

44643

February 9, 2015

TO: Board of Acquisition and Contract

FROM: Kathleen M. O'Connor, Commissioner
Parks, Recreation and Conservation

RE: AUTHORITY TO ENTER INTO A LICENSE AGREEMENT WITH PEPSI COLA BOTTLING COMPANY OF NEW YORK, INC., 117-02 FIFTEENTH AVENUE, COLLEGE POINT, NEW YORK 11356 FOR PROMOTIONAL AND BEVERAGE AVAILABILITY RIGHTS ("POURING RIGHTS") OF PEPSI'S COMPLETE LINE OF SOFT DRINKS, INCLUDING CARBONATED BEVERAGES, JUICES, ICED TEA AND BOTTLED WATER AT PLAYLAND PARK AND OTHER WESTCHESTER COUNTY PARKS, RECREATION AND CONSERVATION ("PRC") FACILITIES FOR A TERM COMMENCING JANUARY 1, 2015 AND TERMINATING DECEMBER 31, 2015.

Authority is requested of this Board for the County of Westchester to enter into a license agreement with Pepsi Cola Bottling Company of New York, Inc. ("Pepsi"), 117-02 Fifteenth Avenue, College Point, New York 11356 for pouring rights of Pepsi's complete line of carbonated beverages, juices, iced tea and bottled water at Playland Park and other PRC facilities for a term commencing January 1, 2015 and terminating December 31, 2015 (the "Agreement").

As consideration for the provision of Pepsi carbonated beverages and bottled water being exclusively provided at Playland Park and other PRC facilities either directly or through PRC's concessionaires, Pepsi will become a sponsor of Playland and PRC thereby promoting Playland and PRC through its products and services. The County will also receive a compensation package from Pepsi with an estimated value of \$255,000.

Pepsi will provide the following marketing and promotion support to Playland and PRC:

Playland

Pepsi will provide \$60,000 for "hard costs" which will include items used in the promotion and advertising of Playland Park. These items may include, but are not limited to, t-shirts, banners, advertising, electronic equipment or other items Playland

deems necessary in its promotion of the Park. These funds will be spent directly by Pepsi at the direction of the Commissioner or her designated representative. Pepsi will also provide \$175,000 for "soft or promotional costs" which may include, but are not limited to, special promotional events, radio tags, on pack coupons, truck back advertising and media advertisements. These costs will also be spent directly by Pepsi at the direction of the Commissioner or her designated representative through their internal contacts and on-going advertising and promotional programs. The total package for Playland is valued at \$235,000.

Parks, Recreation & Conservation

The PRC facilities contained in this agreement include but are not limited to

Croton Point Park, Croton-on-Hudson
Glen Island Park (exclusive of Glen Island Harbour Club), New Rochelle
Kensico Dam Plaza, Valhalla
Saxon Woods Park, White Plains
Sprain Ridge Park, Yonkers
Tibbetts Brook Park, Yonkers
Willson's Woods Park, Mount Vernon
Westchester County Center, White Plains
Hudson Hills Golf Course, Ossining
Dunwoodie Golf Course, Yonkers
Maple Moor Golf Course, White Plains
Mohansic Golf Course, Yorktown Heights
Saxon Woods Golf Course, Scarsdale
Sprain Lake Golf Course, Yonkers
V. Everit Macy Park (exclusive of Woodlands Lake), Ardsley
Ridge Road Park, Hartsdale

At these locations, Pepsi will provide "hard cost" marketing support for each gallon or case sold either directly through PRC or through PRC's concessionaires. Pepsi will add \$1.00 for each fountain gallon sold, \$1.75 for each 20 oz. bottle case sold, \$1.00 for each can case sold and \$1.00 for each case of Aquafina water sold to the marketing support fund. The "hard cost" funds listed above will be spent directly by Pepsi at the direction of the Commissioner or her designated representative for advertising and marketing support of PRC. The total package value for PRC is estimated at \$20,000.

The County will be authorized to modify the Agreement in order to provide the County with the ability to modify the list of facilities by the addition of such new site(s) as the County and Pepsi may deem necessary. Upon the addition of any new site(s), the same marketing compensation per case shall be added to the annual sponsorship support.

In addition, the County is currently in the process of negotiating the engagement of a private manager to operate day to day operations at Playland Park. It is anticipated that a new operator of the facility will take control of day-to-day operations, including that of pouring rights during the term of this proposed contract. The Agreement will therefore provide that PRC shall have the right to terminate the portion of the Agreement related to

Playland Park, upon thirty (30) days prior written notice, in the event that the day-to-day operations of Playland are transferred to any such operator.

This agreement is not subject to the Westchester County Procurement Policy pursuant to Section 3(b) in that it is a license.

The goal of this agreement is to allow the County to market PRC facilities and programs through a sponsorship with Pepsi. This agreement promotes fiscal responsibility as the County will receive added marketing and advertising value to promote Playland and PRC.

The objectives of this agreement will be monitored through attendance and revenue reports which will help to judge the effectiveness of the marketing and advertising programs made possible through this sponsorship "pouring rights" agreement.

A Resolution is attached for your favorable consideration.

APPROVED BOARD OF ACQUISITION & CONTRACTS 05/2015 - SOMAY VIEIRA SECRETARY

RESOLUTION

Upon a communication from the Commissioner of the Department of Parks, Recreation and Conservation, be it hereby

RESOLVED, that the County of Westchester is hereby authorized to enter into a license agreement with Pepsi Cola Bottling Company of New York, Inc. ("Pepsi"), 117-02 Fifteenth Avenue, College Point, New York 11356 for the pouring rights of Pepsi's complete line of carbonated beverages, juices, iced tea and bottled water at Playland Park and other Westchester County Parks, Recreation and Conservation ("PRC") facilities for a term commencing January 1, 2015 and terminating December 31, 2015 (the "Agreement"); and be it further

RESOLVED, that for this privilege, Pepsi will provide \$60,000 for "hard costs" which will include items used in the promotion and advertising of Playland Park. These items may include, but are not limited to, t-shirts, banners, advertising, electronic equipment or other items Playland deems necessary in its promotion of the Park. These funds will be spent directly by Pepsi at the direction of the Commissioner or her designated representative. Pepsi will also provide \$175,000 for "soft or promotional costs" which may include, but are not limited to, special promotional events, radio tags, on-pack coupons, truck back advertising and media advertisements. These costs will also be spent directly by Pepsi at the direction of the Commissioner or her designated representative through Pepsi's internal contacts and on-going advertising and promotional programs. The total promotional value to Playland will be \$235,000; and be it further

RESOLVED, that for this privilege, Pepsi will provide "hard cost" marketing support for each gallon or case sold either directly through PRC or through PRC's concessionaires. Pepsi will add \$1.00 for each fountain gallon sold, \$1.75 for each 20 oz. bottle case sold, \$1.00 for each can case sold and \$1.00 for each case of Aquafina water sold to the marketing support fund. The "hard cost" funds listed above will be spent directly by Pepsi at the direction of the Commissioner or her designated representative for advertising and marketing support of PRC. The promotional value to PRC is estimated at \$20,000. This agreement includes but is not limited to the following PRC facilities:

Croton Point Park, Croton-on-Hudson
Glen Island Park (exclusive of Glen Island Harbour Club), New Rochelle
Kensico Dam Plaza, Valhalla
Saxon Woods Park, White Plains
Sprain Ridge Park, Yonkers
Tibbetts Brook Park, Yonkers
Willson's Woods Park, Mount Vernon
Westchester County Center, White Plains
Hudson Hills Golf Course, Ossining
Dunwoodie Golf Course, Yonkers
Maple Moor Golf Course, White Plains
Mohansic Golf Course, Yorktown Heights

Saxon Woods Golf Course, Scarsdale
Sprain Lake Golf Course, Yonkers
V. Everit Macy Park (exclusive of Woodlands Lake), Ardsley
Ridge Road Park, Hartsdale; and be it further

RESOLVED, that the County will be authorized to modify the Agreement in order to provide the County with the ability to modify the list of facilities by the addition of such new site(s) as the County and Pepsi may deem necessary. Upon the addition of any new site(s), the same marketing compensation per case shall be added to the annual sponsorship support; and be it further

RESOLVED, that the Agreement shall provide the County with the right to terminate the portion of the Agreement related to Playland Park, upon thirty (30) days prior written notice, in the event that day-to-day operations of Playland are transferred to a private operator; and be it further

RESOLVED, that the County Executive or his duly authorized designee is hereby authorized to execute any and all instruments and take such other actions as may reasonably be necessary to effectuate the purposes thereof.

APPROVED BOARD OF ACQUISITION & CONTRACT ADMINISTRATION
JULY 10, 2015 - DOMINIC A. VIEIRA, SECRETARY

Agreement # PRC-992

Account to be
Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
N/A	N/A	N/A	N/A		N/A

Budget Funding Year(s) Start Date **1/1/2015** End Date **12/31/2015**
(must match resolution)

Funding Source Tax Dollars _____
State Aid _____
\$255,000 (in kind) Federal Aid _____

(must match resolution)
Other __\$255,000 (in kind revenue)_____

APPROVED BOARD OF ACQUISITION & CONTRACT - 03/05/2015 DOMARY VIEIRA, SECRETARY