File No. <u>150526</u>	Committee Item No. <u>1</u>
	Board Item No

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee:	Land Use & Transportation	Date <u>July 13, 2015</u>
Board of Su	pervisors Meeting	Date
Cmte Boa	rd	
	Motion Resolution Ordinance Legislative Digest Budget and Legislative Analy Youth Commission Report Introduction Form Department/Agency Cover Le MOU Grant Information Form Grant Budget Subcontract Budget Contract/Agreement Form 126 – Ethics Commissi Award Letter Application Public Correspondence	etter and/or Report
OTHER	(Use back side if additional s	pace is needed)
Completed Completed	by: <u>Andrea Ausberry</u> Date	

NOTE:

[Amending Ordinance No. 28-15 - Inapplicability of Clean Construction Ordinance to Existing Contracts]

Ordinance amending Ordinance No. 28-15, which requires a Construction Emissions Minimization Plan and monitoring for certain public works projects within an Air Pollutant Exposure Zone and establishes controls on emission-producing equipment used for public works projects outside of such zones, to clarify that Ordinance No. 28-15 does not apply to existing contracts and will apply only to construction contracts advertised or initiated on or after the effective date of this Ordinance.

Unchanged Code text and uncodified text are in plain Arial font.

Additions to Codes are in single-underline italics Times New Roman font.

Deletions to Codes are in strikethrough italics Times New Roman font.

Board amendment additions are in double-underlined Arial font.

Board amendment deletions are in strikethrough Arial font.

Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

Ordinance No. 28-15 was enacted on March 19, 2015 and became effective on April 18, 2015. The ordinance amended the Environment Code to require a Construction Emissions Minimization Plan and monitoring for certain public works projects within an Air Pollutant Exposure Zone and to require controls on emission-producing equipment used for public works projects outside of such zones, and amended the Administrative Code to incorporate these requirements in construction contracts where applicable.

Section 3 of Ordinance No. 28-15 stated that the operative date would be January 1, 2015. The intent of the Board of Supervisors in adopting Ordinance No. 28-15, which was originally introduced in July 2014, was that the new requirements would not impact existing contracts and that affected City departments would have additional time beyond the effective

1	date to implement the new requirements. Therefore, the Board is adopting this subsequent
2	ordinance, Ordinance No, to make it clear that the requirements of Ordinance No.
3	28-15 only apply to new contracts and to allow additional time within which to implement that
4	ordinance, as stated in Section 2, below.
5	
6	Section 2. The requirements of Ordinance No. 28-15 shall apply only to construction
7	contracts first advertised or initiated on or after the effective date of this Ordinance No.
8	All actions taken by the City with regards to implementation of Ordinance No. 28-15
9	between April 19, 2015 and the effective date of this Ordinance No are hereby
10	approved.
11	
12	Section 3. Effective Date. This ordinance shall become effective 30 days after
13	enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
14	ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
15	of Supervisors overrides the Mayor's veto of the ordinance.
16	
17	APPROVED AS TO FORM:
18	DENNIS J. HERRERA, City Attorney
19	By:
20	ANDREA RUIZ-ESQUIDE Deputy City Attorney
21	
22	n:\legana\as2015\1400351\01016946.docx
23	
24	

SUBSTITUTED 2/10/2015 ORDINANCE NO. 28-15

FILE NO. 140805

NOTE:

[Environment, Administrative Codes - Clean Construction Ordinance]

Ordinance amending the Environment Code to require a Construction Emissions Minimization Plan and monitoring for certain public works projects within an Air Pollutant Exposure Zone and to require controls on emission-producing equipment used for public works projects outside of such zones; amending the Administrative Code to incorporate these requirements in construction contracts where applicable; and making environmental findings.

Unchanged Code text and uncodified text are in plain Arial font.

Additions to Codes are in single-underline italics Times New Roman font.

Deletions to Codes are in strikethrough italics Times New Roman font.

Board amendment additions are in double-underlined Arial font.

Board amendment deletions are in strikethrough Arial font.

Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 140805 and is incorporated herein by reference.

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Section 2. The Environment Code is hereby amended by adding Chapter 25, Sections 25.1 through 25.10, and including revising and renumbering existing Section 426 as Section 25.9, to read as follows:

CHAPTER 25: CLEAN CONSTRUCTION REQUIREMENTS FOR PUBLIC WORKS

Section 25.1. Findings.

Section 25.2. Title and Purpose.

Section 25.3. Definitions.

Section 25.4. Clean Construction Requirements.

Section 25.5. Requirements Within Air Pollutant Exposure Zones.

Section 25.6. Requirements Outside of Air Pollutant Exposure Zones.

Section 25.7. Waivers.

Section 25.8. Regulations.

Section 25.9. Assistance and Reporting.

Section 25.10. Enforcement.

SEC. 25.1. FINDINGS.

- (a) Scientific studies have found an association between exposure to particulate matter and significant human health problems, including: aggravated asthma; chronic bronchitis; reduced lung function; irregular heartbeat; heart attack; and premature death in people with heart or lung disease. Exposure to air pollutants that are carcinogens has significant human health consequences as well. For example, exposure to diesel exhaust is an established cause of lung cancer.
- (b) One in three Americans has heart or blood vessel disease; heart disease and stroke are the first and fourth leading causes of death in the U.S., respectively. Air pollution affects heart health and can trigger heart attacks and strokes. Exposure to air pollutants contributes to most of the leading

causes of death for San Franciscans: ischemic heart disease; lung, bronchus and tracheal cancers; cerebrovascular disease; chronic obstructive pulmonary disease; hypertensive heart disease and lower respiratory infection. Short-term effects of exposure to air pollution include constriction or chest tightening that causes discomfort or limits normal activity and that makes exercise difficult. And long-term changes in lung function may include lung tissue inflammation, leading to chronic lung disease.

- (c) Persons living in close proximity to air pollution sources, such as freeways or busy roadways, have poorer lung functions and are more susceptible to develop asthma and other respiratory problems, compared with persons living at a greater distance from sources. The California Air Resources Board's 2005 Land Use Guidance document, Air Quality and Land Use Handbook: A Community Health Perspective, reviewed traffic-related air pollution studies and found that particulate matter pollution levels decrease by about 70 percent at 500 feet from freeways and high-traffic roadways, defined as urban roads with 100,000 vehicles/day or rural roads with 50,000 vehicles/day.
- (d) Proximity to sources of air pollution increases exposure and proximity to sources is more common for the poor and for certain ethnic minorities.
- (e) Consequently, health vulnerability varies among neighborhoods and populations within San Francisco, as measured by population health records of air pollution-associated hospital discharges and emergency room visits, and non-accident mortality. Health vulnerable populations are likely to have more significant health consequences from air pollutant exposure compared to populations that are less vulnerable.
- (f) Construction activities can be a significant source of diesel exhaust emissions. When such emissions are not controlled, they can become a nuisance and public health risk.
- (g) According to the California Air Resources Board, off-road equipment, which includes construction equipment, is the sixth largest source of diesel particulate matter emissions in California.
- (h) The City and County of San Francisco ("the City") has an interest in protecting public health by reducing diesel exhaust emissions from publicly funded construction sites.

- (i) The City can reduce exhaust emissions from off-road diesel equipment by requiring City contractors on public works projects within an Air Pollutant Exposure Zone, as defined in the Health Code, to use equipment with lower exhaust emissions and to reduce exhaust emissions through a construction emissions minimization plan.
- (j) The use of newer technologies, such as verified diesel emission control strategies, combined with newer engines (Tier 2 or later), can reduce particulate matter emissions from construction equipment between 89 and 94 percent compared to older, dirtier equipment.
- (k) It is feasible to require City contractors to use these newer technologies and newer engines in limited areas within San Francisco based on the wide availability of newer technologies and the availability of newer engines across all sizes of fleets, equipment types, and sizes of engines, as shown by California Air Resources Board inventories. Furthermore, both the state and federal governments have adopted regulations, such as the California Air Resources Board's In-Use Off-Road Diesel Vehicle Regulation, that will require newer, cleaner equipment as the useful life of older engines expires and the engines become obsolete.
- (1) The City can further reduce the exposure to diesel emissions from off-road diesel equipment by creating and implementing bidding incentives for City contractors to utilize the cleanest possible off-road diesel equipment on public works projects.
- (m) The City can also reduce the exposure to diesel emissions from off-road diesel vehicle

 fleets by seeking funding to retro-fit City owned equipment and other off-road diesel equipment

 operated in the City. Existing funding sources include incentive programs such as the Carl Moyer Air

 Quality Standards Attainment Program.
- (n) By adopting this Chapter 25, the City intends to exercise its power to make economic decisions involving its own funds as a participant in the marketplace and to conduct its own business as a municipal corporation to ensure that purchases and expenditures of public monies are made in a manner consistent with clean construction practices.

(o) Nothing in this Chapter 25 shall be interpreted or applied so as to create any power or duty in conflict with any federal or state law.

SEC. 25.2. TITLE AND PURPOSE.

This Chapter 25 may be referred to as the "San Francisco Clean Construction Ordinance."

This Chapter is intended to protect the public health, safety and welfare by requiring contractors on City public works projects to reduce diesel and other particulate matter emissions generated by constructions activities.

SEC. 25.3. DEFINITIONS.

For purposes of this Chapter 25, the following definitions shall apply. Where a federal, State, or City law is cross-referenced as part of a definition, it is intended that the cross-reference include future amendments to the cross-referenced provision.

"Air Pollutant Exposure Zone" means a zone having a substantially greater than average concentration of air pollutants as defined in Health Code Section 3804.

"Alternative Fuels" means any transportation fuel that is less polluting than gasoline or petroleum diesel fuel, as determined by the California Air Resource Board and that is shown to have lower lifecycle carbon emissions than gasoline or petroleum diesel. Alternative Fuels may include, but are not limited to: natural gas; propane; biofuels from low carbon, sustainable and preferably local sources; hydrogen produced from low carbon and/or renewable sources; and electricity.

"Alternative Sources of Power" means utility-based electric power or other power sources other than diesel engines.

"ARB" means the California Air Resources Board.

"City" means the City and County of San Francisco.

"Clean Construction" means the performance of all work required to be performed under a Public Works contract meeting the requirements in Sections 25.4, 25.5 and 25.6, as applicable.

"Construction" means building, demolition, excavation, grading or foundation work, whether or not the work requires a City permit. "Construction" does not include the issuance or obtaining of a site permit for a project.

"Construction Activities" means the performance of all work involved in or required for Construction.

"Construction Phase" means a particular construction activity over a certain period of time.

Construction phases may include, but are not limited to, demolition, site preparation, grading, building construction, architectural coatings, and paving. Multiple Construction Phases of a single project may take place at the same time.

"Contractor" means a party who contracts directly with the City to perform construction
services relevant to a Public Work or improvement. "Contractor" also includes a City department
when the department itself performs construction services relevant to a Public Work or improvement.

"Department Head" means the general manager, director, or executive director of a City department authorized to perform Public Works, or that person's designee.

"Equipment" means off-road and on-road equipment.

"Equipment Type" means a category of off-road equipment. Types of off-road equipment include bore/drill rigs, cranes, crawler tractors, excavators, graders, off-highway tractors, off-highway trucks, other construction equipment, pavers, paving equipment, rollers, rough terrain forklifts, rubber-tired dozers, rubber-tired loaders, scrapers, skid steer loaders, surfacing equipment, tractors/loaders/backhoes, and trenchers.

"Major Construction Project" means a public work to be performed within the geographic limits of the City that uses off-road equipment and that is estimated to require 20 or more cumulative days of work, including non-consecutive days, to complete.

Title 13, California Code of Regulations, Sections 2700-2710. VDECS can be verified to achieve Level 1 diesel particulate matter reductions (at least 25 percent), Level 2 diesel particulate matter reductions (at least 50 percent), or Level 3 diesel particulate matter reductions (at least 85 percent).

SEC. 25.4. CLEAN CONSTRUCTION REQUIREMENTS.

- (a) All work performed on a Major Construction Project shall be carried out in compliance with the requirements of this Chapter 25. All calls for bids for contracts for work to be performed on a Major Construction Project shall contain the provisions required in Administrative Code Section 6.25.
- (b) Notwithstanding Subsection (a), work performed on a Major Construction Project is not subject to the requirements of this Chapter 25 if there are no Sensitive Uses within 1,000 feet of any portion of the construction site and/or the project requires a limited amount of Off-Road Equipment for a limited duration, such as projects exempt from the requirements of the Department of Building Inspection's Green Building Code. If the project is changed during the course of construction and results in the use of Off-Road Equipment for 20 or more days in total, then the Contractor must immediately comply with this Chapter 25.
- (c) Contract-awarding authorities are encouraged to require contractors to meet the standards for Clean Construction, as appropriate, in contracts not otherwise covered by this Chapter.

SEC. 25.5. REQUIREMENTS WITHIN AIR POLLUTANT EXPOSURE ZONES.

- (a) Requirements. For all work performed on a Major Construction Project located in an Air Pollutant Exposure Zone:
- (1) All off-road equipment shall have engines that (A) meet or exceed either United

 States Environmental Protection Agency or ARB Tier 2 off-road emission standards, and (B) have been retrofitted with an ARB Level 3 VDECS. Equipment with engines meeting Tier 4 Interim or Tier 4

 Final off-road emission standards automatically meet this requirement;

- (2) Where access to alternative sources of power is available, use of portable diesel engines to perform work on the project shall be prohibited:
- (3) Diesel engines, whether for off-road or on-road equipment, shall not be left idling for more than two minutes at any location, except as allowed for in applicable state regulations regarding idling for off-road and on-road equipment (e.g., traffic conditions, safe operating conditions). The Contractor shall post legible and visible signs, in English, Spanish, and Chinese, in designated queuing areas and at the construction site to remind operators of the idling limit; and
- (4) The Contractor shall instruct construction workers and equipment operators on the maintenance and tuning of construction equipment, and require that such workers and operators properly maintain and tune equipment in accordance with manufacturer specifications.

(b) Waivers.

- (1) The Department Head may waive the alternative source of power requirement of Subsection (a)(2) if an alternative source of power is limited or infeasible at the project site. If the Department Head grants the waiver, the Contractor must submit documentation that the equipment used for onsite power generation meets the requirements of Subsection (a)(1).
- (2) The Department Head may waive the equipment requirements of Subsection (a)(1) if: a particular piece of off-road equipment with an ARB Level 3 VDECS is technically not feasible; the equipment would not produce desired emissions reduction due to expected operating modes; installation of the equipment would create a safety hazard or impaired visibility for the operator; or, there is a compelling emergency need to use off-road equipment that is not retrofitted with an ARB Level 3 VDECS. If the Department Head grants the waiver, the Contractor must use the next cleanest piece of off-road equipment, according to Table 25.5.1, below.

<u>Table 25.5.1</u>

Off-Road Equipment Compliance Step down schedule*

<u>Compliance</u> <u>Alternative</u>	<u>Engine</u> <u>Emission</u> <u>Standard</u>	Emissions Control
<u>1</u>	<u>Tier 2</u>	ARB Level 2 VDECS
<u>2</u>	<u>Tier 2</u>	ARB Level 1 VDECS
<u>3</u>	<u>Tier 2</u>	<u>Alternative</u> <u>Fuel**</u>

* If Department Head determines that the equipment requirements cannot be met, the Contractor must meet Compliance Alternative 1. If the Department Head determines that the Contractor cannot supply off-road equipment meeting Compliance Alternative 1, then the Contractor must meet Compliance Alternative 2. If the Department Head determines that the Contractor cannot supply off-road equipment meeting Compliance Alternative 2, then the Contractor must meet Compliance Alternative 3.

** Alternative fuels are not a VDECS

(c) Construction Emissions Minimization Plan. Before starting on-site Construction

Activities, the Contractor shall submit a Construction Emissions Minimization Plan ("Emissions

Plan") to the Department Head for review and approval. The Emissions Plan shall state, in

reasonable detail, how the Contractor will meet the requirements of this Section 25.5.

(1) The Emissions Plan shall include estimates of the construction timeline by phase, with a description of each piece of off-road equipment required for each Construction Phase. The description may include, but is not limited to: equipment type, equipment manufacturer, equipment identification number, engine model year, engine certification (Tier rating), horsepower, engine serial

number, and expected fuel usage and hours of operation. For the VDECS installed, the description may include, but is not limited to: technology type, serial number, make, model, manufacturer, ARB verification number level, and installation date and hour meter reading on installation date. For off-road equipment using alternative fuels, the description shall also specify the type of alternative fuel used.

- (2) The Department Head shall ensure that all applicable requirements of the Construction Emissions Minimization Plan have been incorporated into the contract specifications.

 The contract shall include a statement that the Contractor agrees to comply fully with the Emissions Plan and acknowledges that a significant violation of the Emissions Plan shall constitute a material breach of the contract.
- (3) The Contractor shall make the Emissions Plan available to the public for review onsite during working hours. The Contractor shall post at the construction site a legible and visible sign
 summarizing the Construction Emissions Minimization Plan. The sign shall also state that the public
 may ask to inspect the Emissions Plan for the project at any time during working hours, and shall
 explain how to request to inspect the Emissions Plan. The Department Head shall review and approve
 the sign before the Contractor posts it. The Contractor shall post at least one copy of the sign in a
 visible location on each side of the construction site facing a public right-of-way.
- (d) Monitoring. After the start of Construction Activities, the Contractor shall maintain quarterly reports at the construction site documenting compliance with the Construction Emissions

 Minimization Plan. After the completion of Construction Activities and prior to receiving a final certificate of acceptance, or within six month of completion of Construction Activities if a final certificate of acceptance is not required, the Contractor shall submit to the Department Head a final report summarizing Construction Activities, including the start and end dates and duration of each Construction Phase, and the specific information required in the Emissions Plan.

SEC, 25.6. REQUIREMENTS OUTSIDE OF AIR POLLUTANT EXPOSURE ZONES.

For public works projects located outside Air Pollutant Exposure Zones, the Contractor shall utilize only off-road equipment and off-road engines fueled by biodiesel fuel grade B20 or higher and utilize only off-road equipment that either: (a) meets or exceeds Tier 2 standards for off-road engines, or (b) operates with the most effective VDECS.

SEC. 25.7. WAIVERS.

- (a) Emergency. A Department Head may waive the requirements of this Chapter 25, in whole or in part, prior to the Controller's certification of the contract, where the contract is to be awarded under the emergency provisions of Administrative Code Section 6.60 and there is no immediately available contractor capable of performing the work in compliance with this Chapter 25.
- (b) Performance Standards. A Department Head may waive the requirements of this

 Chapter 25, in whole or in part, prior to the solicitation of bids, where there are no complying off-road vehicles or off-road engines for some or all of the required work.
- (c) Cost Prohibitive. A Department Head may waive the requirements of this Chapter 25, in whole or in part, prior to the solicitation of bids, where compliance would be cost prohibitive under the circumstances.
- (d) Other. If for any other reason strict compliance with the requirements of this Chapter 25 is impractical or infeasible, the Department Head may waive the requirements, in whole or part, as to specific off-road equipment or off-road engines essential to complete the project, provided that such waivers for specific equipment or engines do not cumulatively exceed 25% of the total operating hours of all off-road equipment or off-road engines used on the project.
- (e) Notices and Supporting Memoranda. For any waiver granted under this Section 25.7, the

 Department Head shall within two business days prepare a written notice of the waiver and a written

 memorandum explaining the basis for the waiver and the steps that will be taken to safeguard public

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and City employee health during the noncomplying work. For waivers granted under Subsection (a), the memorandum shall also state the steps that the Department Head and the Contractor will take to reduce the likelihood that a similar emergency waiver will be required in the future. For waivers granted under Subsection (d), the memorandum shall also state the steps that the Department Head and the Contractor will take to minimize the use of noncomplying equipment or engines during the noncomplying work. The Department Head shall post a list of all waivers granted on the Department's website, as well as a notice that copies of the waiver notices and supporting memoranda prepared under this Subsection (e) are available from the Department.

SEC. 25.8. REGULATIONS.

The Director of the Department of Public Works, in consultation with the Department of the Environment and other interested City departments, may adopt rules, regulations or guidelines as necessary or appropriate to carry out the purposes and requirements of this Chapter 25.

SEC. 25.9 426. CLEAN CONSTRUCTION ASSISTANCE AND REPORTING.

(a) Definitions:

(1) "Most effective verified diesel emission control strategy" means a device, system or strategy that is verified pursuant to Division 3 Chapter 14 of Title 13 of the California Code of Regulations to achieve the highest level of pollution control from an off-road vehicle.

(2) "Off-road engine" mean a diesel internal combustion engine (including the fuel system) including without limitation, internal combustion engines used to power excavators, backhoes, bulldozers or similar equipment used in any City construction projects. "Off-road engine" does not include portable engines or stationary engines (engines that remain at one location for more than 12 months).

- (3) "Off-road vehicle" means a vehicle that is propelled by an off-road engine of twenty-five (25) horsepower or greater, including, without limitation, excavators, backhoes, bulldozers and similar equipment used in any project subject to this Chapter. "Off-road vehicle" does not include a horticultural maintenance vehicle used for landscaping purposes that is powered by an off-road engine of sixty-five (65) horsepower or less and that is not used in any construction program or project. "Off-road vehicle" does not include portable equipment.
- (4) "Tier 2 standards" are those standards for an off-road engine as described in Division 3, Chapter 9, Article 4, Section 2423(b)(1)(A) of Title 13 of the California Code of Regulations, as amended.
- (a) (b) **Technical Assistance to Local Businesses.** The Department of the Environment shall provide technical assistance to businesses certified as Local Businesses Enterprises (LBEs) by the Human Rights Commission and other local businesses in securing available local, State and Federal public incentive funding to retro-fit, repower or replace offroad equipment vehicles or off-road engines operated by such businesses within the City.
- (b) (e) Annual Reporting Requirement. The Department of the Environment annually shall prepare and distribute to City departments with off-road <u>equipment vehicles</u> or off-road engines summary information, including application procedures and deadlines, about available local, State and Federal public incentive programs to retrofit, re-power, or replace older, more polluting <u>off-road</u> diesel equipment. The Department of the Environment shall include in <u>its</u> <u>the Annual</u> Report to the Mayor and the Board of Supervisors, required in Section <u>412</u> 414, the following:
- (1) information supplied to the Department of the Environment by City

 Departments about the extent to which each City Department's off-road <u>equipment</u> <u>vehicle</u> and off-road engine fleet meets or exceeds either Tier 2 <u>off-road</u> standards for off-road engines or utilizes the most effective <u>VDECS</u> <u>verified diesel emission control strategy</u>;

- (2) a summary of the results of grant applications made and awarded for the prior year to retro-fit, repower or replace off-road <u>equipment</u> <u>vehicles</u> and engines in the City's fleet, including fleet upgrades funded and completed.
- (3) a summary of technical assistance provided to LBEs and other local businesses, and results, if known; and
- (4) recommendations to the Board of Supervisors, Mayor, and City

 Departments for procedural, policy, or legislative changes to reduce air pollution emanating from off-road *equipment vehicles* and off-road engines.

SEC. 25.10. ENFORCEMENT.

- (a) If a Department Head determines that a person or entity being considered for a contract, or under contract, with the City has, in connection with the bidding, execution or performance of any City contract, falsely represented to the City the nature or character of the off-road equipment and/or off-road engines to be utilized, on the contract, or has falsely represented to the City the nature or character of the off-road equipment and/or off-road engines actually used, the Department Head may impose such sanctions or take such other actions as are appropriate to ensure compliance with the provisions of this Chapter and to deter additional violations.
- (b) Violations of this Chapter 25, or of any regulation adopted pursuant to it, shall be punishable by:
 - (1) Refusal to certify the award of a contract;
 - (2) Suspension of a contract;
 - (3) Withholding City funds due the contractor under any City contract;
- (4) Recession of the contract based upon a material breach of contract provisions or pertaining to representations made in bidding, execution or performance of the contract;

- (5) Debarment of a bidder, proposer or contractor from eligibility for providing commodities or services to the City for a period not to exceed five years, with a right to review and reconsideration by the City upon a showing of corrective action indicating violations are not likely to reoccur; and,
 - (6) Any other remedy authorized in law or equity.
- (c) Nothing in this Chapter 25 shall be construed to relieve a contractor of responsibility to perform the contract.

Section 3. The Administrative Code is hereby amended by revising Sections 6.25 and 6.67, to read as follows:

SEC. 6.25. <u>CONTRACT REQUIREMENTS FOR</u> CLEAN CONSTRUCTION.

(a) Definitions:

- (1) "Biodiesel" means a fuel comprised of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats. designated B100 or "neat biodiesel", and meeting the requirements of ASTM D 6751.B20 is a mixture of 20% biodiesel and 80% petroleum.
 - (2) "City" means the City and County of San Francisco.
- (3) "Clean Construction" means performing all work required to be performed under a public works contract (1) utilizing only off-road equipment and off-road engines fueled by biodiesel fuel grade B20 or higher and (2) utilizing only high use equipment that either (a) meets or exceed Tier 2 standards for off-road engines or (b) operates with the most effective verified diesel emission control strategy.
- (4) "Director" means the Director of the Department of the Environment, or his or her designee.
- (5) "High Use Vehicles" means off-road vehicles or off-road engines used an aggregate of 20 or more hours during any portion of the project.

(6) "Major construction project" means a public work to be performed within the geographic limits of the City that is estimated to require twenty (20) or more cumulative days of work to complete.

(7) "Most effective verified diesel emission control strategy" means a device, system or strategy that is verified pursuant to Division 3 Chapter 14 of Title 13 of the California Code of Regulations to achieve the highest level of pollution control from an off-road vehicle.

(8) "Off-road engine" means a diesel internal combustion engine (including the fuel system) including without limitation, internal combustion engines used to power exeavators, backhoes, bulldozers or similar equipment used in any project subject to this Chapter. "Off-road engine" does not include portable engines or stationary engines (engines that remain at one location for more than 12 months).

(9) "Off-road vehicle" means a vehicle that is propelled by an off-road engine of twenty-five horsepower or greater, including, without limitation, excavators, backhoes, bulldozers and similar equipment used in any project subject to this Chapter. "Off-road vehicle" does not include a horticultural maintenance vehicle used for landscaping purposes that is powered by an off-road engine of sixty-five horsepower or less and that is not used in any construction program or project. "Off-road vehicle" does not include portable equipment.

(10) Public work means a contract for the erection, construction, renovation, alteration, improvement, demolition, excavation, installation, or repair of any public building, structure, infrastructure, bridge, road, street, park, dam, tunnel, utility or similar public facility that is performed by or for the City, and the cost of which is to be paid wholly or partially out of moneys deposited in the City Treasury or out of trust monies under the control of or collected by the City.

(11) "Sensitive Site" means a hospital or other-medical institution with facilities for inpatient care, a residential care facility providing lodging board and acre for a period of 24 hours or

more to seven or more persons, a child-eare facility providing less than 24-hour care for 13 or more children, or an elementary or secondary school, either public or private, or residences.

(12) "Tier 2 Standards" are those standards for an off-road engine as described in

Division 3 Chapter 9, Article 4, Section 2423(b)(1)(A) of Title 13 of the California Code of Regulations,
as amended.

(a) (b) Clean Construction on Major Construction Projects.

- (1) Requirement. All work performed on a Major Construction Project, as defined in Environment Code Section 25.3, shall be carried out in compliance with the Clean Construction requirements of Environment Code Chapter 25. Clean Construction shall be required for all public works contracts for major construction projects solicited on or after a date two years from the effective date of this Ordinance. For all such contracts, the The department head or officer calling for bids for contracts for work to be performed on a Major Construction Project shall specify in the Advertisement for Bids that Clean Construction is required for the performance of all work unless a waiver of all or part of the requirements of that this Chapter has been granted under Sections 25.5 or 25.7 Section 6.25(b)(3).
- (b) (2) Contract Provisions and liquidated damages. Every contract for work to be performed on a Major Construction Project which Clean Construction is required under Section 6.25(b)(1)(A) or Section 6.25(b)(1)(B) shall contain provisions, in a form to be approved by the City Attorney: (A) requiring that the contractor comply with Chapter 25 of the Environment Code Clean Construction, (B) authorizing waivers as set forth in Environment Code Sections 25.5 and 25.7 Section 6.25(b)(3), and (C) specifying liquidated damages in the amount of \$100.00 per day per each piece of off-road equipment and each off-road engine utilized to complete work on the project in violation of Environment Code Chapter 25 the Clean Construction requirements.
- (3) Waivers. Waivers from the requirements of this Chapter are available under the following circumstances:

(A) Emergency. A contract awarding department may grant itself a waiver from this Chapter when the contract awarding authority certifies in writing to the Director, prior to the Controller's contract certification, that the contract is being awarded under the emergency provisions of Administrative Code Section 6.60 and that there is no immediately available contractor capable of performing the work as Clean Construction. In such case, the contract awarding authority shall within two business days notify the Director in writing of the emergency that prevented compliance with this Chapter and describe steps being taken to safeguard public and City employee health during the noncomplying work, and shall explain steps to reduce the likelihood that a similar emergency waiver would be required in the future.

(B) Performance Standards. The Director may grant a waiver in whole or part from this Chapter prior to the solicitation of bids upon a showing by the contract awarding authority that there are no complying off-road vehicles or off-road engines for some or all of the required work, provided that the contract awarding authority provides a written memorandum explaining the need for the waiver and the steps that will be taken to safeguard public and City employee health during the noncomplying work.

(C) Cost Prohibitive. The Director may grant a waiver in whole or part from this Chapter prior to the solicitation of bids upon a showing by the contract awarding authority that compliance would be cost prohibitive under the circumstances, provided that the contract awarding authority provides a written memorandum explaining the need for the waiver and the steps that will be taken to safeguard public and City employee health during the noncomplying work.

(D) Other. The Director may grant a waiver in whole or part from this Chapter prior to the solicitation of bids or may waive the biodiesel and/or emissions standards for Clean Construction in advance of any violation of the Clean Construction requirements as to specific off-road equipment or off-road engines essential to complete the work provided that the contract awarding authority provides a written memorandum demonstrating a reasonable basis for the waiver including a

 reasonable plan to minimize the use of noncomplying equipment or engines, and the steps that will be taken to safeguard public and City employee health during the noncomplying work, and further provided that such post-award waivers for specific equipment may not exceed 25% of the total operating hours of all off-road vehicles or off-road engines used on the project.

(E) Rules and Regulations. After a public hearing, the Director, in consultation with the contract awarding authorities, may promulgate rules, regulations or guidelines as necessary or appropriate to carry out the purposes and requirements of this Chapter and may adopt forms necessary to implement this Chapter.

(F) Publication of Waivers Granted. The Department of the Environment and the contract awarding authorities shall maintain and post a list of all waivers granted on their Departmental Websites in a manner that can easily be accessed by the public.

(4) Clean Construction Projects encouraged for other City Contracts. In recognition of the health and other environmental benefits of Clean Construction, contract awarding authorities are encouraged to require contractors to meet the standards for Clean Construction, as appropriate, in contracts not otherwise covered by this Chapter.

(5) Penalty.

(A) Whenever any City department finds, after an investigation by the contract awarding authority and the City Attorney, that a person or entity being considered for a contract, or under contract, with the City has, in connection with the bidding, execution or performance of any City contract, falsely represented to the City the nature or character of the off-road vehicles and/or off-road engines to be utilized, or utilized, on the contract, the City department shall have the authority to impose such sanctions or take such other actions as are designed to ensure compliance with the provisions of this Chapter.

(B) Measures which are available to the City to enforce this Chapter upon finding a violation pursuant to Section 6.25 (b)(5)(A) include, but are not limited to the following:

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- (ii) Suspension of a contract;
- (iii) Ordering the withholding of City funds due the contractor under any

City contract;

(iv)—Ordering the recession of a contract based upon a material breach of contract provisions or pertaining to representations made in bidding, execution or performance of the contract:

(v) Debarment of a bidder, proposer or contractor from eligibility for providing commodities or services to the City for a period not to exceed five years, with a right to review and reconsideration by the City upon a showing of corrective action indicating violations are not likely to reoccur.

(C) Nothing in this Chapter shall be construed to relieve a contractor of responsibility to perform the contract.

SEC. 6.67. COMPARISON OF BIDS ON BASIS OF CLEAN CONSTRUCTION IN BIDDING.

The Clean Construction requirements of Section 6.25 and Environment Code Chapter 25 are mandatory for public works to be performed within the City and estimated to require twenty (20) or more days of work to complete. For other public works, department heads are encouraged to require the use of off-road equipment and off-road engines that meet or exceed the standards in Chapter 25, or to use bid criteria that favor the use of such equipment and/or engines. To minimize the adverse impact to the surrounding environment, Department heads authorized to execute contracts for public works are authorized to compare bids on the basis that the work will be performed utilizing off-road equipment and off-road engines that meet or exceed the standards for Clean Construction set forth in Section 6.25 ("Clean Construction Comparative Bidding"). Department heads are particularly encouraged to do so utilize Clean Construction Comparative Bidding wherever the project is

located within 500 feet of a Sensitive Site, as defined in Health Code Section 3804, and the construction activity will occur for more than 20 days. The Department head or officer calling for bids shall specify in the Advertisement for Bids the monetary value that the Department will attribute to Clean Construction and shall evaluate responsive bids accordingly. Any contract awarded in consideration, in whole or in part, on the basis of Clean Construction Comparative Bidding shall include provisions (1) requiring the contractor to certify that all work has been undertaken in compliance with the requirements for Clean Construction set forth in Section 6.25, (2) providing procedures to request a waiver of the biodiesel fuel and/or emissions standards as to specific, necessary equipment as set forth in Section 6.2(b)(3)(D), and (3) providing for liquidated damages in the amount of \$100.00 per day per vehicle operated at the project site in violation of Clean Construction standards. Except as provided herein, contracts awarded on the basis of Clean Construction Comparative Bidding shall be subject to all provisions of Chapter 6 of the Administrative Code.

Section 3. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance. The requirements of this ordinance shall become operative on January 1, 2015.

Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment

additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

Section 5. Undertaking for the General Welfare. In enacting and implementing this ordinance, the City is assuming an undertaking only to promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.

Section 6. No Conflict with Federal or State Law. Nothing in this ordinance shall be interpreted or applied so as to create any requirement, power, or duty in conflict with any federal or state law.

APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney

By:

ANDREA/RUIZ-ESQUIDE
Deputy City Attorney

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City and County of San Francisco **Tails**

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Ordinance

File Number:

140805

Date Passed: March 10, 2015

Ordinance amending the Environment Code to require a Construction Emissions Minimization Plan and monitoring for certain public works projects within an Air Pollutant Exposure Zone and to require controls on emission-producing equipment used for public works projects outside of such zones; amending the Administrative Code to incorporate these requirements in construction contracts where applicable; and making environmental findings.

February 23, 2015 Land Use and Economic Development Committee - RECOMMENDED

March 03, 2015 Board of Supervisors - PASSED, ON FIRST READING

Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

March 10, 2015 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 140805

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 3/10/2015 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

Date Approved

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO:

Mohammed Nuru, Director, Public Works

Deborah Raphael, Director, Environment

FROM:

Andrea Ausberry, Assistant Clerk, Land Use and Transportation Committee,

Board of Supervisors

DATE:

June 2, 2015

SUBJECT:

LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following legislation, introduced by Supervisor Cohen:

File No. 150526

Ordinance amending Ordinance No. 28-15, which requires a Construction Emissions Minimization Plan and monitoring for certain public works projects within an Air Pollutant Exposure Zone and establishes controls on emission-producing equipment used for public works projects outside of such zones, to clarify that Ordinance No. 28-15 does not apply to existing contracts and will apply only to construction contracts advertised or initiated on or after the effective date of this Ordinance.

If you have any additional comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c:

Frank Lee, Secretary to the Director Guillermo Rodriguez, Director Policy and Communications

Introduction Form

By a Member of the Board of Supervisors or the Mayor

I hereby submit the following item for introduction (select only one):

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Time stamp or meeting date

1. For reference to Committee.	
An ordinance, resolution, motion, or charter amendment.	•
2. Request for next printed agenda without reference to Committee.	
☐ 3. Request for hearing on a subject matter at Committee.	
☐ 4. Request for letter beginning "Supervisor inquires"	
☐ 5. City Attorney request.	
6. Call File No. from Committee.	
7. Budget Analyst request (attach written motion).	
8. Substitute Legislation File No.	
9. Request for Closed Session (attach written motion).	
10. Board to Sit as A Committee of the Whole.	
11. Question(s) submitted for Mayoral Appearance before the BOS on	
Please check the appropriate boxes. The proposed legislation should be forwarded to the following: Small Business Commission Youth Commission Ethics Commission	
☐ Planning Commission ☐ Building Inspection Commission	
Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative	
Sponsor(s):	
COHEN	
Subject:	
inapplicability of clean construction ordinance to existing contracts	
The text is listed below or attached:	
Attached	
Signature of Sponsoring Supervisor:	
For Clerk's Use Only:	

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