CITY OF SAN DIEGO, CALIFORNIA

COUNCIL POLICY – ONE-YEAR PILOT

SUBJECT: ENVIRONMENTALLY PREFERABLE PURCHASING POLICY (EP^3)
NO.:
EFFECTIVE DATE: 2005

BACKGROUND:

The Environmentally Preferable Purchasing Policy (EP^3) serves as a framework for existing and future purchasing practices within the City organization. It provides twelve environmentally preferable categories which serve as an overarching structure to assist with decision-making. Additionally, it requires tracking and reporting such purchases so that goals can be set and achieved.

The City of San Diego has tremendous purchasing power, and can use this to elicit a formidable change in the marketplace. Vendors can adapt to more environmentally preferable products and services, which will potentially increase the availability of such commodities and services in the community. A second consideration is that EP^3 supports and strengthens policies already adopted by the City Council. Third, the implementation of EP^3 can reduce the solid waste going to landfills, thereby preserving landfill capacity and helping to meet the legislative requirement of the California Integrated Waste Management Act of 1989 (AB 939), which mandates that landfill waste is reduced by 50%, based on 1990 levels.

The Federal Environmental Protection Agency defines the term "environmentally preferable" to mean products and services that provide a needed function, but do so in a way that reduces the impact on human health and the environment. A variety of criteria has been developed at the federal, state and local level, and differ in how detailed the analysis of the product and service will be. The City will focus on items which are less wasteful, have a high percentage of recycled content, and save energy.

PURPOSE

The purpose of this policy is to balance multiple environmental attributes with price and performance considerations. Twelve basic categories have been established that can provide guidance as to what constitutes an environmentally preferable product. It is understood that one product may fall under more than one of these categories, and when that is the case, the most significant impact of the product will be considered. While it is unlikely that one product will meet the definition of every category, the goal is to achieve the greatest level of compliance with as many of the categories as possible. Definitions for each of these are found in Appendix A.

The twelve categories are as follows:

1. Bio-based
2. Biodegradable
3. Compostable
4. Resource (water and energy) Efficient
5. Low Toxicity
6. Low Volatile Organic Compound (VOC)
7. Pollution (air, water, solid waste) Reduction
8. Alternative Energy Source
9. Recyclable
10. High Recycled Content
11. Repairable
12. Reusable

POLICY

The following principles will be considered for purchases by all City Departments:

1. An analysis of the effect of products and services on the local environment and the health of the residents of San Diego and an analysis of the costs of utilizing the EP^3 categories; and

2. At the department's discretion, a price preference of up to 10% shall be allowed for commodities that meet any of the EP^3 criteria; and

3. Justification must be provided if the environmentally preferable product and/or services are not selected for use.

RESPONSIBILITIES

The Financial Management Department Purchasing Division and the Environmental Services Department shall develop an Administrative Regulation to provide further detail about implementation, roles and responsibilities for EP^3.

Staff from FM Purchasing Division and ESD shall:

1. Provide City departments with information and training to facilitate their evaluation and purchase of designated commodities and non-professional services;

2. Establish minimum content standards based on program outcomes, which will be revised as necessary to meet the product preferences consistent with this policy as well as with guidelines and regulations promulgated by the United States Environmental Protection Agency, the State of California, and other Federal and State agencies; and

3. Present an annual report to the City Council that tracks the implementation of this policy.

City departments and divisions shall assign staff to:

A. Provide a list of the most commonly purchased products and services to ESD for review and recommendation of environmentally preferable options;

B. Revise contracting procedures as needed to optimize the application of EP^3;

C. Compile data on the purchase of commodities and non-professional services that meet EP^3 criteria; and

D. Transmit evaluation results and procurement data to the Purchasing Division for inclusion in an annual report to the City Council on the status of policy implementation.

REFERENCES

Council Policy 100-14 (Procurement Policy: Recycled Products)
Council Policy 900-14 (Sustainable Building Policy)
Council Policy 900-18 (Purchase of Energy Efficient Products)
Appendix A - Definitions

HISTORY

Adopted by Resolution R-_____ __/__/2005

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Appendix A

DEFINITIONS

To provide guidance to City staff in evaluating the purchase of sustainable commodities for City use, the following definitions for EP³ criteria shall apply:

DEFINITIONS

A. "ALTERNATIVE ENERGY" refers to other forms of energy that are capable of doing the same work as traditional forms of energy. Example: solar power, wind generators.

B. "BIO-BASED PRODUCT" refers to commercial or industrial products (other than food or feed) that utilize biological products or renewable domestic agricultural (plant, animal, and marine) or forestry materials. Example: integration of plant/animal-based fertilizers into an Integrated Pest Management (IPM) landscape maintenance contract.

C. "BIODEGRADABLE" refers to materials or products which are capable of being decomposed by natural biological processes. Example: biodegradable detergent.

D. "COMPOSTABLE" refers to products that are comprised of cellulose-containing materials that can be broken down into compost when subjected to biological degradation. Example: compostable tableware and flatware, brush, leaves, tree trimmings.

E. "ENERGY EFFICIENT" refers to using less energy/electricity to perform the same function. Example: low wattage light bulbs, low-energy dryers. Refer to the US EPA's Energy Star ratings for energy efficient products (www.energystar.gov)

F. "ENVIRONMENTALLY PREFERABLE PRODUCTS" refers to products that have a lesser or reduced effect on human health and the environment when compared with competing products that serve the same purpose. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, and disposal of the product. These products minimize the consumption of resources, energy and water; prevent the creation of solid waste, air pollution or water pollution; minimize the use of materials or processes which

compromise the environment; and/or promote the use of non-toxic substances and avoid toxic materials or processes.

G. “LIFE CYCLE COSTS” refers to the cost of a product over its entire lifetime.

H. “LOW TOXICITY” refers to a decrease in the amount of toxic chemicals used in making a product. Example: water-based paint instead of lead paint, alcohol-based thermometer instead of mercury-based thermometer.

I. “LOW VOLATILE ORGANIC COMPOUNDS” (VOC) refers to products with a low amount of organic compounds. Example: paint, aerosol sprays, solvents.

J. “POLLUTION REDUCTION” refers to a means of conserving finite natural resources and preventing waste and harmful substances from contaminating the environment. Example: low emission systems, minimum fuel consumption.

K. “POST-CONSUMER RECYCLED MATERIAL” refers to only those products generated by businesses or consumers which have served their intended end uses, and which have been separated or diverted from the solid waste stream for the purposes of collection, recycling and disposition.

L. “PRACTICABLE” refers to products which are sufficient in performance and available at a reasonable price based on a life cycle and replacement cost evaluation.

M. “PRICE PREFERENCE” refers to a percentage for purposes of bid evaluation only by which offered prices for products meeting EP^3 criteria are reduced.

N. “RECYCLABLE” refers to products which, after its intended use, can demonstrably be diverted from the solid waste stream for use as a raw material in the manufacture of another product. Example: aluminum cans, bottles, newspapers, etc.

O. “RECYCLED CONTENT” refers to a percentage of postconsumer recycled materials. Guidelines contained in the U.S. EPA’s Recovered Materials Advisory Notices (see www.epa.gov/cpg/) should be used when ordering recycled content products. Example: paper and non-paper products, retread tires.

P. “RECYCLED MATERIAL” refers to material and byproducts that have been recovered or diverted from solid waste and that can be utilized in place of raw or virgin material in manufacturing a product. It is derived from post-consumer recycled material, manufacturing waste, industrial scrap, agricultural waste, and other waste material, but does not include material or

byproducts generated from, and commonly reused within, an original manufacturing process.

Q. “REPAIRABLE” refers to products that can be rebuilt or repaired and used again. Example: take back programs where the vendor will take back and repair, refurbish or recycle tools.

R. “REUSABLE” refers to products that are used more than once, replacing single-use products. Example: reusable oil filter, refillable toner cartridge, refillable pens and pencils, reusable packaging.

S. “TRIPLE BOTTOM LINE” refers to the approach an organization takes considering all environmental, social, and economic performances.

T. “WASTE REDUCTION” refers to the efficient use of all resources, so as to reduce the amount of waste. Example: minimal product packaging.

U. “WATER CONSERVING” refers to products that use water sparingly and only when necessary. Example: Low-flow showerheads and toilets.