

# Mount Shasta Herald

## News

### **Nestlé lawsuit comes to court**

**By Deborra Clayton**  
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A lawsuit challenging the McCloud Service District's contract agreement with Nestle Waters NA for the proposed bottling plant and water sales will be heard in Superior Court at the courthouse in Yreka on Thursday, February 3rd, at 1:30 p.m.

The Petition for Writ of Mandate, a request for an order directing some action to be taken, will come before a judge as a short cause hearing.

The action being requested is that the court "vacate and set aside the approval and execution" of the contract agreement.

A group called the Concerned McCloud Citizens filed the suit in March 2004 against the McCloud Community Services District and the individual directors serving on the MCSD board when the water contract with Nestle was signed in October 2003.

Nestle and unspecified individual employees were named as the real parties-in-interest in the suit.

The lawsuit contends that the "approval of and October 1, 2003 execution of the agreement for the sale and purchase of spring water between the McCloud Community Services District and Nestle Waters NA, Inc. constitutes a 'project'" under the guidelines of the California Environmental Quality Act.

Therefore, the suit states, the agreement ought to have undergone an environmental review before it was approved and signed by the district.

Lawsuit documents state that Concerned McCloud Citizens is a group whose members' "personal aesthetic, environmental, cultural, economic, educational health and safety interests are directly and adversely affected" by the district's approval of the project.

The MCSD's response contends that the Nestle agreement itself is not a "project"

according to CEQA guidelines.

It further states that the contract agreement specifically calls for full compliance with CEQA, including environmental analysis and public comment, and the obtaining of all necessary discretionary permits before any action is taken on the proposed project.

The response contends that since what the suit requests is CEQA compliance and in fact the environmental review process is currently proceeding, "the petition for a writ of mandate must be denied."

Per the contract agreement, the district is being represented by a law firm retained by Nestle.

"We negotiated for that," said MCSD general manager Pete Kampa. "We were not willing to pay any legal costs associated with lawsuits filed against Nestle, against the project itself or against the district for entering into the contract."