1.0 Purpose and Need

The purpose of this policy is to address procurement elements of the City’s Sustainability Plan (A Community Plan for a Sustainable Future). It will provide a framework for the procurement of goods and services in which its outcome will be minimizing negative impacts on human health and the environment while being mindful of fiscal responsibilities and maximizing the benefits realized for the general public. Because procurement is a process governed by state and local law, this Directive is meant to be read in concert with those pieces of legislation. Further, this Directive should be read with other administrative directives that address purchasing and property disposition.

2.0 Administrative Directive

This policy is intended to incorporate a balanced approach to economic, social and environmental considerations into the City’s procurement processes and targets the movement towards a more sustainable operating government. Considerations during the procurement process should include life cycle costing, operational efficiency, performance, health & safety, operational hazards mitigation, energy conservation and other environmental initiatives. By enacting proactive sustainable activities in the area of procurement, the City can implement standards that position it at the forefront of standards such as those exemplified in Energy Star, Green Seal, and Leadership in Energy and Environmental Design (LEED). Additionally, these activities should reduce various consumption and replacement costs that may not always be captured in the development of purchasing specifications and requirements.

3.0 Procedure to Accomplish Directive

A. The following general activities should be part of all City procurement decision-making processes:
  1. Reinforce the City’s commitment to efforts in sustainable procurements and related activities/best practices;
  2. Share guidance, information, and best practices for successful sustainable procurement practices;
  3. Empower City staff members to take the initiative and be leaders in incorporating sustainability factors in procurement and operational activities;
  4. Complement existing City Department specific policies and practices involving sustainable procurements and activities;
  5. Recognize City contractors and vendors that exemplify leadership in Green initiatives and have proven to be valuable resources in the City’s sustainability efforts; and
  6. Cooperate to the greatest extent feasible with regional political subdivisions and professional organizations in an effort to further develop comprehensive, consistent, and effective procurement efforts intended to stimulate the market for sustainable and recycled products, reusable products, and products designed for recyclability.

B. As a point of contact for procurement activities, the Purchasing Division of Finance will provide the following in furtherance of the City’s Sustainability Plan:
  1. Identify the factors that need to be incorporated into effective sustainable procurements;
  2. Assist departments with standards and best practices involving sustainable procurements;
  3. Assist departments in locating potential sources or contracts for sustainable products and services;
  4. Maintain a list of city-wide contracts for products and services related to sustainability efforts;
  5. Develop sustainable procurement language and when appropriate, integrate this language into new solicitations; and
  6. Review this Directive for updates to determine whether it complements other City sustainability efforts and policies. Policy reviews will be conducted when deemed necessary.
C. As the using agencies for procurements, various City departments are encouraged to do the following:
   1. Purchase products and services that complement the City’s sustainability goals;
   2. When practicable, incorporate energy efficiency, the use of recycled materials, reusable products and products designed to be recycled or composted;
   3. Consider best practices in sustainable procurement and adapt this practices as sustainability practices evolve;
   4. Take into consideration certain factors, which include but are not limited to:
      i. The effect of recycled materials on performance standards;
      ii. Health and safety standards
      iii. Operational efficiency and cost efficiency
   5. Appoint a Sustainability Procurement Liaison as the department’s point of contact for sustainable procurement efforts. However, departments may desire more than one liaison when the department has various divisions, but the divisional liaisons would coordinate efforts with the department’s primary liaison;
   6. Incorporate sustainability procurement best practices in specifications;
   7. Pilot test environmentally friendly products;
   8. Build awareness of this Directive through information dissemination and routine staff member training;
   9. Encourage staff members to attend training related to sustainability when available; and
   10. Provide information for the purpose of tracking and reporting the City’s sustainability procurement activities.

4.0 Sustainability Factors

As a general rule, the following factors should be considered (but not be limited to) in all sustainable procurement activity:

A. Specification Writing (for goods and services): ensure specifications comply with this Directive and incorporate language that assures best sustainability practices are achieved;
B. Life Cycle Costing: when considering requirements, an assessment should take place that considers lowest cost of ownership/use, which includes: energy and operational costs; longevity and efficacy of service; and disposal cost;
C. Product Performance & Quality: specify products that have received performance ratings such as Energy Star, Green Seal, Green Label, etc. where possible; and in-field trial testing to see if alternate products perform as well or better than traditional counterparts;
D. Leveraging Buying Power: develop and utilize City-wide contracts containing sustainable products; and develop and/or buy from co-operative contracts with other public entities;
E. Staff and Labor Impacts: costs associated with staff time and effort related to product evaluations, sustainable procurement specification writing, etc.;
F. Financial & Market Changes: examine budgetary constraints at time of procurements; review market trends for new products, market efficiencies driving down product and service costs; and perform beta testing on new or previously untested products to ascertain viability for use by the City; and
G. Energy Efficiency: whenever possible include specifications in contracts that consider minimizing energy use. For example, reducing or eliminating after hours lighting use for service contracts by having services performed during daylight hours.

4.1 Examples of Sustainable Procurement Considerations

The following are the types of issues that should be discussed when reviewing and developing specifications:

A. General environmental factors that may be considered with a life cycle assessment include:
   1. Pollutant releases;
   2. Toxicity of chemicals;
   3. Waste generation;
   4. Greenhouse gas emissions;
   5. Energy consumption;
   6. Depletion of natural resources; and
   7. Impacts on biodiversity.
B. Chemical environmental factors that may be considered with a life cycle assessment include:
1. Chemicals that are eco friendly, non-toxic, chlorine and phosphate free, biodegradable, VOC free and made from renewable sources to the extent possible given cost and effectiveness;  
2. Cleaning chemicals should have Green Seal or Eco-Logo approval;  
3. Paints and varnishes that meet the California Code of Regulations for maximum VOC levels;  
4. Pesticides and herbicides should be biologically-based whenever possible; and  
5. Labeling should provide whether reasonable efforts undertaken by manufacturers, vendors, and in-house to identify products that contain recycled materials, including available certifications.

C. Paper factors include:
1. The development of City standards for min.recycled content, e.g. 30% post-consumer content;  
2. Sourcing regularly used items such as letterhead on recycled paper; and  

D. Plastics factors include:
1. Whether there is an alternative to traditional plastics such as soy-based bio-composites for items such as food service (cutlery), building materials, temporary signage, etc.; and  
2. Whether recycled plastics are an option.

E. Other Products/Considerations include:
1. Appliances and other equipment that meet Energy Star ratings;  
2. Office products with recycled content such as forms, envelopes, file folders, binders, ink & toner cartridges, writing utensils, sales & marketing items, etc.; and  
3. Energy efficient light bulbs and lamps.

F. Recycled Content:
1. Where appropriate, prohibitive language will be revised to allow products with recycled content to compete with virgin materials;  
2. Recycled content products should be used when price, performance, and availability warrant; and  
3. Products that should be evaluated for recycled content include, paper and plastics as previously noted, but also, and not limited to, re-refined lubricating oil, retreaded tires, building insulation, and cement/concrete.

5.0 Best Sustainable Practices

There are activities that department staff members should perform in order to comply with the overall intent of the City’s Comprehensive Plan. Even though some of these activities may not be directly related to procurement and budget issues they have impacts on energy use, solid waste volume, and the environment. The list of best practices shown below is in no way comprehensive, but does serve as examples/guidelines:

1. Double-sided printing/copying.  
2. Using and then properly disposing of rechargeable batteries.  
3. Saving electronic messages without printing.  
4. Re-using file folders, file boxes, office supplies, etc. whenever possible.  
5. Reducing or eliminating disposable products and using more durable ones instead.  
6. Turning lights off in unoccupied rooms to conserve energy.  
7. No purchasing of individually bottled water, except in the case of emergency use.  
8. Having on-site recycling bins for aluminum cans, plastic bottles, paper, etc.

6.0 Definitions

Bio-composites are materials made by embedding renewable resource-based biofibers such as cellulosic plastic or starch plastics with soy-based plastics.

Biodiversity is the sum all of the various life forms/organisms residing in a given ecosystem, biome, or the entire Earth. Biodiversity is often used as a measure of the health of biological systems.

Environmentally Preferable Products & Services are ones that offer a reduced effect on human health and the environment when compared to “traditional” products and services that provide the same or like purpose. Factors considered can include, but not be limited to, packaging, disposal, operation, recyclability, production, and maintenance.

Lifecycle Costing is a cost evaluation method that incorporates additional factors in calculating the cost of a product or
service, other than purchase price alone. Regarding sustainability this is meant to be defined as the total cost of ownership including initial cost, energy and operational cost, longevity and efficacy of service, and disposal cost.

**Persistent, Bioaccumulative, and Toxic (PBT) Chemicals** are ones that have the ability to remain in an unchanged form in the environment and as such pose a high risk of exposure to organisms. These chemicals can be found in air, water, and sediment.

**Recyclables** are materials that still have useful physical or chemical properties after serving their original purpose and that can, therefore, be reused or remanufactured into additional products.

**Renewable** refers to energy and materials that can be completely replaced by natural processes or are essentially inexhaustible.

**Sustainable Procurement** for the purpose of this Directive is the procurement of goods and services in a manner that considers not only the traditional criteria of price and quality but also extrinsic costs with respect to social equity and community and environmental stewardship.

**Toxicity** is generally defined as the degree to which a substance or compound can harm an exposed organism.

**Virgin Material** is any material occurring in its natural form, and is used in that form as raw material in the manufacture of new products.

**VOC** stands for Volatile Organic Compounds and is defined by the EPA as “any volatile compound of carbon”. They are commonly used in paints, solvents, adhesives, and inks.