

City of Sierra Madre Environmentally Preferable Purchasing Policy

PURPOSE

The purpose of this directive is to create a formal policy establishing the City of Sierra Madre's purchasing program for environmentally preferable products and services.

It is the specific intent of this policy to reduce negative impacts to human health and the environment through the development of criteria for City purchases that:

1. Support the diversion of waste stream materials away from landfills to the maximum extent practicable;
2. Reduce the exposure of City residents, staff and visitors to potentially toxic chemicals by purchasing products for use in City operations that minimize harm to human health or the environment;
3. Improve the air quality for Sierra Madre residents and visitors by purchasing vehicles and equipment that minimize the emission of air pollutants;
4. Protect the quality of Sierra Madre's ground and surface waters by minimizing the use of chemicals known to contaminate local water resources;
5. Preserve resources locally and globally through purchasing practices that maximize water and energy efficiency, utilize renewable energy sources, maximize post-consumer recycled content, utilize readily recyclable materials, and facilitate long-term commodity use through product durability, repair-ability, and reuse;
6. Are supported by extended producer/manufacturer responsibility practices.

It is also the specific intent of this policy to provide guidelines for assisting the City to meet State waste management and climate oriented requirements.

As the city's largest employer, the City of Sierra Madre recognizes we are among the largest consumers of goods and services, as well as acting as a model for other community businesses. By including environmental considerations in our purchasing decisions, along with our traditional concerns with price, performance, and availability, we will remain fiscally responsible while promoting practices that improve public health and safety, reduce pollution, conserve natural resources, and reward manufacturers and vendors that reduce the adverse environmental impact of their production and distribution systems.

Nothing contained in this policy shall be construed as to exclude adequate competition. Neither city staff nor contracted vendors shall be required to procure products that do not perform adequately for their intended use, or are not available at a reasonable price in a reasonable period of time.

DEFINITIONS

1. "Biodegradable" means capable of being broken down, especially into innocuous products, by the action of living things such as microorganisms.
2. "Energy Star Compliant" means products that meet or exceed the United States Environmental Protection Agency's Energy Star criteria for energy efficiency.
3. "Environmentally Preferable" means products or services that have a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, or disposal of the product or service.
4. "Extended Producer Responsibility" (EPR) means manufacturers and producers provide a method for returning expended products for recycling and reuse. This applies to a number of types of products, but is common with the producers of printer cartridges.
5. "Life Cycle Analysis" means the comprehensive examination of a product's environmental and economic aspects and potential impacts throughout its lifetime, including raw material extraction, transportation, manufacturing, use and disposal.
6. "Price Premium Payback Period" means the number of years it takes for the savings in operating costs to offset any additional upfront price of the product versus a lower price, less-energy efficient model. It is calculated by dividing the price premium by the annual savings in operating costs.
7. "Recyclable Product" means a product that, after its intended end use, can demonstrably be diverted from the solid waste stream for use as a raw material in the manufacture of another product.
8. "Recycled Material" means any material that would otherwise be a useless, unwanted or discarded material except for the fact that the material still has useful physical or chemical properties after serving a specific purpose and can, therefore, be reused or recycled.
9. "Recycled Product" means all materials, goods and supplies, of which not less than 10% and up to 100% of its total weight consisting of post-consumer waste.

10. "Standard of performance" means a product or service must perform at or above the level that is necessary for effectiveness and does not require additional effort by the user.
11. "Standard of availability" means a product or service must be obtainable in a reasonably similar period of time as its alternatives. Environmental considerations should be taken into account regarding the travel of products or services in determining the standard.
12. "Standard of pricing" means a product or service must not cost more than 5% than a non-Environmentally preferable product. Life Cycle Analysis and/or Price Premium Payback Period should be taken into account when a comparison is made between products.
13. "Volatile Organic Compound (VOC)" means an organic compound characterized by a tendency to readily evaporate into the air, contributing to indoor air pollution and photochemical smog.

PURCHASING PROCEDURES

Purchases less than \$5,000.00

The City Manager or his/her designee shall produce and distribute to all City purchasers a list of "Environmental Targets List" no less than once a year. This list shall address the most common purchases that amount to less than \$5,000.00.

- This list will include all **products** that have been identified as being environmentally preferable to their alternatives and meet the standards of performance, availability and pricing.
- The list may also include **goals and direction** to move towards increased environmentally preferable products within a category of purchase; (ie. Increased use of rechargeable batteries).

The City Manager or his/her designee shall maintain and update the "Environmental Targets List" regularly and assist all City purchasers to comply. Reliability, durability, reuse-ability, life-cycle analysis, and price premium payback period are all factors that should be considered when adding a product or goal to the list. However, any environmentally preferred product or goal on the list must be priced at no more than 5% above its equally performing alternative.

Purchases \$5,000.00 or more

Purchases that require an informal or formal bidding process shall follow the City's Environmentally Preferred Purchasing Policy to the most practicable extent as determined by the originating Director of the department. An Environmental

Purchasing preference of no greater than 5% may be advertised and awarded for the inclusion of environmentally preferred products and methods including, but not limited to:

- Use of recycled products
- Biodegradable products
- Energy Star compliant products
- Life Cycle Analysis
- Price Premium Payback Period
- Recycled Material
- Recyclable Products
- Reusable Products
- Zero or lower Volatile Organic Compounds producing products
- Minimization of packing materials
- Submission of any documents on double sided paper
- Zero or lower toxicity products
- Alternatively fueled vehicles
- New conservation technology

Should an Environmentally Preferable preference award of up to 5% be considered, the bid documents must clearly show that the specifications meet the advertised environmentally preferred products and/or methods to the satisfaction of the originating purchaser.

SPECIFICATION REVIEW

The City Manager or his/her designee shall work with all City employees to review existing "Environmental Targets List" to identify additional environmentally preferable products and eliminate any items that do not meet the environmentally preferable definition.

Purchase orders will be regularly reviewed for any products that require the use of virgin products or exclude the use of recycled or environmentally preferable products unless they can be demonstrated that such specifications are necessary to protect health and safety, or that recycled or environmentally preferable products do not meet performance standards, unfairly eliminate competition, or are unreasonable in price, taking Life Cycle Analysis and/or Price Premium Payback Period in to account. Staff will attempt to find environmentally preferred alternatives to such items.

A report shall be produced and made available to City Council and the public at the end of each fiscal year. The report shall include a review of the Environmental Targets List with recommendations for additions or deletions of products. It shall also review projects and procurements that used the formal or

informal bidding process. The report must also include the financial impacts of the policy and make recommendations that would ensure that the policy is sustainable for the City.

EXEMPT PROCURMENTS

This policy shall be waived for emergency procurements at any time the City Manager or his/her designee determines that the health and safety of residents and visitors, or the protection of public or private property is threatened.