City Council Agenda Item Request
Submit to Clerk's Office
No later than 30 days before proposed Council meeting

1. **Date submitted to Clerk's Office:** 8/22/2025

2. **Primary contact person and Department requesting agenda item:** Chris Corl - CREF

3. **Requested Council meeting date:** 9/9/2025

4. **Subject:** HCCA Pepsi Cola Contract Amendment.

5. **Action Requested:** Resolution authorizing the City Manger to amend the Harrah's Cherokee Center Asheville's (HCCA) contract with Pepsi Cola Bottling Company of Hickory NC to extend the term of the agreement and increase the contract amount by $650,000, for a revised amount of $1,250,000 for product purchase.

6. **Note if time sensitive, and why:** N/A

7. **Potential fiscal impact(s) - if known by staff at time of request:** Products purchased from Pepsi Cola through this agreement are utilized for resale in the food & beverage operations at the venue. Average annual product purchase expense historically is $110,000. Average profit margin on product sales is 42% resulting in a net gain financially.

8. **Identify all vendor outreach for Minority & Women Owned Business Enterprises (MWBE).**
    - N/A. The existing licensing agreement was placed out to bid in 2020. Four companies requested information to create a bid, two total companies submitted proposals. Pepsi Cola Bottling Company of Hickory NC provided the lowest pricing and highest sponsorship value for the facility.

9. **Identify all Boards, Commissions and Council Committees with tentative dates - add in the vote and recommendation from each Board:**
    - NA

10. **Identify key issues:**
    - HCCA has worked with the Eastern Band of Cherokee Indians (ECBI) to adjust product offerings at the facility. ECBI has bottled Cherokee branded bottled water for years, and recently acquired a canning operation.
    - Pepsi Cola Bottling Company of Hickory NC has obtained the distribution rights for canned water.
    - Pepsi Cola has recently begun canning 16oz soda products and 12oz gatorade products.
    - HCCA staff has continued to work towards a reduction in single use plastic use at the facility. On average over 40,000 plastic bottles are sold at the HCCA in a calendar year.

- This amendment to the agreement will transition to the HCCA out of plastic bottles and to aluminum canned products for over 90% of prepackaged beverage products within the facility.
- HCCA Staff has completed numerous waste stream training programs and is working in conjunction with the City's waste reduction manager to continue to find efficiencies in operation and reduce incorrect use of waste receptacles by the venue's guests.
- The amendment to this pepsi agreement increases the annual cash sponsorship and complementary product provided by Pepsi to the venue.
- Pepsi will continue to provide and maintain equipment related to the sale of product to the venue at no cost to the City.
- Pepsi will continue to support recycling initiatives and reduction of single use plastics in their offerings to the HCCA.