File No. 120453

Committee Item No. 12
Board Item No. 24

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Sub-Committee **Date** 7/25/12

Board of Supervisors Meeting **Date** 7/31/12

Cmte	Board	
☐	☐	Motion
☒	☒	Resolution
☐	☐	Ordinance
☐	☐	Legislative Digest
☒	☒	Budget and Legislative Analyst Report
☐	☐	Legislative Analyst Report
☐	☐	Youth Commission Report
☐	☐	Introduction Form (for hearings)
☒	☒	Department/Agency Cover Letter and/or Report
☐	☐	MOU
☐	☐	Grant Information Form
☐	☐	Grant Budget
☐	☐	Subcontract Budget
☒	☒	Contract/Agreement
☒	☒	Form 126 – Ethics Commission
☐	☐	Award Letter
☐	☐	Application
☐	☐	Public Correspondence

OTHER **(Use back side if additional space is needed)**

☐	☐	
☐	☐	
☐	☐	
☐	☐	
☐	☐	
☐	☐	
☐	☐	
☐	☐	

Completed by: Victor Young **Date** July 19, 2012
Completed by: Victor Young **Date** 7-26-12

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file.

FILE NO. 120453 RESOLUTION NO. _____

[Agreement Amendment - Western States Oil - Not to Exceed $107,500,000]

Resolution approving the Sixth Amendment to the Agreement between the City and Western States Oil increasing the total not to exceed amount of the contract from $78,300,000 to $107,500,000 pursuant to Charter Section 9.118(b).

WHEREAS, The Board of Supervisors approved Resolution No. 345-09 on August 11, 2009, authorizing a fuel contract for $25 million with Western States Oil for one year, with four one-year options to renew; and,

WHEREAS, The Office of Contract Administration entered into a one-year Agreement with the Contractor for $25,000,000, dated September 1, 2009 through August 31, 2010 for gasoline, biodiesel, and diesel fuels; and,

WHEREAS, The Office of Contract Administration executed the First Amendment, which did not require Board of Supervisors approval, to the contract on October 9, 2009 to add line items 228 and 324, Red Dye Diesel for the San Francisco Fire Department and the Port for "over marine waters"; and,

WHEREAS, The Office of Contract Administration executed the Second Amendment, which did not require Board of Supervisors approval, to the contract on February 3, 2010 to add line item 801, Methanol for the San Francisco PUC Oceanside Plant; and,

WHEREAS, The Board of Supervisors approved Resolution No. 368-10 on August 3, 2010 approving the Third Amendment to increase the contract amount from $25,000,000 to $50,000,000; and,

WHEREAS, The Office of Contract Administration executed the Fourth Amendment, which did not require Board of Supervisors approval, to the contract on July 1, 2011 to add $500,000 and extend the contract by one (1) year; and,

WHEREAS, The Board of Supervisors approved Resolution No. 434-11 on October 18, 2011 to enter into a Fifth Amendment to increase the contract's not-to-exceed amount from $50,500,000 to $78,300,000; and,

WHEREAS, The Office of Contract Administration and the Contractor propose to enter into a Sixth Amendment extending the contract by one (1) year, from September 1, 2012 through August 31, 2013, and increasing the not-to-exceed amount from $78,300,000 to $107,500,000.

WHEREAS, The San Francisco Charter Section 9.118(b) provides that when agreements of $10 million or more are amended to increase the not-to-exceed amount by $500,000 or more, then such amendment shall be subject to approval of the Board of Supervisors by resolution; and,

WHEREAS, The Agreement and the proposed Sixth Amendment are on file with the Clerk of the Board of Supervisors in File No. 120453, which are hereby declared to be a part of this resolution as if set forth fully herein; now, therefore be it,

RESOLVED, That the Board of Supervisors approves the Sixth Amendment to the contract with Western States Oil as described above; and be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the Office of Contract Administration to increase the contract amount from $78,300,000 to $107,500,000.

City and County of San Fran co

Office Contract Administration

Edwin M. Lee
Mayor

Jaci Fong
Director and Purchaser

To: Angela Calvillo, Clerk of the Board of Supervisors

From: Jaci Fong, Director of the Office of Contract Administration

Date: April 23, 2012

Re: Contract Amount Increase for Fuel Contract with Western States Oil

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2012 APR 27 AM 10: 39
BY

The Office of Contract Administration requests Board approval to increase the contract amount for Fuel with Western States Oil from $78,300,000 to $107,500,000 and extend the contract by one (1) year, from September 1, 2012 through August 31, 2013 in order to continue to provide this vital commodity to City Departments.

Thank you for your consideration and please contact Jennifer Browne in my office at 415-554-4751 should you have any follow up questions.

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2012 APR 27 AM 10: 39
BY

Home Page: www.sfgov.org/oca

Recycled paper, 100% PCW

E-mail: purchasing@sfgov.org

Item 12 File 12-0453	Department(s): Office of Contract Administration (OCA)

EXECUTIVE SUMMARY

Legislative Objectives

- The proposed resolution would authorize the Office of Contract Administration (OCA) to execute the Sixth Amendment to the existing agreement with Western States Oil to increase the not-to-exceed by $29,200,000 or 37.3 percent from $78,300,000 to $107,500,000 and execute the third option to extend the term of the agreement by one year from September 1, 2012 through August 31, 2013.

Key Points

- The existing agreement between the OCA and Western States Oil, which was previously approved by the Board of Supervisors on August 11, 2009 (Resolution No. 345-09), was for one year, from September 1, 2009 through August 31, 2010. Subsequently the not-to-exceed amount was amended three times for a current total not-to-exceed $78,300,000, extending through August 31, 2012.
- Under the existing agreement, Western States Oil provides the City and County of San Francisco with gasoline, diesel, biodiesel and fuel for over 6,000 vehicles and 700 pieces of equipment, including generators, used by various City departments.

Fiscal Impacts

- Although OCA's requested one year authorization of $29,200,000 is based on average monthly expenditures of $2,317,039 from September 1, 2011 through March 31, 2012, more recent data provided by OCA show that the average monthly expenditures for the first ten months of the current agreement year, or from September 1, 2011 through June 30, 2012 are $2,215,233 per month, due to a reduction in fuel purchases. Therefore, the City is now projected to expend a total of approximately $26,582,796 (12 times $2,215,233) on an annualized basis, instead of OCA's projected $27,804,468.
- Therefore, the Budget and Legislative Analyst estimates that the needed total not-to-exceed amount for the proposed Sixth Amendment should be $27,900,000, based on the latest projected annual expenditures of $26,582,796, plus a five percent contingency. This $27,900,000 , instead of the requested $29,200,000, would result in a reduction of $1,300,000 ($29,200,000 less $27,900,000), which would still allow for the current level of spending to continue through the proposed extension of the current agreement, and provide for a five percent contingency to allow for increased spending that may result from fluctuations and volatility in oil prices.
- The funding source for the proposed Sixth Amendment are monies included in the City departments' FY 2012-13 budgets for purchasing fuel, including the San Francisco Municipal Transportation Agency, the Public Utilities Commission, the Airport, the Police Department, the Fire Department, the Sheriff Department, the Port, the Department of Public Works, the Recreation and Park Department, and the City's Central Shops. All such budgeted funds are subject to final appropriation approval by the Board of Supervisors.

Recommendations

- Amend the proposed resolution to reduce the proposed not-to-exceed amount of $107,500,000, by $1,300,000, to $106,200,000, thereby resulting in a not-to-exceed needed increased amount of $27,900,000 instead of the requested $29,200,000.
- Approve the proposed resolution, as amended.

MANDATE STATEMENT/ BACKGROUND

Mandate Statement

In accordance with Charter Section 9.118(b), City agreements with anticipated expenditures of $10,000,000, or more or amendments to such City agreements with anticipated expenditures of more than $500,000 are subject to approval by the Board of Supervisors.

Award of Existing Agreement to Western States Oil

On August 11, 2009, based on a competitive bid process, the Board of Supervisors approved a one year agreement for a not-to-exceed $25,000,000 between Western States Oil and the City, through the Office of Contract Administration (OCA) for Western States Oil to provide the City and County of San Francisco with gasoline, diesel, biodiesel and fuel for over 6,000 vehicles and 700 pieces of equipment, including generators, used by various City departments (Resolution No. 345-09). This one year agreement extended from September 1, 2009 through August 31, 2010, and also included four one-year options to renew, or through August 31, 2014.

OCA awarded the City's primary fuel provider[1]a greement to Western States Oil as the lowest bidder, based on fixed prices expressed as a markup or markdown from the daily price per gallon published by the industry group, known as the Oil Price Information Service (OPIS)[2]. The bid prices are fixed for the entire term of the agreement, including options to extend, and include all overhead and/or delivery of fuel costs. OCA multiplied each bidder's markup or markdown price per gallon for each type of fuel by the City's estimated number of gallons needed per year, resulting in the total bid price.

The not-to-exceed agreement for $25,000,000 (a) assumed an average annual consumption of 9,025,000 total gallons of fuel, or an average price of $2.77 per gallon, and (b) was consistent with the City's average actual expenditures on gasoline and diesel fuel in the two fiscal years preceding the existing agreement commencement date of September 1, 2009. The City expended $24,416,512 on gasoline and diesel fuel in FY 2007-08 and $25,431,930 in FY 2008-09.

[1] In addition to the City's primary vendor, the City has secondary and tertiary fuel vendors, as back-up fuel vendors in case of emergency or in case the primary vendor is not able to satisfactorily perform. Under the existing agreement, Western States Oil, as the primary vendor, receives 100 percent of the City's business for the various types of fuel. The City's secondary fuel vendor is Nella Oil Company, LLC, and the tertiary fuel vendor is Golden Gate Petroleum.

[2] The OPIS purchase price is a standard market purchase price for a particular fuel and is not controlled by the City or the fuel distribution vendor. While the markup or markdown price will remain fixed, the OPIS price per gallon fluctuates daily. Therefore, the actual price that the City pays for fuel fluctuates throughout the term of the agreement.

Previous Five Amendments to the Existing Agreement

On October 9, 2009, OCA executed the First Amendment to the existing agreement to add Red Dye Diesel[3] for use by the San Francisco Fire Department and the Port "over marine waters". On February 12, 2010, OCA executed the Second Amendment to the existing agreement to add Methanol[4] for the Public Utilities Commission's (PUC) Oceanside Plant. Neither of these amendments was subject to the Board of Supervisors approval because they did not (a) extend the term of the agreement beyond ten years, nor (b) increase the not-to-exceed amount.

On August 3, 2010 the Board of Supervisors approved the Third Amendment to the existing agreement, which exercised the first option to extend the agreement by one year from September 1, 2010 through August 31, 2011 and increased the not-to-exceed amount by $25,000,000 or 100 percent from $25,000,000 to $50,000,000 (Resolution No. 0368-10).

On July 1, 2011, OCA executed the Fourth Amendment to the existing agreement which exercised the second option to extend the agreement by one year from September 1, 2011 through August 31, 2012 and increased the not-to-exceed amount by $500,000 or 1 percent from $50,000,000 to $50,500,000 to allow Departments to encumber funding to cover monthly invoices until OCA could request additional funding authorization. This amendment was not subject to Board of Supervisors approval because it did not (a) extend the term of the agreement beyond ten years, nor (b) increase the not-to-exceed amount by more than $500,000.

On October 18, 2011, the Board of Supervisors approved the Fifth Amendment to increase the not-to-exceed amount by $27,800,000 from $50,500,000 to $78,300,000 which is the presently authorized not-to-exceed amount (Resolution No. 0434-11).

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would authorize the Office of Contract Administration to execute the Sixth Amendment to the existing agreement with Western States Oil to increase the not-to-exceed amount by $29,200,000 from $78,300,000 to $107,500,000 by executing the third option to extend the term of the agreement by one year from September 1, 2012 through August 31, 2013.

---

[3] Red Dye Diesel is a diesel fuel with red pigment added that can only be used in non-road driven vehicles and equipment, such as lawn mowers and generators. According to Ms. Jennifer Browne, Assistant Director of OCA, because Red Dye Diesel cannot be used on roads, it is not taxed as heavily and therefore the City realizes a significant savings over regular diesel fuel.

[4] Methanol is a colorless, toxic, flammable liquid used as an antifreeze, a general solvent, a fuel, and a denaturant (a substance which changes by chemical or physical means, such as the action of acid or heat, to cause loss of solubility, biological activity, etc.) for ethyl alcohol. Methanol may be used to produce biodiesel.

FISCAL IMPACTS

According to Ms. Jennifer Browne, Assistant Director of OCA, and as shown in Table 1 below, the City expended an average of $2,317,039 per month during the first seven months of the current agreement year from September 1, 2011 through March 31, 2012, or a total of $16,219,273. Based on this first seven month's average monthly expenditures of $2,317,039, OCA projected comparable spending rates for the remaining five months of the current agreement year or $11,585,195 ($2,317,039 per month x five months), such that the City projected expending a total of approximately $27,804,468 ($16,219,273 plus $11,585,195) in the current agreement year, extending from September 1, 2011 through August 31, 2012.

Ms. Browne advises that, as shown in Table 1 below, the subject requested $29,200,000 increased amount under the proposed Sixth Amendment, which would extend the term of the existing agreement by one year, from September 1, 2012 through August 31, 2013, was calculated by (a) adding the projected September 1, 2011 through August 31, 2012 expenditure rate of $27,804,468, rounded to the nearest $10,000 or $27,800,000, and (b) then adding five percent of this projected spending rate ($1,390,223) rounded to the nearest $100,000 or $1,400,000 ($27,800,000 plus $1,400,000 equals $29,200,000).

Table 1: Requested Sixth Amendment Based on the Current Agreement (September 1, 2011 through August 31, 2012)

Category	Amount
Average Monthly Expenditures (From September 1, 2011 Through March 31, 2012)	$2,317,039
Annual Amount Projected based on current year expenditures	$27,804,468
Amount Requested based on projected current year expenditures, rounded to nearest $10,000	27,800,000
Five Percent Contingency for fluctuating oil prices	$1,400,000
Amount Requested in proposed Sixth Amendment	$29,200,000

Although OCA's data shown in Table 1 above reflects an average monthly rate of $2,317,039 (without the five percent contingency), more recent data provided by OCA show that the average monthly expenditures for the first ten months of the current agreement year, or from September 1, 2011 through June 30, 2012 are $2,215,233 per month, due to a reduction in fuel purchases. Therefore, as shown in Table 2 below, the City is now projected to expend a total of approximately $26,582,796 in the current agreement year, extending from September 1, 2011 through August 31, 2012, instead of the projected $27,804,468 shown in Table 1 above.

Therefore, as shown in Table 2 below, the Budget and Legislative Analyst estimates that the required total not-to-exceed amount for the proposed Sixth Amendment, or from September 1, 2012 through August 31, 2013, should be $27,900,000, based on the revised $26,582,796 projected annual expenditures, plus a five percent contingency ($1,329,139), rounded to the

nearest $100,000. As shown in Table 2 below, this revised $27,900,000 ($26,600,000 plus $1,300,000) would provide sufficient authorization for the current average monthly expenditures to continue through next year and would also provide for a 5 percent contingency to allow for increased spending that may result from fluctuations and volatility in oil prices.

Table 2: Contract Details under Current Contract Year (September 1, 2011-August 31, 2012) as of July 9, 2012

Category	Amount
Average Monthly Expenditures (from September 1, 2011 through June 30, 2012)	$2,215,233
Annual Amount Projected based on current year expenditures	$26,582,796
Contingency for fluctuating oil prices (5%)	$1,329,139
Revised Amount for proposed Sixth Amendment (rounded to nearest $100k)	$ 27,900,000

As noted above, the proposed resolution would authorize the OCA to enter into a Sixth Amendment to increase the Western States Oil Agreement from a not-to-exceed $78,300,000 to $107,500,000, an increase of $29,200,000. However, as shown in Table 2 above, the revised estimated amount required for the subject Sixth Amendment is $27,900,000 or $1,300,000 less than the $29,200,000 increase requested. Therefore, the proposed resolution should be amended to reduce the requested not-to-exceed amount of $107,500,000 by $1,300,000 to $106,200,000, thereby resulting in a not-to-exceed needed increased amount of $27,900,000 instead of $29,200,000. Given the latest trends in fuel purchases Ms. Browne agrees with revising the not-to-exceed increased amount to $27,900,000.

According to Ms. Browne, the funding source for the proposed Sixth Amendment are monies included in individual City departments' FY 2012-13 budgets for purchasing fuel, including the San Francisco Municipal Transportation Agency, the Public Utilities Commission, the Airport, the Police Department, the Fire Department, the Sheriff's Department, the Port, the Department of Public Works, the Recreation and Park Department, and the City's Central Shops. All such budgeted funds are subject to Board of Supervisors appropriation approval.

POLICY CONSIDERATIONS

As noted above, the existing Western States Oil agreement initially extended for one year, from September 1, 2009 through August 31, 2010, and also included four one-year options, or through August 31, 2014. OCA structured the existing Western States Oil agreement to be for an initial term of one year, with four one-year options to extend, in order to provide OCA with the flexibility to either (a) extend the existing agreement or alternatively (b) rebid a new diesel and gasoline fuel agreement based on the future needs of the City. According to Ms. Browne, the OCA will likely rebid the agreement sometime in 2013, prior to the expiration of this subject requested third option which expires on August 31, 2013, through a competitive Request for Proposal (RFP) process "in order to accurately reflect current and predicted usage of higher biodiesel mixtures."

Further, if the cost of fuel continues to increase in the long run, as OCA and long term trends suggest they will, it will become increasingly necessary that City departments work to decrease

their fuel consumption and/or move to more efficient or less expensive fuels. According to Ms. Browne, prices on all fuel types are expected to increase, including the cost of bio-fuel blends. The City has a number of initiatives aimed at fuel conservation in place, including Car Share, Fleet Reduction, installation of Electric Vehicle Charging Stations and Term Contracts designed to encourage purchases of Fuel Efficient, Natural Gas and Hybrid vehicles. Additionally, the Healthy Air & Clean Transportation Ordinance encourages City departments with responsibility for fleet vehicles to use public transportation whenever possible, in order to reduce fleet size and to trade in older, less fuel efficient vehicles for new fuel efficient vehicles.

RECOMMENDATIONS

1. Amend the proposed resolution to reduce the requested not-to-exceed amount of $107,500,000, by $1,300,000, to $106,200,000, thereby resulting in a not-to-exceed needed increased amount of $27,900,000 instead of $29,200,000.

2. Approve the proposed resolution, as amended.

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 6

Fuel, Diesel, Biodiesel, and Gas (Primary)

Western States Oil	Date	April 23, 2012
Attn: Bob Brown	Buyer Name:	Pamela Olivier
P.O. Box 1307	Term contract	70882
San Jose, CA 95107	City Blanket No:	BPSF00003605
	Type:	Indefinite quantity
	Not-to-exceed amount:	$107,500,000

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

Modification	**Start date**	**End date**	**Amount**	**Other changes**
Original contract	09/01/09	08/31/10	$25,000,000	
1	No Change	No Change	No Change	Add Items 228 and 324
2	No Change	No Change	No Change	Add Item 801, and special conditions pertaining to Item 801 (methanol)
3	09/01/10	08/31/11	$25,000,000	Increase NTE/Extend one year/ Update Bid and Contract Conditions 24 & 29 Add Locations/Add Line Items 324-327
4	09/01/11	08/31/12	$50,500,000	Increase NTE/Extend Term Add Electronic Payment;
5	No Change	No Change	$78,300,000	Increase NTE Amount
6	09/01/12	08/31/13	$107,500,000	Increase NTE Amount and extend one year

This modification 5 changes the contract as follows:

- Increases the not-to-exceed amount from $78,300,000 to $107,500,000

All other terms and conditions remain the same.

Approved by the City: _____ _____
Jaci Fong, Director of OCA and Purchaser — Date

Approved by Contractor: _____ _____
Signature — Date

Name and title _____

Sign and return one original. The duplicate original is for your files. 1071

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

COMPANY INFORMATION

(Items: Primary – 101 thru 108, 201 thru 227, 301 thru 323)

WARNING

Do not use any term contracts to purchase goods and/or services when using Federal, State or Special Funds. Term contracts may contain provisions that conflict with Federal or State provisions.

City departments must contact their assigned City Attorney for applicable provisions, procedures and relevant fund requirements.

Name of Company:	Westerns States Oil
Address:	P.O. Box 1307
City, State, Zip:	San Jose, CA 95107
Contact:	Bob Brown
Telephone Number:	1-800-743-6950
Fax Number:	(408) 293-2093
Email:	bbrown@lubeoil.com
24-Hour Emergency Telephone Number:	(408) 292-1041
Payment Terms:	Net 30
Federal Tax I.D. Number:	94-1488623
Vendor Number:	19818
CBPO Number:	BPSF00003605

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

COMPANY INFORMATION
(Items: Primary – 401 thru 415)

WARNING

Do not use any term contracts to purchase goods and/or services when using Federal, State or Special Funds. Term contracts may contain provisions that conflict with Federal or State provisions.

City departments must contact their assigned City Attorney for applicable provisions, procedures and relevant fund requirements.

Name of Company:	W.H. Breshears
Address:	720 B Street
City, State, Zip:	Modesto, CA 95354
Contact:	Ed Friedberg
Telephone Number:	1-800-637-4427
Fax Number:	(209) 522-2406
Email:	efriedberg@whbreshears.com
24-Hour Emergency Telephone Number:	(209) 522-7791
Payment Terms:	Net 30
Federal Tax I.D. Number:	94-2238959
Vendor Number:	03719
CBPO Number:	BPSF00003608

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

COMPANY INFORMATION
(Items: Primary 501, 601, 701 thru 708)

WARNING

Do not use any term contracts to purchase goods and/or services when using Federal, State or Special Funds. Term contracts may contain provisions that conflict with Federal or State provisions.

City departments must contact their assigned City Attorney for applicable provisions, procedures and relevant fund requirements.

Name of Company:	Ferrellgas
Address:	9765 Dino Drive
City, State, Zip:	Elk Grove, CA 95759
Contact:	Scott Sheridan
Telephone Number:	1-888-337-7355
Fax Number:	(916) 686-8130
Email:	scottsheridan@ferrellgas.com
24-Hour Emergency Telephone Number:	1-888-337-7355
Payment Terms:	Net 30
Federal Tax I.D. Number:	43-1698481
Vendor Number:	81617
CBPO Number:	BPSF0003607

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

COMPANY INFORMATION
(Items: Secondary – 101 thru 108, 201 thru 227, 301 thru 323)

WARNING

Do not use any term contracts to purchase goods and/or services when using Federal, State or Special Funds. Term contracts may contain provisions that conflict with Federal or State provisions.

City departments must contact their assigned City Attorney for applicable provisions, procedures and relevant fund requirements.

Name of Company:	Nella Oil Company, LLC
Address:	2360 Lindbergh Street
City, State, Zip:	Auburn, CA 95602
Contact:	Dolores Santos
Telephone Number:	(530) 885-0401
Fax Number:	(530) 585-4796
Email:	doloress@nellaoil.com
24-Hour Emergency Telephone Number:	(650) 333-6163 (530) 392-1014
Payment Terms:	Net 30
Federal Tax I.D. Number:	71-0916655
Vendor Number:	60497
CBPO Number:	BPSF00003606

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

COMPANY INFORMATION
(Items: Secondary – 401 thru 415)

WARNING

Do not use any term contracts to purchase goods and/or services when using Federal, State or Special Funds. Term contracts may contain provisions that conflict with Federal or State provisions.

City departments must contact their assigned City Attorney for applicable provisions, procedures and relevant fund requirements.

Name of Company:	Westerns States Oil
Address:	P.O. Box 1307
City, State, Zip:	San Jose, CA 95107
Contact:	Bob Brown
Telephone Number:	1-800-743-6950
Fax Number:	(408) 293-2093
Email:	bbrown@lubeoil.com
24-Hour Emergency Telephone Number:	(408) 292-1041
Payment Terms:	Net 30
Federal Tax I.D. Number:	94-1488623
Vendor Number:	19818
CBPO Number:	BPSF00003609

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

COMPANY INFORMATION
(Items: Tertiary – 101 thru 108, 208 thru 227, 301 thru 323)

WARNING

Do not use any term contracts to purchase goods and/or services when using Federal, State or Special Funds. Term contracts may contain provisions that conflict with Federal or State provisions.

City departments must contact their assigned City Attorney for applicable provisions, procedures and relevant fund requirements.

Name of Company:	Golden Gate Petroleum
Address:	1800 Sutter Street, Suite 550
City, State, Zip:	Concord, CA 94520
Contact:	Claude Brown
Telephone Number:	(925) 228-2222
Fax Number:	(925) 957-9587
Email:	claude@ggpetroleum.com
24-Hour Emergency Telephone Number:	(925) 228-2222
Payment Terms:	Net 30
Federal Tax I.D. Number:	94-1724955
Vendor Number:	03051
CBPO Number:	BPSF00003610

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

WESTERN STATES OIL – PRIMARY

Type	Est. annual usage (gallons)	Item	Delivery quantity (gallons)	Mark Up/ Down
SFMTA				
Bio Diesel	615,000	101	up to 7,400	-0.0206
(B20)	3,485,000	102	over 7,401	-0.0350
Bio Diesel	225,000	103	up to 7,400	-0.0211
(B5)	1,275,000	104	over 7,401	-0.0355
Gas Regular Unleaded**	9,600	105	up to 7,400	+0.0244
87 octane	22,400	106	over 7,401	+0.0079
Diesel #2(ULS) *		107	up to 7,400	+0.0556
		108	over 7,401	+0.0411
Fire Dept and PUC, San Francisco				
Bio Diesel	32,000	201	500 or lower	+0.2453
(B20)	32,000	202	501 to 1000	+0.0953
	32,000	203	1,001 to 1,500	+0.0453
	32,000	204	1,501 to 3,000	-0.0047
	32,000	205	over 3,000	-0.0206
Diesel #2 (ULS.)	42,000	206	500 or lower	+0.3306
	42,000	207	501 to 1,000	+0.1806
	42,000	208	1,001 to 1,500	+0.1306
	42,000	209	1,500 to 3,000	+0.0806
	42,000	210	over 3,000	+0.0647
Gas Regular Unleaded**	32,000	211	500 or lower	+0.3055
87 octane	32,000	212	501 to 1,000	+0.1555
	32,000	213	1,001 to 1,500	+0.1005
	32,000	214	1,500 to 3,000	+0.505
	32,000	215	over 3,000	+0.0347

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

WESTERN STATES OIL – PRIMARY

East Bay

Gas Regular Unleaded 87 octane	18,000	216	under 1,500	+0.0950
	18,000	217	over 1,500	+0.0450
Bio Diesel	5,000	218	under 1,500	+0.0953
(B20)	5,000	219	over 1,500	-0.0047
Red Dye Diesel #2	5,000	220	under 500	+0.302
ULS	5,000	221	501 to 1,000	+0.1802
	5,000	222	1,000 to -2,000	+0.1302
	5,000	223	over 2,000	+0.0802

PUC Peninsula

Gas Regular Unleaded 87 octane	85,000	224	under 5,000	+0.0505
	85,000	225	over 5,000	+0.0347
Bio Diesel	6,000	226	under 1,500	-0.0453
(B20)	6,000	227	over 1,500	-0.0047

Central Shop/other departments, San Fran.

Gas Regular Unleaded** 87 octane	98,500	301	under 1,000	+0.1455
	98,500	302	1,001 to 2,000	+0.0955
	295,500	303	2,001 to 5,000	+0.0405
	492,500	304	5,001 to 7,400	+0.0244
	985,000	305	over 7,400	+0.0079
Gas Premium Unleaded 91 octane	1,000	306	2,000 to 5,000	+0.0405
	1,000	307	5,001 to 7,400	+0.0244
	8,000	308	over 7,400	+0.0079

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

WESTERN STATES OIL - PRIMARY

Bio Diesel	39,400	309	under 2,000	+0.0453
(B20)	39,400	310	2,000 to 5,000	-0.0047
	78,800	311	5,001 to 7,400	-0.0206
	236,400	312	over 7,400	-0.0350
Red Dye Diesel #2	16,250	313	under 500	+0.3302
ULS	16,250	314	501 to 1,000	+0.1802
	16,250	315	1,001 to 2,000	+0.1302
	16,250	316	over-2,000	+0.0802
Gas Regular Unleaded 87 octane	34,800	316A	under 2,000	+0.0955
	34,800	317	2001 to 5,000	+0.0405
	52,200	318	5,001 to 7,400	+0.0244
	52,200	319	over 7,400	+0.0079
Gas Premium Unleaded 91 octane	2,000	320	under 2,000	+0.0955
	2,000	321	over 2,000	+0.0405
Red Dye Diesel #2	15,000	322	under 5,000	+0.0806
ULS	10,000	323	over 5,000	+0.0647

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

W.H. BRESHEARS – PRIMARY

Sierra locations

Gas Regular Unleaded 87 octane	19,600	401	under 200	+.409
	19,600	402	201 to 400	+.349
	19,600	403	401 to 800	+.309
	19,600	404	801 to 1,600	+.249
	19,600	405	over 1,600	+.229
Diesel #2 ULS	3,200	406	under 200	+.429
	3,200	407	201 to 400	+.369
	3,200	408	401 to 800	+.329
	3,200	409	801 to 1,600	+.269
	3,200	410	over 1,600	+.249
Bio Diesel	900	411	under 200	+.90
(B20)	900	412	201 to 400	+.90
	900	413	401 to 800	+.90
	1800	414	801 to 1,600	+.90
	4,500	415	over 1,600	+.90

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

FERRELLGAS – PRIMARY

Propane all locations except Sierra			
Propane	25,000	501	+.47
Sierra locations			
Propane	3,000	601	+1.49

Fees to cover rental, maintenance and equipment for Propane tanks as required. **

		TANK SIZE	$ per quarter
	701	250 Gal.	$ 60.00
	702	300 Gal.	$ 60.00
	703	500 Gal	$ 60.00
	704	600 Gal.	$60.00
	705	1,000 Gal.	$100.00
	706	1.150 Gal.	$100.00
Tank with pump, motor and meter	707	1,175 Gal.	$100.00
Tank with pump, motor and meter	708	3,400 Gal.	$100.00

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

NELLA OIL COMPANY, LLC - SECONDARY

Type	Est. annual usage (gallons)	Item	Delivery quantity (gallons)	Mark Up/ Down
SFMTA				
Bio Diesel	615,000	101	up to 7,400	-0.0140
(B20)	3,485,000	102	over 7,401	-0.0140
Bio Diesel	225,000	103	up to 7,400	-0.0140
(B5)	1,275,000	104	over 7,401	-0.0140
Gas Regular Unleaded**	9,600	105	up to 7,400	+0.0264
87 octane	22,400	106	over 7,401	+0.0264
Diesel #2(ULS) *		107	up to 7,400	+0.0261
		108	over 7,401	+0.0261
Fire Dept and PUC, San Francisco				
Bio Diesel	32,000	201	500 or lower	+0.2500
(B20)	32,000	202	501 to 1000	+0.1600
	32,000	203	1,001 to 1,500	+0.0850
	32,000	204	1,501 to 3,000	+0.0335
	32,000	205	over 3,000	+0.0150
Diesel #2 (ULS.)	42,000	206	500 or lower	+0.2870
	42,000	207	501 to 1,000	+0.1930
	42,000	208	1,001 to 1,500	+0.1200
	42,000	209	1,500 to 3,000	+0.0690
	42,000	210	over 3,000	+0.0470
Gas Regular Unleaded**	32,000	211	500 or lower	+0.2870
87 octane	32,000	212	501 to 1,000	+0.1930
	32,000	213	1,001 to 1,500	+0.1200
	32,000	214	1,500 to 3,000	+0.0690
	32,000	215	over 3,000	+0.0470

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

NELLA OIL COMPANY, LLC - SECONDARY

East Bay

Gas Regular Unleaded 87 octane	18,000	216	under 1,500	+0.1930
	18,000	217	over 1,500	+0.0770
~~Bio Diesel~~	~~5,000~~	~~218~~	~~under 1,500~~	~~+0.1600~~
(B20)	5,000	219	over 1,500	+0.0290
Red Dye Diesel #2	5,000	220	under 500	+0.4300
ULS	5,000	221	501 to 1,000	+0.2175
	5,000	222	1,000 to -2,000	+0.1240
	5,000	223	over 2,000	+0.0870

PUC Peninsula

Gas Regular Unleaded 87 octane	85,000	224	under 5,000	+0.0700
	85,000	225	over 5,000	+0.0400
Bio Diesel	6,000	226	under 1,500	+0.1850
(B20)	6,000	227	over 1,500	+0.1150

Central Shop/other departments, San Fran.

Gas Regular Unleaded** 87 octane	98,500	301	under 1,000	+0.1930
	98,500	302	1,001 to 2,000	+0.1000
	295,500	303	2,001 to 5,000	+0.0470
	492,500	304	5,001 to 7,400	+0.0350
	985,000	305	over 7,400	+0.0235
Gas Premium Unleaded 91 octane	1,000	306	2,000 to 5,000	+0.0470
	1,000	307	5,001 to 7,400	+0.0350
	8,000	308	over 7,400	+0.0235

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

NELLA OIL COMPANY, LLC - SECONDARY

Bio Diesel	39,400	309	under 2,000	+0.0650
(B20)	39,400	310	2,000 to 5,000	+0.0150
	78,800	311	5,001 to 7,400	+0.0200
	236,400	312	over 7,400	-0.0140
Red Dye Diesel #2	16,250	313	under 500	+0.4300
ULS	16,250	314	501 to 1,000	+0.2175
	16,250	315	1,001 to 2,000	+0.1240
	16,250	316	over-2,000	+0.0870
Gas Regular Unleaded 87 octane	34,800	316A	under 2,000	+0.1000
	34,800	317	2001 to 5,000	+0.0470
	52,200	318	5,001 to 7,400	+0.0350
	52,200	319	over 7,400	+0.0235
Gas Premium Unleaded 91 octane	2,000	320	under 2,000	+0.1000
	2,000	321	over 2,000	+0.0630
Red Dye Diesel #2	15,000	322	under 5,000	+0.0470
ULS	10,000	323	over 5,000	+0.0260

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

WESTERN STATES OIL – SECONDARY

Sierra locations

Gas Regular Unleaded 87 octane	19,600	401	under 200	+1.90
	19,600	402	201 to 400	+1.70
	19,600	403	401 to 800	+1.85
	19,600	404	801 to 1,600	+.55
	19,600	405	over 1,600	+.45
Diesel #2 ULS	3,200	406	under 200	+1.95
	3,200	407	201 to 400	+1.75
	3,200	408	401 to 800	+1.05
	3,200	409	801 to 1,600	+.48
	3,200	410	over 1,600	+.44
Bio Diesel	900	411	under 200	+1.10
(B20)	900	412	201 to 400	+.95
	900	413	401 to 800	+.90
	1800	414	801 to 1,600	+.85
	4,500	415	over 1,600	+.70

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD
Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

GOLDEN GATE PETROLEUM – TERTIARY

Type	Est. annual usage (gallons)	Item	Delivery quantity (gallons)	Mark Up/ Down
SFMTA				
Bio Diesel	615,000	101	up to 7,400	+0.0950
(B20)	3,485,000	102	over 7,401	+0.0600
Bio Diesel	225,000	103	up to 7,400	+0.0950
(B5)	1,275,000	104	over 7,401	+0.0600
Gas Regular Unleaded**	9,600	105	up to 7,400	+0.1000
87 octane	22,400	106	over 7,401	+0.0700
Diesel #2(ULS) *		107	up to 7,400	+0.1000
		108	over 7,401	+0.0700
Fire Dept and PUC, San Francisco				
Bio Diesel	32,000	201	500 or lower	+0.5100
(B20)	32,000	202	501 to 1000	+0.3100
	32,000	203	1,001 to 1,500	+0.2500
	32,000	204	1,501 to 3,000	+0.1700
	32,000	205	over 3,000	+0.1300
Diesel #2 (ULS.)	42,000	206	500 or lower	+0.5100
	42,000	207	501 to 1,000	+0.3100
	42,000	208	1,001 to 1,500	+0.2500
	42,000	209	1,500 to 3,000	+0.1700
	42,000	210	over 3,000	+0.1300
Gas Regular Unleaded**	32,000	211	500 or lower	+0.5100
87 octane	32,000	212	501 to 1,000	+0.3100
	32,000	213	1,001 to 1,500	+0.2500
	32,000	214	1,500 to 3,000	+0.1700
	32,000	215	over 3,000	+0.1300

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

GOLDEN GATE PETROLEUM - TERTIARY

East Bay

Gas Regular Unleaded 87 octane	18,000	216	under 1,500	+0.2000
	18,000	217	over 1,500	+0.1500
~~Bio Diesel~~	~~5,000~~	~~218~~	~~under 1,500~~	~~+0.2000~~
(B20)	5,000	219	over 1,500	+0.1500
Red Dye Diesel #2	5,000	220	under 500	+0.5100
ULS	5,000	221	501 to 1,000	+0.3100
	5,000	222	1,000 to -2,000	+0.2200
	5,000	223	over 2,000	+0.1600

PUC Peninsula

Gas Regular Unleaded 87 octane	85,000	224	under 5,000	+0.1600
	85,000	225	over 5,000	+0.1150
Bio Diesel	6,000	226	under 1,500	+0.2200
(B20)	6,000	227	over 1,500	+0.1700

Central Shop/other departments, San Fran.

Gas Regular Unleaded** 87 octane	98,500	301	under 1,000	+0.3400
	98,500	302	1,001 to 2,000	+0.2200
	295,500	303	2,001 to 5,000	+0.1500
	492,500	304	5,001 to 7,400	+0.1000
	985,000	305	over 7,400	+0.0700
Gas Premium Unleaded 91 octane	1,000	306	2,000 to 5,000	+0.1500
	1,000	307	5,001 to 7,400	+0.1000
	8,000	308	over 7,400	+0.0700

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

GOLDEN GATE PETROLEUM - TERTIARY

Bio Diesel	39,400	309	under 2,000	+0.2400
(B20)	39,400	310	2,000 to 5,000	+0.1400
	78,800	311	5,001 to 7,400	+0.0900
	236,400	312	over 7,400	+0.0650
Red Dye Diesel #2	16,250	313	under 500	+0.5100
ULS	16,250	314	501 to 1,000	+0.2800
	16,250	315	1,001 to 2,000	+0.2200
	16,250	316	over-2,000	+0.1700
Gas Regular Unleaded 87 octane	34,800	316A	under 2,000	+0.2600
	34,800	317	2001 to 5,000	+0.1600
	52,200	318	5,001 to 7,400	+0.1100
	52,200	319	over 7,400	+0.0800
Gas Premium Unleaded 91 octane	2,000	320	under 2,000	+0.2600
	2,000	321	over 2,000	+0.2000
Red Dye Diesel #2	15,000	322	under 5,000	+0.1300
ULS	10,000	323	over 5,000	+0.1150

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

Fuel, Diesel and Gas

Western States Oil	Date	October 9, 2009
Attn: Bob Brown	Buyer Name:	Howard Tevelson
P.O. Box 1307	Term contract	70882
San Jose, CA 95107	Type:	Indefinite quantity
	Not-to-exceed amount:	$25,000,000

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

Modification	Start date	End date	Amount	Other changes
Original contract	09/01/09	08/31/10	No Change	
1	No Change	No Change	No Change	Add items 228 & 324

This modification 1 changes the contract as follows:

Per Special Conditions 81 – Additional Items, the following items have been added to the contract. (See Attachment "A")

Items: **Primary: 228 and 324**

All other terms and conditions remain the same.

Approved by the City: [signature] 10-16-09
Naomi Kelly, Director of OCA and Purchaser — Date

Approved by Contractor: [signature] 10-29-09
Signature — Date

Name and title Robert Brown Spec Proj Mgr.

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

P-280 (2-09-09)

Attachment "A"
Contract 70882
Fuel, Diesel and Gas
Western States Oil
October 9, 2009

Per Special Conditions 81 – Additional Items, the following have been added to the contract.

Type	Est. annual usage (gallons)	Item	Delivery quantity (gallons)	Mark Up/ Down
Fire Department over marine waters				
Red Dye Diesel	7,000	228	all gallons	+.33
Port over marine waters				
Red Dye Diesel	5,000	324	all gallons	+.33

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 2

Fuel, Diesel and Gas

Western States Oil		Date	February 3, 2010
Bob Brown		Buyer Name:	Jeannie Louie
P.O. Box 1307		Term contract	70882
San Jose, CA 95107		City Blanket No.	BPSF00003605
		Type:	Indefinite quantity
E-mail: bbrown@lubeoil.com		Not-to-exceed amount:	$25,000,000

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

Modification	Start date	End date	Amount	Other changes
Original contract	09-01-09	08-31-10	No Change	
1	n/c	n/c	n/c	Add Items 228 & 324
2	2-3-10	n/c	n/c	Add Item 801

This modification 2 changes the contract as follows:

Per Special Condition 81 – Additional Items, the following item and Special Conditions 89 through 108 have been added to the contract. (See Attachment "B").

Item: **Primary: 801**

All other terms and conditions remain the same.

Approved by the City: Naomi Kelly, Director of OCA and Purchaser — Date: 2-4-10

Approved by Contractor: Signature — Date: 2-8-10

Name and title: Robert Brown Sales Acct Mng.

Received Time Feb. 8. 2010 2:33PM No. 8181

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

P-280 (2-09-09)

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

ATTACHMENT B"
Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

Price

Item	Location	Product	Est. Annual Qty in Gallons	Unit of Measure	Contractor Fixed Mark-up Cost
801	SFPUC Oceanside Plant (OSP)	Methanol	5,000	gallons	$ .65

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

ATTACHMENT B"
Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

NOTE: **The following additional new item, #801, specifications and requirements in this attachment are for supplying and delivering Methanol to the San Francisco Public Utilities Waste Water Enterprise. The additional item, specifications, requirements, and prices will be added under the City's Contract Award #70882, Fuel, Diesel, Biodiesel, Gas, and Propane Contract per Special Condition 81, "Additional Items". The contract term of Contract 70882 is from September 1, 2009 through August 31, 2010. All Bid and Contract Conditions 1 through 35 and General Conditions 36 through 67 of Contract Proposal 70882 shall apply to this contract attachment. The following additional Special Conditions will apply to the specifications and requirements for the supply of Methanol as stated herein.**

89. Purpose

The purpose of this contract is to furnish and deliver Methanol to the San Francisco Public Utilities Commission Waste Water Enterprise Oceanside Plant.

90. Specifications

The Contractor shall be responsible for timely delivery of methanol to the City and County of San Francisco Oceanside Plant.

A. Methanol

Methanol Technical Grade to be delivered to Oceanside Plant (OSP) in San Francisco as specified below.

Formula CH_3OH
Components:

CH_3OH	99.99% w/w (weight of solvent/weight of solute ratio)
Water	0.01% w/w
Acetone	<0.001% ppm
Acetone and Aldehydes	<0.003% ppm
Other Alcohols	<0.001% w/w
Total Sulfur	<0.5 ppm
Chlorides	<0.5 ppm
Iron	<0.01ppm
Specific Gravity	0.7923 @ 20 °C

B. Methanol Storage Totes

1. The Contractor shall furnish and deliver two (2) 550-gallon stainless steel tote (total 1,100 gallons) containers to designated SFPUC site.

2. The Contractor shall warrant and provide totes in good operating condition through the contract period and any extensions issued thereafter. The methanol storage totes shall be International Bulk Container (IBC) stainless steel. Containers shall be leak proof, contaminant free, and be capable of withstanding seismic and wind requirements applicable to the installation location.

3. The Contractor shall warrant and provide all necessary filling and safety piping, fittings, and valving for the methanol totes.

4. The City will provide a grounding rod on-site for the storage totes.

5. Contractor shall furnish tank and related accessories, as needed, on an equipment rental basis with equipment rental fee if applicable.

6. Storage totes shall meet all Cal-OSHA, EPA, UL, and Fire code requirements. Contractor must comply and be in accordance with Cal/ OSHA Title 8 and any and all other local State and Federal regulatory safety requirements.

7. The stainless steel totes will be the sole property of the contractor.

91. Bidder's/Contractors Qualifications and Requirements

A. Contractor must have in-depth technical knowledge and experience in the products covered by the contract. Contractor must have and maintain, throughout the contract term, and any extension thereof, stocking levels of (25 %) on all products and articles required by the WWE. Failure to maintain adequate stock may result in the Purchaser invoking the Contractor's Default clause (General Condition No. 48) of the contract.

B. Contractor will be responsible for providing technical support and assistance to the City. The Contractor must be available to answer questions and offer any assistance required personnel, during City business hours (7:00 A.M. – 5:30 P.M).

C. Additionally, contractor must have appropriate DOT permits for transport of methanol (a Class 3 hazardous material). Bidder shall provide evidence that they are in possession of all applicable local, state, and federal permits.

D. Contractor's warehouse facility shall comply with Title III of the Americans with Disabilities Act Regulations (including Title 3 Accessibility Guidelines), and Title 24, State of California Building Code (California Accessibility Regulations) regarding handicapped persons' accessibility.

E. The City may require Contractor to provide within seven (7) working days from the date they are requested to do so, information and documentation requested by Purchaser, including but not limited to: sources of supply, distribution, dealership or agency

agreements and authorizations from manufacturer's they claim to represent, lines of credit with financial institutions from manufacturer's they claim to represent, lines of credit with financial institutions and suppliers, numbers of employees, trade references and any other information to determine the Contractor's fitness to supply the contract requirements.

F The City reserves the right to inspect Contractor's place of business, including Contractor's existing stock during the contract term, to aid Purchaser in determining Contractor's ability to satisfy the terms and conditions of the contract.

92. Contractor's Responsibility

A. The Contractor, **must submit** with their quote, a statement to the effect that they are fully cognizant of all the factors involved in furnishing and delivering Methanol. Such factors, include, but are not limited to, complete familiarity with the layout of the City's facilities for storage of the product concerned and the concomitant requirements for transferring from Contractor's truck to City facility.

B. The Contractor for the product shall be responsible for all costs incurred (equipment damage and or labor charges to correct problem or problems) due to impurities present in the delivered product. Contractor shall inform City department immediately of product quality problems and replace the delivered product, at no additional cost, within 24 hours of notification to the SFPUC facility.

93. Delivery Requirements

A. Methanol will be delivered to:

Oceanside Water Pollution Control Plant
3500 Great Highway
San Francisco, California 94132

Monday through Friday, 7:00 AM to 5:00 PM

B. Deliveries to be made by tank truck (The words "tank truck" as used herein shall be understood to mean a tractor trailer unit with trailer-mounted metal tank suitably constructed to contain the fuels as described above). The tank truck shall be labeled and constructed to meet all the requirements of the California State Highway Patrol, the Interstate Commerce Commission and any and all local jurisdictions having control over said tank truck operation.

C. On the first initial delivery, Contractor will deliver two (2) empty methanol totes to City's site. Contractor shall unload the totes. City staff will set totes in place at City designated area. Upon City staff setting and securing totes in place, Contractor will fill

the totes with methanol. A City representative must be present when the totes are unloaded and totes are filled with methanol by Contractor.

D. During each shipment, Contractor shall refill the totes as required. It is estimated that refill will be required every 26-28 business days. The City representative will contact contractor with 48 hours advance notice to deliver the next shipment.

E. Deliveries are to be made within 24 hours from when the orders are placed.

F. The Contractor shall not refill methanol totes until a SFPUC employee is present. A metering devise must be presented at the time of delivery and a signed bill of lading must be presented to the SFPUC employee at the time of delivery.

G. The Contractor will be responsible for the repair of any SFPUC owned roads, equipment or facilities that are damaged due to the improper unloading of the product by the vendor.

H. All deliveries will be FOB Destination, freight prepaid and allowed.

I. Any failure to deliver the methanol as requested will be subject to General Condition 17, Failure to Deliver. If Contractor fails to deliver methanol in the manner or within the time frame called for by this contract or, as requested by the City department, the City may purchase the fuel from another source on the open market. If the City has to pay a greater price, the excess price will be charged to and collected from the Contractor.

94. Contractor's License

A. If delivery is made by the Contractor, the Contractor shall be licensed under the State of California, Public Utilities Commission with either a Highway Carrier Contract Permit, a Common Carrier Certificate or a Cal PUC T Number. These permits and/or certificates must not be currently under probation or suspension as set forth by the State of California, Department of Consumer Affairs.

B. In addition, the City and County of San Francisco requires the Contractor to submit an updated copy of identification (i.e. California's Driver's License) of each truck driver to ensure recognition upon delivery. The Vendor will notify the representative(s) of the San Francisco Public Utilities Commission; Wastewater Enterprise Division with the name of the driver prior to delivery.

95. Security Measures for Delivery of Methanol

Contractor shall adhere to the following security measures for the delivery of Methanol:

A. Contractor shall send to the Wastewater Enterprise clear photographs with the names of the drivers making the deliveries.

B. Wastewater Enterprise shall be notified by phone and e-mail to a distribution list (provided by the City to the Contractor after Contract Award), before the truck leaves the terminal, with the name of the driver, this will allow us to match up the driver and photograph with his identification when he arrives.

C. The manifests will contain the name and amount of chemical being delivered, name of driver, along with the meter numbers.

D. Discrepancies could result in the loads being refused, certainly will result in delay of product being off loaded until discrepancies are satisfactorily resolved. The City's operator would notify the supervisors of the discrepancies

96. Safety

A. The Contractor shall provide the delivery location one (1) complete set of: tote labels (e.g., identification and NFPA hazard labels) and Material Safety Data Sheets. Totes must meet all CAL-OSHA requirements. The totes shall be identified by bonded labels indicating the chemical being stored. An NFPA diamond-shaped hazard identification symbol shall also be included on each tote. Identification lettering shall be a minimum of 12 inches high and shall be plainly visible. Labels shall conform to the appropriate Fire Code and NFPA 704 for size and color. The hazardous material symbol shall be provided on all tanks.

B. The Contractor will be responsible for all equipment safety requirements.

C. Contractor is responsible for providing spill response (i.e., spill containment) during transport. Spill response should be completed within 4 hours of a reported spill.

D. Contractor shall have an approved "Spill Contingency Plan" filed with the SFPUC WWE.

E. All cost associated with any leaks, spills, and cleanup during delivery, connection, filling, disconnection will be borne by the Contractor All cost associated with any spill and cleanup will be borne by the Contractor.

97. Material Safety Data Sheet

All products required by this Contract must meet all applicable City, State, and Federal requirements pertaining to hazardous substances.

A. Prior to award, Contractor must provide a completed Material Safety Data Sheet (MSDS) for products required by this contract. Contractor must provide such documents with their bid.

B. MSDSs are subject to approval by SFPUC Safety Department.

C. Failure to provide MSDS documentation may result in application of General Condition 48 Contractor's Default.

D. MSDS forms must be submitted with all deliveries.

98. Regulatory Requirements

All items covered under this contract proposal must comply fully with all specifications stated in the contract proposal as well as all applicable local, state, federal, and ASTM standards. The latest revisions of all standards shall apply to this contract

99. Certificate of Analysis

A. Certificate of Analysis shall be submitted with the Bill of Landing at the time of each delivery.

B. The Certificate of Analysis shall contain the following:

- Product Lot Number
- Percent (%) by weight CH_3OH
- Specific Gravity
- Date of Manufacturing

C. Failure to supply the required Certificate of Analysis at the time of each delivery may be grounds to reject said delivery.

D. Contractor shall not charge the City any costs associated with the rejected delivery or deliveries.

100. Alternates

No substitutes or alternates products will be considered.

101. Estimated Annual Usage of Product

The estimated annual usage of methanol for the Oceanside location from award date to August 31, 2010 is 5,000 gallons.

Estimated Annual Usages must not be construed as the City's commitment to purchase said amount. The City does not guarantee that the purchases against the contract will match or exceed the estimated product in weight or volume, in any given year for the term of the contract and any extension issued thereafter.

102. Price

ATTACHMENT B"
Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

A. Prices will based on Contractor's fixed mark up or fixed margin (i.e. Contractor's overhead costs, profit, etc) and cost of the methanol. Contractor's fixed margin is to be firm for the term from award date through August 31, 2010, as well as for any and all option year extensions.

B. Prices for the methanol will based on the cost of the methanol from Contractor's suppliers at time when each order is placed by the City. Price must be in the same proportion as adjusted by Contractor's suppliers. Contractor shall provide a copy of methanol supplier's invoice and other direct costs to substantiate the cost of methanol for each order placed.

C. The City shall reject payment of any invoices received without appropriate documentation not provided in a timely manner for the cost of the methanol.

D. Price shall be a delivered price, FOB Destination.

E. Price for equipment rental, if any, shall remain firm for the duration of the contract and any extensions issued thereafter.

F. Only prices that appear on City Contract Proposal Bid Sheets will be considered. No other pages with prices or attached price list, catalog prices, will be considered.

G. All taxes that are authorized by law and that can be documented may be added to the invoice.

103. Awarded Items

A. If during the term of the contract, a contract item is determined to be unacceptable for a particular use, and such is documented by a City Department and as determined by Purchasing, it is understood and agreed that the item will be canceled and removed from the contract without penalty to the City. The City's sole obligation to the vendor is payment of deliveries made prior to the cancellation date. City shall give the vendor ten days' notice prior to any cancellation. The City will purchase the required replacement item from any source and in the manner as determined by Purchasing.

B. If a contracted item has been discontinued by the manufacturer or is deemed temporarily unavailable, it will be the responsibility of the Contractor to search the marketplace and find an acceptable equal substitute in the time required for delivery and at the contract price.

C. Contractor must notify Purchasing by certified mail, 30 days in advance of any changes in the description of article, brand, product code or packaging. Any changes made without the approval of Purchasing will constitute default and result in the City invoking General Condition No. 19.

104. Ordering

A. Items to be furnished under this contract shall be ordered through a release from the appropriate Citywide Blanket Purchase Order by City departments during the effective period of the contract.

B. All invoices for payments shall show the Citywide Blanket Purchase Order number, complete description of item, quantity and contract price.

C. WWE staff will place orders for Methanol delivery by phone. Orders shall be delivered within 24 hours of receipt of a telephone order.

105. Payment

A. The City agrees to pay for all products in accordance with the prices quoted and subject to any applicable discount provisions contained in said contract. Payments shall be made by the City to Contractor in arrears, for **completed orders**, throughout the term of the contract.

B. Invoices submitted by the Contractor must be in a form acceptable to Purchasing and Controller. All amounts paid by the City to the Contractor shall be subject to the audit by the City.

106. Insurance

Prior to award, the successful bidder or bidders will be required to furnish evidence of insurance as follows:

a. Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

(1) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than $1,000,000 each accident, injury, or illness; and,

(2) Commercial General Liability Insurance with limits not less than $5,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

(3) Commercial Automobile Liability Insurance with limits not less than $5,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable. and a MCS 90 endorsement.

(4) Pollution Liability Insurance with limits not less than $5,000,000 each occurrence, and CA 9948, Broaden Pollution Coverage Endorsement.

b. Commercial General Liability and Commercial Automobile Liability Insurance policies must provide the following:

(1) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

(2) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

c. All policies shall provide thirty (30) days' advance written notice to City of reduction or nonrenewal of coverages or cancellation of coverages for any reason. Notices shall be sent to the following address:

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

d. Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

e. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

f. Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

g. Before commencing any operations under this Agreement, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Failure to maintain insurance shall constitute a material breach of this Agreement.

h. Approval of the insurance by City shall not relieve or decrease the liability of Contractor hereunder.

i. If a subcontractor will be used to complete any portion of this agreement, the Contractor shall ensure that the subcontractor shall provide all necessary insurance and shall name the City and County of San Francisco, its officers, agents and employees and the Contractor listed as additional insureds.

107. Entire Agreement

This contract sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions.

108. Submittal Instructions

Contractor to return all required documents, which include:

A. Company letter agreeing to specifications and requirements of this attachment
B. Prices for fixed mark-up, estimated cost of methanol, and storage equipment (if any)
C. All questionnaires and forms including completed and signed

FOR MORE INFORMATION, call:

Jeannie Louie, Supervising Purchaser
(415) 554-3166

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 3

Fuel, Diesel, Biodiesel, and Gas (Primary)

Western States Oil	Date	September 16, 2010
Attn: Bob Brown	Buyer Name:	Pamela Olivier
P.O. Box 1307	Term contract	70882
San Jose, CA 95107	City Blanket No:	BPSF00003605
	Type:	Indefinite quantity
	Not-to-exceed amount:	$50,000,000

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

Modification	Start date	End date	Amount	Other changes
Original contract	09/01/09	08/31/10	$25,000,000	
1	No Change	No Change	No Change	Add Items 228 and 324
2	No Change	No Change	No Change	Add Item 801, and special conditions pertaining to Item 801 (methanol)
3	09/01/10	08/31/11	$25,000,000	Increase NTE/Extend one year/ Update Bid and Contract Conditions 24 & 29 Add Locations/Add Line Items 324-327

This modification 3 changes the contract as follows:

- Increases the not-to-exceed amount from $25 million to $50 million
- Extends contract for one year from 09/01/10 through 08/31/11
- Update Bid and Contract Conditions 24 and 29 (See Attachment "A")
- Add locations to Special Conditions 73 – Delivery Locations. (See Attachment "A")
- Add Line Items to Special Conditions 81 – Additional Items, Items 324-327, B-5 Biodiesel to Central Shop Location (See Attachment "A")

All other terms and conditions remain the same.

Approved by the City: for Naomi Kelly, Director of OCA and Purchaser — Date: 9/17/10

Approved by Contractor: Signature — Date: 9/17/10

Name and title: Robert Brown Spec. Proj Mng.

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

P-280 (11/20/09)

Please note the following Bid and Contract Conditions have been updated:

24. Nondiscrimination; Penalties

a. Contractor Shall Not Discriminate. In the performance of this Agreement, Contractor agrees not to discriminate against any employee, City and County employee working with such contractor or subcontractor, applicant for employment with such contractor or subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

b. Subcontracts. Contractor shall incorporate by reference in all subcontracts the provisions of §§12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code (copies of which are available from Purchasing) 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.

c. Nondiscrimination in Benefits. Contractor does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in §12B.2(b) of the San Francisco Administrative Code.

d. Condition to Contract. As a condition to this Agreement, Contractor shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

e. Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C 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 Chapters, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Contractor understands that pursuant to §§12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of $50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Contractor and/or deducted from any payments due Contractor.

29. **Submitting False Claims; Monetary Penalties.** Pursuant to San Francisco Administrative Code §21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. The text of Section 21.35, along with the entire San Francisco Administrative Code is available on the web at http://www.municode.com/Library/clientCodePage.aspx?clientID=4201. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

Per Special Conditions 73 – Delivery Locations, the following locations have been added to the contract:

73. **Delivery Locations**

Additional Locations:

Locations	No of Tank(s) &Size		Type Fuel	Aver Delivery
REAL ESTATE				
Hall of Justice 850 Bryant Street San Francisco, CA	(1) (1)	6,000 gal 10,000 gal	Red Dye Diesel Red Dye Diesel	2,000 gal.
Taraval Police Station 2345 24th Avenue San Francisco, CA	(1)	600 gal	Red Dye Diesel	300 gal.
Central Police Station 766 Vallejo Street San Francisco, CA	(1)	260 gal	Red Dye Diesel	130 gal.
Mission Police Station 630 Valencia Street San Francisco, CA	(1)	600 gal	Red Dye Diesel	300 gal
Bayview Police Station 201 Williams Street San Francisco	(1)	514 gal	Red Dye Diesel	200 gal
Park Police Station 1899 Waller Street San Francisco, CA	(1)	75 gal	Red Dye Diesel	30 gal

Locations	No of Tank(s) &Size		Type Fuel	Aver Delivery
Northern Police Station 1125 Filmore Street San Francisco, CA	(1)	260 gal	Red Dye Diesel	150 gal
Richmond Police Station 461 6th Avenue Sam Francisco. CA	(1)	75 gal	Red Dye Diesel	30 gal
Ingleside Police Station 1 John V. Young San Francisco, CA	(1)	75 gal	Red Dye Diesel	30 gal
Tenderloin Police Station 301 Eddy Street San Francisco, CA	(1)	260 gal	Red Dye Diesel	150 gal
Central Radio Station (DTIS) 1 Christmas Tree Point Road San Francisco, CA	(1) (1)	1,000 gal 1,000 gal	Red Dye Diesel Red Dye Diesel	500 gal
Forest Hill (DTIS) 150 Mendoza Avenue San Francisco, CA	(1)	336 gal	Red Dye Diesel	150 gal
Bernal Heights American Tower Building (DTIS) 99 Moultrie Drive San Francisco, CA	(1)	200 gal	Red Dye Diesel	100 gal
South Hill (DTIS) 57 Alta Vista Way Daly City, CA	(1)	140 gal	Red Dye Diesel	52 gal
SF State University (DTIS) 1600 Holloway Avenue (Thornton Hall-Science Bldg.) San Francisco, CA	(1)	140 gal	Red Dye Diesel	70 gal
One Market Plaza (DTIS) One Market St.-Spear Tower San Francisco, CA	(1)	400 gal	Red Dye Diesel	200 gal
Clay Jones Appt. (20th Floor.-Equip. Rm.) 1250 Jones Street San Francisco, CA	(1)	336 gal	Red Dye Diesel	150 gal
VA Medical Center (Fort Miley) 4150 Clement Street San Francisco, CA	(1)	140 gal	Red Dye Diesel	70 gal
901 Rankin San Francisco, CA	(1)	150 gal	Red Dye Diesel	75 gal

Locations	No of Tank(s) &Size		Type Fuel	Aver Delivery
25 Van Ness Avenue Basement South West Corner	(1)	100 gal	Red Dye Diesel	N/A gal
1680 Mission Street Outside, West of Building San Francisco, CA	(1)	1,000 gal	Red Dye Diesel	50 gal
1660 Mission Street Roof San Francisco, CA	(1)	50 gal	Red Dye Diesel	N/A gal
City Hall 1 Dr. Carlton B. Goodlett Place In the moat, east side of building San Francisco, CA	(1)	1,200 gal	Red Dye Diesel	500 gal
One So. Van Ness Basement South West Corner San Francisco, CA	(1)	3,000 gal	Red Dye Diesel	2000 gal
Public Health 1380 Howard Street San Francisco, CA	(1)	100 gal	Red Dye Diesel	55 gal

Per Special Conditions 81 – Additional Items, the following items have been added to the contract:

81. Additional Items

Central Shop

	Item	Delivery Quantity (Gallons)	Mark Up/Down
Bio Diesel (B5)	324	under 2,000	+.0048
	325	2,000-5,000	-.0052
	326	5,001-7,400	-.0211
	327	over 7,400	-.0355

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 4

Fuel, Diesel, Biodiesel, and Gas (Primary)

Western States Oil
Attn: Bob Brown
P.O. Box 1307
San Jose, CA 95107

Date	May 10, 2011
Buyer Name:	Horace Carter
Term contract	70882
City Blanket No:	BPSF00003605
Type:	Indefinite quantity
Not-to-exceed amount:	$50,500,000

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

Modification	Start date	End date	Amount	Other changes
Original contract	09/01/09	08/31/10	$25,000,000	
1	No Change	No Change	No Change	Add Items 228 and 324
2	No Change	No Change	No Change	Add Item 801, and special conditions pertaining to Item 801 (methanol)
3	09/01/10	08/31/11	$25,000,000	Increase NTE/Extend one year/ Update Bid and Contract Conditions 24 & 29 Add Locations/Add Line Items 324-327
4	09/01/11	08/31/12	$50,500,000	Increase NTE/Extend Term Add Electronic Payment;

This modification 4 changes the contract as follows:

- Increases the not-to-exceed amount from $50,000,000 to $50,500,000
- Extends contract for one year from 09/01/11 through 08/31/12
- Add Electronic Payment Section. (See Attachment "A")

All other terms and conditions remain the same.

Approved by the City: [signature] Inci Fong, Acting Director of OCA and Purchaser — Date 5/13/11

Approved by Contractor: [signature] Signature — Date 5/16/11

Name and title Robert Brown Spec. Pry Mkt

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

P-280 (11/20/09)

Electronic Payment Section is added as follows:

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 starting November 17, 2010 will process, print and mail 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

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

Fuel, Diesel, Biodiesel, and Gas (Primary)

Western States Oil
Attn: Bob Brown
P.O. Box 1307
San Jose, CA 95107

Date	October 18, 2011
Buyer Name:	Pamela Olivier
Term contract	70882
City Blanket No:	BPSF00003605
Type:	Indefinite quantity
Not-to-exceed amount:	$78,300,000

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

Modification	Start date	End date	Amount	Other changes
Original contract	09/01/09	08/31/10	$25,000,000	
1	No Change	No Change	No Change	Add Items 228 and 324
2	No Change	No Change	No Change	Add Item 801, and special conditions pertaining to Item 801 (methanol)
3	09/01/10	08/31/11	$25,000,000	Increase NTE/Extend one year/ Update Bid and Contract Conditions 24 & 29 Add Locations/Add Line Items 324-327
4	09/01/11	08/31/12	$50,500,000	Increase NTE/Extend Term Add Electronic Payment;
5	No Change	No Change	$78,300,000	Increase NTE Amount

This modification 5 changes the contract as follows:

- Increases the not-to-exceed amount from $50,500,000 to $78,300,000

All other terms and conditions remain the same.

Approved by the City: Jaci Fong, Acting Director of OCA and Purchaser — Date 10/18/11

Approved by Contractor: Signature — Date 10/19/11

Name and title President

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

P-280 (11/20/09)

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF CONTRACT ADMINISTRATION
PURCHASING DIVISION

70882

AWARD

Fuel, Diesel, Biodiesel, Gas and Propane
For the Term September 1, 2009 Through August 31, 2010

BID AND CONTRACT CONDITIONS

Terms Related To Bidding

1. When Bids Are Due; Bid Opening Procedures

Bids must be delivered before time set for bid opening. Bids will be opened by Purchasing at the hour and place stated in the ad in the presence of bidders who attend, and bid prices will be read upon request as time permits. Bidders may inspect the bids after award.

2. Alternates

When the name of a manufacturer, brand or make, with or without model number, is used in describing any item in this document, bids for similar articles will be considered unless otherwise stated. Purchasing shall be the sole judge as to whether such alternate articles are acceptable. Unless bidder states to the contrary, articles offered will be assumed to be the specific articles named in this document. If not offering the specific article named, bidder should enclose with its bid full information, specifications and descriptive data on items offered. Purchasing reserves the right to permit deviations from the specifications if any article offered is substantially in accord with Purchasing's specifications and is deemed by Purchasing to be of as good quality and as fully satisfactory for its intended use, Bidder is responsible for identifying any deviations from Purchasing's specifications.

3. Articles Furnished

Articles and services must comply with applicable laws, ordinances and other legal requirements, including (among others) the Cal-OSHA regulations in Title 8 of the Code of Regulations and, for electrical products, Sections 110.2 and 110.3 (B) of the S.F. Electrical Code. In addition, if an electrical item has not been tested by a lab approved by City's Department of Building Inspection (DBI) or Department of Public Works (DPW), Contractor shall notify the requesting department before delivery by writing the department at the "Deliver to" address on the front of the Purchase Order. Approved testing labs are posted on Purchasing's website at http://www.sfgov.org/oca/. When a non-tested item is delivered, the department will request approval from DPW. If the department is unable to obtain approval, City reserves the right to cancel the transaction and return the item to Contractor, at no charge to City.

4. Place of Manufacture

No article furnished shall have been made in prison or by convict labor, except, for articles purchased for use by City's detention facilities.

5. Condition of Article

Articles offered and furnished must be new and previously unused, and of manufacturer's latest model, unless otherwise specified herein.

** Complete copy of document is located in
File No. 120453

File No. 120453

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information *(Please print clearly.)*	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

Contractor Information *(Please print clearly.)*	
Name of contractor: Western States Oil	
Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. ***Use additional pages as necessary.*** Thomas A. Lopes – Chairman of the Board Stephen T. Lopes – CEO/CFO Jeffrey M. Lopes – COO The corporate ownership is 50% Stephen T. Lopes and 50% Jeffrey M. Lopes None of the directors control or sponsor any political committee There is no sub-contractor listed on the bid	
Contractor address: 1790 South Tenth Street, San Jose, CA 95112	
Date that contract was approved: *(By the SF Board of Supervisors) 8/20/09*	Amount of contract: $50,500,000
Describe the nature of the contract that was approved: For furnishing and delivering Fuel, Diesel, Biodiesel and Gas	
Comments: File #090916, Res #345-09 was approved 8/20/09 for $25million. The first contract amount increase was for $25million, approved by the Board on 09/01/10. The second contract amount increase for $500,000 was administratively approved by Purchasing on 5/13/11. The third contract amount increase for $27.8 million was approved by the Board on 10/5/11. The fourth contract amount increase of $29.2 million is currently pending Board review and approval.	

This contract was approved by (check applicable):

☐ the City elective officer(s) identified on this form

☑ a board on which the City elective officer(s) serves: San Francisco Board of Supervisors
Print Name of Board

☐ the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

_____
Print Name of Board

Filer Information *(Please print clearly.)*	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

_____ _____
Signature of City Elective Officer (if submitted by City elective officer) Date Signed

_____ _____
Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk) Date Signed