

## THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

MATERIALS MANAGEMENT DEPARTMENT

101 OLD VENICE ROAD

**OSPREY, FLORIDA 34229** 

TELEPHONE (941) 486-2183 • FAX (941) 486-2188

## **MEMORANDUM**

- TO: **Members of the School Board** Dr. Gary Norris, Superintendent Mr. Scott Lempe, Associate Superintendent
- FROM: Pat Black, CPPB, Director of Materials Management
- **APPROVAL OF ADDENDUM TO THE EXCLUSIVE BEVERAGE** TITLE: CONTRACT

An exclusive beverage contract with Coca-Cola Bottling Company of Sarasota was awarded on April 3, 2001. The five-year renewal of the contract is being amended to reflect guidelines promulgated by the Alliance for a Healthier Generation Initiative.

**Requested by:** Pat Black

Fiscal Impact: N/A

**Recommended Motion:** That the addendum to the Sponsorship Agreement for the Exclusive Beverage contract, RFP #1089, be approved as presented.

(over)

## ADDENDUM TO SPONSORSHIP AGREEMENT

THIS ADDENDUM is entered into this \_\_\_\_\_ day of October, 2006, by and between Coca-Cola Enterprises, Inc. d/b/a Florida Coca-Cola Bottling Company, a Delaware corporation (**\*** Sponsor**\***) and The School Board of Sarasota County, Florida, a body corporate under the laws of the State of Florida (the "Board").

## RECITALS

Whereas, the parties previously entered into a Sponsorship Agreement with a five year term beginning July 1, 2001; and

Whereas, the parties desire to extend their Sponsorship Agreement for an additional five year term; and

Whereas, during the term of the extension, the parties wish to provide beverages in vending machines in middle and high schools in a manner consistent with the guidelines promulgated by the Alliance for a Healthier Generation Initiative;

NOW, THEREFORE, in consideration of the mutual promises made herein, the parties do hereby agree as follows:

1. Paragraph 2 of the Sponsorship Agreement is amended so that it shall now terminate on June 30, 2011.

2. The following will be added as paragraph 3(c):

(c) Beverages sold pursuant to this Agreement during the school day are limited as follows:

(i) Cafeteria sales: elementary cafeterias - water only;middle and high school cafeterias - water, juice, and reducedsugar sports drinks only;

(ii) Non-cafeteria sales (vending): water, juice, and nocalorie and low calorie drinks including diet tea, diet lemonade, diet carbonated drinks and low calorie sport drinks only.

3. Paragraph 5(a)(i) and (ii) and (b) are deleted in their entirety and replaced with the following:

5(a)(i) For the rights described herein, Sponsor agrees to pay the District a rebate of \$4.75 per case on all products sold through vending machines in the Sarasota County School District and a rebate of \$2.50 per case on all products purchased through schools, including through the cafeteria or booster clubs, in the Sarasota County School District. In year one of the extension, Sponsor will prepay 70% of the estimated rebates upon the full execution of this Addendum. At the beginning of years two through five, Sponsor will prepay 70% of the preceding year's actual rebate, with the balance of the rebate due at the conclusion of the year.

5(a)(ii) Sponsor agrees to provide District with \$8,000.00 per year for repairs and replacement of scoreboards. In the first year of the extension of the Sponsorship Agreement, Sponsor will also provide an additional \$15,000.00 to replace one high school scoreboard. Total scoreboard commitment is, therefore, \$55,000.00. The types of scoreboards provided are as follows:

Softball & Middle School Baseball - MM168 Baseball High only - MP 148 Basketball Middle only - 2350C Basketball High only - 2655C Football High only - MP350C The parties may mutually agree to substitute other types of

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scoreboards of an equivalent value. Sponsor shall cause any scoreboards to be installed in accordance with applicable building and electrical codes at location on the Campus and/or Stadiums specified by the District, based on a mutually agreed upon schedule.

THE PROVISION OF ANY SCOREBOARDS IS ON AN `AS IS'' BASIS. SPONSOR HEREBY DISCLAIMS ANY AND ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION THOSE OF MERCHANTABILITY AND FITNESS FOR INTENDED USE, AND SPONSOR SHALL NOT BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES. SPONSOR SHALL ENSURE THAT ALL SCOREBOARD MANUFACTURERS' WARRANTIES ARE MADE AVAILABLE TO DISTRICT UPON THE PROVISION OF THE SCOREBOARDS.

5(b) <u>Commissions</u>. Sponsor shall pay the District commissions on a full-service vending sales based on the following rates and initial vend prices:

Product	Commission	Vend Price
12oz Low calorie CSD & MM Refresh and Teas in Cans	35%	\$075
20oz Low calorie CSD & MM Refresh and Teas in Bottles	40%	\$1 <sub>-0</sub> 00
10oz MMaid 100% Juices	25%	<b>\$1</b> .00
12oz PowerAde Bottles	25%	\$1.00
20oz PowerAde Option Bottles	25%	\$1.00
10 20z Dasani Water	15%	\$0.75
12oz Dasani Water	15%	\$1.00
20oz Dasani Water	25%	\$1.00

Commissions are paid based upon cash collected, after deducting taxes, deposits, recycling fees and debit card fees, if any Commissions will be paid on a monthly basis on or about the 20<sup>th</sup> of each month with an accounting of all sales and monies in a form satisfactory to the District and shall become immediate property of the District. Commissions shall not be payable on any sales from vending machines not filled or serviced exclusively by Sponsor. Commissions will stay as-is and the Vend Rate on sales will change at the beginning of year three of the extension to \$1.25 on the following items: 20oz Low calorie CSD & MM Refresh and Teas in Bottles, 20oz PowerAde Option, and 20oz Dasani.

4. The following will be added to Paragraph 5(d)(iii):

\* local scholarship program, \$3,000.00 per year.

5. The parties acknowledge and agree that the remainder of the terms of the Sponsorship Agreement shall remain in full force and effect during the term of this Addendum.

6. Where there is any conflict between the terms of this Addendum and the Sponsorship Agreement, the terms of this Addendum shall control.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date first above written.

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

COCA-COLA ENTERPRISES INC. d/b/a FLORIDA COCA-COLA BOTTLING COMPANY

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BY:	BY:
Dr. Carol Todd, Chair	Printed Name: Its:
	10B
Date:	Date: