

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AUTHORIZING THE CITY MANAGER TO NEGOTIATE AMENDMENT NO. 2 TO THE AGREEMENT WITH COCA-COLA NORTH AMERICA AND COCA-COLA BEVERAGES FLORIDA, LLC (COCA-COLA), WHICH IS SET TO EXPIRE ON DECEMBER 31, 2021; SAID AMENDMENT (1) EXTENDING THE AGREEMENT, ON A MONTH TO MONTH BASIS, FOR A PERIOD NOT TO EXCEED SIX (6) MONTHS, AND (2) REMOVING THE ENERGY BEVERAGE CATEGORY FROM THE AGREEMENT, WHICH CATEGORY WILL BE THE SUBJECT OF A SEPARATE AGREEMENT WITH RED BULL NORTH AMERICA, INC; AND FURTHER AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE THE AMENDMENT, UPON FORM APPROVAL BY THE CITY ATTORNEY.

WHEREAS, the City of Miami Beach (the "City") entered into a sponsorship agreement, dated March 14, 2012 (the "Agreement"), with Coca-Cola North America, a division of the Coca-Cola Company, and Coca-Cola Refreshments USA, Inc. d/b/a Florida Coca-Cola Bottling Company (the "Bottler") (collectively, "Coca-Cola") for a term beginning January 1, 2012 and ending on December 31, 2021; and

WHEREAS, on March 1, 2017, the Mayor and City Commission adopted Resolution No. 2017-29774, approving the assignment of the Bottler's interest in the Agreement to Coca-Cola Beverages Florida, LLC ("Successor Bottler") in connection with the sale of Bottler's assets to the Successor Bottler; and

WHEREAS, the parties executed an assignment and assumption agreement, dated March 29, 2017, assigning Bottler's interest in the Agreement to the Successor Bottler; and

WHEREAS, on January 13, 2021, the Mayor and City Commission adopted Resolution No. 2021-31541, approving an amendment to the Agreement ("Amendment No. 1"); said Amendment removing the City's requirement to purchase a minimum of 22,500 cases of coca-cola product per year for the 2020 and 2021 contract years and guaranteeing that the City will receive the full sponsorship fee for the 2020 contract year, in the amount of \$325,000; and reducing the sponsorship fee that Coca-Cola would have to pay the City for the 2021 contract year from \$325,000 to \$195,433.33; and

WHEREAS, the Agreement is set to expire December 31, 2021; and

WHEREAS, in order to explore all opportunities for a non-alcoholic pouring rights partnership, while ensuring business continuity, the City would like to extend the Agreement, on a month to month basis, commencing on January 1, 2022, for a period not to exceed six (6) months (June 30, 2022); and

WHEREAS, simultaneously herewith, the City Administration has submitted a companion City Commission agenda item, containing a proposal from Red Bull North America, Inc. for exclusive pouring rights related to the category of energy drinks, which is a category that is covered by the Agreement; and

WHEREAS, based upon the foregoing, the City Manager recommends amending the Agreement (Amendment No. 2) to: (1) extend the term, on a month to month basis, providing the City with the right to terminate the Agreement at any time, without cause, upon providing Coca-Cola with thirty (30) days prior written notice, based upon the current terms, with the exception of the removal of the energy beverage category.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby authorize the City Manager to negotiate Amendment No. 2 to the Agreement with Coca-Cola North America and Coca-Cola Beverages Florida, LLC (Coca-Cola), which is set to expire on December 31, 2021; said amendment (1) extending the Agreement, on a month to month basis, for a period not to exceed six (6) months, and (2) removing the energy beverage category from the Agreement, which category will be the subject of a separate agreement with Red Bull North America, Inc.; and further authorize the City Manager and City Clerk to execute the Amendment, upon form approval by the City Attorney.

PASSED and ADOPTED this 8th day of December 2021.

ATTEST:

Dan Gelber, Mayor

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

Nick Callegari
for City Attorney for

12/6/21
Date