RESOLVED: That the Board of Trustees of The City University of New York authorize the University to choose a beverage manufacturer to be the exclusive provider of soft drinks, teas, waters, juices and certain other beverages to the University (i.e., “pouring rights”), in exchange for the payment of royalties and other valuable consideration to the University and college related entities. At the University’s option, such beverage manufacturer also may be granted the right to operate beverage vending machines at some or all of the colleges and the Central Office, in exchange for a commission on sales. The beverage manufacturer shall be a responsive and responsible offeror chosen on the basis of best value after public advertisement and timely submission of sealed proposals through a Request for Proposal solicitation and evaluation process conducted by the University pursuant to law and University Regulations. The term of the contract(s) resulting from the solicitation process shall be either five or ten years, without renewals, as determined in the best interest of the University. The contract(s) may be executed by the University and/or college auxiliary enterprise corporations, and shall be subject to approval as to form by the University Office of General Counsel.

EXPLANATION: At present, the auxiliary enterprise corporations at most CUNY colleges have entered into pouring rights agreements with beverage manufacturers to be the exclusive provider of soft drinks, teas, waters, juices and certain other beverages on their campuses. To provide greater efficiencies and maximize the funds generated for college and University purposes, the University would like to replace the current agreements, which involve different beverage manufacturers, with a grant of pouring rights to a single manufacturer for the University as a whole. This arrangement will not involve the expenditure of any tax levy revenues. It is expected that the exclusive nature of the contract(s), along with rights to the entire University, will provide higher revenues for each of colleges and the Central Office than do the current, individually negotiated agreements. In the event that it does not, no contracts will be executed.