

TOWN OF FORT FRANCES

Community Services Executive Committee

AGENDA - April 20, 2015 10:30 AM

MEETING - Memorial Sports Centre

Page

CALL TO ORDER

DISCLOSURE OF CONFLICT OF INTEREST AND THE GENERAL NATURE THEREOF

APPROVAL OF PREVIOUS COMMITTEE MINUTES

3.1 Community Services Executive Committee - April 6, 2015 2 - 3

NON-AGENDA ITEMS

IN-CAMERA

ITEMS REFERRED FROM COUNCIL

6.1 Harmony of Nations Music Festival Request 4 - 5

6.2 Canada 150 Mosaic Project 6 - 12

NEW BUSINESS

7.1 Pepsi contract at Memorial Sports Centre 13 - 43

7.2 Sunny Cove Camp Caretaker Tender - Closing results provided at meeting

OUTSTANDING ITEMS

INFORMATION

9.1 Next Meeting Date - May 4, 2015

ADJOURNMENT

TOWN OF FORT FRANCES

MINUTES

SESSION NO. #0008

April 6, 2015

The meeting of Community Services Executive Committee of the Town of Fort Frances was held in the '52 Canadians Meeting Room - Memorial Sports Centre on April 6, 2015 from 10:31 a.m. to 11:46 a.m.

PRESENT: Roy Avis, Mayor; Mark McCaig, CAO; Ken Perry, Chair; John Albanese, Councillor; June Caul, Councillor; Jason Kabel, Manager of C.S.

ALSO PRESENT: Bob Dobransky, George Chabot

I CALL TO ORDER (Session #0008)

The meeting was called to order by K. Perry at 10:31am. J. Kabel recorded the minutes of the meeting.

II DISCLOSURE OF CONFLICT INTEREST AND THE GENERAL NATURE THEREOF

NIL

III APPROVAL OF MINUTES

Community Services Executive Committee - Monday, March 16, 2015 - **approved as circulated.**

IV NEW BUSINESS

Bob Dobransky - highlighted dates in February where he had concerns for smoke infiltration into his yard. George Chabot showed a video from February 17, 2015 of smoke entering his yard from adjacent yard. The committee recommended to Council for the issue to be reconsidered by the Planning & Development Executive Committee.

Town of Fort Frances Strategic Plan - 9 items were presented to Mark McCaig for possible consideration at the Town's strategic Plan event on June 11, 2015.

V ITEMS REFERRED FROM COUNCIL

Chem Free Graduation Request - A briefing note was provided to be forwarded to Administration & Finance for the costs related to the rental of the auditorium & arena floor as outlined in the request (\$1049.70)

VI IN-CAMERA

VII NON-AGENDA ITEMS

- Protocol & referral process to executive committees - this was discussed briefly in the discussion of item 4.1 with no decisions made.

VIII INFORMATION

Next Meeting April 20, 2015 @ 10:30

IX CLOSING

There being no further matters before the committee at this time, the meeting was closed at 11:46am

REPORT

TO: Community Services Executive Committee

FROM: Jason Kabel, Manager of Community Services

DATE: April 16, 2015

RE: **Harmony of Nations Music Festival Request**

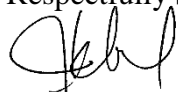
At the regular meeting of Council on April 13, 2015, Council referred the attached request dated April 2, 2015 from Geoff Gillion, RRFDC to the Administration & Finance Executive Committee with input from all other executive committees.

The requests are as follows:

1. Designate, in writing, the "Harmony of Nations Music Festival" as a significant community festival and event;
2. Authorize use of the Memorial Sports Centre stage, tables, chairs and Town picnic tables. The Harmony of Nations Music Festival Committee will arrange for pick-up and return;
3. Supply the Harmony of Nations Music Festival with the necessary documents to facilitate closing the road to accommodate the tent;
4. The FFCBC, on behalf of the Harmony of Nations Music Festival Committee, will be filling out a building permit application for the erection of the tent. We request that the Town cover any charges associated;
5. Allow the Harmony of Nations Music Festival Committee to attach pennants, signs and banners to street light poles, fencing and other creative places with the assurance that no damage will be done to the infrastructure and the material will be promptly removed after the event;
6. Help with the erection and take-down of the Events Tent;
7. Allow access for electrical power.

Item #2 is of specific interest to the Community Services Division. With Council consent, the stage, tables, and chairs can be made available as necessary with pick-up and return by the Festival Committee.

Respectfully Submitted,



Jason Kabel



RAINY RIVER FUTURE
DEVELOPMENT CORPORATION
A Community Futures Development Corporation

April 2, 2015

Mayor and Council
Town of Fort Frances
320 Portage Avenue
P9A 3P9
Re: Harmony of Nations Music Festival

APR - 7 2015

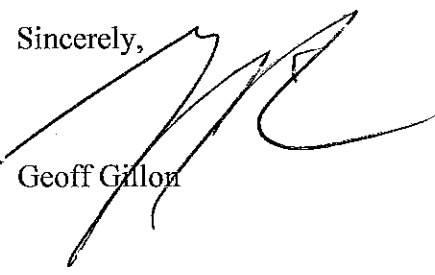
Dear Mayor and Council:

We respectfully request the following support from the Town of Fort Frances from Monday, July 13th through to Sunday, July 20th. FFCBC will then assume the site for the Bass Championship until July 28th. We are working with the FFCBC and sharing the site and venue equipment for our events.

1. Designate, in writing, the "Harmony of Nations Music Festival" as a significant community festival and event;
2. Authorize use of the Memorial Sports Centre stage, tables, chairs and Town picnic tables. The Harmony of Nations Music Festival Committee will arrange for pick-up and return;
3. Supply the Harmony of Nations Music Festival with the necessary documents to facilitate closing the road to accommodate the tent;
4. The FFCBC, on behalf of the Harmony of Nations Music Festival Committee, will be filling out a building permit application for the erection of the tent. We request that the Town cover any charges associated;
5. Allow the Harmony of Nations Music Festival Committee to attach pennants, signs and banners to street light poles, fencing and other creative places with the assurance that no damage will be done to the infrastructure and the material will be promptly removed after the event;
6. Help with the erection and take-down of the Events Tent;
7. Allow access for electrical power.

We look forward to discussing our request in greater detail at your convenience.

Sincerely,


Geoff Gillon



REPORT

TO: Community Services Executive Committee

FROM: Jason Kabel, Manager of Community Services

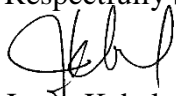
DATE: April 16, 2015

RE: **Canada 150 Mosaic Project**

At the regular meeting of Council on April 13, 2015, Council referred the attached request dated April 8, 2015 from Tracy Oliver, Project Coordinator, Canada 150 Mosaic Project to the Community Services Executive Committee for recommendation.

The Canada 150 Mosaic is a national project to create a mosaic mural for Canada's 150th celebration in 2017. The project would come to your town at a time you choose within the next 2 years leading up to the 150th, work with your citizens to create your community mural, then your mural will become part of the national mural coming together for July 2017. Canada is a country that has welcomed the world through its borders. To celebrate this birthday, the Mural Mosaic team is launching a bold undertaking. Over a two year span, the trio plan to create a mural including all provinces and territories, over 80,000 paintings and 150 individual murals that when united will form one gigantic mural mosaic. The mural, if ever connected would be over 365 meters wide (4 football fields) x 2.5 meters high (8 feet). The mural will represent a cultural mosaic, a time capsule, a visual portrayal of history, an art masterpiece from the soul of the nation. An art piece that fifty years from now, may inspire another generation, who will in turn be able to celebrate through the mural, and maybe take it upon themselves to add to this memory.

Respectfully Submitted,



Jason Kabel



Tracy Oliver
<mosaictracy@gmail.com>

04/08/2015 10:51 AM

To <lslomke@fort-frances.com>

cc

bcc

Subject: Canada 150 Mosaic

Hi Lisa,

We just spoke to Cathy in your office and she recommended sending this information to you directly for council consideration at their meeting tomorrow.

The Canada 150 Mosaic is a national project to create a mosaic mural for Canada's 150th celebration in 2017. The project would come to your town at a time you choose within the next 2 years leading up to the 150th, work with your citizens to create your community mural, then your mural will become part of the national mural coming together for July 2017.

I've attached the project info and am happy to answer any questions or clarify the process with you or even speak to your council if it helps. The Canada 150 website is www.canada150mosaic.com and Mural Mosaic's site is www.muralmosaic.com.

It would be wonderful to see the project bring a mural to Fort Frances!

Tracy

Tracy Oliver
Project Coordinator
780.953.1519

www.canada150mosaic.com



Canada150Mosaic-Community.pdf



CANADA 150 MOSAIC



*The National Mural Created by
Canada's Communities Celebrating 150 Years*

Message from Lewis Lavoie

Hello,

What would a unified painting of Canada look like if it was painted by expressions of our people? As an artist, I am fascinated at the thought of what the final image will be when thousands of individual paintings, created by Canadians from coast to coast, are combined into one overall piece of art.

Not long after completing the first mosaic murals eleven years ago, it became apparent to us that these murals had the ability to involve practically anyone, from professional artist to "first timers", from the very young to our senior citizens. No matter what their background everyone had one thing in common, they were part of a bigger picture. From the smallest of us to the most influential, we all part of a bigger story. To me, this is the sheer definition of what a community is. It seemed that overnight, communities began asking us to create murals.

Naturally, it came to me it would be incredible to create a mural that would connect our whole country. For years, I have been exploring what this would look like. Finally, the timing is perfect as Canada is about to celebrate 150 years.

I have chosen the train and railroad and feel it is the ultimate theme for connecting the murals. Railways played an integral role in the process of tying regions together. My vision is to do the same with these murals. All aboard!



Lewis Lavoie
Key Artist/Director of Mural Mosaic

Lavoie



Phil Alain, Paul Lavoie, Lewis Lavoie -
Kunamokst Mural at the 2010 Olympic Games

Mural Mosaic

Mural Mosaic began in 2003 and was founded by the trio of Lewis Lavoie, Paul Lavoie and Phil Alain. Lead by renowned artist Lewis Lavoie, the trio is based out of St. Albert AB and have been orchestrating collaborative murals around North America involving artists and non- artists alike from all over the world.

Their murals have been featured at such events as the 2010 Winter Olympics in Vancouver, the 2012 Summer Olympics in London, the Centennial celebration of the Calgary Stampede, the Alberta Saskatchewan Centennial of 2005, the Edmonton Centennial of 2005 and a Royal unveiling for Queen Elizabeth II.

The murals have included special guest team members ranging from renowned artists to celebrity and political guests. Some past participants and guests include The Barenaked Ladies Kevin Hearn, William Shatner, Mike Myers, Dan Aykroyd, Robert Bateman, Michelle Grant, Bill Lishman, Ian Tyson, Former Premiers Lorne Calvert and the late Ralph Klein and literally thousands more.



Project Purpose

In 2017, Canada will turn 150 years old. It is a country that has welcomed the world through its borders.

To celebrate this birthday, the Mural Mosaic team is launching a bold undertaking. Over a two year span, the trio plan to create a mural including all provinces and territories, over 80,000 paintings and 150 individual murals that when united will form one gigantic mural mosaic. The mural, if ever connected would be over 365 meters wide (4 football fields) x 2.5 meters high (8 feet).

The mural will represent a cultural mosaic, a time capsule, a visual portrayal of history, an art masterpiece from the soul of the nation. An art piece that fifty years from now, may inspire another generation, who will in turn be able to celebrate through the mural, and maybe take it upon themselves to add to this memory.

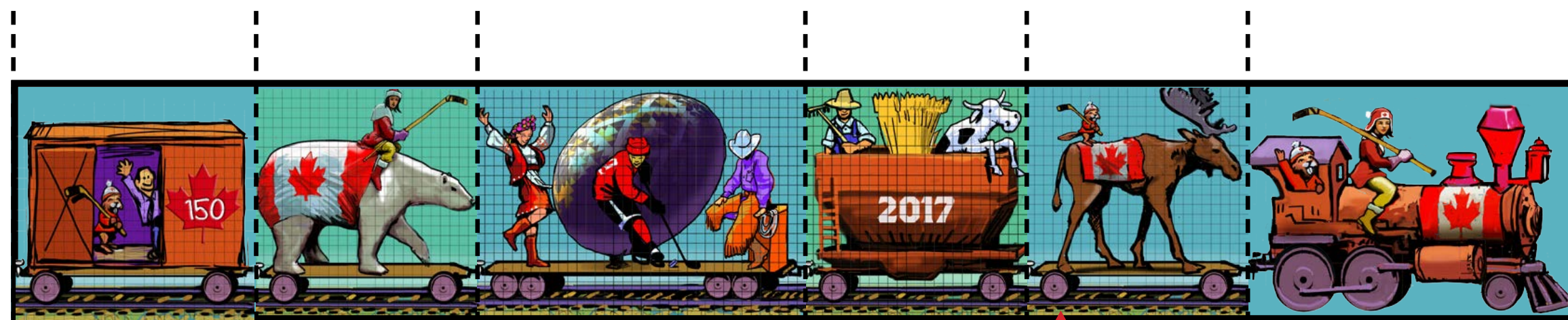
Like the first settlers to come to the country, this project is full of ambition, adventure and the desire to trail blaze into new exciting frontiers. It will also face great challenges and obstacles. But, if history proves itself correctly, the trio of art explorers – Lewis Lavoie, Paul Lavoie and Phil Alain will find their way and en route will meet up with like-minded art explorers and something remarkable will be born.

Project Goal

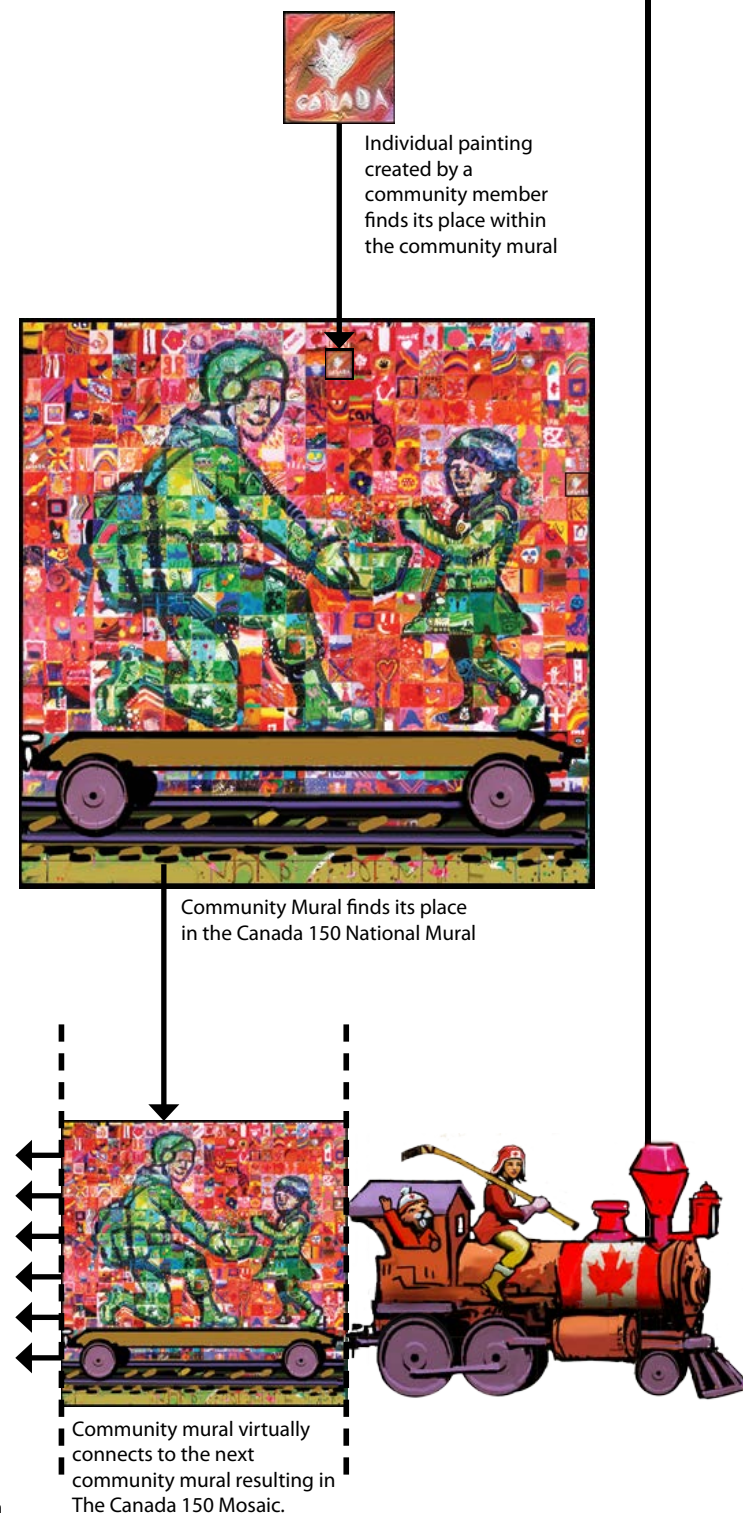
150 Murals in 150 Communities completed by July, 2017.

Each province and territory will have only 5-15 individual communities who will be selected to represent the province and the nation. Each community will host an event inviting participants from far and wide from their region to participate and create their own community mural, which will then connect to the nation.

Upon the completion of the entire Canada 150 Mosaic, each community mural will reside in the town or city where it was created as a reminder of the 150th anniversary, and the pride of the community and the nation



The Making of a Community Mural



Community Mural Events

Each community mural created will have between 400-750 tiles to paint. The Canada 150 Mosaic team of artists and facilitators will come to your community and work with you to create an ultimate two-day painting event like no other.

Any skill level is welcome, all ages are welcome, you do not have to be an artist! Every tile painted will be 4 inches x 4 inches in size, creating a unified community mural.

Once your community mural is complete it will be virtually connected to other communities creating one massive overall National mural connecting the country coast to coast. Your mural contribution to the Canada 150 Mosaic will be permanently displayed in your community creating a lasting legacy landmark of Canada's 150th celebration.



Community Investment

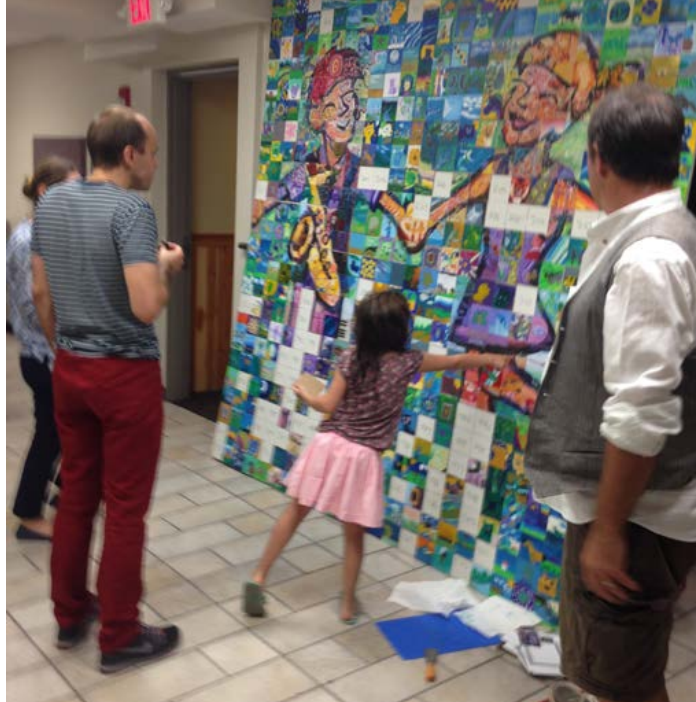
This project has been designed to be a collaboratively funded community experience. The total cost of each mural will be shared by its community and corporate sponsors.

up to 400 participants	up to 750 participants
8 x 8 Community Mural \$20,000 Up to 400 Participants Community investment - \$10,000	8 x 12 Community Mural \$22,500 Up to 750 Participants Community investment - \$12,500

Your Community Mural includes:

- ✓ Mural designed by Lewis Lavoie - uniquely representing your community
- ✓ The Canada 150 Mosaic team travels to your community to facilitate painting workshops
- ✓ All materials
- ✓ Travel and Administrative Costs
- ✓ Up to 750 community members involved
- ✓ Mounting, clearcoating and photographing (ready to hang)
- ✓ 100 poster prints of your completed community mural
- ✓ Online presence virtually connecting to other communities on Canada150Mosaic.com





Contact

Tracy Oliver, Project Coordinator
tracy@muralmosaic.com | Ph. 780-953-1519
www.canada150mosaic.com

REPORT

TO: Community Services Executive Committee

FROM: Jason Kabel, Manager of Community Services

DATE: April 16, 2015

RE: **Pepsico Beverages Canada Agreement at Memorial Sports Centre**

Background

At present, the Fort Frances Memorial Sports Centre (MSC) is in an exclusivity contract with Pepsico Beverages Canada (PBC - formerly Pepsi Bottling Group) effective October 1, 2010 to September 30, 2015. This contract outlines that the MSC will only offer Pepsi products anywhere in the facility, namely, in each of the canteens (2), vending machines (3), and pop dispensing towers (2).

The existing contract has been beneficial to both parties as well as the contracted concessionaire. We have recently been in discussions with the Pepsico representative because the vending machines have become unreliable as of late due to age. There was also concern that our pricing structure had surpassed competitive market values for both bottled products and premix canisters for the pop tower. As such, the Community Services Division sought to pursue re-negotiation of the existing contract that is due to expire in four months time. Below is a summary of the proposed pricing, rebates, and equipment (see full details attached):

Pricing & Rebates

Product	Unit	Current Price	New Price	Price in year 3	Rebate/case*	Unit Cost
591mL bottles	24	29.66	23.69	25.13	1.00	0.95
591mL Aquafina	24	16.69	13.39	14.21	1.00	0.52
591mL Aquafina Plus	12	20.50	18.44	19.56	-	1.54
450ml Dole/OceanSpray	12	19.03	13.90	14.75	-	1.16
591mL Gatorade/G2	12	16.80	13.42	14.24	-	1.12
18L Premix	1	25.70	19.20	20.37	-	-

*Rebates are not currently a feature of the existing contract. Rebates would amount to approximately \$600/year with current volumes. Rebate cheques would be payable to MSC. Also proposed, that is not currently included in the contract is \$1,000/year exclusivity funding with no volume requirements. This would be payable to MSC at contract signing and annually for the term of the contract.

Equipment

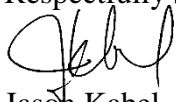
The proposal includes the following to replace the three owned Pepsi owned vending machines at MSC:

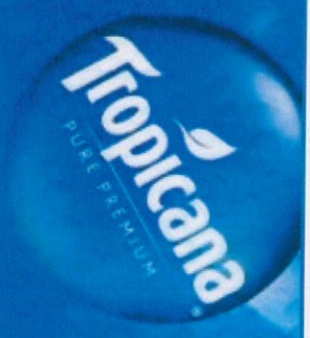
- Replace one vending machine to a Glas Front Vender with dollar bill validator to be placed in the MSC main lobby.
- Replace two vending machines with new venders equipped with dollar bill validators.

Recommendation

The Community Services Division recommends entering into a new three year contract with PepsiCo Beverages Canada to capitalize on a reduced pricing structure (increases 3% annually), offer new vending machines for patrons, and benefit from the rebates now being proposed.

Respectfully Submitted,


Jason Kabel



**Fort Frances Memorial
Sports Center**
Beverage Pouring Rights Proposal
Pepsi Resign Proposal

Proposal



STATEMENT OF CONFIDENTIALITY

Except as may be required by law or legal process, neither party hereto shall disclose to any third party the terms and conditions of this agreement.

BEVERAGE EXCLUSIVITY

PepsiCo will be the exclusive beverage supplier of all beverages for the Fort Frances Memorial Sports Center, including the Canteen (other than hot beverages and milk products)

LENGTH OF THE AGREEMENT

Three year term commencing on May 1, 2015

Details

3% Annual Price Increase

Dedicated Local Sales Representative



Winning Partnership



Our Process is Simple . . .

Create a Winning Partnership.

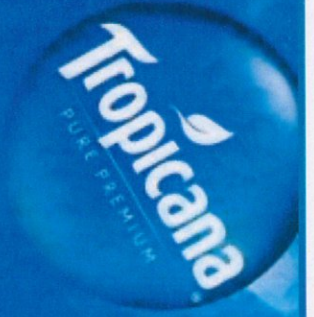
Support with Flawless Execution.

All Maintained With Best In Class Customer Service.

*At Pepsi, we focus on creating a strong **Partnership that Drives Traffic, Increases Beverage Incidence** and helps our customers reach their **Financial Goals**.*



2014 Review



Package Breakdown

Customer: CENTER ICE CANTEEN (9817276)

	Volume	
Package	2014	2013
All Packages	1,055	1,006
15.2oz/450ml Total	25	42
18.5oz /547ML Total	23	0
20oz/591ml Total	1,007	964



FORT FRANCES MEMORIAL SPORTS CENTRE (8725226)

	Volume	
Package	2014	2013
All Packages	416	454
20oz/591ml Total	83	102
Premix 18L Total	333	352



Product Breakdown

Sales of 591ml CSD & NCB, 591ml Gatorade and 591ml Water continue to lead

CENTER ICE CANTEEN (9817276)

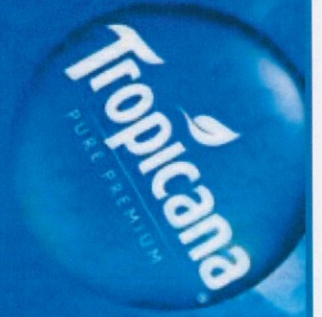
Brand	Volume	
	2014	2013
All Products	1,055	1,006
7UP (CAN) Total	36	36
Aquafina Base Total	162	146
Aquafina Plus Total	31	9
Aquafina Splash Total	39	30
Crush Total	36	41
Dole Total	25	42
Dr Pepper Total	29	28
Gatorade G2 Total	60	73
Gatorade Total	354	358
Lipton Brisk Fruit Total	20	21
Lipton Brisk Total	47	34
Lipton Iced Tea Total	5	8
Lipton Pure Leaf Total	23	0
Mt Dew Dewmocracy Total	25	8
Mt Dew Total	21	28
Mug Total	21	22
Pepsi Dt Total	43	42
Pepsi Total	70	74
Schweppes Total	8	6

FORT FRANCES MEMORIAL SPORTS CENTRE (8725226)

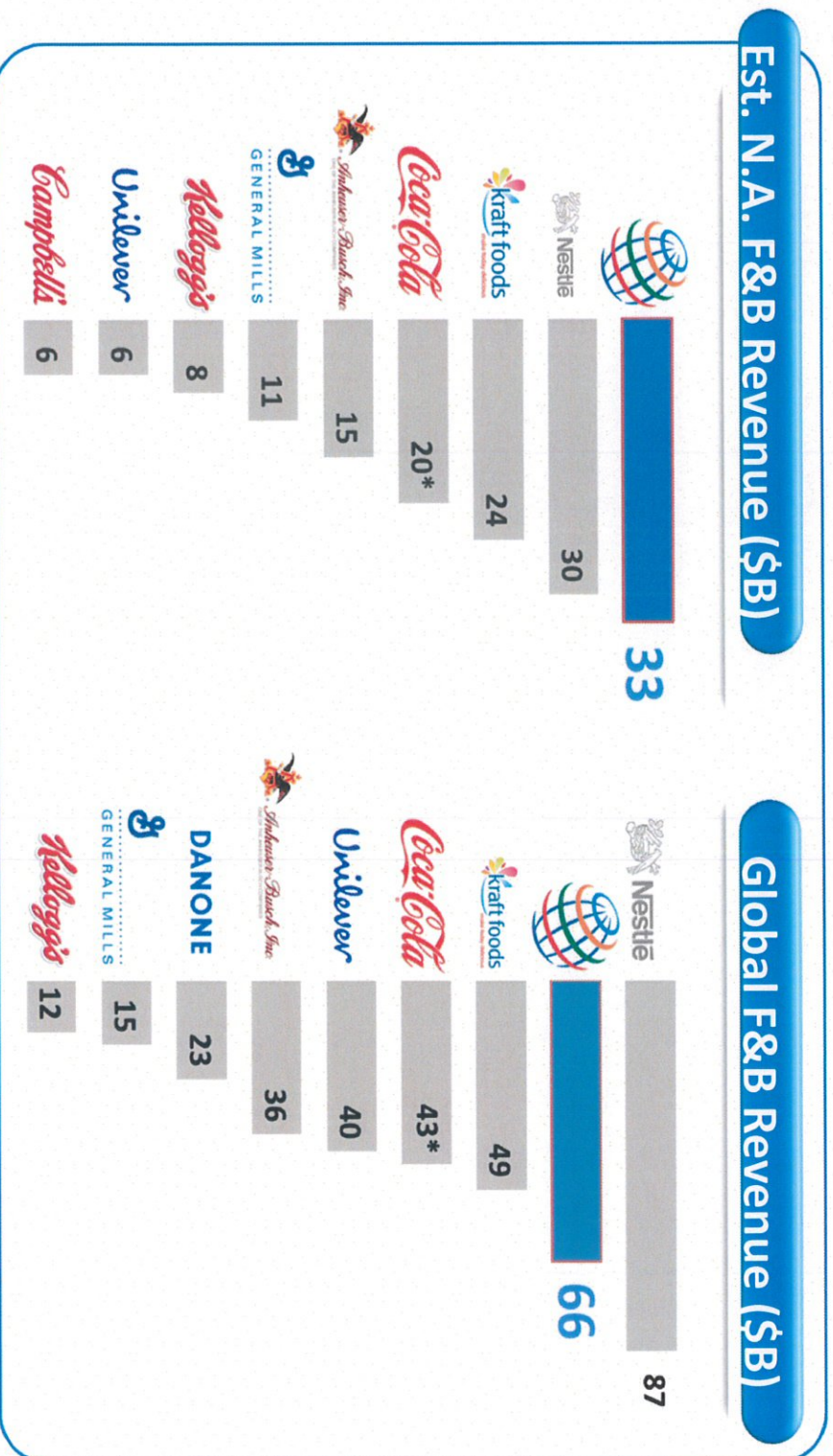
Brand	Volume	
	2014	2013
All Products	416	454
7UP (CAN) Total	67	67
Aquafina Base Total	25	24
Aquafina Plus Total	17	24
Aquafina Splash Total	6	12
Gatorade G2 Total	0	3
Gatorade Total	21	19
Lipton Brisk Total	5	8
Pepsi Dt Total	78	99
Pepsi Total	159	141
Schweppes Total	38	57



Brands to Drive Future Success



#1 Food & Beverage Company in North America & 2nd largest Globally!












* Shown pro-forma for Coca Cola's acquisition of CCE's NA business
Note: PepsiCo revenues, 2010 reflect bottler merger. P&G and General Mills are shown on fiscal 2010 basis. Unilever NA is US only.



9 of Top 35 Trademarks Belong to PepsiCo

Leading Consumer Trademarks

1. Budweiser	\$10.1 B	13. Campbell's	\$1.8 B	25. Kleenex	\$1.3 B
2. Coca-Cola	\$6.3 B	14. Hershey's	\$1.7 B	26.  Doritos	\$1.3 B
3.  pepsi	\$4.1 B	15. Pepperidge Farm	\$1.6 B	27. Bounty	\$1.3 B
4.  Mountain Dew	\$3.3 B	16. Tide	\$1.6 B	28. Charmin	\$1.3 B
5.  Gatorade	\$3.1 B	17. Pillsbury	\$1.6 B	29. Gillette	\$1.3 B
6. Oscar Meyer	\$3.0 B	18. Busch	\$1.5 B	30. L'Oreal	\$1.3 B
7. Miller	\$2.6 B	19.  Quaker	\$1.4 B	31.  Starbucks	\$1.3 B
8. Red Bull	\$2.5 B	20. Hormel	\$1.4 B	32.  Tostitos	\$1.3 B
9. Coors	\$2.3 B	21.  Tropicana	\$1.4 B	33. Glaceau	\$1.2 B
10.  Lays	\$2.2 B	22. Yoplait	\$1.3 B	34. Sprite	\$1.2 B
11. Monster Energy	\$2.1 B	23. Betty Crocker	\$1.3 B	35. Gerber	\$1.2 B
12. Dr Pepper	\$2.0 B	24. Dole	\$1.3 B		

1. Source: IRI FDMXC and GDMXC 52 weeks ending 10/30/2011; excludes cigarettes and Danone and Kraft (not trademarks)




As Cola's Continue to Decline, More Focus is Put on Flavored Soft Drinks



FLAVOURS  +5% vs. YAG

CORE COLA'S  -1% vs. YAG

	PEPSI	Coke
Carbonated Soft Drinks - Regular	 40.7	 33.5
Carbonated Soft Drinks - Diet	 12.3	 11.0
Lemon Lime	 5.4	 3.9
Flavours	 9.3	 3.1
Flat Water	 14.3	 8.4
Sports Drinks	 69.6	 30.4
RTD Iced Tea	 37.6	 31.3
TL Juice & Drinks	 39.0	 33.7
Total National CSD Share (C&G)	41.3 (+0.6 VYA)	38.2 (-0.5 VYA)

Source: PMB 2011 Fall 2-Year Readership and Product Database (Index vs Population for English Canada)

LTD results (4wks ending Apr 7th - 4 wks ending Dec 15th), National C&G, Tornage Vol, 591ml

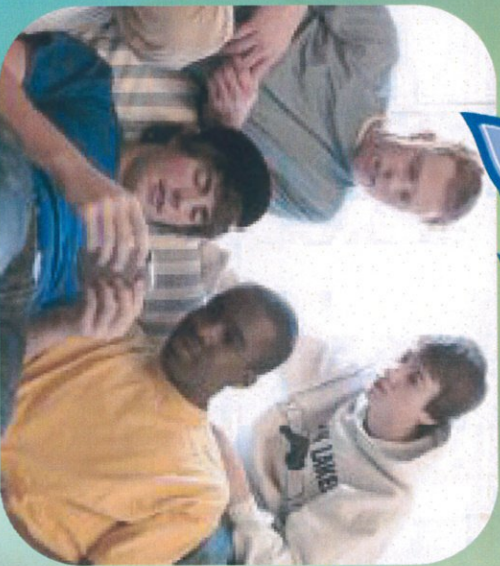
Source: Nielsen L4W PE March 31st, 2012 National All Channel ex WC

Source: Nielsen MarketTrack, National Conv. & Gas, Latest 52 week Period ending Dec 15, 2012



3-Tea Strategy

Brisk



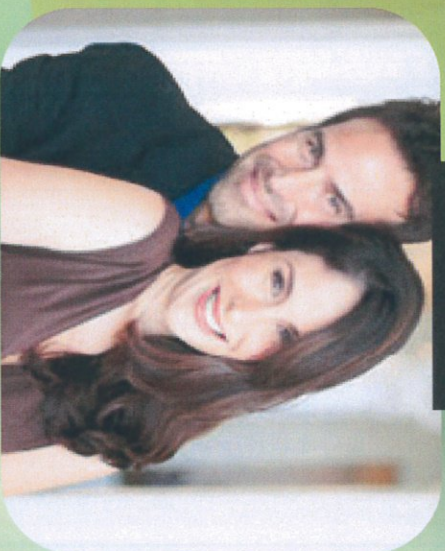
**A HIT OF
BOLDNESS**

Lipton



**TASTE &
REVITALIZATION**

REAL BREWED TEA
**PURE
LEAF™**



**Fresh Brewed
TASTE**



Leveraging Dew's Extensive Portfolio and Breakthrough Innovation



BOTTLES



FOUNTAIN



INNOVATION



Partnerships



Partnership for Growth

Restaurants



College & University



Sport



We Believe in Community

BIGGER
National
Programs



• Loud Urban Voice With Local Message

MORE
Cultural
Relevance



• Global Lift & Adapt

STRONGER
Relevance
through
Innovation



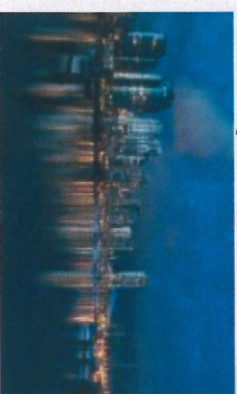
• Targeted Penetration & Availability

Regina

• Lead S. Asian, Chinese
Engagement



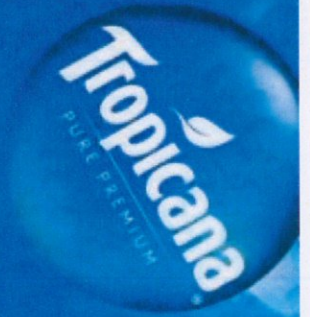
• Develop Local Community



• Engaged with Prestige
Properties



Pricing & Funding



Proposed Pricing & Rebates

2015 Rebates would amount to \$600 if volume remained the same as 2014

\$1000 per year in exclusivity funding – no volume requirements

<u>Package</u>	<u>Unit</u>	<u>Current Price</u>	<u>NEW Reduced Price</u>	<u>Rebate</u>	<u>Unit Cost</u>
591ml CSD/NCB bottles	24	\$29.66	\$23.69	\$1.00	\$0.95
591ml Aquafina Water	24	\$16.69	\$13.39	\$1.00	\$0.52
591ml Aquafina Plus	12	\$20.50	\$18.44		\$1.54
450ml Dole/Ocean Spray	12	\$19.03	\$13.90		\$1.16
591ml Gatorade / G2	12	\$16.80	\$13.42		\$1.12
18L Premix	1	\$25.70	\$19.20		

Supplier invoices are charged Net 30

3% Annual Price Increase



Equipment



NEW Equipment 2015



Vending Machines

- There are three Pepsi owned vending machines on the premises
- Upgrade one machine to a Glass Front vending machine complete with dollar bill validator, to be placed in the main lobby of the Arena
- Replace the other two existing vending machines with new vending machines which will also be equipped with dollar bill validators





Thank you!

Please contact us at anytime.

We look forward to improving this relationship!

Shane Brydges, Foodservice Sales Representative – 204.384.7760

Jason Fortin, Foodservice Manager – 204.899.2865





BEVERAGE SALES AGREEMENT

This sets forth the agreement ("**Agreement**") between PepsiCo Beverages Canada, a business unit of PepsiCo Canada ULC ("**PBC**") and **Fort Frances Memorial Sports Centre**, (the "**Customer**"), on its own behalf and on behalf of its licensees and franchisees relating to the purchase and resale of PBC Products at the Outlets.

Customer represents and warrants that it has full authority to bind all Outlets (as defined below) to the terms and conditions of this Agreement throughout the Term.

Definitions

As used in this Agreement, the following capitalized terms have the meanings set out below.

"**Authorized FS Distributor**" shall mean a food service distributor as designated by Customer and approved by PBC during the Term.

"**Beverage**" or "**Beverages**" means all carbonated and non-carbonated, non-alcoholic beverages, however dispensed, including but not limited to, (i) colas and other flavored soft drinks; (ii) fruit juice, fruit juice containing and fruit flavored drinks; (iii) chilled coffee drinks; (iv) chilled tea products; (v) hypertonic, isotonic and hypotonic drinks (sports drinks and fluid replacements); (vi) energy drinks; (vii) packaged carbonated or still water (including spring, mineral or purified); and (viii) any future categories of nonalcoholic beverage products that may be distributed by PBC.

"**Cases**" shall mean the number of cases of Packaged Products purchased by the Customer from PBC, in such size, quantity and type of containers as determined by PBC, from time to time.

"**Gallons**" shall mean the number of imperial gallons of the Fountain Products purchased by the Customer from PBC.

"**Fountain Products**" shall mean postmix syrup products used to create and dispense fountain Beverages.

"**Outlets**" shall mean the existing Customer facilities operated under the **Fort Frances Memorial Sports Centre** trade name/trademark or related trade names/trademarks, as listed in attached Exhibit A, and shall include any other Outlet that may be opened, acquired, operated, owned, managed, controlled or franchised by the Customer under those trade names/trademarks during the Term. Customer agrees to provide PBC with prompt notice of any changes to the list of Outlets in Exhibit A and any additional Outlets shall automatically become part of this Agreement. The parties agree to verify the list of Outlets and modify Exhibit A as necessary to reflect such additions and deletions on an annual basis during the Term.

"**Packaged Products**" shall mean Beverages that are distributed in pre-packaged form (e.g., bottles and cans) by PBC.

"**Products**" shall mean Fountain Products and Packaged Products manufactured, bottled, sold and/or distributed by PBC. A current list of Products to be supplied to Customer under the terms of this Agreement is listed in attached Exhibit B.

"**Year**" shall mean each 12-month period during the Term commencing on the first day of the Term or an anniversary thereof.

1.0 Term

1.1. The term (the "**Term**") of this Agreement shall commence on **May 1, 2015** (the "**Commencement Date**") and, unless earlier terminated in accordance herewith, shall terminate on **April 30, 2018**.

2.0 Exclusivity

2.1. During the Term, except as otherwise set forth in this Agreement, the parties agree the Products shall be the exclusive Beverages (other than hot beverages, alcoholic beverages or milk products) sold, dispensed or otherwise made available, or in any way advertised, displayed, or promoted by Customer at or in connection with the Outlets by any method or through any medium whatsoever (including, without limitation, print, television, radio, internet, coupons, in-store displays and signage). In no event shall there be served, dispensed or otherwise made available, or in any way advertised, displayed, represented or promoted, beverage products licensed by, or produced by bottlers licensed by, The Coca-Cola Company or any affiliate thereof, or any other supplier of competitive Beverages.

3.0 Pricing and Distribution

3.1. PBC shall sell and provide the Products set forth in Exhibit B either directly to Customer or to Customer's Authorized FS Distributors (as applicable) for resale at Customer's Outlets.

3.2. The prices for the Products (the "Prices") as of the Commencement Date, are listed in Exhibit B and are exclusive of any applicable product deposits, fees or sales/excise taxes (local, provincial or federal).

3.3. PBC shall increase Prices by 3% each Year during the Term of the Agreement upon (30) days written notice to Customer.

3.3. Price increases exceeding and/or in addition to those referred to above may be made by PBC, in the event of significant demonstrable increase in production or distribution costs to PBC, including without limitation, raw material costs (e.g. sweeteners, aluminum, plastic) and energy/utility costs (e.g. fuel, hydro).

3.4. All sales of Products by PBC to Authorized FS Distributors shall be made on terms determined by PBC. PBC expressly reserves the right to withhold shipment of any new order at any time that existing invoices to an Authorized FS Distributor are outstanding beyond terms. Customer agrees to use commercially reasonable efforts to cause the Authorized FS Distributors to make timely payment for the Products.

3.5. Customer or its Authorized FS Distributor shall report and submit to PBC velocity reports indicating volume of and type of products purchased by Outlet and name of Outlet's supplying distributor (the "Purchase Summary Report"). The Purchase Summary Report shall be submitted to PBC for each quarter not later than 60 days past the close of that quarter.

3.6. Notwithstanding delivery of Products to any Outlet(s) via a distributor, Customer shall remain subject to all of its obligations pursuant to this Agreement for the Term.

4.0 Funding, Rebates and Financial Commitments

4.1. In consideration of the rights granted to PBC by Customer during the Term of this Agreement, and provided Customer is not in breach of this Agreement, PBC shall provide Customer with the funding and support set out in the attached Exhibit C.

5.0 Additional Customer Performance Requirements

5.1. This Agreement, including all of PBC's support to the Customer as described herein, is contingent upon the Customer complying with this Agreement.

5.2. Customer will use its commercially reasonable efforts to ensure that all PBC Products maintain continuous or increased presence and exposure within the Outlets following implementation of this Agreement.

5.3. Unless otherwise authorized by PBC, the Customer shall purchase all of their requirements for Product directly from PBC or the Authorized FS Distributor during the Term. The Customer and the Outlets will only sell those PBC Products purchased in accordance with this Agreement from the equipment provided to the Outlets by PBC, as applicable.

5.4. The Customer and its Outlets shall have appropriate brand identification, as identified by PBC, for each PBC Product served on all menus (including catering), menuboards and postmix dispensing valves at each of the Outlets throughout the Term.

5.5. At all times during the Term, the Customer agrees to maintain a reasonable distribution of all PBC Products and to mandate the distribution of a minimum of the following skus of PBC Products, as applicable, at each of the Outlets

("Required SKUS"): 591mL Aquafina; 591mL Pepsi, Diet Pepsi, 7UP, Dr. Pepper, Mountain Dew, Brisk Iced Tea; 591mL Gatorade and G2; 450mL Dole and Ocean Spray; 18L Premix, CO2 cylinders.

5.6. Customer will reinforce compliance with agreed upon PBC plan-o-grams at all Outlets.

6.0 Equipment and Service

6.1. PBC will loan each Outlet, at no charge, appropriate equipment for dispensing the Products during the Term ("**Equipment**"). Customer agrees that the Equipment shall be exclusively used to display and merchandise the Products, and the Customer shall not use the Equipment to display, stock, advertise, sell or maintain any other products (including on the exterior of the Equipment). Title to all Equipment will remain vested in PBC or its affiliate and all such Equipment will be returned to PBC upon expiration or earlier termination of this Agreement. Customer shall not, and shall not allow any Outlet or any other party to, repair, service, maintain, replace, relocate, move or remove any Equipment. PBC shall have the exclusive right to repair, service, maintain, replace, relocate, move and remove any Equipment.

6.2. Each Year during the Term or at PBC's request, Customer shall provide PBC with a written Equipment verification list indicating the asset number, Equipment type and location of the Equipment loaned to the Customer pursuant to this Agreement. Failure to provide such verification list to PBC shall be deemed a material breach of this Agreement.

6.3. PBC will provide, at no charge to the Customer, preventative maintenance and service to the Equipment during the Term. PBC will also provide Customer with a telephone number to request emergency repairs and receive technical assistance related to the Equipment after business hours. PBC will promptly respond to each applicable Customer request, and will use reasonable efforts to remedy the related Equipment problem as soon as possible. Customer will be responsible for all Equipment costs (including service fees) resulting from Customer's willful or negligent damage or abuse.

6.4. The Customer shall supply and install, or cause to be supplied and installed, at the Customer's cost and expense, all facilities, as may be reasonably necessary, for the use and operation of the Equipment in the Outlets, including, but not limited to, electrical outlets and wiring, drains, conduits, water outlets and cut-off valves.

6.5. In respect of all Equipment that is vending equipment, PBC shall have the exclusive right to stock and re-stock, at no cost to Customer, Products in each of the vending machines and to collect the monies that each vending machine generates. Title to all monies and Products located in such vending equipment will remain vested in PBC or its affiliate. The Product mix offered in each such vending machine shall be determined by PBC.

6.6. Upon termination or expiration of this Agreement, if Customer has not entered into a further agreement with PBC for the purchase of the Products, Customer shall surrender to PBC all Equipment installed in the Outlets, whether leased, loaned or otherwise made available by PBC. PBC shall have the right to deduct the full value of the Equipment from any and all funds owing to Customer and/or the applicable Outlet(s) in the event PBC is prevented from removing such Equipment within thirty (30) days of the expiration or earlier termination of this Agreement.

6.7. Customer and/or each Outlet, as applicable, shall be responsible for the full replacement cost of all Equipment not returned, damaged, lost, or stolen while in its possession.

6.8. The Customer and its Outlets shall only use the Fountain Products for use in preparing the fountain beverage products (i) in accordance with the standards established by PBC; and (ii) only for immediate or imminent consumption and shall not resell the Fountain Products either to nonaffiliated outlets or to consumers in any form other than the Fountain Products.

7.0 General Terms

7.1. **Termination.** Either party may terminate this Agreement: (i) if the other commits a material breach of this Agreement, provided, however, that the terminating party has given the other party written notice of the breach and the other breaching party has failed to remedy or cure the breach within thirty (30) days of such notice; or (ii) if the other party takes any action with respect to its liquidation or winding-up, or makes an assignment for the benefit of creditors, or any proposal under the Bankruptcy and Insolvency Act (Canada), or any comparable statute, or if a bankruptcy petition is filed or presented by such party, or if a court of competent jurisdiction enters a judgment or order approving any such petition or any petition seeking reorganization, arrangement or composition of such party or its debts or obligations, or if a custodian or receiver or receiver and manager or similar official is appointed for such party or any of its assets. If for any reason the Customer closes a Material (as defined below) number of Outlets for a period of sixty (60) business days or more, then such event shall be deemed a material breach of this Agreement, and PBC shall have

the right to immediately terminate this Agreement upon five (5) days prior written notice. As used herein, "Material" shall refer to the closure of one or more Outlets such that the Customer's volume is expected to decline by more than 25% from the average annualized volumes.

In the event of breach of this Agreement by one or more Outlet(s), the parties agree that PBC shall have the option, in lieu of termination of the entire Agreement, to terminate the Agreement only as it pertains to the applicable breaching Outlet(s) and to obtain an equitable reimbursement for the portions of funding and other costs attributable to such breaching Outlet(s).

7.2. Remedies / Expiration. If this Agreement is terminated before its expiration for any reason other than uncured material breach by PBC, then Customer will immediately make the following payments by no later than 30 days following the effective date of such termination:

- I. an amount reflecting reimbursement for all funding previously advanced by PBC but not earned by Customer and/or the Outlets pursuant to the terms of this Agreement in respect of the unexpired portion of the Term, or the Year for which it was paid, as the case may be, on a pro rata basis; and
- II. an amount reflecting reimbursement for the cost of installation, service and PBC Equipment that has been installed in the Outlets, if applicable.

7.3. Right of Offset. PBC reserves the right to withhold payments due hereunder as an offset against amounts not paid by Customer pursuant to this Agreement.

7.4. Trademarks. PBC reserves the right to final approval, in its sole discretion, of any and all promotional or other materials utilizing PBC trademarks, and no documents, point of sale, coupons, sell sheets, etc. shall be released without PBC's prior written approval. Any and all trademarked, copyrighted or other material in which a party claims or has proprietary rights shall remain the sole and exclusive property of that party and shall be used by the other solely for the purposes listed and to the extent allowed by this Agreement. Upon Termination or expiry of this Agreement each party shall immediately cease all use of the others trademarks, trade names, slogans, and or other identification of the other party or its products.

7.5. Payment. Payment of PBC invoices shall be in accordance with their stated terms which, if credit is granted, are currently the thirtieth (30th) day from date of invoice. All payments to PBC shall be rendered without deduction or set off. Customer and each Outlet shall, upon request, complete a PBC credit application and shall be subject to PBC's credit policies. Customer acknowledges that in the event PBC ceases to sell Products to Customer or any Outlet in accordance with PBC's credit policies, PBC shall not be in breach of this Agreement.

7.6. Product Changes. PBC reserves the right to change or supplement Products offered for sale to Customer at its discretion, upon notice.

7.7. Confidentiality. The Customer and PBC agree to keep this Agreement and its terms, as well as the information which is disclosed to it by the other party in connection with the performance of this Agreement, confidential and not to disclose this Agreement or its terms to any third party without the prior written consent of the other party, subject only to disclosure of such information to the party's auditors and legal counsel and as required by law or legal process. The Customer further acknowledges and agrees that the disclosure of the terms of this Agreement could reasonably be expected to significantly harm the competitive position and/or significantly interfere with the general negotiating and business position of PBC. The parties acknowledge and agree that details of any public announcements, statements or disclosure concerning this Agreement shall be jointly agreed to prior to the making of any such public announcements, statements or disclosure by either party.

7.8. Assignment/Acquisition. In the event that a third party acquires Customer or all or a group of the Outlets, or if Customer merges with a third party, Customer will, in connection with such transaction, cause the acquiring party/merged entity, in writing, to ratify this Agreement and assume all of the obligations of Customer hereunder. In the event that Customer does not deliver written evidence of such ratification and assumption of this Agreement by the acquiring party/merged entity within ten (10) days following the closing of the transaction, PBC may, at its option, terminate this Agreement effective immediately. The Agreement shall not be otherwise assignable without the express written consent of PBC. In the event the transferee has an existing local agreement with PBC (which agreement covers the purchase of Products), then, PBC shall have the right to determine which Agreement shall continue in force and effect. PBC may assign this Agreement at any time to any PBC affiliate without any prior consent. This Agreement shall enure to the benefit of, and be binding upon, the successors and permitted assigns of PBC and Customer.

7.9. Governing Law. This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein without regard to conflict of laws principles.

7.10. **Tax.** Customer acknowledges and agrees that neither PBC nor its affiliates shall be responsible for any taxes payable, fees or other tax liability incurred by Customer in connection with the consideration or any other fees payable by PBC under this Agreement.

7.11. **Force Majeure: Impossibility of Performance.** Neither party shall be responsible to the other or to any third party for any failure, in whole or in part, to perform any obligations hereunder, to the extent and for the length of time that performance is rendered impossible or commercially impractical, owing to acts of God, public insurrections, floods, fires, strikes, lockouts, or other labor disputes, disruptions in supply, shortages or scarcity of materials, crop failures, freezes, and other circumstances of substantially similar character beyond the reasonable control of the affected party (collectively, "Force Majeure"). Any party so affected shall (i) use all reasonable efforts to minimize the effects thereof and (ii) promptly notify the other party in writing of the Force Majeure and the effect of the Force Majeure on such party's ability to perform its obligations hereunder. The affected party shall promptly resume performance after it is no longer subject to Force Majeure.

7.12. **Release, Discharge or Waiver.** No release, discharge or waiver of any provision hereof shall be enforceable against or binding upon either party hereto unless in writing and executed by both parties hereto. Neither the failure to insist upon strict performance of any of the agreements, terms, covenants or conditions hereof, nor the acceptance of monies due hereunder with knowledge of a breach of this Agreement, shall be deemed a waiver of any rights or remedies that either party hereto may have or a waiver of any subsequent breach or default in any of such agreements, terms, covenants or conditions.

7.13. **Insurance.** Each party shall, at its sole cost and expense, place and maintain insurance throughout the Term that it deems adequate, sufficient and consistent with prudent industry standards to insure its activities and obligations in connection with this Agreement. Without limiting the generality of the foregoing, Customer shall name PBC as a loss payee under its applicable insurance policies and shall notify PBC of any loss or damage to the Equipment.

7.14. **Relationship of the Parties.** Each party hereto is an independent contractor and has no authority or right to incur obligations of any kind in the name of or for the account of the other party. Neither party shall be deemed to be an associate, partner, principal or agent of the other.

7.15. **Construction.** If any covenant, obligation or provision contained in this Agreement or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each covenant, obligation and provision of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

7.16. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

7.17. **Notices.** Unless otherwise specified herein, all notices, requests, demands, consents, and other communications hereunder shall be transmitted in writing, addressed as follows:

If to PBC:

PepsiCo Beverages Canada
5205 Satellite Drive
Mississauga, Ontario L4W 5J7
Attn: Director, Foodservice

With a copy to (which shall not constitute notice) the PBC Legal Department at the same address.

If to Customer:

Fort Frances Memorial Sports Centre
740 Scott Street
Fort Frances, ON P9A 1H8
Attn: Manager of Community Services

7.18. **Representations and Warranties.** Each party represents and warrants to the other that it has full power and authority, corporate and otherwise, and has been duly authorized, to enter into and perform its obligations under this Agreement and that neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, nor compliance with or performance of any of the provisions hereof, will: (a) violate or conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with the giving of notice or the passage of time or otherwise, would constitute such a default) under any of the terms, conditions or provisions of any

existing agreement or other instrument or obligation to which it is a party, or by which it or any of its properties, assets or operations may be bound or affected; (b) violate any order, writ, injunction, decree, or any statute, rule or regulation, applicable to it or any of its properties, assets, or operations; or (c) require any action, or consent or approval of, or review by, any other party, including without limitation any third party, court or governmental body or other agency, instrumentality or authority, except as shall have been duly obtained and effective as of the date of this Agreement.

7.19. **Entire Agreement.** This Agreement contains the entire agreement between the parties hereto regarding the subject matter hereof and supersedes all other agreements between the parties. This Agreement may be amended or modified only by a writing signed by each of the parties.

7.20 At the request of all parties, this Agreement has been drawn up in the English language. A la demande expresse des parties, ce contract a été rédigé en langue anglaise.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed as of the date set forth below.

**PEPSICO BEVERAGES CANADA,
a business unit of PEPSICO CANADA ULC**

Fort Frances Memorial Sports Centre

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

By: _____

Print Name: _____

Title: _____

Date: _____

**Exhibit A
Customer Outlets**

**Fort Frances Memorial Sports Centre
740 Scott Street
Fort Frances, ON P9A 1H8
COF #8725226**

**Center Ice Canteen
740 Scott Street
Fort Frances, ON P9A 1H8
COF #9817276**

**Exhibit B
Products and Prices**

	Min Order of 2cs	2015
	Case Pack	
591ml CSD/NCB	24	\$23.69
591ml Aquafina	24	\$13.39
591ml Gatorade/G2	12*	\$13.42
547ml Lipton Pure Leaf	12	\$18.30
450ml Dole/Ocean Spray	12	\$14.46
2L CSD/NCB	8	\$14.21
473ml Dew Kickstart Cans	12	\$11.85
473ml CSD/NCB Cans	12	\$9.27
355ml CSD GLASS (6x4pk)	24	\$21.00
591ml SOBE	12	\$17.65
1L CSD/NCB	15	\$17.00
500ml Aquafina (12)	12*	\$7.00
500ml Aquafina (24)	24	\$11.64
591ml Aquafina Plus	12	\$18.44
591ml Aquafina Splash	24	\$18.44
710ml Aquafina	24	\$35.02
1L Aquafina	15	\$15.45
1.5L Aquafina	12	\$18.44
500ml Montellier (4x6pk)	24	
1L Montellier	12	
4L Capilano		\$3.83
500ml ONE Coconut Water	12	\$24.00
1L ONE Coconut Water	12	\$35.00
500ml Gatorade	12	\$25.69
710ml Gatorade / G2	24	\$39.62
950ml Gatorade / G2	12	\$27.87
325ml Starbucks Coffee	12	\$22.50
355ml Starbucks Refreshers	12	\$26.00
473ml AMP	12	\$25.60
Rockstar 250ml	12*	\$18.55
Rockstar 355ml	12	\$25.60
Rockstar 473ml	12	\$25.10
Rockstar 444ml	12	\$25.60
Rockstar 710ml	12	\$32.00
Rockstar Water 590ml	12	\$23.00

	Min Order of 2cs	2015
	Case Pack	
Premix	1	\$19.20
20L CSD BIB	1	\$52.21
12L CSD BIB	1	\$31.34
12L NCB BIB	1	\$40.16
11.36L Dole Straw/Kiwi	1	\$40.16
12L Cranberry Generic	1	\$64.65
12L Generic Margarita	1	\$60.41
12L Motts	1	\$62.69
12L Orange Juice	1	\$79.67
Juice Tyme (3.79L Cartridge)	1	\$97.64

	2015
12 Oz Cups - Case	2,000 \$102.00
16 Oz Cups - Case	1,000 \$50.00
24 Oz Cups - Case	1,000 \$76.00
32 Oz Cups - Case	480 \$47.00
44 Oz Cups - Case	480 \$79.25
12/16/24 Lids	2,000 \$50.00
32 Oz Lids - Case	960 \$42.00
44 Oz Lids - Case	960 \$79.25
CO2 Tank - 20lb	1 \$24.00

Exhibit C
Funding and Support

Purchase Rebate – PBC will accrue the amount specified in Exhibit “B” under the “Rebate” column (the “**Purchase Rebate**”) for each case of Product, as specified in Exhibit “B”, purchased by the Customer and the Outlets. The Purchase Rebate shall be calculated and paid by PBC to the Customer on a PBC quarterly basis, within sixty (60) days of the end of the applicable PBC quarter. Where Products are purchased from an Authorized FS Distributor, the Purchase Rebate shall be paid after receipt and verification of the Purchase Summary Report (as defined in section 3.6). PBC shall not accrue or pay any Purchase Rebates for sale to Outlets that are in breach of the terms of this Agreement.

Annual Exclusive Beverage Rights Fee – PBC will pay to the Customer an annual exclusive beverage rights fee of \$1000 (the “**Exclusive Beverage Rights Fee**”) each Year during the Term. The Exclusive Beverage Rights Fee shall be earned pro rata over the applicable Year in which it is paid and shall be paid within sixty (60) days of the first (1st) day of the applicable Year.

Products	Volume Incentive Rebates
591mL 24pk CSD & NCB	\$1.00 per case
591mL 24pk Aquafina	\$1.00 per case