

# County of Santa Clara

## Office of the County Executive

### Procurement Department



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DATE: September 10, 2009

TO: Supervisor Ken Yeager, Chairperson  
Supervisor Dave Cortese, Vice Chair  
Finance & Government Operations Committee

FROM:   
Jenti Vandertuig  
Director of Procurement

SUBJECT: Environmentally Preferable Purchasing Policy

### **RECOMMENDED ACTION**

Consider recommendations relating to Board Policy regarding Environmentally Preferable Purchasing (EPP) Policy.

Possible action:

- a. Adopt Board Policy Resolution No. YY-NN amending Board of Supervisors' Policy Manual section 5 relating to Environmentally Preferable Purchasing (EPP) Policy. (Roll Call Vote)
- b. Direct Clerk of the Board to include Policy in Board of Supervisors' Policy Manual.

### **FISCAL IMPLICATIONS**

Fiscal impact of this policy shall be referenced to the 2010 budget on an ongoing basis.

Procurement will be impacted in the implementation of the policy, development and management of administrative guidelines. Departments may incur additional expenses related to the use of EPP products and services.

## **REASONS FOR RECOMMENDATION**

The County of Santa Clara (the “County”) recognizes that the products and services it purchases have human health, environmental, economic and social impacts and is committed to sustainability through purchasing products and services that will enable it to meet its current needs without compromising the ability of future generations to meet their own needs.

Adoption of the Policy will enable the County to achieve its goals by purchasing products and services that will, among other things, conserve water and other natural resources, maximize energy efficiency and the use of renewable energy, and minimize release of greenhouse gases and toxic chemical exposures, thus helping the County meet its Climate Action, Zero Waste, and other sustainability goals.

For these reasons, it is recommended that the County adopt the Environmentally Preferable Purchasing Policy.

## **BACKGROUND**

In August 2009, the County’s Climate Action Team (CAT), led by the County’s Climate Change Sustainability Manager, identified the need for an Environmentally Preferable Purchasing Policy as a primary objective for the development of the Climate Action Plan. An interdepartmental working group initiated the discussion, created an initial target list (Target List) and in April 2009, the responsibility for developing and implementing was transferred to the Procurement Director.

The Procurement Director convened a preliminary EPP Team to carry out this assignment. The team consisted of members of County Procurement, staff from the Department of Agriculture and Environmental Management (AEM), as well as County Counsel. The County has also engaged the services of Green Purchasing Institute (GPI) to insure success and compliance in the technical execution of the program.

### **A. RESEARCH**

#### **1. Benchmark Study**

The first step in development of the program in support of the EPP Policy was to survey several agencies that have developed and implemented environmentally preferable purchasing programs. Counties surveyed were Alameda County, King County (Washington), City of San Jose, and City and County of San Francisco.

Findings and important lessons from the survey were: 1) Start where you are and build on that product list; 2) Implement only a few products at a time; 3) Use performance, competition, and life-cycle cost as criteria for implementation; 4) Get stakeholder collaboration and buy-in; and 5) Enlist subject-matter experts for consultation and guidance.

## 2. King County, WA EPP Presentation

As a follow-up to our findings in the benchmark study, on July 18, 2009, the Procurement Department hosted a presentation by Karen Hamilton of King County, to learn about success strategies and lessons learned in implementation of their program. King County is recognized nationwide as a pioneer and success model in the development and implementation of their EPP program.

Paramount in the message conveyed by King County was the importance of stakeholder collaboration and buy-in prior to the start of implementation of any products, and the importance of allocation of sufficient resources with the proper experience for ongoing implementation to insure a successful EPP program.

## B. IMPLEMENTATION OF PROGRAM

### 1. Prioritization of Target List

The initial step in implementation was the development of a Sustainable Purchasing Prioritization Matrix (“the Matrix”) to facilitate the prioritization of the EPP Target List. The Matrix was used to evaluate the sustainability benefits and implementation issues associated with the product categories on the original EPP Target List. The Matrix described and assigned scores based on each product category’s ability to use recycled content, reduce waste and toxic exposures, be managed through industry-financed recycling programs, conserve water and energy, support the local/regional economy, and secure LEED (green building) credits.

The Matrix also tracked various implementation issues associated with each of the product categories on the list such as whether sustainable items in the category would be: 1) easy to specify due to the availability of existing specifications and certifications; 2) easy to find due to the existence of multiple suppliers or because they were offered on State contracts or through other cooperative purchasing agreements; 3) easy to implement because relatively minimal performance testing would be needed; and 4) cost-effective on a life-cycle basis.

Evaluation of the Matrix yielded 10 product categories for implementation. Some of the reasons for elimination from the Target List of recycled or other environmentally preferable products for Year 1 and Year 2 implementation included concerns about toxic exposure to children, workers and the environment from the use of these products and concerns about cost and implementation issues. The 10 product categories were then presented to the County’s Target List stakeholders on June 18, 2009 for stakeholder buy-in and further prioritization. Based on this meeting, one product category was eliminated (recrushed cement and concrete due to implementation concerns raised by stakeholders) while another one was added (lighting equipment due to potential climate and economic benefits as well as strong stakeholder

interest.) Consequently, 10 categories were officially identified as the best candidates for initial implementation of the program.

Next, the EPP Team identified products in Tier I for implementation in Year 1 based on the availability of existing resources necessary to achieve implementation, consideration of departments (stakeholders) that would need to be involved to make sure none were overly burdened, and consideration of current County contracts that are scheduled to be rebid during the next year. Year 1 products include compost/mulch, lubricating oils, janitorial products (paper and chemicals), and rechargeable batteries.

The remaining product categories from the top 10 list were prioritized as Tier II and are scheduled for implementation in the second year (Year 2) of the program. However, research and preliminary work for implementation of some Tier II products (office supplies and printing and writing papers) will commence in Year 1, including outreach and education efforts to increase usage of EPP products that are already offered on existing contracts. Tier II products include office supplies, printing/writing paper, ENERGY STAR-rated appliances and office equipment, lighting, plastic lumber, and paint.

## 2. Implementation Plan and Administrative Guidelines

### a. Implementation Plan

The EPP Team, with assistance from Green Purchasing Institute, will develop an Implementation Plan (“the Plan”). The Plan, which will be updated annually, will highlight goals, milestones and specific strategies for advancing the procurement and usage of EPP Products and Services by County departments. The Plan will detail specific steps the EPP Team will take to increase the County’s usage of EPP Products and Services.

The Plan will designate several product categories in Tier I that the County is committed to start addressing immediately in Year 1. The anticipated timeline for implementation of products in Tier I in Year 1 is October 1, 2009 – September 30, 2010. The actual implementation dates may be adjusted as products are introduced.

In addition, the Plan will identify several product categories in Tier II to be scheduled for implementation in Year 2. The anticipated timeline for implementation of products in Tier II in Year 2 is October 1, 2010 – September 30, 2011. The actual implementation dates may be adjusted as products are introduced.

### b. Administrative Guidelines

The EPP Team will periodically issue administrative guidelines that explain to County employees the County’s policies and procedures relating to specific product categories. Each guideline will explain why and how each EPP Product and Service should be used by County employees, identify approved products and established County contracts, highlight the

results of successful pilot tests, offer resources designed to help County employees find and utilize EPP Products and Services, safely manage these products at the end of their useful life, and calculate the environmental and economic benefits of doing so, as well as the cost-effectiveness of purchase of the products. EPP Products and Services identified shall consider integrated product and packaging recovery systems to advance extended producer responsibility, lowering the overall cost of the product and service to the County. Most often, these guidelines will be issued in connection with award of a contract for specific EPP Product or Services. Administrative guidelines will also be issued as a way of promoting the usage of EPP Products and Services. Each guideline will be widely disseminated to County staff and posted on the Procurement Department's website.

### C. POLICY DEVELOPMENT

County Counsel worked closely with the EPP Team to develop the corresponding Environmentally Preferable Purchasing Policy (Policy attached).

The EPP Team will prepare and submit to the Board of Supervisors an annual report summarizing the implementation of this policy during the previous year; policy related goals for the following year; and recommended changes, if any, to the Policy or its implementation.

### CONSEQUENCES OF NEGATIVE ACTION

The County would not be able to have a formal EPP Policy in place to help meet its Climate Action, Zero Waste, and other sustainability goals.

### ATTACHMENTS

- Policy Resolution No. 09-04
- Environmentally Preferable Purchasing (EPP) Policy