

305 Nestlé Way Breinigsville, PA 18031 (484) 866-4478

June 8, 2016

Mr. Ellerslie Helm

Zoning and Codes Enforcement Officer

ARROWHEAD* Eldred Township

490 Kunkletown Road Kunkletown, PA 18058

DEER PARK®

Re: Special Exception Zoning Application

CALISTOGA* Dear Mr. Helm:

As you are aware, on December 30, 2015, Nestlé Waters North America Inc. ("NWNA"), as applicant, and Gower Estates LLC, as the landowner, filed a Special Exception Zoning

Application for a proposed spring water extraction use on property owned by Gower

Estates, LLC.

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After careful consideration, NWNA and Gower Estates have reached the mutual

conclusion that the proposed project does not fit into either of our long-term visions as it

foland Spring did when we first proposed the project. As a result, we have decided together not to

continue to pursue permits for this project.

Zephyrhills. Accordingly, please be advised that NWNA and Gower Estates are hereby withdrawing

the pending Special Exception Zoning Application.

We appreciate the Township's consideration.

Sincerely yours,

NESTLÉ WATERS NORTH AMERICA INC.

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Eric Andreus

Natural Resources Manager

GOWER ESTATES, LLC

There James

Ricky Gower

cc: Eldred Township Board of Supervisors

Chad Martinez, Solicitor, Eldred Township Zoning Hearing Board Michael Gaul, Solicitor, Eldred Township Planning Commission

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Announcement at the Eldred Township Board of Supervisors meeting on June 8, 2016

Good evening. Thank you for the opportunity to speak to you all this evening. As you know, Nestlé Waters' Special Exception Zoning Permit Application for the development of the Chestnut Springs project is in front of the Eldred Township Zoning Hearing Board.

Over the last year, I have come to know many of you in this room personally. I'm thankful for the dialogue we've had and the helpful information you've shared. Nestlé Waters has dedicated more than 300 hours to engaging with the community and answering your questions.

The robust application package we submitted contains several third-party scientific reports that demonstrate the proposed water withdrawals can be done in an environmentally sustainable manner. We're committed to being good stewards of the environment, as we've demonstrated in other spring water facilities in eastern Pennsylvania.

But we recognize that sound science and resource sustainability are only part of the equation when we select a location for a potential spring water facility. A multitude of factors go into any business decision we make. We also consider long-term source water quality, as well as community sentiment and our partnership with the source owner. Logistics and site development also play a role. Although the project was designed to comply with all applicable regulatory requirements, the proposal involved certain aspects that were less than ideal for Nestlé Waters' standards --- including the need to accommodate multiple uses on a single property, which created logistical and design challenges.

We believe strongly in partnering with communities to create shared value by providing economic and community benefits, and we recognize that strong community relations are important to developing these sites in a manner that works well for all parties. The foundation of these strong relationships is initiating the siting process in an open and transparent manner. It is clear to us that the community in Eldred Township does not believe the process around this project worked the way it was intended and that many of you have concerns about this project. We want you to know that we hear you.

Additionally, Nestlé Waters has a project siting review team that frequently evaluates each proposed project as it goes through the various stages of development. It is always our policy to continually assess the interests of our partners alongside our own business needs and the interests of the community. As our partner in this project and as a long-standing member of the Eldred Township community, we value the input and insight of landowner Rick Gower.

We have not been successful in gaining the same acceptance here in Eldred Township as we have in other communities that host our operations, and our partner in this effort has also expressed his reservations about moving forward.

So, for all of these reasons and others, and in mutual agreement with the landowner, Nestlé Waters is withdrawing its pending zoning permit application.

As we withdraw our permit, we intend to share the data we collected about the aquifer to assist the town as it fosters a better understanding of local water resources, and host final office hours for anyone who may have outstanding questions. We thank you again for making your voices heard and for sharing your concerns with us.

As read by:

Eric Andreus, Hydrogeologist

Deer Park Natural Spring Water | Nestlé Waters North America Inc.