

August 29, 2006

Chairperson and Members of the
Parks, Recreation and Community
Resources Advisory Commission

Regular Meeting of
September 5, 2006

<p style="text-align: center;">Coca-Cola Bottling Company Sponsorship Agreement</p>
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Recommendation

Staff recommends that Commission approve agreement between the City and Coca-Cola Bottling Company to accept Centennial donation of \$25,000 and install vending machines at select City locations for the period of one year.

Background

The Community Resources Director has attended meetings with Geoff Slajer, Coke Drink Manager and Jarrod Harrison, Territory Account Manager to negotiate an agreement between the City and Coca-Cola Bottling Company. The result of negotiations is the following proposal:

1. An initial donation of \$25,000 to the Centennial account.
2. Installation of Dasani Water and Minute Maid Orange Juice vending machines at the Community Center, City Hall, South Park, and Valley Park, and Clark basketball courts. The machines will dispense a variety of nine coca-cola products including Coke, Dasani water, Minute Maid orange juice, Power Ade, Rock Star energy drink and green tea beverages.
3. Revenue split of product sales between City and Coca-Cola is 30/70. Price point of beverages is \$1.50. After tax and CRV deduction, the City receives .41¢ per product sold. Projected product sales figure is 50,000 per year; potential revenue is \$20,500 per year. Revenue generation will fund Centennial activities.

Coca-Cola will be responsible for the installation of machines, stocking and storing of product, maintenance and servicing of equipment, money management and monthly payment to City for 30% of sales revenue.

Attachments:

- A. Letter of Request

Respectfully submitted,

Lisa Lynn
Community Resources Director