

# Niagara Bottling Company to Bottle and Sell Bloomfield, Connecticut’s Tap Water

Fact Sheet • May 2016

The nation’s largest supplier of generic, supermarket-brand bottled water is coming to Connecticut. After secretive negotiations between city leaders and the company, California-based Niagara Bottling, LLC got the green light to bottle and sell Bloomfield, Connecticut’s municipal tap water.<sup>1</sup> The plant will be located in Bloomfield and plans to draw water from the regional water utility, the Metropolitan District, using up to 1.8 million gallons daily at full capacity.<sup>2</sup> It will have up to four bottling lines, each drawing between 250,000 and 450,000 gallons a day.<sup>3</sup>

## Profits Over People

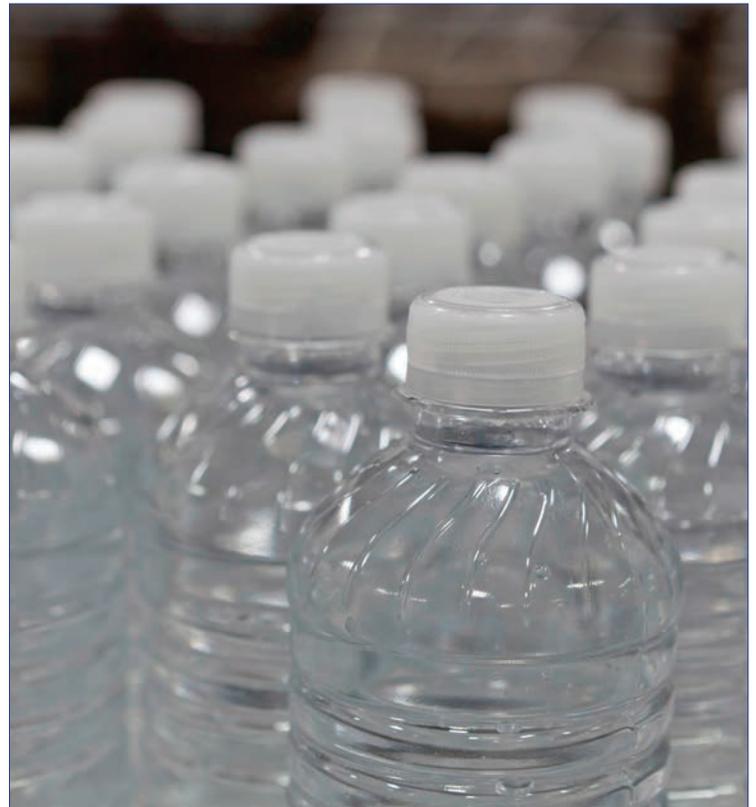
City leaders sealed the deal by granting the company tax abatement for the 443,000-square-foot plant in December 2015.<sup>4</sup> Around the same time, the regional water authority passed a resolution allowing industries that use more than 500,000 gallons of water a day, such as Niagara, to purchase water at a rate that is cheaper than Bloomfield residents pay.<sup>5</sup> The sweetheart deal lets the company pay only \$2.89 for every 1,000 gallons of municipal water, but residents have to pay \$3.56.<sup>6</sup> This discount, along with a discount on sewer rates, saves Niagara about \$2 million annually and was put in place to encourage Niagara to build out the plant.<sup>7</sup>

Unfortunately, the practice of putting profits over people isn’t uncommon. Nearly half of bottled water on the market is sourced from ordinary tap water, which the industry calls purified water.<sup>8</sup>

The chief executive of the Metropolitan District told the *Wall Street Journal* that this deal will help customers, because if Niagara buys a lot of water, then the District would be able to lower rates for customers. “We are trying desperately to mitigate the increased water rate,” he said.<sup>9</sup> But the most optimistic savings would only lower household water rates by about \$7 to \$10 a year — around 58¢ to 83¢ in monthly savings.<sup>10</sup> “It’s not worth selling our souls to the devil for seven bucks a year,” one ratepayer told the *Hartford Courant*.<sup>11</sup>

## Drought

Having a nearly 2-million-gallon annual drain on the water system could be dramatic if the region faced a drought. The water authority has assured residents that a drought is unlikely and dismissed concerns about water supplies as unfounded, but people remain



alarmed.<sup>12</sup> If the region faced a drought, residents would likely have to reduce their water usage before Niagara. The water system allows “designated” industrial operations to continue pumping until the drinking water reservoirs fall to 10 percent capacity, but municipi-

pal officials would have to reduce “non-essential operations (street cleaning, watering and vehicle washing)” once reservoirs fall to 75 percent capacity, and daytime lawn watering would be banned at 53 percent capacity.<sup>13</sup>

## Employment Predictions May Be Overly Optimistic

Every business development promotes its purported jobs and wages, but the water bottling industry has not necessarily delivered on long-term jobs and living wages. Niagara says the new plant will initially create 38 jobs but ultimately employ 125 workers once it is at full capacity.<sup>14</sup>

The Niagara jobs will not provide solid incomes for most workers. The company claims that the jobs would pay around \$16 an hour, or about \$35,000 a year if the workers get regular overtime.<sup>15</sup> This puts the Niagara salaries above minimum wage but well below important benchmarks. Nationally, average workers at beverage

plants (including water bottlers) earn about \$39,500 annually, according to the U.S. Bureau of Labor Statistics.<sup>16</sup> And the Niagara wage is less than half of the typical household earnings in Bloomfield (\$73,500) and statewide (\$69,700).<sup>17</sup>

Moreover, water bottling jobs have been disappearing in recent years. From 2005 to 2014, the number of workers at water bottling plants fell by 12 percent nationwide.<sup>18</sup> From 2004 to 2014, Connecticut lost two water bottling plants, and Massachusetts lost three bottling plants and nearly 300 workers.<sup>19</sup>

## Take Action!

This is a statewide issue. What is happening in Bloomfield could happen in any other town in Connecticut. For more information on how you can take action and work with other concerned citizens in your community, please contact Nisha Swinton at our New England office (207) 619-5845 or [nswinton@fwwatch.org](mailto:nswinton@fwwatch.org).

## Endnotes

- 1 Cohen, Jeff. “With Niagara water plant, Bloomfield residents feel shut out.” *WNPR*. February 18, 2016; New Logic Research, Inc. [Press release]. “Niagara Bottling finalizes agreement with New Logic Research to install VSEP® brine minimization system.” April 22, 2015; “Bloomfield should have been more upfront on Niagara plant.” *Hartford Courant*. February 27, 2016; McEnroe, Colin. “MDC faces Niagara of citizen complaints.” *Hartford Courant*. February 29, 2016.
- 2 De Avila, Joseph. “In Connecticut suburb, a water war breaks out.” *Wall Street Journal*. March 25, 2016; Goode, Steven. “Dozens turn out to oppose Niagara bottling plant in Bloomfield.” *Hartford Courant*. February 22, 2016.
- 3 Pazniokas, Mark. “Public water, private profits: A fight over MDC’s tap water.” *The CT Mirror*. March 14, 2016.
- 4 Bloomfield Town Council. Meeting Minutes. December 14, 2015 at 3; Goode, Steven. “Water bottler negotiates with Bloomfield for new plant.” *Hartford Courant*. December 14, 2015.
- 5 Metropolitan District Commission (MDC). Meeting Minutes. Committee on MDC Government Proposed Revision to the Water Ordinances § W1a of the Metropolitan District.” December 14, 2015 at 228 to 230; Pazniokas (2016); Metropolitan Water District. “Water Supply Facts.” February 16, 2016 at 9.
- 6 Food & Water Watch calculation based on rates in MDC (2015) at 228 to 230; Metropolitan Water District (2016) at 9; De Avila (2016).
- 7 Food & Water Watch calculation based on rates in MDC (2015) at 228 to 230; De Avila (2016).
- 8 Food & Water Watch. [Report]. “Take Back The Tap. Bottled Water Wastes Resources and Money.” June 2013 at 2; Gleick, P.H. and H.S. Cooley. “Energy implications of bottled water.” *Environmental Research Letters*. February 19, 2009 at 1 and 3.
- 9 De Avila (2016).
- 10 Stroller, Kristin and Steven Goode. “With bottling company coming to Bloomfield, citizen groups worry about use of MDC water.” *Hartford Courant*. February 19, 2016.
- 11 *Ibid*.
- 12 Metropolitan Water District (2016) at 5; Stroller and Goode (2016).
- 13 Stroller and Goode (2016); Metropolitan Water District (2016) at 4.
- 14 Pazniokas (2016).

- 15 *Ibid*.
- 16 U.S. Bureau of Labor Statistics. Occupational Employment Statistics Survey. Industry: Beverage Manufacturing (NAICS code 312100.) Period: May 2015. Available at [www.bls.gov](http://www.bls.gov). Accessed April 1, 2016.
- 17 U.S. Census Bureau. QuickFacts. “Bloomfield town, Hartford County, Connecticut.” Available at <http://www.census.gov/quickfacts/table/INC110214/0900305910,09>. Accessed April 1, 2016; U.S. Census Bureau. QuickFacts. “Connecticut.” Available at <http://www.census.gov/quickfacts/table/PST045215/09,00>. Accessed April 4, 2016.
- 18 U.S. Bureau of Labor Statistics. Quarterly Census of Employment and Wages customized tables. “U.S. Total, NAICS 312112 Bottled water manufacturing, All Employees.” Available at [www.bls.gov](http://www.bls.gov). Accessed April 1, 2016.
- 19 U.S. Bureau of Labor Statistics. Quarterly Census of Employment and Wages customized tables. “Massachusetts – Statewide, NAICS 312112 Bottled water manufacturing, Number of Establishments.” Available at [www.bls.gov](http://www.bls.gov). Accessed April 1, 2016; U.S. Bureau of Labor Statistics. Quarterly Census of Employment and Wages customized tables. “Connecticut – Statewide, NAICS 312112 Bottled water manufacturing, Number of Establishments.” Available at [www.bls.gov](http://www.bls.gov). Accessed April 1, 2016; U.S. Bureau of Labor Statistics. Quarterly Census of Employment and Wages customized tables. “Massachusetts – Statewide, NAICS 312112 Bottled water manufacturing, All Employees.” Available at [www.bls.gov](http://www.bls.gov). Accessed April 1, 2016.



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