

TO: Michael C. Van Milligen, City Manager
FROM: Marie L. Ware, Leisure Services Manager
SUBJECT: Exclusive Soft Drink Provider Agreement for Leisure Services Facilities
DATE: March 8, 2023

INTRODUCTION

The purpose of this memorandum is to recommend approval of the attached Lime Rock Springs 3-year Agreement as the exclusive soft drink provider for the Bunker Hill Golf Course, McAleece concession, Flora and Sutton pool concession, Veterans Memorial Park and the Port of Dubuque Marina.

BACKGROUND

In 2020 Leisure Services entered a 3-year exclusive soft drink provider agreement with Lime Rock Springs for Bunker Hill Golf Course, Flora and Sutton pools, Port of Dubuque Marina and McAleece concessions. The current agreement expires on March 31, 2023. Staff prepared an RFP for Exclusive Soft Drink rights for the aforementioned sites as well as adding Veterans Memorial Park/Miracle League of Dubuque and a vending machine alternate.

DISCUSSION

Staff received 2 proposals from local vendors. One from Atlantic Bottling (Coca-Cola) and the other from Lime Rock Springs (Pepsi). Both companies are well established within the Dubuque community. The attached proposal from Pepsi provides the City of Dubuque with the highest potential for revenue generation, a solid annual funding program and shortest turn around on product orders/delivery. Pepsi's proposal will provide the City with a payment of \$5,000 per year to go back into operating revenue. In addition, Pepsi pledges to spend up to \$2,000 per year on Department services like golf fees and pool rentals. Pepsi did make this same pledge in their previous agreement as well as spent the full \$2,000 in each of those years. Coke's proposal included an annual \$6,600 payment with no other incentives.

The City Attorney's office has also reviewed contract agreement.

ACTION REQUESTED

I respectfully request and recommend City Council approval of the 3-year Pepsi agreement with Lime Rock Springs as the exclusive soft drink provider for the Bunker Hill Golf Course, McAleece Concession, Flora and Sutton Pools concession, Veterans Memorial Park and the Port of Dubuque Marina.

Prepared by: Dan Kroger, Recreation Division Manager

cc: Janna Beau, Recreation Supervisor
Mike Sullivan, PGA Professional
Brian Feldott, Recreation Supervisor
Jenny Larson, Chief Financial Officer