

Jan. 27, 2014 3:24PM

No. 0037 P. 2

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 7

## Medical Waste Management Services for Department of Public Health

**Stericycle Inc.**  
1366 Doolittle Drive  
San Leandro, CA 94577  
Attn: Mr. JR Roberts  
Email: JRRoberts@stericycle.com

Date: January 22, 2014  
Buyer Name: Raymond Low  
Term contract: 60690  
City Blanket No. BPSF00003552  
Type: Indefinite quantity  
Not-to-exceed amount: \$1,000,000.00

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

Modification	Start date	End date	Amount	Other changes
Original contract	02-01-09	01-31-11	\$1,000,000.00	Enserv West LLC No. BPSF00003530
1			No Change	Revise Contract # to 60690
2			No Change	Additional Sites and Services
3	01-01-10	01-31-11	No Change	Stericycle, No. BPSF00003552 Assignment & Assumption, Revise insurance language and Company information
4	02-01-11	01-31-12	No Change	Contract Extension. Update Contract condition.
5	02-01-12	01-31-13	No Change	Contract Extension. Add Human Services Agency.
6	02-01-13	01-31-14	No Change	Contract Extension.
7	02-01-14	01-31-15	No Change	Contract Extension. Update Contract conditions.

This Modification 7 changes the contract as follows:

- Contract extended for 12 months effective February 1, 2014 – January 31, 2015. Prices remain the same.
- Update contract conditions, Nos. 25, 40-3, and 50. Delete Nos. 63 and 65. See Attachment A.
- All other terms and conditions remain the same.

Approved by the City:

*[Signature]*  
Yaci Fong, Director of OCA and Purchaser

*1/23/2014*  
Date

Approved by Contractor:

*[Signature]*  
Signature

*2/1/2014*  
Date

Name and title

*Regional account executive*

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Attachment A  
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The following is hereby updated and replaced in its entirety to the Bids and Contract Conditions.

**25. Local Business Enterprise Utilization; Liquidated Damages**

a. **The LBE Ordinance.** Contractor, shall comply with all the requirements of the Local Business Enterprise and Non-Discrimination in Contracting Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the "LBE Ordinance"), provided such amendments do not materially increase Contractor's obligations or liabilities, or materially diminish Contractor's rights, under this Agreement. Such provisions of the LBE Ordinance are incorporated by reference and made a part of this Agreement as though fully set forth in this section. Contractor's willful failure to comply with any applicable provisions of the LBE Ordinance is a material breach of Contractor's obligations under this Agreement and shall entitle City, subject to any applicable notice and cure provisions set forth in this Agreement, to exercise any of the remedies provided for under this Agreement, under the LBE Ordinance or otherwise available at law or in equity, which remedies shall be cumulative unless this Agreement expressly provides that any remedy is exclusive. In addition, Contractor shall comply fully with all other applicable local, state and federal laws prohibiting discrimination and requiring equal opportunity in contracting, including subcontracting.

b. **Compliance and Enforcement.** If Contractor willfully fails to comply with any of the provisions of the LBE Ordinance, the rules and regulations implementing the LBE Ordinance, or the provisions of this Agreement pertaining to LBE participation, Contractor shall be liable for liquidated damages in an amount equal to Contractor's net profit on this Agreement, or 10% of the total amount of this Agreement, or \$1,000, whichever is greatest. The Director of the City's Human Rights Commission or any other public official authorized to enforce the LBE Ordinance (separately and collectively, the "Director of HRC") may also impose other sanctions against Contractor authorized in the LBE Ordinance, including declaring the Contractor to be irresponsible and ineligible to contract with the City for a period of up to five years or revocation of the Contractor's LBE certification. The Director of HRC will determine the sanctions to be imposed, including the amount of liquidated damages, after investigation pursuant to Administrative Code §14B.17. By entering into this Agreement, Contractor acknowledges and agrees that any liquidated damages assessed by the Director of the HRC shall be payable to City upon demand. Contractor further acknowledges and agrees that any liquidated damages assessed may be withheld from any monies due to Contractor on any contract with City. Contractor agrees to maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination or expiration of this Agreement, and shall make such records available for audit and inspection by the Director of HRC or the Controller upon request.

**40. LBE Ordinance**

To qualify for a bid discount under the provisions of Administrative Code Chapter 14B, an LBE must be certified by the Contracts Monitoring Division (formerly 'Human Rights Commission') by the Bid Due date. The certification application is available from CMD (415) 581-2310, and on the web. CMD's home page is:

<http://sfgsa.org/index.aspx?page=6130>

Click on the "LBE Certification" tab.

**41. Claim for Preference**

To claim preference under the LBE Ordinance, see Bid Questionnaire attached.

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#### 42. LBE bid discount; brokerage services

Pursuant to Section 14B.7 of the Administrative Code, a bid discount will only be awarded to an LBE directly responsible for providing materials, equipment, supplies or services to the City as required by the Bid solicitation. An LBE will be deemed to be directly responsible for providing the required commodity or service only if it regularly does business as a manufacturer, or authorized manufacturer's representative, dealer or distributor, stocking distributor, franchisee, licensee, service provider, or has another direct agency relationship with the manufacturer or provider of the solicited commodity or service, and has been so certified by the Contracts Monitoring Division. An LBE will be considered to be "regularly doing business", as that term is used in the foregoing paragraph, if in the normal course of business, it stocks, warehouses or distributes commodities to businesses or entities other than public entities having a local business preference program. Such a determination will be subject to audit by CMD. No preference will be given to an LBE engaging in brokerage, referral or temporary employment services not meeting this definition, unless those services are required and specifically requested by the department.

#### 43. LBE Subcontracting

a. **Subcontracting to LBEs.** Bidder is encouraged to make good faith efforts to award subcontracts to City and County of San Francisco-certified LBEs. This can be achieved through subcontracting, sub-consulting or supply opportunities. With the bid, the bidder is encouraged to provide a description of the type of good faith efforts the bidder estimates it may make under the contract.

b. **Examples of Good Faith Efforts.** "Good Faith Efforts" include but are not limited to the following:

- (1) Identifying and selecting specific products or services which can be subcontracted to certified LBEs.
- (2) Providing written notice to potential LBE subcontractors that Bidder will be bidding on this Contract and will be seeking subcontractors.
- (3) Advertising in one or more daily or weekly newspapers, trade association publications, trade oriented publications, trade journals, or other media specified by the City, for LBEs that are interested in participating in the project.
- (4) Following up on initial notices the Contractor sent to LBEs by contacting the LBEs to determine whether they were interested in performing specific parts of the project.
- (5) Providing interested LBEs with information about the scope of work.
- (6) Negotiating in good faith with the LBEs, and not unjustifiably rejecting as unsatisfactory proposals prepared by any LBEs, as determined by the City.
- (7) Where applicable, advising and making efforts to assist interested LBEs in obtaining insurance required by the City and the prime contractor.
- (8) Making efforts to obtain LBE participation that the City could reasonably expect would produce a level of participation sufficient to meet the City's goals and requirements.



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c. **Examples of Subcontracting.** The following are examples of products which could be subcontracted under this Contract. The list is not intended to be exhaustive:

- (1) the products or services which the vendor in turn sells to the City, or components of those products; (see Page 1 of the bid sheet);
- (2) packing containers and materials used to ship the City's order;
- (3) services of the carrier who delivers the City's orders;
- (4) Pro rata share of LBE spending which is part of the vendor's general and administrative expenses, if the vendor can show that the pro rata share can be reasonably allocated to this contract.

d. **Reports.** On a quarterly (January 1 – March 31, April 1 – June 30, July 1 – September 30, October 1 – December 31) basis, the Contractor will provide Purchasing with reports on LBE subcontracting under this Contract. The report must include a narrative description of the good faith efforts, if any, the Contractor has made during the quarter to provide subcontracting opportunities to LBEs and to meet the percentage goal.

e. **CMD Data on LBEs.** Contractor will obtain from CMD a copy of CMD's database of LBEs, and this or other information from CMD, shall be the basis for determining whether a LBE is confirmed with CMD. Contractor will obtain an updated copy of CMD's database at least quarterly. Please call CMD at (415) 581-2310.

#### 50. Reports by Contractor - Multi-year Term Contracts

Each year, no later than February 15; Contractor shall submit a soft copy report of the total items ordered, by month, under this contract during the preceding calendar year (January 1 – December 31). The report must be in a format acceptable to City and must list by department or location the following: (1) all items awarded under this contract; and (2) total quantity and dollar value of each item ordered, including items for which there were no orders. Contractor must also furnish a separate similar report for the total of all items ordered by City which are not part of this Contract. Emailed reports must not be larger than 10MB.

Contractor shall email reports to: [OCAVendorReports@sfgov.org](mailto:OCAVendorReports@sfgov.org)

Any report files larger than 10MB must be submitted in electronic format on CD-ROM or USB drive and mailed to the address shown below with the term contract number and "Annual Vendor Reporting" clearly marked on the envelope/packaging.

Contractor shall mail the reports to:

OCA Vendor Reporting  
Re: Term Contract No. 60690  
City and County of San Francisco  
Office of Contract Administration – Purchasing  
City Hall, Room 430  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA. 94102-4685

The following General Conditions No. 63, Contract Product/Service Quality Report and No. 65, Graffiti Removal have been deleted entirely.

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

P-280 (11-10-10)