

**CITY OF MOORHEAD  
PARK ADVISORY BOARD  
Meeting Minutes  
Monday, March 8, 2010  
Moorhead City Hall  
500 Center Avenue  
Moorhead, Minnesota 56560**

**1. CALL TO ORDER/ROLL CALL**

Pursuant to due call and notice thereof, a regular meeting of the Moorhead Park Advisory Board (PAB) was held at Moorhead City Hall, 500 Center Avenue, Moorhead, Minnesota, on the 8<sup>th</sup> day of March 2010.

**Members Present:** Randy Bach, Heidi Durand, Ron Schneider, Rick Stotts, Council Member Mark Altenburg, and Council Member Alternate Brenda Elmer

**Members Absent:** Lila Hazemann

**Others Present:** Larry Anderson, Parks/Forestry Manager; Holly Heitkamp, Recreation Division Manager; Karen Stremick, Office Specialist

**Visitors Present:** Deb Haugen, 4307 South River Haven Road, Moorhead; Gina Nolte, Clay County Public Health; Kelly Hyland, Clay County Public Health; Cathy Jorgensen, Cass Clay Healthy People Initiative; Rory Beil, Dakota Medical Foundation; Donna Tvedt, Moorhead School District; Sonya Kamen, Fargo Cass Public Health; Julie Rosenfeldt, 4803 6<sup>th</sup> Street North, Moorhead; Kim Lipetzky, 3604 Westmoor Boulevard, Moorhead; Doug Lau, Coca-Cola, 2000 1<sup>st</sup> Avenue North, Moorhead; Loretta Baasch, PepsiAmericas Inc, 2700 7<sup>th</sup> Avenue North, Fargo; Jay Titus, Northern Empire Pizza dba Domino's, 5304 32<sup>nd</sup> Street South, Fargo

**2. RECOGNITIONS/PRESENTATIONS / INTRODUCTIONS**

None

**3. MINUTES – February 16, 2010**

Altenburg motioned to approve the minutes of the February 16, 2010 PAB Meeting, the motion was seconded by Bach. All votes were in favor; the motion carried.

**4. CITIZENS TO BE HEARD**

Only on Agenda Items

**5. AGENDA AMENDMENTS**

None

**6. ADOPTION OF MOORHEAD SCHOOL DISTRICT WELLNESS POLICY**

Deb Haugen, a Moorhead resident, was present at the February 16, 2010 PAB meeting requesting that the adoption of the Moorhead School District Wellness Policy within the Moorhead Sports Center be placed on the March PAB agenda.

Haugen submitted information for review to the PAB showing how high fat/high calorie/high sugar foods and beverages affected the health of students. PAB asked if the wellness policy were adopted, would the High School close their campus during the lunch period. Moorhead High School Food Services Director Donna Tvedt, stated that the size of their facility was unable to accommodate the total number of students during their three lunch periods. The PAB felt that if students were allowed to leave campus they would go to other places for pop, snacks, and food services.

The target groups identified in Haugen's information at the most vulnerable were freshman and sophomores. These students did not have access to this kind of food/beverage service in their previous schools. It was suggested that the topic could be revisited if MHS would close campus for freshman and sophomores. PAB also stated that while student health was a very important issue, they also had to be fiscally responsible to the park department. Increased cuts to the Park Budget could result in more cuts to recreation programs.

Staff also advised the PAB that they had received the bids results for the exclusive beverage provider for the park system. The concession fee to the department had dropped from \$45,000 annually to a possible \$5,000-\$10,000 annually. This decrease in concession revenue, the losses due to the state budget cuts and then add a possible \$14,000 loss from vending commissions would seriously affect the Park Budget and have an adverse affect on the health of children.

Durand made a motion to not adopt the Moorhead School District Wellness Policy and continue to provide the current food and beverage services at the Moorhead Sports Center. The motion was seconded by Bach. Schneider, Altenburg, Bach and Durand were in favor, Stotts was opposed, the motion passed.

**7. SELECTION OF EXCLUSIVE BEVERAGE PROVIDER**

The current beverage contract for the Moorhead Park System expires on April 4, 2010. In January, 2010 the Recreation Division advertized a Request for Proposal (RFP) for the exclusive beverage provider of the Moorhead Park System.

Bids were received from PepsiAmericas Inc and Coca-Cola Enterprises. It was evident by the bids that the previous trend to provide upfront money had changed. The bids included a lower annual fee and a payout based on volume sales. The previous contract with PepsiAmericas included at \$45,000 annual concession fee and 44% commission on vending machine products. An evaluation group including Harlyn Ault, Finance Director; Wanda Wagner, Assistant Finance Director; John Shockley, Assistant City Attorney, and Holly Heitkamp, Recreation Division Manager reviewed the bids. The group had a difficult time comparing bids as they were both based different volumes and various products. Staff focused on 20 ounce bottles to try and make the best

comparison. Initially, Coke Option 2 looked the most favorable with a \$10,000 annual concession fee, commission fees ranging from 15-30% and a \$5.00 per case rebate. However, the Coke Option 2's starting point was at a much higher volume than the Pepsi bids. Pepsi Option B included a \$5,000 annual concession fee, a commission fee of 36% and growth payments ranging from \$1,000-\$3,000 and growth rebates of \$0.50 per case once growth hurdles were reached. The evaluation group felt that Coke Option 2 and Pepsi Option B at 20% growth were the most comparable. Based on the higher financial payout it was recommended that the PAB approve Pepsi Option B as the exclusive beverage provider for the Moorhead Park System.

Doug Lau from Coke was present and felt that the Coke numbers were being misinterpreted because the numbers provided in the RFP were inaccurate. Loretta Bausch from PepsiAmericas, Inc assured the PAB that the numbers provided to staff for the RFP were actual counts from 2009. Lau also felt the comparisons were inaccurate. It was explained that the comparisons were evaluated by the above mentioned group and that staff's recommendation was based on their conclusions.

Bach made a motion to accept the PepsiAmericas Option B as the exclusive beverage contract for the City of Moorhead Park System. The motion was seconded by Stotts. All votes were in favor, the motion passed.

**8. UPDATE/INFORMATION**

Chair Schneider adjourned the meeting

Respectfully submitted by:



Karen Stremick  
Office Specialist  
Moorhead Parks and Recreation