

# METROPOLITAN EXPOSITION-RECREATION COMMISSION

## Resolution 01-51

For the Purpose of Approving the First Amendment to the Food and Beverage Management Services Agreement between the Metropolitan Exposition Recreation Commission and ARAMARK/GIACOMETTI, a Joint Venture.

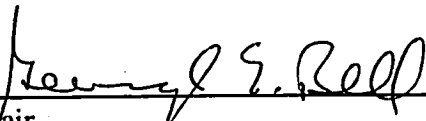
**WHEREAS**, the Commission entered into a Pourage Services Agreement with Coca-Cola Bottling of Oregon in January, 2001; and


**WHEREAS**, ARAMARK/Giacometti, the Commission's provider of food and beverage management will perform services related to the Pourage Services Agreement including beverage sales, and servicing vending machines; and

**WHEREAS**, the parties have reached agreement in the treatment of revenues generated by Coca-Cola vending machines;

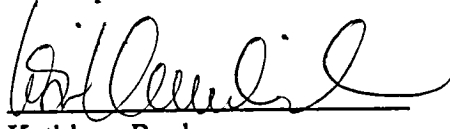
**BE IT THEREFORE RESOLVED** that the Metropolitan Exposition Recreation Commission approves the First Amendment, attached as Exhibit A, to the Food and Beverage Services Management Agreement between the Metropolitan Exposition Recreation Commission and ARAMARK/GIACOMETTI, a Joint Venture, dated July 1, 1999.

Passed by the Commission on December 19, 2001.

  
Chair

  
Secretary-Treasurer

Approved As To Form:  
Daniel B. Cooper, General Counsel

By:   
Kathleen Pool  
Senior Assistant Counsel

## **MERC Staff Report**

**Agenda Item/Issue:** Approve the Addendum to the Food and Beverage Management Services Agreement between MERC and ARAMARK/Giacometti Joint Venture.

**Resolution No.:** 01-51

**Presented By:** Jeff Blosser

**Date:** December 19, 2001

### **Background and Analysis:**

Coca-Cola of Oregon was awarded the exclusive pourage and sponsorship rights for MERC facilities through a MERC-approved Request for Proposal process. Pursuant to this agreement, Coca Cola is the exclusive supplier of soft drink vending in public areas for the term of the Agreement. The Concessions and Catering Management Agreement between MERC and Aramark specifically excludes vending machine sales as a Concession Product. Consequently, vending machine sales are not included in Gross Revenues that Aramark participates in. However, Aramark services were essential in securing the favorable pour and sponsorship rights. As such, for providing these services, MERC and Aramark agreed that these new Coca Cola vending machines sales would be considered a Concession Product; and, therefore these vending machine sales will be included in Gross Revenues.

### **Fiscal Analysis:**

MERC's commission on the new Coca Cola vending machines total sales is projected to be \$15,000. Therefore, based on the distribution of revenues, ARAMARK/Giacometti receives 3.9% of Net Gross Receipts and 8% of Net Profits in any Accounting Year, the annual fiscal impact is less than \$2,000.

**Recommendation:** Staff recommends that the Metropolitan Exposition Recreation Commission approve the Addendum, attached to Resolution as Exhibit A, to the Food and Beverage Management Services Agreement between the Metropolitan Exposition Recreation Commission and ARAMARK/GIACOMETTI Joint Venture; and further, authorizes the MERC General Manager to execute this Addendum.

**FIRST AMENDMENT TO FOOD AND BEVERAGE MANAGEMENT SERVICES  
AGREEMENT (the Agreement)  
BETWEEN  
ARAMARK/GIACOMETTI JOINT VENTURE (ARAMARK/Giacometti)  
AND THE  
METROPOLITAN EXPOSITION RECREATION COMMISSION (MERC)  
Originally Dated: July 1, 1999  
Contract No.: 921434**

This Amendment to the Agreement is agreed by and between the Metropolitan Exposition Recreation Commission and ARAMARK/Giacometti Joint Venture, dated December 19, 2001.

**RECITALS**

1. ARAMARK/Giacometti and MERC are parties to the above titled Food and Beverage Service Management Agreement dated July 1, 1999, and ending June 30, 2003.
2. MERC and Coca-Cola Bottling of Oregon are parties to a Pourage Services Agreement dated January 11, 2001.

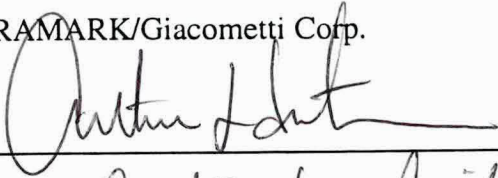
**ADDENDUM**

Now, therefore, in consideration of the mutual covenants of the Parties hereto, and upon the express terms and conditions hereinafter set forth, IT IS AGREED by and between them as follows:

1. Effective January 1, 2001, Coca-Cola Bottling of Oregon is the exclusive supplier of soft drink and beverages sold at MERC facilities under this Agreement. MERC may change the designated soft drink provider at any time upon written notice to ARAMARK/Giacometti.
2. Effective as of the date of installation of the vending machine(s), all revenues received from Coca-Cola vending units, to be located in the public areas of each facility only, shall be treated as Gross Revenue as defined in Section 1.J. of the Agreement.
3. All other provisions of the original Agreement shall remain in full force and effect. No provision of this Agreement may be changed or eliminated unless mutually agreed to in writing by MERC and ARAMARK/Giacometti.

4. This Amendment, together with the Agreement dated July 1, 1999, constitutes the entire Agreement and understanding between the MERC and ARAMARK/Giacometti

ARAMARK/Giacometti Corp.



Title:

Operating Vice President

Date:

1/9/02

METROPOLITAN EXPOSITION  
RECREATION COMMISSION



Title:

GM

Date:

11/14/02