

City and County of San Francisco  
 Office of Contract Administration  
 Purchasing Department  
 City Hall, Room 430  
 1 Dr. Carlton B. Goodlett Place  
 San Francisco, CA 94102-4685

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## Contract Modification 8

### Sodium Bisulfite

Univar USA, Inc.  
 Jerry Panock  
 Business Manager - Sulfur Products  
 337 Durant Way  
 Mill Valley, CA 94941  
 E-mail: Jerry.Panock@univarusa.com

Date: January 3, 2012  
 Buyer Name: Carolyn Sladnick  
 Term contract: 66375  
 City Blanket No. BPSF00003357  
 Type: Indefinite quantity  
 Not-to-exceed amount: \$1,000,000


The history of this contract and its modifications is as follows:

Modification	Start date	End date	Amount	Other changes
Original contract	10/01/06	10/31/09	\$3,000,000	
1	01/01/08	12/31/08		Price Increase
2	04/01/09	10/31/10		Price Increase & Revised/Add Conditions
3	11/01/09	10/31/10		Extension
4	11/01/09	10/31/11		5% Price Reduction, one (1) year extension, delete Special Condition 77&78
5	10/01/10	10/31/11	\$4,000,000	Increase the "Not to exceed amount" by \$1,000,000, updated General Condition 58
6	07/18/11	10/31/11	\$ 500,000	Assignment to new vendor "Not to exceed amount" is \$500,000 New Blanket No. BPSF00003357 Update Bid and Contract Conditions
7	07/18/11	01/31/12	\$ 600,000	Three month extension Increase "Not to Exceed" by \$100,000
8	02/01/12	04/30/12	\$1,000,000	Three month extension Increase "Not to Exceed" by \$400,000 Update Bid and Contract Conditions Modifies invoicing methodology

This Modification No. 8 changes the contract as follows:

It extends the contract three (3) months at the same prices, terms and conditions. New expiration date: April 30, 2012. "Not to exceed amount" is \$1,000,000. It updates Bid and Contract Condition Electronic Payment, and modifies invoicing methodology to a per dry ton basis instead of converting to a sulfur dioxide basis in order to correlate with Univar's billing system. See Attachment A.

All other terms and conditions remain the same.

 Approved by the City:

  
\_\_\_\_\_  
Jaci Fong, Acting Director

1/11/2012  
Date

Approved by Contractor:

  
\_\_\_\_\_  
Signature

1/12/12  
Date

Name and title

Scott Donahoe - Regional Sales Manager

Bid and Contract Conditions

Delete Electronic Payment in its entirety and replace with:

**Electronic Payment**

Getting paid for goods and/or services from the City:

1. Beginning January 2012, all City vendors receiving new contracts, contract renewals, or contract extensions must sign up to receive electronic payments through Paymode-X, the City's third party service that provides Automated Clearing House (ACH) payments.
2. Electronic payments are processed every business day and are safe and secure.
3. To sign up for electronic payments, visit [www.sfgov.org/ach](http://www.sfgov.org/ach).
4. The following information is required to sign up:
  - a. The enroller must be their company's authorized financial representative.
  - b. The company's legal name, main telephone number and all physical and remittance addresses used by the company
  - c. The company's U.S. federal employer identification number (EIN) or Social Security number (if they are a sole proprietor)
  - d. The company's bank account information, including routing and account numbers

If you have questions, please email: [ACH.Support@sfgov.org](mailto:ACH.Support@sfgov.org)

Special Condition No. 71 Delivery: Sections I & J

Conversion Formula: Sodium Bisulfite, (as SO<sub>2</sub>) (0.615 lbs SO<sub>2</sub> per NAHSO<sub>3</sub>)

Modify current methodology for invoicing on a sulfur dioxide basis to invoicing all bulk shipments on a per dry ton sodium bisulfite basis. This modification eliminates the manual calculation required to determine the sulfur dioxide conversion. Mini bulk shipments will continue to be billed on a per gallon basis.

Bid price does not change (examples follow).

Current Methodology

Load 48,000 lbs into truck	48,000
Times Assay of Sodium Bisulfite	25%
Equals Dry lbs Sodium Bisulfite	12,000
Times Percent Sulfur Dioxide	0.615
Lbs on Sulfur Dioxide basis	7,380
Divided by	2,000
Equals Tons as Sulfur Dioxide	3.69
Times price per ton of Sulfur Dioxide	\$ 984.35
Equals invoice amount on Sulfur Dioxide basis	\$3,632.25

Attachment A  
Contract No. 66375  
Contract Modification No. 8  
Sodium Bisulfite  
Univar USA, Inc.  
January 3, 2012  
Page 2

Modification No. 8 New Methodology

Load 48,000 lbs into truck	48,000
Times Assay of Sodium Bisulfite	25%
Equals Dry lbs Sodium Bisulfite	12,000
Divided by	2,000
Equals Dry Tons of Sodium Bisulfite	6.0
Times price per dry ton of Sodium Bisulfite	\$ 605.38
Equals invoice amount	\$ 3,632.25

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# Contract Modification 7

## Sodium Bisulfite

**Univar USA, Inc.**  
 Mary Rose Gamber, Bid/Contract Specialist  
 12522 Los Nietos Road  
 Santa Fe Springs, CA 90670  
 E-mail: mary.gamber@univarusa.com

Date: October 4, 2011  
 Buyer Name: Carolyn Sladnick  
 Term contract: 66375  
 City Blanket No. BPSF00003357  
 Type: Indefinite quantity  
 Not-to-exceed amount: \$600,000


The history of this contract and its modifications is as follows:

Modification	Start date	End date	Amount	Other changes
Original contract	10/01/06	10/31/09	\$3,000,000	
1	01/01/08	12/31/08		Price Increase
2	04/01/09	10/31/10		Price Increase & Revised/Add Conditions
3	11/01/09	10/31/10		Extension
4	11/01/09	10/31/11		5% Price Reduction, one (1) year extension, delete Special Condition 77&78
5	10/01/10	10/31/11	\$4,000,000	Increase the "Not to exceed amount" by \$1,000,000, updated General Condition 58
6	07/18/11	10/31/11	\$ 500,000	Assignment to new vendor "Not to exceed amount" is \$500,000 New Blanket No. BPSF00003357 Update Bid and Contract Conditions
7	07/18/11	01/31/12	\$ 600,000	Three month extension Increase "Not to Exceed" by \$100,000

This modification 7 changes the contract as follows:

It extends the contract three (3) months at the same price, terms and conditions. New expiration date: January 31, 2012.  
 "Not to exceed amount" is \$600,000.

All other terms and conditions remain the same.

Approved by the City:  10/5/11  
 Jaci Fong, Acting Director Date  
 Approved by Contractor: Brian Fineman 10/5/11  
 Signature Date  
 Name and title BRIAN FINEMAN  
REGIONAL VICE PRESIDENT

Sign and return one original. The duplicate original is for your files.

P-280 (11/20-09)

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## Contract Modification 6

### Sodium Bisulfite

**Univar USA, Inc.**  
 Mary Rose Gamber, Bid/Contract Specialist  
 12522 Los Nietos Road  
 Santa Fe Springs, CA 90670  
 E-mail: mary.gamber@univarusa.com

Date: August 4, 2011  
 Buyer Name: Carolyn Sladnick  
 Term contract: 66375  
 City Blanket No. BPSF00003357  
 Type: Indefinite quantity  
 Not-to-exceed amount: \$500,000

The history of this contract and its modifications is as follows:

Modification	Start date	End date	Amount	Other changes
Original contract	10/01/06	10/31/09	\$3,000,000	
1	01/01/08	12/31/08		Price Increase
2	04/01/09	10/31/10		Price Increase & Revised/Add Conditions
3	11/01/09	10/31/10		Extension
4	11/01/09	10/31/11		5% Price Reduction, one (1) year extension, delete Special Condition 77 and 78
5	10/01/10	10/31/11	\$4,000,000	Increase the "Not to exceed amount" by \$1,000,000, updated General Condition 58
6	07/18/11	10/31/11	\$ 500,000	Assignment to new vendor "Not to exceed amount" is \$500,000 New Blanket No. BPSF00003357 Update Bid and Contract Conditions

This modification 6 changes the contract as follows:

It changes the vendor from Basic Chemical Solutions, LLC to Univar USA, Inc. Reference attached Assignment and Novation Agreement dated July 18, 2011. "Not to exceed amount" is \$500,000, and new BP # is BPSF00003357. Adds the following Bid and Contract Conditions: Electronic Payment and Food Service Waste Reduction. (See Attachment A):

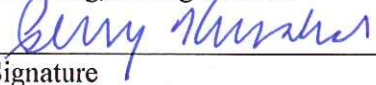
All other terms and conditions remain the same.

Approved by the City:

  
 Jaci Fong, Acting Director

8/10/11  
 Date

Approved by Contractor:

  
 Signature

8/22/11  
 Date

Name and title

Perry Kusakabe, secretary

Sign and return one original. The duplicate original is for your files.

P-280 (11/20-09)

Attachment A  
Contract No. 66375  
Contract Modification No. 6  
Sodium Bisulfite  
Univar USA, Inc.  
August 4, 2011

Bid and Contract Conditions

Add the following Bid and Contract Conditions:

**Electronic Payment**

The City and County of San Francisco (City) uses Bank of America's PayMode-X system to pay invoices electronically and not by check whenever possible. The City makes PayMode-X payments every business day, but prints and mails paper checks only one day a week. So the City encourages you – and it is greatly to your benefit – to enroll in PayMode-X now.

There is no cost to you to enroll in PayMode-X, and you get the same information electronically from PayMode-X that you would get on the City's check stub.

For more information, please visit the Controller's website at:

<http://sfcontroller.org/index.aspx?page=85>

If you have questions, please call:

Steve W. Lee, Controller's Office (415) 554-7591

\*

**Food Service Waste Reduction Requirements**

Effective June 1, 2007, Contractor agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Agreement as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, Contractor agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Contractor agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Contractor's failure to comply with this provision.

## ASSIGNMENT AND NOVATION

THIS ASSIGNMENT AND NOVATION AGREEMENT, dated for convenience as of July 18, 2011, is entered into between Basic Chemical Solutions, LLC ("BCS"), 12522 Los Nietos Rd. Santa Fe Springs, CA 90670; Univar USA Inc. ("Univar"), 17425 NE Union Hill Rd., Redmond, WA 98052; and the City and County of San Francisco (the "City").

### Recitals

A. BCS and the City entered into Contract No. 66375, dated October 24, 2006, under which BCS agreed to furnish and deliver Sodium Bisulfite for the term November 1, 2006 through October 31, 2009, subsequently extended through October 31, 2011 (the "BCS Agreement"). Copies of the BCS Agreement and all Modifications are attached to this Assignment and Novation Agreement as **Exhibit A** and incorporated by reference as if set forth here in full.

B. Effective December 20, 2010, Univar acquired BCS. On July 1, 2011, the BCS legal entity was absorbed into Univar completing the acquisition transaction. Attached as **Exhibit B** to this Assignment and Novation Agreement is a copy of the written notification of the acquisition.

C. The City desires to continue to receive from Univar the services performed by BCS under the BCS Agreement.

D. The City, BCS, and Univar all mutually desire to discharge BCS from any future obligation under the BCS Agreement, and to assign to Univar all of the duties, rights, responsibilities, and benefits arising out of the BCS Agreement, as if Univar were the original contractor.

NOW, THEREFORE, for mutual consideration acknowledged and accepted, the City, BCS, and Univar agree as follows:

### Agreement

1. Univar hereby accepts all liability for all services provided under the BCS Agreement up to and including the effective date of this Assignment and Novation first written above and shall hold harmless and indemnify the City in the same manner as if Univar were an original party to the BCS Agreement (Exhibit A). Further, and through the term of the BCS Agreement, Univar shall perform the obligations that are enumerated under the BCS Agreement and any modifications, as if Univar were an original party to the BCS Agreement and as if the City had originally issued such service orders to Univar.

2. For this Assignment and Novation to be effective, Univar shall provide to the City insurance certificates for the identical type and amount of coverage currently required under the BCS Agreement.

3. This Assignment and Novation effectively modifies only the identity of a contracting party and does not affect any other changes to the terms and conditions in the BCS Agreement or Modifications described in the foregoing paragraph.



4. The City, BCS and Univar, and their respective officers and principals, all consent to all of the provisions of this Assignment and Novation.

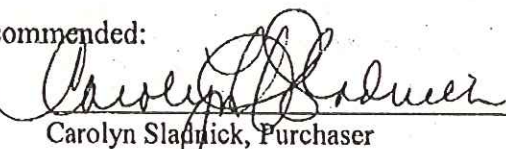
5. Any dispute relating to this Assignment and Novation shall be resolved under the laws of the State of California.

The parties have executed this Assignment and Novation Agreement effective the date first written above.

THE CITY AND COUNTY OF  
SAN FRANCISCO

Recommended:

BY:

  
Carolyn Sladnick, Purchaser


Approved as to form:  
Dennis J. Herrera,  
City Attorney

By:

  
Deputy City Attorney

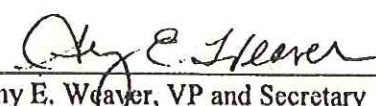
Approved:

BY:

  
Jaci Fong  
Acting Director of Office of Contract  
Administration ~~Purchaser~~

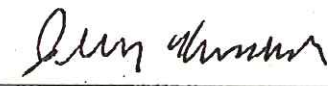
BASIC CHEMICAL SOLUTIONS, <sup>LLC</sup> INC.

BY:

  
Amy E. Weaver, VP and Secretary

UNIVAR USA, INC.

BY:

  
Perry Kusakabe, Secretary

City and County of San Francisco  
Office of Contract Administration  
Purchasing Department  
City Hall, Room 430  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4685



# Contract Modification 5

## Sodium Bisulfite

**Basic Chemical Solutions, LLC**  
Mary Rose Gamber, Bid/Contract Specialist  
12522 Los Nietos Road  
Santa Fe Springs, CA 90670  
E-mail: mgamber@basicllc.com

Date: October 6, 2010  
Buyer Name: Gwen Williams  
Term contract: 66375  
City Blanket No. BPSF00003320  
Type: Indefinite quantity  
Not-to-exceed amount: \$4,000,000

The history of this contract and its modifications is as follows:

Modification	Start date	End date	Amount	Other changes
Original contract	10/01/06	10/31/09	\$3,000,000	
1	01/01/08	12/31/08		Price Increase
2	04/01/09	10/31/10		Price Increase & Revised/Add Conditions
3	11/01/09	10/31/10		Extension
4	11/01/09	10/31/11		5% Price Reduction, one (1) year extension, delete Special Condition 77 and 78
5	10/01/10	10/31/11	\$4,000,000	Increase the "Not to exceed Amount" by \$1,000,000, updated General Conditions 58

This modification 5 changes the contract as follows:

Increased the "Not to Exceed Amount" from \$3,000,000 to \$4,000,000.

The following General Condition has been revised to Term Contract 66375 (See Attachment A):

### 58. First Source Hiring Program

All other terms and conditions remain the same.

Approved by the City:

*Naomi Kelly*  
\_\_\_\_\_  
Naomi Kelly, Director of OCA and Purchaser

*10/13/2010*  
\_\_\_\_\_  
Date

Approved by Contractor:

*James Molica*  
\_\_\_\_\_  
Signature

*10/13/10*  
\_\_\_\_\_  
Date

Name and title

James Molica, Bulk Sales Manager - Western Region

Sign and return one original. The duplicate original is for your files.

P-280 (11/20-09)

**Attachment A  
Term Contract 66375  
Basic Chemical Solutions, LLC  
Contract Modification 5  
October 6, 2010**

**General Conditions**

**58. First Source Hiring Program**

a. **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapter 83 of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Contractor shall comply fully with, and be bound by, all of the provisions that apply to this Agreement under such Chapter, including but not limited to the remedies provided therein. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 83.

b. **First Source Hiring Agreement.** As an essential term of, and consideration for, any contract or property contract with the City, not exempted by the FSHA, the Contractor shall enter into a first source hiring agreement ("agreement") with the City, on or before the effective date of the contract or property contract. Contractors shall also enter into an agreement with the City for any other work that it performs in the City. Such agreement shall:

(1) Set appropriate hiring and retention goals for entry level positions. The employer shall agree to achieve these hiring and retention goals, or, if unable to achieve these goals, to establish good faith efforts as to its attempts to do so, as set forth in the agreement. The agreement shall take into consideration the employer's participation in existing job training, referral and/or brokerage programs. Within the discretion of the FSHA, subject to appropriate modifications, participation in such programs may be certified as meeting the requirements of this Chapter. Failure either to achieve the specified goal, or to establish good faith efforts will constitute noncompliance and will subject the employer to the provisions of Section 83.10 of this Chapter.

(2) Set first source interviewing, recruitment and hiring requirements, which will provide the San Francisco Workforce Development System with the first opportunity to provide qualified economically disadvantaged individuals for consideration for employment for entry level positions. Employers shall consider all applications of qualified economically disadvantaged individuals referred by the System for employment; provided however, if the employer utilizes nondiscriminatory screening criteria, the employer shall have the sole discretion to interview and/or hire individuals referred or certified by the San Francisco Workforce Development System as being qualified economically disadvantaged individuals. The duration of the first source interviewing requirement shall be determined by the FSHA and shall be set forth in each agreement, but shall not exceed 10 days. During that period, the employer may publicize the entry level positions in accordance with the agreement. A need for urgent or temporary hires must be evaluated, and appropriate provisions for such a situation must be made in the agreement.

(3) Set appropriate requirements for providing notification of available entry level positions to the San Francisco Workforce Development System so that the System may train and refer an adequate pool of qualified economically disadvantaged individuals to participating employers. Notification should include such information as employment needs by occupational title, skills, and/or experience required, the hours required, wage scale and duration of employment, identification of entry level and training positions, identification of English

**Attachment A  
Term Contract 66375  
Basic Chemical Solutions, LLC  
Contract Modification 5  
October 6, 2010**

language proficiency requirements, or absence thereof, and the projected schedule and procedures for hiring for each occupation. Employers should provide both long-term job need projections and notice before initiating the interviewing and hiring process. These notification requirements will take into consideration any need to protect the employer's proprietary information.

(4) Set appropriate record keeping and monitoring requirements. The First Source Hiring Administration shall develop easy-to-use forms and record keeping requirements for documenting compliance with the agreement. To the greatest extent possible, these requirements shall utilize the employer's existing record keeping systems, be nonduplicative, and facilitate a coordinated flow of information and referrals.

(5) Establish guidelines for employer good faith efforts to comply with the first source hiring requirements of this Chapter. The FSHA will work with City departments to develop employer good faith effort requirements appropriate to the types of contracts and property contracts handled by each department. Employers shall appoint a liaison for dealing with the development and implementation of the employer's agreement. In the event that the FSHA finds that the employer under a City contract or property contract has taken actions primarily for the purpose of circumventing the requirements of this Chapter, that employer shall be subject to the sanctions set forth in Section 83.10 of this Chapter.

(6) Set the term of the requirements.

(7) Set appropriate enforcement and sanctioning standards consistent with this Chapter.

(8) Set forth the City's obligations to develop training programs, job applicant referrals, technical assistance, and information systems that assist the employer in complying with this Chapter.

(9) Require the developer to include notice of the requirements of this Chapter in leases, subleases, and other occupancy contracts.

c. **Hiring Decisions.** Contractor shall make the final determination of whether an Economically Disadvantaged Individual referred by the System is "qualified" for the position.

d. **Exceptions.** Upon application by Employer, the First Source Hiring Administration may grant an exception to any or all of the requirements of Chapter 83 in any situation where it concludes that compliance with this Chapter would cause economic hardship.

e. **Liquidated Damages.** Contractor agrees:

(1) To be liable to the City for liquidated damages as provided in this section;

(2) To be subject to the procedures governing enforcement of breaches of contracts based on violations of contract provisions required by this Chapter as set forth in this section;

Attachment A  
Term Contract 66375  
Basic Chemical Solutions, LLC  
Contract Modification 5  
October 6, 2010

(3) That the contractor's commitment to comply with this Chapter is a material element of the City's consideration for this contract; that the failure of the contractor to comply with the contract provisions required by this Chapter will cause harm to the City and the public which is significant and substantial but extremely difficult to quantify; that the harm to the City includes not only the financial cost of funding public assistance programs but also the insidious but impossible to quantify harm that this community and its families suffer as a result of unemployment; and that the assessment of liquidated damages of up to \$5,000 for every notice of a new hire for an entry level position improperly withheld by the contractor from the first source hiring process, as determined by the FSHA during its first investigation of a contractor, does not exceed a fair estimate of the financial and other damages that the City suffers as a result of the contractor's failure to comply with its first source referral contractual obligations.

(4) That the continued failure by a contractor to comply with its first source referral contractual obligations will cause further significant and substantial harm to the City and the public, and that a second assessment of liquidated damages of up to \$10,000 for each entry level position improperly withheld from the FSHA, from the time of the conclusion of the first investigation forward, does not exceed the financial and other damages that the City suffers as a result of the contractor's continued failure to comply with its first source referral contractual obligations;

(5) That in addition to the cost of investigating alleged violations under this Section, the computation of liquidated damages for purposes of this section is based on the following data:

(a) The average length of stay on public assistance in San Francisco's County Adult Assistance Program is approximately 41 months at an average monthly grant of \$348 per month, totaling approximately \$14,379; and

(b) In 2004, the retention rate of adults placed in employment programs funded under the Workforce Investment Act for at least the first six months of employment was 84.4%. Since qualified individuals under the First Source program face far fewer barriers to employment than their counterparts in programs funded by the Workforce Investment Act, it is reasonable to conclude that the average length of employment for an individual whom the First Source Program refers to an employer and who is hired in an entry level position is at least one year;

therefore, liquidated damages that total \$5,000 for first violations and \$10,000 for subsequent violations as determined by FSHA constitute a fair, reasonable, and conservative attempt to quantify the harm caused to the City by the failure of a contractor to comply with its first source referral contractual obligations.

(6) That the failure of contractors to comply with this Chapter, except property contractors, may be subject to the debarment and monetary penalties set forth in Sections 6.80 et seq. of the San Francisco Administrative Code, as well as any other remedies available under the contract or at law; and

**Attachment A**  
**Term Contract 66375**  
**Basic Chemical Solutions, LLC.**  
**Contract Modification 5**  
**October 6, 2010**

Violation of the requirements of Chapter 83 is subject to an assessment of liquidated damages in the amount of \$5,000 for every new hire for an Entry Level Position improperly withheld from the first source hiring process. The assessment of liquidated damages and the evaluation of any defenses or mitigating factors shall be made by the FSHA.

f. **Subcontracts.** Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of Chapter 83 and shall contain contractual obligations substantially the same as those set forth in this Section.