MEETING DATE: August 14, 2006

AGENDA ITEM : Approval of an Amendment to the Contract with Coca-Cola Bottling Company of Los Angeles for the Provision of Beverage Vending Machine Services at Parks and Recreation Facilities to: 1) Extend Its Terms for an Additional One-Year Period and; 2) Add the Stipulation that Only "Healthier Beverage Choices" as defined in SB 965 will be Offered.

ATTACHMENTS

Attachment 1

AGREEMENT

The City of Culver City – Coca-Cola Bottling Company of Los Angeles
(Parks and Recreation Facilities Beverage Vending Partnership)
No. 2001-175

WITNESSETH

THIS AGREEMENT (the "Agreement") is made and entered into as of the First Day of August, 2001, by and between the City of Culver City, a municipal corporation organized and existing under and pursuant to the Constitution and the laws of the State of California (the "City"), and located at 9770 Culver Boulevard, Culver City, California, and Coca-Cola Bottling Company Of Los Angeles, a corporation organized and existing under and pursuant to the laws of the State of Georgia, and having a principal place of business at 1334 South Central Avenue, Los Angeles, California ("Coca-Cola").

WHEREAS, the City wishes to implement a sponsorship program for a beverage company to partner with the City as the exclusive beverage provider of the Culver City Human Services Department; and

WHEREAS, both Coca-Cola and Pepsi Bottling Company submitted bids for exclusive vending authority, on April 17, 2001, City Staff met with the City Council in a legally authorized closed session to discuss and consider four alternatives and to discuss negotiations, and on June 25, 2001 City Staff met with the City Council in a legally authorized closed session to discuss the proposed terms of an agreement; and negotiations, and on June 25, 2001 City Staff met with the City Council in a legally authorized closed session to discuss the proposed terms of an agreement; and

WHEREAS, the City and Coca-Cola now desire to enter into an arrangement for Coca-Cola to provide vending machines at park and recreation facilities in the City; and

WHEREAS, the City Council, at its properly noticed and publicly held meeting of July 9, 2001, authorized entering into an agreement with Coca-Cola for a five year partnership for thirty-five full service vending machines, authorized the City Attorney to draft this Agreement and authorized the Chief Administrative Officer to execute this Agreement on behalf of the City.

NOW, THEREFORE, in consideration of the premises and the respective representations and agreements hereinafter contained, the parties hereto agree as follows:

Section 1. **Conditions, Duties and Responsibilities of Coca-Cola.**

Under the direction of, and to the sole reasonable satisfaction of, the City's Chief Administrative Officer, or the Chief Administrative Officer's designee (collectively and individually, the "CAO"), Coca-Cola shall:

(a) Install Royal Marketing Vender-type beverage machines (the "Machines"). The number of Machines is anticipated to initially be thirty-seven (37), however Coca-Cola and the City shall work and confer together in good faith in arriving at the final number of machines, in future decisions regarding the number of Machines and in establishing locations for each Machine. Each Machine shall have a steel door and beverage vending industry standard vandal-resistance and safety features, and each Machine shall be posted in a manner readable to the public with the telephone numbers necessary obtain a refund or to report a machine being damaged, disabled or malfunctioning, or defaced with graffiti.

(b) Install one recycling container at each of the thirty-seven locations of the Machines.

(c) Provide repair response for all damaged, disabled and malfunctioning Machines Monday through Friday, excluding holidays, and provide the City with repair and graffiti response and refund response telephone numbers and post these telephone numbers on the machine. Coca-Cola shall maintain sufficient replacement parts for the Machines so as to enable damaged, disabled or malfunctioning Machines to be repaired at the Machine's location. In the event Coca-Cola shall be called by the City for repair response, Coca-Cola agrees to have a repair response person on scene within twenty-four (24) hours on the first available business day, Monday through Friday, excluding holidays. Any and all repairs shall be undertaken and completed as soon as reasonably possible, and the entire cost for such repairs shall be borne by Coca-Cola. In the event a Machine shall be damaged, disabled or malfunctioning to the point where repair is impossible or impractical, Coca-Cola agrees to replace the damaged, disabled or malfunctioning Machine within forty-eight (48) hours with a replacement Machine, Monday through Friday, excluding holidays. Coca-Cola agrees to resolve any vending disputes with customers at Coca-Cola's sole expense.

(d) Provide graffiti response for all Machines and recycling containers seven days per week, including weekends and holidays, and provide the City with a graffiti response telephone number. In the event Coca-Cola shall be called by the City for graffiti response, Coca-Cola agrees to have a graffiti response person on scene within forty-eight (48) hours, Monday through Friday, excluding holidays.

(e) Vend a combination of twenty (20) ounce carbonated soft drinks and water and twenty (20) ounce, one hundred percent (100%) juices and non-carbonated beverages.

(f) Initially list and sell all drinks for one dollar and twenty-five cents ($1.25) per beverage. Coca-Cola shall not change the sales price without first obtaining the permission of the City. It is understood by the parties hereto that the sale price of beverages may from time to time fluctuate based on a variety of factors, and the parties hereto will consult and agree in good faith on a reasonable sale price.

(g) Coca-Cola specifically agrees that Coca-Cola shall not in any manner use the name of the City of Culver City, nor the City Seal nor any City logotype, for advertisement or any other purpose, without the express prior written consent of the City Council.

Section 2. Commission. Coca-Cola shall pay to the City a forty-five percent (45%) commission on all sales. The commission shall initially be based on sales of twelve dollars and fifteen cents ($12.15) per case of beverage; all cash collected, net of taxes and CRV. The commission includes five percent (5%) for utility costs for machine operation. Coca-Cola shall provide the City with quarterly sales figures, and shall issue to the City commission checks at that time.

Section 3. Term of Agreement. The term of the Agreement shall commence on the Effective Date, as defined herein, and the Agreement shall continue in full force and effect until July 31, 2006, unless the Agreement is terminated earlier pursuant to the terms hereof.

Section 4. Termination. Either the City or Coca-Cola may terminate the Agreement at any time with or without cause, at the sole discretion of the party terminating the Agreement, by giving thirty (30) business days written notice of termination to the other party. The City shall be entitled to pro rata payment of commissions for all sales for as long as any machine or machines shall remain in service on City property.

Section 5. **Business Licenses and Permits**. Coca-Cola and subcontractors if any, shall be required to obtain all necessary documentation, including, but not limited to, any and all certificates, licenses and permits required to do business in the City.

Section 6. **Indemnification**. Coca-Cola shall protect, defend, indemnify, and hold harmless the City and its elected and appointed boards, commissions, officers, agents and employees from any and all claims, liabilities, expenses or damages of any nature, including attorney fees, for injury to property or to any person, arising out of or in connection with Coca-Cola's operation or placement of the vending machines.

The City does not waive any rights against Coca-Cola which it may have by reason of the above hold harmless clause due to the acceptance by the City of insurance policies described herein.

In the event that Coca-Cola and City are sued by a third party for damages caused or allegedly caused by the operation or placement of the vending machines, Coca-Cola shall not be relieved of its indemnity obligation to City by any settlement with any such third party unless that settlement includes a full release and dismissal of all claims by the third party against the City.

Section 7. **Insurance**. Without limiting its obligations pursuant to the "Indemnification" section herein, Coca-Cola shall obtain and cause to remain in full force and effect for the duration of the Agreement:

A. General Liability Insurance in the minimum amount of one million dollars ($ 1,000,000) per occurrence and five million dollars ($5,000,000) aggregate.

B. Workers' Compensation Insurance or State approved self-insurance in the statutorily required amount.

C. Automobile Liability Insurance in the following amounts:

Bodily Injury Liability - $1,000,000 per occurrence

Property Damage Liability - $1,000,000 per occurrence

In addition to the above-stated, Coca-Cola agrees to designate the City, its agents, employees and elected and appointed officials as additional insureds to the general liability and automobile liability policies.

Section 8. **Notices**. All Notices given under the Agreement shall be addressed to the parties as follows:

To the City:
City of Culver City
Attn: Interim CAO
9770 Culver Boulevard
Culver City, CA 90232

To BCI Coca-Cola:
Coca-Cola Bottling Company of Los Angeles
1334 South Central Avenue
Los Angeles, CA 90021

Section 9. **Attorney Fees**. If any action is brought in law or equity to enforce or interpret the provisions of the Agreement, the prevailing party shall be entitled to reasonable attorney fees in addition to any other relief to which it may be entitled.

Section 10. **Force Majeure**. In case by reason of force majeure the Coca-Cola shall be rendered unable wholly or in part to carry out the Coca-Cola's obligations under the Agreement, then except as otherwise expressly provided in the Agreement, if the Coca-Cola shall give notice and full particulars of such force majeure in writing to the City within a reasonable time after occurrence of the event or cause relied on, the obligations of the Coca-Cola giving such notice, so far as they are affected by such force majeure, shall be suspended during the continuance of the inability then claimed which shall include a reasonable time period for the removal of the effect thereof, but for no longer period, and the Coca-Cola shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "force majeure," as employed herein, shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, orders of any kind of the Government of the United States or of the State or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrest, restraining of government and people, civil disturbances, explosions, partial or entire failure of utilities, shortages of labor, material or supplies or transportation, or any other similar or different cause not reasonably within the control of the party claiming such inability.

Section 11. Assignment/Subcontracting. The Agreement shall not be assigned or subcontracted without the prior written permission of the City. Coca-Cola agrees that in the event of any assignment or subcontract without the prior written permission of the City, the Agreement shall be voidable at the sole option of the City.

Section 12. Prohibition Against Transfers. Neither Coca-Cola nor the City shall assign, sublease, hypothecate, or transfer this Agreement or any interest or obligations herein directly or indirectly, by operation of law or otherwise during the term of this Agreement of any of the warranties set forth herein without the prior written consent of the other. As a condition to any assignment or transfer, any prospective assignee or transferee shall also assume the obligations pursuant to this Agreement, including the warranties set forth herein. Any attempt to assign, sublease, hypothecate, or transfer this Agreement without prior written consent shall be voidable at the sole discretion of the other party, and if the other party shall void any such assignment, sublease, hypothecation, or transfer, any assignee, sublessee, hypothecate or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Coca-Cola, or of the interest of any general partner or joint venture or syndicate member or cotenant, if Coca-Cola is a partnership or joint venture or syndicate or cotenancy, which shall result in changing the control of Coca-Cola, shall be construed as an assignment of this Agreement. Control means fifty percent (50%) or more of the voting power of the corporation.

Section 13. Independent Contractor Status. At all times during, Coca-Cola shall be an independent Contractor of the City and shall not be, nor hold itself out to be, nor hold its employees, officers or agents out to be, employees, officers or agents of the City.

Section 14. Severability. If any clause, provision or section of the Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or section shall not affect any of the remaining provisions hereof.

Section 15. Waiver. Waiver by the City of any breach of any term, covenant or condition herein contained shall not be deemed a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained.

Section 16. Amendment. Notwithstanding anything herein contained to the contrary, the Agreement, and the provisions contained herein, may be altered, changed or amended, by mutual consent of the parties hereto. No alteration, change or amendment shall be valid unless made in writing and signed by the parties hereto.

Section 17. Section Headings. The section headings of the Agreement are for convenience and reference only, and shall in no way be deemed to define, limit, or add to the meaning of any provision of the Agreement.

Section 18. Governing Law/Compliance with Laws. The Agreement shall be governed by, and construed in accordance Independent with, the laws of the State of California. The parties hereto agree to be bound by all federal, state and local laws, ordinances, regulations and directives pertaining to the services to be performed hereunder. All disputes arising hereunder shall be resolved in Los Angeles County.

Section 19. Date for Reference Purposes. The Effective Date of the Agreement shall be the date on which it is executed by the City. The date of the Agreement is for reference purposes only.

Section 20. Counterparts. The Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 21. Interpretation of Agreement. The parties hereto expressly agree that the Agreement shall be construed as though written jointly by both parties, and that the language of the Agreement shall not be construed as to favor one party over the other.

Section 22. Extent of Agreement. The Agreement represents the entire and integrated agreement between the City and Coca-Cola and supersedes any and all prior negotiations, representations or agreements, either oral or written.

IN WITNESS WHEREOF, the parties hereto have caused their names to be hereunto subscribed.

BCI COCA-COLA BOTTLING COMPANY OF LOS ANGELES

BY: Cathy [signature] Dated: 10-10-01
(Signature)

NAME: CATHY L GREINER
(Typed or Printed)

TITLE: BRANCH MANAGER

CITY OF CULVER CITY

BY: Mike Thompson Dated: 11/6/01
MICHAEL THOMPSON
Interim Chief Administrative Officer

APPROVED AS TO FORM:

By: Carol A. Schwab Dated: 10/31/01
CAROL A. SCHWAB
City Attorney

APPROVED AS TO CONTENT:

By: Don Rogers Dated: 10/15/01
DON ROGERS
Human Services Director

Our File No. 2001-175 [dmm]

(jam)

Attachment 2

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 07/09/01	Item Number: H-4
AGENDA ITEM: **Consideration of Authorization to Enter into an Agreement for a Five Year Period with Coca-Cola Bottling Company to Provide Beverage Vending Services at Park and Recreation Facilities in Culver City.**	
Contact Person: Randi Knott	Phone Number: (310) 253-5914
Fiscal Impact: Yes [X] No []	General Fund: Yes [X] No []
Public Hearing: [] Action Item: [X]	Attachments: [X]
Public Notification: Coca-Cola, Pepsi-Cola, First Choice, CCUSD School Board, Human Services Commission, Parks and Service Foundation (7-2-01)	
Department Approval:	CAO Approval: Mark Winogrond 6/28/01

RECOMMENDATION:
That the City Council authorize entering into an Agreement for a Five-Year Period with Coca-Cola Bottling Company ("Coke") to Provide Beverage Vending Services at parks and recreation facilities in Culver City.

BACKGROUND:
Last fiscal year, the City Council authorized the Human Services staff to identify an initial "demonstration" project for implementing a sponsorship program and report back to the City Council with specific recommendations for implementation.

Since that time, staff sent out invitations to beverage companies to partner with the City as the exclusive beverage provider of the Culver City Human Services Department. This includes the exclusive right to vend beverages at park and recreation facilities in Culver City. After numerous meetings and site visits, a bid was received from both Coke Bottling and Pepsi Bottling Companies for exclusive vending authority.

On April 17, 2001, staff met with the Council in Closed Session to present four alternatives for Council's consideration and to discuss negotiations. Council directed staff to proceed with negotiations with Coke for a 5-year partnership. Staff met with Council a second time in Closed Session on June 25, 2001, to discuss proposed terms of the agreement including the size and price of the beverage and energy costs. At this meeting, Council directed staff to return for authorization to enter into the agreement with Coke. Upon approval of this agreement, staff will move forward, per Council direction, on a first amendment to the agreement to provide these services at other selected City and Agency facilities.

DISCUSSION:

The proposed a 5-year partnership with Coke is based on the following terms for 35 proposed full service vending machines:

Coca-Cola Bottling Company Shall Agree to the Following Terms:

1. Authorize a 5-Year Agreement with the City of Culver City.
2. Install 37 Royal Marketing Vender-type beverage machines with steel door, vandal resistant feature at various Culver City park locations.
3. Perform all necessary electrical connections to establish service.
4. Perform all work in accordance with City standards.
5. Maintain a current Culver City business license at all times.
6. Provide 24-hour repair response for malfunctioning machines, including weekends and holidays.
7. Provide 48-hour graffiti response on all machines.
8. Indemnify the City of Culver City from all claims.
9. Maintain a minimum of $1 Million Liability insurance per occurrence, $5 Million aggregate throughout the Agreement.
10. Provide one recycling container with vandal resistant locks adjacent to each vending machine.
11. Vend a combination of 20 ounce carbonated soft drinks and 16 ounce Minute Maid 100% juices.
12. List drinks at $1.25 vend price.
13. Provide 45% commission rate to the City of Culver City
    a. Based on sales of $12.15 per case of beverages.
    b. Commission includes 5% for utility costs for machine operation.
    c. Issue commission checks and sales recap on a quarterly basis.

The proposed Agreement with Coca-Cola is for five (5) years and contains the standard 30-day notification of termination clause. This arrangement provides flexibility to the City to expand the partnership or re-bid for a Citywide beverage deal, re-bid with a different provider, and/or abandon the experiment, if appropriate, in less time than with Pepsi, who proposed a 10-year Agreement.

Funds generated from this partnership are based upon a commission rate of 45% and are dependent upon the actual sales, which are subject to seasonal fluctuations in attendance at parks. However, due to the high rate of participation and attendance at Culver City parks and recreation facilities, we believe we will match the average sale rate in Southern California parks, which is eight (8) bottles per day according to both Coke and Pepsi.

FISCAL ANALYSIS:

Staff negotiated a higher than average 45% commission rate to include 5% for increasing utility costs. The commission rate is proposed at 45% on net beverage sales per case, payable on a quarterly basis. An example of the commission rate is calculated below:

Vend Price	$	1.25	x	24 bottles/case	=	$ 30.00	gross sales
Sales Tax		8.00%	x	$30.00 gross sales	= -	$ 2.40	
CRV	$	0.60		1 case	= -	$ 0.60	
						$ 27.00	net sales
Commission at 45% of net sales:						**$ 12.15**	**Commission per case**

Based on a conservative estimate by Coke, if each machine sold eight (8) beverages per day, the potential annual commission is estimated at $51,738.51. However, the thirty-five (35) new vending machines will result in additional energy costs. According to Coke, each machine operating 24-hours/day uses 270 kWh/month. The current utility charge is $0.13/kWh, resulting in $35.10/month per machine or $1,228.50/month for 35 machines. Annual utility costs for all machines at this billing rate are anticipated to be $14,742. Therefore, the projected net profit after utility costs would be $36,996.51 annually. Should energy prices stabilize or go down, the net profit would increase proportionately.

The actual energy consumption of the newly installed machines will be closely monitored and a report will be given to Council six months after installation to track actual costs.

ATTACHMENTS:

1. Coca-Cola Proposal
2. Term Sheet
3. Product Selection Sheet
4. Energy Consumption Memo from Royal Vendors

MOTIONS:

(1) Authorize entering into an Agreement for a Five-Year Period with Coca-Cola Bottling Company of Los Angeles to Provide Beverage Vending Services at Park and Recreation facilities in Culver City.

(2) Direct the City Attorney to prepare the necessary documents and the Chief Administrative Officer to sign the documents.

(3) Direct Staff to proceed with negotiations for a Citywide agreement for selected City and Agency properties.

REGULAR MEETING OF THE PARKS AND RECREATION COMMISSION
CITY OF CULVER CITY, CALIFORNIA

Attachment 3

February 1, 2005, 7:00 p.m.
CHAIR ANITA SHAPIRO, PRESIDING

Call to Order
The meeting of the Parks and Recreation Commission was called to order at 7:06 p.m. in the Council Chambers, City Hall.

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Roll Call

Members Present: Commissioners Shapiro, Cooper, Deen, Redholtz, James (late arrival)

Staff Present: Don Rogers, Parks, Recreation and Community Services Director
Patti Mooney, Senior Management Analyst
Marty Nicholson, Recreation Manager
Jeff Eastman, Fire Chief
Tak Matsuura, Parks Supervisor
Scott Jacobs, Park Maintenance Crew Leader
Kevin Oamilda, Recreation Specialist

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Item A-1.
(7:45 p.m.)

Discussion on Vending Machine Sales at Various Park Sites.

Don Rogers addressed this item, stating that at Commissioner Cooper's request, staff has compiled information on the background, purchasing trends, revenue and sales, and service related issues pertaining to the beverage vending machines provided by the Coca-Cola Bottling Company and the snack vending machines by First Class Vending Inc.

Mr. Rogers invited questions from the Commission regarding the staff report.

Commissioner Cooper noted the commission totals for the past three calendar years ($48,456) from Coca-Cola Bottling Company have fallen below the projected revenue ($50,000 per year) originally pledged by the company representative. He asked whether the contract with Coca-Cola can be terminated before the expiration date (July 31, 2006) and bids solicited for a new vendor.

He once again spoke to his concern about offering healthier choices for children other than the current choices available of carbonated beverages and candy snacks.

Staff noted that vending companies general provide products based on consumer demand rather than concern for nutritional standards. It was also pointed out that many of the vending machines are used more by adults than children.

There was some discussion about the fiscal and practical impact if the City were to purchase and stocking its own vending machines.

Commissioner Redholtz called attention to the Contra Costa County vending machine policy that includes a 50% rule to promote healthy snacking and the policy's reference to a State legislation for compliance. She suggested looking into applying a similar guideline for snack vending machines.

There was additional discussion regarding the aesthetics of vandal resistant cages that are installed on vending machines and consideration for relocating some of the machines to more suitable locations.

Staff was instructed to report back to the Commission with additional information regarding the vending machine agreement with Coca-Cola and any state regulations governing the contents of vending machines in public parks.

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A nonpartisan, nonprofit organization established by the Northern and Southern California Public Health Associations

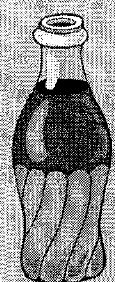
CALIFORNIA CENTER FOR PUBLIC HEALTH ADVOCACY

Post Office Box 2309
Davis, California 95617

Telephone 530.297.6000
Fax 530.297.6200
www.PublicHealthAdvocacy.org

FACT SHEET:

Soda Consumption Puts Children at Risk For Obesity, Diabetes, Osteoporosis, and Cavities



One 20 oz soda = 17 teaspoons of sugar and 250 calories

"Decreasing soda and sweetened beverage consumption is one of THE MOST promising strategies for preventing obesity."

(U.C. Berkeley Center for Weight and Health, 2003)

HUGE CONSUMPTION OF SODA

Our Children Drink a LOT of Soda. Soft drink consumption has more than doubled since 1971. The average teenage boy drinks two 12 oz sodas per day or more than 700 cans per year. The average teenage girl drinks 1.4 twelve oz sodas per day or more than 500 cans per year. ***(CSPI, Liquid Candy, 2005 -- based on 1999-2002 National Health and Nutrition Examination Survey)***

Lots of Soda Means LOTS of Sugar. Soft drinks comprise the leading source of added sugar in the American diet, providing the average teenage boy with the total recommended allowance for sugars from all sources for the entire day. ***(CSPI)***

NEGATIVE IMPACT ON HEALTH

More Sodas Lead to Childhood Obesity. Every additional daily serving of sugar-sweetened soda increases a child's risk for obesity by 60%. Regardless of demographics and lifestyle, soda consumption is an independent risk factor for childhood obesity. ***(The Lancet, Feb 2001)***

More Sodas Lead to More Diabetes. Research indicates a strong positive relationship between consumption of sugar sweetened beverages (i.e. regular sodas and fruit punches) and diabetes risk. Increasing one's consumption of sugary soft drinks significantly increase the risk for both weight gain and type 2 diabetes. ***(Journal of the American Medical Association, Aug 25 2004)***

More Sodas Mean Less Calcium and More Osteoporosis. Decreased milk consumption means that children are no longer getting required amounts of calcium in their diets. Since 1977, energy intake from milk has dropped by 38 percent. This is the same period of time during which soda consumption has skyrocketed. ***(American Journal of Preventive Medicine, October 2004)***

More Sodas Lead to More Cavities. Regular consumption of soft drinks promotes tooth decay because sodas bathe the teeth with sugar water for long periods of time. ***(Journal of the American Dental Association, 1984:109-241-5)***

August 2005

News Article - Beverages In Schools

Beverages in Schools

Shortie McKinney PhD, RD, LDN, FADA and Jane Thompson RD, LDN

In the past few years, increasing focus has been placed on beverage choice in school. This has been prompted by the suspected relationship of the consumption of sugar-sweetened beverages (i.e. soda) on body weight of children and adolescents. For further information on the subject of sweetened beverage intake and overweight visit the Evidence Analysis Library (EAL) of the American Dietetic Association at: http://www.adaevidencelibrary.com/evidence.cfm?evidence_summary_id=28.

Overweight and obesity are major problems for youth in the US, with NHANES 1999-2002 data estimating that 16% of US children (6-19 y) are overweight (Hedley, 2004). Data from the US Department of Agriculture (USDA) Continuing Surveys of Food Intakes by Individuals (CSFII) show that about 66% of boys and 56% of girls (12-17 y) drink one or more "regular" soft drinks daily (United States Department of Agriculture). Soft drinks may displace milk and possibly juice intakes in children and adolescents (Harnack et al., 1999). Additionally, research has shown soda may replace other nutritive beverages and contribute to low intakes of calcium, magnesium, riboflavin, vitamin A, and vitamin C (Guenther, 1986); higher soda intake may result in higher kcal intake, which in turn may contribute to childhood obesity (Berkey et al., 2004; Harnack et al., 1999). Soda and sugar-sweetened drinks are readily available in many schools across the US, leading to an increasingly unhealthful environment in schools nationwide.

The School Health Policy and Programs Study 2000 reveals that 43% of elementary, 74% of middle/ junior high, and 98% of senior high schools surveyed have a vending machine or a school store, canteen, or snack bar. In 76.3% of schools surveyed with vending machines or school stores, canteens, or snack bars, students can purchase soft drinks, sports drinks, or fruit drinks that are not 100% fruit juice. Nearly 50% of school districts have "pouring" contracts that give a company exclusive rights to sell soft drinks in the district (Wechsler et al., 2001); these contracts provide funding for school programs. In the American Public Health Association's policy statement regarding food marketing and advertising to children, soda contracts are seen as "promoting the purchase and consumption of low-nutrient-dense beverages while children are captive in an environment that is dedicated to education" (American Public Health Association, 2003). The presence of vending machines, with appealing but low-nutrient dense foods, may encourage eating habits that are not consistent with nutrition recommendations (Marie et al., 2004).

Many school districts have enacted nutritional guidelines for beverages sold during the school day to improve the environment within schools and positively impact student health. The small town of Appleton, WI was one of the first school districts to enact a policy specific to the sale of particular beverages. (Appleton School District, 2003). Soon thereafter, the New York City Department of Education (June 2003), the Los Angeles Unified School District (January 2004) and the School District of Philadelphia (June 2004) adopted more restrictive guidelines for sale of foods and beverages sold in all schools (New York City Department of Education, LA Unified School District and the School District of Philadelphia). Beverage guidelines vary but typically allow only 100% juice, water, and milk to be sold throughout the school day. Use of fruit juice drinks and sports drinks, as well as diet drinks and caffeinated beverages varies from one school district to another.

Some school districts are interested in measuring impacts of policy change among students; however, little data is available on this subject. One recent study presented by Spangler (Serrano et al., 2005) at the Society for Nutrition Educators conference examined the impact of a beverage policy instituted in a West Virginia school district. Fewer students purchased beverages at vending machines and a small increase was found in the number of drinks bought outside of school (Serrano et al., 2005). An evaluation of the beverage policy of the School District of Philadelphia found that although many high school students (grades 9-12) do not like the policy change, over 60% of students believe that the policy may impact their beverage choices (Thompson et al., 2005). Fewer students (10%) stated they bought beverages elsewhere than predicted at pre-policy, implying that convenience is a factor that should not be discounted in beverage selection. Findings also suggest that financial impacts of policy change may not be as dramatic for school districts as once thought.

The beverage industry has responded to the policy changes in schools in a variety of ways. To provide alternatives for vending, new products that comply have been added and packaging has been updated to be more attractive to children and adolescents. Beverage companies have also developed educational materials to help promote healthy beverage purchases. One of the most important responses has been the development of a voluntary beverage policy to restrict sales of carbonated soft drinks in schools (American Beverage Association (ABA) August 2005). The voluntary policy allows for vendors to sell only water and 100% fruit juice in elementary schools. Under policy, diet sodas, water, 100% juice, dairy-based drinks, and diet juice drinks can be sold in middle schools and full calorie sodas and juice "drinks" can be made available after school hours. In high schools, where most beverage revenue is generated (Wechsler et al., 2001), ABA policy states that students will be offered a variety of beverages, including: water, sports drinks, 100% juice, and fruit "drinks".

Policy also allows for no more than 50% of the vending slots to be filled with carbonated soft drinks (American Beverage Association, 2005). The topic of school district beverage policies is a very new topic, with little published research. As more school districts implement school wellness policies (See ADA Wellness Policies website at http://www.eatright.org/ada/files/ADAWellnessPolicy.ppt) or specific beverage policies limiting the sale of sodas, hopefully more research will surface supporting the positive impacts of beverage policy change. Efforts to date may be useful in school districts nationwide as they strive to make similar changes in their school food service.

References

42 Section 1751 et seq., US Congress (2001). American Beverage Association. (2005). AMERICAN BEVERAGE ASSOCIATION: BEVERAGE INDUSTRY SCHOOL VENDING POLICY. Retrieved August 25, 2005, from http://www.americanbeverageassociation.com/schools/vending_policy.asp

American Dietetic Association. Wellness Policies. Available at: http://www.eatright.org/ada/files/ADAWellnessPolicy.ppt Accessed November 10, 2005.

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