

PURCHASING MEASURES TO REDUCE GREENHOUSE GASES

PURCHASING TRENDS

Purchasing policies can greatly affect the environmental impact of operations from government entities and private businesses alike. State and local governments combined purchased more than \$1 trillion in goods and services each year, according to *Governing* magazine's *Sourcebook 1997*. In fiscal year 1998, the City of Fort Collins purchased more than \$90 million worth of goods and services.

CITY PURCHASING POLICIES

The City of Fort Collins has already adopted a number of policies that support environmentally responsible purchasing. In 1990, the City's Purchasing Department drafted an Affirmative Procurement Plan for recycled products that is guided by three general principles;

- 1) Products made from recycled materials will be preferred over those made from virgin materials when the following conditions are met: (a) the product is suited for its intended end use; (b) the quality of the product is equal to products made from virgin materials; (c) the product is available in sufficient quantities within an acceptable period of time; and (d) the recycled product is reasonably cost-competitive.
- 2) "Reasonably cost-competitive" will be defined on a case-by-case basis. Price preference may be established, but only if allowances are made in program budgets to cover the additional costs.
- 3) As with any purchase of a new product, recycled products will be tested in small quantities before larger orders are placed, or purchasing preferences are established.

The Affirmative Procurement Plan for recycled products includes seven components in addition to this policy statement. These include:

- a recycled products database,
- an education and outreach program,
- a review of City purchasing specifications,
- pilot investigations to test recycled products,
- specific purchasing policies,
- a promotional program,
- periodic review and monitoring.

In 1993, the City pledged its support of President Clinton's Executive Order on Recycling by purchasing the items cited in the order; 20% post consumer printing and writing paper, re-refined oil, and retreaded tires. This pledge required the City to begin purchasing these products by the end of 1994. In 1998, the standard for post-consumer waste in paper increased from 20% to 30%.

In 1997, the City voluntarily accepted the invitation to join EPA's WasteWi\$e program. By committing to this program, the City set the following goals for buying recycled products:

Fort Collins Local Action Plan to Reduce Green house Gas Emissions

“ Purchase 30% recycled content paper and encourage city-wide adoption of this guideline. Incorporate contract language with outside vendors to encourage use of recycled content paper.”

ENVIRONMENTAL PURCHASING PRACTICES

As a result of these purchasing policies, the City has made good progress towards “green purchasing”. The Purchasing Department encourages the purchase of Energy Star products, among other practices. Examples of environmental products purchased by the City include:

Fleet Department

Retread tires (The City’s bus fleet used 112 recapped rear tires in 1997)

Vegetable oil (test for cars)

Recycled antifreeze (in 1997, Fleet Services used 170 gallons of recycled antifreeze)

Alternative-fuel vehicles (approximately ¼ of Fleet’s vehicles are alternatively fueled)

Parts washers and brake cleaners

Cleaning Products

Use of low environmental impact cleaning products such as non-acid or neutral pH window and bowl cleaners, and quaternary disinfectants.

Lighting

Utilities Department purchased low-mercury fluorescent light tubes.

Recycled Products

Reuse asphalt

Recycle laser cartridges

Recycled-content playground equipment

Business cards

Laser printer cartridges

30% recycled content office paper

Trash can liners

Recycled paint

Janitorial paper products

PURCHASING MEASURES

In addition to the three Existing Purchasing measures, one “New” and one “Pending” measure were evaluated by the Staff Technical Team and the Citizen Advisory Committee for their cost-effectiveness in reducing greenhouse gas emissions from municipal purchasing practices. These measure are discussed in detail below.

NEW

- Distribute Bids and Proposals Electronically

PENDING

- Work with MAPO (purchasing co-op) to encourage bulk purchasing

Distribute Bids and Proposals Electronically

Status: New Measure
Staff Team Ranking: 10th out of 12 New Measures
Citizen Committee Ranking: 11th out of 12 New Measures

Estimated CO2 Savings in 2010: 3 tons/yr (200 reams of paper)

Supporting Policy direction:

Resolution 97-51:

As a user of energy the City administration shall, in the design and construction of all City facilities, emphasize and utilize the latest, available, proven technologies to provide energy efficient and cost effective heating, cooling, lighting and hot water services.....

Resolution 97-97:

“The Council intends for the City to take a leadership role in increasing energy efficiency and reducing greenhouse gas emissions from municipal operations”

Description:

The Purchasing Department is currently required by ordinance to maintain a list of all vendors requesting to be placed on the City bid list. This process involves receiving vendor applications from contractors and then mailing either notices or the entire bid and proposal packages to these vendors. With the advent of electronic distribution methods, all items with bids or proposals are listed on the City of Fort Collins Purchasing web page and fax line. A change in ordinance would be needed to place the burden on the vendors to look at these electronic means of receiving information on City bids and also of getting these bids and proposals electronically or by fax. This would require an amendment to City Code section 8-164 to change the bid process. It would allow Purchasing to save significant money through reduced paper use and reduced mailing costs.

Implementing Department: Purchasing

Recommended Timeframe for Completion: 1999 - 2000

Recommended Approach for Implementation: Ordinance change

Estimated Implementation Cost: \$1,250 (1 week existing staff time)

Estimated Annual Operating Cost: NA

Potential Funding Source(s): NA

Annual Cost Savings: \$5,000 in reduced paper

Other Benefits:

- Save tax payer dollars
- Good opportunity to lead by example.

Related Success Story

After joining the Sustainable Cities Program in 1991, Santa Monica, CA developed an Environmentally Preferable Purchasing Program highlighted in a 1998 EPA case study. The program sought to affect purchasing decisions without significantly changing existing purchasing procedures, thus not placing extra burden on the procurement staff. Key features included purchasing high volume, frequently used products like office paper in bulk, and enlisting the support of upper level administrative officials and end-users.

Benefits of the Santa Monica program include:

- Five percent reduction in spending on custodial supplies by replacing 15 or 17 products with less toxic or non-toxic alternatives,
- Switching to an integrated pest management program that cost up to 30% less than traditional pesticide application used before.
- Using re-refined motor oil that cost the City 25% less than virgin motor oil.

Work with Municipal Association of Purchasing Officials (MAPO) to Encourage the Purchase of Environmental Products and Bulk Purchasing.

Fort Collins is a member of MAPO and participates in bulk ordering. The City could take a leadership role in educating the MAPO group about environmental products as well as encouraging bulk purchase of energy efficient and recycled content products.