

**AGENDA:** October 28, 2008

**CATEGORY:** Consent

**DEPT.:** Public Works/Finance and Administrative Services

**TITLE:** Environmentally Preferable Purchasing Policy

**RECOMMENDATION**

Adopt A RESOLUTION ESTABLISHING AN ENVIRONMENTALLY PREFERABLE PURCHASING POLICY, to be read in title only, further reading waived, and authorize staff to begin implementation.

**FISCAL IMPACT**

The proposed policy encourages City departments to purchase the most environmentally responsible products and services that meet performance needs, are competitively priced and are readily available. Many recycled and environmentally preferable products now cost the same as, or are only slightly more than, other products. Purchasing Section staff will review and compare costs of sustainable products with conventional products to determine if purchasing the sustainable product is practical as defined by the policy.

The City of San Jose adopted an environmentally preferable purchasing policy and recently bid a new office supply contract. They expect a cost increase of less than 1 percent over the previous contract. While comprehensive cost data from other cities is not available, price differentials vary by product, making it difficult to project the overall financial effect of the proposed policy on the procurement of products. Similar to the City of San Jose policy, Mountain View's Purchasing Section will review costs associated with this policy every two to three years or as warranted and recommend changes to Council if appropriate. The first review period would not occur until after a Purchasing Handbook is created.

**BACKGROUND AND ANALYSIS**

As part of the City's Environmental Sustainability Program, a green purchasing program was proposed. The City's current Purchasing Policy for the procurement of recycled paper products was adopted in 1990 as an environmental strategy. The proposed policy builds on the 1990 Policy by making environmentally preferable purchasing the standard for all City purchases.

City staff from the Finance and Administrative Services Department—Purchasing Section and Public Works Department have collaborated on the new policy called the Environmentally Preferable Purchasing Policy. The policy documents the City's practice of a preference for

sustainable products that perform well, are readily available at a reasonable price and comply with the City's specifications, operational needs, goals and objectives. When new recycled or recyclable products become available, existing supplies will be exhausted before new products are ordered. The Purchasing Section will include new suppliers or companies with sustainable products in vendor procurement outreach efforts and continue to work with staff on special requests to obtain the most appropriate product for the job.

The proposed policy sets the framework upon which staff will develop a Purchasing Handbook for use by all City employees. The handbook will include information on which products qualify as environmentally preferable and be specific enough so each City department's routine purchases can be achieved with sustainability and cost as important considerations.

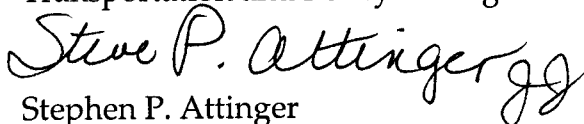
Other cities in the County with environmentally preferable purchasing policies include Palo Alto, Sunnyvale and San Jose, with many others under development. Most of the cities' policies are similar to the proposed Mountain View policy, which is a combination of the best ideas of those reviewed by the Purchasing Manager.

**PUBLIC NOTICING**—Agenda posting.

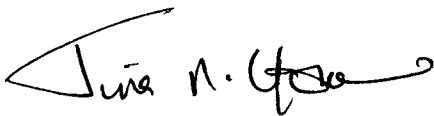
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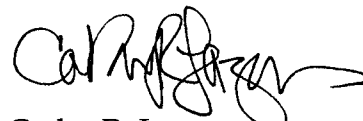


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JJ-SPA-TNY/7/CAM/907-10-28-08M-E^

Attachment: 1. Resolution

cc: TPM, PSSM, ESC, F

CITY OF MOUNTAIN VIEW  
RESOLUTION NO.  
SERIES 2008

A RESOLUTION ESTABLISHING  
AN ENVIRONMENTALLY PREFERABLE PURCHASING POLICY

WHEREAS, the City of Mountain City Council established an Environmental Sustainability Program in 2007; and

WHEREAS, the City wishes to reduce its impact on the environment by reducing its use of virgin materials and increasing its use of recycled and recyclable materials; and

WHEREAS, an environmentally preferable purchasing program has been identified as an early sustainability action and is an integral part of an Environmental Sustainability Program; and

WHEREAS, the Finance and Administrative Services Department and Public Works Department staff have prepared an Environmentally Preferable Purchasing Policy (Exhibit A), which has been reviewed by the City Green Team, department directors and other staff; and

WHEREAS, the policy establishes the broad framework to guide City purchases while protecting the environment in a practical and useful manner; and

WHEREAS, the policy will be augmented by a Purchasing Handbook for use by staff to include environmentally preferable product information, so routine and other purchases can be made in an environmentally sensitive and cost-conscious manner; and

WHEREAS, the Purchasing Section will provide training to staff when the handbook is complete;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mountain View that Council Policy A-20, entitled "Environmentally Preferable Purchasing Policy," is hereby adopted.

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Exhibit A: Environmentally Preferable Purchasing Policy

JJ/8/RESO/907-10-28-08R-E^

CITY COUNCIL POLICY REVISED: \_\_\_\_\_  
Effective Date: \_\_\_\_\_ Resolution No. \_\_\_\_\_

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SUBJECT: CITY OF MOUNTAIN VIEW ENVIRONMENTALLY NO: A-20  
PREFERABLE PURCHASING POLICY

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Environmentally preferable purchasing ensures that services and products procured:

- Conserve natural resources, materials and energy;
- Eliminate or reduce toxics that create hazards to City workers and the community;
- Eliminate or reduce potential release of pollutants into the natural environment;
- Minimize environmental impacts, such as pollution, and reduce use of water and energy; and
- Maximize recyclability and recycled content.

PURPOSE:

The purpose of this policy is to make environmentally preferable purchasing the standard for the City of Mountain View (City) and also to support markets for recycled goods and other environmentally preferable products and services.

This policy will support the City's commitment to environmental stewardship and human health and safety. By incorporating environmental considerations into public purchasing, the City of Mountain View will positively impact human health and the environment.

POLICY:

**DEFINITIONS**

The following terms apply to this policy:

- A. **Eco-labeling** refers to product labels that display the logo of a third-party certification organization (e.g., Energy Star, Electronic Product Environmental Assessment Tool (EPEAT), Forest Stewardship Council (FSC), Green Seal, Quality Assurance International (QAI)).

CITY COUNCIL POLICY

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- B. **Environmentally Preferable Products and Services** are products and services that reduce negative effects on human health and the environment when compared with competing products. A comparison of products/services may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance or disposal, along with the complete cost of a product throughout its life, when practical.
- C. **Extended Producer Responsibility (EPR)** places responsibility on the manufacturer, rather than the City, for taking back a product after it is no longer needed. By shifting costs and responsibilities of product recycling/disposal to manufacturers, EPR provides an incentive to eliminate waste and pollution through product design and packaging changes.
- D. **Life Cycle Cost** means the amortized annual cost of a product, including capital costs, transportation costs, installation costs, operating costs, maintenance costs and disposal costs discounted over the life of the product.
- E. **"Practical"** means whenever possible and compatible with local, State and Federal law, regulations and/or City of Mountain View policy, without reducing safety, quality or effectiveness and where the product or service is available at a reasonable cost in a reasonable period of time.
- F. **Recyclable Product** means a product which, after its intended use, can be used as raw material in the manufacture of another product.
- G. **Recycled Material** means material that has been recovered and used in place of raw or virgin material in manufacturing a product. Recycled material is derived from post-consumer waste, manufacturing waste, industrial scrap, agricultural waste and other waste material.
- H. **Virgin Material** means any material occurring in its natural form. Virgin material is often used as raw materials in the manufacture of new products.

**CITY COUNCIL POLICY**

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PREFERABLE PURCHASING POLICY

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The City of Mountain View commits to:

1. Procure environmentally preferable products and services where practical and where criteria for such products and services have been established by governmental or other widely-recognized authorities (e.g., Energy Star, Environmental Protection Agency (EPA) Eco Purchasing Guidelines, EPEAT, FSC, Green Seal, QAI).
2. Integrate environmental factors into the City's buying decisions, such as:
  - Replacing disposables with reusables or recyclables;
  - Buying products bearing eco-labels;
  - Taking into account life cycle costs and benefits; and
  - Evaluating, as appropriate, the environmental performance of vendors in providing products and services and taking products back at the end of their life.
3. Raise staff awareness regarding the environmental issues affecting procurement by providing relevant information and training to City staff and vendors interested in doing business with the City.
4. Encourage vendors to offer environmentally preferable products and services at competitive prices.
5. Encourage service providers to consider all possible environmental impacts of providing their services.
6. Comply with applicable environmental legislative and regulatory requirements in the procurement of products and services, e.g., Extended Producer Responsibility.

Nothing in this policy requires a department or vendor to procure products that do not perform adequately or are not practical.

**CITY COUNCIL POLICY**

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PREFERABLE PURCHASING POLICY

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Procedures and guidelines will be established and updated as necessary to ensure the continuation of a strong, environmentally preferable purchasing policy.

**RESPONSIBILITIES**

All departments shall identify and purchase the most environmentally responsible and practical products and services. Factors to consider when evaluating an environmentally preferable product or service include, but are not limited to:

- Minimization of virgin raw materials in product or service life cycle.
- Minimization of materials regulated by Federal or State permits or other City policies.
- Maximization of recycled content in product life cycle.
- Reuse of existing products or materials in product or service life cycle.
- Recyclability of product.
- Minimization of packaging.
- Reduction of energy/water consumption.
- Reduction or elimination of product or service toxicity.
- Long durability and low maintenance of product.
- Disposal, recycling and take-back of product.
- Local sourcing of product or service, whenever possible.

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Purchasing Section Responsibilities:

1. Develop and maintain information about environmentally preferable products.
2. Provide training to staff and vendors regarding the City's environmentally preferable purchasing policy and provide implementation assistance.
3. Incorporate specifications (e.g., requirement of recycled content or Energy Star rating) into City bid solicitations where practical.
4. Provide vendors with information about the City's environmentally preferable product/service procurement requirements and specifications.
5. Encourage vendors to use electronic invoices, whenever possible.
6. Review policy and costs every two to three years or as warranted and recommend changes to Council, if appropriate.

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