

RESOLUTION NO. 00-140

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL
APPROVING A FIVE YEAR PARTNERSHIP WITH COCA-COLA
BOTTLING COMPANY OF SOUTHERN, CALIFORNIA**

WHEREAS, The City of Ridgecrest will provide exclusive rights to Coca-Cola Bottling Company of Southern California as the non-alcoholic carbonated and non-carbonated vendor allowing Coca-Cola to place vending machines in areas under the control of the City of Ridgecrest; and

WHEREAS, Coca Cola Bottling Company of Southern California will provide to the City of Ridgecrest up to 36 vending machines, commissions on drinks sold, annual revenues & supplies for special events and a complete full service maintenance and community relation service.

NOW, THEREFORE BE IT RESOLVED that the City Council authorizes the Mayor to sign the agreement for the City of Ridgecrest to enter into a five year partnership with Coca-Cola Bottling Company of Southern California.

APPROVED AND ADOPTED this 20th day of December 2000, by the following vote:

AYES: Mayor Darnell, Council Members Carter, Holloway, Morgan, and Rollins

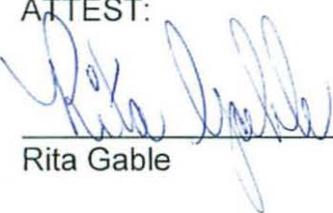
NOES: None

ABSENT: None

ABSTAIN: None


Donna Darnell, Mayor

ATTEST:


Rita Gable



Beverage Agreement



The Coca-Cola Bottling Company of Southern California makes the following offer available to the City of Ridgecrest for exclusive sales of carbonated and non-carbonated beverages. This agreement is to include all events held at the City of Ridgecrest.

I. The Coca-Cola Bottling Company of Southern California agrees to provide the following:

1. Term of Agreement

- January 1, 2001 through December 31, 2005

2. Direct Delivery

All carbonated and non-carbonated beverages purchased from Coca-Cola Bottling Company of Southern California

Direct Delivery	20 oz. Bottle	Fountain
<ul style="list-style-type: none"> • 20 oz Carbonated Bottles - \$15.09 per case • 20 oz Dasani Water - \$9.00 per case • 12 oz. Cans \$6.05 per case 	<ul style="list-style-type: none"> • Full Service Vend Price - \$1.00 35% commission - \$7.58 per case • 12 oz Cans Full Service Vend Price \$.75 35% commission - \$5.64 per case 	<ul style="list-style-type: none"> • BIB - (All Brands) - \$41.00 • CO² 20 lb. - \$11.00 No Deposit

The Coca-Cola Bottling Company of Southern California agrees to provide, install and maintain all of the equipment necessary to facilitate the continued sale of the products described above.

All pricing is guaranteed for (1) year. The Coca-Cola Bottling Company of Southern California reserves the right to increase pricing every (1) year based on the consumer price index (not to exceed 5%).

3. Programs & Promotional Support

- Special Event booths to be loaned during term of the contract.
- 75 free cases of 12 oz. cans annually.
- Banners/ Point of Sale to be provided on as needed basis.
- The Coca-Cola Bottling Company of Southern California will provide a one-time donation of \$2,000.00 and \$2500.00 per year for 5 years to be used at the discretion

of the City of Ridgecrest. Donation is made available only when products of Coca-Cola Bottling Company of Southern California are sold exclusively at the City of Ridgecrest properties. Exclusive products include all carbonated and non-carbonated beverages. This shall not limit the rights of any party other than the City of Ridgecrest to sell any beverage on property owned by the City.

II. City of Ridgecrest agrees to support the following:

1. Term of Agreement

- January 1, 2001 through December 31, 2005

2. Beverage Sales

- The City of Ridgecrest agrees to exclusive sales of carbonated and non-carbonated beverages purchased directly through the Coca-Cola Bottling Co. of Southern California.

III. Termination

- This agreement may be terminated if either party fails to fulfill the terms as stated.

IV. Conclusion

Both the Coca-Cola Bottling Co. of Southern California and the City of Ridgecrest having read the agreement and understanding the conditions, agrees to enter into the same

this 1 day of Jan 2000.

By: Larry Campbell By: Dennis Darnell

Title: BR. MGR
Coca-Cola Bottling Company
Of Southern California

Title: Mayor
City of Ridgecrest

Projected Sales

- ✓ 36 vending machines through out the City of Ridgecrest.
- ✓ \$1.00 vend price.
- ✓ Projected sales of 10 cases per vendor per month average.
- ✓ Total of 360 cases per month.

360 cases @ \$7.58 per case = \$2728.80 per month income to the City of Ridgecrest.

\$2728.00 x 12 = \$32736.00 per year revenue to the City of Ridgecrest.

These are approximate estimates based on 10 cases per month average per vendor.



STANDARDS



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- 1. All vending machines will be installed at NO COST TO City of Ridgecrest.**
 - 2. All vendors are specially designed for outdoor service and are vandal resistant.**
 - 3. Electrical installments (within \$400.00), placement of vendors, stocking and repairs, will be provided by Coca-Cola, at NO COST TO THE CITY.**
 - 4. While no definitive answer is available concerning vending machine electrical costs, it is generally accepted that outdoor vending machines cost between \$10 to \$12 per month. It will be the responsibility of the City to incur the electrical expenses associated with running the machines.**
 - 5. All Coca-Cola vending machines will be maintained in an aesthetic and operable condition, by our full service drivers and service technicians**



TERRITORY & CATEGORY EXCLUSIVITY



TERRITORY: Ridgecrest, in partnership with Coca-Cola, grants Coca-Cola exclusive non-alcoholic pouring and vending rights, on property owned by the City of Ridgecrest, with the following limitations set forth below. This shall include City parks, public and municipal facilities, parking lots, bus shelters, event centers and areas under the control of Ridgecrest today and during the life of this agreement. This shall not limit the rights of any party other than the City of Ridgecrest to sell any beverage on property owned by the City.

CATEGORY: Coca-Cola shall be granted carbonated and non-carbonated category exclusivity, including Isotonic, Fruit and Fruit-blended drinks, bottled Waters and bottled Teas and Ice Coffee drinks. This exclusivity applies to bottles, cans and fountain poured carbonated and non-carbonated, non-alcoholic soft-drinks.