



INFORMATION REPORT

TO:	Chair and Members Board of Health
COMMITTEE DATE:	April 20, 2017
SUBJECT/REPORT NO:	Hamilton-Based Commercial Bottlers of Municipal Tap Water (FCS17028) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	John Savoia (905) 546-2424 Ext. 7298
SUBMITTED BY:	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

Council Direction:

The General Issues Committee at its meeting of February 1, 2017, approved the following:

“That the appropriate staff be directed to prepare a list of Corporate Entities, within the City of Hamilton Commercially Selling Bottled Tap Water, and report back to the Board of Health.”

Information:

The Ontario bottled water industry takes water from groundwater, surface water, and municipal sources. There are several dozen water-bottling facilities in the province, most of which are located in southeast Ontario. While the Ontario Ministry of Environment has extensive regulation surrounding the withdrawal of water in the province, small-scale bottlers using less than 50,000 litres/day and bottlers using municipal supply water do not require permits for their water use.

In the case of a spring or mineral water, federal regulations require the label to provide information regarding the geographic location of the underground source of the water. There is currently no regulatory requirement that other types of bottled water declare the source of the water used for their manufacture. However, consumers can contact the bottled water manufacturer for detailed information on the source.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

Bottled tap water generally labelled as “purified” is produced from municipal tap water that has undergone a treatment process to lower the mineral content and/or remove chemicals such as chlorine. The processing methods used include reverse osmosis, micro filtration, distillation and disinfection.

The amount, timing, and location of water withdrawals by the bottled water industry are not centrally monitored; available information is limited and must be compiled from multiple sources. Staff have undertaken an internet literature review to compile a list of Hamilton-based commercial entities that are processing municipal tap water for sale to the local market:

Hamilton-Based Commercial Bottled Tap Water Producers

Company	Address
The Water Depot	65 Nebo Road, Unit 1, Hamilton
The Water Depot	244 Dundas Street, Waterdown
The Water Depot	51 Cootes Drive, Dundas
True Blue Water	1575 Upper Ottawa Street, Hamilton
Soul Water Plus	1032 Barton Street East, Hamilton
Sparkling Fresh Water	239 York Boulevard, Hamilton
Sparkling Fresh Water	975 Queenston Road, Hamilton
Long Life Water Distillers	730 Upper James Street, Hamilton
Water Store	247 Centennial Parkway North, Stoney Creek

The above list of bottled tap water producers are relatively small scale operations with 2016 consumption amounting in total less than 15,000 m³ of municipal source water equating to less than \$30 K in combined water and wastewater/storm revenues. Note that Hamilton’s current rate structure does not incorporate differing water and/or wastewater/storm rates by customer sector. Municipal water costs less than one-tenth of a cent per litre inclusive of wastewater/storm charges.

In comparison to the small scale operations in Hamilton, there are three major water bottling companies in Ontario that source their water from municipal supplies: Coca-Cola, Pepsi, and Cott. The Coca-Cola Company produces Dasani bottled water at a production facility in Brampton. The Pepsi Corporation produces Aquafina bottled water in Mississauga, Ontario and Cott Corporation also has a facility in Mississauga.

The Region of Peel provides water for the cities of Brampton and Mississauga with water sourced from Lake Ontario. Peel staff advised the aforementioned facilities consume annually approximately 1.7 million m³ of water. To put this volume in perspective, for Hamilton, a single consumer with this level of annual consumption would represent the second largest user behind only ArcelorMittal Dofasco and would represent over \$5 M in combined water and wastewater/storm revenues. Based on the 2016 Municipal Study, conducted by BMA Management Consulting, which provides a comparison of water/wastewater rates based on a survey of 105 municipalities, Peel has the lowest water and wastewater rates in Ontario with variable rates over 30% lower than Hamilton. Similar to Hamilton, Peel's rate structure does not have water and wastewater rates for commercial customers that differ from residential customers.

Appendices and Schedules Attached

N/A

JS/dt