



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: July 19, 2021

AGENDA ITEM: Consider Approval of Extension of Exclusive License and Supplier Agreement with The American Bottling Company

PRESENTER: Earl Husfeld, Chief Financial Officer

BACKGROUND INFORMATION:

- Since August 1, 2006, the District has had an exclusive beverage/vending agreement with The American Bottling Company (Dr Pepper Snapple Group).
- During the July 2016 board meeting, the Board of Trustees approved the current Exclusive License and Supplier Agreement (Agreement) with The American Bottling Company (Dr Pepper Snapple Group).
- This Agreement was for the five (5) year period of June 1, 2016 through May 31, 2021. The Agreement also provides for the extension of an additional five (5) year period starting June 1, 2021 through May 31, 2026 if mutually agreed upon.
- After discussions with representatives of The American Bottling Company (Dr Pepper Snapple Group), they are agreeable to the extension of the Agreement.
- No product or service issues have arisen during this five (5) year agreement.
- For your review and consideration, attached is the Extension of Exclusive License and Supplier Agreement with The American Bottling Company (Dr Pepper Snapple Group).

FISCAL INFORMATION:

Annual \$13,000 payment to the District, 35% commission based on product sales, and 300 cases of free product per year.

ATTACHMENT:

Extension of Exclusive License and Supplier Agreement with Aledo ISD

ADMINISTRATIVE RECOMMENDATION:

The Administration recommends the Board of Trustees approve the extension of the Exclusive License and Supplier Agreement with The American Bottling Company/Dr Pepper Snapple Group as presented.

**Extension of
Exclusive License and Supplier Agreement with
Aledo ISD**

The Exclusive License and Supplier Agreement (Agreement) between Aledo ISD and The American Bottling Company entered into on June 1, 2016 and expiring on May 31, 2021, is hereby extended by this Agreement, effective June 1, 2021. The Parties agree as follows:

License:

1. The American Bottling Company agrees to a 5-year extension of the current contract, beginning June 1, 2021 and ending May 31, 2026.

Consideration:

2. The American Bottling Company agrees to pay Aledo ISD the following:
Year 1 - \$13,000.00
Year 2 - \$13,000.00
Year 3 - \$13,000.00
Year 4 - \$13,000.00
Year 5 - \$13,000.00
3. 300 cases of free product per year – 12 oz CSD can soft drinks/16.9 oz Deja Blue bottled water
4. Keurig Dr Pepper agrees to pay 35% commission on all vending machine products sold – no commission will be paid on Coke products.

All terms and provisions of the Agreement not affected by this Extension are intended to remain in full force and effect. By its signature below, the authorized representative of each of the parties acknowledges and accepts the terms and provisions of this Extension.

Aledo ISD

Signature:_____

Print Name: Hoyt Harris

Title: President, Board of Trustees

Date: July 19, 2021

The American Bottling Company

Signature:_____

Print Name:_____

Title:_____

Date:_____