



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: GID-1920-67

File ID: GID-1920-67 **Type:** Acceptance of Funds **Status:** ATS Review

Version: 1 **Reference:** Item 14 **In Control:** City Council

Department: Parks and Recreation Department **Cost:** **File Created:** 01/22/2020

File Name: Acceptance of Pepsi Incentive Payment Year 2 **Final Action:**

Title: CONSIDERATION OF ACCEPTANCE OF AN INCENTIVE PAYMENT IN THE AMOUNT OF \$7,970 FROM THE PEPSI BEVERAGES COMPANY TO THE NORMAN MUNICIPAL AUTHORITY FOR THE EXCLUSIVE SALE OF PEPSI PRODUCTS AT THE WESTWOOD GOLF COURSE AND WESTWOOD FAMILY AQUATIC CENTER AND BUDGET APPROPRIATION.

Notes: ACTION NEEDED: Acting as the Norman Municipal Authority motion to approve or reject an incentive payment in the amount of \$7,970 from the Pepsi Beverages Company; and, if approved, increase Westwood Fund, Concession-Restaurant revenue (Org 297 Object 345611) by \$7,970 and appropriate \$7,970 to Minor account (Org 29770035 Object 43609).

ACTION TAKEN: _____

Agenda Date: 01/28/2020

Agenda Number: 14

Attachments: Pepsi Incentives-Yr 2

Project Manager: Jason Olson, Parks Supt

Entered by: lisa.griggs@normanok.gov

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
---------------	--------------	-------	---------	----------	-----------	-----------------	---------

Text of Legislative File GID-1920-67

Body

BACKGROUND: Last year, the Norman Municipal Authority entered into Contract Number K-1819-105 for the exclusive sale of Pepsi products at the Westwood Family Aquatic Center and the Westwood Golf Course. Pepsi Co.'s incentive package included a year one signing bonus of \$10,000 and a developmental fund payment of \$7,000 per year in years two, three, four, and five. Additional incentives include 200 cases of free water, rebates of \$1.00 per gallon

of fountain syrup purchased, and \$2.00 per case of 20 oz. bottles purchased. The total incentive package from Pepsi Co. is \$38,000 spread over five years.

DISCUSSION: This incentive payment is for year two of the contract, which includes a \$7,000 developmental fund payment and \$970 in rebates for the purchase of Pepsi products, which were sold at Westwood. The developmental and rebate incentive will be used for repairs and upgrades to various concession areas, such as, ice chests for all of the golf carts and digital menu signage inside of the grill.

RECOMMENDATION It is recommended that the NMA and City accept the incentive payment of \$7,970 from the Pepsi Beverage Company to be deposited into Westwood Fund, Concession-Restaurant revenue account (Org 297 Object 345611). City staff further recommends appropriation of those funds to Minor Equipment account (Org 29770035 Object 43609) for various concession area improvements at the Westwood Golf Course Grill.