

# **Nestle eyes Columbia Gorge spring to bottle water**

***by Scott Learn, The Oregonian***

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When it comes to getting rights to bottle spring water in pristine places in the West, Nestle Waters North America has had some tough going of late.

Enumclaw, Wash., said no thanks last summer, citing environmental concerns. Nestle dropped attempts in two other Washington towns, Black Diamond and Orting, on logistical grounds.

And Nestle's efforts in McCloud, Calif., near Mt. Shasta, have sparked a 6-year battle, with California's attorney general railing last year at the evils of shipping and selling water in petroleum-based plastic bottles.

But Nestle's latest proposal for its first Northwest bottling plant is for Cascade Locks, in the verdant Columbia Gorge, where the logistics appear favorable -- and the reception has been anything but hostile.

Nestle proposes to tap a gushing spring now used by an Oregon Department of Fish and Wildlife salmon and steelhead hatchery, drawing 100 million gallons a year to fill bottles of Arrowhead and Pure Life water.

For city leaders in Cascade Locks, 45 miles east of Portland, that would be good news. The \$50 million plant would nearly double property tax collections in Cascade Locks, population 1,050, boost the city's water revenues and add 45 jobs in a town with a shortage of work and a surplus of vacant industrial land.

When Nestle first approached the city last year, "My first thought was, 'Wonderful,'" City Administrator Bernard Seeger said. "There's no crime at a bottling plant, there's no barking dogs, and we get 76 inches of rain a year. Water, we've got plenty of."

Nestle still has to establish that its withdrawals won't tap out the spring or city wells that would be used to replace spring water taken from the hatchery. The plant faces at least one local opponent willing to speak out publicly.

And the company, a subsidiary of the huge Swiss food and beverage conglomerate, faces national resistance from Food and Water Watch, a consumer group opposed to bottled water in general and Nestle's tactics in particular.

"Nestle's MO is to target small, struggling communities that have lost their resource base and make them a deal it appears they can't refuse," said Richard McIntyre, a consultant to Nestle opponents in McCloud and Chaffee County, Colorado. "They don't tell you that

most of the jobs are \$10 an hour, or that you're going to have trucks running through your community 24/7."

Nestle would build the plant on about 25 acres of industrially zoned land along the Columbia River. From there it would run a pipe to ODFW's Oxbow Hatchery to capture just over 300 gallons per minute of the spring water that pops out at three points just above the hatchery. At its lowest point, in late summer, the spring runs about 675 gallons a minute, ODFW says.

In peak summer months, supplying the hatchery with well water to cover Nestle's take would roughly double the city's current draw from its wells, Seeger says, but still leave the total draw at less than half the wells' 1,300-gallon-a-minute pumping capacity.

Cascade Locks and the Confederated Tribes of the Warm Springs Reservation are also pursuing a long-contested casino in town that would use almost as much water as the bottling plant in the summer. But total water use would still hit less than 900 gallons a minute, Seeger says, and the city has 4,000 gallons per minute of undeveloped water rights at a different location.

Nestle is paying for tests now to ensure that the city well water would be as good for the hatchery fish as the spring water. Unless that's confirmed, ODFW officials say, they won't agree to the swap.

The Oregon Water Resources Department would also have to approve a water rights transfer between the hatchery and the city, a process that includes looking for potential injury to other water users.

But an exchange isn't as complicated as establishing a new water right. And Nestle isn't seeking more spring water than the hatchery already has rights to, noted Robert Wood, a state watermaster based in The Dalles.

"It's a bucket-for-bucket exchange," Wood said.

If approved, Nestle would become a regular city water customer, effectively paying for the spring water at city rates.

That's an awfully good deal on a raw material: At the city's going rate, Nestle would pay about a fifth of a cent a gallon for the spring water. At 24-pack sizes, Arrowhead bottled spring water sells for roughly \$1.40 a gallon.

Dave Palais, a Nestle natural resource manager, said the company should be treated like any other industrial user, many of which use more water than Nestle is seeking. And the company has an inherent interest in protecting the water supply, he said.

"It costs about \$50 million to build a plant like this," said Palais, also Nestle's point man in McCloud. "We want to make sure the spring is protected and maintained in a suitable way."

Nestle has 26 spring-fed bottling plants in the United States and Canada, but none in the Northwest, Palais said, forcing it to ship bottles from Northern California or British Columbia to meet Northwest demand.

It pledges to pay above the regional median wage for each of the jobs it offers, including forklift drivers, mechanics, maintenance technicians and administrative staff. Its 250,000-square-foot plant, including two automated bottling lines, would hit the "silver" level in Leadership in Energy and Environmental Design (LEED) green certification.

In its promotional materials, Nestle stresses that zero-calorie bottled water is a healthy alternative to high calorie bottled drinks, including sodas. The company says it's cutting the amount of plastic in its bottles and striving to include recycled plastic as well.

None of that sits well with Mark Schlosberg, western regional director for Food and Water Watch, who calls bottled water "a massive consumer ripoff." Pumping can deplete water levels, few of the bottles are recycled and the bottling plants are not the economic engine that communities hope for, Schlosberg said.

"We need to be focusing on improving our water infrastructure and making sure everybody has access to affordable, clean water," he said, "not encouraging people to spend an exorbitant amount of money on water in non-renewable packages."

The most outspoken local opponent, Katelin Stuart, says the green argument isn't likely to gain much traction in Cascade Locks. Instead, she's heard concerns about truck traffic -- Nestle estimates a peak of 110 trucks a day in the summer -- and water depletion.

"I just want to make sure we don't get bowled over by a big juggernaut," Stuart said.

The City Council hasn't taken any votes on the project yet. Tiffany Pruit, a city council member who opposes the casino, said she wants to be cautious about the Nestle proposal.

"Giving away water rights is a really scary thing, because they're not recoupable," she said.

Mayor Brad Lorang figures the plant will end up winning the council's support. Lorang and his wife, both artists, own an art gallery just next to City Hall that focuses on Gorge motifs.

The extra revenue from the Nestle plant would energize Cascade Lock's plans to revamp downtown, he said, give residents job options in town, and help restore some of the city's business horsepower.

"Back in the '60s and '70s there were nearly 90 businesses in this community," Lorang said. "We're down to 12 now, and a lot of them are just hanging on."