



Request for Proposal (RFP) #1440

District Beverage Services

For Rancho Santiago Community College District

Proposal Due Date

June 9, 2023

2:00 p.m.

Rancho Santiago Community College District

Purchasing Services Department

2323 N. Broadway, Room 109

Santa Ana, CA 92706

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NOTICE CALLING FOR PROPOSALS

DISTRICT: RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

Project Description: RFP #1440 – District Beverage Services

NOTICE IS HEREBY GIVEN that the Rancho Santiago Community College District of Orange County, California, acting by and through its Governing Board, hereinafter referred to as the “DISTRICT,” invites SERVICE PROVIDERS to submit Proposals for the Project described as: District Beverage Services, RFP #1440. This RFP is being issued pursuant to Public Resources Code section 40059.

DATE/TIME/LOCATION FOR SUBMITTAL OF PROPOSAL: June 9, 2023 @ 2:00 p.m. at Rancho Santiago Community College DISTRICT - Purchasing Services Department, 2323 N. Broadway, Room 109, Santa Ana, CA 92706. Any proposals received after the established deadline will be deemed late and returned to the proposer unopened. It is the proposer’s sole responsibility to ensure the proposal is received on time at the specified location.

For further information or to obtain a copy of the Request for Proposal, contact Linda Melendez at Melendez.Linda@rscgd.edu or view information at: <https://www.rscgd.edu/Departments/Purchasing/Pages/Bidding-Opportunities.aspx>

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT



By: _____
Linda Melendez
Director, Purchasing Services

Advertised: Orange County Register
May 10 and 17, 2023

1.0 INTRODUCTION

1.1 Purpose

The purpose of this Request for Proposals (RFP) is to solicit responses to the RFP (“Proposals”) from qualified service providers (SERVICE PROVIDERS or Proposers) to provide District Beverage Services for various Rancho Santiago Community College District (DISTRICT) facilities located in Orange, Santa Ana, and Tustin, in accordance with the requirements defined throughout this RFP. A contract awarded by the DISTRICT’s Governing Board of Trustees pursuant to this RFP is referred to herein as the “Contract” or “Agreement.”

1.2 Overview

The DISTRICT is a two-campus community college district comprised of Santa Ana College and Santiago Canyon College and two education centers: Centennial Education Center and Orange Education Center. The DISTRICT also maintains a Digital Media Center, District Services Offices, and the Orange County Sheriff’s Regional Training Academy. These seven facilities will be serviced under the subject Contract. The names and locations of these facilities are indicated in **Table 1**.

Table 1. District Facilities

NAME	ADDRESS
Centennial Education Center	2900 W. Edinger Ave., Santa Ana, CA 92704
Digital Media Center	1300 S. Bristol St., Santa Ana, CA 92704
Orange County Sheriff’s Regional Training Academy	15991 Armstrong Ave., Tustin, CA 92782
Rancho Santiago Community College District – District Services Office	2323 N. Broadway, Santa Ana, CA 92706
Santa Ana College	1530 W. 17 th St., Santa Ana, CA 92706
Santiago Canyon College	8045 E. Chapman Ave., Orange, CA 92869

This proposal is being competitively bid and will be awarded to the company that, in the opinion of the District, is best qualified to serve the District and best responds to this request for proposal. The District seeks a Vendor who can offer the following:

- Commitment to service to our colleges;
- Commitment to deliver as promised regarding product, pricing, delivery and consistency;
- Experience, reputation in the industry, and verified references;
- Demonstrated sanitation practices;
- Experience of account managers and executives;
- Financial stability, acceptable accounting practices and meeting the District’s insurance requirements;
- Anticipated/guaranteed realized revenue in support of the District;
- Feasibility, innovation, communication, specific ideas and resources identified to support revenue and other objectives;
- Demonstrated understanding of broader District objectives;

- Demonstration of the company's commitment to a partnership with the District and its colleges;
- Willingness to support and/or co-sponsor special events on the campuses;
- Ability to deliver a wide variety of products, including healthy options;
- Ability to expand and enhance the current vending locations including providing enclosures that are approved by the District;
- State-of-the-art technology with electronic sales tracking, machine monitoring systems, and quality of all equipment;
- References that confirm the company's ability to perform in a large multi-college District setting and comply with the contract provisions;
- Flexibility in being able to service our program which is based on the academic schedule of the District;
- Be able to provide consumers nutritional value information of beverages offered in vending machines, fountain and/or cooler equipment;
- Ability to provide and commit to a service level agreement that will support beverage demands during times when supplier is not able to perform; and
- Ability to increase and add services as needed with the expected demand and growth of our District.

Your proposal should explain your company's ability to respond to the above criteria. The proposal should be organized and appropriately delineated to address each of these areas. The District reserves the right to accept or reject any or all proposals, and to contract in the best interests of the District. Please provide in your proposal the following specific information:

1. A current annual financial report prepared within the last twelve (12) months.
2. A list of at least five (5) of your current accounts, addresses, and point of contact in California.
3. A chart of your organization. Define how you are organized (Corp., LLP, etc.) and any parent or controlling entities or individuals.
4. Description and location of your office(s) that would service this account including any bottling plants.
5. A brief resume of the supervisor and manager that would be assigned to this account.
6. A formal description of your standards and policies for your employees, including the basis on which they are paid and related benefits.
7. The ability to provide our District with a comprehensive line of national brand products which respond to consumer demand and brand preference.
8. A list of style, make, and model of the equipment you propose to provide.
10. A detailed Beverage Agreement that includes service and reporting commitments, marketing proposals, distribution, and dispute resolution.

11. Submitted proposals must be dated and signed by an authorized representative of your organization.
12. Proposals are requested as specified. If the description of your offer differs in any way, a detailed explanation must follow.

1.2.1 RFP Scoring

Evaluation Criteria	Maximum Score
Experience: Respondent and proposed team’s experience in providing commercial beverage service.	15
Proposed Beverage: Evaluation of the proposed beverage(s) for (i)variety; (ii) frequency of beverage items rotations.	15
Proposed Beverage Pricing: Evaluation of the proposed pricing of beverage items. Value of product. Ensuring no negative price impact on the beverage operations compared to the current product cost.	25
Proposed District Compensation: Evaluation of proposed compensation to the District for use of District facilities to provide beverage product services. Value of other partnership contributions to which a direct dollar and benefit can be factored in or assigned, such as signage naming rights and/or scholarships. Present value of cash contributions and percentage of commission.	35
Responsiveness to RFP: Responsiveness to the requirements of this RFP will be evaluated.	10
Maximum Score:	100

2.0 TERM

- Rancho Santiago Community College District will consider proposals from vendors starting with a three (3) year agreement with an option to renew for two (2) additional one (1) year terms, not to exceed five (5) years total. The District will also consider a maximum five (5) year agreement.
- The District may terminate the agreement for cause by providing a show cause letter to the contractor citing instances of non-compliance.
- The Proposer shall have thirty (30) days to cure non-compliance to the satisfaction of the District.
- Vendor agrees to remove all machines/equipment withing (5) business days following the effective termination date of this agreement.
- During the term of this agreement, a representative of the beverage supplier shall meet with the District designee once a quarter to discuss the operations, any trends, proposals, new product lines, etc. A comprehensive business review is requested annually.

3.0 NOTICE

Any formal notice shall be deemed to be sufficient when given by the District to the Vendor by registered or certified mail addressed to the Vendor at the business address shown on the proposal. Any formal notice given by the Vendor to the District shall be deemed sufficient when

sent by registered or certified mail to **Rancho Santiago Community College District**, Attention: Jennie Adams, Director, Auxiliary Services, Santa Ana College, 1530 W. 17th Street, Santa Ana, CA 92706 or Kathy White, Interim Campus Business Manager, Santiago Canyon College, 8045 E. Chapman Avenue, Room A-204, Orange, CA 92869.

4.0 MODIFICATION

1. Modifications to the terms of the agreement may be made by mutual agreement in writing between the parties.
2. Proposed commissions, guaranteed minimum annual commission, signing bonuses or contributions will be considered firm for the entire term of the agreement unless it is documented, and accepted by the District, that are documented reasons of changes in legislation, taxes, fees or a significant condition outside the control of the vendor that justifies a renegotiation. Due to ongoing and/or scheduled college construction and maintenance projects, it is expected that some vending locations may be closed, and new or remodeled locations be opened over time and these situations are routine and are not considered justification to renegotiate.
3. Vendor will provide, at its cost, necessary documentation to the district to make any changes it requests under Section 3, Article B.

5.0 SCOPE AND SPECIFICATIONS OF EQUIPMENT

1. The Vendor shall install, at its expense, at the locations set forth on Attachment "A" the number specified. The District shall have the right to determine at any time during the period of this agreement that any of the vending machines are no longer required. These machines, that are no longer required, shall be promptly removed by the vendor at the vendor's expense.
2. All Vending machines furnished shall be equipped to provide thermal overload protection. In addition, all machines shall be equipped with all necessary safety devices which shall be always maintained in operating condition. All machines shall be approved by the Underwriter's Laboratories, Inc., the National Sanitation Foundation, National Automatic Merchandising Association, and the Orange County Health & Human Services Agencies.
3. The Vendor shall always, at its expense, maintain the vending machines, including any meters, electronic monitoring systems, electronic sales equipment and special attachments, in proper working order and promptly make all necessary repairs and replacements of parts. The Vendor will maintain the vending machines, material handling equipment and service vehicles in a clean, attractive, and sanitary condition to the satisfaction of the district.
4. All products requiring refrigeration and/or freezing are to be transported and maintained at proper temperatures from point of origin to point of delivery.
5. The District shall have the right to inspect all vending equipment at any time for sanitation and housekeeping reasons and conduct bacteriological examinations of the vending machines and products vended that the District deems appropriate. To this end, the Vendor will supply the District, a designated representative, with the necessary

means to access all vending machines. The District agrees to notify Vendor in advance whenever such access is required.

6. A schedule will be provided by Vendor that detail show vending machines will be improved upon, changed out or upgraded.
7. Any equipment that repeatedly malfunctions during the contract period shall be removed and replaced with new equipment.
8. The beverage supplier will be required to provide its complete line of carbonated and noncarbonated retail packaged products including but not limited to soda, fruit juice, punch, tea and isotonic products. It will be decided upon which products are to be dispensed by the supplier, the Auxiliary Manager at each of the colleges, and the District representative.
9. When the supplier enters new beverage categories (i.e., canned energy drinks), produces new beverage products or makes changes to existing products, the District representative and the supplier will decide whether those beverage products will be sold on campus during the term of the agreement.
10. Vendor agrees to provide a statement report of all vending sales for each machine to the District by the 5th business day of the month for the previous month. Commissions due to the District must be paid monthly by the fifteenth calendar day of the following month. Vendor agrees to pay interest for any commissions not paid on time at a rate of 1.5% per month for each month or partial month payment is late or the maximum interest rate allowed by law, whichever is lower. Any monies due, which are not paid within sixty (60) days of the due date will, upon election by the District, terminate this agreement.

FOUNTAIN EQUIPMENT

1. Fountain equipment currently exists as follows:
 - Santa Ana College Cafe: One (1), six (6) head dispenser.
 - Santiago Canyon College Perch Cafe: One (1), six (6) head dispenser.
2. Dispensers will be high volume machines with ice dispensers incorporated into the machine. The dispensers shall have the ability to dispense carbonated water. The dispenser's motor shall be at least 1/3 H.P., completely self-contained. Machines shall have automatic ice makers mounted on top of dispenser when space permits.
3. All dispensers must be equipped with locks and/or shut off devices and where necessary separate water supply shut off valves and water line filters.
4. The supply and delivery of all syrup and over the counter products to be handled at no charge by the Vendor and will be made on a mutually agreeable delivery schedule and frequency.
5. CO2 tanks shall be at no charge to the District and of twenty (20) or fifty (50) pound capacity with capped faucet. Nor should the charge for CO2 be included in the price for carbonated beverages.
6. All beverage contact surfaces, including concentrate area, mixing valves and dispensing nozzles must permit easy and full disassembly for routine cleaning and sanitizing.
7. The District will provide all necessary electrical and plumbing hook-ups as required.
8. Vendor shall comply with all appropriate legislative demands as they may arise.

9. All equipment must be new or newly manufactured by OEM (Original Equipment Manufacturer) and state-of-the-art and remain in that condition throughout the life of the contract. The successful respondent shall recommend and provide equipment upgrades and additional equipment at no cost to the District throughout the life of the agreement.
10. The beverage supplier will be required to provide its complete line of carbonated and non-carbonated beverage products including but not limited to soda, fruit juice, punch, tea and isotonic products. It will be decided upon which products are to be dispensed by supplier and the District designee.
11. When the supplier enters new beverage categories (i.e., canned energy drinks), produces new beverage products or makes changes to existing products, the District representative and the supplier will decide whether those beverage products will be sold on campus during the term of the agreement.
12. The vendor shall always, at its expense, maintain the fountain equipment, including all pumps, regulators, CO2 attachments, ice bins, ice makers, water and syrup lines and special attachments, in proper working order and promptly make all necessary repairs and replacements of parts.

6.0 ADDITIONAL ENHANCEMENTS

1. The Vendor shall provide machines that are able to accept coin and dollar bills.
2. The Vendor shall provide machines enabled with a debit/credit card reader in desired areas where applicable and ensure transactions are protected according to card industry standards.
3. The Vendor shall provide an identification number and decal on each machine providing the telephone number for emergency service and customer refund information.

7.0 PERSONNEL

1. Vendor shall not discriminate against any person in the provision of services, or employment of persons on the basis of ethnic group identification, national origin, religion, age, sex or gender, race, color, ancestry, sexual orientation, physical or mental disability, or any characteristic listed or defined in Section 11135 of the Government Code or any characteristic that is contained in the prohibition of hate crimes set forth in subdivision (1) of Section 422.6 of the California Penal Code, or any other status protected by law. Vendor understands that harassment of any student or employee of West Hills Community College District with regard to ethnic group identification, national origin, religion, age, sex or gender, race, color, ancestry, sexual orientation, physical or mental disability, or any characteristic listed or defined in Section 11135 of the Government Code or any characteristic that is contained in the prohibition of hate crimes set forth in subdivision (1) of Section 422.6 of the California Penal Code, or any other status protected by law is strictly prohibited.
2. Vendor agrees that their lead vending employee and relief employee will have pagers, cell phones, radios or other communication devices and have authorization and access to resolve most vending out-of-stock, malfunction, or similar issues.

3. It is expected that vendor will provide emergency repair/service personnel who will respond to service request(s) within 24 hours.
4. The District agrees to arrange with each college the appropriate access guidelines that the vendor will be obligated to follow. Vendor agrees to comply with all posted campus speed, traffic, and parking requirements and to be responsible for the proper use of all issued gate openers and access keys.
5. It is desired that employee uniforms be provided by the Vendor that easily and appropriately identifies the contractor and employees.
6. Vendor's personnel shall observe all campus regulations for driving, parking, and work behavior while on campus.
7. The Vendor is an independent contractor and not any employee of the district. The vendor is solely responsible for the actions and behaviors of its employees.
8. Vendor shall comply with all government regulations related to the employment, compensation, and payment of personnel.
9. Vendor shall furnish the necessary number of employees to provide daily service to the District's two colleges and multiple satellite sites in accordance with the District's academic calendar.

8.0 UTILITIES

1. The District agrees to arrange with the colleges and satellite sites to provide all necessary utilities at no cost to the Vendor. It is understood that district approvals are required for all installations.
2. The District will make every reasonable effort to inform Vendor of scheduled utility shutdowns, unexpected utility failures or vandalism but will not be liable for loss of product or equipment.
3. Vendor agrees to supply, install, and maintain utility cords, tubing, etc., to comply with all applicable health, safety and building code requirement(s).
4. In addition to the requirements set forth in Section 9, Vendor agrees to comply with all applicable District policies, regulations, or directives.

9.0 TAXES, PERMITS, LICENSES, AND FEES

1. Vendor agrees to assume complete liability for all taxes, permits, licenses and fees applicable to its property, income and business arising out of or in connection with the performance of the agreement.
2. Vendor shall obtain all necessary permits and licenses for the installation and operation of all equipment including the vending machines, retail coolers and fountain equipment in its name and at its expense.
3. Vendor will not be reimbursed by District for any direct or indirect tax imposed on it by reason of this agreement.

10.0 DISTRICT INSURANCE REQUIREMENTS

It is required that every SERVICE PROVIDER working for the Rancho Santiago Community College DISTRICT meet the following insurance requirements. The SERVICE PROVIDER will

be required to file with the DISTRICT certificates of such insurance and endorsements. Failure to furnish such evidence will be considered default of the SERVICE PROVIDER.

The Rancho Santiago Community College DISTRICT shall be named as an *additional insured* on the Commercial General Liability and Comprehensive Automobile Liability policies, documented by a written endorsement, and the policy must carry a 30-day cancellation clause.

Prior to commencing work, and continuing during the life of the Contract, SERVICE PROVIDER shall take out, and require all subcontractors, if any, to take out and maintain:

a. Commercial General Liability

Each SERVICE PROVIDER shall supply a Certificate of Insurance showing evidence of Commercial General Liability coverage with a limit of at least \$2,000,000 combined single limit per occurrence. The insurance shall be primary and non-contributory.

b. Workers' Compensation and Employers Liability

Each SERVICE PROVIDER shall supply a Certificate of Insurance showing Workers' Compensation and Employers Liability. The Employers Liability limits shall be at least \$1,000,000 each item. The SERVICE PROVIDER shall provide a waiver of subrogation.

c. Automotive Liability

Each SERVICE PROVIDER shall supply a Certificate of Insurance showing Commercial Automobile liability coverage in an amount no less than \$2,000,000 combined single limit for all owned, non-owned and hired vehicles. Commercial bus vendors must show evidence of limits of at least \$5,000,000.

d. Additional Requirements

The insurers for all coverage lines shall have a minimum A.M. Best's rating of A, VII and be either admitted carriers or insurers authorized to transact business in the state of California and listed on the California Department of Insurance website. Policies from surplus line carriers will not be accepted unless approved in writing by the DISTRICT prior to the deadline for the submission of Proposals; otherwise, the SERVICE PROVIDER shall provide insurance from carriers and insurers meeting the requirements above. Failure to provide the required insurance documents shall render the SERVICE PROVIDER'S Proposal non-responsive. Providing excess or umbrella coverage to meet the minimum insurance limits required above will not be allowed or accepted by the DISTRICT.

10.1 INSURANCE AND WORKERS' COMPENSATION

The successful SERVICE PROVIDER shall be required to furnish certificates and endorsements evidencing that the required insurance is in effect. DISTRICT may request that such certificates and endorsements are completed on DISTRICT provided forms. In accordance with the provisions of Section 3700 of the Labor Code, the successful SERVICE PROVIDER shall secure the payment of compensation to all employees. The successful SERVICE PROVIDER who has been awarded the Contract shall sign and file with DISTRICT prior to performing the work, the Workers' Compensation Certificate included as a part of the RFP Documents. Labor Code Section 1861.

10.2 HOLD HARMLESS AND INDEMNIFICATION

The successful SERVICE PROVIDER awarded the Contract agrees to defend, indemnify, and hold harmless the DISTRICT as set forth in the Agreement (Exhibit "F").

11.0 REFUNDS

1. Vendor shall provide an acceptable customer refund policy, procedure and execution plan for vending machines.
2. Vendor will process refunds within seven (7) working days of the occurrence.
3. For the purpose of tracking commissions, refunds and vending machine failures, the vendor will develop policy, procedures and execution plan that will identify the performance of machines, type of machines, and location.

12.0 MISCELLANEOUS PROVISIONS

1. Vendor agrees that the District has the right to inspect, audit vendor's accounting records, machine meters, and related documentation to verify sales and commissions in a reasonable and timely manner and will accommodate the District upon request.
2. All wrappings, boxes, etc., which are necessary to stock products into the equipment and machines, shall be removed by the Vendor from the college property by Vendor and not deposited into any District trash.
3. Vendor will maintain a record of cleaning and sanitizing each machine and records shall be maintained for at least the past sixty (60) days. Copies of such records shall be made available to the District upon request.
4. Each vending machine shall have a sticker on it informing the customer who to call if they have problems with lost coins, damaged product, etc. The District's assigned representative shall notify the vendor of the exact problem.

13.0 EXCLUSIVITY

Successful respondent shall have the exclusive right to provide beverages for sale at all District campuses and satellite sites. The District and the successful respondent shall mutually agree on the exclusive beverage(s) sold at all locations throughout the District.

A. Definitions:

"Beverage" or "Beverages" means non-alcoholic, including cold or frozen, carbonated or non-carbonated or naturally flavored drinks except coffees and teas freshly brewed, milk, frozen smoothies, either fruit based, or ice cream/yogurt based, tap water, hot cocoa and hot or cold water-based coffee like drinks (i.e., a powder mixed with water to create a coffee like drink dispensed from a machine).

B. Permitted Exceptions:

1. "Beverage" or "Beverages" shall not include milk, flavored milk, freshly brewed coffee, freshly brewed tea, frozen smoothies, hot chocolate or powdered drink mix and water to create a coffee like drink from a dispenser.
2. Water drawn from the public water supply and bulk water coolers located in any offices.
3. Beverages which are part of a proprietary or self-branded food concept which offers specialized beverages, such as Starbucks. This includes brewed coffees, Frappuccino's, espresso-based drinks, their proprietary bottled lines or made to order lines, hot teas and cold tea-based drinks.

4. Student groups shall have the option during times of fund-raising activities to sell generic branded bottled or canned products.

14.0 SERVICE LEVEL AGREEMENT

Successful respondent shall define their commitment to quality service throughout the duration of the contract. This includes pricing, service, and contributions to the colleges, delivery schedules and resolution when failed to deliver product as ordered.

Service:

Rancho Santiago Community College District is committed to exemplary service. Respondent should describe the service and quality control procedures proposed for this beverage program as a minimum the respondent will:

1. Provide on call maintenance and repair service for its equipment within 24 hours of a service call being placed at no charge to the District.
2. Vendor will maintain a program of regular preventive maintenance and replacement of worn, damaged or malfunctioning equipment. Contractor will make regular routine inspection of the equipment locations to check consistency of beverages and adjust as necessary. Syrup lines should be cleaned and flushed on a regular basis.
3. Vendor shall maintain account regarding correct pricing, beverages and paper supplies being available to the account. A quarterly review meeting between Vendor and District designated representative to discuss marketing, new promotions and general account review is desired.
4. The Vendor and District designee will work together to develop delivery schedules and times that are mutually acceptable to fulfill the beverage demands of the colleges. This is to include vended product, syrup, bottled product and all related paper items. No less than once a week delivery's will be accepted.
5. Equipment that cannot be returned to full service within two (2) working days of notification shall be replaced with equipment similar in design and quality. Response time shall not exceed four (4) hours.

Pricing:

The proposal must identify a pricing structure for all beverages that are to be sold or vended by the District. The proposal should include specific pricing on all products that will be sold to the District along with volume incentives.

1. Pricing commitments must be guaranteed for a minimum of two (2) years. This includes the cost of syrup, bottled product and related cups, lids and straws. After the second-year price will be limited to an equivalent percentage price increase or reduction that is consistent with those applied to other customers of comparable size and nature.
2. The proposal should identify the proposed commission rates by selling price for sale of vended beverages for each product category, size and package sold. Commission must be stated as a percentage of gross sales without deduction of any costs incurred by the Beverage Supplier including, but not limited to taxes, repairs and service.

Marketing:

The District recognizes the importance of timely and effective marketing to promote the sale of beverages on campus. Therefore, the District requires the successful bidder to provide the following:

1. A comprehensive yearly marketing plan for each year of the contract to be used for Auxiliary Services. The plan should include suggested and example strategies for the development and implementation of these marketing initiatives. The respondent should show its commitment to the partnership both directly and indirectly in the form of financial support, promotional items and free products.
2. Any marketing funds not used during each year will be made available to the District by submitting an invoice to the beverage supplier payable within sixty (60) days of invoice submittal.

Contributions to the District:

The District's desire from the awarded beverage company is to develop a mutually beneficial long-term working relationship that will enhance the continued development of the District. The awarded beverage supplier will be offered opportunities to partner in ways that will include but are not limited to:

1. Scholarship gifts through the Santa Ana College and Santiago Canyon College Foundations, offering additional recognition opportunities.
2. Special sponsorship and support for athletic events and/or campus projects.

Resolutions:

The District understands that there are times when product including syrup, bottled beverages and paper products are not available from the supplier. It is to be understood that in the event the District needs to purchase the above-mentioned products from outside sources to accommodate and provide services to the campus, that the beverage supplier will reimburse the District for the difference in price and not hold the District for any contract violation, especially if a competitive product is purchased.

1. Beverage supplier will always have first right to service and be given the chance for out of stocks within twenty-four hours (24) to provide product/supplies to the District.
2. Beverage Representative will be in contact with the District designee for resolution process.

Commissions and Rebates:

Notwithstanding the exclusivity for advertising, merchandising, promotional rights and other related rights and benefits from being the exclusive beverage provider to the District, the District will entertain the following provided by the Vendor:

1. An annual sponsorship fee based on total beverage purchasing that is derived from syrup, bottles and cans throughout all retail, food service, and vending.
2. An annual rebate on beverage purchasing made through campus retail, and food service.
3. Monthly commissions on cash collected from all gross sales (less sales tax) through vending machines and retail locations.
4. Vendor provided annual product donations.
5. Vendor provided marketing support.

6. Support to the Athletic Department in the form of Sideline Kits.
7. Signing bonuses.

15.0 TENTATIVE SCHEDULE FOR PROPOSAL EVALUATION

Proposal Schedule (subject to change)

RFP Advertisement	May 10 & May 17, 2023
Proposal Release Date	May 10, 2023
Last Day to Submit Questions	May 22, 2023, at 2:00 p.m.
Last Day for Issuance of Addenda	May 23, 2023
Proposals Due	June 9, 2023, at 2:00 p.m.
Review of proposals/negotiation	June 12-15, 2023
Award of Contract (Tentative)	June 26, 2023
Transition period, installation of machines	July 1-15, 2023

16.0 PROPOSAL SUBMITTAL

Presentation of Proposals

All information requested should be submitted. Failure to submit all the information requested may result in a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected. Failure to follow the instructions herein will be considered a reflection of the respondent’s ability to fulfil the requirements of the contract. Any supplemental information the respondent wishes to include to enhance its response may be attached to the submission.

Proposals should be presented in a neat, business-like manner. Disorderly submittals, or those that are illegible or otherwise unreadable, will receive a lower evaluation or be subject to rejection. Disorganized or unreadable submissions will be considered a reflection of the respondent’s ability to fulfil the requirements of the contract.

All costs incurred by the respondent in the preparation and delivery of the proposal or subsequent requests for information are those of the respondent and will not be reimbursed by the District.

Acknowledgment of Proposal Addenda:

In submitting this Proposal, the Bidder acknowledges receipt of all Proposal Addenda issued by or on behalf of the DISTRICT. The Bidder confirms that this Proposal incorporates and is inclusive of, all items or other matters contained in Proposal Addenda.

Documents Accompanying Proposal:

The Bidder has submitted with this Proposal the following:

- (a) Non-Collusion Affidavit
- (b) Proposal Forms
- (c) Proposal Signature Form
- (d) Hold Harmless Agreement
- (e) Certificate Regarding Worker's Compensation
- (f) Certificate Regarding Drug-Free Workplace
- (g) Certificate Regarding Alcoholic Beverage and Tobacco-Free Campus Policy

The Bidder acknowledges that if this Proposal and the foregoing documents are not fully in compliance with applicable requirements set forth in the Notice Calling for Proposals, the Instructions for Bidders and in each of the foregoing documents, the Proposal maybe rejected as non-responsive. Proposals must be submitted on the DISTRICT Proposal Forms and Proposal Signature Form along with any other required submittals that meet both format and content requirements listed herein.

Request for Information (RFI):

Firms must carefully read the entire RFP prior to submitting questions. All questions must be submitted in writing via email.

The deadline to submit questions for this RFP is **May 22, 2023, by 2:00 P.M.**

Questions received after the deadline may be answered at the discretion of the District. Responses to all questions received by the deadline will be provided to all potential Proposers via Addenda.

Submit questions to:

Linda Melendez
Director, Purchasing Services
Melendez_linda@rscgd.edu

Changes to the Proposal:

Vendors should verify their proposals prior to submission to the District. No proposal can be corrected, altered, or signed after opening. The District will not be responsible for errors or omissions on the part of the vendor in making up its proposal. Once a proposal has been opened, it is subject to acceptance by the District as submitted. No verbal changes to a proposal will be accepted. If the proposer must take exception to any portion of this proposal or has suggestions on how to better serve the District, please provide your suggestions and exceptions to an Addendum to this RFP.

Withdrawal of Proposals:

Any responder may withdraw its proposal either by written or telegraphic request delivered to the District prior to the scheduled closing time for receipt of proposals. In the event a responder submitting a proposal shall seek to withdraw its proposal, it shall be the sole and exclusive responsibility of the responder to notify the District of such withdrawal prior to the proposal closing date/time. Any written or telegraphic notice of withdrawal of a submitted proposal

received after the scheduled closing time for receipt of proposals shall not be considered by the District or effective to withdraw such proposal.

Interpretation of Proposal Documents:

If any responder is in doubt as to the true meaning of any part of the specifications or other portions of the proposal documents; finds discrepancies, errors, or omissions therein; or finds variances in any of the Proposal documents with applicable rules, regulations, ordinances and/or laws, a written request for an interpretation or correction thereof may be submitted to the District. It is the sole responsibility of the Vendor to assure delivery of written questions or inquiries. Written questions or inquiries should be emailed to the District's Purchasing Department to the attention of Linda Melendez, Director, Purchasing Services at: Melendez_linda@rscgd.edu. The person submitting the request will be responsible for its prompt delivery within the time limit written above. Failure to request interpretation or clarification of the specifications or other portions of the Proposal documents shall be deemed a waiver to any discrepancy, defect, or conflict therein.

Any interpretation or correction of the contract documents shall be made only by written addendum duly issued by the District. All addenda will be posted on the District's Purchasing website at: <https://www.rscgd.edu/Departments/Purchasing/Pages/Bidding-Opportunities.aspx>. No person is authorized to render an oral interpretation or correction of any portion of the contract documents to any responder, and no responder is authorized to rely on any such oral interpretation or correction.

District's Right to Modify Proposal Documents:

Prior to the opening and reading of proposals, the District expressly reserves the right to modify the work, the Proposal documents, or any portion(s) thereof by the issuance of written addenda. In the event the District shall modify any portion of the Proposal documents pursuant to the foregoing, the proposal submitted by any responder shall be deemed to include all modifications reflected in any addenda issued.

Indemnification/Limitation of Liability:

The Vendor shall indemnify, hold harmless, and defend the District, its Board of Trustees, officers, employees, agents, and representatives from and against all claims, liability, loss, cost, and obligations on account of, or arising from, the acts or omissions of the Vendor, or of persons acting on behalf of the Vendor, however caused, in the performance of the services specified herein. Vendor hereby waives and releases the District from any claims Vendor may have at any time arising out of or relating in any way to this agreement, whether caused by the negligence or breach of the District, its employees, or agents, except to the extent caused by the District's willful misconduct. Notwithstanding the foregoing, the parties agree that in no event shall the District be liable for any loss of Vendor's business, revenues or profits, or special, consequential, incidental, indirect or punitive damages of any nature, even if the District has been advised in advance of the possibility of such damages. This shall constitute the District's sole liability to Vendor and Vendor's exclusive remedies against the District.

Brand Names:

Any reference to brand name in the RFP is intended to be descriptive but not restrictive unless otherwise specified. Proposals offering equivalent items that meet or exceed the standards of

quality specified will be considered. All substitutions or equal products are to be clearly indicated and specified by the brand name. The District reserves the right to determine whether a substitute offer is equivalent to and meets the standards of quality indicated by the brand name references. The District may require additional descriptive material and a sample.

Product and Evaluation:

If requested, the vendor shall submit, at no charge to The District, one sample for each item requested for evaluation. Samples shall be submitted, properly labeled and with the vendor's name, to the office listed in section 2 of this RFP. Each item offered shall be subject to an evaluation process conducted by a representative group within the District. The decision of the District regarding each or any item shall be final.

Proposal Validity:

No bidder may withdraw any proposal for a period of ninety (90) calendar days after the date set for the opening of proposals. All withdrawals must be in writing.

Competency of Bidder:

In selecting the responsible Bidder, consideration will be given not only to the financial standing but also to the general competency of the Bidder for the performance of the work covered by the proposal. By submitting a proposal, each Bidder agrees that the District, in determining the successful Bidder and its eligibility for the award, may consider the Bidder's experience and facilities, conduct and performance under other contracts, financial condition, reputation in the industry, and other factors, which could affect the Bidder's performance of the work.

Public Information:

All information contained in proposals submitted in response to this solicitation are public records subject to the California Public Records Act (Government Code Section 6250 et seq.) Bidders are advised to consult with their legal counsel regarding disclosure issues and take appropriate precautions to safeguard trade secrets and confidential commercial, financial, geological, and geophysical data. The District will not consider the Contractor's submitted prices as confidential or proprietary material. The District assumes no obligation or responsibility for asserting legal arguments on behalf of Contractors.

Proposal Costs:

The District will not pay the Bidder or agents for any costs incurred by the Bidder in the preparation, presentation, demonstration or negotiation of this proposal.

Examination of Equipment, Facilities and Contract Documents:

At its own expense and prior to submitting its Proposal, each Bidder shall examine the Contract Documents, familiarize itself with all Federal, State and local laws, ordinances, rules, regulations and codes affecting the performance of the Proposal, and determine the character, qualities and quantities specified. The submission of a Proposal shall be incontrovertible evidence that the Bidder has complied with all the requirements of this provision of the Information for Bidders.

Non-Assignability:

This Agreement is not assignable by the parties hereto without the express advance written consent of the other party. If assigned, this contract shall inure to the benefit of, and be binding upon, the heirs, legal representatives, successors and assigns of each party hereto.

Governing Law:

This agreement shall be deemed to have been executed and delivered within the State of California, and the rights and obligations of the parties hereunder, and any action arising from or relating to this agreement, shall be construed and enforced in accordance with, and governed by, the laws of the State of California or United States law, without giving effect to conflict of laws principles. Any action or proceeding arising out of or relating to this agreement shall be brought in the county of Fresno, State of California, and each party hereto irrevocably consents to such jurisdiction and venue and waives any claim of inconvenient forum.

No Third-Party Beneficiaries:

Nothing in this Agreement shall be construed to create any duty, standard of care, or liability to anyone other than the Parties to this Agreement. No one is an intended third-party beneficiary of this Agreement.

Attorneys' Fees and Costs:

If either party shall bring any action or proceeding against the other party arising from or relating to this agreement, each party shall bear its own attorneys' fees and costs, regardless of which party prevails.

CANRA:

In accordance with the Child Abuse and Neglect Reporting Act (CANRA) and California Penal Code 11166, the parties shall ensure that all employees, volunteers, consultants, sub vendors or agents performing services under this Agreement will report any known or suspected child abuse or neglect to a child protective agency, by telephone and within 36 hours of the suspected abuse or neglect.

Equal Opportunity Employer:

Vendor, in the execution of this agreement, certifies that it is an equal employment opportunity employer.

**Rancho Santiago Community College District
RFP #1440 – District Beverage Services**

Current Beverage Vending Machines

Location/Building	Quantity of Units
Santa Ana College, Science Center, 2 nd and 3 rd floor interior	2
Santa Ana College, Johnson Student Center, east side exterior	1
Santa Ana College, D Building exterior, north facing	1
Santa Ana College, A Building exterior, west side overhang	2
Santa Ana College, C Building, exterior, south facing canopy	2
Centennial Education Center, Quad	3
Orange County Sheriff's Regional Training Academy	2
District Operations Center, 1 st floor staff lounge	1
Santiago Canyon College, T Building	1
Santiago Canyon College, A Building	1
Santiago Canyon College, B Building	2
Santiago Canyon College, C Building	1
Santiago Canyon College, D Building	2
Santiago Canyon College, E Building	2
Santiago Canyon College, SC Building	1
Santiago Canyon College, H Building	1
Santiago Canyon College, U Building	1

**Rancho Santiago Community College District
RFP #1440 – District Beverage Services**

Historical Product Sales

Location	2018	2019	2020*	2021*	2022
Hawk Bookstore - Retail	1884	1621	282	128	656
Santa Ana College Campus Store - Retail	4671	4823	750	946	3382
SAC Café Retail	0	0	0	68	28
Santa Ana College Don Express - Retail	4132	4339	783	0	93
The Drip Coffee/Perch Café - Retail	0	831	262	309	691
Centennial Education Center - Vending	304	270	52	24	126
OC Regional Training Center - Vending	15	10	6	8	0
District Operations - Vending	30	24	9	6	5
Batavia Site - Vending	0	0	0	1	12
Santa Ana College - Vending	891	606	82	140	202
Santiago Canyon College - Vending	661	734	160	144	347
The Perch Café - Food Service Post Mix	54	138	34	26	31
The SAC Café - Food Service Post Mix	0	0	0	30	30

*Numbers are reflective of the move from in-person instruction to remote instruction due to the pandemic.

EXHIBIT "A"

NON-COLLUSION DECLARATION

[TO BE SUBMITTED WITH RFP RESPONSE]

The undersigned declares:

I am the _____ [title] of _____ [name of company],
the party making the foregoing Proposal.

The Proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The Proposal is genuine and not collusive or sham. The Proposer has not directly or indirectly induced or solicited any other Proposer to put in a false or sham Proposal. The Proposer has not directly or indirectly colluded, conspired, connived, or agreed with any Proposer or anyone else to put in a sham Proposal, or to refrain from submitting a Proposal. The Proposer has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Proposal price of the Proposer or any other Proposer, or to fix any overhead, profit, or cost element of the Proposal price, or of that of any other Proposer. All statements contained in the Proposal are true. The Proposer has not, directly or indirectly, submitted his or her Proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham Proposal, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a Proposer that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the Proposer.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration is executed on _____ [date], at _____ [city], _____ [state].

Signature

Print Name

EXHIBIT “B”

AGREEMENT

SUBMIT SAMPLE PROPOSED AGREEMENT

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, said parties have executed this AGREEMENT as of the date and year first above written.

ENTERED INTO THIS AGREEMENT:

SERVICE PROVIDER

By: _____
Signature

Printed Name

Printed Title

DISTRICT

Rancho Santiago Community College District

By: _____
Iris I. Ingram
Vice Chancellor, Business Services

Date: _____

EXHIBIT “C”

DRUG-FREE WORKPLACE CERTIFICATION

This Drug-Free Workplace Certification is required pursuant to Government Code Sections 8350, et seq., the Drug-Free Workplace Act of 1990. The Drug-Free Workplace Act of 1990 requires that every person or organization awarded a contract for the procurement of any property or services from any State agency must certify that it will provide a drug-free workplace by doing certain specified acts. In addition, the Act provides that each contract awarded by a State agency may be subject to suspension of payments or termination of the contract, and the Service Provider may be subject to debarment from future contracting, if the state agency determines that specified acts have occurred.

Pursuant to Government Code Section 8355, every person or organization awarded a contract from a State agency shall certify that it will provide a drug-free workplace by doing all of the following:

a) publishing a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the person’s or organization’s workplace and specifying actions which will be taken against employees for violations of the prohibition;

b) establishing a drug-free awareness program to inform employees about all of the following:

- 1) the dangers of drug abuse in the workplace;
- 2) the person’s or organization’s policy of maintaining a drug-free workplace;
- 3) the availability of drug counseling, rehabilitation and employee-assistance programs;
- 4) the penalties that may be imposed upon employees for drug abuse violations;

c) requiring that each employee engaged in the performance of the contract be given a copy of the statement required by subdivision (a) and that, as a condition of employment on the contract, the employee agrees to abide by the terms of the statement.

I, the undersigned, agree to fulfill the terms and requirements of Government Code Section 8355 listed above and will publish a statement notifying employees concerning (a) the prohibition of controlled substance at the workplace, (b) establishing a drug-free awareness program, and (c) requiring that each employee engaged in the performance of the contract be given a copy of the statement required by Section 8355(a) and requiring that the employee agree to abide by the terms of that statement.

I also understand that if the DISTRICT determines that I have either (a) made a false certification herein, or (b) violated this certification by failing to carry out the requirements of Section 8355, that the contract awarded herein is subject to suspension of payments, termination, or both. I further understand that, should I violate the terms of the Drug-Free Workplace Act of 1990, I may be subject to debarment in accordance with the requirements of Section 8350, et seq.

I acknowledge that I am aware of the provisions of Government Code Section 8350, et seq. and hereby certify that I will adhere to the requirements of the Drug-Free Workplace Act of 1990.

NAME OF SERVICE PROVIDER

Signature

Print Name

Title

Date

EXHIBIT "D"

WORKERS' COMPENSATION CERTIFICATE

Labor Code Section 3700.

“Every employer except the state shall secure the payment of compensation in one or more of the following ways:

(a) By being insured against liability to pay compensation in one or more insurers duly authorized to write compensation insurance in this state.

(b) By securing from the Director of Industrial Relations a certificate of consent to self-insure either as an individual employer or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

(c) For any county, city, city and county, municipal corporation, public DISTRICT, public agency or any political subdivision of the state, including each member of a pooling arrangement under a joint exercise of powers agreement (but not the state itself), by securing from the Director of Industrial Relations a certificate of consent to self-insure against workers' compensation claims, which certificate may be given upon furnishing proof satisfactory to the director of ability to administer workers' compensation claims properly, and to pay workers' compensation claims that may become due to its employees. On or before March 31, 1979, a political subdivision of the state which, on December 31, 1978, was uninsured for its liability to pay compensation, shall file a properly completed and executed application for a certificate of consent to self-insure against workers' compensation claims. The certificate shall be issued and be subject to the provisions of Section 3702.”

I am aware of the provisions of Labor Code Section 3700 which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of the Contract.

Name of the Service Provider

By: _____
Signature

Print Name

Title

Date

(In accordance with Article 5 [commencing at Section 1860], Chapter 1, Part 7, Division 2 of the Labor Code, the above certificate must be signed and filed with the awarding body prior to performing any work under the Contract.)

EXHIBIT “E”

BUSINESS ENTERPRISES

Rancho Santiago Community College DISTRICT has always been committed to providing an equal opportunity for all business enterprises to participate in its purchasing and contracting activities. To assist us in measuring our compliance with this commitment, we are asking all Proposers to provide us with additional information.

Using the criteria printed on the following pages, please check all spaces that apply to your business enterprise. All links and information on the following pages are subject to change and updates, so the Proposer is required to review all updated information and requirements.

Small Business Enterprise (SBE) _____ Women Owned Business Enterprise (WBE) _____
Minority Owned Business Enterprise (MBE) _____ Disabled Veteran Business Enterprise (DVB) _____
Disadvantaged Business Enterprise (DBE) _____

Proposers are required to provide a copy of its certification with its Proposal.

The undersigned on behalf of the Proposer named below, certifies under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Company Name _____

Name _____ Signature _____

Title _____ Date _____

Minority Business Enterprise (MBE) Certification

A Minority Business Enterprise is a for-profit enterprise, regardless of size, physically located in the U. S. or its trust territories, which is 51% owned, managed, operated and controlled by an ethnic minority or a group of ethnic minorities on a day-to-day basis.

An ethnic minority is an individual whose origin or heritage is of or from:

- Any of the Black racial groups of Sub-Sahara Africa (African-Americans)
- Any of the Spanish speaking countries of Latin America, Mexico, Central America, South America, the Caribbean and Brazil (Afro-Brazilian and Brazilian Indians only) (Hispanic-Americans)
- American Indian, Eskimo, Aleut or Native Hawaiian (Native Americans). Native Americans must be documented members of a North American tribe, band or organized group of native people indigenous to the continental U.S.
- Bangladesh, Cambodia, China, Guam, India, Indonesia, Japan, Korea, Laos, Malaysia, Pakistan, the Philippines, Samoa, Thailand, Sri Lanka, Taiwan, the U.S. Trust Territories of the Pacific or the Northern Marianas and Vietnam. (Asian Americans, Pacific Islanders, Asian Indian Americans).

Information on MBE certification may be obtained from: Southern California Minority Supplier Development Council (SCMSDC). Visit <http://www.scmsdc.org/>, or call (213) 689 - 8097 or e-mail: info@scmsdc.org.

Woman Business Enterprise (WBE) Certification

Criteria for Certification:

- Applicant company must be at least fifty-one percent (51%) owned and controlled by one or more women who are U.S. citizens or lawful permanent residents, or in the case of any publicly-owned business, at least fifty-one percent (51%) of the equity of which is owned and controlled by one or more women who are U.S. citizens or lawful permanent residents; and
- Whose management and daily operation is controlled by one or more of the women owners.

Information on WBE certification may be obtained from: Women Business Enterprise Council (WBEC) - West. Visit <http://www.wbec-west.com/>, or call (213) 265-5398.

Small Business (SB) Certification

The Department of General Services, Procurement Division's, Office of Small Business and Disabled Veteran Business Enterprise Services (OSDS) is the state's certifying agency that administers the Small Business (SB) Program. Non-profit Veteran Service Agencies receive certification upon application approval. Non-profit organizations will only receive a registration upon application approval.

In order for a small business to be eligible for SB certification, the small business must meet the following requirements:

- Be independently owned and operated;
- Not dominant in field of operation;
- Principal office located in California;
- Owners (officers, if a corporation) domiciled in California; and,
- Including affiliates, be either,
 - A business with 100 or fewer employees; an average annual gross receipts of \$14 million or less, over the last three tax years;
 - A manufacturer* with 100 or fewer employees; or,
 - A microbusiness. A small business will automatically be designated as a microbusiness, if gross annual receipts are less than \$3,500,000; or the small business is a manufacturer with 25 or fewer employees.

- * For Small Business Certification purposes, a manufacturer is a business that is both of the following:
1. Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
 2. Classified between Codes 31 to 339999, inclusive, of the North American Industrial Classification System (NAICS) Manual, published by the United States Census Bureau, 2007 edition.

Information on SB certification can be obtained from: California Department of General Services (DGS). Visit <http://www.dgs.ca.gov/pd/Programs/OSDS/GetCertified.aspx>, or call Office of Small Business and DVBE Services at (916) 375 – 4940, or e-mail OSDSHelp@dgs.ca.gov.

Disabled Veteran Business Enterprises (DVBE) Certification

The Department of General Services, Procurement Division's, Office of Small Business and Disabled Veteran Business Enterprise Services (OSDS) is the state's certifying agency that administers the DVBE Certification Program. Non-profit Veteran Service Agencies receive certification upon application approval. Non-profit organizations will only receive a registration upon application approval.

For DVBE certification purposes, a "disabled veteran" is:

- A veteran of the U.S. military, naval, or air service;
- The veteran must have a service-connected disability of at least 10% or more; and
- The veteran must reside in California.

To be certified as a DVBE, your firm must meet the following requirements:

- Your business must be at least 51% owned by one or more disabled veterans;
- Your daily business operations must be managed and controlled by one or more disabled veterans

NOTE: The disabled veteran who manages and controls the business is not required to be an owner of the applicant business; and

- Your home office must be located in the U.S. (the home office cannot be a branch or subsidiary of a foreign corporation, foreign firm, or other foreign based business).
- All existing and all new DVBE applicants must submit to the Office of Small Business and DVBE Services (OSDS) complete copies of the DVBE's federal income tax returns for the previous three years. DVBEs who have been in business for less than three years shall submit the federal tax returns for each year they've been in business.
- A DVBE applicant that is not a sole proprietorship and rents equipment to the state must provide the federal income tax returns for each of their disabled veteran owners or your firm will be deemed to be an equipment broker.
- DVBE limited liability companies must be wholly owned by one or more disabled veterans.

Information on DVBE certification can be obtained from: California Department of General Services (DGS). Visit <http://www.dgs.ca.gov/pd/Programs/OSDS/GetCertified.aspx>, or call Office of Small Business and DVBE Services at (916) 375 – 4940, or e-mail OSDSHelp@dgs.ca.gov.

Disadvantaged Business Enterprises (DBE) Certification

In order to apply for certification as a Disadvantaged Business Enterprise (DBE), your firm must meet the following eligibility criteria stated in 49 CFR Part 26:

- The disadvantaged individual must be a U.S. citizen (or resident alien) and be a member of a socially and economically disadvantaged group as defined in the Code of Federal Regulation 49 CFR Part 26.67. Presumptive groups include Women, Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian-Americans, or any individual found to be socially and economically disadvantaged on a case-by-case basis.
- The disadvantaged individual applying must have a personal net-worth (PNW) of less than \$1,320,000. Items excluded from personal net worth calculation include an individual's ownership interest in the applicant firm

and his or her equity in their primary. Also, if an individual demonstrates that he/she is able to accumulate substantial wealth, the individual's claim of economic disadvantage may be denied, even though the individual's PNW is less than \$1.32 million.

- Depending on the primary business activity, a firm (including its affiliates) must not have average annual gross receipts over the firm's previous three fiscal years in excess of \$23,980,000 (\$56,420,000 for airport concessionaires in general with some exceptions). Lower size standards may apply depending on business activity determination.
- The firm must be a for-profit small business where socially and economically disadvantaged DBE owner(s) own at least a 51% interest, and have managerial and operational control of the business operations; the firm must not be tied to another firm in such a way as to compromise its independence and control.
- The socially and economically DBE owner(s) must possess the power to direct or cause the direction to the management and policies of the firm and to make day-to-day, as well as long-term decisions on matters of management, policy and operations.
- If state or local law requires the persons to have a particular license or other credential in order to own and/or control a certain type of firm, then the socially and economically disadvantaged persons who own and control a potential DBE firm of that type must possess the required license or credential.

Information on DBE certification can be obtained from: California Department of Transportation (Caltrans) Office of Business & Economic Opportunity Certification Unit. Visit http://www.dot.ca.gov/hq/bep/business_forms.htm, or download the brochure at: http://www.dot.ca.gov/hq/bep/documents/dbe_brochure.pdf, or call (916) 324-1700, or e-mail dbe.certification@dot.ca.gov.