



**The Corporation of the
City of Sault Ste. Marie**

C O U N C I L R E P O R T

June 23, 2025

TO: Mayor Matthew Shoemaker and Members of City Council
AUTHOR: Nicole Maione, Director of Community Services
DEPARTMENT: Community Development and Enterprise Services
RE: Beverage Agreement Extension – PepsiCo Beverages
Canada

Purpose

The purpose of this report is to provide information on exercising the option to extend the current agreement with PepsiCo Beverages Canada for a term of two (2) years.

Background

The original beverage sales agreement to provide exclusive beverage rights (including fountain products and packaged products) available for sale and distribution within the City's outlets was approved at a Council meeting dated June 13, 2022 and Council further passed By-law 2022-133 on July 11, 2022.

Analysis

The City is prepared to renew under the same terms and conditions until July 31, 2027, exercising the agreement's extension option.

Financial Implications

The City will receive an exclusive beverage rights fee of \$12,000 annually, and Marketing Support Funds of \$3,000 annually.

Strategic Plan / Policy Impact / Climate Impact

The recommendation supports the focus area of the Corporate Strategic Plan 2024-2027 in a number of ways:

- Within the Service Delivery focus area, it will continue to assist in delivering excellent customer service to the community as well as support community partnerships to enhance service delivery options.
- Within the Infrastructure focus area, it will continue to support the environment as environmental considerations including recycled content packaging are within the vendor's strategy.

Recommendation

It is therefore recommended that Council take the following action:

Beverage Agreement Extension – PepsiCo Beverages Canada

June 23, 2025

Page 2.

The relevant By-Law 2025-108 is listed under item 12 of the Agenda and will be read with all by-laws under that item.

Respectfully submitted,

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Director of Community

Services

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