

May 5, 2021

Dear Chaffee County Board of Commissioners:

As more information on the Nestle sale of its water products to One Rock Capital become available, it appears questionable that a transfer of the 1041 permit is acceptable. It would be more appropriate to engage in a new request of a permit. This would avoid any possible legal problems and make a clean process that is transparent and entails no legal questions.

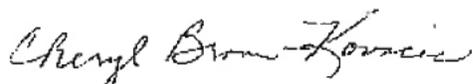
I don't know a lot about private equity groups, but I do know that they specialize in buyouts and turnarounds for distressed companies, and that they are disassociated with public markets, having more flexibility and less regulations than public markets. It makes me nervous that the county is now dealing with a private equity firm and I wonder about their purpose and long-term plan for this water source. I have previously urged to BOCC to get legal assistance from experts in this area and do so again.

I am also concerned about the conservation easement on the property because it is apparently not a complete conservation easement that would protect the land from future development, but rather a fishing access. I also understand that a mile of river-frontage was recently swapped to allow for a minor subdivision to be built there. I think many county residents are wondering how this was allowed, as it goes against the intent of the idea of a conservation easement. I'm rather unclear about all of this, but again it supports the need for specialized legal assistance. The county legal staff are generalist and cannot be expected to know the ins and outs of such proceedings.

In general, I am concerned that there are legal loopholes that will end in scenarios that we all have not anticipated. There appears to be no positive benefit to having this permit in place and yet there is potential for negative outcomes.

I urge you to require a new application and to get specialized assistance with the conditions needed for that application.

Sincerely,

A handwritten signature in cursive script that reads "Cheryl Brown-Kovacic".

Cheryl Brown-Kovacic

Jennifer Davis

From: Keith Baker <kbaker@chaffeecounty.org>
Sent: Tuesday, May 4, 2021 10:18 AM
To: Greg Felt; Russell Granzella; JENNIFER DAVIS; Jon Roorda (jroorda@chaffeecounty.org); Christie Barton; Chaffee Admin
Subject: Fwd: Vote NO today

Keith Baker
Commander, United States Navy (Retired)
Commissioner, Chaffee County, Colorado
719.963.4164

Begin forwarded message:

From: Dori Denning <[REDACTED]>
Subject: Vote NO today
Date: 4May2021 at 09:58:19 MDT
To: "kbaker@chaffeecounty.org" <kbaker@chaffeecounty.org>

Dear Commissioner Baker,

As a citizen of Chaffee County, I would like to voice my opposition to the 1041 permit transfer from Nestle Waters to One Rock Capital doing business as Blue Triton. One Rock Capital is clearly not a subsidiary of Nestle, which is required for the transfer under Section 4.6 of the permit.

Further, I would prefer that the County Commissioners deny the permit because the economic analysis of Nestle considered any benefits to our county a wash. Our county deserves better. Please leave our water here. Don't let it continue to be trucked down to Denver for wasteful plastic bottling and packaging. This business model is out of date for our times.

Let's be a leader in this fight against water theft and plastic waste and pollution. Say NO to Nestle/One Rock Capital/Blue Triton.

Respectfully,

Dori Denning
Salida, CO

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Sarah C Gates
Salida, CO

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Jennifer Davis

From: Greg Felt <gfelt@chaffeecounty.org>
Sent: Tuesday, May 4, 2021 8:51 AM
To: Jon Roorda; Christie Barton
Cc: 'Jenny Davis'
Subject: FW: invoke the section (4.6) regarding the sale of Nestle Waters North America t



Greg Felt
Chairman
Chaffee County Board of Commissioners
Chaffee County Board of Health
Office: 719-539-2218 | Cell: 719-530-1118
gfelt@chaffeecounty.org
www.chaffeecounty.org



From: Dan Murray <[REDACTED]>
Sent: Monday, May 3, 2021 10:03 AM
To: gfelt@chaffeecounty.org; Keith Baker <kbaker@chaffeecounty.org>; rgranzella@chaffeecounty.org
Subject: invoke the section (4.6) regarding the sale of Nestle Waters North America t

PLEASE invoke the section (4.6) in the permit, regarding the sale of Nestle Waters North America

*Section 4.6: "Permittee may transfer this Permit to any 51% Nestle S.A. owned subsidiary with written notice to the County. In the case of any other transfers, this Permit may be transferred to another party **only with the written consent of the Permit Authority...**"*

please do not vote in favor of a permit transfer during this permit extension period. no more water taken from our county by any company, no buy and dry either

we can't make the meeting

thanks, you are doing great work and RIB

dan and liz murray

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dan murray



buena vista, co 81211



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Our Santa Fe River, Inc.

2070 SW CR 138
Fort White, FL 32038
Phone: 386-243-0322

May 3, 2021

Commissioner Greg Felt (gfelt@chaffeecounty.org)
Commissioner Keith Baker (kbaker@chaffeecounty.org)
Commissioner Rusty Granzella (rgranzella@chaffeecounty.org)
Development Services Director Dan Swallow (dswallow@chaffeecounty.org)
Public Affairs Officer Beth Helmke (bhelmke@chaffeecounty.org)
By email

Dear Commissioners and others,

We wrote to you earlier this year regarding the water misuse and plastic detritus resulting from the unfortunate agreements that your county along with many other districts in North America found themselves bound to with Nestle Waters North America (NWN). As I explained in that letter, Our Santa Fe River has spent much of the last two years trying, in public meetings and in the courtroom, to persuade our water managers to deny the Seven Springs renewal application from which NWN was to acquire about a million gallons a day from one of our treasured springs on the Santa Fe River.

We lost a battle in that war in February when the water management district board, hamstrung by a judge's recommended order which was based on a very limited issue in the overall argument against the renewal, approved the permit renewal "under protest". Appeals are pending and will likely go on for some time. We truly believe if the board were to start over on the renewal application now things would go a different way. In fact, we believe that many of the districts that have allowed such permits from Ontario to Maine to Michigan to California would welcome to opportunity to terminate these permits based on the abusive behavior that NWN has demonstrated in their water draws.

Due to the conditions in your permit with NWN, and in light of the recent sale of their entire water bottling operation to One Rock and Metropoulos, Chaffee County apparently has an excellent opportunity to extricate itself from your agreement which exists in violation of the public interest. There is no reason to expect that new ownership with the objectives of a private equity firm will make the agreement any more beneficial to Chaffee County and its residents than it has been with NWN, which the Harvey Economics study presented in your April 20 meeting declared at best "a wash".

We are envious of the opportunity presented to you by this transfer of interest, and urge you, in the interest of your constituents, to take advantage of Section 4.6 of your existing permit and deny the permit transfer.

I would be glad to discuss this with you further.

Very truly yours,

Michael J. Roth, President
Our Santa Fe River, Inc.

A Florida 501(c)(3) Non-Profit Corporation
EIN 42-1756985
FDACS Registration #CH41570

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Jon Roorda

From: dswallow@chaffeecounty.org
Sent: Monday, May 03, 2021 8:38 AM
To: 'Jay Gingrich'; gfelt@chaffeecounty.org; 'Keith Baker'; rgranzella@chaffeecounty.org; 'Chaffee Admin'
Cc: jroorda@chaffeecounty.org; cbarton@chaffeecounty.org; Bob Christiansen; 'Daniel Tom'
Subject: RE: Nestle Permit Transfer and Economic Study

Jon and Christie,

This letter is not timely for the meeting tomorrow but please present it to the BoCC for their determination whether to make it part of the record or not. Thanks.

Dan Swallow
Director of Development Services
Chaffee County, CO
(719) 530-5567
dswallow@chaffeecounty.org



From: Jay Gingrich [REDACTED]
Sent: Sunday, May 2, 2021 9:44 PM
To: gfelt@chaffeecounty.org; Keith Baker <kbaker@chaffeecounty.org>; rgranzella@chaffeecounty.org; Chaffee Admin <chaffeeadmin@chaffeecounty.org>; dswallow@chaffeecounty.org
Subject: Nestle Permit Transfer and Economic Study

Dear Commissioners;

The new company, Blue Triton, is clearly a different owner, totally separate from Nestle, SA. This ownership change is fraught with very uncertain implications for Chaffee County citizens. Concerns from BOCC members are well founded.

The intervening years have brought a changed environment for water use in the valley- and indeed the Mountain West.

The Economic Study did not consider the impacts of water truck traffic displacing and limiting other traffic with economic benefit to the County. This is relevant, even though some activity may occur outside the County. Some examples include transport of materials and finished product to and from the new manufactured housing plant. Water trucks slow and congest traffic for visitors.

It is appropriate and fitting to exercise our rights to deny renewal and to require a new permit process.

Thanks for the opportunity to comment.

Regards,
Jay Gingrich
Buena Vista

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Jon Roorda

From: dswallow@chaffeecounty.org
Sent: Monday, May 03, 2021 8:36 AM
To: [REDACTED]; 'Rusty Granzella'; 'Greg Felt'; 'Keith Baker'
Cc: jroorda@chaffeecounty.org; cbarton@chaffeecounty.org; 'Daniel Tom'
Subject: RE: Water use in Chaffee County

Follow Up Flag: Follow up
Flag Status: Flagged

Jon and Christie,

Although this email contains no specifics, I am assuming it is regarding Nestle's permit renewal. It is not timely for the meeting tomorrow so please bring it to the attention of the BoCC for them to decide to make it part of the record or not. Thanks.

Dan Swallow
Director of Development Services
Chaffee County, CO
(719) 530-5567
dswallow@chaffeecounty.org



From: Diane Alexander [REDACTED]
Sent: Sunday, May 2, 2021 9:21 AM
To: Rusty Granzella <rgranzella@chaffeecounty.org>; Greg Felt <gfelt@chaffeecounty.org>; Keith Baker <kbaker@chaffeecounty.org>; dswallow@chaffeecounty.org
Subject: Water use in Chaffee County

To the Chaffee County Commissioners:

Water is not a commodity to be sold. People rely on water and we must not sell our county's water to a giant corporation. The drought isn't over; maybe it never will be. Our water is precious and we must conserve it, not sell it.

Here is a link to an excellent opinion of the water crisis:

<https://coloradosun.com/2021/01/28/colorado-wall-street-water-buyers/?fbclid=IwAR3cW7det6LrJvTQ6jxrjVBg3pWnKWdUYDM7rB4vK25Wg4x2lSUaVFhAr3w>

Thank you for your consideration.

Diane Alexander
Buena Vista

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Jon Roorda

From: dswallow@chaffeeconomy.org
Sent: Friday, April 30, 2021 8:30 AM
To: [REDACTED] rgranzella@chaffeeconomy.org; gfelt@chaffeeconomy.org; kbaker@chaffeeconomy.org
Cc: [REDACTED] roorda@chaffeeconomy.org; cbarton@chaffeeconomy.org
Subject: RE: Nestle Waters - North America & Upcoming Hearing/Meeting

Follow Up Flag: Follow up
Flag Status: Flagged

Moe,

Your email was received and will become part of the official record for the BoCC to consider. Jon and Christie, please ensure this email is included in the board packets.

Dan Swallow
Director of Development Services
Chaffee County, CO
(719) 530-5567
dswallow@chaffeeconomy.org

-----Original Message-----

From: Moe [REDACTED]
Sent: Thursday, April 29, 2021 12:47 PM
To: rgranzella@chaffeeconomy.org; gfelt@chaffeeconomy.org; kbaker@chaffeeconomy.org; dswallow@chaffeeconomy.org
Cc: [REDACTED]
Subject: Nestle Waters - North America & Upcoming Hearing/Meeting

Good Afternoon Greg Felt, R. Granzella, Keith Baker & D. Swallow,

You are receiving this email as I saw a post recently on Facebook from the Arkansas Valley Voice, Unbottle & Protect Chaffee County Water & other public groups (in regards to your upcoming meeting to be held in the beginning of May to discuss one of the topics - which is the privatization of the Nestle Waters - North America and how it has been sold and will possibly (or could be) a "transfer this permit to "private equity"."

The posts have asked that we send you a message, as you may not think that we care enough to contact you, or that you may not be fully aware as to how you could drastically impact our environment and community should you approve this transfer.

I would like to input and to let you all know that I am indeed watching and notably appalled at this possibility of allowing Nestle or any other/new company from gaining access to the Arkansas River for use in a new bottling facility or for any needs outside of its current scope (use for rafting, fishing and activities that are currently sustained and promoted) not to have the use of the river be abused by a new corporation, company or to use the water (what little there is, because of drought, poor snow conditions, etc.).

I don't know if my one email message is enough, yet sometimes it can just take one voice/one vote to make all the difference.

I sincerely hope that this does make a difference to your decision making process. I have lived here for a considerable amount of time.

I know half of you - done business with you, helped you during my 10 plus years living here. I have just known of the other half of you and hope that you can relate to my plea to please keep our waters as they are, in regards of not allowing a corporation to take hold of something that is quite valuable to this community for not just recreation, yet for the future needs and outlook into a possible dire situation that can arise if we continue to have poor snow conditions/run-off, bad droughts and higher temperatures. To have the foresight to keep the waters away from corporations that are not promoting good green alternatives, that have a bad track record (albeit their marketing or current ad trends) in which they take single use plastics to bottle water, that once used to be free flowing and available, to make profit in a situation that should never have been a source of profitability with disregard to environment, human & native habitat (flora, fauna, soil, etc.) communities and ecosystems.

Please, please PLEASE turn down the offer to transfer the permit. Please do not allow them to take our water systems away and be aware of the long term risks that could be imposed. I would be more than happy to send you references of the damage that Nestle Waters and similar companies have posed by sending along sources, text references, journalistic - researched, scientific papers and newspaper sources - anything that could provide you with more information if you need it. Just let me know. I can gather and ask the rest of the community to pour in as many resources and references - both scientific and social in regards to the impacts it could impose and has impacted other communities -world wide. If you need it. Just let us know.

Water is a very valuable resource, as valuable as gold & the air we breathe - if not more, in light of recent (and ongoing) trends in not just the environment, yet in communities in our area, our state and across the globe.

I appreciate you reading and if you could respond, so I know you received this email - it would be greatly appreciated. Thank you very much,

Regards,

Moe S.

Chaffee County Resident, Salida, Colorado

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Jon Roorda

From: Bruce Goforth [REDACTED]
Sent: Wednesday, April 28, 2021 4:11 PM
To: Greg Felt; Keith Baker
Cc: jroorda@chaffeecounty.org
Subject: FW: California orders Nestlé to stop siphoning spring water

Follow Up Flag: Follow up
Flag Status: Flagged

Hello to all, perhaps you folks are aware of this sort of thing with Nestle. I am aware that Nestle North America has pulled up roots in USA --or has it? So, what is the official information and who exactly is Chaffee County dealing with? I would think that the conservation easement Nestle was in the process of consummating with CPW is off the table-- which raised the question, how will natural resources at, around and near the Spring site be conserved to protect water, wildlife and other natural resources? And is the land along the river owned by Nestle and planned for a subdivision, to be developed--and if so by whom? Why should Chaffee County be doing business with Nestle and it's surrogate/partner? The ecological consequences of continuing this mining of spring waters here and trucking it to Denver to be shipped all over the US and beyond, is totally irresponsible, especially now and with everything we know about ecological problems with throw away plastic bottles. Yes, as a naturalist, ecologist/wildlife biologist, and citizen of this county, I feel strongly about this issue--and feel that whatever benefits that may accrue to Chaffee County economically as pointed to in the recent economic analysis and extolled by Nestle, pale in comparison to the externalities/negative environmental costs/negative local impacts (in total) of the Nestle enterprise. Please do the right thing by Chaffee County citizens and the environment. Cease doing business with Nestle and it's partners.

-----Original Message-----

From: website@hcn.org <website@hcn.org>
Sent: Wednesday, April 28, 2021 7:41 AM
To: [REDACTED]
Subject: California orders Nestlé to stop siphoning spring water

This link is sent to you from <https://www.hcn.org>

You are receiving this mail because someone read a page at High Country News – Know the West and thought it might interest you.

It is sent by [REDACTED] with the following comment:
"This should be good ammo with the county."

California orders Nestlé to stop siphoning spring water

The world's largest food and beverage company is accused of taking millions more gallons than it is entitled to.

<https://www.hcn.org/articles/climate-desk-water-california-orders-nestle-to-stop-siphoning-spring-water>

High Country News

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Page 2 of 2

Date: 2008-08-14 10:10:10
From: [redacted]
To: [redacted]
Subject: [redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Jon Roorda

From: Chaffee Admin <chaffeeadmin@chaffeecounty.org>
Sent: Tuesday, April 27, 2021 7:37 AM
To: 'Jon Roorda'; Daniel Tom; 'Christie Barton'; 'Greg Felt'; 'Keith Baker'
Subject: FW: Consider voting no on Nestle.

From: Jodi & Brian Petit [REDACTED]
Sent: Monday, April 26, 2021 2:37 PM
To: Work
Cc: Chaffee Admin
Subject: Consider voting no on Nestle.

Rusty,
I attended the county commissioner zoom where Mr. Harvey presented his Nestle economic impact findings. I found them very useful and I thank you for authorizing the study. The most important point: it is a wash economically. If that is the case, and I don't take the drivers and local citizens' job losses lightly, I humbly request you do NOT vote for the bottled water renewal.

Mr. Harvey said water will be ok for a decade, but we all understand the precious resource it is TODAY and in the future. I found this national article interesting from 4/22. <https://www.cbsnews.com/news/clean-water-demand-rises-supply-dwindles/>

Thank you for the time and effort you put in to be informed and to listen to constituents. I appreciate you.

Jodi Breckenridge Petit
[REDACTED] Salida
[REDACTED]

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Jon Roorda

From: Karen Dils [REDACTED]
Sent: Thursday, April 22, 2021 5:14 PM
To: Patty Baldwin; KEITH BAKER; Greg Felt; Rusty Granzella; Jon Roorda
Subject: Comments on Nestle Econ Report

I was not very impressed with this presentation or the process. His mic was clear, but the commissioners' mics were not. Brief comments:

- The slideshow could have been sent to all of you ahead of time for viewing and then questions either sent or asked at the hearing. You can read and all he did was read the slides. It could be posted online.
- I did not find either of the presenters as unbiased, e.g. "we TRIED to find some negative things on"
- He totally discounted the value of fishing and recreation in the area.
- He also discounted the fact that the amount truck drivers earned are probably some of the highest non-professional earnings in the valley (if this permit goes forward, I think the requirement for 50% of drivers to live here is unrealistic.)
- He didn't account for the # of people from adjacent counties that shop here
- He was unaware that the donations to the school districts were 1x, with Nestle covering the foundation's management fee for grant distributions, and that the school districts had control over the % of interest they wanted to spend. The Nestle goal was to have a permanent endowment.
- He did not calculate the amount of money saved by UAWCD because they used Nestle's wells and data to work on their underground storage idea.
- His reference to Nestle having 33% of the market was way too general - That is about the % nationwide and included all plastics. He really needed to drill down to the % of plastic bottle market Nestle has in this county (measure the shelves at WalMart, grocery stores, etc. and calculate the various manufacturers whose product is on the shelf). The Waste Audit did NOTHING to differentiate types of plastic much less brands. Thus the amount he associated with the landfill does not seem accurate.
- He did not give an economic value to the conservation easement, but yet did say this was valued by the results of Envision. Sustainability is more than plastic bottles.
- He intimated that all the water Nestle uses would "go back to UAWCD" if they didn't get the permit which I think is incorrect.
 - The amount of water they buy from UAWCD to make up for evaporative loss would go back to UAWCD (and UA would lose 20% of their revenue). UAWCD could use that water for more augmentations but it would take an incredible number of those to make up the lost revenue.
 - The Springs water is actually leased from SEWCD I think and the permit is for bottling only, so unless someone else came in and did a bottling company, it couldn't be used for an "alternative use."
- His calculations for "alternative uses of water" didn't make accurate or economic sense to me due to incorrect calculations about consumptive use and other allowed uses.

- His calculations on use vs. demanded water didn't take into account return flow (and he didn't even differentiate the 2).
- Although Nestle's financial donations to non-profits may seem small to him, they are often VERY significant for our non-profits and much greater than amount any other business has donated in a year (Walmart, City Market and Safeway don't come close - High Country Bank does a better job than those companies).
- I understand we ALL need to do what we can for sustainability, but I don't think denying this permit will be a positive for our county.
- In terms of impact to our community, what happens with the Meadows will have much great impact on the lives of many individuals than Nestle continuing to operate.

I think many of our rules and regs and processes could use some review for common sense and efficiency. These are my comments after listening to the most recent and other hearings and being involved for about 12-13 years. A decision needs to be made by August as planned. You won't please everyone with ANY decision you make - unfortunately! Thanks for reading/listening as it is a very daunting and challenging process. You are fortunate to have Greg's water expertise.

Karen Dils



Buena Vista, CO 81211

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LAW OFFICE OF
JOHN M. BARTH

P.O. BOX 409 HYGIENE, COLORADO 80533 (303) 774-8868 BARTHLAWOFFICE@GMAIL.COM

April 5, 2021

By email

Chaffee County Board of County Commissioners
Greg Felt (gfelt@chaffeecounty.org)
Keith Baker (kbaker@chaffeecounty.org)
Rusty Granzella (rgranzella@chaffeecounty.org)
P.O. Box 699
Salida, CO 81201

Dan Swallow (dswallow@chaffeecounty.org)
Chaffee County Director of Development Services
P.O. Box 125
Salida, CO 81201

Re: Nestle Waters North America Chaffee County Spring Water Project: requested 1041 permit 10-year extension and transfer of ownership/operator of permits

Dear Commissioners and Mr. Swallow:

I am writing on behalf of my client Unbottle & Protect Chaffee County Water (“UPCCW”), a Colorado non-profit corporation. UPCCW’s non-profit membership includes residents of Chaffee County opposed to any further extension of the Nestle 1041 Permit as well as the requested transfer of such permit to a new owner/operator of the water project.

We have reviewed the County’s Project file, recent correspondence, Commissioner hearing video, and other material and believe that the County is not following the required permitting procedure for consideration of the requested permit extension and ownership transfer. For the reasons stated below, we believe that the new prospective owner/operator must submit new applications for a 1041 permit. We ask that you adopt our legal conclusions and inform us, Nestle, and the prospective purchaser in writing, no later than April 9, 2021, that a new 1041 permit application must be submitted by the prospective purchaser before the requests will be considered. We also ask that you vacate any scheduled hearings on 1041 permit extension, and on any permit ownership transfers, until such time that the prospective owner submits a new and complete 1041 permit application.

The requested 1041 permit extension requires a new permit application

In a letter dated September 3, 2019 Nestle Waters North America (“NWN”) requested “a 10 year extension of Resolution 2009-42.” As noted in the letter, that 1041 permit expired on September 23, 2019.

A review of Resolution 2009-42 makes clear that there are only two mechanisms for amending the 1041 permit. More specifically, Section 4.2 of Resolution 2009-42 clearly states, “[a]ny proposed change in the construction or Operation of the Project from that approved in the Permit **shall require** a technical revision or a permit amendment” (emphasis added). The requirement for a technical revision or permit amendment is further confirmed in Section 4.1.a of the Resolution which states, “[p]ermittee shall notify the County of any proposed change to the Project construction, features or **Project operations** and, as further described below, the County shall determine whether a technical revision or a permit amendment would be required...” (emphasis added).

Clearly, a request for a 10-year extension of the 1041 permit would constitute a change in “**operation**” of the Project “from that approved in the Permit.” The Permit expired on September 23, 2019. A ten-year extension of the 1041 Permit would result in continued **operation** of the plant along with all associated adverse impacts, including but not limited to, further depletion of the groundwater aquifer for an additional 10 years. Additionally, in a letter from NWN dated March 3, 2020 the company admits that “[p]roduction at Ruby Mountain Springs is anticipated to grow two percent annually.” It is clear that the requested 10-year extension of the 1041 Permit represents a **change in operation from that approved in** Resolution 2009-42. Thus, the only question is whether the proposed change requires a new permit application.

Under Section 5.1 of Resolution 2009-42, a technical revision is only available if, “[t]here will be no increase in the quantity of water or size of the area affected by the Project.” There can be no genuine dispute that NWN’s 10-year Permit extension would result in “an increase in the quantity of water...affected by the Project.” As noted above, NWN’s request will increase the quantity of water affected by the Project by up to the decreed amount, which is 196 acre feet/year. NWN’s requested 10-year extension could deplete the aquifer by 1,960 acre feet over the 10 year life of the requested Permit extension. It is clear that the requested 10-year extension will **increase the quantity of water affected by the Project** as approved in Resolution 2009-42 and thus a technical revision is **not** available to NWN. Instead, as discussed further below, *the prospective purchaser of the NWN Project* must submit a new 1041 permit application that allows for full public review and comment.

The requested 1041 permit transfer requires a new permit application by the prospective purchaser.

As noted in the County’s Staff Report dated October 13, 2020, “Nestle has indicated that they will be selling Nestle Waters North America in 2021. Condition #4.6 allows the Transfer of Permittee but only with the written consent of the Permit Authority. Any proposed transferees must demonstrate that they can and will comply with all requirements, terms and conditions

contained in the Permit.” It appears that NWNA has sold its interest in the Chaffee County Spring Water Project to a private equity firm.¹ For the reasons stated herein, the sale of NWNA triggers Condition 4.6 requiring a new 1041 permit application by the purchaser and approval of the permit transfer by the County Commissioners.

Section 2-203(2)(b) of the Chaffee County Land Use Code (“Code”) requires that 1041 permit applicants submit information on the “areas of expertise and experience similar to that proposed in the application...” Section 2-203(2)(d) of the Code requires of a 1041 permit applicant “[d]ocumentation of the applicant’s financial and technical capability to develop and operate the Project, including a description of the applicant’s experience developing and operating similar projects.” Further, Section 2-203(4)(c) requires proof that the permit applicant possesses the water rights and decrees necessary to conduct water related projects.

Nestle is seeking a 10-year 1041 permit extension, yet at the same time admits that it will not own or operate the Project during the time period of the requested extension. As such, the County must treat the prospective purchaser as the permit applicant for the requested 10-year permit extension and the permit ownership transfer. In its September 3, 2019 permit extension request letter, Nestle itself has previously recognized the importance of having the prospective operator be the permit applicant by stating, “[a]t the time of the Permit application, the County was unfamiliar with NWNA’s operations and was concerned about the reliability of the company to adhere to Permit conditions.” The County should have the same concerns about the prospective purchaser and require new permit application from the purchaser for both the 10-year extension, as well as the permit ownership transfer.

As noted above, any change to the 1041 permit must be accomplished either by a technical revision or permit amendment. Section 5.1 of Resolution 2009-42 does not contemplate that 10-year permit extension requests or permit ownership transfers be accomplished by a technical revision. Instead, the above-cited provision of the Resolution and Code contemplate that such requests should be submitted in a new permit application by the prospective purchaser/operator.

The temporary extensions of the expired 1041 permit are ultra vires and illegal.

As noted above, the 1041 permit expired on September 23, 2019. There is no provision in the Permit allowing the County to grant any temporary permit extension without a public permit amendment process. Further, we are not aware of any provision of the Chaffee County Land Use Code authorizing any temporary extensions of the Permit without a public permit amendment process. Please be aware that we believe the County’s actions in temporarily extending the Permit without a full public permit application process was *ultra vires* and illegal. We ask that the County inform NWNA that it has no legal authority to temporarily extend the Permit without a full public permit application process and that any further request for such

¹ https://www.ctvnews.ca/mobile/business/nestle-closes-sale-of-bottled-water-brands-in-north-america-1.5370209?fbclid=IwAR1jqAN1_c6Gj9Sr_Ji-g2e_YtEx7TYHZs-9_EiEZAuHDfy342g-8sl3TUo

temporary extensions will be denied.

In summary, we ask that the County inform us, NRNA, and the prospective purchaser that: 1) a new and complete 1041 permit application must be submitted by the prospective purchaser before the County will take any further action on the requests for a 10-year extension and permit ownership transfer; and, 2) the County will not grant any further requests for a temporary permit extension. We look forward to receiving your written response to this letter on or before April 9, 2021. Please feel free to have your County Attorney contact me if there are any questions. Thank you.

Sincerely,

s/ John Barth

cc: Unbottle & Protect Chaffee County Water

Jon Roorda

From: Jennifer Davis <jdavis@chaffeecounty.org>
Sent: Thursday, April 01, 2021 3:24 PM
To: Christie Barton; Jonathan Roorda, PLS
Subject: FW: Sale Finalized

Please include the below in the "new" nestle document folder (the one with other public comments we've received after the fall hearing.)

From: Jennifer A. Davis
Chaffee County Attorney
POB 699
Salida, Colorado 81201
Ph: 719.530.5564 (Salida) 719.395.4006 (BV)
Fax: 719.539.7442(Salida) 719.395.4015 (BV)

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From: Tom Bomer [REDACTED]
Sent: Thursday, April 1, 2021 12:45 PM
To: Greg Felt <gfelt@chaffeecounty.org>; Rusty Granzella <Rgranzella@chaffeecounty.org>; Keith Baker <kbaker@chaffeecounty.org>
Cc: Dan Swallow <dswallow@chaffeecounty.org>; Jennifer Davis <jdavis@chaffeecounty.org>; Daniel Tom <dtom@chaffeecounty.org>
Subject: Sale Finalized

All,

I am forwarding this news release to you because I believe that a careful reading of it will arm you with information that you need, to see the truth of what this sale means to the future operation of The Ruby Mountain Springs industrial water project, should you extend the 1041 Permit. To claim that "The operator will be the same" is, clearly, disingenuous.

"Metropoulos & Co., led by principals Dean Metropoulos, Evan Metropoulos and Daren Metropoulos, who will be fully involved in overseeing the business, is a leading investment firm that leverages extensive industry knowledge, operational expertise and flexible capital to revive and reimagine brands and businesses in food and beverage as well as other diversified sectors. Over the course of four decades, the firm has invested in more than 80 entities – transforming companies, accelerating revenue and earnings growth, and propelling to renewed prominence iconic brands in the U.S., Canada and Europe.

<https://www.prnewswire.com/news-releases/one-rock-capital-partners-and-metropoulos--co-complete-acquisition-of-nestle-waters-north-america-301259838.html>

Regards, Tom Bomer

[REDACTED]
Sent from my iPhone

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Jon Roorda

From: Bruce Goforth [REDACTED]
Sent: Wednesday, March 24, 2021 3:39 PM
To: jroorda@chaffeecounty.org
Cc: Jenny Davis
Subject: FW: Denver Post Article-last Sunday

Follow Up Flag: Follow up
Flag Status: Flagged

Jon and Jenny, Regarding Nestle, I had spoken to Jim Aragon about whether Nestle was indeed doing a conservation easement with the State (CPW) to preserve the natural surroundings, wildlife and fishing access in and around the subject spring area. This a while back as the Nestle issue had been more in discussion and the subject of many articles and letters to the editor. At that time Jim, who I worked with at CDOW and is a friend, told me that there was a conservation easement under way and that it was working its way through administrative processes for approval—the expectation that the easement would be done. That was good news to me since Nestle does not do conservation easements—if so, I am not aware that that has taken place—perhaps most rarely. During their initial approval process over a decade ago, I met with their manager of our Chaffee project and when I was representing Land Trust of the Upper Arkansas, now Central Colorado Conservancy, I was basically told, “No Way” in so many terms, regarding a conservation easement. So, I was pleased to confirm with Jim, there would be an CE. However, with the sale or transfer of Nestle North America to another entity (is it truly separate?) I wonder where things are now. Also, I do not know how the river front property near the spring project is to be handled, and just how close that stretch is to the spring area. I am alarmed that a subdivision may be planned in the vicinity, as I feel that it changes the character of the area as it is near the spring and Browns. Impacts to wildlife, their habitats (directly and indirectly), to the scenic beauty of the river, etc. would be very significant and out of character. For this and environmental reasons as many have spoken, I feel Nestle under HB-1041 which I presented to CCC for adoption back when Tim Glenn, Bob Thompson and Joe Deluca were Commissioners should be the basis for denial as elements of State Interest are involved and because it has already been the basis for Nestle approval. This is for your information and use as is appropriate in the county land use processes. Bruce

From: Keith Baker <kbaker@chaffeecounty.org>
Sent: Tuesday, March 23, 2021 7:50 PM
To: Bruce Goforth [REDACTED]
Cc: Greg [REDACTED] Rusty Granzella <rgranzella@chaffeecounty.org>
Subject: Re: Denver Post Article-last Sunday

Hi Bruce,

Thank you for the email. Yes, the story in Sunday’s Denver Post was a nice morning greeting. It’s good the timing finally worked out for Chaffee Common Ground and several other programs that had been discussed but lay dormant for years. The biggest factor that kept some of these programs from moving forward (the recession) also kept runaway growth from overtaking the county. Landscape-level and ecosystem-level management are generally accepted practices now so everything should be coming together.

With the Nestlé application pending, we have to avoid *ex parte* communications so all parties are guaranteed due process. Therefore, you should submit your comments on that matter to Jon Roorda at jroorda@chaffeecounty.org, copy to attorney Jennifer Davis at jdavis@chaffeecounty.org and chaffeeadmin@chaffeecounty.org. They’ll ensure all the right people receive them.

Thank you for all you've done for Chaffee County and the Upper Arkansas River Valley. I hope you're doing well.

Keith Baker
Commander, United States Navy (Retired)
Commissioner, Chaffee County, Colorado
719.963.4164

On 23Mar2021, at 16:37, Bruce Goforth [REDACTED] wrote:

Greetings, Keith, Greg, and Rusty. I hope all of you are doing well. Did you read or hear about the Saving the West's Open Spaces... article in the Denver Post that features Chaffee County—Community Conservation Connection, the Kelly Ranch, and Central Colorado Conservancy? We are getting some good press and recognition for the initiatives with helping working farms and ranches. Compliments to all of you for fostering and supporting these programs. The 1-A Common Grounds funds are being put to good use. It was good to read about Dave Kelly who I first met when he worked as a fish biologist with CDOW. The Kelly Ranch-fee title and leased lands is certainly the key to our ranching, wildlife and water heritage in that part of the county.

On another note regarding similar resources with wildlife, water, scenic vistas, etc. I now refer to the Nestle issue. From what I read, the Nestle matter is much more complicated and increasingly less one which Chaffee County should allow to go forward. I wonder if the conservation easement work with CPW and which was moving along through State administrative processes, will be consummated? Without a perpetual CE that maintains regardless of who owns the land, there is no protection for the natural resources, which need to be preserved. Also, what is going on with lands along the river—rumored to be targeted for subdivision. If that takes place, considering the close proximity to wildlife habitat and many dependent wildlife species, that, if disturbed by people, dogs and such, will not remain over time. Of course, there is the whole regressive business about the environmentally damaging operation—and also whether and how Nestle or its successor would benefit the community—via philanthropy or otherwise—on balance. I am again recommending against permit renewal—and especially if the negatives mentioned above are not dealt with in a way that will preserve the values that our populace, by a substantial majority has been speaking up to protect for years. Do we want a future progressive in nature of the type that is touted in the article, or do we go down a less than complimentary path? Respectfully, Bruce Goforth

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February 24, 2021

Dear Editor,

At Nestlé Waters North America (NWNA), we remain wholly committed to complying with our permit, as we have been for the past twelve years. We do understand, however, that there are questions and concerns involving the acquisition of Nestlé S.A's North American bottled beverage business, and so we appreciate the opportunity to respond here to the questions and concerns raised in the February 22 article, "Nestlé sale prompts Unbottled to speak against transaction."

Nestlé S.A. commenced a strategic review of parts of its North American waters business in June 2020, including the possible sale of NWNA's operations in the U.S. and Canada. On February 16, 2021, Nestlé announced that it had reached an agreement with One Rock Capital Partners, in partnership with Metropoulos & Co., to acquire NWNA. The transaction is expected to close in the spring of this year, following the completion of customary regulatory approvals. Following that announcement, NWNA notified County staff of the transaction and answered some initial questions. NWNA will still be the permittee. No transfer of rights and obligations is occurring, just a change in shareholding in a parent company above NWNA. NWNA is currently ultimately owned by Nestlé S.A.; upon completion of the sale, NWNA would be ultimately owned by One Rock and Metropoulos & Co.

The buyers will own NWNA and operate the business through NWNA, so nothing will change from an operating standpoint. NWNA will continue to be legally required to comply with the exact same permit conditions as NWNA complied with pre-closing, without exception.

In addition to clarifying terms of the sale, we also want to correct the inaccurate characterization made within the article that the conservation easement is somehow a failed commitment. Nothing could be further from the truth. As you can imagine, the process to conserve this property through the state of Colorado – something NWNA volunteered to do - is a lengthy and complicated one. After a series of actions, including a lot line adjustment and a comprehensive baseline environmental study by Colorado Parks and Wildlife (CPW), we have reached the final stages of the process. The next step is for the CPW Board to approve the donation. Once that is accomplished, the last step is for the Capital Development Committee of the Colorado General Assembly to grant final approval. We look forward to the completion of this process.

We at NWNA have spent more than a decade employing Chaffee County residents, operating our business, and investing in Chaffee County. We value all the relationships we have formed over the years in Chaffee County and are proud of our track record here. We look forward to continuing with the permit extension process.

Sincerely,

Larry A. Lawrence
Natural Resource Manager
Nestlé Waters North America, Inc.

Jennifer Davis

From: Chaffee Admin <chaffeeadmin@chaffeecounty.org>
Sent: Tuesday, February 16, 2021 9:36 AM
To: 'JENNIFER DAVIS'
Subject: FW: Nestlé Waters North America Permit Renewal

FYI.

From: jay Gingrich [REDACTED]
Sent: Monday, February 15, 2021 11:11 AM
To: Chaffee Admin; rgranzella@chaffeecounty.org; gfelt@chaffeecounty.org; Keith Baker
Subject: Nestlé Waters North America Permit Renewal

Good Morning,

Members of the Chaffee BOCC have shown a reluctance to allow the NWNA Permit to be transferred to another company.

I appreciate this concern.

There is a high probability that the NWNA business will be sold to a venture capital company.

A lot has changed in ten years. We are looking at a possible drought on the eastern slope- and the Western slope- which is the source of much transmountain water. More opposition has arisen to bottled water- and it's environmental problems. I opposed the NWNA permit ten years ago. It was approved under inappropriate political pressure exerted by a few who stood to benefit. The vast majority of comments then opposed the approval. **The regulatory climate from DC will not be growing any more favorable to bottled water, given all its impacts.**

A purchaser of the Nestlé water business must consider all of this and perform their due diligence, before arriving at a price.

They must discount the sale price for factors such as **the growing opposition to bottled water. and the nonrenewal** of a Chaffee 1041 Permit. That pricing of the sale would mean less liability for the County if the permit is not renewed.

Nestlé assets here have been more than paid for by all the water they hauled for 10 years. The real estate, pipeline, pumping facility, and loading station could be sold and put to other uses, to recover the initial investment.

Highway 285 capacity and safety will be increased by the reduced heavy truck traffic. That will directly benefit Chaffee County.

Nestlé's bottling capacity in Denver could be used to bottle more Nestle Pure Life brand water from Denver water. (That's not a good idea, but it has less impact than trucking of water from here.)

A sale of the Nwana business is grounds for not renewing the permit. The costs to us greatly outweigh the benefits. **I strongly oppose a renewal.**

Thanks for your service to Chaffee County in these difficult times.

Regards,

Jay Gingrich, Buena Vista

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Jennifer Davis

From: Chaffee Admin <chaffeeadmin@chaffeecounty.org>
Sent: Monday, January 25, 2021 8:38 AM
To: 'Jon Roorda'; 'Jennifer Davis'
Subject: FW: Commissioners and Patti, Marge & Dick Allen touching bases again re: NWNA Permit!

From: Richard Allen [REDACTED]
Sent: Sunday, January 24, 2021 4:25 PM
To: Keith Baker; gfelt@chaffeecounty.org; rgranzella@chaffeecounty.org; pbaldwin@chaffeecounty.org
Subject: Commissioners and Patti, Marge & Dick Allen touching bases again re: NWNA Permit!

Patti, please retrieve our email dated 10/19/2020 to all of you for background on this matter!

We offer for your consideration that you evaluate NWNA according to their first permit, and decide if they have lived up to their agreement or not!

We would urge all of you to take a step back from NOISE surrounding this issue, and consider the economics involved in Job Creation! I.E., most experienced investors would argue that real estate values long term are driven by job creation, and with each new real job created in a community it could lead to two more longer term!

Our guess is that you three care about long term growth in assessed valuations, for it is this number that leads to higher tax revenues for part of your spending plans!

Our point is that if NWNA has earned your respect based upon their agreement, then reward them by asking how many other jobs they can create in CC during their next permitted period! If they truly have been good citizens by all rules and regulations, then invite them to grow into a bigger part of our economic community!

So much Noise surrounds "Non-Profits", but jobs are created by "Supply and Demand"!

Good Luck,

Marge and Dick Allen
[REDACTED]
Buena Vista, CO 81211
[REDACTED]

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From: [Jennifer Davis](#)
To: bhelmke@chaffeecounty.org
Cc: [Jonathan Roorda, PLS](#); [Christie Barton](#); [Daniel Tom](#)
Subject: FW: Comments on Sale of Nwana to Triton Holdings Inc.
Date: Wednesday, May 5, 2021 9:57:14 AM

This was requested by the BoCC so it should be considered part of the record. Please add it to the online record posting.

From: Jennifer A. Davis
Chaffee County Attorney
POB 699
Salida, Colorado 81201
Ph: 719.530.5564 (Salida) 719.395.4006 (BV)
Fax: 719.539.7442(Salida) 719.395.4015 (BV)

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From: John McGowan [REDACTED] >
Sent: Tuesday, May 4, 2021 8:08 PM
To: Gfelt@chaffeecounty.org; Kbaker@chaffeecounty.org; Rgranzella@chaffeecounty.org
Cc: Dswallow@chaffeecounty.org; Jdavis@chaffeecounty.org
Subject: Comments on Sale of Nwana to Triton Holdings Inc.

Dear Chaffee County Commissioners:

I'm writing this to help bring some clarity to the recent sale of Nwana to BlueTriton Water Holdings, Inc. I've worked in investments for over 30 years. I've served as a trustee to billionaire families invested in private equity. I've worked directly for deal-makers, such as Dean Metropoulos. And my own business specializes in sustainable investing. I have a good understanding of the situation before us. It's not nearly as complicated as it may seem.

When a business is taken private good things can happen. Without the pressures of shareholders and analysts demanding consistent quarterly earnings and dividends, the owner of a private business can take the time needed to fix what's broken - the right way - and to invest in innovation that has a longer-term payback, such as sustainable packaging.

But all evidence tells me those good things will not happen in the case of privatizing Nwana, now known as BlueTriton Brands.

Last December, to attract large investors such as European pension funds that look for good environmental and social practices, Nestle S.A. announced its 2030 ambition to, "strive for zero environmental impact in our operations, with special focus on reducing water withdrawals, increasing renewable energy use, achieving zero waste to landfill and innovating sustainable packaging solutions." Sounds good, but Nwana presented a problem – its earnings had been too low for too long, and investing in sustainable practices wasn't going to deliver enough return. Nestle S.A. decided selling Nwana was the only option.

Metropoulos and One Rock paid top dollar. Some analysts think too much. But there is a shortage of big deals available today. They were hungry and willing to pay up. They raised 75% of the \$4.3 billion price tag mostly from loans and issuing IOU's, known as notes, due in 7 years. That tells me Metropoulos and One Rock plan to resell Triton in less than 7 years. That leaves little time and resources for longer-term investments in biodegradable packaging or for making truly impactful investments in the Chaffee County community. Triton is under the gun to cut costs, build efficiencies, remake brands, and prepare for the day it takes BlueTritan public through an IPO or sells BlueTriton to another beverage business, such as PepsiCo.

Moody's, an independent bond rating agency, rated Triton's notes for the benefit of potential lenders. The Moody's report discusses the risks of Triton's operations related to environmental and social impacts of water and land usage, as well as plastic pollution. Moody's also raises concerns over the lack of transparency and accountability that is inherent with a private company such as Triton. It's not just a group of Chaffee County tree-huggers who recognize the risks, Moody's and the global investor community do, too. Metropoulos has underestimated the escalating public outcry over extracting water from beloved places for profit.

The SEC requires public companies, such as Nestle, to disclose considerable information and face regular independent audits. That is not the case for private companies. We would get what information Triton is willing to give, or what is required by the 1041 conditions, which isn't much and is based mostly on the honor system. I know you value relationships, but don't expect your same contacts from NRNA to be at BlueTriton 6-12 months from now. It's common for PE firms to replace the existing management team with one of their own.

The more I'm learning, the more concern I have over this permit. We're considering one of the scarcest natural resources in our region – spring water that's being sucked out of a drought-ridden ecosystem, trucked out, and put in packaging that contributes to our plastic pollution crisis. All with low-to-no transparency. Common sense and my experience tell me this business is just a really bad fit for our community. Even Harvey Economics summarized their findings as, "It's a wash, there are no net benefits to Chaffee County." That says to me there's no beneficial use going on – a requirement of a 1041 water permit,

Please end the temporary permit extension and require Triton to submit a new 1041 permit application. This may feel like a difficult message to deliver and Dean Metropoulos may not want to hear it. But bear in mind this is business for him and Ruby Mountain Springs is mostly likely just 1 of 25 fires he's managing now. If you ever want a sidebar conversation to talk about this topic in more detail, I'm at your service.

Best regards,

John McGowan
Salida

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