



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 12/13/2022

**REQUESTER:** Jason Olsen, Parks and Recreation Director

**PRESENTER:** Jason Olsen, Parks and Recreation Director

**ITEM TITLE:** CONSIDERATION OF ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF AN INCENTIVE PAYMENT IN THE AMOUNT OF \$7,808 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 AS OUTLINED IN THE STAFF REPORT.

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### **BACKGROUND:**

On February 26, 2019, the Norman Municipal Authority entered into Contract K-1819-105 for the exclusive sale of Pepsi products at the Westwood Family Aquatic Center and the Westwood Golf Course. Pepsi Company'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 five of the contract, which includes a \$7,000 developmental fund payment and \$808 in rebates for purchasing Pepsi products, which were sold at Westwood. The developmental and rebate incentive will be used for repairs and restaurant equipment upgrades to the concession area and kitchen.

### **RECOMMENDATION:**

It is recommended that the NMA and City accept the incentive payment of \$7,808 from the Pepsi Beverage Company to be deposited into Westwood Fund, Concession-Restaurant revenue account (Org 297 Object 345611). City staff further recommends appropriating those funds to the Minor Equipment account (Org 29770035 Object 43609) for various concession area improvements at the Westwood Golf Course Grill.