

Meeting Agendas/Info

CITY COUNCIL
COMMUNICATION:

ITEM _____

01-617

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

AGENDA:

DECEMBER 17, 2001

SUBJECT:

EXTENSION OF
AGREEMENT WITH
PEPSI

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

DONALD M. TRIPP
PARK AND
RECREATION
DIRECTOR

SYNOPSIS -

The Des Moines Park and Recreation Department requests approval to enact a negotiated grace period for use of equipment and continuation of service by Pepsi Americas as sole beverage provider during the period from December 31, 2001, to March 5, 2002, at these specific locations: Blank, Grandview, and Waveland Golf Courses; Des Moines Botanical Center; and Blank Park Zoo. City staff will use this time to request proposals for a new single beverage provider agreement that includes Blank Park Zoo as a separate amenity. Staff intends to return to Council on or before March 4, 2002 with the results of a new bid and a new contract.

FISCAL IMPACT -

No cost to the City of Des Moines.

RECOMMENDATION -

Approval.

BACKGROUND -

On April 5, 1999, by Roll Call No. 99-1026, the City of Des Moines and Pepsi-Cola General Bottlers Inc. entered into a three-year agreement with an option to renew for one additional three-year period. This agreement enabled the Des Moines Park and Recreation Department to consolidate its beverage operations to obtain the best financial benefit to the City for its concessionaires' equipment, sponsorships, and low product cost.

It is staff's intention to rebid this soft drink business; in the interim, staff recommends maintaining the current equipment at Blank Park Zoo

A new 28E Zoo operating agreement is also being negotiated at this time. The results of that negotiation will also impact the soft drink bid, if the Zoo Foundation wishes to negotiate their own soft drink contract.

A comprehensive report on the current Pepsi-Cola contract and its performance will be provided as part of the bid recommendation to City Council.
