

A RESOLUTION

22-655

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

November 13, 2018

To declare the existence of an emergency with respect to the need to approve Contract No. GF-2019-C-0021, the multiyear agreement for exclusive pouring rights between the University of the District of Columbia and the Bottling Group, LLC.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “University of the District of Columbia Exclusive Pouring Rights Agreement with the Bottling Group, LLC Emergency Declaration Resolution of 2018”.

Sec. 2. (a) There exists an immediate need to approve Contract No. GF-2019-C-0021 (the “Agreement”), a 10-year pouring-rights agreement between the Bottling Group, LLC and the University of the District of Columbia (“University”) that grants to the Bottling Group, LLC the right to be the exclusive supplier of carbonated and non-carbonated, non-alcoholic beverages at the University.

(b) The University initiated the Agreement through a RFP process to “help find alternative financing sources in financial support amounting to roughly \$2 million over the next ten years.”

(c) The Agreement is the first effort by the University to enter into a pouring-rights contract, although universities, specifically, have engaged in the process since at least the early 1990s and currently, some 3,039 4-year colleges have pouring-rights contracts.

(d) The Agreement requires the Bottling Group, LLC, the parent company of PepsiCo and related branded beverage products, to create an integrated beverage program that provides quality products and state-of-the art equipment, along with initial support funds of \$60,000 and annual guaranteed minimum payments to the University of \$91,000 per year for 10 years, to encompass general support, athletics support and student scholarships.

(e) The University began the RFP process in March 2018 and a University panel selected the Bottling Group, LLC’s proposal. The University committed to implementation of the proposal by October 1, 2018 during the negotiations with the Bottling Group, LLC.

(f) Without Council approval on an emergency basis to address student concerns about the non-availability of beverages on campus and slippage past October 1, 2018, the University risks the Bottling Group, LLC withdrawing from the contractual process.

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Sec. 3. The Council of the District of Columbia determines that the circumstances enumerated in section 2 constitute emergency circumstances making it necessary that the University of the District of Columbia Exclusive Pouring Rights Agreement with the Bottling Group LLC Emergency Approval Resolution of 2018 be adopted on an emergency basis.

Sec. 4. This resolution shall take effect immediately.