago Tribune* highlighted as a villain, upsetting the collaborative work that FPUD and federal agencies had previously done with regard to the proposed dam and sharing of water from the Santa Margarita River. *Courtesy of the U.S. Department of Justice* 

"Ray Gird Peters, out on Rainbow Creek, led the procession," the *Times* said in an August 15, 1951 report. "He's had some crop failures and hiring counsel to fight the attorneys of the U.S. Justice Department is just about more than he can stand. But he's had his water right, which the U.S. Attorney General is trying to take away from him, ever since 1889, and he figures he's got to make a battle of it somehow.

"Then there's H. H. Bergman. His granddaddy came over from Europe just before 1856 and walked all the way across the United States 'to escape oppression by Bismark — and he thought he found it on the headwaters of the Santa Margarita.' But, testified Bergman, the headwaters of the Santa Margarita are being invaded now by process servers in the suit, even though it's 30 miles or more from Camp Pendleton, where they say they need the water. 'The old place that was farmed by my grandfather from '56 on was farmed by the Indians and the Mexicans before that, so we thought we had a pretty good water right.' "99

Joe Hays, who bought some acreage that was homesteaded in 1890, said he was willing to give up his land — for a price. "If the government needs my land," he said, "they can have it, but I expect to be paid."

One of the committee members then asked Hays if his opinion about the U.S. government had changed.

"The real government is you and I," he replied, "and we must get on the ball and see we get proper government."  $^{\rm 100}$ 

On the final day of congressional hearings in Fallbrook, the *Times* described Veeder as "alternately scowling, frowning, and drumming on the table." <sup>101</sup>

Some reporters also singled out his boss, Attorney General James Howard McGrath, as being responsible for the federal lawsuit, which some reporters likened to socialism. The Navy and Marines

were also uncomfortable with the Justice Department's legal actions, according to some reports.

"To McGrath's discomfiture, the Navy and Marines have refused to be put in the middle," the *Chicago Tribune* wrote in an August 12, 1951 report, adding, "Those services are on the record as saying they relied on water for Camp Pendleton and adjacent Navy installations from the Colorado River, (through) the second link of the San Diego Aqueduct and not from the Santa Margarita River." 102

The *Tribune* also highlighted McGrath as another villain in the case, upsetting the collaborative work that FPUD and federal agencies had previously done with regard to the proposed dam and sharing of water from the Santa Margarita River.

"Residents of the watershed also note that they were reaching amicable agreements with the Navy and Marines to give the latter what water could be spared before McGrath broke in and wrecked these negotiations. And the residents quote, as one of their best 'witnesses,' the late President Roosevelt, who on Nov. 29, 1944 informed the Senate that Camp Pendleton's water needs must be filled from the Colorado River," the *Tribune* wrote.

"An emergency exists in the water supply of Camp Pendleton and other military installations in the Santa Margarita vicinity of San Diego County," President Roosevelt stated in Senate Document 249, adding, "The Colorado River offers the only available source from which an adequate, dependable supplemental water supply can be obtained for the area." 103

Roosevelt's statement, in fact, was cited as evidence that clearly undermined the Attorney General's assertion that Camp Pendleton "faces 'destruction' unless it seizes water in the Santa Margarita River," the *Times* wrote.

Clair Engle, who presided over the two-day congressional hearing, concluded, "This suit is exceeded in size only by its ridiculousness." 104

As a result of the hearing, Congressman Clinton D. McKinnon, Democrat of San Diego, vowed to meet with constituents to develop legislation to halt the attempted seizure of water by Attorney General McGrath and revive the agreement that had been previously reached by the Navy, Marines and FPUD.<sup>105</sup> For his part, Congressman Sam Yorty, Democrat of Los Angeles, said he would ask President Truman "to stop a government 'water grab' on the Santa Margarita River."<sup>106</sup>

In a subsequent news report, Rep. Yorty said President Truman promised to review the Justice Department's handling of the Fallbrook case.

"I told Mr. Truman the government is making a joke of our courts and legal system and pointed out that under the theory on which this case is based the government could acquire land in New Orleans and use that as a basis for suing everybody on the Mississippi River and its tributaries," Yorty said. 107

#### Excitement Fills the Streets as Fallbrook Residents Prepare for Congressional Hearings

The Los Angeles Times described Fallbrook's legal fight against the U.S. government as "the water battle of the century"

There was excitement in Fallbrook in the days leading up to the two-day congressional hearing on what the *Los Angeles Times* called "the water battle of the century."

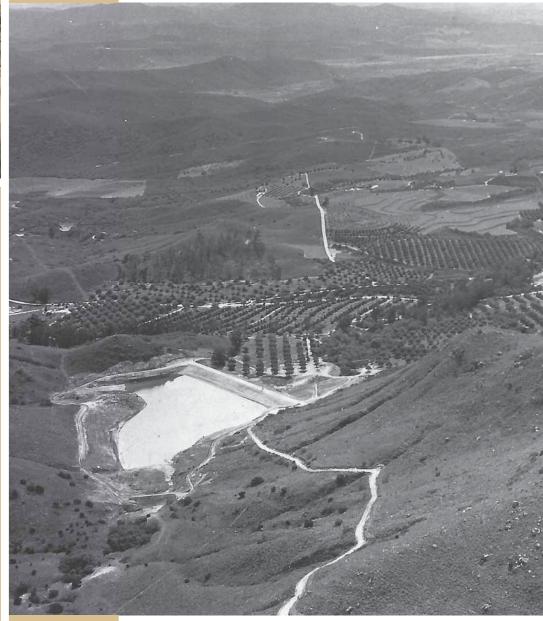
"Citizens here and all up and down the farflung creeks that make up the Santa Margarita River system are talking of nothing else," the Times wrote in an August 10, 1951 report, three days before the hearings began.

"Spontaneous meetings are taking place in the back of the hardware store, at the post office, on street corners. Homes are being opened to the visiting throngs of newspaper and syndicate reporters, cameramen, lawyers, county counsels, members of the Legislature, representatives of realty boards and Chambers of Commerce and curiosity seekers." 108

The *Times* also noted that the federal government's lawsuit against Fallbrook Public Utility District and thousands of local residents was taking place in the midst of a drought, which left Fallbrook residents facing serious water shortages.



"Water service to local residents has been impaired due to heavy demands. Ranchers have been advised to have emergency tubs of water ready for chickens and rabbits in case water pipelines cannot meet the demand at all hours," the *Times* wrote, adding, "Pleas have been made to farmers to hold off on daytime irrigation."



Left: An FPUD crew member operates a bulldozer, prepping the land where the future Red Mountain Dam would one day stand.
Above: Aerial photo of Fallbrook, circa 1940s, above Red Mountain Dam near Mission Road and Live Oak Park Road. *Courtesy of FPUD* 



#### CONGRESS TARGETS THE JUSTICE DEPARTMENT

While William Veeder, the special assistant to Attorney General J. Howard McGrath, was vilified for sabotaging Fallbrook's dam-building agreement with the military, Congress directed its ire at McGrath, who also faced allegations of corruption at the Justice Department.<sup>109</sup>

Congressman Patrick Jerome Hillings, Republican of Arcadia, helped lead congressional efforts to put a spotlight on McGrath, the Fallbrook case and other scandals involving the Justice Department during President Truman's administration. Hillings said the Fallbrook case was considered to be a "prime example of the way Gestapo tactics sometimes are used by government officials," according to a February 1, 1952 report in the Los Angeles Times.<sup>110</sup>

But while the federal government was widely criticized for trampling state rights in the Fallbrook case, McGrath and his Justice Department were also the subject of a corruption investigation by the House Judiciary Committee.

McGrath hired Newbold Morris, a prominent Republican attorney and former president of the New York City Council, to serve as his "special assistant" to investigate corruption at the Justice Department.

"No one is more anxious than I, as attorney general, to have the charge of misconduct in public office thoroughly and impartially sifted, for I realize that the strength of our system of government depends upon the faith that all men must have in it," McGrath said in an Associated Press report, published February 1, 1952 in *The Ithaca Journal* in Ithaca, New York.<sup>111</sup>

"Mr. Morris owes no allegiance whatsoever by reason of prior association or otherwise to myself or to the present administration. I have asked him to undertake this task solely as a service to his country."

But once Morris began his inquiry, asking questions and requesting to see the tax returns of McGrath and other Justice Department officials, McGrath refused to cooperate. McGrath also defied members of the House Judiciary Committee when they called him in for questioning.

According to an April 2, 1952 Associated Press report, the committee itself wanted to see McGrath's income tax returns as part of its inquiry. McGrath told the committee not only that he hadn't filled out Morris's questionnaire, but that he didn't know if he would. He also said he hadn't distributed Morris's questionnaire to other Justice Department officials, and that he wouldn't have recommended Morris as investigator if he had to do it over again.

Meanwhile, House Judiciary Committee Chairman Frank L. Chelf, Democrat of Kentucky, "specifically asked Mr. Truman to make available the income tax records of McGrath and 19 other Justice Department officials," according to the April 2, 1952 Associated Press

report. "He also asked the President for the right to examine Justice Department files on 11 cases which, he said, involve not only income tax questions, but 'various crimes.' Chelf said these cases were not prosecuted."

That same week, McGrath fired Morris, and then submitted his own resignation to President Truman. 112

Three months later, Congress passed legislation prohibiting the Justice Department from spending any money in fiscal 1953 to prosecute the Fallbrook case. But this didn't stop the Justice Department from pursuing the Fallbrook case. FPUD attorney Phil D. Swing told the *Los Angeles Times* that the Navy and the Justice Department had "gone ahead with court proceedings by use of a 'quarterback sneak' in using Navy funds rather than Justice Department funds made unavailable by the rider for the 1953 fiscal year which ends in June."

Lindsay C. Warren, the Comptroller General of the United States, notified the Secretary of the Navy on August 29, 1952 "that the employment or retention and payment from the funds available to the Navy Department of counsel directly to represent the United States in the preparation, prosecution, or defense of the lawsuit would be in direct contravention of the law and was not authorized," according to Warren's January 30, 1930 report to Congress. 114

"Nevertheless," Warren continued, "the Secretary deliberately chose to violate the law and the Department of the Navy continued and apparently is continuing the unlawful payment of salaries and other expenses incident to the prosecution of the Fallbrook suit. This was not a passive or inactive disregard of the law; it was an active violation with full knowledge thereof. ... In conclusion I repeat, the action of the Department of the Navy was, and apparently continues to be, a willful and deliberate violation of the law."

#### "The Fallbrook Story"

The U.S. government's lawsuit targeting Fallbrook Public Utility District and thousands of local residents got the attention of a Beverly Hills resident who produced a documentary titled "The Fallbrook Story," which was shown in numerous venues across the country.

Charles M. Peters, an investment broker who made motion pictures as a hobby, volunteered his time and talents to produce the film, which was also supported by donations.

"The 40-minute color movie, with a cast of nearly 200 local townspeople, presented the people's side of the noted story," according to a June 29, 1952 report in the *San Diego Union*.

Cecil B. DeMille, the famed motion picture producer and director, provided a dramatic prologue for the film, noting that the events depicted in Fallbrook "have become as much a part of our history as Lexington and Yorktown."

"It sustains your faith in representative government" DeMille said in his prologue for the film. "The story shows the supremacy of the people and their elected representatives. It demonstrates that truth and tenacity can overcome tyranny."

While many Fallbrook residents mistakenly believe that Frank Capra produced the film, it was actually Charles M. Peters who produced it. Capra only "assisted with advice in the making of the picture" and attended its premiere, according to a June 28, 1952 report in the *Los Angeles Times*.<sup>115</sup>

Diane Kettering and Floyd Ahrend of Fallbrook are the stars of the film, who represent the typical American family as "Mr. and Mrs. G. I. Joe."

"Joe is an average World War II veteran. The story is woven around his family of two children, their dog and other farm animals, and their lives on a small Fallbrook ranch," the *Union* wrote, adding, "The picture opens with Joe's receipt of a government summons in January 1951. Shocked by the document, he quietly composes a letter to the editor of a metropolitan newspaper, starting a chain reaction that reaches top government officials. That is the essence of the Fallbrook Story."

The film, which features a reproduction of the congressional hearing in Fallbrook, praises the press and elected officials who championed Fallbrook's defense. An image of a clenched fist symbolizing the "fist of tyranny" is used at various points in the film to dramatize the power of unelected officials.

Peters told the *Los Angeles Times* he made the film to show that "'big government' and bureaucrats are imperiling the real American way of life." <sup>116</sup>

"When I realized how potent an influence the motion picture is for the guiding of thought, as the tool of the educator or the

implement of the propagandist, I decided I should use it in a good cause myself," Peters said.

"The Fallbrook Story" premiered in Fallbrook on Saturday, June 28, at the Fallbrook High School Auditorium. The film and its underlying messages underscoring the importance of civic and political activism were considered to be so important that the San Diego County Registrar of Voters assigned a deputy registrar of voters to attend the premier to take registrations of prospective voters, the *Times* said.

Peters, for his part, said "The Fallbrook Story" ultimately underscores the importance of voting. "We feel that this film, although it is nonpartisan, is going to make everybody want to use his American privilege of voting," he said, adding, "An enormous percentage of eligible citizens is not registered. We want to reach some of these people and encourage them to take an active part in government."

"The Fallbrook Story" was shown in a Senate committee room the following week, on July 2, according to a *Los Angeles Times* report the following day. The film was subsequently shown in multiple venues across the country, according to media reports.

#### Fallbrook Residents Need Not Apply

Camp Pendleton's Office of Ground Water Resources advertised for a clerk, but its initial job listing said Fallbrook area residents would not be considered, prompting an outcry

Camp Pendleton's Office of Ground Water Resources caught the attention of the *Weekly Times-Advocate* in Escondido in September 1952 when it posted a job listing for a clerk-stenographer.

The listing stated that the clerk would serve as a secretary to the officer in charge of Ground Water Resources and would handle a variety of assignments, including preparing reports and correspondence and transcribing dictaphone recordings of office communications and conferences with the office's "Legal Officer." The listing also stated: "Applicants from the Fallbrook Area will not be considered for this position."117

The Weekly Times-Advocate published an editorial on September 19, 1952, criticizing the wording of the job listing.

"It seems reasonable that the reason for discrimination against applicants from the Fallbrook area is a fear on the part of bureaucrats that if one of them should get the position that person might 'leak' valuable information to his or her home community. In other words, **Fallbrook citizens under this interpretation are** presumed to be possible 'spies' against the federal government," the newspaper opined, calling the exclusion of Fallbrook residents "a Hitlerian form of discrimination."

A few days later, Camp Pendleton issued a revised job listing for a secretary for the officer in charge of Ground Water Resources, minus the exclusion regarding Fallbrook area residents, according to a September 26, 1952 report in the Weekly Times-Advocate. The newspaper was unable to determine who wrote the initial exclusion of Fallbrook area residents.

## · LOS ANGELES PREMIERE ·

# "The Fallbrook Story"

8 O'CLOCK WEDNESDAY EVENING, AUGUST 6, 1952 BOVARD AUDITORIUM UNIVERSITY OF SOUTHERN CALIFORNIA

### PROGRAM

Master of Ceremonies LIEUT. GOV. GOODWIN J. KNIGHT of the State of California Flag Salute and Pledge of Allegiance

Introduction of Guests:

L. D. HOTCHKISS, Editor, The Los Angeles Times O. P. HEALD, President, Fallbrook Film Committee VICTOR WESTFALL, President, Fallbrook Public Utility District George Yackey, General Manager, Fallbrook Public Utility District RAYMOND (JIM) WAYMAN, President, Fallbrook Chamber of Commerce REV. MARSHALL KETCHUM, Pastor, Fallbrook Methodist Church Don Porter, Narrator, "The Fallbrook Story" CHARLES M. PETERS, Producer, "The Fallbrook Story" ED AINSWORTH of The Times, Script Writer, "The Fallbrook Story"

## "The Fallbrook Story" WITH INTRODUCTION ON THE SCREEN BY CECIL B. DeMILLE

\*\*The Fallbrook Story" film is a lesson in faith. The people of the Fallbrook area had been sued by the United States Attorney General for their water rights. They were desperate. Many of the 14,000 persons facing the suits which asserted a "paramount" and "sovereign" Federal right to the water, lacked money to hire lawyers, and did not know where to turn for aid. Finally, one small farmer appealed to Editor L. D. Hotehkiss and City Editor Bud Lewis of the Los Angeles Times. The Times investigated and then exposed the Attorney General's action and investment to seize individual rights, without compensation, in defiance of the United States Constitution. The battle raged mightily. The story drew the attention of Charles M. Peters, and investment broker in Beverly Hills who had made many color motion pictures "for fun." He went to Ed Ainsworth of The Times and offered to donate his services in the making of a film show. Ainsworth wrote the script and narration for "The Fallbrook Story." Both men donated their services. The people of Fallbrook themselves raised the money for the actual purchase of the raw months of intensive work, "The Fallbrook Story" emerged. It was done on a shoestring. But faith and hope went into every turn of the camera. The film is dedicated to free citizens, the

The 16mm. 30-minute Kodachrome sound motion picture "The fallbrook Story" is intended for showings to clubs, schools, churches, lodges and civic groups. Applications for dates may be made to Bill Heald, fallbrook film Committee, fallbrook, Calif. Danations for the purchase (at \$250 per print) of additional prints of the film for circulation throughout the United States also may be sent to the Committee.



# FALLBROOK, SAN DIEGO COUNTY, CALIFORNIA WARREN DENOUNCES WATER SU

#### Hallowe'en Parade And Party a Treat With Cute Tricks

dressed up to dance

ken hatcher and that's no HM Bobby Parker as a s from rent control that

Proposed Dam to Give Fallbrook 10,000 More Acre Feet of Water a Year



SITE OF DAM ON SANTA MARGARITA RIVER for flood water storage has been sketched by Falibrook Public Utility District engineers on an aerial photo taken by Floyd Ahrend. In the center foreground is shown the location of the dam pounded. The storage capacity is estimated at 35,000 acre feet am show the storage boundaries of water to be includes 1800 acre feet now allocated, and an additional 10,000 acre feet granted the Utility District by permit No. 8511, and issued by the State of California, Department of Public Works, Division of Water Resources. To

#### State to Assist in Adjudication of Fallbrook Rights



### **INITIAL SETBACKS**

While Fallbrook Public Utility District had Congress on its side, the district suffered a serious legal setback in October of 1952 when U.S. District Court Judge Leon R. Yankwich issued a pre-trial opinion upholding all of the federal government's claims.

"It is inconceivable that, under the demands of national security, the government should tolerate interference by State water authorities," Judge Yankwich wrote in a 40-page opinion, portions of which were published in the October 23, 1952 edition of the Los Angeles Times.<sup>118</sup>

Yankwich held that the riparian rights of the federal government to the waters of the Santa Margarita River are "paramount" to the appropriative rights of Fallbrook Public Utility District. He also held that the state Department of Water Resources "has no jurisdiction over the enclave . . . of the United States government in Camp Pendleton."

Yankwich later cited a California Supreme Court ruling, which determined that the waters of the Santa Margarita River should be divided between the Santa Margarita Rancho, which the government purchased for Camp Pendleton, and Vail Ranch. Yankwich ruled that the decision still applied and that, moreover, there was not enough water to supply both Camp Pendleton and FPUD.<sup>119</sup>

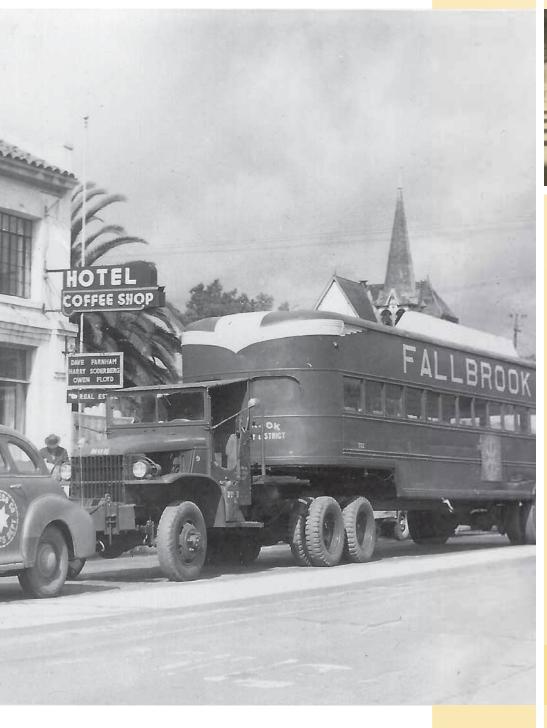
Congress subsequently passed legislation, signed by President Eisenhower in July of 1954, which was designed to settle the Fallbrook lawsuit and authorize construction of the De Luz Dam, with FPUD getting a third of the water while Camp Pendleton received two thirds, roughly mirroring the terms of the parties' previous memorandum of understanding from December 1949. But FPUD complained that the bill, HR 5731, didn't go far enough.

"We don't like it," FPUD board members said in a joint manifesto, published in the August 20, 1954 edition of the Los Angeles Times.<sup>121</sup>

While noting that members of Congress had good intentions, FPUD board members complained that the language of the bill had been changed to FPUD's detriment.

While the "compromise legislation" required California laws to be applied to the lawsuit, the bill also provided funding for the continued prosecution of the case by the federal government, and there was no guarantee that FPUD would prevail.<sup>122</sup>

"If the Federal courts finally decide the Navy owns all the water, and that there is no surplus water (one Federal judge has already so ruled), then the dam won't even reach the drawing board,"





the *Times* wrote, adding, "Fallbrook's surplus water rights granted by the State would shrink to less than the amount of ink in the three pens that signed the bill.

Left and Above: An FPUD bus moving about town as it was being used for a Rotary Club event. *Courtesy of Otis P. Heald* 



### THE 1950s DROUGHT

The federal government's multiyear water rights lawsuit against Fallbrook Public Utility District took place against a backdrop of intensifying drought in the 1950s that further underscored Fallbrook's water needs.

FPUD, in fact, lost access to 2,500 acre-feet-ayear of water after April 1, 1954 after the San Luis Rey Heights Mutual Water Co. sued the district to prevent it from depleting the San Luis Rey River and its groundwater basin, which had provided a key source of Fallbrook's water since 1938.<sup>123</sup>

The San Diego County Water Authority itself issued a warning regarding Fallbrook's water situation, according to a January 20, 1956 report in *The Fallbrook Enterprise*. 124

"The authority has become alarmed at the growing dependence of a developing economy upon a water supply that engineering experts have now informed the authority is inadequate for the purpose," the *Enterprise* wrote.

The San Diego County Water Authority issued the warning after notifying FPUD that all of Fallbrook's "stored water" would be used by February 2 — in less than two weeks — if it continued to use it at the present rate.

"This means that we will then be reduced to our entitlement, which would be about one-third of our current use," FPUD General Manager George Yackey told the *Enterprise*. "But we hope to get other districts to join us in conserving water and be (able) to buy enough from San Diego to pull us through."

Three months later, 200 to 300 local residents attended a "mass meeting" with FPUD officials to discuss the worsening water crisis and the need for water conservation.

FPUD Director Franz R. Sachse said the water-saving campaign would have a two-fold purpose: "conservation of district supplies, mainly, but also showing the city of San Diego that we mean business and are deserving of water assistance." 125

FPUD directors subsequently voted to begin enforced water rationing of 25 percent, which began in June of 1956. 126

Yackey, for his part, told the *Enterprise* that Fallbrook was in the worst condition in San Diego County. "We have the largest (farm) investment per acre in the county, but one of the lowest entitlements," he said, adding, "We will have to show the city that we will help ourselves in order for San Diego to take the risk of dipping into its critical storage reserves."

Fortunately for Fallbrook, the San Diego County Water Authority provided the water it needed to get through the drought. But the drought and the resulting water shortages also forced FPUD to impose increasingly severe water restrictions.

In April 1957, FPUD declared a water shortage emergency, which resulted in a 100 percent increase in water rates and a temporary halt in the installation of irrigation meters, although meters for domestic use continued to be permitted. Yackey estimated the district's anticipated water shortage from April through October of 1957 at 6,700 acre-feet.<sup>127</sup>

Meanwhile, the state of California issued a report warning that the Santa Margarita watershed would need to develop local reservoirs as well as "new water imports" to achieve full economic development.<sup>128</sup>

"The best opportunity for a large single surface storage reservoir is the De Luz site," the state concluded. Of course, that site was tied up in the litigation involving FPUD and the federal government.

Sunkist GROWER

Right: Eucalyptus trees on Alturas Road where FPUD's wastewater treatment plant currently stands. Courtesy of Tom Rodgers



### THE TIDE TURNS

Although U.S. District Court Judge Leon R. Yankwich sided with the Justice Department in his initial rulings in 1952, the tide later turned in Fallbrook's favor.

On March 30, 1956, the U.S. Circuit Court of Appeals reversed Yankwich's decisions, citing his "apparent misconceptions of the law," and ordered a new trial.<sup>129</sup>

"In effect, the Appeals Court held that the Federal government acquired no special rights or privileges in regard to water when it bought approximately 135,000 acres of the old Santa Margarita Rancho and turned it into Camp Pendleton," the *Los Angeles Times* wrote.

The court said it was a "fallacy" to believe that the federal government had acquired water rights in the Camp Pendleton enclave "against the rights of the other persons adjacent and contiguous to the stream." the *Times* wrote.

"The court ruled it must be conceded the United States has sovereign rights to the water in the enclave and this principle applies to the use of the water pertinent to the land. But, it added, 'we must not fall into the fallacy of believing' that the United States 'thereby acquired property rights in the flow against upper riparians or appropriators under municipal law. The government, as regards all claimants of water outside the enclave is not in the position of a sovereign, but in the position of a lower riparian. The key question in

this case is who had the right to store floodwaters for future disposition: the (Vail) estate, Santa Margarita Ranch, Fallbrook, the United States, or perhaps some other owner intermediate on the stream."

Yankwich, however, had "prejudged" the rights of other Santa Margarita River water users "before they had been tried, by a sweeping declaration of the judgment in favor of the contentions of agents and attorneys for the government." The only proper way of adjudicating rights involving the Santa Margarita River was to have a new trial involving all of the water users.

The Fallbrook case was subsequently assigned to a different U.S. District Court judge, James M. Carter, who issued pretrail rulings in August of 1958 that reaffirmed the pre-eminence of California law, effectively pulling the legal rug out from under U.S. assertions that it had "paramount" rights over the waters of the Santa Margarita River.

Carter, in fact, ruled that the United States had no special rights above those of a private citizen. "He also ruled that the Federal



Above and Below: FPUD staff photos from the late 1950s and early 1960s. Courtesy of FPUD



government is bound by California laws in measuring its water rights and attempting to gain unappropriated water, and cannot, as a downstream user, acquire or claim prescriptive rights against upstream users."<sup>130</sup>

In 1959, Carter began a series of actions to remove scores of small landowners and other defendants from the lawsuit who never should have been sued by the federal government in the first place. "Evidence introduced in this case," Carter stated, "proves that defendants (at Fallbrook and elsewhere) are not and have no means of diverting or utilizing the waters of the Santa Margarita River or its tributaries other than those which might be delivered by the Fallbrook Public Utility District or through some public agency in the state of California." <sup>131</sup>

Carter subsequently issued a series of 45 rulings between 1961 and 1963 that disposed of all of the major issues in the case, and mostly in Fallbrook's favor.

Fallbrook Public Utility District Attorney Franz R. Sachse said he was pleased with Carter's decisions, but he also highlighted the folly of the federal government's lawsuit. "So, after the unnecessary spending of this enormous amount of money brought on by the action of the Justice Department, all we have is a catalog of rights which everybody knew existed anyway." 132

Judge Carter eventually issued a final judgment in the case in May of 1963 that allowed Fallbrook Public Utility District to build a dam and impound surplus water from the Santa Margarita River, but he warned that there would continue to be conflicts. "This case has

16 Pages In TWO SECTIONS

### SECTION COUNTY'S AVOCADO AND CITRUS EMPIRE TEMECULA - WINTERWARM WILLOW GLEN- DE LUZ TEN CENTS PER COPY LIVE OAK CANYON

FALLBROOK - BONSALL

\$3.50 PER YEAR

RAINBOW VALLEY

PALA - PAUMA

Thursday, May 23, 1957

FALLBROOK, SAN DIEGO COUNTY, CALIFORNIA

VOL 47

## Fallbrook Gets Inch Rains; May Total Sets a Record

### Heaviest May Rain Here Since 1955

Two storms since last week to the thirsty Fallbrook area bringing the season total over the 13-inch mark, slightly shead of just year at this time.

Fallbrook Citrus Association reported that the May rains were the heaviest since their record start in 1939, except for a 1.78 rain in 1955.

A half-inch of rain was reported at the E. V. Stahl Ranch on Green Canyon Road by scouts camped there Saturday night. The beaviest rain reported in this size was 95 in Rainbow Saturday, at the Renald Blankenship

Blankenship reported a total of 1.35 since Saturday, with 40 Tuesday morning, and 20 Wednesday morning, making an estimated 22 inches for the season in



### Davidson, Lawson, Dam's Land Harriman Win; Suit Wins Jay Leads Tanner Full Upset In one of the hardest-fought didate and William G. Davidson, blocking Fallbrook condensation for a dam has been se-

In one of the hardest-fought school elections in Fallbrook's school elections in Fallbrook's school precincts turned out.

Reelected was Frank B. HarriReelected was Frank B. HarriRender of Bonsall, incumbent, man of Bonsall, incumbent, were elected, Lawson politics, and John politics ed, but the outcome rested with uncounted absentee ballots.

the total Vista turnout of 359 The tables were turned in the than half the land required outlying districts, particularly the dam and reservoir, and Proposition 2000 of 12,000 Oceanside's 2300 of 12,000.

on overwheiming majority of garnering 232 votes as compared to 140 votes for Tanner precincts, with John Tanner and The vote between Harriman

election. The 32 absence ballots will decide this seat, and will be

Harriman polled 909, and Jay School race, Harriman and Tan-The Fallbrook high school dis-the fallbrook high school dis-fer fallbrook high school dis-fer fallbrook high school dis-

Decanside's 2300 of 12,000. Bonsait and Paums, in the case dent B. M. McDonald sales.

Harriman and Jay carried by of Jay versus Tanner, with Jay hoped landowners reopen as Harriman and Jay carried by of Jay versus runner, with Jay hoped landowners a coverwhelming majority of garnering 232 votes as compared triations for the rest.

votes the five outlying school precincts, with John Tanner and Mark Urner, following in that order. In Fallbrook itself the order of voting went Tanner, Harriman, Urner and Jay.

Jay topped Tanner by only, six cincts of the high school district, again was the deciding one, with votes in Fallbrook High School again was the deciding one, with voters want to retain separate rendered by Judge Dean Shert rectain separate rendered by Judge Dean Shert rendered by Judge Dean She

aqueduct surplus, when ava

The Fallbrook high school districts total of 1721 compares with and 594 for Jay.

The total Vista turnout of 350 the total Vista turnout of 350 and or registered voters.

The tables were turned in the land required than half the land required of the same and reservoir and Fallbrook high school are same and reservoir and Fallbrook high school districts. dent B. M. McDonald said

Full text of appellate ds cision is on Page 2.B. including considerable history of PPUD: years of effort to build a damp to the properties of the years or effort to Hunta Mar Developments in Santa Mar garita federal suit on page A.S.

ended for most of the defendants," Carter said, "but it will never be over. We will always have disputes in this watershed." 133

Rather than accept Carter's ruling, the federal government filed an appeal with the U.S. Circuit Court of Appeals in San Francisco, prompting a critical response from a politician named Caspar W. Weinberger, who in 1963 was chairman of the California Republican Party in addition to having a syndicated column. Weinberger, who later served as Secretary of Defense during the Reagan administration, was highly critical of the government's waste of time and money in the Fallbrook lawsuit.

"The case required approximately 12,000 attorney-days, and cost in excess of \$5 million. There were more than 250 days of trial before the United States District Judge, James Carter, decided that the Federal Government did not have the sovereign control over the California waters it claimed," Weinberger wrote.<sup>134</sup>

"Many thought that when Judge Carter decided the case after such a lengthy trial, the Federal government would finally accept the result and give up its contentions — contentions which run counter to the understanding of everyone remotely connected with California water law, that the Federal Government had supreme rights in the water of a river wholly within California."

The federal government, however, "still appears to be motivated by a sovereign complex," Weinberger wrote. He also referenced U.S. Senator Thomas Kuchel's opposition to the government's appeal, with the senator noting that "the fantastic cost in time,

## effort and money over the 12 years of litigation have not produced a single drop of water for anyone."

The U.S. Circuit Court of Appeals, for its part, upheld Carter's ruling in 1965, including FPUD's right to build a dam on the Santa Margarita River.

"The circuit court said, in effect, that the federal government, acting through the Navy Department and sprawling Camp Pendleton, had no right to interfere with the Fallbrook utility's plans to impound and divert water available for appropriation," the *Los Angeles Times* wrote in a June 27, 1965 report.

The U.S. District Court, meanwhile, retained continuing jurisdiction over the water rights on the river as FPUD and Camp Pendleton continued to seek a physical solution that would eliminate further conflict between them, according to Gordon Tinker, a former FPUD general manager who wrote a brief history of the district. "It became apparent that a joint project by the District and Federal government with a negotiated division of water would be the only alternative to further years of litigation," Tinker wrote.<sup>135</sup>

# Franz Sachse Replaces Phil D. Swing on the Federal Case, and Guides FPUD to Victory

When health issues forced Phil D. Swing to retire in 1956 as FPUD's legal counsel in its lawsuit with the U.S. government, attorney Franz Sachse immediately stepped in.

A Stanford-educated attorney who previously served as an FPUD director, Sachse assisted Swing in the federal case after Swing persuaded U.S. District Court Judge James M. Carter to reverse the first decision against FPUD. Sachse continued to serve as FPUD's general counsel until 1978.

"I assisted Phil Swing, and when he suffered a heart attack in court..., I took over the case," Sachse states in his personal resume. 136

"Judge Carter handed down an Interlocutory Judgment in favor of Fallbrook in April 1962," Sachse wrote, adding, "Final judgment was handed down on May 8, 1963, and the United States appealed. We were successful on the appeal to the U.S. Court of Appeals, and on Jan. 3, 1966, Thurgood Marshall, then U.S. Solicitor General and now a Justice of the Supreme Court, decided on no further appeals, and the case was won."

Sachse had a long history with Fallbrook and FPUD. Sachse purchased his first land in Fallbrook in 1938, five years after his parents moved to the community.

"My parents bought land in Fallbrook in 1935. From that date on my father and I were both interested in Fallbrook's water problems and did what we could to assist in solving them," Sachse wrote in his speech before the congressional committee that came to Fallbrook August 13-14, 1951.<sup>137</sup>

"I was the attorney for the old Irrigation District in the proceedings that dissolved it and created our present Public Utility District, and thereafter was active in Fallbrook's efforts to obtain its first water right on the San Luis Rey River. After my separation from the service in 1946 my wife and I moved to Fallbrook and took over the family grove."

Sachse later served as a director of FPUD from 1946 to 1950, and as FPUD's representative on the San Diego County Water Authority from 1948 to 1950 and again from 1953 to 1956. He also served in the U.S. Air Force during and after World War II, from 1942 to 1946, and again during the Korean War from 1951 to 1953.



Franz Sachse, above right, served as a director of FPUD from 1946 to 1950 in addition to serving as the district's legal counsel in the lawsuit with the U.S. government after Phil D. Swing retired. *Courtesy of Otis P. Heald* 



### A NEW CHALLENGE

New environmental restrictions prevent FPUD and Camp Pendleton from building reservoirs and dams on the Santa Margarita River

Fallbrook Public Utility District and the U.S. government reached agreement on a "physical solution" involving the Santa Margarita River in March of 1968.

Their plan, outlined in a memorandum of understanding (MOU), called for a "joint project, consisting of either one or two dams," but cited a preference for a two-dam plan that would consist of a 140,000 acre-foot De Luz Reservoir and a 36,000 acre-foot Fallbrook Reservoir, which would be "the primary plan considered in future studies."

Gordon Tinker, who served as FPUD's general manager from 1980 to 1999, said the plan led to speculative buying and selling of Fallbrook area land in areas thought to have future lakeside views. But the two-dam project never came to fruition.

While the MOU noted that FPUD and Camp Pendleton both needed water and that their plans appeared to be financially feasible, a new hurdle emerged in the late 1960s and early 70s that effectively prevented both parties from building dams and reservoirs on the river: the environmental movement.

Ignited by *Silent Spring*, Rachel Carson's 1962 book, which criticized the indiscriminate use of pesticides, the environmental movement quickly encompassed the full spectrum of human activities that create air and water pollution and otherwise disrupt wildlife habitat. The movement initially prompted political action on both sides of the political aisle.

Democratic President Lyndon B. Johnson signed the Wild and Scenic River Act of 1968, which preserved certain river areas with natural, cultural and recreational value in free-flowing condition for the enjoyment of present and future generations.

The environmental movement gained even more traction under Republican President Richard Nixon, who made protecting the environment a focus of his administration. Nixon, in fact, enacted a series of laws and regulations that provided the legal framework to stop any project that posed unacceptable environmental consequences. Nixon's actions included:

- Signing the National Environmental Policy Act (NEPA) into law on January 1, 1970: Often called the "Magna Carta of federal environmental laws," the NEPA law requires federal agencies to assess the environmental effects of their proposed actions prior to making decisions and to provide opportunities for public review and comment before permitting decisions are made. The range of actions covered by NEPA is broad and includes permits for dams, highways and other public works projects.
- Establishing the Environmental Protection Agency in 1970: Both by itself and together with other agencies, the EPA was charged with monitoring the condition of the physical and biological environment, establishing "environmental baselines" critical for measuring the effectiveness of pollution abatement efforts, as well as setting

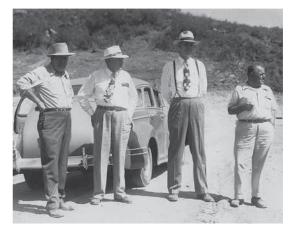
and enforcing standards for air and water quality and for individual pollutants.

– Signing the Endangered Species Act of 1973 into law on December 28, 1973: The purpose of the ESA is to protect and recover imperiled species and the ecosystems upon which they depend. It is administered by the U.S. Fish and Wildlife Service and the Commerce Department's National Marine Fisheries Service (NMFS). Under the ESA, species may be listed as either endangered or threatened. "Endangered" means a species is in danger of extinction throughout all or a significant portion of its range. "Threatened" means a species is likely to become endangered within the foreseeable future. All species of plants and animals, except pest insects, are eligible for listing as endangered or threatened.

California, for its part, enacted its own series of environmental protection laws, including its own Endangered Species Act (1970), the California Environmental Quality Act (1970), and the California Coastal Act (1976).

Creating these federal and state environmental laws — and empowering state and federal agencies to enforce them — created a complicated and time-consuming requirement for environmental impact reports, public comment periods and other procedures that made it much more difficult for state, federal and local agencies to build dams, reservoirs and other infrastructure projects unless their potential effects on fish and wildlife could be effectively mitigated.

As a result, proposed reservoir and dam projects across the country faced unprecedented scrutiny after the late 1960s and early 70s because of their potential effects on threatened or endangered species.









FPUD's archives include a photo album with photos of district officials and their various meetings with state officials and members of the Fallbrook community. *Courtesy of Otis P. Heald* 

The Sierra Club and other environmental groups used the new environmental review procedures for the proposed two-dam project along the Santa Margarita River to signal their opposition, which was widely reported by the news media. Many voiced concerns about the project threatening a rare type of bird called the Least Bells Vireo, which was listed by the state of California as "endangered" in 1980 and by the federal government in 1986.

The Santa Margarita River watershed includes seven federal or state listed endangered or threatened species with more than 60 other species listed by the state or other groups as having special concern, according to a 2018 report by The Wildlands Conservancy.<sup>138</sup>

A key focus of media reports is the Least Bells Vireo, a songbird that had lost 95 percent of its historic habitat in California and had experienced "the most dramatic decline of any passerine species in California," with only about 300 breeding pairs left, mostly in Southern California, according to a 1997 report by Katherine Shapiro, which she wrote for the Santa Margarita River Foundation.<sup>139</sup>

The lone bright spot for Least Bells Vireo, Shapiro wrote, was the lower Santa Margarita valley.

"Described as '...some of the richest riparian habitat existing in California,' it is a centerpiece of efforts to sustain the bird and its habitat," she wrote, adding, "In 1988 there were 165 nesting pairs and 500 fledglings, and a smaller breeder population was located near the De Luz Creek confluence. In 1984 it was estimated that on Camp Pendleton alone there were 1200 acres of existing and potential habitat, enough to support 300 breeding pairs, the total estimat-

ed population in California. Suitable habitat also exists upstream near De Luz and Sandia Creeks." 140

Other environmental concerns involving the two dam project focused on the potential impact on steelhead trout<sup>141</sup> as well as discussions about whether the dam project would prevent the river from depositing sand on north San Diego County beaches. The city of Oceanside withdrew its conditional support for the project in 1983, citing concerns about potential beach erosion.<sup>142</sup>

Above and beyond the environmental concerns, FPUD found it harder to win political support for the two dam project as time went on, despite Fallbrook's continuing need for an additional water supply.

Franz R. Sachse, who served as FPUD's attorney from the 1950s through 1978, said the district faced a lack of engagement and interest in the two dam project on multiple fronts, including faltering interest from Fallbrook's local residents, Congress as well as the Navy.

"Sachse fears the project will die unless the Fallbrook Public Utility District and the people in the area light a fire under the government," *The Fallbrook Enterprise* wrote in a February 23, 1973 report. "We need the total involvement of 20 years ago," Sachse said, recalling the intensive national media interest and engagement of the Fallbrook community in its water issues in the 1950s.<sup>143</sup>

Tinker said Fallbrook's political representatives at state and federal levels and even on the FPUD board were not unified in their support for the two dam project, which made it a harder sell in Congress.

<sup>&</sup>quot;Things got fractured politically," he said, adding that some Democratic representatives opposed the project.

Over time, the faltering political support for the project involved not only environmental concerns, but worries about its costs — which had risen to over \$230 million by 1984. There were also mounting questions about who was really going to benefit from the project.

Opponents included Representative Dennis
Hertel, Democrat of Michigan, who called the project
"a 'back door' means to subsidize avocado growers
through military construction funds," according to a
May 3, 1984 Copley News Service report.<sup>144</sup>

There was an effort during President Ronald Reagan's administration to revive the two dam project. Tinker himself traveled to the White House to brief presidential counselor Edwin Meese III and others on the merits of the two dam project.

Interior Secretary William Clark went so far as to tour the area of proposed Santa Margarita Dam sites in January 1984. 145 Even with White House backing, however, there wasn't enough support in Congress or elsewhere to secure funding or approval for the two dam project as envisioned in the 1968 court settlement.

Jack Anderson, a syndicated investigative journalist whose reports were among the most widely read in the country, called the project "a \$233 million boondoggle" in his April 23, 1984 report published in *The Modesto Bee*.

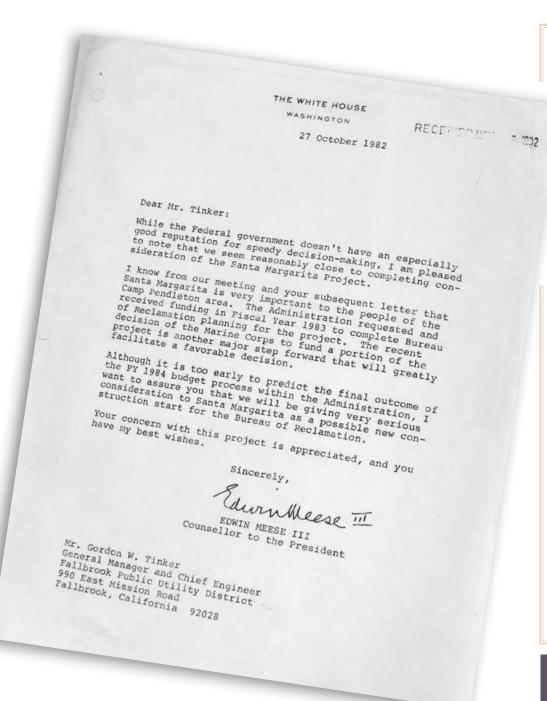
"What proponents don't mention," Anderson wrote, "is the enormous benefit that could accrue to land developers and speculators from the lake the dams will create. Eager salesmen are already offering lots on the future lakefront. In addition, avocado groves are notorious tax shelters — hardly the kind of irrigation beneficiaries that should be funded by the public."

Anderson added, "The Pentagon is enthusiastic about the project and included it in a secret budget report sent to the Navy. Interior Secretary William Clark has given the Santa Margarita dams a high priority. Presidential counselor and Attorney General-designate Edwin Meese is another administration insider who has taken an interest in the project."

FPUD eventually discussed potentially modifying the project to include just one dam, but even that proposal was criticized.

"From the standpoint of cost, the project, whether involving one or two dams, remains an indefensible waste of taxpayers' dollars that would go to subsidize an overplanted crop (avocados), at what would be the highest per-acre subsidy of any water project currently before Congress," Phil Pryde, conservation chairman of the San Diego Audubon Society, told the *Escondido Times-Advocate* in an August 1, 1984 report.<sup>146</sup>

Meanwhile, as prospects for a dam along the Santa Margarita River continued to face resistance, Fallbrook's population continued to grow along with its water needs.



### FPUD is Ultimately Unable to Build a Dam and Reservoir on its Own

As it was battling the U.S. government in court, Fallbrook Public Utility District tried to build its own dam and reservoir along the Santa Margarita River.

FPUD purchased nearly 1,400 acres of land for a dam and reservoir along the Santa Margarita River in the 1950s. The district also hired an engineering firm and sought federal funding for the project, but it didn't get very far.

After James M. Montgomery Consulting Engineers prepared a feasibility report for a Fallbrook dam and irrigation system in 1961, FPUD applied to the Secretary of Interior for a \$4.5 million loan through the Small Project Act, but the loan was denied, according to former FPUD General Manager Gordon Tinker, who produced a historical report in 1999 with details on the proposed Fallbrook Dam project.

"These (Small Project Act) funds, along with other funds available to the District, would have enabled construction of the Fallbrook Dam and Reservoir for storage of 30,000 acre-feet of water to be appropriated under existing water diversion permits previously granted by the State. However, the loan was not granted, as the many years of litigation had not produced a formula for division of water that would enable either the District or the Navy Department to build and operate projects totally independent of each other," Tinker wrote.<sup>147</sup>

Left: FPUD General Manager Gordon Tinker traveled to the White House to brief presidential counselor Edwin Meese, III on the merits of the two-dam project. Meese, a top advisor to President Ronald Reagan, followed up with an October 27, 1982 letter, asserting that the administration would continue to consider the Fallbrook project in its budget planning. The letter is included in FPUD's archives.

Courtesy of Jeff Crider



### NO LONGER JUST A FARMING TOWN

As FPUD struggled to develop a Santa Margarita River supply, Fallbrook itself continued to evolve, becoming more of a bedroom community, albeit with a significant agriculture base

For most of its first 70 years, Fallbrook was a farming community.

A promotional article published by Union Title Trust Topics in early 1950 described the northern San Diego County community as a "haven in the hills" with a "pleasant combination of fine ranches and comfortable homes." 148

By 1950, the Fallbrook area had 1,200 acres of citrus, mostly lemons of the Lisbon variety, and 2,100 acres of avocados.

"Some lemon groves have been destroyed to make way for avocados, and a number of olive growers are planting avocado trees in order to split the economic risk and to take advantage of the ever-improving avocado market," Union Title Trust wrote in its 1950 account.

But after World War II, some of Fallbrook's agriculture began to give way to residential development.

"Nearby Camp Pendleton, too, contributed to the wartime growth of Fallbrook," Union Title Trust wrote, adding, "Many of the Marine Corps camp's officers and men and their families established permanent homes in the region while they were still in the service. Still other servicemen, having been introduced to the community during the war, returned there after V-J Day to establish homes and businesses."

Joan de Charmoilles Hinchliff lamented in her 1961 thesis report on Fallbrook agriculture that falling lemon and avocado prices were prompting some growers to sell their land to people who wanted to build homes in the Fallbrook area.

"It must, therefore, be considered a potentially undesirable circumstance that people with money and a desire to live in the country have recently 'discovered' Fallbrook," de Charmoilles Hinchliff wrote, adding, "Temporarily low avocado and lemon prices have encouraged many growers to sell homesites. Zoning has been undertaken to restrict subdivision to parcels no smaller than one acre. Nevertheless, much subdivision by individuals and development companies continues, and an increasing demand for this land has inflated land values and threatens the agricultural outlook with increased taxation." 149

An internal FPUD report for 1962 documented the district's increasing residential growth. "It has been estimated that 12,000 people are served from the Fallbrook Post Office, of whom about 9,000 live within the Fallbrook Public Utility District. This is more than twice the population of 10 years ago."

Even more dramatic population growth took place in the 1970s and 80s. "In the five years from 1970 to 1975, Fallbrook's population grew 11 percent. From 1975 to 1980, it skyrocked 75 percent to 23,500 people," the Riverside *Press-Enterprise* wrote in a November 22, 1986 report, noting that the community's population had grown to 28,970 by that time.<sup>150</sup>

Some of the new people moving into Fallbrook were retirees, looking for a quiet place to settle down. Others were families wanting to escape city life. "My own parents drove here in 1974 from Orange County. They found Fallbrook to be a hidden gem," said Lila Hargrove, CEO of the Fallbrook Chamber of Commerce.

As newcomers from other cities came to Fallbrook, many commuted to jobs elsewhere, while their spouses started small business. "My mom had a bakery in town," Hargrove said.

Despite these changes in demographics and the emergence of a more diversified business community, agriculture has continued to be a very important segment of Fallbrook's economy.

In fact, for the first half century of FPUD's existence, agriculture consumed the majority of Fallbrook's water resources. According to FPUD's annual report for 1963, the district delivered 9,250 acrefeet of water to agricultural customers, while 1,020 acre-feet was used for domestic purposes.

Fallbrook agriculture continued to thrive for several decades, despite challenges with changing market conditions, although droughts, rising water costs and other factors eventually prompted declines in the amount of acreage dedicated to citrus and avocado production.

Fallbrook citrus production increased from 6,604 tons in the 1961-62 season to 16,875 tons in the 1972-73 season, according to statistics compiled by the Fallbrook Citrus Association.

Nile Peterson, a fourth-generation Fallbrook resident, spent three decades working for Calavo Growers, the marketing cooperative. He said there was a tremendous expansion of the avocado industry statewide in the 1980s, with the Fallbrook area reaching its peak production in the 1990s.

"During my employment as a fieldman for Calavo Growers, I had Fallbrook as my area. I remember one year in the 90s that Calavo wrote \$12 million in checks in the 92028 zip code. I think we had a 30 percent market share, so over 35 million pounds of avocados in Fallbrook." Peterson said there were many reasons for the expansion of the avocado industry in Fallbrook and throughout California.

"Due in large part to better marketing, the avocado industry expanded rapidly in the 1970s and 80s, reaching its peak in the mid-80s (statewide) with 75,000 acres," Peterson said. "However, overplanting and new competition with Chile, combined with fear of high-fat foods resulted in a glut, low prices and a market crash in the early 90s. The state's crop lost over half its value between 1990 and 1993.



"Aggressive marketing, combined with acreage reduction, revived the industry for the next decade. However, starting in the mid-2000s, drought and sharply increasing water prices, especially in the Fallbrook area and Valley Center, have resulted in further acreage reductions. San Diego County lost over 8,000 acres of avocado groves between 2007 and 2012."

The price of water, of course, has always been a critical factor for growers, no matter what they plant.

The wholesale price of water for the district roughly doubled from \$800 in 2010 to \$1,600 at the time of this writing, forcing many growers to exit the avocado business.

Peterson said many Fallbrook area avocado growers have left the business because they were simply investors, and not people carrying on a family tradition of farming.

Acreage for citrus farming has also declined, although growers have successfully farmed other crops ranging from macadamia nuts to orchids and other nursery crops.

Meanwhile, over the past half century, the diversification of Fallbrook's economy has continued as the community's population has grown.

Pat Saunders of the Fallbrook Historical Society has seen pretty dramatic changes over the past 33 years. "When I arrived, there were only two stoplights in town. Now there are several," she said. "There were no tract homes here. Now there are tract homes."

While Fallbrook's population has grown to about 35,000 at the time of this writing, FPUD Director Don McDougal notes that Fallbrook's population cannot grow too much more because the unincorporated area does not have land available for large housing

tracts like other cities such as Temecula, which has experienced explosive growth since the 1990s.

"There really is very little buildout capacity," McDougal said. "The growth is going to be in the surrounding areas and not in Fallbrook per se. The zoning and the available lots for development are just not there anymore. There aren't any large areas that can be converted into housing without zoning changes and taking a lot of agriculture out."

Zoning of land and the continued existence of a variety of farming operations will ensure that Fallbrook retains the charm that attracted settlers here in the first place. "People want to keep a small town feeling here," Saunders said. "A lot of the residents like the idea of a small farming community here."

But, like other communities in California, water continues to be of concern, particularly during drought years.

### Efforts to Incorporate Fallbrook Fail By Wide Margins

Fallbrook's growth has periodically prompted local residents to consider incorporating, but the last two attempts — in 1981 and 1988 — failed by wide margins.

In 1988, voters considered a proposal that would not only make Fallbrook an incorporated city, but set the stage for Fallbrook Public Utility District and Fallbrook Sanitation District to eventually join the city.

FPUD agreed to become the lead agency promoting the incorporation effort after receiving petitions from more than 25 percent of registered voters favoring incorporation who asked that the issue be placed on the June 1988 ballot.<sup>151</sup>

However, the Local Agency Formation Commission (LAFCO) issued an order in December 1987 requiring that the two independent utilities be taken over by the city if voters supported the incorporation effort. LAFCO's decision prompted criticism from both utilities as well as a lawsuit by the sanitation district.

Sixty percent of Fallbrook voters ultimately rejected the incorporation initiative, known as Proposition V, in the June 1988 elections.

"Final counts at 21 precincts showed that 5,065 voters, or 60.13 percent of the ballots cast, opposed Proposition V while 3,359 were in favor of the ballot measure," the *Oceanside Blade-Tribune* wrote in a June 6, 1988 report, adding, "Turnout was relatively high, as 8,702 of the town's 13,149 registered voters, or 66 percent, cast ballots."

A similar cityhood initiative failed in 1981 by even wider margins with 71 percent of voters opposing incorporation, the *Blade-Tribune* said. In the 1981 initiative, FPUD and the Fallbrook

Sanitation District were to be merged, but still kept separate from the city. 152

### FPUD Acquires De Luz Heights Municipal Water District

In 1990, the registered voters in the De Luz Heights Municipl Water District, whose service area joins Fallbrook to the northwest, decided to dissolve their 17-year-old district and its entire service area was annexed to Fallbrook Public Utility District.

"It is an indication of the growth and development in the De Luz area," FPUD General Manager Gordon Tinker told the *Escondido Times-Advocate* in a March 8, 1990 interview. "They're getting more people and they want more services." <sup>153</sup>

The De Luz district was established in 1962 with Phil and Darline Berg taking over management operations in 1972. "They have been the only people to serve the De Luz district in a management capacity throughout its existence," the *Fallbrook Enterprise* wrote in a November 3, 1988 report, adding that the decision to have FPUD take over the district followed Phil Berg's retirement due to health issues.

The De Luz dissolution added 11,789 acres to Fallbrook's service area along with 318 water meters.



### FPUD ACQUIRES FALLBROOK SANITARY DISTRICT

Fallbrook voters defeated a proposal in 1988 to incorporate the community and merge Fallbrook Public Utility District and Fallbrook Sanitation District into the newly formed city.

But six years later, voters approved a proposal, called Proposition S, which called for dissolving the sanitation district and having FPUD take over sewer service responsibilities within a 4,200-acre area of downtown Fallbrook. Proposition S passed with 70 percent of voters participating in the November 1994 election.

The election took place less than six months after the Local Agency Formation Commission (LAFCO) recommended that FPUD absorb the Fallbrook Sanitation District's staff, assets and sewage disposal responsibilities as a cost-saving move that could result in savings of at least \$60,000 a year, according to an April 28, 1994 report in the *Escondido Times-Advocate*.

The idea of FPUD taking over the Fallbrook Sanitary District had been discussed periodically since at least the 1950s. For example, a December 17, 1959 report in the *Fallbrook Enterprise* discussed both a possible FPUD acquisition of the sanitation district as well as a possible incorporation of the community.<sup>154</sup>

Acquiring the sanitation district proved to be an important strategic move for FPUD because the acquisition gave the district the ability to produce and distribute recycled water, which would become increasingly valuable as Fallbrook continued to grow.

The Fallbrook Sanitary District began supplying the California Department of Transportation (CalTrans) with recycled water for landscaping along Highway 76 in 1991. Fallbrook High School, for its part, started using recycled water to irrigate its athletic fields in 1994.

In 2015, the district completed a \$28 million rehabilitation of its wastewater reclamation plant and a \$2 million recycled water pipeline extension. The improvements give FPUD the ability to reuse more of its wastewater.

FPUD's recycled water system was expanded in 2015 with \$742,000 in grant funding through Proposition 84. The system was expanded to serve growers and homeowners' associations in the southeast part of FPUD's service area, east of Fallbrook High School.

At the time of this writing, FPUD's wastewater system included 78 miles of buried sewer lines, a water reclamation plant with a capacity of 2.7 million gallons per day and an 12-mile ocean outfall. FPUD's recycled water infrastructure includes 10.5 miles of buried pipe. In 2020, FPUD sold 517 acre-feet of recycled water to 19 customers for agricultural irrigation, mostly for nursery operators. FPUD also sold 143 acre-feet of recycled water to 12 sites for land-

scape irrigation, including playing fields, landscaped freeway medians and residential common areas, according to the district's 2020 Urban Water Management Plan.

FPUD had anticipated higher usage of recycled water, but the lower figures result from several factors, including the general decline in agricultural water use, the fiscal and geographic challenges associated with expanding a recycled water distribution system in a small spread-out community, and the recent loss in 2019 of its CalTrans account. CalTrans had been one of FPUD's largest recycled water customers.

FPUD projects that its sales of recycled water will gradually increase. Unused recycled water is discharged into the Pacific Ocean through the district's 12-mile-long ocean outfall.

Guests who attended the 2015 dedication of the upgraded wastewater reclamation plant toured a lower-level section of pipes used in the reclamation process.

Courtesy Village News/Shane Gibson



Above: Brian Brady, general manager from 2011 - 2018, explains the newly upgraded water reclamation plant during a dedication ceremony in 2015. Courtesy of Village News/Shane Gibson



### DOING MORE WITH LESS

As Fallbrook's population has grown, FPUD has embraced more forceful water conservation measures, particularly during times of drought

Fallbrook Public Utility District expanded the capacity of Red Mountain Reservoir in the 1980s to provide greater protection to Fallbrook in times of unforeseen shutdowns in imported water deliveries.<sup>155</sup>

The district complemented these efforts with public information and outreach campaigns designed to encourage more efficient water use.

Even newspaper photos could be helpful in this regard. For example, on June 16, 1988, *The Fallbrook Enterprise* published a photo of FPUD maintenance worker Mickey Case with a caption noting that he was working on a drip irrigation system surrounding the district's office.

"Water users are being encouraged to conserve water wherever possible in preparation for a third year of light snowpack in the Sierras," the caption continued, adding, "FPUD asks that water conservation become a way of life in the Fallbrook area, where 100 percent of all water is imported, and is asking all water users to try and use 10 percent less water than during this time last year."

Of course, while water districts always ask their customers to conserve before imposing restrictions, they can also impose harsh penalties on those who fail to reduce their water consumption.

During the 1991 drought, FPUD imposed a new tiered-rate structure to encourage water conservation, with significantly higher

water rates taking effect when customers consumed higher quantities of water. At that time, residential customers used 38 percent of Fallbrook's water, with agricultural customers consuming 62 percent.<sup>156</sup>

As the 1991 drought intensified, FPUD also enacted one of San Diego County's most restrictive ordinances, which temporarily prohibited building on land not already connected to the district's water system.

More recent water conservation measures have included everything from rebates on water-saving appliances to public outreach campaigns highlighting efficient water-use practices.

These programs include an annual water conservation poster contest for local fourth graders, who learn about water conservation and the water cycle as part of their school curriculum. Winning contest entries are displayed in the FPUD board room for a year and are used in the district's social media posts on Facebook and Twitter in addition to being featured on the district's website at www.FPUD.com and highlighted in an annual calendar.



Outreach efforts to local growers have included irrigation efficiency workshops. But while many growers have adopted micro-irrigation systems and other more efficient irrigation methods, the combination of rising water prices, increasing droughts and increasing water scarcity due to climate change have prompted growers to exit the business. By the time of this writing, agriculture accounted for only a third of FPUD's water use.

Above: Fourth graders are recognized at a board meeting for their artwork in the annual water conservation poster contest, 2018. Right: Noelle Denke, public affairs for FPUD, presents fourth-grader Dillon Gard with a T-shirt with his artwork printed on it for winning 3rd place in the 2014 water poster contest.





### A NEW SETTLEMENT

Fallbrook Public Utility District and Camp Pendleton make a new commitment to work together

While one could argue that environmental regulations effectively prevented FPUD and Camp Pendleton from building the two dams envisioned in their 1968 court settlement, that wasn't the only problem.

Lingering hostility between Camp Pendleton and FPUD also prevented the two sides from coming together to develop new and mutually agreed upon ways to share the waters of the Santa Margarita River for many years.

Part of the problem involved longtime Camp Pendleton and FPUD officials and their successors who couldn't let go of the animosities the two sides developed toward each other during the intense court hearings of the 1950s and 60s. Some Camp Pendleton officials also had a hard time accepting that the Marines lost their case, according to attorneys involved in the dispute.

Now factor in the changing priorities of San Diego County's political representatives in Washington and the constant rotation of new water utility managers at Camp Pendleton every few years who knew nothing about the history of the court case or of the water needs of the base and it becomes easier to understand why the two sides took decades to develop a new physical solution and agree to a workable settlement.

"You had too many players, too many moving parts," said Charley Wolk, a longtime FPUD director.

The effort to simply win federal support for a project that would enable Camp Pendleton and FPUD to share Santa Margarita River water was hard enough. But the effort was further complicated by unrelated political controversies in California or Washington involving San Diego County's representatives, which often interrupted any momentum to resolve Fallbrook's historic water problem.

Despite these hurdles, FPUD and Camp Pendleton eventually identified a new strategy to share the waters of the Santa Margarita River: A "conjunctive" or joint-use project that involves pumping water from the groundwater basin underneath the Santa Margarita River and recharging the basin with storm flows from the Santa Margarita River instead of building a dam and a reservoir.

Gordon Tinker, who served as FPUD's general manager from 1980 to 1999, said he came up with the idea for the conjunctive use project in the early 1990s after it became clear that environmental regulations and related concerns would prohibit construction of a dam and reservoir along the river. With the conjunctive use project, stormwater flows from the Santa Margarita River would be captured and used to recharge the local groundwater supply using Camp Pendleton's recharge basins.

Tinker said he initially discussed the idea with members of the Santa Margarita River Watershed Watermaster, a court-appointed group that managed the Santa Margarita River groundwater basin.<sup>157</sup>



The conjunctive use idea eventually gained steam over time as several longtime Camp Pendleton and FPUD officials retired or moved elsewhere and new officials were appointed to represent their respective interests.<sup>158</sup>

Martha Lennihan, FPUD's attorney for 23 years who worked under four different general managers, said the introduction of a new cast of representatives helped to change the chemistry of FPUD-Camp Pendleton meetings, setting the stage for a breakthrough in the long-running dispute.

Jack Bebee, FPUD's general manager at the time of this writing, said Keith Lewinger and Lennihan both played critical roles in creating conditions for a conjunctive use agreement, which was finally approved by the U.S. District Court in San Diego in 2019.

Lewinger, who served as FPUD's general manager from 1999 to 2011, laid the groundwork for some key items in order for the project to proceed.

"Through the years, we developed what was sort of an outline for a settlement: that a project would be built, that Fallbrook and Pendleton would share in the project, and that some of that water would be sent back to FPUD," Lewinger said. "The key to moving it forward was constant, regular meetings with Camp Pendleton to develop that rapport, realizing we both had things we could gain by moving forward with this project."

Lewinger also worked with Lennihan to keep the district's water rights permits from expiring. But because the U.S. vs. Fallbrook court case had gone on for so many years, staff members of the State Water Resources Control Board eventually decided to cancel both of FPUD's water permits for lack of use.

"Keith and Martha led the efforts on getting the water rights permits extended — overriding the State Regional Water Quality Control Board staff recommendation to let them expire," Bebee said. "Keith also led efforts to get Public Law 111-11 passed through Congress. This law ultimately was the vehicle to help get the facilities built on Camp Pendleton. I really came in the get it to the finish

Left: Gordon Tinker, who served as FPUD's general manager from 1980 to 1999, said he came up with the idea for the conjunctive use project in the early 1990s after it became clear that environmental regulations and related concerns would prohibit construction of a dam and reservoir along the river. *Courtesy of FPUD* 



Above Left: Martha Lennihan served as FPUD's attorney for 23 years. Above Right: Jeremy N. Jungreis was an attorney and head of Camp Pendleton's Office of Water Resources, who represented Camp Pendleton during the final resolution of the federal government's llitigation with FPUD. Below: FPUD attorney Martha Lennihan, left, FPUD Director Don McDougal and FPUD General Manager Jack Bebee celebrate the 2019 District Court order ending nearly 70 years of litigation between FPUD and the U.S. government. Courtesy of Martha Lennihan and FPUD



line and make sure we didn't get sidetracked or let hurdles derail the project, as happened in past iterations."

However, Bebee himself also developed a personal rapport with Jeremy N. Jungreis, an attorney and head of Camp Pendleton's Office of Water Resources, who represented Camp Pendleton in the case. The two would eventually go jogging together and their mutual friendship and respect for one another helped them resolve the case.

"I think what I was able to do with Jeremy was help convince him we weren't out to create a bad deal for the base, but there was a deal that was fair for FPUD and benefited the base," Bebee said, adding, "I think that was the change I helped move along once I got involved. The structure of the house was built before long before I got there and I just had to make sure it finally got finished so people could start to live in it."

Jungreis, for his part, credited Bebee for taking the conjunctive use project across the finish line.

"Jack made the difference," he said, adding, "I think a lot of it was the two of us being able to work together. I also realized that the military's needs could be met while making FPUD better off, too."

Lennihan, whose primary focus had always been to help achieve a settlement of the U.S. v Fallbrook case, was also critical in building and finishing this project, Bebee said. "She had to put everything into an agreement that could ultimately get approved by Camp Pendleton, the Department of Defense, the Department of Justice, and, finally, the federal judge," he said.

Camp Pendleton and FPUD reached an agreement to resolve their court case and pursue a conjunctive use project in 2017.

Their agreement became official on April 29, 2019 when it was approved by U.S. District Court Judge Gonzalo Curiel in San Diego — 68 years after the U.S. filed its January 25, 1951 lawsuit against

FPUD and Fallbrook residents challenging their use of Santa Margarita River water.

The conjunctive use project went online in the fall of 2021, providing both Camp Pendleton and FPUD with a new source of water that would enhance water security for both parties.

Through the conjunctive use project, water from the Santa Margarita River will be collected at Camp Pendleton and stored temporarily underground. Some of the water will be kept at the base while some will be pumped back to Fallbrook through a new pipeline. The water will be filtered at a recently completed treatment facility on Alturas Road, which also includes a new pump station and reservoir. Once treated, the water will be distributed to FPUD customers.

FPUD expects to receive on average about 3,500 acre-feet of water per year from the conjunctive use project, which would account for about half of the district's water needs in 2022. The actual amount of water obtained from the project will depend on weather conditions, with estimates ranging from 580 acre-feet in a drought year to 6,320 acre-feet in a wet year.

FPUD also retains the first right of refusal to purchase excess water sold by Camp Pendleton, which could provide the district with up to 1,500 acre-feet of water annually, while also providing Camp Pendleton with additional revenue for operations and maintenance.

Current and former Fallbrook Public Utility District board members pose with U.S. Marine Corps Base Camp Pendleton representatives following a federal judge's signing of a landmark agreement involving the use of the Santa Margarita River. Seated in the front row, from left, Milt Davies, retired board member; Bert Hayden, retired board member; Gordon Tinker, retired FPUD general manager; FPUD Directors Jennifer DeMeo, Charley Wolk and Paul Boughman, attorney for Camp Pendleton. Back row, from left, Bob Anderson, retired FPUD board member; Martha Lennihan, attorney for FPUD; Larry McKinney, formerCamp Pendleton staff; Keith Lewinger, retired FPUD general manager; Don McDougal, FPUD board president; FPUD Directors Ken Endter and Al Gebhart, and Jack Bebee, FPUD general manager. *Courtesy of FPUD* 



"The conjunctive use project enables us to reduce our long-term water costs," Bebee said, noting that the conjunctive use project was initially expected to provide FPUD with a third of its water supply in a typical year at a lower cost than the district would pay if it purchased a similar amount of water from the San Diego County Water Authority. FPUD has since determined that the conjunctive use project could supply roughly half of the district's water supply due to lower demands.

"The lower water demands are due to both the rising cost of water and conservation practices put into place over the past 20 to 30 years, including low-flow toilets and shower heads, high-efficiency washing machines, combined with FPUD customers having fewer lawns and more water-wise gardens," Bebee said.

The conjunctive use project ultimately cost \$111 million, with FPUD paying \$64 million and Camp Pendleton contributing \$47 million to design and build the dual-use facility. FPUD funded its



Above: Construction of the water treatment plant on Alturas Road for the Santa Margarita Conjunctive Use Project. Courtesy of FPUD

share of the project costs with a 30-year state revolving loan with an interest rate of 1.8 percent.

A bidirectional pipeline was also installed as part of the conjunctive use project, which gives FPUD the ability to provide water to Camp Pendleton in the event of an emergency or if the water supply lines to the base are interrupted.

Camp Pendleton, for its part, also now has a way of generating revenue from water sales to FPUD, which it didn't have before. The conjunctive use agreement also enables Camp Pendleton to use proceeds from water sales as a separate source of revenue for base operations and maintenance, independent of whatever funding the base receives each year from Congress.

"Everybody is a winner," said Paul Boughman, Camp Pendleton's attorney, in a May 21, 2019 report in *The San Diego Union-Tribune*.

"Having local, more affordable water is critical and this couldn't have been resolved without the impressive joint efforts working on this."

Bebee of FPUD, for his part, was similarly pleased. "This is a major accomplishment for our district," he said. "So many people from FPUD and Camp Pendleton have worked together for almost seven decades to make this happen."

Right: Construction of the water treatment plant on Alturas Road for the Santa Margarita Conjunctive Use Project. *Courtesy of FPUD* 



### How FPUD and Camp Pendleton Dodged a Bullet

Camp Pendleton and FPUD's multi-decade delay in building a mutually beneficial water project on the Santa Margarita River eventually caught the attention of California water officials, and not in a good way.

On June 15, 2009, State Water Resources Control Board staff notified FPUD and Camp Pendleton that their Santa Margarita River water rights permits were being denied for lack of use. While the state water board has the power to grant water rights permits, the state can terminate such permits if permittees fail to act on the permits and put their water rights to beneficial use.

"It was a tense time," said Martha Lennihan, a Sacramento-based water attorney who represented FPUD as the district worked with Camp Pendleton and the Bureau of Reclamation to appeal the decision.

"We knew that the facts and law were on our side, but the stakes were painfully high. Without those permits, there would not be a settlement, nor a joint project to generate local water. The considerable investment by FPUD, Camp Pendleton, as well as the state and federal governments over an almost 60-year period would be down the drain."

Camp Pendleton and FPUD both had water rights permits dating back to the 1940s and 50s that had been repeatedly extended.

One of FPUD's permits included Permit 8511, which was issued April 23, 1951, three months after the U.S. government filed its famous water rights lawsuit against the district.

According to state records, "The permit authorizes collection and storage of 10,000 (acre-feet annually) of water from the Santa Margarita River from January 1 to December 31 of each year at the proposed Fallbrook Dam for municipal and domestic use, and irrigation of 8,192 acres within Fallbrook. The permit required that construction be completed by December 1, 1953, and full beneficial use of water be completed by December 1, 1958."

As prior chapters indicate, a joint project to use Santa Margarita River water didn't happen, initially because of ongoing litigation between Camp Pendleton and FPUD and subsequently because of their difficulties obtaining permits and funding due to environmental and cost concerns.

The State Water Resources Control Board highlighted its history of granting permit extensions in its June 15, 2009 decision to cancel the permits. "The Board has granted eleven petitions for time extension for Permit 8511, allowing a total of 57 years to put water diverted under the permit to full beneficial use. The most recent deadline for Petitioners to develop the project and place the water to beneficial use was December 31, 2008."

The state issued a similar water rights permit to the U.S. Navy for its proposed De Luz Dam on the Santa Margarita River, which was also extended four times with the latest deadline being December 31, 2008.

Permit 8511 along with two other permits — Permit 11357, initially issued to FPUD on May 2, 1958, and Permit 15000B initially issued to the U.S. Navy on November 18, 1965 — were subsequently transferred to the U.S. Bureau of Reclamation, which

was to handle construction of the two-dam and reservoir project. These permits all faced a similar deadline of December 31, 2008.

Prior to this deadline, FPUD, the Bureau of Reclamation and Camp Pendleton began meeting and corresponding with State Water Resources Control Board staff to discuss their proposed conjunctive use project and the regulatory changes that would be needed to accomplish the project.

FPUD, Reclamation and Camp Pendleton were consequently taken aback when the State Water Resources Control Board suddenly issued an order cancelling their water rights permits. "State water board staff knew that the filings to pursue those changes would be forthcoming from the project proponents," Lennihan said. "Further, due to its regional and statewide benefits, the project had been endorsed in the San Diego regional water plan and had received state funding. Ironically, some of that funding had come through the State Water Resources Control Board, whose staff were now trying to gut the project."

Fortunately for FPUD and Camp Pendleton, Lennihan was able to convince the State Water Resources Control Board to reinstate their water right permits. "The state water board heard our heartfelt, factual and legal arguments, and reversed the staff order," Lennihan said. "This avoided the waste of significant public investment. It also restored our ability to move forward with the Santa Margarita Conjunctive Use Project with its attendant benefits for FPUD, Camp Pendleton, and the broader public."

Convincing the state to change course was no easy task, however.

"It was a David vs Goliath battle," Lennihan said, adding, "It took real fortitude for FPUD,

the 'David' in this scenario, to pursue this to a conclusion that benefits both parties as well as the broader public. Fortunately, the State Water Resources Control Board heard our heartfelt arguments, and caused the staff order to be reversed."

The efforts spearheaded by Lennihan on behalf of FPUD and Camp Pendleton were ultimately successful on the larger scale as well. The State Water Resources Control Board eventually approved all of the water right regulatory changes needed for the success of the conjunctive use project.

### FPUD General Manager Gordon Tinker

Gordon W. Tinker, the FPUD general manager who came up with the idea for a conjunctive use project with Camp Pendleton, was a retired Navy Commander in the Civil Engineer Corps before joining the district.

He was FPUD's general manager from 1980 to 1999 and was interviewed multiple times for this book prior to his passing in December 2021.

During his time at FPUD, Tinker served as chairman of the Special Districts Advisory Committee of the Local Agency Formation Commission (LAFCO) and as a member of the Environmental Affairs Committee of the Association of California Water Agencies (ACWA).

Additionally, Tinker worked for many years as a board member of the Fallbrook Healthcare District. He was first





appointed to the district board in 2005 and was elected to successive four-year terms in 2006, 2010 and 2014. As a board member, he worked to ensure that Fallbrook residents had access to a wide range of medical providers and services in Fallbrook. Tinker was previously the Naval officer civil engineer in charge of construction of the Camp Pendleton Hospital, according to the Fallbrook Health District website.

A registered Professional Engineer, Tinker earned a Bachelor of Science in electrical engineering from Stanford University and a Master's degree in electrical engineering from the Naval Postgraduate School in Monterey.

Left: Construction of the water treatment plant on Alturas Road for the Santa Margarita Conjunctive Use Project. Above: Gordon Tinker, who served as FPUD's general manager from 1980 to 1999. *Courtesy of FPUD* 



### FPUD'S WATER FUTURE

Fallbrook's water supplies are secure, but FPUD is developing a new and lower-cost water supply strategy for the future

Fallbrook Public Utility District in 2022 serves a population comprised of 35,000 business and residential customers.

FPUD projected sales of 8,100 acre-feet of potable water for 2020-2021 with municipal and industrial demand accounting for 5,400 acre-feet with agricultural water sales totaling 2,700 acre-feet or about one third of demand.

The San Diego Association of Governments (SANDAG) estimates that Fallbrook's population will gradually increase to 38,943 by 2045, while local water demands will grow to 10,690 acre-feet, according to the district's 2020 Urban Water Management Plan. 159

FPUD's future plans include upgrading the district's advanced metering infrastructure system, which will allow for real-time meter reading and also provide customers with real-time water use data.

New projects bolstering Fallbrook's water security include the Santa Margarita River Conjunctive Use Project, which the district recently developed with Camp Pendleton. FPUD stated in its 2020 Urban Water Management Plan that the project will provide Fallbrook with 40 percent of its water needs, while significantly reducing the district's historic reliance on water imports.

FPUD is also developing an indirect potable reuse project, which would use recycled water to recharge the Santa Margarita River Basin. This project is separate from the conjunctive use project, but would further enhance the local supply by storing recycled water in

the basin instead of letting it flow into the ocean. Pilot studies were underway at the time of this writing to test the feasibility of the indirect potable reuse project. The results of the study will be included in the district's 2025 Urban Water Management Plan.

FPUD has also negotiated an agreement with the Metropolitan Water District of Southern California to store water in Lake Skinner, near Temecula.

While FPUD has worked through a variety of growth and drought scenarios to project its future water supply needs along with its ability to satisfy these needs, the district has also identified a potentially lower cost water supply strategy that it could ultimately adopt with consent of Fallbrook voters.

Fallbrook Public Utility District has relied on the San Diego County Water Authority for most of its water supply since 1948. However, for many years, the district has been paying for construction of costly Water Authority infrastructure, such as the seawater desalination plant in Carlsbad, which provides little benefit to Fallbrook, according to FPUD General Manager Jack Bebee.

Moreover, FPUD officials believe the district could save money by purchasing its imported water from Eastern Municipal Water District which, in turn, purchases its supplemental water from Metropolitan Water District of Southern California in Los Angeles. Lower water costs are of particular interest to FPUD's agricultural customers.



Above: Ultraviolet filtration equipment, a state-of-the-art disinfection process, is in use at the Red Mountain Dam. Courtesy of FPUD



Above: Red Mountain Reservoir holds 440 million gallons of water. Courtesy of Jeff Crider



"As an unincorporated mostly rural area under the land use jurisdiction of the County General Plan, the District has a much higher percentage of agricultural water use and lower population and housing density that create unique challenges for the District associated with the cost of water," FPUD writes in its 2020 Urban Water Management Plan.

The idea is not without controversy, however.

"This is probably the biggest political issue between the San Diego County Water Authority and one of its members I can remember," said Keith Lewinger, a longtime water agency official who was FPUD's general manager from 1999 to 2011. Lewinger said he was part of a committee attempting to negotiate "a truce," but he acknowledged the dispute could take a long time to resolve.

One issue being discussed at the time of this writing is the reliability of the water supplies, with Dr. Michael Hanemann and other

consultants believing that San Diego County Water Authority had a higher level of reliability than Eastern Municipal Water District during the droughts of 2010-11 and 2015-16.

"Over the long-term horizon, the Colorado River is facing water shortages that may ultimately reach California's water entitlement. If that occurs, MWD's 550,000 acre-feet entitlement is the first water to be lost under the priority system," the San Diego County Water Authority wrote in a May 24, 2021 letter to LAFCO.

Eastern Municipal Water District, for its part, has prepared a study to demonstrate that it can meet FPUD's needs using available Metropolitan Water District supplies.<sup>160</sup>

Above: Water tanks at the Santa Margarita River Conjunctive Use Project site. Courtesy of Jeff Crider

"FPUD would save money by switching to Eastern," Bebee said, adding, "Dr. Hanemann's final report, released in February 2022, confirmed that Fallbrook and Rainbow would save a combined \$7 million, annually, with FPUD's share being about \$3.5 million annually."

Before FPUD's proposal to separate from the Water Authority can be implemented, it has to be reviewed by the Local Agency Formation Commission (LAFCO), a process that could take a year or more. If LAFCO gives the proposal a green light and allows FPUD to instead purchase its imported water from Eastern Municipal Water District, voters would have to approve it before the change can take effect.



Right: Construction crews work at the Santa Margarita River Conjunctive Use Project site. *Courtesy of Jeff Crider* 



## PUTTING FPUD ON A STRONGER FINANCIAL FOOTING

FPUD Director Al Gebhart remembers when he started taking a close look at FPUD's finances and realized that the district was in an unsustainable position.

"We were going broke and nobody realized it," said Gebhart, an accountant who served two stints on the FPUD board from 2006 to 2010 and again from 2012 to 2019.

The problem: "We weren't raising rates fast enough," Gebhart said, adding that the realization that FPUD needed to make significant improvements in its financial management was "a watershed moment for FPUD."

"It was a sleeping giant," former FPUD Director Milt Davies said of the looming financial problems detected through careful analysis of district finances.

Gebhart said he worked with FPUD Director Charley Wolk and other board members to request reports from the district's accounting department. The board ultimately hired an outside firm, Charlotte, N.C.-based Raftelis Financial Consultants, to study the district's finances and to come up with recommendations to put the district on a stronger financial footing.

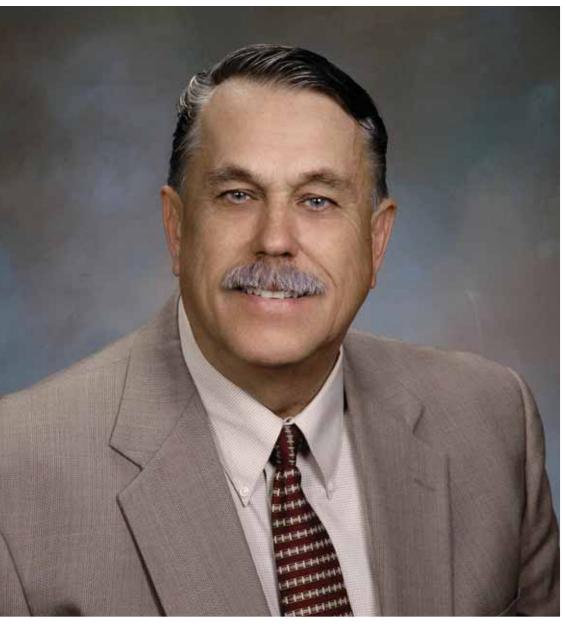
The problem, as Raftelis identified in their report, was that FPUD's water rates were not keeping up with rising expenses, including imported water costs, capital improvements, maintenance and required contributions to the California Public Employees Retirement System (PERS).

"We were continually underfunding our pensions with the PERS system," Gebhart said. "We also had no (financial) plan for pipes or values in terms of replacement."

Gebhart credited FPUD General Manager Jack Bebee for working with the board and outside consultants to improve the district's financial position. Bebee, who joined FPUD in 2009 as an engineering and planning manager and was promoted to acting general manager in October 2017, endured an intensifying budget review process that included multiple public meetings.

A month before promoting Bebee to acting general manager, FPUD also hired a new chief financial officer, David Shank, to strengthen the district's financial management. Shank previously worked for the San Diego County Water Authority.

Bebee, who was subsequently promoted to general manager in August of 2018, readily acknowledged in an interview for this book that FPUD needed to do a better job of understanding the full scope of the district's current and future operating costs. "We were so focused on pass-through costs (from the San Diego County Water Authority) that we weren't keeping up with our own needs," he said.





Above: Milt Davies served on the FPUD board for 38 years, about a third of which he served as board president. *Courtesy of FPUD* 

Above: Jack Bebee speaks on the benefits of the Santa Margarita River Conjunctive Use Project at a dedication ceremony. *Courtesy Village News/Shane Gibson* 

In fact, FPUD was not even passing through the full costs of its water imports from the Water Authority.

FPUD, however, did everything in its power to keep rates as low as possible for its customers, even going to the extent of reducing its workforce from 73 full-time employees in 2007-2008 to 68 in 2017. A 2014 salary survey also found that FPUD's salaries were 5 percent below the average of similar nearby agencies while the total cost of its employee benefits was 8 percent below average.

But the merits of these cost-saving efforts were overshadowed by FPUD's failure to adequately plan for the full spectrum of future operating, maintenance, capital improvement and employee pension costs.

When Bebee and Sanjay Gaur of Raftelis presented Raftelis's findings to the public and illustrated the need to raise FPUD's water rates in November of 2017, all 24 people who obtained speaker cards to address the board opposed the rate increases, according to a *Village News* report.<sup>161</sup>

"I use millions of gallons of water every year," said Dan Cox, an avocado grower. "What's going to happen to FPUD when the Ag industry is gone? My increase on the meter is going up 105 percent. How do you justify that? What is the mathematics behind that?"

Right: Donna Gebhart of the Fallbrook Trails Group and her husband, Al Gebhart of the FPUD board, are presented a sculpture as a gift for aiding in the transfer of FPUD's Santa Margarita River property to The Wildlands Conservancy in 2018. Presenting it is David Myers, one of the founders of The Wildlands Conservancy. *Courtesy of Village News / Shane Gibson* 



Another resident, Robert Landes, criticized FPUD for its financial situation. "There are a lot of Fallbrook residents that are on fixed incomes and we're angry and we're frustrated and we're scared. These increases represent not only an undue burden for the citizens, but they represent what we feel is a failure on the fiscal management part of our board. We're asking you to sharpen your pencils a little bit and be cognizant of the fact that we're on a fixed income. We're counting on you to do better." 162

But failing to take in enough revenue to cover FPUD's operating costs was unsustainable, Gaur and Bebee said. Bebee also told meeting attendees that FPUD's reserves had fallen to \$14 million, a paltry amount considering that it would cost \$440 million to replace the district.

"We're getting to the point where the reserves, if we continue in this way, we're not going to have any sufficient reserves to deal with emergencies and other events," Bebee said during the meeting, as reported by the *Village News*.<sup>163</sup>

Raftelis also presented meeting attendees with a 10-year financial plan to put FPUD on a stronger financial footing. The plan factored in the costs of replacing aging pipelines and other infrastructure as well as rising water costs.

Bebee ended his November 2017 presentation noting that the FPUD board was taking steps to minimize personnel costs and to develop alternative water supplies to mitigate future rate increases.

Left: The Wildlands Conservancy purchased 1,384 acres of land along the Santa Margarita River from FPUD, which the district planned to use as a dam and reservoir site in the 1950s. The Wildlands Conservancy used grant funding to help cover the \$10 million sale price. FPUD, for its part, used the proceeds from the sale to pay down district debts and to bolster its reserves. *Courtesy of Jeft Crider* 

One such effort was the conjunctive use project with Camp Pendleton, which was expected to provide about half of FPUD's water supply at lower prices the San Diego County Water Authority, given its history of rate increases.

FPUD was also exploring the possibility of separating from the Water Authority and importing water instead from Metropolitan Water District through Eastern Municipal Water District, a scenario FPUD believed would provide its Fallbrook customers with even lower-priced water.

FPUD initially raised rates by 8 percent in January 2018 with subsequent annual increases of 6 percent in 2019, 8 percent in 2020; 6 percent in 2021 and 5 percent in 2022.

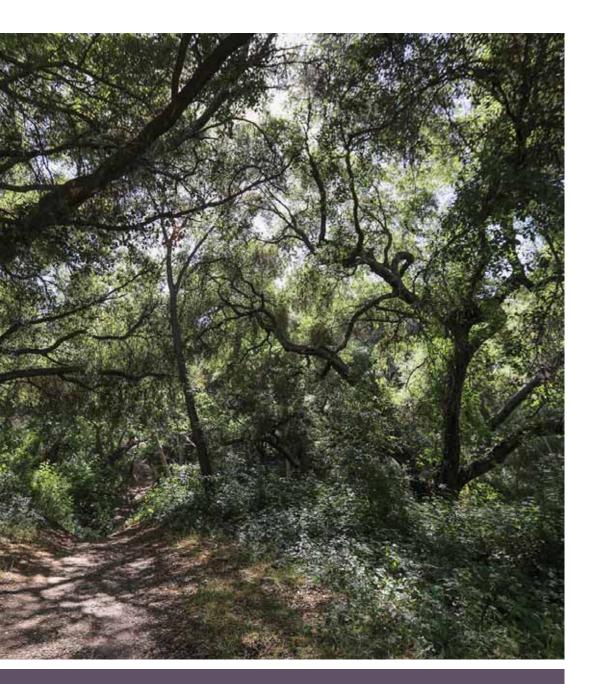
As noted earlier, the conjunctive use project ultimately cost \$111 million, with FPUD paying \$64 million and Camp Pendleton contributing \$47 million to design and build the dual-use facility. FPUD funded its share of the project costs with a 30-year state revolving loan with an interest rate of 1.8 percent.

Bebee said the district would get some financial relief in water costs once the conjunctive use project with Camp Pendleton came online. Future rate increases would also reflect a combination of factors, he said, such as whether FPUD stays with the higher-cost wholesaler, the San Diego County Water Authority, or switches to Eastern Municipal Water District, as well as the amount of local rainfall and how much water the Santa Margarita River Conjunctive Use Project yields for the district.

FPUD's efforts to improve its financial planning have already born fruit. The district won a certificate of excellence in financial reporting from the Government Finance Officers Association of America and Canada for its fiscal year ended June 30, 2019, and every year since then. The California Society of Municipal Finance Officers has also presented FPUD with meritorious awards for its operating budgets for fiscal 2019-2020, 2020-2021 and 2021-2022.



Above: Scenic view of the Santa Margarita River. Courtesy of FPUD



Above: A trail through the oak trees of the Santa Margarita River trails on former FPUD land now owned by The Wildlands Conservancy. *Courtesy of FPUD* 

# Sale of Former Dam Site to the Wildlands Conservancy Creates New Park Land While Enabling FPUD to Pay Off Debts and Increase its Reserve Funds

In the 1950s, while the U.S. government and FPUD were fighting each other in court, the district acquired 1,384 acres of land along the Santa Margarita River, which it intended to use for a dam and reservoir that it planned to build on its own.<sup>164</sup>

FPUD was never able to move forward with its plans, however, because of continuing litigation, problems obtaining funding and other challenges, as noted in previous chapters.

After FPUD reached a new agreement with Camp Pendleton to build a conjunctive use project to benefit both parties, the district decided to sell the land.

The district ultimately sold the land to The Wildlands Conservancy, which used grant funding to help cover the \$10 million sale price. FPUD, for its part, used the proceeds from the sale to pay down district debts and to bolster its reserves.

The land FPUD sold to The Wildlands Conservancy features more than 18 miles of hiking trails, which attract up to 80,000 hikers and horseback riders each year. "Selling the land to The Wildlands Conservancy ensures that the popular hiking trails will remain preserved and open to the public forever, which is something the FPUD board of directors insisted upon before agreeing to sell the land," said FPUD General Manager Jack Bebee. "Thanks to a carefully crafted sales and legal agreement, the land can never be turned into a housing development or anything other than the trails."



FPUD celebrates its centennial in a new era of cooperation and collaboration with Camp Pendleton. The benefits include using the Santa Margarita River as a key source of local water supplies for the first time in over 70 years.

Fallbrook Public Utility District celebrates its 100th anniversary with a renewed sense of cooperation, collaboration and goodwill with Camp Pendleton.

The recently completed conjunctive use project is a win for both sides. Fallbrook can now use Santa Margarita River water as a key source of its water supply for the first time in more than 70 years, while Camp Pendleton can reap the benefits of a new source of revenue along with a new reverse direction water pipeline that can provide the base with a backup source of water in the event of an emergency.

"Our relations with Camp Pendleton now are the best they've been since the 1940s," said FPUD Director Charley Wolk, who has served on the district's board several times since 1981 and most recently since 2014.

Wolk added that the resumption of a positive working relationship with Camp Pendleton and the resulting conjunctive use project, which is expected to provide Fallbrook with about half of its water supply, are clearly the district's biggest accomplishments.

"The conjunctive use project supports Camp Pendleton. It supports our local industries, and it will help Fallbrook hang on to some of its agriculture," said FPUD Director David Baxter, who joined the board in 2019.

The conjunctive use project has also enabled FPUD to develop a new water import strategy that involves importing water from Metropolitan Water District of Los Angeles, through Eastern Municipal Water District's pipelines near Interstate 15.

FPUD estimates that it could save as much as \$500 per acre-foot by purchasing water from Eastern instead of the San Diego County Water Authority. Although it was a founding member of the Water Authority in 1944, FPUD today is the Authority's only member agency that doesn't use any water authority infrastructure. FPUD believes that the higher costs of Authority water reflect its investments in major infrastructure projects that provide no benefit to Fallbrook, such as the Carlsbad desalination plant.

FPUD Director Don McDougal said achieving lower water rates is critical if the district hopes to retain the agriculture segment of its economy, which was the foundation upon which Fallbrook was built. "Without agriculture," he said, "Fallbrook would be nothing more than a bedroom community."

At the time of this writing, FPUD's proposal to separate from the Water Authority and to import water from Eastern was being reviewed by the Local Agency Formation Commission (LAFCO). If LAFCO approves it, the plan will go before the voters for a final decision.

FPUD General Manager Jack Bebee noted that even if the separation proposal goes nowhere, FPUD will continue to import water from the Water Authority as it has in the past, though it will have few options to provide relief to its customers from incrementally higher water import costs.

Meanwhile, FPUD has improved its financial management, hiring a new assistant general manager and chief financial officer and implementing the recommendations of an outside consulting firm to strengthen district operations.

The recommendations, which include water increases and better budget planning for future operations, maintenance and employee pension costs, have not only put FPUD on a stronger financial footing, but earned the district state and national financial planning awards in recent years. Board members have also been working to improve FPUD's financial transparency.

"I feel very confident in the way the district is run," said FPUD Director Jennifer DeMeo. "We have made a lot of progress in helping things to run more efficiently." **FPUD's current board members, for their part,** collaborate well with one another.

"We have a really good working relationship," said Ken Endter, who joined the board in 2018. "We're able to talk to each other and exchange ideas." The board also has a high level of confidence in FPUD staff. "Jack (Bebee) and his staff are very good about explaining what they need and why it needs to be done," Endter said.

Fallbrook, meanwhile, is continuing to evolve. It remains a highly sought-after bedroom community, albeit with an agricultural base.

"In the last 10 years, I've seen a surge of people coming here to escape city life," said Lila Hargrove, CEO of the Fallbrook Chamber of Commerce. "They want to escape the city, but still have access to it. That really is why people move here. You can have that rural lifestyle with chickens and donkeys."

There are fewer farms in Fallbrook than there used to be, of course, including fewer avocados and less citrus. But there are still plenty of local farming operations, especially nurseries.

"You are seeing more boutique vineyards in areas where avocados used to be," said Baxter, who moved to Fallbrook in 2014 and subsequently started the Fallbrook Protea farm. "We're even starting to see some coffee groves coming into the Fallbrook and De Luz areas. We have friends who just created a lavender farm. Young families, in particular, are embracing the rural lifestyle," he said, noting that there are many types of crops that require lower capital costs than avocados.





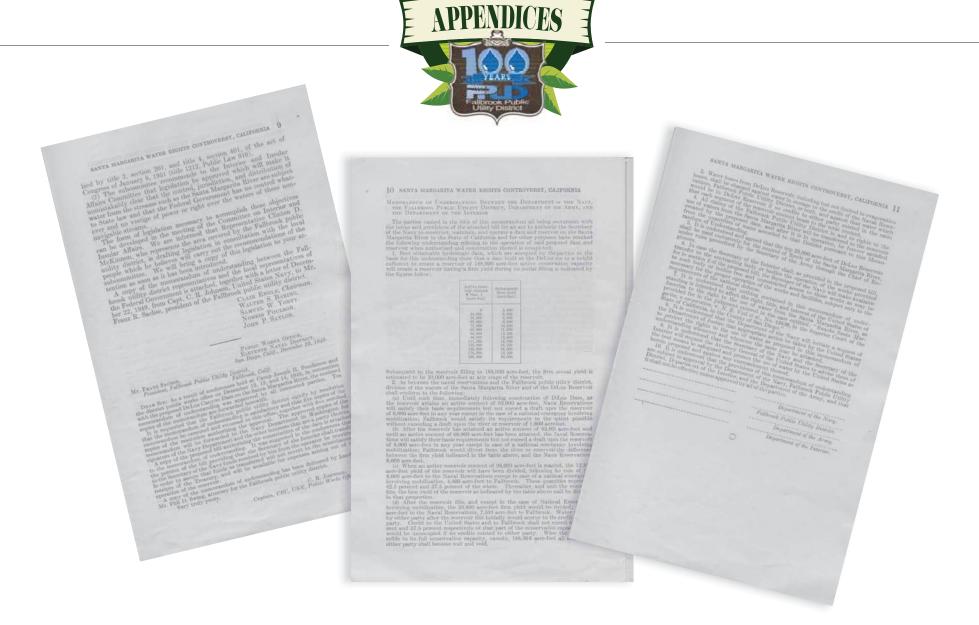
"If we can keep the price of water down," Baxter said, "we can hang on to agriculture."

Wolk, who developed a business managing avocado ranches after retiring from the Marine Corps, said that even with today's water prices, avocado growers can still be successful if they use water efficiently.

"If you farm it correctly, it's profitable," he said, adding, "Worldwide demand for avocados still outpaces supply."

The future of Fallbrook's agriculture, of course, will reflect the evolving price and availability of water. FPUD directors say the district will continue to do its part to support Fallbrook's economy and the water needs of its local residents and businesses as Fallbrook's economy continues to evolve, just as it has for the past 100 years.

FPUD crews repair and replace old water lines in Fallbrook. Some of the district's pipelines are over 80 years old and are in need of replacement. *Courtesy of FPUD* 



Above: The documents above are from the House Special Subcommittee on Irrigation and Reclamation's report on "The Santa Margarita Controversy," dated September 18, 1951. The report documents many details about the conflict, including the page at the far left, which includes the December 22, 1949 letter from Navy Capt. C.R. Johnson to FPUD President Franz Sachse requesting that FPUD pass a resolution asserting that the attached Memorandum of Understanding (MOU) with the U.S. Army, U.S. Navy and U.S. Department of Interior regarding dam construction, storage and use of Santa Margarita River water is satisfactory and that certified copies of the resolution be returned at once to signify the district's approval of the MOU. The letter to Sachse is followed by images of the MOU itself.

#### **BOARD MEMBERS**



# DAVE BAXTER 2022 President and Director of Subdistrict No.1 Current term expires December, 2024

Dave is Vice President, Engineered Solutions at Relevant Industrial, a company providing business solutions through instrumentation and automation, rotating and thermal equipment, purification and building solutions. He has extensive background in water and wastewater treatment, working with municipalities, and spent eight years in the Coast Guard. He is past president of Live Oak Park Coalition and is active in many other Fallbrook nonprofits. He is a Fallbrook business owner, owning and operating Fallbrook Protea farm, and rental property throughout town. He was volunteer pastor at Rancho Community Church until, together with his wife Stephani, they founded Fallbrook Vineyard Church in 2020 where they serve as senior pastors. He has two bachelor's degrees from the University of Tennessee – in environmental engineering and chemical engineering. Hejoined the board in August 2019.



#### **CHARLEY WOLK**

#### 2023 President and Director of Subdistrict No. 5 Current term expires December, 2026

A resident since 1972, Charley owns and operates the Bejoca Company, a local grove management services company. He is active in nonprofit, legislative, business, and farming organizations. His current and former positions include: director of San Diego Farm Bureau, Fallbrook Chamber of Commerce, commissioner and chairman of the California Avocado Commission, and director of the Hass Avocado Board. He first served on the FPUD board in 1981. He has a bachelor's degree in Mechanical Engineering from Marquette University and a master's degree in Management Engineering from George Washington University. He subsequently served on the board from December 1990 to December 1994, and again joined the board in December 2014.



#### JENNIFER DEMEO

#### 2023 Vice President and Director of Subdistrict No. 3 Current term expires December, 2024

The longtime Fallbrook resident was reelected to her second term and seeks to enhance community outreach at FPUD. She is currently working as a writer to publish an inspirational nonfiction book about keeping faith through adversity. She is active in the Republican Party in San Diego County and had been serving as an Alternate on the Party's Central Committee for her husband, Lee DeMeo. She is also a youth volunteer at North Coast Church in Fallbrook. She holds a bachelor's degree in Religious Studies from Guilford College in North Carolina.



KEN ENDTER

#### Director of Subdistrict No. 2 Current term expires December, 2026

Ken is retired from RADY Children's Hospital where he worked as a diagnostic medical professional in the imaging department. He moved to Fallbrook in 2003 when RADY offered him the position. Prior to that, he worked for Kaiser Permanente and as a sub-contractor for the Department of Defense. He grew up in both Long Beach, California and on his family farm in Monticello, Utah which he managed and operated for many years. He is a member of two car clubs and a technical advisor for another. He has a bachelor's degree from Seattle University in Diagnostic Ultrasound with a minor in Physics.



#### DON MCDOUGAL

#### Director of Subdistrict No. 4 Current term expires December, 2024

Don retired as the President/CEO of the Grand Tradition Estate and Gardens, his family's business. A graduate of Fallbrook High, he has more than 40 years in the private business sector. After being away from Fallbrook for 28 years, he moved back to take over operation of the Grand Tradition in 1996. He has been active in many Fallbrook community nonprofit organizations and has served on the FPUD board since 2004. He has a bachelor's degree from California Polytechnic University in Agricultural Business Management

# **GENERAL MANAGERS**

O.P. HEALD GENERAL MANAGER

BOARD APPROVAL DATE: 6/4/45

START: 6/4/45

BOARD APPROVAL DATE: 1/7/46

END: 1/7/46

WILLARD BOREN ACTING GENERAL MANAGER

START: 7/1/59 END: 8/31/59

GORDON W. TINKER
GENERAL MANAGER/CHIEF ENGINEER

BOARD APPROVAL DATE: 9/8/80

START: 10/1/80 END: 6/30/99

JACK BEBEE GENERAL MANAGER

BOARD APPROVAL DATE: 8/27/18

START: 8/27/18

GEORGE F. YACKEY
GENERAL MANAGER/CHIEF ENGINEER

BOARD APPROVAL DATE: 6/21/46

START: 6/24/46

BOARD APPROVAL DATE: 11/10/58

END: 10/31/58

RICHARD SMITH GENERAL MANAGER/CHIEF ENGINEER

BOARD APPROVAL DATE: 9/1/59

START: 9/1/59

BOARD APPROVAL DATE: 1/18/68

END: 2/29/68

KEITH L. LEWINGER GENERAL MANAGER

BOARD APPROVAL DATE: 5/11/99

START: 5/17/99

BOARD APPROVAL DATE: 11/17/10

END: 7/5/11

WILLARD BOREN ACTING GENERAL MANAGER

START: 1/1/59 END: 4/1/59

WILLARD BOREN ACTING GENERAL MANAGER

START: 3/1/68 END:

BRIAN BRADY GENERAL MANAGER

BOARD APPROVAL DATE: 7/15/11

START: 7/19/11

BOARD APPROVAL DATE: 8/28/17

END: 1/12/18

MR. ZAPF CHIEF ENGINEER

BOARD APPROVAL DATE: 4/9/59

START: 4/9/59

BOARD APPROVAL DATE: 6/8/59

END: 6/30/59

WILLIAM S. RALSTON GENERAL MANAGER/CHIEF ENGINEER

BOARD APPROVAL DATE: 4/29/68

START: 5/1/68 END: 9/30/80

JACK BEBEE

GENERAL MANAGER / CHIEF ENGINEER

BOARD APPROVAL DATE: 10/23/17

START: 9/11/17

BOARD APPROVAL DATE: PROMOTED

END: 8/27/18





# JACK BEBEE General Manager

Jack has more than 25 years in the management of engineering, operations, design and planning of water and wastewater infrastructure — including water treatment, distribution and wastewater collection and reclamation facilities. He began working for the District in 2009, and prior to that worked as a consultant, managing water and wastewater infrastructure projects. He has a Bachelor of Science degree in engineering from Washington and Lee University, a Master of Science in civil engineering from University of Illinois, and a Master of Business Administration from California State University, San Marcos. He also holds a Professional Civil Engineering License in California.





Right: Tom Rodgers and his family lived and farmed on the land on Alturas Road where the wastewater treatment plant currently stands. *Courtesy of Tom Rodgers* 



# **JEFF CRIDER**

Jeff Crider specializes in researching and writing history books for water agencies, drawing from his prior experience as an award-winning business and agriculture reporter and his two-decade career working as a writer and publicist for several Southern California water agencies. In his early days as a reporter, he lived in Temecula and covered Fallbrook's avocado business for *The Press-Enterprise*. His great grandfather, Andrew Matus, was a dynamiter who was involved in the construction of Hoover Dam.



#### **ENDNOTES**

<sup>1</sup> It is difficult to find reliable statistics regarding the exact amount of acreage devoted to agriculture in the Fallbrook area. The crop figures cited in this book are from academic reports, news articles and a handful of crop reports from agricultural associations.

<sup>2</sup> Henry Magee volunteered with the New York troops in 1846 and was part of the military force that took California from Mexico. He was stationed in San Diego in the 1850s before relocating to Fallbrook in the 1870s with his wife, Victoria de Pedrorena, a granddaughter of Jose Antonio Estudillo, a political leader in San Diego when California was part of Mexico. A brief history of Victoria Pedrorena and the Magee family by Elizabeth Yamaguchi, formerly of the Fallbrook Historical Society, is available online at https://www.fallbrookhistoricalsociety.org/about/fallbrook-history/featured-articles/victoriapedrorena-an-1879-teacher-in-the-fall-brook-district/.

<sup>3</sup> De Charmoilles Hinchliff, Joan, "The Changes in Agricultural Land Use in the Fallbrook District of San Diego County, California, June 1961, Senior Thesis in Geography, University of California, Riverside, pp. 92-93. This report is on file at the Fallbrook Historical Society.

- <sup>4</sup> Rivers, Don, "Fallbrook's Name and its Connection to Pennsylvania," originally published in the *Fallbrook Village News* on July 9, 1998, when Rivers was president of the Fallbrook Historical Society.
- <sup>5</sup> "Trains Forged Fallbrook's History," *North County Times*, July 17, 1994.
- <sup>6</sup> Walls Seelye, Gloria, Fallbrook: The Friendly Village, (2000), p. 33.
- <sup>7</sup> Rivers, Don, "History of water in and around Fallbrook," undated article on file at the Fallbrook Historical Society, p. 1.
- <sup>8</sup> This *Los Angeles Times* report was a news brief on page 4 with no headline.
- <sup>9</sup> "Fallbrook Irrigation District," Los Angeles Times, February 11, 1892.
- <sup>10</sup> "Millions are at Stake in Irrigation Case: Decision Hard Blow to

California," The Meriden Weekly Republican, July 25, 1895.

- <sup>11</sup> Los Angeles Herald, June 9, 1898.
- <sup>12</sup> This quote was taken from a January 23, 1930 deposition by Denver O. Lamb, which is included in the archives of the Fallbrook Historical Society. The deposition does not reference a specific court case, though it likely involves a 14-year water rights case involving the Santa Margarita River, Vail Ranch and the Santa Margarita Ranch, which took place from 1926 to 1940.

<sup>13</sup> This quote was taken from a January 23, 1930 deposition by Denver O. Lamb, which is included in the archives of the Fallbrook Historical Society. The deposition does not reference a specific court case, though it likely involves a 14-year water rights case involving the Santa Margarita River, Vail Ranch and the Santa Margarita Ranch, which took place from 1926 to 1940.

<sup>14</sup> De Charmoilles Hinchliff, Joan, "The Changes in Agricultural Land Use in the Fallbrook District of San Diego County, California, June
 1961, Senior Thesis in Geography, University of California, Riverside,
 p. 118. This report is on file at the Fallbrook Historical Society.

- <sup>15</sup> Ibid, p. 119.
- <sup>16</sup> Ibid, p. 121.
- <sup>17</sup> You can see Tom Frew's article titled "History of the Fallbrook Citrus Association" online at https://www.fallbrookhistoricalsociety.org/about/fallbrook-history/featured-articles/history-ofthe-fallbrook-citrus-association/.
- <sup>18</sup> Ibid, p. 112.
- <sup>19</sup> De Charmoilles Hinchliff, Joan, "The Changes in Agricultural Land Use in the Fallbrook District of San Diego County, California, June 1961, Senior Thesis in Geography, University of California, Riverside, p. 128. This report is on file at the Fallbrook Historical Society.
- <sup>20</sup> Ibid, p. 129.

- <sup>21</sup> Ibid, p. 131.
- <sup>22</sup> Walls Seelye, Gloria, Fallbrook: The Friendly Village, (2000), p. 61.
- <sup>23</sup> Lippincott's engineering work for Fallbrook Irrigation District is documented in several news articles, including a March 9, 1924 article in the *Los Angeles Times* titled "New Irrigation System," and a June 1, 1924 report in the *San Diego Union* titled "Committee on Fallbrook Irrigation Files Report."
- <sup>24</sup> "Would Condemn Huge Dam Site," *Escondido Times-Advocate*, November 28, 1928.
- <sup>25</sup> "Plan Water Supply for Ranches," *Evening Tribune*, September 4, 1926.
- <sup>26</sup> Fallbrook Irrigation District was being represented by State Senator L.A. Wright, according to the *Evening Tribune* report from September 4, 1926.
- <sup>27</sup> Unlike the better known Civilian Conservation Corps (CCC), the Public Works Administration (PWA) focused on bigger, longer term projects.
- <sup>28</sup> "Federal Aid Promises Big Stimulus to Citrus Farms," *San Diego Union*, March 11, 1934.
- <sup>29</sup> "U.S. Aid Asked for Fallbrook Water Project," *San Diego Union*, December 11, 1934.
- <sup>30</sup> See "Oceanside Plans to Oppose Fallbrook Plan for Water," *Escondido Times-Advocate*, December 7, 1934.
- <sup>31</sup> "PWA Rejects Application of Fallbrook District," *Weekly Times-Advocate*, July 16, 1937.
- <sup>32</sup> Franz R. Sachse, undated speech dedicating FPUD facilities in the late 1960s from the private Sachse family papers held by his daughter, Jorgine Brause of Palm Desert, California.
- <sup>33</sup> Tinker, Gordon, "A Compilation of Historical Data on Water Development in the Fallbrook Area," Internal FPUD Report, January 1999, p. 4.

- <sup>34</sup> "Federal Aid Promises Big Stimulus to Citrus Farms," *San Diego Union*, March 11, 1934.
- <sup>35</sup> "Fallbrook Secures the Right to Pump Water," Weekly Times-Advocate, April 22, 1932.
- <sup>36</sup> "Fallbrook Votes Big Bond Issue," *Escondido Times-Advocate*, July 20, 1932.
- <sup>37</sup> "Federal Aid Promises Big Stimulus for Citrus Farmers," *San Diego Union*, March 11, 1934.
- <sup>38</sup> "Fallbrook Buys Eighty Acres of the Cooper Ranch," *Weekly Times-Advocate*, November 25, 1938.
- <sup>39</sup> "Fallbrook to Vote on Water Bonds Soon," *Times-Advocate*, October 26, 1938.
- <sup>40</sup> "Fallbrook Plans Big Celebration," Weekly Times-Advocate, July 28, 1939.
- <sup>41</sup> "Congratulations to Fallbrook," *Weekly Times-Advocate*, June 14, 1940.
- <sup>42</sup> Tinker, Gordon, "A Compilation of Historical Data on Water Development in the Fallbrook Area," Internal FPUD Report, January 1999, p. 12.
- <sup>43</sup> Quoted from "Fallbrook's Memento," an article by Jean Henshaw, which is contained in the archives of the Fallbrook Historical Society. Henshaw wrote for several North County newspapers in the 1980s, 90s, including the *Times-Advocate* and the *Oceanside Blade-Tribune*.
- 44 Ibid.
- <sup>45</sup> "A Caltech Alumnus Who Reached for the Stars," *Los Angeles Times*, September 8, 1991.
- <sup>46</sup> "Capra: Director of 'Wonderful Life' Dies," *Los Angeles Times*, September 4, 1991.

- <sup>47</sup> Realizing that it needed supplemental water supplies to sustain Fallbrook's growth, FPUD would eventually import Colorado River water by becoming a founding member of the San Diego County Water Authority, a topic that will be discussed in Chapter 6 and in later chapters.
- <sup>48</sup> All five FPUD directors signed an October 1, 1948 report titled "Fallbrook's Water Problem," which noted that the district had made filings on the flood waters of the Santa Margarita River totaling 30,000 acre-feet per year. The directors also cautioned that the filing did not constitute a vested water right and that it could not be acted upon without construction of a major storage facility on the river. The report is contained in FPUD archives.
- <sup>49</sup> "Fletcher's Views on Water Bill," *Weekly Times-Advocate*, April 16, 1943.
- <sup>50</sup> Other cofounding members of the San Diego County Water Authority included San Diego, Chula Vista, Coronado, Oceanside, National City as well as the Lakeside, La Mesa, Lemon Grove and Spring Valley irrigation districts.
- <sup>51</sup> "Work on San Diego Aqueduct to Start May 1," Los Angeles Times, December 21, 1944.
- <sup>52</sup> San Diego Grand Jury Report, 2006-2007, filed May 14, 2007, p. 19.
- <sup>53</sup> "Fallbrook Sets Colorado River Fete Thursday," *San Diego Union*, June 13, 1948.
- <sup>54</sup> "Navy Picks Ranch for Arms Depot," San Pedro News-Pilot, May 8, 1941.
- <sup>55</sup> According to a June 17, 1928 report in the *Los Angeles Times*, "Huge Ranches Still Warring Over Water," the Santa Margarita Ranch once had about 260,000 acres in San Diego, Orange and Riverside counties, though the acreage had been subsequently reduced through "corrected surveys, minor sales and the taking out of rights-

- of-way for public roads." Santa Margarita Ranch was considered to be the largest single land holding in Southern California, south of the Tejon Ranch, in the 1920s. The second largest ranch at that time was the Irvine Ranch, with 101,000 acres in Orange County, with the third being the Vail Ranch with 86,076 acres in San Diego and Riverside counties, the *Times* said.
- <sup>56</sup> Moyer, Cecil C., *Historic Ranchos of San Diego*, Union-Tribune Publishing Co., 1969, p. 25.
- <sup>57</sup> "Santa Margarita: Through the Garden Grounds of San Diego County," *San Francisco Examiner*, May 1, 1881.
- <sup>58</sup> Visit https://www.nps.gov/nr/travel/american\_latino\_heritage/Las\_Flores\_Adobe.html.
- <sup>59</sup> Ibid.
- <sup>60</sup> "Santa Margarita: Through the Garden Grounds of San Diego County," San Francisco Examiner, May 1, 1881.
- 61 Ibid.
- <sup>62</sup> "Huge Ranches Still Warring Over Water," *Los Angeles Times*, June 17, 1928.
- <sup>63</sup> "Trial Involving 444 Days Nearing End," *Los Angeles Times*, December 25, 1940.
- <sup>64</sup> "U.S. Assistance Sought for Dam Project," *San Diego Union*, June 27, 1942.
- 65 "Fallbrook Dam Contract Backed," San Diego Union, April 16, 1949.
- $^{66}$  "Swing Confers Over New Dam Near Fallbrook," San Diego Union, May 5, 1949.
- <sup>67</sup> "Fallbrook Water Pact Reached," *San Diego Union*, December 16, 1949.
- <sup>68</sup> "Water Studies for Fallbrook Nearly Ready," *San Diego Union*, June 21, 1950.

- 69 Ibid.
- <sup>70</sup> "Marines Will Build Dam Close to Base," *San Diego Union*, September 9, 1950.
- <sup>71</sup> "Fallbrook Water Share Promised," *Los Angeles Times*, October 2, 1950.
- 72 Ibid.
- <sup>73</sup> Verbiage used by the federal government in the first sentence of its January 25, 1951 complaint.
- <sup>74</sup> "Santa Margarita Suit: Thousands View Battle in Fallbrook Area as Gigantic Federal Water Grab," *The Press-Enterprise*, January 26, 1958.
- <sup>75</sup> See United States of America v. Fallbrook Public Utility District, Complaint 1247, Filed January 25, 1951 in U.S. District Court, Southern Division, page 7, lines 18-19.
- <sup>76</sup> According to an August 12, 1951 report in the *Chicago Tribune*, the Santa Margarita River had an average annual flow of 24,050 acre-feet over a 46-year period, "and the yield has been below that the last few years."
- <sup>77</sup> See "Preliminary Report on Santa Margarita River, San Diego County," dated November 1, 1948 and produced by the State of California, Department of Public Works, Division of Water Resources and cooperation with with Fallbrook Public Utility District, page 9.
- <sup>78</sup> Italics are mine.
- <sup>79</sup> "Santa Margarita River Fight Held State's Right Peril," *San Diego Union*, May 22, 1951.
- <sup>80</sup> "Navy Men Serve U.S. Complaints on Small Farmers," Los Angeles Times, July 7, 1951.
- <sup>81</sup> "Governors Warned of Federal Threat," *Los Angeles Times*, July 27, 1951.
- 82 Ibid.

- <sup>83</sup> "Navy Men Serve U.S. Complaints on Small Farmers," *Los Angeles Times*, July 7, 1951.
- <sup>84</sup> "Perry Mason's Day in Court," *Los Angeles Times*, February 12, 1961.
- <sup>85</sup> "Texas Property Association Hits California Water Row," *Austin American-Statesman*, July 29, 1951.
- 86 "State Joins Fight Against Water Grab," Los Angeles Times, July 31, 1951.
- <sup>87</sup> "Furor Mounts on Water Grab," Los Angeles Times, June 6 1951.
- <sup>88</sup> "Santa Margarita River Project, California," U.S. Senate Subcommittee on Interior and Insular Affairs, July 1, 1952, pp. 13-14.
- <sup>89</sup> Sullivan, E.J., "The Tidelands Question," Wyoming Law Journal, Vol. 3, No. 1, p. 10.
- <sup>90</sup> Ibid, pp. 10-11.
- <sup>91</sup> See https://www.tshaonline.org/handbook/entries/tidelands-controversy.
- 92 "States' Rights Upheld," San Bernardino County Sun, May 6, 1953.
- <sup>93</sup> "Why Fallbrook Has Become A Symbol," *Long Beach Press-Telegram*, August 19, 1951.
- 94 "Fallbrook Citizens Will Lose Millions if U.S. Grab Succeeds," Los Angeles Times, May 17, 1951.
- 95 "Sabotage Charged In Water Suit," San Diego Union, August 14, 1951.
- <sup>96</sup> "Fallbrook Dam Agreements Said Broken By Government," *San Bernardino County Sun*, August 14, 1951.
- <sup>97</sup> Copy of Franz R. Sachse Speech Before Congressional Committee Hearing in Fallbrook, August 13 - 14, 1951. The text of Sachse's speech was provided by his daughter, Jorgine Brause of Palm Desert, California, to support this commemorative research project.

- 98 Ibid.
- <sup>99</sup> "Little Farmers Detail Water Fears and Win Probers' Pledges of Relief," Los Angeles Times, August 15, 1951.
- <sup>100</sup> Ibid.
- <sup>101</sup> "Bitter Words Mark Water Grab Inquiry," *Los Angeles Times*, August 14, 1951.
- <sup>102</sup> "House To Probe U.S. Water Grab in California," *Chicago Tribune*, August 12, 1951.
- <sup>103</sup> "F.D.R. Statement Enters Water Suit," *Los Angeles Times*, May 26, 1951.
- <sup>104</sup> "Rain And Action Come To Fallbrook," *Los Angeles Times*, August 29, 1951.
- <sup>105</sup> Ibid.
- <sup>106</sup> "Rep. Yorty to Ask President to Stop Federal 'Water Grab' in State," Santa Maria Times, August 17, 1951.
- <sup>107</sup> "Truman Pledges Fallbrook Inquiry," *Los Angeles Times*, August 22, 1955.
- <sup>108</sup> "Water Grab Climax Near At Fallbrook," *Los Angeles Times*, August 10, 1951.
- J. Howard McGrath was previously chairman of the Democratic
   National Committee from 1947 to 1949 and helped orchestrate
   President Truman's successful 1948 victory over New York Governor
   Thomas Dewey.
- <sup>110</sup> "Thorough Probe Pledged for Water Suit Methods," *Los Angeles Times*, February 1, 1952.
- <sup>111</sup> "Newbold Morris To Head Federal Cleanup Drive," *The Ithaca Journal*, February 1, 1952.
- <sup>112</sup> "Showdown With McGrath," *The Kansas City Times*, April 4, 1952.
- <sup>113</sup> "Delay of Fallbrook Suit Asked of Appeals Court," Los Angeles

Times, January 17, 1953.

- <sup>114</sup> A copy of the report was printed in the Congressional Record of February 2, 1953 and is also included in the California Senate's 1953 "Report on Complaints of Citizens in the Santa Margarita Watershed," which was produced by the Senate Interim Committee on Petitions and Complaints.
- Times, June 28, 1952. For years, it has been widely believed that filmmaker Frank Capra produced "The Fallbrook Story." He didn't. As noted in this and other reports by the *Los Angeles Times* and the San Diego Union at the time of film's release, "The Fallbrook Story" was produced by Charles M. Peters, an amateur filmmaker. Capra is not mentioned or credited anywhere in the film's credits. An original printed Los Angeles Premiere flyer for the film, dated August 6, 1952, which is included In FPUD's archives, credits Charles M. Peters as the producer, Ed Ainsworth, a *Los Angeles Times* reporter, as the writer, and Don Porter as the narrator. The Los Angeles Premiere of "The Fallbrook Story" took place at Bovard Auditorium at the University of Southern California.
- <sup>116</sup> "'Fallbrook Story' Film Origin Told," *Los Angeles Times*, June 26, 1952.
- <sup>117</sup> "Government Does Its Own Discriminating: Clerk Position Is Open at Camp Pendleton; Fallbrook People Won't Be Considered," *Weekly Times-Advocate*, September 19, 1952.
- <sup>118</sup> "Federal Control of Fallbrook Water Asserted In Judge's PreTrial Opinion," *Los Angeles Times*, October 23, 1952.
- <sup>119</sup> See "Yankwich Rules U.S. Land Purchase Included Water," *United Press* report published in *The Bakersfield Californian*, December 9, 1952, and "Yankwich Rules There Is No Surplus Water for Fallbrook," *Los Angeles Times*, December 10, 1952.

- <sup>120</sup> "Bill to Settle Santa Margarita Water Fight Goes to Ike," *The Sacramento Bee*, July 28, 1954.
- <sup>121</sup> "Water Fight Unsettled, Fallbrook Citizens Say," *Los Angeles Times*, August 20, 1954.
- <sup>122</sup> "District Opposes De Luz Dam Plan," *Los Angeles Times*, August 18, 1954.
- <sup>123</sup> "Fallbrook Enjoined on Water Use," *San Diego Union*, August 21, 1953. FPUD General Manager Richard A. Smith referenced the continuing loss of water from the San Luis Rey River in a memo titled "The Fallbrook Public Utility District in 1962" and later in a December 27, 1965 report titled "Santa Margarita River Law Suit in Review." In Smith's 1965 report, he noted that it had been apparent since the 1940s that Fallbrook could not obtain sufficient water supplies from the San Luis Rey River.
- <sup>124</sup> "FPUD Hopeful as CWA Cites Water Shortage," *The Fallbrook Enterprise*, January 20, 1956.
- <sup>125</sup> "20-30% Cut in Water Use Stressed at Mass Meeting," *Fallbrook Enterprise*, April 20, 1956.
- <sup>126</sup> "Water Rationing Okayed," *Times-Advocate*, June 9, 1956.
- <sup>127</sup> "Fallbrook Halts Water Meter Installation As Emergency Measure," *Times-Advocate*, April 19, 1957.
- <sup>128</sup> "Southland Area Faces Need of Water Imports," *San Bernardino County Sun*, September 6, 1956.
- <sup>129</sup> "Convictions in Fallbrook Trial Upset: Court of Appeals Reverses Yankwich on Water Rulings," *Los Angeles Times*, March 31, 1956.
- <sup>130</sup> "U.S. To Have No Special Rights In Water Suit," *Los Angeles Times*, August 10, 1958.
- <sup>131</sup> "Fallbrook Wins Drawn-Out Battle Over Water Rights: Federal Officials Lose Case Brought To Public Notice By The Times," *Los Angeles Times*, February 12, 1961.

- 132 Ibid.
- <sup>133</sup> "Ruling Fails to Preclude Water Rows," *Los Angeles Times*, May 13, 1963.
- <sup>134</sup> "U.S. Grab for State Waters," *Santa Rosa Press-Democrat*, September 5, 1963.
- <sup>135</sup> Tinker, Gordon, "A Compilation of Historical Data on Water Development in the Fallbrook Area," (January 1999), p. 8. This document is contained in FPUD archives.
- <sup>136</sup> Sachse's resume dated March 3, 1978 is printed out on letterhead from the Sachse & James Attorneys at Law at 205 West Alvarado in Fallbrook. Sachse's resume was provided by his daughter, Jorgine Brause of Palm Desert, California, to support this commemorative research project.
- <sup>137</sup> Copy of Franz R. Sachse Speech Before Congressional Committee Hearing in Fallbrook, August 13 14, 1951. The text of Sachse's speech was provided by his daughter, Jorgine Brause of Palm Desert, California, to support this commemorative research project.
- <sup>138</sup> "Santa Margarita River Trail Preserve: Integrated Resource Management Plan," by *The Wildlands Conservancy*, January 2018, p. 9.
- <sup>139</sup> Shapiro, Katherine, "The Santa Margarita River" Cultural and Natural Resource," July 1997, Santa Margarita River Foundation, pp. 20-34.
- <sup>140</sup> Ibid, p. 21.
- <sup>141</sup> The Wildlands Conservancy documented the capture of three juvenile steelhead and sightings of several others by base biologists at Camp Pendleton in the spring of 2009, though most documented sightings were in the 1930s and 40s. See "Santa Margarita River Trail Preserve: Integrated Resource Management Plan," by The Wildlands Conservancy, January 2018, pp. 32-33.
- <sup>142</sup> "Oceanside withdraws support for dams," San Diego Union,"

October 27, 1983.

- <sup>143</sup> "Dark Picture Painted of Dam Project," *The Fallbrook Enterprise*, February 23, 1973.
- <sup>144</sup> "Santa Margarita Project rejected by House panel," *Copley News Service*, May 3, 1984.
- <sup>145</sup> "Interior Secretary inspects dam sites," *The Blade-Tribune*, Oceanside, January 1, 1984.
- <sup>146</sup> "1-Dam Plan Panned," *Times-Advocate*, August 1, 1984.
- <sup>147</sup> Tinker, Gordon, "A Compilation of Historical Data on Water Development in the Fallbrook Area," (January 1999), p. 7. This document is contained in FPUD archives.
- <sup>148</sup> Union Title-Trust Topics, "Fallbrook .. Haven in the Hills," January-February 1950, published by Union Title Insurance and Trust Company in San Diego.
- 149 De Charmoilles Hinchliff, Joan, "The Changes in Agricultural Land Use in the Fallbrook District of San Diego County, California, June
   1961, Senior Thesis in Geography, University of California, Riverside,
   p. 77. This report is on file at the Fallbrook Historical Society.
- <sup>150</sup> "Fallbrook's Rural Charm May Be Town's Undoing," *The Press-Enterprise*, November 22, 1986.
- <sup>151</sup> "Incorporation petition accepted by FPUD," *The Fallbrook Enterprise*, October 1, 1987.
- <sup>152</sup> "Fallbrook Incorporation Plan for Districts May be Hard to Sell," Los Angeles Times, December 11, 1987.
- <sup>153</sup> "De Luz Water Agency Likely To Dissolve," *Times Advocate*, March 8, 1990.
- <sup>154</sup> "FPUD Discusses Move to Run Sanitary District," *The Fallbrook Enterprise*, December 17, 1959.
- <sup>155</sup> "FPUD able to hold its own through holiday heat wave," The

Fallbrook Enterprise, September 15, 1988.

<sup>156</sup> "Water bills could triple under new FPUD rate," *North County Times*, February 27, 1991.

<sup>157</sup> The U.S. District Court appointed J.S. Jenks in March 1989 as the Watermaster to enforce the provisions of the final judgment involving Camp Pendleton and FPUD from April 6, 1966. Members of the Santa Margarita River Watershed Watermaster included Anza Mutual Water Co., Cahuilla Indian Reservation, DeLuz Heights MWD, Eastern Municipal Water District, Elsinore Valley Municipal Water District, Fallbrook Public Utility District, Fallbrook Sanitation District, Murrieta County Water District, Pechanga Indian Reservation, Rainbow Municipal Water District, Ramona Water Company, Rancho California Water District, Thousand Trails, and U.S. Marine Corps - Camp Pendleton.

<sup>158</sup> FPUD's initial conjunctive use idea was studied in 1992 by NBS Lowry, an outside consultant. The initial concept also envisioned Eastern Municipal Water District and Rancho California Water District releasing reclaimed water into the Santa Margarita River. But that aspect of the proposal was later dropped. See "FPUD Project Could Double Water Supply," *The Press-Enterprise*, August 27, 1992.

- <sup>159</sup> 2020 Urban Water Management Plan, Fallbrook Public Utility District, p. 36.
- $^{160}$  See https://www.fpud.com/files/9bab37376/EMWDTechnicalMemorandum021.pdf.
- <sup>161</sup> "FPUD Customers Come Out in Force to Oppose Rate Increases," *Village News*, November 26, 2017.
- <sup>162</sup> Ibid.
- 163 Ibid.
- <sup>164</sup> FPUD started negotiating with 68 owners of land in the Santa Margarita River in 1955, according to an October 4, 1955 article in the Los Angeles Times titled "Dam Project Move Begun in Fallbrook."









1950 FPUD warehouse and office. Courtesy Otis P. Heald



## **LILA HARGROVE Fallbrook Chamber of Commerce CEO**

"Jeff Crider presents an impressive, in-depth account of how agriculture and our history has been impacted by rights over water in Fallbrook. He sheds light on the 70-year effort to gain and protect local access in a way that will bring enjoyment and educate the reader. You will find yourself grateful for those who fought for seven decades for our Friendly Village. I recommend this book to anyone who delights in history!"



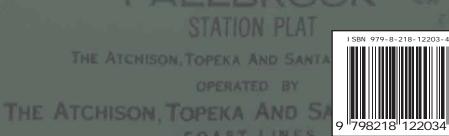
# **JOE NAIMAN** Reporter, Fallbrook/Bonsall Village News

"Jeff Crider sought to provide a history of the Fallbrook Public Utility District that is interesting to the reader, [as opposed to] a scholarly, comprehensive history which included every piece of infrastructure and every controversy..... The [book] also provides significant information on the agricultural and residential growth of Fallbrook and links that growth to the demand for the activities of a water district."



# **TOM FREW** Historian, Fallbrook Historical Society

"This well-researched book is both Fallbrook's water and agricultural story. It is a valuable historical reference. This is the only (book) that completely documents Fallbrook's efforts since the 1880s for an irrigation district, including the seven-decade struggle for water rights along the Santa Margarita River."



LOS ANGELES DIVISION, FALLBROOK DISTRICT, CALIFORNIA

