



City of
Peterborough

TO: Members of the Arenas Parks and Recreation Advisory Committee

FROM: Rob Anderson, Recreation Coordinator

MEETING DATE: January 19, 2010

SUBJECT: Report APRAC10-002
The Sale and Serving of Bottled Water in City Facilities

PURPOSE

A report to request input from the Arenas Parks and Recreation Advisory Committee regarding the sale and serving of bottled water in City facilities.

RECOMMENDATIONS

That the Arenas Parks and Recreation Advisory Committee approve the recommendations outlined in Report APRAC10-002 dated January 19, 2010, of the Recreation Coordinator as follows:

- a) That the Arenas Parks and Recreation Advisory Committee receives report APRAC10-002 for information; and
- b) That the Arenas Parks and Recreation Advisory Committee provides input to Staff regarding the sale and serving of bottled water in City facilities.

BUDGET AND FINANCIAL IMPLICATIONS

There are no budget or financial implications as a result of approving the recommendations in report APRAC10-002.

BACKGROUND

On March 7, 2009, the Federation of Canadian Municipalities (FCM) passed a resolution encouraging municipalities to phase out the sale and purchase of bottled water at their own facilities, where appropriate and where potable water (fit for human consumption) is available. The intent is for municipalities to lead by example to encourage environmentally sustainable water choices.

On March 23, 2009, City Council adopted a resolution that staff creates a report examining the possibility for the City of Peterborough to take action similar to other Municipalities that have banned the sale of bottled water from their buildings, as encouraged by the FCM. The resolution required that the report include the cost for alternate accessibility to water at City facilities.

Bottled water is currently sold to the public at the following City facilities:

- Peterborough Memorial Centre (PMC)
- Envinrude Centre
- Kinsmen Civic Centre
- Northcrest Arena
- Peterborough Marina
- Peterborough Sport and Wellness Centre (PSWC)
- Otonabee River Trail Boathouse
- Beavermead Park
- Armour Road North at Nassau Mills Road
- Peterborough Public Library

Vending Revenue

The 2008 combined net revenue in beverage sales from the PSWC, PMC, Arenas, and the Marina was \$142,000. Twenty-seven percent or \$38,000 of this net revenue was generated from bottled water sales. There is no flexibility within the approved operating budgets to support a sudden loss of this revenue.

Supplier Agreements

The City has entered into the following 2 exclusive supplier agreements with Pepsi Bottling Group (Canada Co.), that include the sale of bottled water:

- 1) A 10-year agreement ending in September of 2013 with the PMC.
- 2) An 11-year agreement ending in May of 2016, with the PSWC, the Marina, and the Kinsmen, Envinrude, and Northcrest arenas.

The agreements are subject to the inclusion of bottled water sales for the duration of each agreement. The agreements contain a clause allowing the supplier to terminate

the agreement with 30-days written notice if the City breaches any term or condition of the agreement. In the event of early termination as contemplated, the cost to the City would exceed \$200,000.

Food Service Operator Agreements

The City has exclusive rights agreements with Food Service Operators that sell bottled water at 6 City locations. Banning the sale of bottled water will negatively impact the Operators' revenue.

Environmental Impact

Water bottles are made of PET plastic #1, which has been designated by the Province of Ontario, as one of the required blue box recyclable materials. The City's Waste Management Division estimates that the City collected and shipped 105 - 110 tonnes of water bottles in 2008. The availability of bottled water in City facilities is limited and represents only a tiny fraction of the recycling market. It is unlikely that the elimination of the sale of bottled water at City facilities would create a significant reduction in the volume of PET plastic collected through the City's recycling program.

The environmental costs of bottled water include the effects of bulk water removal, the lifecycle of bottles and greenhouse gas emissions associated with the transportation of the beverage. With the exception of bulk water removal, these costs are associated with any packaged beverage. Bottled water is transported from the supplier to City Facilities along with other types of bottled beverages that will continue even if bottled water is no longer sold at these facilities. As such, it is not anticipated that eliminating bottled water sales will have an impact on the greenhouse gas emissions, related to the transportation of the beverage.

Based on historical waste audits, the City's recycling program captures 84% of the recycling material streams available. In an effort to improve on this rate, a capital budget was approved in 2009 for the purchase and distribution of public space recycling containers in priority areas of the community.

Water Quality Standards

According to Health Canada, "The quality standards for bottled and municipal waters in Canada are similar. All bottled and municipal waters that meet or exceed the required health and safety standards are considered to be safe."

Municipal Tap Water:

Peterborough Utilities Services meets or exceeds the government's requirements for water testing in Peterborough, as identified in their annual Water Quality Reports, which can be accessed at: http://www.peterboroughutilities.ca/Water/Water_Quality.htm.

While our municipal drinking water meets or exceeds all provincial standards for water quality, sometimes people notice either chlorine or earthy tastes in municipal water.

Bottled Water:

Health Canada states, “In Canada, bottled water is considered to be a food and is regulated under the Food and Drugs Act. Under the Act and its regulations, all bottled water offered for sale in Canada must be safe for people to drink. No matter what source it comes from, all bottled water sold in Canada is inspected and treated during the manufacturing process to ensure that it meets Canada’s requirements for safety and quality.”

Health Canada sets policies and standards governing the safety and quality of all food sold in Canada. As part of this role, Health Canada works with other government agencies and the Canadian Bottled Water Association (CBWA) to ensure that bottled water sold to Canadian consumers is safe to drink and of high quality. The Canadian Food Inspection Agency (CFIA) enforces the set standards. Health Canada also reviews the safety of materials used in food packaging, including the plastic used as containers for bottled water sold in Canada.

Alternative Accessibility to Drinking Water

Identified in this report are three alternatives to bottled water. These alternatives are being provided as a point of reference only, at this time. Staff recognizes that if Council decides to replace bottled water sales with drinking water alternatives, further research and a formal procurement process will be required in order to decide on the most appropriate alternative(s) for each facility. This report is not suggesting that these are the only alternatives available. However, these do appear to be in compliance with the “*Proposed Accessible Built Environment (ABE) Standards*” document, which is currently being developed under authority of the *Accessibility for Ontarians with Disabilities Act, 2005* (AODA).

The water source for each of the following alternatives comes from the municipal water supply. However, the second and third alternatives provided are systems that additionally filter the municipal water.

Drinking Fountains:

Increasing the number of Publicly accessible drinking fountains is one way of promoting municipal water. However, drinking fountains are not designed to fill reusable cups or containers, nor are they equipped with filters to eliminate the chemical or earthy tastes that some individuals are sensitive to.

Sixteen wheelchair accessible units are required to provide an alternate source of drinking water at indoor City Facilities where bottled water is presently sold. Using a conservative estimate of \$4,200 per unit the cost of supplying and installing the necessary drinking fountains would be \$67,200.

Reverse Osmosis:

Reverse Osmosis (RO) systems utilize a special membrane that separates minerals and impurities from water, effectively removing substances such as lead, mercury, chlorine, sediment, calcium and nitrates.

City staff met with suppliers of commercial RO systems, who provided only general information. Detailed cost estimates would only be provided if a formal procurement process were enacted. Suppliers did confirm that the cost would be influenced by the size of the facility, the anticipated usage, the number of filling stations, and the amount of plumbing required. Plumbing will comprise a significant portion of the over-all cost. If the City were to utilize this alternative, a separate system would be required at each facility.

As an alternative means of gaining insight into potential cost involved with the purchase and installation of a Reverse Osmosis system, City staff toured Fleming College to view a Reverse Osmosis water system recently installed at the Brealey campus. The cost to purchase and install the system was approximately \$150,000.

Haws Hydration Station

The Haws Hydration Station is a wall-mounted, semi-recessed bottle or cup filling station. It is plumbed directly to the municipal water supply but has a self-contained filter system. There is no ability to drink directly from the unit. The station contains a sensor that initiates water flow only when a container is placed within in the unit, thereby increasing sanitary benefits by eliminating the need for anyone to touch the system. The Haws Hydration Station is sanitary, eliminates chemical and earthy tastes, is designed to fill reusable drinking containers, and is wheelchair accessible.

Using a conservative estimate of \$4,150 per unit, the cost of supplying and installing the necessary stations would be \$66,400.

SUMMARY

City Council is being encouraged by the Federation of Canadian Municipalities to provide leadership on sustainability by phasing out the sale and purchase of bottled water at City owned facilities. Staff is requesting input from the Arenas Parks and Recreation Advisory Committee that will be considered when preparing the report and recommendations to Council.

Submitted by,

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