

KENMORE-TOWN OF TONAWANDA
UNION FREE SCHOOL DISTRICT
Purchasing Department

November 2, 2015

TO: Dawn Mirand, Board of Education

FROM: Ken Morton, Purchasing Manager

SUBJECT: Beverage Pouring Rights – Five (5) Year Contract

It is recommended that the Board of Education award the contract in the aforementioned category to the highest bidder of projected revenues, Coca-Cola Bottling Company at 35% commission. PepsiCo qualified their proposal by stipulating that commissions paid would be after the bottle deposit charge was deducted. Coca-Cola Bottling Company made no such qualification and indeed said that they would absorb that cost.

The proposed commissions on gross sales are shown below for the most commonly sold vend price of \$1.25.

Coca-Cola offers $35\% \times \$1.25 = \0.4375

Pepsi offers $36\% \times (\$1.25 - \text{bottle deposit or } \$0.05) = \$0.432$

RFP's were opened July 22, 2015

Number of RFP's Sent Out = 2

Number of RFP's Received = 2