



# Sustainable Purchasing Policy (SPP)

<b>FULL POLICY/GUIDELINE CONTENTS</b>	<b>Policy Number:</b> <i>AP-4003</i>
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<b>ADDITIONAL DETAILS</b>	
Definitions	
Appendices	
FAQ	
Related Information	
History	

## Policy Statement:

This policy sets forth City policy regarding the preferred purchase of sustainable products for City facilities and operations.

### Special Situations

Not Applicable.

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## Purpose:

To set a standard of sustainable and environmentally preferable procurement and demonstrate the City's commitment to environmental, economic and social stewardship. The purpose of this policy is to provide City employees with clear and consistent instructions on how to consider and make purchases of SPP supplies and services when appropriate, consistent with the Council-adopted Sustainability Master Plan.

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## Procedures that apply:

- None

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## Forms/Instructions that apply:

- None

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## Responsible Department:

General Services/Procurement Services

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## Definitions:

**Buyer** – Either (1) a position or employee in the Procurement Services Division authorized by the City Manager or Director of General Services to administer the procurement of supplies on behalf of one or more City Departments, or (2) a position or employee outside of the Procurement Services Division authorized by the Department Director to administer the procurement of supplies on behalf of the Department. A Buyer is not authorized to execute supply contracts on behalf of the City unless such signature authority has been delegated by the City Manager in accordance with applicable provisions of the City Code, or (3) anyone authorized to purchase or contract for purchases on behalf of the City, any department or its subdivisions.

**Dioxins** – chemical compounds classified as persistent, bioaccumulative and toxic by the U.S. Environmental Protection Agency (EPA).

**Energy-Efficient Product(s)** - Products that meet the EPA Energy Star qualifications or U.S. Department of Energy's (DOE) Federal Energy Management Program (FEMP) and vehicles that meet EPA's Smart Way qualifications.

**Environmentally Preferable Purchasing** - product or services with a reduced effect on human health or the environment when compared with products or services that serve the same purpose.

**Environmentally Responsible** - Products or product usage procedures which are acknowledged to have minimal impact on the environment. Such products or procedures should reduce environmental impact through their composition and/or recyclability or by reduction in quantity and toxicity of waste products, energy use or water consumption.

**Fiscally Responsible Price**– The cost factor or purchase price for recycled products, or for more environmentally responsible items, should be consistent with a suggested variance of 5% above the acquisition cost for similar or less environmentally responsible items.

**Furans-** chemical compounds classified as persistent, bioaccumulative and toxic by the EPA.

**Green Sheltered Market Bid-** A solicitation whereby only SPP products or services are acceptable.

**Life-Cycle Cost** – The comprehensive accounting of the total cost of a product including procurement, initial cost, energy and operational cost, maintenance, longevity of service and disposal.

**LS-08** – The City’s current landscape maintenance agreement that includes terms and conditions used to manage landscape contractors and services.

**Non-Toxic Product(s)** – Any item which is not considered hazardous waste and that does not otherwise pose a threat to short or long-term human health during its use.

**Practicable** – sufficient in performance and available at a reasonable price capable of being done, effected, or put into practice, with the available means; feasible.

**Recycled Product(s)** – Products made with an identifiable percentage (1% - 100%) of post consumer material content or of discarded virgin materials salvaged from the industrial waste stream. High-content recycled products contain a minimum of 50% of post consumer material.

**Sustainable Product** - A product that achieves performance objectives while respecting the City’s values and balancing environmental stewardship, social equity, fiscal responsibility and community enhancement.

**Sustainable Purchasing** - Purchasing materials, products, and labor in a manner that reflects fiscal responsibility, social equity, environmental stewardship and community enhancement.

**Toxic substance** – A chemical or mixture that may present an unreasonable risk or injury to human health or the environment.

**Volatile Organic Compound (VOC)** – organic compound that typically vaporizes at room temperature and participates in atmospheric photochemical reactions

**Waste Reduction** – The act of avoiding, eliminating and reducing the amount of solid waste at the source of generation, at the point of usage and at the time of its discard.

## Appendices or:

- None

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## Frequently Asked Questions:

### Question

Answer

### Question

Answer

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## Reference Information:

- City of Sacramento Sustainability Master Plan
- City Code Chapter 3.56
- AP-4001 - Procurement of Supplies, AP-4002 - Public Projects, AP-4101 – Non-Professional Services, and AP-4102 – Professional Services
- API# 57 – Sustainable Operations for City Departments
- Council Resolution No. 2000-551 – Authorized Use of Bid Evaluation Preference
- City’s landscape agreement (currently LS-08)

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## Document History:

**Amended:** N/A  
**Supersedes:** N/A  
**Effective:** February 2010

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## Keywords:

(List keywords here that might be used by someone to search for this policy on the internet)

Sustainable  
Environmental  
SPP (Sustainable Purchasing Policy)  
EPP (Environmentally Preferred Products)

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# Policy

## 1. BACKGROUND

In October 2007, the Mayor and City Council adopted the Fleet Sustainability and Fuel Conservation Policy that outlines the policies to be followed by departments when purchasing for and operating the fleet. The overall goal of the policy is to reduce carbon emissions, thus improving the quality of air in the City of Sacramento.

In December 2007, the Mayor and City Council adopted the City's Sustainability Master Plan which sets out broad goals and targets for increasing the sustainability of the Sacramento economy and environment. In February 2008, the Mayor and City Council adopted the 2008 Sustainability Implementation Plan. The Plan included numerous action items to be implemented in 2008, including the development and implementation of sustainable operations policies and Business Environmental Resource Center (BERC) certification of City facilities. The purpose of the sustainable operations policies and BERC certification is to reduce the City's use of energy and materials which would reduce the amount of greenhouse gases the City is currently emitting thus improving the environment. The sustainable operations policies include: keeping indoor facility temperatures two degrees cooler in the winter and two degrees warmer in the summer, printing and copying double sided, and turning off all lights and computers when they are not in use for an extended time.

Lastly, in January 2009, the City Manager approved the policy on Sustainable Operations for City Departments (API# 57), which sets forth sustainable operations for all City facilities and operations.

These policies and other green initiatives form the basis of this policy.

## 2. POLICY

### **Purchasing Sustainable Products**

After the adoption of this policy, City employees will endeavor to procure products and services in a manner that integrates fiscal responsibility, social equity, environmental stewardship and community enhancement.

## 2.1 Sustainable Purchasing Objectives

The City's sustainable purchasing objectives will include acquisitions that:

- Conserve natural resources
- Reduce the use of water and energy
- Minimize environmental impacts such as pollution and use of water and energy
- Eliminate or reduce toxics that create hazards to our workers and our community
- Support strong recycling efforts and utilize products where a high likelihood of recycling exists (e.g. steel and paper products)
- Reduce materials that are placed in landfills
- Increase the use and availability of environmentally preferable products
- Encourage vendors to reduce environmental impacts in their production and distribution systems
- All buyers shall consider short-term and long-term cost in comparing product alternatives when feasible. This includes evaluation of total cost expected during the time a product is owned, extended warranties, operation, supplies, maintenance, disposal cost and expected lifetime compared to other alternatives.

In coordination with the City's Sustainability Master Plan, Sustainable Operations for City Departments Policy (API# 57) and other green initiatives, the Procurement Services Division and those with delegated procurement authority will be responsible for meeting the objectives of this program. This responsibility will include establishing appropriate standards for SPP or green purchasing, assessing cost-effectiveness and making recommendations related to acquisition strategies and issuing reports related to the City's progress in environmental purchasing. These areas are further detailed in the following sections.

It is not the intent of this policy to require a department, buyer or contractor to take any action that conflicts with local, state or federal requirements, procure products that do not perform adequately for their intended use, exclude adequate competition or pursue products not available at a reasonable cost in a reasonable period of time.

## 2.2 Data Collection and Performance Reporting

Buyers shall **require** vendors to supply data for performance tracking and evaluation of the City's environmentally responsible purchasing program upon request.

Buyers shall compile records for producing an annual summary of the City's environmentally responsible/sustainable purchasing actions, and to evaluate the effectiveness in reducing the environmental impacts of City procurement.

Each City department shall cooperate in information gathering for the purposes of tracking, reporting, and evaluating the sustainable purchasing program.

### 2.3 Defining Sustainable Products

In general, SPP products and services are those that would have a reduced adverse effect on human health and the environment when compared with competing products and services.

In practice, the objective is to purchase products that have reduced environmental impact because of the way they are made, used, transported, stored, packaged and disposed of. It means looking for products that do not harm human health, are less polluting and that minimize waste, maximize use of bio-based or recycled materials, conserve energy and water and reduce the consumption or disposal of hazardous materials. When determining whether a product is sustainable, the following standards should be considered:

- Biobased
- Biodegradable
- Carcinogen-free
- Chlorofluorocarbon (CFC)-free
- Heavy material free (i.e. no lead, mercury, cadmium)
- Low volatile organic compound (VOC) content
- Made from renewable materials
- Compostable
- Low toxicity
- Recycled content
- Rechargeable (batteries and other items)
- Reusable or refurbished
- Reduced packaging
- Reduced greenhouse gas emission
- Energy, resource and water efficient

Factors to consider when comparing bids and proposals and for determining if a product or service has environmentally preferable attributes:

- Minimization of virgin material used in product or service life cycle
- Maximization of recycled materials used in product or service life cycle
- Life cycle economics of products and services
- Reuse of existing products or material in product or service life cycle
- Reduction of energy and fuel consumption
- Durability and minimal maintenance requirements
- Ultimate disposal of the product
- Buying locally to reduce emissions and transportation costs

As environmental and sustainability practices become more widespread, more standards and benchmarks will be available. At this time, the United States Environmental Protection Agency (U.S. EPA) is a recognized leader in developing baseline standards for the use of environmentally friendly and/or sustainable products and will be called upon when procuring these items.

Current benchmarks and standards will be utilized for all products for which the United States Environmental Protection Agency (U.S. EPA) has established minimum recycled content standard guidelines, such as those for printing and office paper, janitorial supplies, construction, landscaping, miscellaneous and non-paper office products, shall contain the highest post-consumer content practicable, but no less than the minimum recycled content standards established by the U.S. EPA guidelines.

#### 2.4 Procurement Responsibilities

In coordination with the City's Sustainability Master Plan and other green initiatives, the City Departments, the Procurement Services Division and buyers will be responsible for:

- Working with other governmental purchasing groups and agencies, such as, but not limited to: U.S. EPA, Green Seal, National Institute for Governmental Purchasing (NIGP), and others to determine and establish appropriate standards for green purchasing and advocate the use of environmentally safe products
- Assigning purchasing department staff and Sustainability Committee members to evaluate various green products that are utilized city-wide and to provide guidance and assistance to City departments regarding the procurement of such products
- Developing and implementing a plan to phase in contract requirements for various categories of goods under the SPP. Generally easy to implement items (e.g. paper, and janitorial supplies) will be implemented very early in the program
- Evaluate various products where the cost differential is great and/or the products are not considered good substitutes
- Whenever feasible, include contract language that requires suppliers of electronic equipment, including but not limited to computers, monitors, printers and copiers, to take back equipment for reuse or sustainable safe recycling when the City discards or replaces such equipment
- Assessing and making recommendations to apply the use of a SPP bid preference and the use of green sheltered markets
- Establishing contracts and creating a catalogue of sustainably friendly and energy efficient products for City SPP purchases to help departments comply with this policy
- Within existing resources, the delegated procurement authority shall designate a single point of contact for City Departments, suppliers, and



other interested parties to contact regarding environmentally preferable and sustainable purchasing considerations.

- Incorporate sustainability standards into procurement decisions.
- Develop and implement contract provisions for more sustainable products and services.
- Authorized buyers shall consider life cycle costing in the procurement process, that includes product disposal, trade-in or recycling of products at the end of its useful life.

When determined that bidding will be conducted for only SPP products or a sheltered market bid for SPP products, the following items should be considered in the development of specifications or scope of work:

- Products that are durable, long-lasting, reusable or refillable will be preferred whenever feasible
- All suppliers shall be required, where applicable, to use and recycle packaging material used for product delivery.

Key areas for immediate consideration:

#### Facilities and Janitorial

When practicable, no cleaning or disinfecting products (for janitorial use) shall contain ingredients that are toxic. These include chemicals listed by the U.S. EPA or OSHA and those listed under Proposition 65 by the California Office of Environmental Health Hazard Assessment.

When maintaining buildings, the City shall strive for the lowest amount of VOC's (volatile organic compounds), highest recycled content and low to no formaldehyde when purchasing materials such as paint, carpeting, adhesives, furniture and casework.

The City shall reduce or eliminate its use of products that contribute to the formation of dioxins and furans. This restriction includes, but is not limited to:

- Purchasing paper, paper products and janitorial paper products that are unbleached or that are processed without chlorine or chlorine derivatives, whenever possible
- Eliminating the purchase of products that use polyvinyl chloride (PVC) such as, but not limited to, office binders, furniture and flooring, whenever practicable.

Historic Buildings and regulatory items that are in conflict with this policy are exempt from the SPP program.

## Office Supplies

When purchasing office supplies, departments will first consider the use of recycled content paper, toner cartridges and other supplies which either contain post consumer recycled materials or may be recycled at the end of its useful life.

## Landscaping

Workers and contractors providing landscaping service for the City shall be encouraged to employ sustainable landscape management practices, whenever practicable, including but not limited to, integrated pest management, grass-cycling, drip irrigation, composting and use of mulch and compost. See the City's landscape agreement (currently LS-08) for detailed policies and guidelines promoting sustainable landscaping practices.

Hardscapes and landscape structures constructed of recycled content that reduces the need for watering and reduces the use of herbicides are also described in LS-08.

Plants should be selected to minimize waste by choosing species that are appropriate to the micro-climate, species that can grow to their natural size in the space allotted them, and perennials rather than annuals for color. Native and drought tolerant plants that require no or minimal watering once established are preferred.

Consideration of purchases that promote those products produced from regionally generated plant debris and/or food waste programs shall be considered when practical.

## 2.5 Implementation

It is the intent of this policy to phase in the implementation by immediate consideration of the following:

- Exclusive purchases of 100% recycled paper for use in all City departments, with exceptions granted only for equipment related issues, backed by written justification of the manufacturer
- Purchase of postconsumer recycled content cardboard and paper (minimum 20% post-consumer recycled content) office supplies such as envelopes, file folders, planners, boxes, etc.
- Business cards shall be printed on recycled card stock and shall display the recycling symbol
- Restrictions on the purchase of bottled water per API# 57
- Purchase of SPP cleaning and janitorial products, including 100% post consumer recycled paper products

- Exclusive purchases of 100% remanufactured laser toner cartridges
- Purchases of appliances and electronics for which Energy Star certification is available when practicable
- Energy efficient lighting, including CFL's and other energy saving bulbs and high efficiency heating and cooling (HVAC) systems and equipment
- Purchase of water saving products, including low flow faucets and toilets and efficient irrigation systems
- Vehicle purchases utilizing the Fleet Low Emission Vehicle Acquisition policy
- Utilization of a bid evaluation preference when procuring supplies and equipment; however such preference shall not exceed 5% or \$50,000 total dollars on any single bid or proposal. This preference shall apply to all bid solicitations that are \$25,000 or more. This preference may be applied, when applicable, to procurements of lesser value at the discretion of the delegated procurement authority.
- Utilize existing city and cooperative contracts that offer products and services which meet the objective of this policy

### **3. SURPLUS / DISPOSITION**

The reuse of materials such as furniture and computers is an excellent way to help the environment. Procurement Services is tasked with the responsibility for coordination of the disposition of surplus commodities and the monitoring of residual surplus that includes furniture, computers and other equipment that still has useful life. Departments will look first to residual surplus items when considering purchases of common items like those mentioned above. Contact the Procurement Division for information.

### **4. PRIORITIES**

Health and safety of workers and citizens is of the utmost importance and takes precedence over all stated requirements.

Nothing contained in this policy shall be construed as requiring a buyer or contractor to procure products or services that do not perform adequately for their intended use, exclude adequate competition, or procure products or services that are not available at a reasonable price, or available within a reasonable timeframe.

Nothing contained in this policy shall be construed as requiring a buyer or contractor to take any action that conflicts with city code, or state and federal requirements when applicable.

## **5. COST AND PRICE CONSIDERATIONS**

Department directors are advised that the purchase of some environmentally preferable products may exceed the cost of comparable products. This factor alone should not determine whether an environmentally preferable product should be purchased, although it should be a factor in the decision. All purchases shall be handled in a fiscally responsible manner. Generally, for non-paper products, if the life cycle cost of the environmentally preferable product does not exceed the cost of the alternative by more than 10%, and the product meets all necessary specifications, strong consideration should be given to purchase the environmentally preferable product.

Nothing contained in this policy shall be construed as requiring a department or contractor to procure products that do not meet specifications or expected performance, or delivery requirements for their intended use.

## **6. BID EVALUATION PREFERENCES**

Council Resolution No. 2000-551 authorizes the use of incremental bid evaluation preferences up to a total not to exceed five percent of the total bid amount when evaluating the cost of products or services that represent the efforts to recycle and re-use sustainable and environmentally preferred products described in this policy. However, such bid preferences shall not exceed a total value of \$50,000 on any single bid procurement bid preference and should be agreed upon in coordination with Procurement Services.

## **7. BEST PRACTICES AND CONTINUAL IMPROVEMENT**

Sustainable Purchasing is a relatively new and evolving concept where better ideas, products and practices are constantly being introduced. The City's sustainability team will stay abreast of the latest and best SPP practices to guide the City to be the most sustainably responsible agency it can be. Departments should check both the Department of General Services and the Procurement intranet site for current and updated policy information to stay informed and aware of this rapidly evolving concept.

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