ADDENDUM NO. 2
Date: March 2, 2012
For

BID No. 2003

Requests for Proposals
Food Services and Coffee Cart Services for Saddleback College
Package A: Food Services, Base Bid 1 & 2
Package B: Satellite Coffee Cart Services
28000 Marguerite Parkway, Mission Viejo, CA 92692

General—All project documents including contract documents, drawings, and specifications, shall remain unchanged with the exception of those elements added, revised, deleted, or clarified by this addendum.

CONTENTS
ADDENDUM ITEMS

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ITEMS:

1-1 Answers to Questions submitted by Bidders
Attachment “A” Vending Machines List at Saddleback College
Attachment “B” Drawing of the Vending Machine Location at Library Bldg.
Attachment “C” Copy of Pepsi Agreement
Attachment “D” Copy of Satellite Coffee Cart Services Agreement for Saddleback College
1. When the new Library Building reopens, how much wall space will be available for vending machines? How many separate 20 amp electrical outlets, and if there will be a water line for a hot beverage machine?

See Attachment “B” which shows space for 8 vending machines. Sufficient power for 8 vending machines and a water line connection will be provided.

2. Can you provide a price list of Pepsi’s products?

See attached copy of the Pepsi agreement for the complete price list of Pepsi products. (see Attachment “C”)

3. The number, location, and type (Hot Beverage, Snack, etc.) of non-cold beverage vending machines provided?

Attachment “A” provides a list of Vending Machines at Saddleback College.

4. What are the annual sales of just the food vending machines?

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-2008</td>
<td>$47,072.48</td>
</tr>
<tr>
<td>2008-2009</td>
<td>$81,088.50</td>
</tr>
<tr>
<td>2009-2010</td>
<td>$73,238.35</td>
</tr>
<tr>
<td>2010-2011</td>
<td>$59,462.10</td>
</tr>
</tbody>
</table>

5. Are the commissions from Cafeteria and Coffee Carts collected 12 times/year or 10 times/year?

Commissions are collected 12 times/year.

6. Has it been confirmed that a second cart will be required when the Library is completed?

Yes, there will be a designated Library coffee cart area, the Village coffee cart area and near BGS coffee cart area.

7. Will the Food Trucks be allowed on campus on a regular basis?

Saddleback College wishes to continue the services of the Food Trucks but Saddleback College is under no obligation to continue the use of the Food Trucks. This may be an item of negotiation in the vendor’s proposal.
# Vending Machines at Saddleback College

<table>
<thead>
<tr>
<th>Area</th>
<th>Type</th>
<th>Serial No.</th>
<th>Unit</th>
<th>Barcode</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bookstore</strong></td>
<td>Aquafina</td>
<td>126678</td>
<td>V630</td>
<td>5399600</td>
</tr>
<tr>
<td></td>
<td>Pepsi</td>
<td>145175</td>
<td>V821</td>
<td>5392825</td>
</tr>
<tr>
<td></td>
<td>Snacks</td>
<td>DJN0057SK</td>
<td>VSR-411</td>
<td></td>
</tr>
<tr>
<td><strong>SSC</strong></td>
<td>Pepsi</td>
<td>124367</td>
<td>V630</td>
<td>2598283</td>
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<tr>
<td></td>
<td>Aquafina</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Snacks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>BGS</strong></td>
<td>Snacks</td>
<td>4646</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pepsi #14</td>
<td>939664</td>
<td>V630</td>
<td>7718636</td>
</tr>
<tr>
<td></td>
<td>Pepsi #13</td>
<td>145170</td>
<td>V821</td>
<td>5391673</td>
</tr>
<tr>
<td></td>
<td>Aquafina</td>
<td>125789</td>
<td>V630</td>
<td>2597628</td>
</tr>
<tr>
<td></td>
<td>Aquafina: coffee, energy drinks, gatorade</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>BGS (by parking lot)</strong></td>
<td>Pepsi #8</td>
<td>1214524</td>
<td>V821</td>
<td>7705118</td>
</tr>
<tr>
<td></td>
<td>Aquafina #9</td>
<td>126353</td>
<td>V630</td>
<td>5399955</td>
</tr>
<tr>
<td></td>
<td>Snacks</td>
<td>DJN0076SK</td>
<td>VSR-411</td>
<td></td>
</tr>
<tr>
<td><strong>SM (3rd floor)</strong></td>
<td>Pepsi #16</td>
<td>181278</td>
<td>V821</td>
<td>5389262</td>
</tr>
<tr>
<td></td>
<td>Aquafina #15</td>
<td>100345</td>
<td>V630</td>
<td>5399616</td>
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<tr>
<td></td>
<td>Pepsi #18</td>
<td>164790</td>
<td>V821</td>
<td>5389075</td>
</tr>
<tr>
<td><strong>SM (2nd floor)</strong></td>
<td>Aquafina: SoBe &amp; Rockstar</td>
<td>164776</td>
<td>V721</td>
<td>2811614</td>
</tr>
<tr>
<td></td>
<td>Pepsi #18</td>
<td>164790</td>
<td>V821</td>
<td>5389075</td>
</tr>
<tr>
<td><strong>Pool</strong></td>
<td>Aquafina #21</td>
<td>1217636</td>
<td>V821</td>
<td>5399934</td>
</tr>
<tr>
<td>Location</td>
<td>Items</td>
<td>Code</td>
<td>Vending Machine</td>
<td>Phone</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>----------------</td>
<td>--------</td>
<td>-----------------</td>
<td>--------</td>
</tr>
<tr>
<td>Pepsi</td>
<td></td>
<td>1368718</td>
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<td>Snacks</td>
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<tr>
<td>P.E.</td>
<td>Aquafina #24</td>
<td>177824</td>
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<tr>
<td>Football field bathrooms</td>
<td>Aquafina #23</td>
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<tr>
<td>Snacks</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Fitness Center</td>
<td>Aquafina #30</td>
<td>129120</td>
<td>V540</td>
<td>5396039</td>
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<td>Village “quad”</td>
<td>Snacks</td>
<td>DJN0066SK</td>
<td>VSR-411</td>
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</tr>
<tr>
<td>Village (26)</td>
<td>Aquafina #36</td>
<td>889044</td>
<td>V540</td>
<td>5398272</td>
</tr>
<tr>
<td></td>
<td>Aquafina #32</td>
<td>989942</td>
<td>V540</td>
<td>5396088</td>
</tr>
<tr>
<td></td>
<td>Pepsi #33</td>
<td>040112</td>
<td>V721</td>
<td>5390397</td>
</tr>
<tr>
<td>Coffee</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Snacks</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Aquafina #34</td>
<td>1204700</td>
<td>V821</td>
<td>5399664</td>
</tr>
<tr>
<td>Village (10)</td>
<td>Snacks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pepsi #27</td>
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<td>V821</td>
<td>5389080</td>
</tr>
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<td>Aquafina #26: tea &amp; lemonade</td>
<td></td>
<td>126483</td>
<td>V630</td>
<td>5399736</td>
</tr>
<tr>
<td>Aquafina #25: gatorade</td>
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<td>131711</td>
<td>V821</td>
<td>5399918</td>
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<td>Baseball field</td>
<td>Aquafina #19</td>
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<td>5399727</td>
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<tr>
<td>Technology &amp; Applied Sciences</td>
<td>Coffee</td>
<td>13499</td>
<td></td>
<td></td>
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<td>Pepsi #2</td>
<td>131038</td>
<td>V630</td>
<td>5390403</td>
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<tr>
<td>Cafeteria</td>
<td>Snacks</td>
<td>1063</td>
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<tr>
<td></td>
<td>Scantron</td>
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</tbody>
</table>
ATTACHMENT "C"

SOFT DRINK AGREEMENT

This Agreement is made effective as of July 1, 2009 (the “Effective Date”), by and between the SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT, hereinafter called the "DISTRICT"; and Bottling Group, LLC d/b/a The Pepsi Bottling Group, hereinafter called "Pepsi", for Saddleback College (the “College”) campus having its principal place of business at 28000 Marguerite Parkway, CA 92692.

RECITALS

WHEREAS, Pepsi is experienced in installing, operating, servicing and maintaining equipment for dispensing beverage products,

WHEREAS, Pepsi desires the right to be the exclusive supplier of beverage products to Saddleback College, except with regard those locations specified herein,

WHEREAS, Pepsi has submitted a bid in response to an invitation to bid issued by the DISTRICT for the exclusive right to dispense beverage products at Saddleback College,

WHEREAS, the DISTRICT has determined that it is in the best interests of the DISTRICT to contract with Pepsi to provide services for the sale of beverage products at Saddleback College,

WHEREAS, the parties desire to confirm the terms and conditions under which the DISTRICT will contract with Pepsi to install, operate, service, and maintain all equipment dispensing beverage products at Saddleback College,

NOW, THEREFORE, in consideration of the mutual promises herein contained, the parties hereto agree as follows:

AGREEMENT

I.   Definitions

(a) “Agreement Year” means each twelve-month period beginning with the first day of the Term and subsequent anniversaries thereof.

(b) “Beverage” or “Beverages” means all carbonated soft drinks and all non-carbonated, nonalcoholic beverages or soft drinks, including, but not limited to, fruit juices, fruit juice-containing drinks, and fruit-flavored drinks (“Fruit Drinks”); ready-to-drink tea and coffee products; hypertonic, isotonic, hypotonic drinks, and energy and fluid replacement drinks (“Sports Drinks”) and packaged waters. Specifically excluded are non-branded coffee products, hot chocolate, tea, unflavored dairy products, alcohol, and tap water.
(c) “Campus” means the entire premises of the Saddleback College including all athletic facilities and concession stands, and, for each building, the grounds, parking lots and vending areas. For the purpose of defining exclusivity, the Saddleback College Food Service locations, specifically, the cafeteria located in the Student Services Building (the “Cafeteria”), are included in the definition of Campus, however, Pepsi’s rights with regard to the supply of bottled and canned Beverages in the Cafeteria are non-exclusive as further defined herein. Fountain beverages served in the Cafeteria will remain exclusively Pepsi product.

(d) “Competitive Products” mean any and all Beverages other than Products (as defined herein).

(e) “Products” shall mean Beverage products manufactured, sold and distributed by Pepsi and purchased directly from Pepsi or sold through full service vending machines owned, stocked and serviced exclusively by Pepsi and include fountain drinks in the Cafeteria.

(f) “College Year” means consecutive calendar days running from July 1 of a year through June 30 of the following year.

(g) “Team” or “Team(s)” means all interscholastic athletic teams associated with the Saddleback College.

(h) “College Marks” means the College’s name, each team’s name, colors and uniforms, and emblems and all trade names, trademarks, service marks, designs, logos, mascots, characters, identifications, symbols and other proprietary designs that are in existence on the effective date which are owned, licensed or otherwise controlled by the College.

(i) “Contract Documents”: The Contract entered into by this Agreement consists of the following Contract Documents, all of which are component parts of the Contract as if herein set out in full or attached hereto: “Soft Drink Agreement” and “Request for Proposal.” In the case of conflict or inconsistencies, the order of precedence shall be as follows: “Soft Drink Agreement” takes precedence over “Request for Proposal.”

2. Term

The term of this Agreement shall be the three (3) year period beginning on the Effective Date hereof and ending on June 30, 2012 with two (2) one (1) year options for renewal under the same terms and conditions (“Term”) unless sooner terminated as provided herein. Either party may choose not to exercise a renewal option by providing the other party with sixty (60) days written notice prior to the start of the renewal period.

3. Renewal

Both parties understand that at the termination of a five (5) year term the DISTRICT is required to send out requests for bids. After a five year term there is no possibility for automatic renewal. The DISTRICT will send out the request for bids to interested parties at least thirty (30) days prior to the expiration of the Term.
4. **Exclusive Beverage Availability Rights**

The DISTRICT hereby grants to Pepsi the following Beverage availability rights:

(a) Except as provided herein, Pepsi shall have the exclusive right to make Beverages available for sale and distribution on Campus through beverage vending machines ("Vending Machines"), through the Cafeteria, all concessions and retail locations, including the bookstore, and the right to provide all Beverages sold at athletic contests, booster club activities and all other special events conducted at any location on the Campus ("Special Events"). Subject to the terms and conditions set forth in this Agreement, the DISTRICT agrees that Products shall be the exclusive Beverages sold, dispensed or served or available on the Campus. The only exception to Pepsi's exclusive Beverage rights at the Campus is with regard to the Cafeteria. Pepsi shall have the right to 100% of fountain Beverages sold in the Cafeteria and the right to 75% of the shelf space allocated to bottle and can Beverage Products sold in the Cafeteria.

(b) Pepsi shall have the exclusive right to install Vending Machines throughout the Saddleback College campus. After coordination and agreement with Saddleback College, Pepsi shall have the further right to install additional Vending Machines in buildings and facilities acquired and/or constructed by the Saddleback College after the date of this Agreement. Pepsi shall install the Vending Machines at its sole expense including the addition of any necessary power and water connections as coordinated with Saddleback College subject to approval from the DISTRICT with respect to location of such installation of Vending Machines and additional connections which approval shall not be unreasonably withheld. The DISTRICT will provide ongoing power and water service to the Equipment. Pepsi shall have the right to place full trademark panels on all sides of its Vending Machines. Pepsi shall retain title to all Vending Machines. The DISTRICT agrees that all Vending Machines located on Campus shall vend 20 oz. products.

(c) Pepsi and the District agree that, at a minimum, the following products will be available at each location on the Campus where vending machines are located: Pepsi, Diet Pepsi, Sierra Mist and Aquafina.

5. **Pricing and Products**

(a) Vending products to be offered are certain Products as determined by Pepsi from time to time subject to District's approval which shall not be unreasonably withheld. The initial vend prices are set forth in Section 7(b).

(b) DISTRICT shall require College, the food service provider (excepting the items noted in item 4 (a), concessionaires and other third parties selling Beverages on Campus to purchase all Product directly from Pepsi at the prices established pursuant to this Agreement. Initial Post mix and bottle and can pricing and products are listed in attached Exhibit A. Pricing is subject to change throughout the Term of this Agreement and shall be competitive with pricing for similar Pepsi accounts in the geographic area. Pepsi shall notify the DISTRICT in writing prior to the implementation of any price change.
6. **Marketing Rights**

a) The District grants to Pepsi the following promotional rights, which are exclusive as to Beverages, to:

i) Market and promote Beverages in connection with the Campus and the Teams including the use, subject to Section 4, of the College Marks on a royalty-free basis. College acknowledges and agrees that such promotional activities may be conducted in conjunction with Pepsi customers; and Pepsi will have the right to incorporate its customers’ marks with the College marks on any advertising, point of sale, packaging, or premium items or materials. College hereby grants Pepsi license to use the College Marks on a royalty-free basis for the purposes of promoting Products as provided herein.

ii) Refer to Pepsi in any of its marketing materials as a “sponsor” of the Campus, the College and/or the Teams, and refer to any brand of Products in any of Pepsi marketing materials as the “official” Beverage of the Campus, College or the Teams.

iii) Undertake Beverage promotions at or in connection with the campus and/or the Teams, including offering Products in promotional packaging bearing the College Marks on a royalty-free basis.

iv) Create or market for retail sale merchandise incorporating the College Marks and trademarks of Products.

b) The District grants to Pepsi the following exclusive merchandising rights:

i) College agrees that all fountain drinks dispensed on the Campus in disposable cups will be served in approved Pepsi-identified biodegradable cups.

ii) Materials promoting the Products at the point of sale on the Campus, which will include translites and pictorials on dispensing equipment depicting approved cups and Products, will be clearly visible to the purchasing public.

iii) Product trademarks will be prominently displayed on each Beverage vending machine on the Campus.

iv) College shall pre-approve (i) the concept for any promotional activity undertaken hereunder; and (ii) any artwork or other items created by Pepsi for use in promotional activities or otherwise in accordance with the terms of this Agreement and the incorporation of the College Marks. District agrees that its approval hereunder will not be unreasonably withheld.

v) College agrees that it will not, directly or indirectly (nor will College permit anyone to whom College has granted promotional, advertising, or other rights,) maintain any agreement or relationship pursuant to which any Competitive Products are associated with the College, the Campus, or the Teams. Nothing contained herein will prevent the sale of bottle and can Competitive Products in the Cafeteria to the percentage set
forth in Section 4(a) herein nor will it prevent the on-campus consumption by students, faculty or their guests of Competitive Products purchased outside the Campus.

7. **Consideration**

(a) An annual sponsorship fee, as follows (the “Annual Sponsorship Fee”):

<table>
<thead>
<tr>
<th>Agreement Year</th>
<th>Applicable Time Period</th>
<th>Amount*</th>
<th>Due Date: within 60 days after:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>July 1, 2009 – June 30, 2010</td>
<td>$50,000</td>
<td>Execution of Agreement by parties.</td>
</tr>
<tr>
<td>2</td>
<td>July 1, 2010 – June 30, 2011</td>
<td>$50,000</td>
<td>July 1, 2010</td>
</tr>
<tr>
<td>3</td>
<td>July 1, 2011 – June 30, 2012</td>
<td>$50,000</td>
<td>July 1, 2011</td>
</tr>
<tr>
<td>4**</td>
<td>July 1, 2012 – June 30, 2013</td>
<td>$50,000</td>
<td>July 1, 2012</td>
</tr>
<tr>
<td>5**</td>
<td>July 1, 2013 – June 30, 2014</td>
<td>$50,000</td>
<td>July 1, 2013</td>
</tr>
</tbody>
</table>

* The DISTRICT acknowledges and agrees that the Annual Sponsorship Fee payable to the DISTRICT is based on a minimum number of cases and gallons of Product purchased by the DISTRICT and sold through Pepsi’s Vending Machines each Agreement Year. The minimum number of cases and gallons per Agreement Year is 10,800 (“Annual Case/Gallon Threshold”). If during any Agreement Year the number of cases and gallons of Product sold through Vending Machines and purchased by the DISTRICT falls below the Annual Case/Gallon Threshold, then the Annual Sponsorship Fee payable for the next Agreement Year will be reduced by a percentage equal to the percentage decrease between the Annual Case/Gallon Threshold and the actual number of cases and gallons purchased by DISTRICT and sold through vending machines during such Agreement Year. For example, if the Annual Sponsorship Fee is $1,000 and the Annual Case/Gallon Threshold is 500 cases, and during Agreement Year 1 the actual cases/gallons purchased by DISTRICT and sold through vending machines is 150 cases/gallons, then the Annual Sponsorship Fee for Agreement Year 2 will be $500 (reduced by 50%).

** The Annual Sponsorship Fee for Agreement Years 4 and 5 is only due and payable if the parties agree to renew the Agreement for each of these Agreement Years.

(b) **Commission**, as a percentage of the actual cash (“cash in bag” or “CIB”) collected by Pepsi from the Vending Machines placed at the Facilities, less any applicable fees or deposits (“Commissions”). Such Commissions shall be at the rate(s) set forth below (the “Commission Rate”) and shall be calculated as follows:

\[(\text{CIB} \times \text{Commission Rate}) = \text{Commissions due}\]

For example, if Thirty-Six Dollars ($36) is collected from the Vending Machine on the sale of 24 units of carbonated soft drinks, Commissions will be calculated at $36 X 30% minus $1.20 = $7.80. Commission amount is subject to actual amount of cash collected and to any change in the CRV rate established by the State of California.

<table>
<thead>
<tr>
<th>Product</th>
<th>Minimum Vend Price</th>
<th>Commission Rate*</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 oz. carbonated soft drinks and Aquafina</td>
<td>$1.50</td>
<td>30%</td>
</tr>
<tr>
<td>Gatorade and Glass Front Vendors</td>
<td>Varies by Product as determined by Pepsi</td>
<td>15%</td>
</tr>
</tbody>
</table>

*Commission Rate stated above shall only apply to Products sold by Pepsi through its Vending Machines at the beginning of the Term. If Pepsi proposes any new products to the DISTRICT during the Term, then Pepsi shall have the right to apply a different Commission Rate and/or Minimum Vend Price for such new product.

**Commission Payment**. Commissions shall be remitted by Pepsi to the DISTRICT within 30 days of the end of each 4-week accounting period established by Pepsi. Commission checks will be payable to Saddleback College Foundation President’s Account. Pepsi shall make all
pertinent revenue and sales records respecting the Vending Machines available to DISTRICT within five (5) business days of DISTRICT’s request for said records. DISTRICT agrees that it is responsible for reviewing such records and that any claim or dispute relating to the Commissions must be brought by DISTRICT in writing within one year of the date such Commissions payment is due. DISTRICT further acknowledges and agrees that it shall not receive any commission payment from Pepsi if Commissions fail to reach a certain threshold amount per period or quarter. The applicable threshold amounts vary based on the payment period and will be established and communicated pursuant to Pepsi’s policies and procedures related to its Full Service Vending business, as may be revised by Pepsi from time to time.

**Change to Commission Rate.** DISTRICT acknowledges and agrees that Pepsi established the Commission Rate based on any applicable sales tax associated with the sale of the Products through the Vending Machines as of the commencement date of this Agreement. If, during the Term, sales taxes should increase by more than five percent (5%), then Pepsi shall have the right to automatically reduce the Commission Rate by the same percentage amount.

(c) Pepsi will provide the College with a volume growth incentive (the Volume Growth Incentive) as follows: In any Agreement Year in which the DISTRICT meets or exceeds the annual volume of 10,800 combined (i) gallons and cases purchased directly from Pepsi (of which 3,500 must be bottle and can cases) and (ii) cases sold through Pepsi’s vending machines (an “Eligible Agreement Year”) Pepsi will pay the College support funds in the amount of $2.50 per 24-unit case and $1.25 per 12-unit case on cases in excess of the first 10,800 cases/gallons purchased by College directly from Pepsi during such Eligible Agreement Year. The Volume Growth Incentive will only be paid on incremental cases purchased by College from Pepsi and will not be paid on incremental cases sold through Pepsi’s vending machines. The Volume Growth Incentive, if any, will be paid to the College within forty-five (45) days after the end of an Eligible Agreement Year.

8. **Additional Consideration**

In addition to the consideration specified in Section 7 above, Pepsi shall provide the following further consideration to the DISTRICT.

(a) Pepsi will provide annual Product donations of up to a total of four hundred (400) cases of a combination of 12 oz. cases of carbonated soft drinks and 16.9 oz cases of Aquafina per Agreement Year, provided however, that Saddleback College will administer all requests through a central contact so that Saddleback College may prioritize the requests.

(b) On the first, third and fifth anniversary date for the signing of this Agreement by both parties, Pepsi shall provide scholarships funds to be distributed to Saddleback College students in the total amount of Two Thousand Five Hundred & 00/100 Dollars ($2,500.00) (the “Scholarship Funds”). The Scholarship Funds may be deposited to either the Saddleback Foundation Account or to the Osher Foundation in the name of Saddleback College. The scholarships recipients shall be as determined by the Saddleback College.
(c) Sideline Kits valued at up to One Thousand Dollars ($1,000). Pepsi shall make these kits available to Saddleback College before September 1 each Agreement Year and may include the following items:

a. 10-10 gallon water jugs
b. 6-7 gallon water jugs
c. 2-5 gallon water jugs
d. 8-6 bottle water carriers
e. 130-32 ounce water bottles
f. 2,500/box-8 ounce water cups
g. 2-48 quart ice chests

Pepsi will confirm annually the final configuration of sideline kits with Saddleback College.

(d) Two annual KIIS FM Pulse (or such other radio station partner designated by Pepsi) appearances per Agreement Year at Saddleback College with Promotional Sampling Vehicles on dates to be determined by the District and Pepsi. It is anticipated that these dates will include a day during “Welcome Week” and “Senior Day.”

9. Competitive Products

During the entire Term of this Agreement:

(a) No Competitive Products shall be sampled, sold, served or dispensed anywhere on the Campus, except as pursuant to Section 4(a) herein.

(b) No permanent or temporary advertising, signage or trademark visibility for Competitive Products shall be displayed anywhere on the Campus, including locker rooms, sidelines and players benches.

(c) As of the Effective Date and with the exception of clause 4 (d) of this contract, no agreement will be entered into or maintained by the School pursuant to which Competitive Products will be associated with the Saddleback College campus in any advertising or promotional activity that creates a relationship or connection between Competitive Products and the Saddleback College campus.

10. Equipment and Service

(a) Pepsi shall place Vending Machines and other beverage equipment necessary to dispense the Products on Campus (the “Equipment”) based upon Pepsi’s survey of the Campus needs. Any vending machine installation at Saddleback College shall be mutually agreed between the DISTRICT and Pepsi and subject to the DISTRICT’s prior approval of the location of the vending machine(s). Saddleback College agrees that a minimum of thirty five (35) Vending Machines shall be placed on Campus throughout the Term. Additional vending machines may be placed on campus with the written and mutual agreement of the parties. Specific locations are not guaranteed.
(b) Pepsi shall provide one debit/credit card reader per bank or location of vending machines.

(c) During the Term and at no cost to the School, Pepsi will stock and service, if necessary, the Vending Machines and any additional Vending Machines determined by the parties to be installed at new locations on the Campus. It is anticipated that two to three services calls per week will take place at the Saddleback campus. Pepsi’s Vending manager is currently Darryl Lane. Contact information for Mr. Lane will be provided to Saddleback College’s Director of Student Development who will act as the single point of contact between Pepsi and Saddleback College. If Mr. Lane is replaced with another person, the name and contact information for this person will be provided within one week of this change.

(d) Pepsi or one of its subsidiaries or affiliates shall retain ownership in and title to all Equipment.

(e) Vending Service vehicles are not permitted off-road. Asphalt pathways on Campus interiors do not have a traffic index sufficient to withstand the weight of delivery trucks. Alternate means, i.e. handcarts, will be necessary for bringing product to interior spaces of the campus. Routing approvals must be approved by the College Facilities Director prior to first service. Any truck caught violating the approved routing will be fined $100/occasion.

(f) The Equipment may not be removed from the Campus without Pepsi’s written consent, and the Saddleback College agrees not to encumber the Equipment in any manner or permit other equipment to be attached thereto except as authorized by Pepsi. At the end of the Term, Pepsi shall have the right to and, in the event another vendor is the successful bidder for the next term will be required to, remove all Equipment from the campus at no expense to the Saddleback College. In the event that any Equipment is removed from DISTRICT premises, Pepsi shall return said premises to its original condition, excepting normal wear and tear, at Pepsi’s sole cost.

(g) Pepsi’s service of the Equipment will be provided during normal college hours, and Pepsi will not be obligated to provide service during periods in which it is prevented from doing so due to strikes, civil disturbances, or other causes beyond the control of Pepsi. Pepsi shall be responsible for the repair and replacement of the Equipment to the extent necessary as a result of theft and vandalism.

(h) Pepsi will provide the Director of Student Development with $25 dollars in petty cash toward refunds for machine malfunction. This amount will be replenished at the request of the Director and on an as-needed basis.

(i) Pepsi shall provide one hour of local management-level participation at the monthly Food and Beverage meetings.

(j) Pepsi shall provide a quarterly business report which includes at a minimum: 1) information specific to the sale of Product through the Vending Machines including: volume, total sales minus crv, and a comparison with the previous quarter, 2) results of the independent audit performed quarterly and for the period leading up to the report.
(k) Pepsi agrees to maintain Vending Machines and to assure that Vending Machines are filled and without disrepair. Pepsi shall be responsible for product quality control. The DISTRICT shall have the right to have replaced any and all product in which a consumer may reject due to inferior product quality or freshness. Under no circumstance will DISTRICT allow product, which is passed its expiration date to be filled in said vending Machines. All expired products will be replaced at no cost to the DISTRICT.

11. **Product Stocking**

The Saddleback College shall permit Pepsi, its employees, agents and representatives to enter the campus for purposes of servicing and stocking the Equipment during normal college hours.

12. **Taxes**

Pepsi shall be responsible only for the remittance of taxes on the sales of Products through Vending Machines located at the Saddleback College campus. DISTRICT and College acknowledge that Pepsi is not responsible for any taxes payable, fees or other tax liability incurred by DISTRICT or College in connection with any fees payable by Pepsi under this Agreement. Pepsi shall not be assessed common area maintenance fees based on its occupation of the space allocated to Vending Machines.

13. **Representations, Warranties and Covenants**

(a) Each party hereto represents and warrants to the other that:

(i) it has full power and authority to enter into this Agreement and to grant and convey the rights set forth herein;

(ii) all necessary approvals for its execution, delivery and performance of this Agreement have been obtained and this Agreement has been duly executed and delivered and constitutes a legal, valid and binding obligation enforceable in accordance with its terms, and nothing contained in this Agreement violates, interferes with or infringes upon the rights of any third party;

(i) The signatory of this Agreement is duly authorized and empowered to bind the party to the terms and conditions of this Agreement for the duration of the Term; and

(iv) it has complied with all applicable laws, ordinances, codes, rules and regulations relating to its entering into this Agreement and its performance hereunder.

(b) Each of the parties hereto agree that (i) the representations, warranties and covenants contained herein shall survive the execution and delivery of this Agreement and (ii) except as expressly set forth herein, neither party has made, and neither party is relying on, any representation or warranty, express or implied, with respect to the subject matter hereof.
14. **Indemnification**

(a) Pepsi will indemnify and hold the DISTRICT, Saddleback College, its Board of Trustees, officers, and employees harmless from and against any and all suits, actions, claims, demands, losses, costs, damages, liabilities, fines, expenses and penalties (including reasonable attorneys’ fees) arising out of: (i) its breach of any term or condition of this Agreement; (ii) product liability suits resulting from the use or consumption of Pepsi’s Products; and/or (iii) the active negligence or willful misconduct of Pepsi.

(b) The DISTRICT will indemnify and hold Pepsi, its subsidiaries, affiliates or assigns harmless from and against any and all suits, actions, claims, demands, losses, costs, damages, liabilities, fines, expenses and penalties (including reasonable attorneys’ fees) arising out of: (i) its breach of any term or condition of this Agreement; and/or (ii) the active negligence or willful misconduct of the DISTRICT.

(c) The provisions of this Section 14 shall survive the termination of this Agreement.

15. **Breach of Contract and Termination**

(a) If any of the material terms of this Agreement are terminated, violated, prohibited, or limited during the Term of this Agreement for any reason, other than by action or inaction of Pepsi, including by way of final judicial opinion, imposition, or modification of any local, state or federal laws and/or regulations, (“Affected Rights”), then Pepsi may give the DISTRICT written notice of such event and the DISTRICT shall have a thirty (30) day period within which to cure such breach. If the DISTRICT fails to cure such breach within a thirty (30) day period, Pepsi shall have the right to:

1. (i) substitute other of its Products offered by Pepsi for the Products subject to such Affected Rights;

    (ii) reduce Pepsi’s ongoing fees including support and commissions payable hereunder to an amount equal to the then-current ongoing fees Pepsi would pay for the right to market, sell or distribute the remaining Products as a result of such Affected Rights; and

    (iii) recover an amount pursuant to Section 15 (a) (2) (ii) and 15 (b) below relative to the Products subject to such Affected Rights, as determined by Pepsi.

    Or

2. (i) terminate this Agreement in its entirely; and

    (ii) then Pepsi shall, without prejudice to any other right or remedy available to Pepsi, obtain a reimbursement from the DISTRICT of any unearned Annual Sponsorship Fee paid by Pepsi to the DISTRICT for the Agreement Year in which such termination occurs. The amount of such reimbursement shall be determined by multiplying the Annual Sponsorship Fee paid in the Agreement Year during
which such termination occurs by a fraction, the numerator of which is the number of months remaining in such Agreement Year at the time of such termination or limitation and the denominator of which is twelve.

(b) The DISTRICT may terminate this Agreement for any breach of this Agreement’s material terms by Pepsi. The DISTRICT shall provide Pepsi with written notice of the breach and provide a thirty (30) day opportunity for Pepsi to cure such breach. If Pepsi fails to cure the breach within the thirty (30) day period, the DISTRICT may terminate the Agreement upon written notice to Pepsi. District shall return any unearned Annual Sponsorship Fee already paid, minus a pro-rated average of previous commissions due if any commission remains unpaid by Pepsi.

(c) Without prejudice to any other right or remedy available to either party at law or in equity of any event described below, this Agreement may be terminated by either party if:

(1) the other party, or any parent of such other party, shall:

(i) have an order for relief entered with respect to it, commence a voluntary case or have an involuntary case filed against it under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect (and such order or case is not staying, withdrawn or settled within sixty (60) days thereafter) it is the intent of the parties hereto that the provisions of Section 365(e) (2)(A) of Title 11 of the United States Code, as amended, or any successor statute thereto, be applicable to this Agreement;

(ii) file for reorganization, become insolvent or have a receiver or other officer having similar powers over it appointed for its affairs in any court of competent jurisdiction, whether or not with its consent (unless dismissed, bonded or discharged within 60 days thereafter); or

(iii) admit in writing its inability to pay its debts as such debts become due.

16. Notices

Any notices or other communication hereunder shall be in writing, shall be sent via registered or certified mail, and shall be deemed given when received.

If to Pepsi: The Pepsi Bottling Group
4416 N. Azusa Canyon Road
Baldwin Park, CA 91706
Attn: Vice President and General Manager

Copy to: The Pepsi Bottling Group
1 Pepsi Way
Somers, NY 10589
Attn: General Counsel

Page 11 of 16
17. **Relationship of Parties**

The District and Pepsi are acting herein as independent contractors and independent employers. Nothing herein shall create or be construed as creating a partnership, joint venture or agency relationship between any of the parties and no party shall have the authority to bind the other in any respect.

18. **Confidentiality**

Except as otherwise required by law or the rules or regulations of any national securities exchange or the rules or regulations of the DISTRICT, and the DISTRICT and Pepsi agree not to disclose any non-public, confidential or proprietary information to any third party other than to their respective directors, officers, employees, agents and advisors, as needed.

19. **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

20. **Insurance**

(a) Each party hereto maintains and agrees to maintain, at all times during the Term and for a period of three (3) years thereafter, a comprehensive program of risk retention and insurance with such insurance carriers and in such amounts of insurance coverage reasonably acceptable to the other party. Each party agrees to name the other, and each of its Affiliates, and their respective officers, directors, employees, agents, representatives and successors and assigns, as additional insured’s on such insurance during the Term. Such insurance will contain a waiver of subrogation with respect to the additional insured’s.

(b) Either party shall have the right, during the Term from time to time, to request copies of certificates of insurance and/or other evidence of the adequacy of the above insurance coverage’s. Pepsi must provide the DISTRICT with a 30 day cancellation notice in the event that Pepsi’s insurance policy is cancelled before the expiration date of the term.
21. **Force Majeure**

If the performance by either party hereto of its respective non-monetary obligations under this Agreement is delayed or prevented in whole or in part by acts of God, fire, floods, storms, explosions, accidents, epidemics, war, civil disorder, strikes, or any law, rule, regulation, order or other action adopted or taken by any federal, state or local government authority, or any other cause not reasonably within such party’s control, whether or not specifically mentioned herein, such party shall be excused, discharged and released of performance only to the extent such performance or obligation is so delayed or prevented by such occurrence (“Force Majeure Period”) without liability of any kind.

22. **Entire Agreement**

(a) This document is intended by the parties as the final and binding expression of their agreement and is a complete and exclusive statement of the terms thereof and supersedes all prior negotiations, representations, and agreements and no representations, understandings, or agreements have been made or relied upon in the making of this Agreement.

(b) No modification or waiver of any of the terms and conditions of this Agreement shall be effective unless such modification or waiver is expressed in writing and signed by each of the parties.

23. **Assignment; Binding Nature; Waiver**

To the extent permitted by law, this Agreement shall be binding upon and inure to the benefit of Pepsi and the DISTRICT and their respective successors and permitted assigns. Neither party may subcontract or assign its rights or obligations under this Agreement to any other entity or person without the express written consent of the other, which consent may be withheld at its sole discretion. No waiver by any party of any default or non-performance shall be deemed a waiver of any subsequent default or non-performance.

24. **Savings Clause**

If any provision of this Agreement shall be deemed or declared unenforceable, invalid or void, the same shall not impair any of the other provisions contained herein which shall continue to be enforceable in accordance with their respective terms, except that this clause shall not deprive any party of any remedy afforded under this Agreement.
IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed as of the date first above written.

Bottling Group, LLC
d/b/a The Pepsi Bottling Group

By: [Signature]
Print Name: Janet L. Hadeler
Title: Education Key Account Mgr
Date: 7/24/09

South Orange County Community College District

By: [Signature]
Print Name: Gary Poertner
Title: Deputy Chancellor
Date: 7/27/09
## Exhibit A

### Product Pricing*

<table>
<thead>
<tr>
<th>Item</th>
<th>Price</th>
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<tr>
<td>CSD 12oz</td>
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<tr>
<td>CSD 20oz</td>
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<td>CSD 1 Ltr</td>
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<td>Flavor Splash 20oz</td>
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<td>SoBe No Fear 16oz</td>
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<td>3 gallon Gatorade FTN</td>
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<tr>
<td>1 gallon Juice Tyme 100% OJ</td>
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<tr>
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*Pricing firm first year of contract. Annual price increase capped at 5%
SATELLITE COFFEE CART SERVICES AGREEMENT
SADDLEBACK COLLEGE

This Agreement is made this 1st day of July, 2009, by and between the SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT, hereinafter called the "DISTRICT", and The Drip Coffee, hereinafter called the "CONTRACTOR."

WHEREAS, the DISTRICT fosters sustainable food service that economically supports environmentally sustainable food systems as a way of contributing to the quality of life in the region.

WHEREAS, the DISTRICT and Saddleback College chose this CONTRACTOR as one who can deliver a variety of high quality, sustainably produced and procured items on a daily basis.

WHEREAS, CONTRACTOR is specially experienced and competent to provide to the DISTRICT the scope of services identified herein and has indicated its willingness and commitment to provide such services on the terms hereinafter set forth in this AGREEMENT; and

NOW, THEREFORE, the PARTIES hereto agree as follows:

I. SCOPE

A. The CONTRACTOR hereby agrees to install and operate at a coffee cart at a location next to the southwest corner of the Library and BGS building at Saddleback College and operate current location at the Village, during the duration of this Agreement. Operation of this coffee cart service shall be under the direction and control of the DISTRICT as hereinafter set forth for the benefit of Saddleback College students.

B. The terms of this Agreement shall be controlling in the event any of the terms hereof conflict with any of the terms in the Request for Proposal or in the CONTRACTOR's Proposal.

II. TERM

The term of this Agreement shall commence on July 1, 2009, and shall terminate on June 30, 2011. At the end of this period, there will be an option for renewal, under the same terms and conditions, for three additional one-year periods.

III. CONTRACTOR’S RESPONSIBILITIES

A. CONTRACTOR shall provide and operate at his expense a satellite coffee cart at a location next to the BGS building at the Saddleback College campus and operate current location at the Village.
B. Regarding satellite cart operation, CONTRACTOR shall be responsible for:

1. All food costs as well as the cost of paper supplies, plates, cups, napkins, and utensils.

2. All labor costs, Social Security taxes, and unemployment insurance.

3. All salaries, wages, and employee benefits payable to or on behalf of the CONTRACTOR's employees. All employees (including students) shall be employed by the CONTRACTOR in his/her own name, and the CONTRACTOR shall hold the DISTRICT harmless from any and all claims, demands or liability on account thereof.

4. All transportation/vehicle costs required for CONTRACTOR's operation.

5. All taxes including real estate taxes, applicable and insurance costs incurred by CONTRACTOR.

6. To collect and remit to the State Board of Equalization all sales taxes, where required, generated by the food services program at the College. A copy of the remittance shall be submitted to the DISTRICT at the time of each payment. Failure to pay any taxes owed to any governmental body shall be cause for termination of this Agreement.

7. Signs, marketing and promotion. CONTRACTOR shall add one sign to each location with their logo clearly visible from 75 yards. Proposed design shall be reviewed and approved by the Food and Beverage Committee. Contractor shall clearly post hours of operation at each location.

8. Equipment maintenance shall be the responsibility of the CONTRACTOR. CONTRACTOR equipment list is attached as Exhibit D.

C. Maintain the satellite carts and surrounding areas in proper sanitary conditions. Clean spills from floors and maintain them free from food and debris.

D. CONTRACTOR shall attend and participate in monthly Food and Beverage Committee meetings.

E. Menus shall be posted by the CONTRACTOR at each location. (See Exhibit B). CONTRACTOR shall confer with DISTRICT in setting the menu and shall obtain the DISTRICT's final approval of the menu, which shall not be unreasonably withheld.

F. CONTRACTOR agrees that the satellite cart operations will remain in operation during the three (3) instructional terms of the year. The regular days of operation for the 2009-10 academic year shall be as shown on EXHIBIT A. Proposed
monthly and year-to-date information. Amount of monthly payments shall be calculated using the above figures as follows:

1. Rent: $800

2. Percentage commission:

\[
(15\% \text{ of monthly gross sales greater than $6,667} \times \text{less sales tax})
\]

Failure to provide sales analysis reports and/or failure to pay commissions on time shall be cause for termination of this Agreement.

VII. **AUTHORIZED VENDOR**

CONTRACTOR shall have the exclusive rights to operate a satellite coffee cart on the Saddleback College campus. The designated locations for the satellite carts are next to the BGS building and a Village location. Other locations may be negotiated in the future and will be implemented if mutually agreeable.

VIII. **LIQUIDATED DAMAGES**

If any coffee cart is not open for business in accordance with this Agreement, it is understood that the DISTRICT will suffer damage. It being impractical and infeasible to determine the amount of actual damage, the CONTRACTOR agrees to pay to DISTRICT as fixed and liquidated damages, and not as a penalty, the sum of one hundred dollars ($100) for each business day of delay until the cart is open for business. This amount shall be additional to payments due or coming due to DISTRICT.

IX. **EVALUATION OF SERVICE**

A. The DISTRICT shall have a Food and Beverage Committee to appraise and evaluate the operations of the CONTRACTOR. The DISTRICT reserves the right to have designated representatives review, inspect and evaluate the operation and condition of the food service facilities with respect to the quantity and quality of food sold and served, the methods of service, the prices of a la carte selections, the hours of service, and the safety, sanitation, and maintenance of all Facilities.

B. If the committee determines that the operation of the services does not meet the requirements of this Agreement, it will notify the CONTRACTOR in writing of the complaint, the facts involved, and the solution sought. If the CONTRACTOR fails to satisfy the complaint within ten (10) days, the DISTRICT shall have the right to terminate the Agreement in accordance with Section XX, Paragraph B of this Agreement.

C. Contractor’s Certifications, Representations And Warranties.
CONTRACTOR makes the following certifications, representations, and warranties for the benefit of the DISTRICT and CONTRACTOR acknowledges and agrees that the DISTRICT, in deciding to engage CONTRACTOR pursuant to this AGREEMENT, is relying upon the truth and validity of the following certifications, representations and warranties and their effectiveness throughout the term of this AGREEMENT and the course of CONTRACTOR’s engagement hereunder:

1. CONTRACTOR is qualified in all respects to provide to the DISTRICT all of the services contemplated by this AGREEMENT and, to the extent required by any applicable laws, CONTRACTOR has all such licenses and/or governmental approvals as would be required to carry out and perform for the benefit of the DISTRICT, such services as are called for hereunder.

2. CONTRACTOR, in providing the services and in otherwise carrying out its obligations to the DISTRICT under this AGREEMENT, shall, at all times, comply with all applicable federal, state, and local laws, rules, regulations, and ordinances, including worker’s compensation and equal protection and non-discrimination laws.

X. HEALTH AND SAFETY REGULATIONS

The CONTRACTOR shall comply with all federal, state and local health and sanitation regulations relating to personnel and maintenance of the Facilities and shall also comply with any DISTRICT rules and regulations.

Failure to comply with this section within ten (10) days of receiving notice from the DISTRICT of a violation shall be cause for termination of the Agreement in accordance with Section XX, Paragraph B of this Agreement.

XI. SUPERVISION COORDINATION

CONTRACTOR shall provide, at all times, adequate and expert managerial and administrative supervision for its employees. CONTRACTOR shall designate a site Manager who shall be assigned to the satellite cart operations on a full-time basis. The Manager shall coordinate all activities connected with the provision of services specified in the Agreement and shall meet with the assigned DISTRICT representative(s) on an as-needed basis to coordinate enforcement of DISTRICT/COLLEGE policy, the implementation of suggestions and requests, and the prompt resolution of complaints. It will be the responsibility of CONTRACTOR to respond, in writing if so requested, to inquiries, requests for change, and recommendations. Failure to provide adequate supervision shall be cause for termination of this Agreement.

XII. PARKING
Parking at Saddleback College by the CONTRACTOR's employees shall be subject to the same regulations and parking fees as apply to college employees generally.

XIII. INDEPENDENT CONTRACTOR

CONTRACTOR is and shall at all times be deemed to be an independent CONTRACTOR and shall be wholly responsible for the manner in which it performs the services required of it by the terms of this Agreement. Nothing herein contained shall be construed as creating the relationship of employer and employee, or principal and agent, between the DISTRICT and CONTRACTOR or any of CONTRACTOR's agents or employees. CONTRACTOR assumes exclusively the responsibility for the acts of its employees as they relate to the services to be provided during the course and scope of their employment. CONTRACTOR, its agents and employees shall not be entitled to any rights or privileges of DISTRICT employees and shall not be considered in any manner to be DISTRICT employees.

XIV. FINANCIAL RECORDS

It is expressly understood that the CONTRACTOR shall maintain financial records reflecting its operations at Saddleback College in accordance with standard accounting practices and procedures and shall make said financial records and supporting data and documents available for inspection, reproduction and audit by the DISTRICT, the DISTRICT's independent auditor or the Office of the Auditor General of the State of California at its request. Records, data and documents shall be retained for five (5) years after the end of each contract year.

XV. LICENSES

It is expressly understood that the CONTRACTOR assumes sole responsibility for the observance of, and so observes and complies with all provisions of federal, state, and local laws relating to or governing the operation of food service areas and food vending machines. All licenses and permits shall be obtained, displayed, and paid for by the CONTRACTOR.

XVI. TAXES

The CONTRACTOR assumes complete liability for all taxes applicable to the operations, income and transactions of the CONTRACTOR. The DISTRICT shall not be liable and will not make reimbursement to the CONTRACTOR for any tax imposed either directly or indirectly upon the CONTRACTOR by any authority by reason of this Agreement or otherwise.

XVII. INSURANCE

A. The CONTRACTOR shall provide at its sole expense, general liability insurance including operations, contractual, products, and protective liability subject to the following limits:

Page 7 of 15
1. Public Liability Insurance and Products Liability Insurance with limits of $1,000,000 per person and $5,000,000 aggregate coverage; $1,000,000 Employer's Liability Insurance per accident limit for bodily injury and property damage liability; $1,000,000 products liability; $1,000,000 for each accident or death; $500,000 comprehensive automotive liability, injury or death of each person; $100,000 each accident in a single policy or a combination of an underlying and excess or umbrella-type coverage. CONTRACTOR shall furnish a Certificate of Insurance naming the South Orange County Community College District, the Board of Trustees, Saddleback College, the Associated Students of Saddleback College and all of their respective officers, agents, employees, and volunteers as certificate holders.

CONTRACTOR shall furnish a separate additional insured endorsement naming all above-mentioned persons and institutions as additional insured.

2. Worker's Compensation Insurance covering all CONTRACTOR's employees connected with the performance of food service.

B. These policies shall name the DISTRICT as an additional insured to the extent indemnified and shall contain a covenant requiring thirty (30) days' written notice to the DISTRICT before cancellation, reduction or other modification of coverage. These policies shall be primary and non-contributing with any insurance carried by the DISTRICT and shall contain a severability of interests clause with respect to gross liability, protecting each named insured as though a separate policy had been issued to each. Certificates of the above policies shall be furnished to the DISTRICT, together with copies of receipts for all premium payments made thereon.

C. DISTRICT shall keep its buildings, including the Premises and all property contained therein, insured against loss or damage from fire, explosion or other cause normally covered by standard broad form property insurance policies.

XVIII. HOLD HARMLESS CLAUSE

The CONTRACTOR agrees to indemnify and hold harmless the DISTRICT, the College, the Board of Trustees, Associated Students of Saddleback College, and all of their respective officers, agents, and employees from every claim or demand made, and every liability, loss, damage, or expense, of any nature whatsoever, which may be incurred by reason of:

1. Liability for damages for (i) death or bodily injury to person(s); (ii) injury to, loss or theft of property; or (iii) any other loss, damage or expense arising under either (i) or (ii) above, sustained by the CONTRACTOR upon or in connection with the operations and services called for in this Agreement, except for liability resulting from the sole negligence or
willful misconduct of the DISTRICT, the College, the Board of Trustees, 
Associated Students of Saddleback College or their officers, employees or 
agents.

2. Liability for damages for injury to or death of any person(s) or damage to 
or loss or theft of any property caused by any act, neglect, or default of the 
CONTRACTOR, its employees or agents, arising out of, or in any way 
connected with the operations and services covered by this Agreement, 
whether said injury or damage occurs either on or off DISTRICT property.

The CONTRACTOR, at CONTRACTOR's own expense, cost, and risk shall defend at 
DISTRICT's request, any and all actions, suits, or other proceedings that may be brought 
or instituted against the DISTRICT, the College, the Board of Trustees, Associated 
Students of Saddleback College or their officers, agents or employees, on any such claim 
or liability, and shall pay or satisfy any judgment that may be rendered against the 
DISTRICT, the College, the Board of Trustees, Associated Students of Saddleback 
College or their officers, agents or employees in any action, suit or other proceedings as a 
result thereof.

XIX. ASSIGNMENT/ADVERTISEMENT

A. This Agreement shall not be assigned by either party in whole or in part for food 
services without the express written consent of the other party, nor shall the 
CONTRACTOR have the right to authorize or permit the use of DISTRICT 
Facilities by third parties without the express written consent of the DISTRICT, 
and the CONTRACTOR shall not use Facilities for purposes not relating to the 
DISTRICT activities without prior written consent of the DISTRICT.

B. In no instance shall the DISTRICT name be used by the CONTRACTOR in 
connection with any advertising or promotions without the specific prior written 
consent of the DISTRICT.

XX. TERMINATION

A. Either party shall have the right to terminate the Agreement for any reason upon 
one-hundred-twenty (120) days' prior written notice to the other party.

B. If either party breaches a material provision hereof ("Cause"), the non-breaching 
party shall give the other party notice of such Cause. If the Cause is remedied 
within ten (10) days in the case of failure to make payment when due or sixty (60) 
days in the case of any other Cause, the notice shall be null and void. If such 
Cause is not remedied within the specific period, the party giving notice shall 
have the right to terminate this Agreement upon expiration of such remedy period. 
The rights of termination referred to in this Agreement are not intended to be 
exclusive and are in addition to any other rights or remedies available to either 
party at law or in equity.
C. In the event that the CONTRACTOR fails to maintain and keep in force general liability insurance, worker's compensation insurance or any licenses and permits as required, the DISTRICT shall have the right to cancel and terminate this Agreement forthwith and without notice.

XXI. AMENDMENT

The terms, conditions, rates and provisions of the Agreement between the DISTRICT and CONTRACTOR may be amended by mutual consent of the parties from time to time by written modification only.

XXII. FORCE MAJEURE

CONTRACTOR shall notify the DISTRICT immediately of any material delay in performance of specified service or operations and shall specify in writing the proposed revised performance date within five (5) days after the notice of delay. CONTRACTOR shall not be liable for delays in performance due to causes beyond its reasonable control, but it will be liable for delays due to its fault or negligence.

XXIII. NOTICE

Any notice required under the contract shall be in writing and may either be given by personal delivery or sent by certified mail to the following:

**CONTRACTOR:**

Scott Cohen  
Owner  
The Drip Coffee  
64 Secret Garden  
Irvine, CA 92620

**DISTRICT:**

Gary Poertner  
Deputy Chancellor  
South Orange County Community College District  
28000 Marguerite Parkway  
Mission Viejo, CA 92692

XXIV. NON-DISCRIMINATION

In the performance of this Agreement, the CONTRACTOR shall not discriminate against any person, employee, or applicant for employment and/or service because of race, creed, color, sex, handicap, or national origin; and shall comply with all federal, state, and local laws, regulations, and ordinances regarding equal employment opportunities.

XXV. COMPREHENSIVENESS

A. If any provision of the Agreement as applied to either party or to any circumstance shall be adjudged by a court to be void or unenforceable, the same shall in no way affect any other provisions of the Agreement or its validity or enforceability.
B. The complete Agreement shall include the Request for Proposals (Base Bid No. 2) and CONTRACTOR's Vending Machine and Food Service Proposal, all bonds, this Agreement and all amendments thereto, Exhibits A and B. The contract documents are complementary and what is called for by any one shall be as binding as if called for by all. In the case of conflict, the terms and conditions of this mutually agreed upon Agreement shall prevail.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

CONTRACTOR:  

By ______________________ 

(Signature) 

Scott Cohen 

(Print Name) 

CFO  

(Title) 

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT:  

By ______________________ 

(Signature) 

Gary Foertner 

(Print Name) 

Deputy Chancellor  

(Title) 

2-14-09
The Drip Offerings

Drip Coffee

Assorted Pastries
- Fresh Baked Cookies, Butter Croissants, Chocolate Croissants, Bear-Claaws and
  (Village Menu Options)

Baked Beverages, Chips, Snacks, Candies, Jellies and many other snacks

Fresh Salads (Chicken Salad, Tuna, Chef)

Fresh Sub Sandwiches (Turkey, Ham, Italian, Chicken Salad, & Tuna)

Smoothies and Blended Drinks. In addition to the menu below we will also carry the
Smokes and Blended Drinks. In addition to the menu below we will also carry the

Below is our coffee menu that includes all of our coffee drinks. Specially Drinks.