



Staff Report

Report #: 2017-5F
Date: April-18-17
Submitted By: Ursula D'Angelo, Director of Finance
Subject: Voluntary Levy Proposed by Nestle Waters Canada

Recommendations:

Be it resolved that Council accepts a voluntary levy from Nestle Waters Canada to be used towards community projects;

And that Council direct staff to create a reserve fund;

And that Council direct staff to formalize an agreement with Nestle Waters Canada;

And that Council direct staff to report on annual basis the amount of the voluntary levy and recommend community project(s) for Council consideration and approval.

Background:

At the February 1, 2017 meeting, Council passed resolution # 17-030 requesting that Nestle Waters Canada's (Nestle) "presentation be referred to staff for review and recommendation".

In previous years, the Town has received from Nestle funds from a voluntary levy and donations. From 2001 to 2009, the Town received a voluntary levies calculated as \$0.50 per 1000 gallons (3.78 litres per gallon) that was used towards general operating expenses (see table below).

2001	\$ 31,957.80
2002	\$ 7,954.00
2003	\$ 19,166.60
2004	\$ 26,768.83
2005	\$ 26,809.50
2006	\$ 14,621.11
2007	\$ 16,049.00
2008	\$ 7,134.00
2009	\$ 10,524.00

In 2010 and 2012, the Town received a total donation of \$30,000 which funded a skate park and playground equipment at Barbour Fields.

Since 2013, the Town has not been in receipt of any donations or levy payments from Nestle. Considering the voluntary levy in place at the time, had Nestle continued with the voluntary levy in 2013, 2014, and 2015 the Town would have benefited a total amount of \$59,210.

Financial Impact:

Nestle proposed to Council a voluntary levy of \$0.50 per 1000L with no maximum and a guaranteed minimum of \$25k. For 2016, Nestle proposed a voluntary levy amount of \$41,135 that would be earmarked towards community project(s). If the voluntary levy is not accepted, community projects would be pooled with other projects and prioritized accordingly which can result in delays.

Conclusion:

Following the past practice of the Town to accept a voluntary levy from Nestle, staff recommend that Council accept Nestle's voluntary levy offer. Staff also recommend that Council provide Town staff with authority to formalize an agreement with Nestle under the terms referenced within this report.