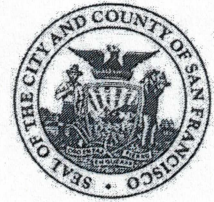


City and County of San Francisco
 Office of Contract Administration
 Purchasing Department
 City Hall, Room 430
 1 Dr. Carlton B. Goodlett Place
 San Francisco, CA 94102-4685



Contract Modification 1

Aqua Ammonia

Heritage Systems, Inc.
 Michael Long
 2471 Solano Avenue, Suite 141
 Napa, CA 94558
 E-mail: mlong@heritagesystemsinc.com
 Phone: 707-258-0553

Date: 12-04-15
 Buyer Name: Howard Tevelson
 Term contract: 66503
 City Blanket No. BPSF00004034
 Type: Indefinite quantity
 Not-to-exceed amount: \$ 1,300,000

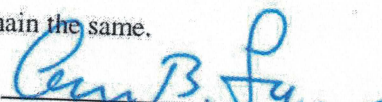
The history of this contract and its modifications is as follows:

Modification	Start date	End date	Amount	Other changes
Original contract	03-01-14	02-29-16	\$ 1,100,000	
1	03-01-16	02-28-17	1,300,000	changes the PPI Index decreases the unit price. And updates the terms and conditions

This Modification 1 add \$ 200,000,. Deletes General Condition 60 "Earned Income Credit (EIC) Forms" adds General Condition 60 "Consideration of Criminal History in hiring and Employment Decisions". and adds General Condition 66 "Sugar-Sweetened Beverage Prohibition" See Attachment A; Pages 2 and 3. This modification also decreases the unit price. See the bottom of Attachment A, page 2. In addition, as the PPI listed in the contract is no later is keep, the new PPI Index that will be uses is the following: WPU0652013A, Group, Chemicals and Allied products, Item: Synthetic ammonia, nitric acid, ammonia compounds, and urea. Base: 201412

All other terms and conditions remain the same.

Approved by the City:


 FOR Jaci Fong, Director of OCA

11/2/16
 Date

Approved by Contractor:


 Signature

2/4/16
 Date

Name and title

MICHAEL LONG, PRESIDENT

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

General Condition 60 "earned Income Credit (EIC) forms is hereby deleted in its entirety and replaced with the following:

60. Consideration Of Criminal History in Hiring and Employment Decisions

- A. Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code (Chapter 12T), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at <http://sfgov.org/olse/fco>. A partial listing of some of Contractor's obligations under Chapter 12T is set forth in this Section. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.
- B. The requirements of Chapter 12T shall only apply to a Contractor's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, and shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement.
- C. Contractor shall incorporate by reference in all subcontracts the provisions of Chapter 12T, and shall require all subcontractors to comply with such provisions. Contractor's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.
- D. Contractor or Subcontractor shall not inquire about, require disclosure of, or if such information is received base an Adverse Action on an applicant's or potential applicant for employment, or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.
- E. Contractor or Subcontractor shall not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection 60(d), above. Contractor or Subcontractor shall not require such disclosure or make such inquiry until either after the first live interview with the person, or after a conditional offer of employment.

F. Contractor or Subcontractor shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment to be performed under this Agreement, that the Contractor or Subcontractor will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

G. Contractor and Subcontractors shall post the notice prepared by the Office of Labor Standards Enforcement (OLSE), available on OLSE's website, in a conspicuous place at every workplace, job site, or other location under the Contractor or Subcontractor's control at which work is being done or will be done in furtherance of the performance of this Agreement. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the workplace, job site, or other location at which it is posted.

H. Contractor understands and agrees that if it fails to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T, including but not limited to, a penalty of \$50 for a second violation and \$100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Agreement.

66. Sugar-Sweetened Beverage Prohibition. Contractor agrees that it will not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.

Price Adjustment

	Current Price	New price
Line 1	\$ 1.01 per gallon	\$.98 per gallon
Line 2	\$ 1.01 per gallon	\$.98 per gallon
Line 3	\$ 1.01 per gallon	\$.98 per gallon

Note: New prices will become effective on March 01, 2016