



food&waterwatch

Sucked Dry: Defending rural water resources from water-bottling giants

By Wenonah Hauter

The bottled water industry has come under attack recently due to global environmental problems associated with its products. There is good reason for this. In addition to being no purer than tap water, bottled water is sold to consumers for thousands of times more than water from the tap and contributes to a host of economic and social problems.

While largely out of sight to most Americans, the detrimental impacts of the bottled water industry are felt more directly in rural communities, where the companies that bottle water for profit trade the promise of new economic benefits for cheap access to a vital - though not always plentiful - natural resource. These tactics are sometimes predatory and often inflict more harm than good on rural communities.

One tangible impact of bottled water operations is their immediate effect on local eco-systems. Pumping water out of local watersheds and shipping it across the globe can threaten the integrity of water supplies, affecting water levels in lakes, streams, rivers, and drinking water wells. This means less water for local residents for household use and for fishing, recreation, wildlife and plants. It can also cause economic problems in areas where the economy relies on the lure of a pristine environment to attract tourists.

The case of Mecosta County, Michigan

These types of environmental degradations are well-known to the community of Mecosta County in Michigan, where residents have been engaged in a decade-long battle against Nestlé Waters North America.

In 2000, news leaked that Nestlé was planning to build a \$100 million Perrier

water-bottling plant (Nestlé purchased the Perrier company in 1992). The company wanted to pump as much as 262.8 million gallons of water a year out of the Sanctuary Springs preserve.

Concerned that such an operation would damage the area's sensitive eco-system, residents mobilized to form Michigan Cit-

izens for Water Conservation (MCWC). Even after residents voted against modifications to local zoning laws that would have allowed Nestlé to build its water-bottling operation, the company maneuvered around this defeat, and a local judge allowed Nestlé to move forward with its plans to draw water from the area.

A series of legal battles ensued. The citizen's group was in and out of court for the next several years. Central to the MCWC's argument against Nestlé were the findings of a hydro-geologist who, after reviewing the company's environmental impact study, found evidence to dispute its claims that bottling would not harm the environment. One court even determined that Nestlé's mining resulted in a drop in the flow of more than 28 percent and in the level of more than two inches of a nearby stream.

While Nestlé continues to pump water from the area, MCWC has been successful in having limits placed on the volume of water the company can extract. In July 2009, an appellate court agreed to an injunction in which the company could pump an average of 218 gallons of water per minute instead of the 400 gallons per minute that the state had granted in the original permit.



The case of McCloud, California

Resistance to attempts from Nestlé and other companies to bottle water from rural communities is not unique to Michigan. The town of McCloud, Calif., with 1,300 residents, also found itself in conflict over water with Nestlé several years ago.

In the midst of economic challenges, Nestlé negotiated a contract with the McCloud Community Services District for the rights to extract and bottle 500 million gallons of spring water per year from the area and to use unlimited amounts of groundwater in its operations. In exchange, Nestlé promised to pay the town \$350,000 per year and build a water bottling plant that would supposedly employ up to 240 people.

Concerned that the town had accepted Nestlé's offer without input from residents or without regard to the environmental impacts of the facility, some local residents took action. Independent analysis commissioned by the McCloud Watershed Council found that under the proposed deal, Nestlé would pay 3.6 percent less than the rates consumers in McCloud were paying for the same water.

Meanwhile, an independent report found that a bottled water plant would negatively alter the hydrology of the area, forcing water customers to shoulder the costs of drilling deeper wells. It appeared the deal was crafted to profit Nestlé at great cost to area residents.

Resistance toward the proposed plant also mounted when residents learned that the jobs Nestlé promised would not be realized until four to ten years after the plant's construction and would be available for only a few months each year. Some 30 to 40 percent of the jobs that the plant would create would pay only \$10 per hour—hardly the economic boon the company first claimed.

These concerns led to a six-year battle between residents of McCloud and Nestlé, with state Attorney General Edmund Brown eventually weighing in, citing the inadequacy of the company's environmental impact report. In August 2008, Nestlé stepped out of its contract, and, in September of 2009, the proposed deal died altogether when Nestlé announced it would withdraw its proposal altogether.

"Nestlé's departure proves that ordinary citizens can successfully protect their

community resources and way of life," said Debra Anderson, president of the McCloud Watershed Council, in response to Nestlé's retreat from the area.

When resistance could not hold water (back)

Not all communities have been as successful in defending their natural resources from the bottled water industry's encroachments. In 2008, Nestlé approached officials in Chaffee County, Colo., about pumping 65 million gallons of water per year from an aquifer and shipping it to Denver for bottling under its Arrowhead brand. To obtain access to the water, Nestlé would buy the land where the aquifer was situated.

Community members balked at the proposal, fearing that it would negatively impact the local water supplies of this semi-arid region, especially during times of drought. Many also worried about the potential ramifications of putting more trucks on the area's fragile roads. While the corporation promised new jobs in exchange for water, local residents believed the consequences of the deal would outweigh its benefits.



The controversy quickly gained momentum, eventually drawing scrutiny from water bottling opponents around the country, who viewed the battle in Chaffee County as the latest in a nationwide trend to cheaply extract water from rural areas.

Seeking to mitigate the potential wide-scale ecological damages that the water operation could create, area residents asked Nestlé for \$250,000 to fund a community trust to promote sustainability in the area. The company eventually rejected this proposal.

One financial donation Nestlé was not opposed to accommodating was a \$50,000 grant to the cash-strapped local school system to fund science programs, an arrangement that Chaffee County resident Lee Hart, who chronicled the developments in the local paper, the *Salida Citizen*, would later describe as “blood money they offered for our resource.”

Despite vocal opposition from the community, the Chaffee County Commissioners granted Nestlé its request, only after the company agreed to establish a conservation easement on the land from which it would draw its water. While the easement was not formalized under the agreement, many residents believed it was what tipped the scales to allow Nestlé to bottle water from the area.

Reflecting on Nestlé’s ultimate prevalence in Chaffee County, Hart believes the company took advantage of the many loopholes in the town’s planning regulations.

“This would not have happened in Aspen [Colorado], where they have tougher planning laws,” said Hart. Nor perhaps would Nestlé have been as successful in a community with the financial backing to fight back. “A lawsuit from Nestlé would have drained county resources,” she said.

A growing backlash

Despite the varied challenges these communities encountered in keeping their



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rural water resources in public hands, recent setbacks for the bottled water industry suggest that a backlash against their product is brewing. While the industry’s revenues in the U.S. grew from \$4 billion in 1997 to more than \$11 billion in 2007, this growth trend now appears to be reversing. Bottled water sales started to decline in 2008, and in 2009, Nestlé’s own sales dropped 1.4 percent.

While it’s too early to know if this decline is merely a result of the weak economic climate, the push among many groups to improve both our nation’s drinking water and the infrastructure systems that deliver it may ultimately render bottled water an obsolete fad of late 20th century consumer culture.

Efforts by advocacy groups, such as Food & Water Watch, as well as other groups and organizations, to create sustained, dedicated federal funding to water systems around the U.S. are helping to shift the dialogue around water resources away from the novelty of bottled water and toward the importance of delivering safe, clean, affordable water to all. As success on this front grows, the threat that the industry poses to rural communities subsides.

In the meantime, the experiences of residents in Mecosta, McCloud, and Chafee Counties serve as a reminder to all communities that they can work preemptively to protect their water by determining what local protections exist for these resources and strengthening them before they become vulnerable to the advances of water bottlers.

Residents of rural communities and the groups that represent them can also support state and federal legislation to protect our nation’s groundwater supplies from the excessive removal of water from these unseen, yet vital resources.

For more information on protecting your community’s water resources, visit www.foodandwaterwatch.org

Hauter is the Executive Director of Food & Water Watch, a non-profit organization that advocates for policies that will result in healthy, safe food and access to safe and affordable drinking water. ■