

# Cascade Locks Public Forum

November 2, 2011  
Meeting Summary

Prepared by:



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### **List of Attachments**

Attachment 1. Public Forum Wallgraphic

## **I. Introduction and Overview**

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On November 2, 2011, Nestlé Waters North America (Nestlé Waters) hosted its fifth public forum at The Gorge Pavilion in Cascade Locks, Oregon. This public forum was intended to provide community members with updated information about a proposal to build a Nestlé Waters bottling facility in Cascade Locks, as well as offer participants an opportunity to provide feedback and ask questions. Consulting staff from MIG, Inc. (MIG) facilitated the meeting, received comments from the public and prepared this meeting summary. This document summarizes comments and concerns expressed by individual meeting participants. Data or information sources referenced by the commenters have not been verified by MIG.

Over 30 participants attended the meeting, which was held from 7:00 pm to 9:00 pm. Participants included local residents, as well as interested citizens from nearby communities in Oregon and Washington. Of the 30 participants that signed in, 18 of the participants were from Cascade Locks and three were from the Portland area. Six participants came from the nearby Gorge communities of Stevenson and Bonneville, Washington.

Joan Chaplick, Facilitator, MIG, began the meeting with welcoming remarks. She provided an overview of the agenda and general format for the public forum and described the desired meeting outcomes. Ms. Chaplick then introduced Dave Palais, Natural Resource Manager, with Nestlé Waters, and Jon Pheanis, Recorder, MIG. After introductions and the agenda overview, Ms. Chaplick turned the meeting over to Mr. Palais for the meeting presentation.

## **II. Presentation**

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Dave Palais with Nestlé Waters welcomed participants and gave an overview of the current project proposal, summarized below. The presentation focused on updates to the project since the previous town hall meeting held on May 24<sup>th</sup>, 2011, and an overview of the preliminary economic impact evaluation. As part of his presentation, Mr. Palais provided answers to questions asked during the May 2011 meeting. Those questions focused on facility safety issues, average daily truck traffic, and air quality pollution in the Gorge. Mr. Palais also showed a brief video demonstrating general design elements and operations of a water bottling facility.

### **Project Overview**

To review, Nestlé Waters is evaluating the potential to locate a water bottling facility closer to its markets in the Northwest in order to shorten transportation distances and lower costs. After a lengthy review process, examining potential sites in Washington and Oregon, Nestlé Waters decided to explore developing a bottling facility in the City of Cascade Locks.

Nestlé Waters is considering land in the industrial area near the Columbia River as the location for the water bottling facility. They require a minimum of about 25 acres for a 250,000 square foot building to house all production, packaging and distribution functions. Nestlé Waters has committed to building the bottling facility to meet Leadership in Energy and Environmental Design (LEED) standards. They estimate the construction of the proposed facility represents up to a \$50 million investment in the local community.

The City of Cascade Locks and the Oregon Department of Fish and Wildlife (ODFW) have applied to the Oregon Water Resources Department (OWRD) for approval of a water exchange that would enable the hatchery to use City well water in addition to spring water for its operations at the Oxbow Springs site. As part of the proposal, the City would have access to spring water from the Oxbow Springs to sell to its potential customer, Nestlé Waters, for bottling purposes. The City would replace the spring water with an annual gallon-per-gallon exchange of water from its groundwater source. Each agency would retain ownership of its water source and water rights as part of this exchange.

### **Facility Safety**

*Lost time cases* are accidents that result in a doctor prescribing one or more day off of work. In these instances, an employee is injured, requires medical attention, and, upon receiving initial medical attention/treatment, is told not to go back to work until further notice and evaluation by a physician. A *recordable case* is one in which an employee is injured, receives medical treatment and is approved to return to work. These are accidents in which more than first aid treatment is provided but no lost time required by a doctor.

In 2011 (as of 9-30-2011 reporting), only 5 out of 28 Nestlé Waters bottling facilities (18%) had a lost time accident. Sixteen of 28 facilities (58%) had at least one OSHA recordable accident case.

Nestlé Waters continues to improve safety management systems with the ultimate goal of zero accidents.

**Average Daily Truck Traffic**

Daily peak through-traffic on I-84 east of Hood River is 25,000 vehicles based on data collected for the proposed casino project. Of this total, 30 percent is truck traffic (7,500 truck trips). According to Mr. Palais, traffic data generated from the proposed casino specified total traffic volume but did not distinguish vehicle type.

Average daily traffic on I-84 in Cascade Locks is approximately 22,500 vehicles a day. Average daily truck traffic is approximately 5,900 trucks a day. These are bi-directional counts, so numbers include both east and westbound traffic. Table 1 below further summarizes data shared.

Table 1: Average Daily Traffic on I-84

Milepost	Location	Average Daily Traffic (Total)	Average Daily Traffic (Trucks)	Source of Truck Volumes
42.88	0.50 mile west of West Cascade Locks Interchange	24,900	6,548	Extrapolated from station at MP 75.93
43.58	0.20 mile east of West Cascade Locks Interchange	19,900	5,233	Extrapolated from station at MP 75.93
45.53	0.20 mile east of East Cascade Locks Interchange	22,400	5,891	Extrapolated from station at MP 75.93
47.61	0.30 mile east of Herman Creek Interchange	22,700	5,970	Extrapolated from station at MP 75.93
75.93	0.72 mile west of the Rowena Interchange	20,800	5,470	Measured

Source ODOT (2010)

**Air Pollution in the Gorge**

Nestlé Waters plans to evaluate the potential effects of a proposed water bottling facility on air quality in early 2012, and hopes to have results to report to the community for the Spring 2012 Town Hall meeting.

**Economic Impact Evaluation: Preliminary Report**

Following the responses to questions from the last meeting, Mr. Palais introduced Bruce Sorte to present the preliminary economic analysis conducted for the proposed bottled

water facility. Mr. Sorte is an Eastern Oregon Community Economist from the Oregon State University Extension Service/Rural Studies Program. He has conducted a preliminary analysis of the economic setting of the facility, and the estimated economic effects of the construction and operations of the proposed facility at both the County and State levels. The preliminary report is based several data sources, including:

- IMPLAN I-O Model, which incorporates data from more than 30 databases (primarily Federal databases);
- Bureau of Labor Statistics;
- Census Bureau;
- Bureau of Economic Analysis; and
- American Community Survey.

After providing a thorough discussion of the project approach and data limitations, Mr. Sorte explained the three types of economic effects evaluated in the study: direct, indirect, and induced.

- Direct effects relate to the changes in the industries that respond to increases or decreases in demand from outside the region (i.e., producing bottled water).
- Indirect effects are changes in the intermediate industries which supply the directly affected industries.
- Induced effects are changes due to people and/or households spending the incomes they receive.

With these definitions, Mr. Sorte explained the short-term (construction) and long-term (operations) economic effects anticipated to result from this project (Tables 2-3).

Table 2 shows that the direct effect of the Nestlé Waters bottling facility construction would provide approximately 255 jobs and a total economic output of over \$26 million. When including the indirect and induced effects of this construction, the total economic output increases to over \$36.6 million. Mr. Sorte noted that the total could increase depending on how much of the equipment is fabricated onsite and/or purchased locally.

Table 2: Economic Impacts of Facility Construction (with Hood River contractor)

Impact Type	Employment Full + Part-Time	Labor Income (\$)	Total Value Added (\$)	Output (\$)
Direct Effect (Nestlé)	255	11,216,025	12,530,341	26,073,629
Indirect Effects (Suppliers)	34	1,587,534	2,347,926	4,126,118
Induced Effect (Household Spending)	66	2,191,761	3,941,793	6,431,945
<b>Total Effect</b>	<b>355</b>	<b>14,995,320</b>	<b>18,820,060</b>	<b>36,631,692</b>

Table 3 shows the economic impacts of the facility when fully operational. When accounting for all economic impacts, the bottling facility would provide approximately 70 new jobs, with a total economic impact of more than \$26.9 million. This includes \$21.3 million generated by Nestlé jobs, \$3.2 million generated indirectly, and \$2.3 million from induced economic impacts.

Table 3: Facility Operations (with total of about 50 employees, including 25-30 residents)

Impact Type	Employment Full + Part-Time	Labor Income (\$)	Total Value Added (\$)	Output (\$)
Direct Effect (Nestlé)	30	1,652,919	2,345,576	21,360,428
Indirect Effects (Suppliers)	20	1,308,165	1,832,327	3,220,864
Induced Effect (Household Spending)	20	793,103	1,428,004	2,341,189
<b>Total Effect</b>	<b>70</b>	<b>3,756,186</b>	<b>5,605,906</b>	<b>26,922,480</b>

Mr. Sorte closed the presentation with a brief summary of next steps. This includes completing interviews in the community, finalizing the economic model edits, and applying the impacts to the model. Once these steps are complete, the draft report is scheduled for completion in December 2011.

### **III. Community Comments**

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Following the presentations, Ms. Chaplick invited forum participants to comment on and ask questions about the presentation and proposed project. Ms. Chaplick facilitated the discussion, while Mr. Pheanis graphically recorded community comments. Dave Palais provided responses to the majority of questions, and directed questions related to the economic impact study to Mr. Sorte. City of Cascade Locks representatives in attendance also made comments.

Public forum participants also had the opportunity to provide comments and questions on comment cards. However, there were no submitted comment cards.

For organizational purposes, issues identified by meeting participants have been summarized and grouped by thematic category. A wall graphic documenting the results of the meeting is included at the end of this document.

#### **Truck Traffic and Operations**

There were multiple questions about potential traffic impacts and truck operations related to the bottling facility. Participants expressed concern about facility-generated truck traffic, and expressed interest in comparisons of anticipated traffic impact relative to similar local industries. Clarifying traffic data discussed during the presentation, Mr. Palais noted that peak truck traffic will be up to 100-105 trucks (200-210 truck trips) during the summer months. Trucks will also be instructed to follow designated routes. Another meeting participant asked who will operate the trucks. Mr. Palais indicated that for the most part, Nestlé Waters uses independent contractors for their trucking needs.

#### **Facility Design**

As shown in the water bottling video, the proposed design of the bottling facility will include storage towers. A meeting participant asked about the height of such a storage tower at the Cascade Locks facility. Mr. Palais explained that the storage tower heights are typically about 60 feet. However, the height of the towers is ultimately based on local development codes. When asked about the potential costs for the City to provide needed infrastructure, Nestlé Waters will be responsible for paying for needed infrastructure. This includes the costs associated with water conveyance. Mr. Palais noted that Nestlé Waters would consider the benefits offered by the enterprise zone status of the industrial lands in Cascade Locks for development of the facility and for the provision of needed utilities. When asked about conducting an environmental impact review, Mr. Palais clarified that no such regulatory process exists in Oregon for such a review.

#### **Facility Operations**

Residents had several questions about facility operations. Like the previous meeting, participants asked about the hours of operation for the proposed bottling facility. Mr. Palais explained that facilities such as the one proposed may operate 24 hours a day, seven days a week during the peak summer months. During the off-peak periods the facility will likely operate reduced hours and for fewer than seven days per week. The facility is expected to operate two production lines.

### **Bottle Material**

Participants asked about the materials that will be used to produce bottles. Bottles will be made using polyethylene terephthalate (PET). However, Mr. Palais indicated that bottles created at the proposed facility will require less material than bottles that most competitors produce, including soda bottles.

### **Water Use and Quality**

The proposed source of spring water is the Oxbow Spring. On average, approximately 1.3 gallons of water will be required to produce one gallon of water used for the product. Mr. Palais explained that Nestlé Waters conducts extensive and on-going testing to ensure quality control. This includes continued source water quality monitoring after facility development. Mr. Palais noted that the proposed Cascade Locks facility will employ water quality technicians and a quality control manager. When asked about test data availability, Mr. Palais noted that data and information has already been posted on our project website and is available for the public to review.

A meeting participant questioned whether Nestlé Waters has a provision for a potential drought, and how such an event would impact the bottling facility. Nestlé Waters will be buying water from Cascade Locks similar to any other user. As such, during a drought, Nestlé Waters will be subject to the same water usage reductions that may be imposed on the residents and other business of the City.

### **Wages and Benefits**

Mr. Palais explained that Nestlé Waters seeks to attract high quality workers and sets wages accordingly. To determine wages, Nestlé Waters would conduct a wage survey to identify the average wages for similar jobs. Wages at the bottling facility would be based on the upper 50% of wage survey results for comparable jobs.

## **IV. Closing Remarks and Next Steps**

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Dave Palais made closing remarks and thanked all of the participants for coming. Mr. Palais explained next steps in the facility development process, which include a continued review process of the water resources, completion of the water exchange permit between Oregon Department of Fish and Wildlife and Cascade Locks and completion of the study that evaluates economic conditions. In response to questions raised at the meeting, Mr. Palais will provide more information on the amount of oil used to produce plastic bottles and more detailed job descriptions.

Joan Chaplick noted that MIG will summarize the results from this public forum and provide a transcription of all the comments received through the comment cards. Ms. Chaplick referred participants to the project website ([www.nestlewaterspnw.com](http://www.nestlewaterspnw.com)) for more information. This includes dates and times that Nestlé project representatives will be available to answer questions in person in Cascade Locks. The meeting summary will be available on the Nestlé Waters project website.

Participants were reminded to turn in their comment cards at the end of the meeting or mail or fax them to MIG's office by November 11<sup>th</sup>. As of this date, no comments were received.

The next meeting will be sometime in Spring 2012, and will be announced on the project website, and through a range of local and regional media outlets.

# CASCADE LOCKS

TOWN HALL MEETING 11.2.11

WWW.NESTLEWATERSPNW.COM

NEXT MEETING: APRIL/MAY 2012

## PLANT DEVELOPMENT AND OPERATIONS

- Q PEAK TRUCK TRAFFIC?
  - ↳ SUMMER 100-105 TRUCKS (ALL TRUCKS)
- Q HEIGHT OF FACTORY STORAGE TOWERS?
  - ↳ ~100' BUT DEPENDS ON LOCAL HEIGHT REQ'S
- Q WHAT IS THE BOTTLE MATERIAL?
  - ↳ PET. BOTTLE MATERIAL
  - ↳ BOTTLE IS LESS MATERIAL THAN SODA BOTTLE
- Q HOW MUCH OIL IS NEEDED TO MAKE BOTTLES?
  - ↳ ?
- Q WHAT IS CAPACITY OF PLANT?
  - ↳ 2 LINES
- Q WHO OPERATES TRUCKS?
  - ↳ INDEPENDANT/CUSTOMERS
- Q PLANT OPERATIONS/SHIFTS?
  - ↳ 3 SHIFTS/40HR WEEKS
- Q TRUCKS REQUIRED TO FOLLOW ROUTES
  - ↳ HOW ARE WAGES SET?
    - ↳ CONDUCT WAGE SURVEY AT SIMILAR JOBS
    - ↳ WAGES SET A UPPER 50%
  - ↳ HOW IS Q.C. CONDUCTED?
    - ↳ Q.C. MANAGER w/ 2-3 TECHNICIANS
  - ↳ WHAT IS WATER SOURCE?
    - ↳ @XDOWN SPRING
- Q IS THERE PROVISION FOR DROUGHT?
  - ↳ SUBJECT TO LIMITATIONS OF CITY AS WATER SUPPLIER
  - ↳ CANNOT DRAW FROM ANY OTHER SOURCE
  - ↳ INCLUDING STORAGE WATER (COLUMBIA E.)
  - ↳ CITY WILL PREVENT INFILTRATION
- Q IS THERE AN EIS?
  - ↳ THERE IS NO AGENCY REQUIRING AN EIS
- Q HOW MUCH WATER IS USED?
  - ↳ 1.5 GALLONS TO MAKE 1 GALLON OF WATER
- Q EXTERNAL COSTS?
  - ↳ NESTLE PAYS FOR INFRASTRUCTURE (PUMPING, CONVEYING, ETC)
- Q NESTLE WOULD CONSIDER CREATING AN ENTERPRISE ZONE
  - ↳ PUBLIC WILL ULTIMATELY HAVE ACCESS TO WATER TESTING DATA
- Q NEXT STEPS:
  - ↳ WATER RESOURCES PERMIT (DRAFT, REVIEW, FINAL)
  - ↳ ECONOMIC CONDITIONS
  - ↳ HOW WILL INFILTRATION BE PREVENTED/MONITORED?
    - ↳ CITY WILL PREVENT CONDITIONS
    - ↳ NESTLE WILL MONITOR AFTER
  - ↳ HOW WAS COLUMBIA RIVER WATER TESTED?
  - ↳ PROVIDE MORE DETAILED JOB DESCRIPTIONS

Cascade Locks Public Forum Wallgraphic, November 2, 2011

Prepared by

