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McCloud Project Frequently Asked Questions

Q: What is the current status of the Nestlé Waters project proposal in McCloud and where does the contract stand?

A: Nestlé Waters currently has a proposal to build a water bottling facility in the community of McCloud. There are also scientific studies currently underway to learn more about the Squaw Valley Creek watershed. These studies will help support the preparation of an environmental impact report on the proposed project. However, at this time Nestlé Waters does not have a contract with the McCloud Community Services District (MCSD) to purchase water. We have told the District that we would like to negotiate a new contract with them when the new Board is seated.

Q: What is the size and scope of the currently proposed Nestlé Waters project in McCloud?

A: Our currently proposed McCloud project would be a bottling facility up to 350,000 square feet in size—that's more than 60 percent smaller than the original project proposal. This size bottling plant can accommodate up to four production lines and at full build out. We propose to use a maximum total of 600 acre-feet of water each year at this facility. This water use limitation is more than 60 percent smaller than the cap included in NWNA's prior contract with the McCloud Community Services District.

Q: How many jobs will this proposed facility create?

A: Initially this facility will employ between 45 and 50 people and at full build out, a facility of this size can employ approximately 100 people. Every one of these jobs will pay wages in the top 50% of comparable wages in the region. In addition, NWNA offers a generous array of benefits, which include medical, dental and vision insurance, life insurance, 401(k) and profit sharing.

Q: How many years does the company believe it will take before this plant is permitted?

A: Before the plant can be permitted the revised project must undergo an environmental review under the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). To support this environmental analysis NWNA has committed to two years of additional study of the Squaw Valley Creek watershed and surrounding habitat, which began in 2008. During that time, we will also be working with the County, the District, and the community to further define this project and to conduct any additional studies that are necessary to prepare a revised draft environmental impact report for the re-defined project. Once those studies are completed, the CEQA/NEPA processes can move forward. Our expectation is that this permitting process will take a minimum of three years.

Q: How many trucks each day will go through the town as a result of this project?

A: A facility of this size typically has on average approximately 200 truck trips each day (100 trucks going into and out of the plant) associated with its operation. These trucks will travel to and from the plant on a private road on the outskirts of town and will not be permitted to drive through the middle of town. This alternate truck route was announced in October 2004 when we entered into an agreement to acquire a 60-foot easement connecting State Highway 89 to the old mill property. The easement would be improved and maintained by NWNA. To see an image of the Road Easement route, [click here](#).

Q: Have you considered other modes of transportation, such as rail, as alternative to truck transport?

A: Yes, we are open to other forms of transportation that meet standards for environmental protection, cost-effectiveness, delivery time, and maintenance of product quality. We invite those interested in providing rail and other alternative transportation options to submit proposals to the company for consideration.

Q: The property you have purchased was home to the mill that once operated in McCloud. Are any of the buildings on that property of historical value and will the company consider preserving them?

A: As part of the Environmental Impact Report/Environmental Assessment (EIR/EA) on our project there will be a study on the buildings on the mill property to determine their historical significance. Regardless of the outcome of that study, some of these buildings have significant emotional value to many members of the McCloud community and we are committed to working with McCloud to develop a plan to preserve the memories and history these structures embody.

Q: The original contract with the MCS D included the concept that Nestlé Waters would annex the mill property into the District boundaries. Are you still willing to do this?

A: Yes, this was something that was part of our initial contract with the District and we are willing to include it the new contract as well. Nestlé will work with the District to annex the property once the proposed project has been permitted and ground-breaking has commenced.

Q: Why did Nestlé Waters decide to scale back the size and scope of its initially proposed McCloud project?

A: Since we started discussions in McCloud five years ago the business environment we are operating in has changed. We now have greater water supplies in the Western United States through the opening of a plant in Denver and have added supplies in other locations. In addition, the cost of transportation and fuel has risen, and the national economy has shifted. As a result, it no longer makes business or economic sense for the company to build the same size facility as we originally proposed in McCloud.

Q: Was Nestlé Waters decision to downsize the project influenced by community and environmental debate about the project?

A: There are compelling business reasons to downsize our project proposal in McCloud. We also listened to the input of key stakeholders and their views about the project and of its place within the McCloud community. We are extremely appreciative of the strong support we have received from members of the McCloud community, elected officials and residents throughout Siskiyou County. We look forward to continuing to work with all interested stakeholders as we move forward with this project.

Q: Why did Nestlé Waters decide to step out of its original contract with the MCSD and negotiate a new one?

A: Under our original contract agreement, we had the right to step out of our contract with the District until October 1, 2008. We believe it is most appropriate to renegotiate this contract so that it reflects both the smaller size of our proposed facility and takes into account community input on the revised project proposal.

Q: What elements of its original contract with the District does Nestlé Waters expect to be changed in the new contract you negotiate with the Board?

A: We are open to discussing all issues with the District. Our goal is to come to an agreement on a new contract that reflects the smaller project we recently proposed and takes into account additional community input on that revised proposal.

Q: Will this new contract provide the company with any water rights in the area? Did the previous contract provide the company with any water rights?

A: No, under our original contract Nestlé Waters would have been be a customer of the MCSD and had no water rights to the District's water. The same would be true under a new contract.

Q: Will the company be paying less to the community for water?

A: That is something that will be part of our new contract negotiations with the District.

Q: Is the new project proposed still a LEED certified green building?

A: Yes, every one of our new buildings are designed to be a LEED certified green building.

Q: What type of bottles will be manufactured at the facility?

A: In addition to other products, we plan on making our eco-shape bottles – they are 100 percent recyclable and the lightest weight, most environmentally friendly bottle in beverage industry.

Q: Will you address the impact of your project on climate change, as recently requested by Attorney General Jerry Brown?

A: Yes, an analysis of the project's carbon footprint will be included in the EIR/EA. The Attorney General's letter was based on an administrative draft environmental impact report that was never finalized and is not pertinent to our current project proposal. We appreciate the AG's input and share his commitment to ensuring that new projects in California do not negatively impact the environment. In McCloud, we have just begun two to three years of analysis on the watershed and look forward to also conducting studies air and water quality, traffic conditions, hazardous materials, the impact on climate change and an economic impact study to be used in the development of a new environmental impact report on our project. The project will meet all of CEQA and NEPA's requirements for analysis and mitigation, including those for greenhouse gas and global warming impacts.