Coca-Cola Bottling Company High Country
Exclusive Beverage Agreement Between and Among:
Coca-Cola Bottling Company High Country, and City of Rapid City.

This Agreement is made this 21st day of July 2017, by and among Coca-Cola Bottling Company High Country, hereinafter referred to as “Supplier” and City of Rapid City hereinafter referred to as “Customer”.

For mutual considerations and benefits as set forth herein, the parties do hereby agree as follows:

RESPONSIBILITIES OF THE PARTIES

I. Products & Services:

   A. Supplier agrees to the following:

      1. Supplier will provide equipment as needed to exclusively sell and vend Supplier products and as mutually agreeable to Customer and Supplier to fully satisfy the demand for beverage products.

      2. Supplier will work with Customer to utilize information to help set prices that maximize sales and profits for Customer and provide the best possible combination of products for Customer.

      3. Product Listing / Pricing Information:

         (a) Beverages will include a variety of Coca-Cola Bottler brands.

         (b) All products and accessories will be at Supplier’s published wholesale price with the exception of packages outlined in Exhibit A. Current Supplier price list is attached in Exhibit A, which lists specific direct delivery products. All other products not listed in Exhibit A, will be sold at annually published wholesale prices.

         (c) Full Service Vending: Supplier will pay Customer 40% of cash collected for the full service vending machines with 20-oz bottles or other bottled products. In addition, Supplier will fill the machines and collect the monies and pay the sales tax to the state. A commission check will be sent quarterly for all machines. Commissions on vending will be paid on cash collected and Supplier has a full accounting system for tracking cash collected and cases vended and inventory in machines. Supplier shall provide information upon Customer request regarding cash collected and products vended.

      4. Supplier will deliver product in sufficient quantities to service patrons. Supplier will provide sales and delivery or equipment repair service in a timely manner based on the availability of product and/or parts/equipment. In addition, Supplier agrees to maintain 24-hour, 365 days per year on-call staff for both sales delivery
and equipment repair when Customer contacts Supplier by calling 1-800-658-3638.

5. Supplier will provide a name and numbering system to each individual vending machine and dispensing unit as is mutually agreed between Customer and Supplier to allow for easy identification and accounting for each machine.

B. Customer agrees to the following:

1. Customer will ensure the exclusive use of Supplier products, including carbonated soft drinks and non-carbonated beverages (including, but not limited to bottled water, teas, juices, sports drinks, energy drinks, coffee drinks, dairy drinks, etc.), for all Customer sponsored purposes or functions that occur in and/or on Customer properties, listed in Exhibit B. Customer will also exclusively use Supplier trademarked accessories, including, but not limited to cups, lids, and straws as approved by Supplier, for all purposes or functions that are sponsored or organized by Customer on Customer properties listed on Exhibit B.

2. Customer will review with Supplier as necessary and on a regular basis Customer’s plans, events, expansions, and any other activities affecting Customer’s beverage business and/or potential future beverage opportunities that occur in and/or on Customer properties, including facilities and/or grounds.

3. Customer will place dispensing equipment, coolers, vending machines or other merchandising units provided by Supplier and mutually agreeable between Supplier and Customer to fully satisfy beverage demand and grow beverage sales in and/or on Customer properties, including facilities and/or grounds.

4. Customer agrees that during the Term of this Agreement and any extension thereof, no competing company in this the “Soft Drink/Carbonated/Non-Carbonated Beverage” category other than Supplier shall be allowed to display its name, logo, merchandise, and/or any advertisement or message on Customer’s premises.

II. Marketing Partnership & Support:

A. Supplier agrees to the following:

1. Supplier agrees to work closely with Customer as mutually agreeable to build and develop beverage sales on Customer premises.

2. Supplier understands that the use of all trademarks of Customer is subject to approval by Customer.
B. Customer agrees to the following:

1. Customer agrees to work closely with Supplier as mutually agreeable to build and develop beverage sales on Customer premises.

2. Customer will provide Supplier with exclusive beverage sponsorship of all events and/or functions that are under control of Customer on properties listed on Exhibit B.

3. Customer will review with Supplier as necessary and on a regular basis, activities and/or events, which may involve beverages.

4. Customer agrees to include Supplier logos, as supplied to Customer by Supplier, on all promotional materials created to promote events and functions that take place in and/or on Customer properties, including facilities and/or grounds as mutually agreed upon by Customer and Supplier.

5. Customer understands that the use of all trademarks of Supplier is subject to approval by Supplier.

III. Funding:

A. Supplier agrees to the following:

1. In consideration for the exclusive right to sell beverage products at all events and functions sponsored by Customer on Customer properties listed in Exhibit B, Supplier shall provide the following:

   Fixed Annual Funding: Supplier shall pay the sum of $1,000 per Agreement Year for Learn to Skate Program Sponsorship to be paid within 30 days of the beginning of the contract term and each additional payment to be paid within 30 days of each anniversary year of the agreement.

   Coca Cola Premiums: $400.00 for the Merchant Golf League per contract year

   Digital Billboard: $1000.00 for Learn to Skate; $1000.00 for Learn to Swim; $1000.00 for the Fat Tire Festival per contract year

   Truckback Advertising: $750.00 for Learn to Skate; $750.00 for Learn to Swim; $750.00 for the Fat Tire Festival per contract year

   Participant Beverages: $500.00 for the Fat Tire Festival; $350.00 for the RC Open Tennis Tournament per contract year

   Custom Banners: (6) for the Fat Tire Festival; (6) for the RC Open Tennis Tournament per contract year
2. Supplier reserves the right to re-evaluate the performance levels of Customer’s sales in comparison to funding costs, marketing expenditures, equipment and service costs, etc. If estimated projections of Nine Hundred (900) cases annually are not met, Supplier reserves the right to facilitate a meeting to review.

TERMS AND TERMINATION

The term of this Agreement will be for Three (3) years beginning on October 1st, 2017, and continuing through September 30th, 2020. The agreement will expire once the number of years has been met as indicated above. Customer shall have the right to renew this agreement for an additional (3) years. Supplier and Customer shall begin discussions concerning renewal of this Agreement no later than 180 days prior to expiration of this Agreement. In the event of a material breach by either party in the performance of its obligations hereunder during this Agreement, the other party may terminate the agreement by giving sixty (60) days written notice to the breaching party. Remedy of such breach within fifty (50) days of receipt of the notice shall revive this Agreement for the remainder of the term.

SCOPE OF COVERAGE

This Agreement covers all facilities and/or grounds belonging to Customer that are within Supplier’s franchise territory, this includes all events and/or functions that occur within the Agreement terms and are sponsored or organized by Customer on Customer properties listed on Exhibit B, including facilities and/or grounds.

None of the provisions of this Agreement are intended to create nor shall they be deemed or constructed to create any relationship between the parties hereto other than that of independent contractors solely for the purpose of effecting the provisions of this Agreement.

AMENDMENT

The parties hereto agree that the terms and conditions of this Agreement may be amended or modified at any time upon mutual consent, in writing, of the parties hereto.

GOVERNING LAW

The parties agree that this Agreement shall be subject to and governed by the laws of the State of South Dakota. Any claims, legal proceeding, or litigation arising in connection with this Agreement shall be brought in the Seventh Judicial Circuit, Pennington County, South Dakota.

SEVERABILITY

The provisions of this Agreement shall be severable, and if any provision shall be prohibited by law, invalid, or unenforceable in whole or in part for any reason, the remaining provisions shall remain in full force and effect.
HEADINGS

All section headings have been inserted for convenience of reference purposes only and shall have no force or effect.

ENTIRE AGREEMENT

The parties agree that this writing, the Customer’s Request for Proposal and Supplier’s proposal submitted in response to Request for Proposal constitute the entire Agreement between them and that there are no other agreements or understandings of any kind or character except those contained within this Agreement and the attached Exhibits.
NOTICE

All notices under this Agreement shall be made in writing and shall be duly given if personally delivered or if mailed, by certified or registered mail, return receipt requested, first-class postage prepaid, if to Supplier at:

Coca-Cola Bottling Company High Country
2150 Coca-Cola Lane
Rapid City, SD 57702
Attn: Trevor Messinger, President / CEO

And if to Customer at:

Rapid City Parks and Recreation
515 West Blvd
Rapid City, SD 57701
Attn: Doug Lowe

Signed by representatives of Customer and Supplier with the authority to bind the parties. This Agreement is to be binding upon the heirs, executors, administrators, or approved assigns of any party.

Customer’s Authorized Signature

Finance Officer

Steve Allender
Printed NAME of Customer’s Authorized Signature

Printed TITLE

May 01

Supplier’s (CCBCHC) Authorized SIGNATURE

BC

8-8-2017

Printed NAME of Supplier’s Authorized Signature

Printed TITLE

Sales Center Manager
### EXHIBIT A

**Current Supplier Price List**

<table>
<thead>
<tr>
<th>Direct Delivery Product</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Carbonated Beverages- 24 ct-20oz Bottles</td>
<td>$19.00</td>
</tr>
<tr>
<td>Aquapure 24 ct-20oz Bottles</td>
<td>$ 9.00</td>
</tr>
<tr>
<td>Powerade 24 ct- 20oz Bottles</td>
<td>$18.00</td>
</tr>
<tr>
<td>5 GALLON BIBS CSD</td>
<td>$51.00</td>
</tr>
<tr>
<td>2.5 GALLON BIBS CSD/NCB</td>
<td>$28.00</td>
</tr>
<tr>
<td>CO2 20 lb</td>
<td>No Chrg</td>
</tr>
<tr>
<td>16 ounce Paper Cups</td>
<td>$34.00</td>
</tr>
<tr>
<td>24 ounce Paper Cups</td>
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<tr>
<td>16/24 oz paper cup lids</td>
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</tr>
<tr>
<td>Plastic Straws</td>
<td>No Chrg</td>
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<tr>
<td>16 oz Energy Drinks</td>
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<tr>
<td>Gold Peak Tea</td>
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<tr>
<td>Juice</td>
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<tr>
<td>Armada Coffee</td>
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<tr>
<td>Cappuccino</td>
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<tr>
<td>Hot Cocoa</td>
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<tr>
<td>Cups-Hot</td>
<td>$100.00</td>
</tr>
<tr>
<td>Lids-Hot</td>
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</tbody>
</table>
EXHIBIT B

Locations this Agreement involves:

1. Executive Golf Course
2. Roosevelt Swim Center
3. Roosevelt Ice Arena
4. Parkview Pool
5. Jimmy Hilton Pool
6. Horace Mann Pool