



CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

AGENDA ITEM

Report: Environmental Preferable Purchasing

1. Motion providing direction on key policy principles to incorporate into the City's Environmental Preferable Purchasing Policy.

COUNCIL ACTION

Item Type: Action Item

Approved for September 27, 2022 **calendar**

EXECUTIVE SUMMARY

The City of Glendale's Recycled Products Purchasing Program has been in effect since the 1990s. This program has worked to ensure that fitness, quality, and cost being equal; recycled, reusable, recyclable products and other "green" products are purchased. The City of Glendale continues to improve its environmental performance, and as such, reviews current practices to determine opportunities for improvement.

Enhancing the City's recycled products purchasing program will enable the City to improve its environmental performance. The goals of the Environmental Preferable Purchasing (EPP) program include the following:

- a) Increase the percentage purchasing spend of environmentally preferable goods and services where governmental or other widely recognized and respected third-party authorities have established criteria, certification, and labels;
- b) Procure products and services in a cost-effective manner that advances the achievement of energy and environmental performance goals;
- c) Establish city-specific standards, policies and programs, and incentives for environmental acquisition; and
- d) Comply with State requirements contained in 14 CCR Division 7, Chapter 12, Article 12 (SB 1383 procurement regulations) to procure a specified amount of

recovered organic waste products to support organic waste disposal reduction targets and markets for products made from recycled and recovered organic waste materials and to purchase recycled-content paper products and recycled-content printing and writing paper.

The EPP Policy may be established around the seven (7) key policy principles that may be adopted by the City Council, defined below:

- a) Establish minimum environmental specifications for a number of products and services that are available at a value and quality comparable to non-environmentally preferable counterparts;
- b) Implementing source reduction programs focused on increasing efficiency in the purchasing program and reducing waste, and eliminating unnecessary purchases;
- c) Purchase recycled content products where the United States Environmental Protection Agency (U.S. EPA) has established minimum recycled content standard guidelines and meet the recycled content requirements of California Senate Bill 1383 to reduce emissions of short-lived climate pollutants (SLCP);
- d) Purchase energy-efficient and water-efficient equipment;
- e) Use independent, third-party social and/or environmental product or service labels (sustainability labels) when setting standards, writing specifications for, or procuring products or services;
- f) Incorporate Extended Producer Responsibility (EPR) mandates into the purchasing program; and
- g) Utilizing the practice of and “price preferences” to purchase recycled content products.

Staff recommend that City Council adopt a motion providing direction on the key principles from which the Environmental Preferable Purchasing Policy will be developed.

COUNCIL PRIORITIES

- 1. **Fiscal Responsibility:** Sustainable purchasing helps cities save money, primarily because sustainable products are often more resource efficient.
- 2. **Sustainability Benefit:** Sustainable purchasing will encourage the purchase products or services in a manner that protects human health and the environment.

RECOMMENDATION

Recommend that City Council adopt a motion providing directing on the key principles from which the Environmental Preferable Purchasing Policy will be developed.

BACKGROUND

At the March 2, 2021 City Council meeting, staff provided a report covering the extent of the City's environmental purchasing practices and an overview of best practices on environmentally preferable purchasing (EPP) programs. City Council asked staff to have the Sustainability Commission review EPP programs and make recommendations on practices and procedures that may be included in a EPP program.

At the July 1, 2021 Sustainability Commission meeting, staff provided an overview of the measures to be explored to develop an EPP program. The Sustainability Commission gave input on best EPP practices that may warrant inclusion in an EPP policy. These included Extended Producer Responsibility (EPR) requirements, the use of verified Environmental Products Declarations (EPDs), and purchasing recycled content products.

At the October 19, 2021, City Council meeting, Council authorized staff to develop an EPP policy. The report outlined strategies that staff may use to prepare an enhanced EPP policy, which include:

- a) Increasing efficiency in the purchasing program to reduce waste and eliminate unnecessary purchases;
- b) Purchasing products for which the U.S. EPA has established minimum content guidelines;
- c) Purchasing energy-efficient equipment; and
- d) Utilizing third-party environmental product or service labels and incorporating extended producer responsibility mandates for specific product categories.

At the August 4, 2022, Sustainability Commission meeting, staff provided the Commission with a draft EPP policy to replace the existing Recycled, Reusable, and Recyclable Products Policy to expand the purchase of environmentally preferable products for the City of Glendale. At the meeting, the Sustainability Commission passed a motion recommending attributes that should be included with an EPP Policy that support the City Council's key policy principles.

ANALYSIS

1. Current City of Glendale EPP Program

The City of Glendale's Recycled Products Purchasing Program has been in effect since the 1990s. This program has worked to ensure that fitness, quality, and cost being equal; recycled, reusable, recyclable products and other "green" products are

purchased. The purchase of these green products has contributed to creating markets for recycled products and encouraging businesses to increase the production of recyclable products, thus protecting natural resources and the environment.

Chapter 3, Section L (2) of the Administrative Policy Manual lays out the City's environmental purchasing program as follows:

Recycled, Reusable, and Recyclable Products

- a) Fitness, quality, and cost being equal, recycled, reusable, and other "green" products shall be purchased;
- b) This policy shall apply to all contractors and grantees who perform contractual services for the City, produce or provide a work product to the City or on the City's behalf, or conduct work funded by a grant from the City; and
- c) A statement outlining this policy concerning recycled, reusable, and recyclable products shall be included in all formal bid solicitations.

2. Purpose of the Environmentally Preferable Purchasing Program

City governments are large consumers of goods and services, and these purchases have an environmental impact resulting from raw material extraction, product manufacturing, use, and disposal. Per the City of Glendale's Greener Glendale Plan, the City recognizes its responsibility to minimize negative impacts on human health and the environment while supporting a diverse, equitable, and vibrant community and economy. The City also understands that its products and services have inherent social, human health, environmental, and economic impacts. The City should make procurement decisions that embody its commitment to sustainability.

As the City of Glendale embraces sustainability goals, there is a need to focus on procurement policy and practices that:

- a) Support the City's sustainability intentions to reduce greenhouse gas emissions, meet zero waste goals, improve air and water quality, preserve and enhance biodiversity, and phase out toxic chemicals to protect and improve the quality of life in the City;
- b) Balance environmental attributes with performance, availability, and financial considerations;
- c) Increase the use and availability of environmentally preferable products that protect the environment and meet social responsibility goals;
- d) Create and sustain environmentally sustainable jobs and encourage innovations in the green marketplace;
- e) Support internal sustainability champions undertaking environmental preferable purchasing decisions;

- f) Encourage manufacturers and distributors to reduce environmental impacts in their production and distribution systems;
- g) Provide specific guidance to purchasing agents and vendors about our policies; and
- h) Communicate the City's commitment towards sustainable purchasing to its employees, vendors, and community.

The goals of the EPP program may include the following:

- a) Increase the purchasing spend of environmentally preferable goods and services where governmental or other widely recognized and respected third-party authorities have established criteria, certification, and labels;
- b) Procure products and services in a cost-effective manner that advances the achievement of energy and environmental performance goals;
- c) Establish city-specific standards, policies and programs, and incentives for environmental acquisition; and
- d) Comply with State requirements contained in 14 CCR Division 7, Chapter 12, Article 12 (SB 1383 procurement regulations) to procure a specified amount of recovered organic waste products to support organic waste disposal reduction targets and markets for products made from recycled and recovered organic waste materials and to purchase recycled-content paper products and recycled-content printing and writing paper.

Metrics to track the goals may include:

- a) Percentage of contract actions containing environmental preferable purchasing requirements;
- b) Percentage of spend (dollars) on environmental preferable goods and services; and
- c) Increase in the contract actions and spending on environmentally preferable goods and services over the previous fiscal year.

3. Environmentally Preferable Purchasing Program Outline

The EPP policy would encourage all employees to purchase products or services in a manner that protects human health and the environment, is fiscally responsible, and promotes social equity, business opportunities, and other economic benefits to the community. This EPP policy shall apply to all City departments and employees, vendors, contractors, and grantees for all products and services provided to the City.

City employees will encourage sustainability benefits to the maximum extent feasible when writing specifications, evaluating bids, and making other purchasing decisions. Environmental and health benefits to be encouraged include, but are not limited to:

- a) Minimizing pollutant releases to air and water, particularly indoor air emissions;
- b) Avoiding products that contain toxic chemicals, especially persistent, bioaccumulative, and toxic (PBT) chemicals;
- c) Preventing acute and chronic human health risks, including cancer, asthma, reproductive toxicity, obesity, ergonomic effects, etc.;
- d) Reducing waste generation by choosing products that are reusable, recyclable, compostable, or made with recycled content;
- e) Lowering greenhouse gas (GHG) emissions associated with a product's manufacture, transportation, and use;
- f) Saving energy through purchasing energy-efficient products and increasing the use of renewable energy such as solar or wind;
- g) Conserving natural resources, including water and petroleum; and
- h) Promoting transparency, including disclosure of environmental, health, economic and social risks using Environmental Product Declarations (EPDs), Health Product Declarations (HPDs), vendor sustainability ratings, etc.

Fiscal benefits to be encouraged include, but are not limited to:

- a) Reducing consumption by choosing reusable products;
- b) Ensuring performance and quality;
- c) Reducing impacts on staff time and lowering maintenance costs;
- d) Leveraging buying power by aggregating demand, cooperative purchasing, etc.; and
- e) Reducing financial risks.

The EPP policy will establish standards that guide what constitutes an EPP purchase. These include:

- a) Utilizing the US EPA Comprehensive Procurement Guidelines that establish minimum recycled content guidelines;
- b) Using environmental product declarations to identify environmentally preferable products;
- c) Establishing extended producer responsibility mandates in selected product categories;
- d) Defining a list of minimum standards that should be considered when purchasing goods and services; and
- e) Senate Bill 1383 recycled content and recovered organic waste procurement policies to meet the mandates set forth by the State of California.

The EPP policy will also set out the responsibilities of the City of Glendale departments to comply with the EPP policy and recordkeeping requirements.

4. Sustainability Commission Recommendations

At the August 4, 2022, Sustainability Commission meeting, the Commissioners recommended the following be included in the City's EPP policy:

- a) A Default option: Automatic Default to a core list of EPP products when available.

Federal agencies and many state and local governments are encouraged or required to buy recycled content products that meet the recommended procurement guidelines established by the U.S. Environmental Protection Agency (U.S. EPA). [The U.S. EPA Comprehensive Procurement Guide](#). The designated products are:

- construction products
- landscaping products
- non-paper office products
- paper and paper products
- park and recreation products
- transportation products
- vehicular products
- miscellaneous products

The guidelines must be followed by federal, state, and local agencies and contractors that use appropriated federal funds. The Sustainability Commission recommends that the City of Glendale establish a list of environmentally preferable "default" products to be incorporated into the EPP. Staff recommends that the list of default products be developed during the EPP's one-year implementation program.

- b) Mandate vendor reporting of environmental attributes of goods and services. The Sustainability Commission recommended that, where appropriate, vendors are required to report to the City the environmental attributes of goods and services sold or provided to the City.
- c) The Sustainability Commission recommended that City establish a baseline year from which to measure the effects of implementing the EPP policy.
- d) If advantageous, piggyback on to contracts established by other cities or counties that incorporate EPP policies.
- e) Price Preferences: Price preferences enable purchasers to pay more for recycled products up to a certain threshold (e.g., within five percent of the non-recycled

product price). To obtain the desired environmental attributes indicated, providing some price flexibility may be required as part of best value procurement.

5. Policy Position

In purchasing goods and services, the City can address the City Council's priority of Environmental Stewardship. City purchases have inherent social, human health, environmental, and economic impacts on the local and global community. Accordingly, the City should make procurement decisions that embody its commitment to sustainability.

Key policy principles that may be adopted by the City Council will be used to develop an appropriate EPP Policy. The EPP Policy will provide constant direction to employees on implementing City Council's vision for environmental sustainability through purchasing actions.

The EPP Policy may be established around the seven (7) key policy principles defined below:

- a) Establish minimum environmental specifications for a number of products and services that are available at a value and quality comparable to non-environmentally preferable counterparts;
- b) Implementing source reduction programs focused on increasing efficiency in the purchasing program and reducing waste, and eliminating unnecessary purchases;
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- e) Use independent, third-party social and/or environmental product or service labels (sustainability labels) when setting standards, writing specifications for, or procuring products or services;
- f) Incorporate Extended Producer Responsibility (EPR) mandates into the purchasing program; and
- g) Utilizing the practice of and "price preferences" to purchase recycled content products.

STAKEHOLDERS/OUTREACH

The Sustainability Office has consulted with the Finance and Information Technology Departments Purchasing Division on the preparation of the EPP. Staff have also received guidance from the Sustainability Commission.

FISCAL IMPACT

There is no fiscal impact associated with this report. Staff recommends implementing the Environmental Purchasing Policy as a one-year pilot program. Doing so will allow staff to collect data to determine which parts of the policy work effectively and which may need adjusting and improving.

Staff will also be able to collect data to determine any negative or positive financial implications associated with implementing the policy. Staff recommends that a progress report be submitted to City Council one year after the pilot program goes into effect.

ENVIRONMENTAL REVIEW (CEQA/NEPA)

CEQA does not apply to projects where the lead agency determines "with certainty that there is no possibility that the activity in question may have a significant effect on the environment." 14 Cal. Code Regs. § 15061(b)(3). Here, the activity is direction on development of an EPP targeted at reducing environmental impacts from the purchase of goods and services for City operations. Accordingly, there is no possibility that City Council direction to adopt an EPP will result in a significant effect on the environment as the point of the EPP is environmental impact reduction.

CAMPAIGN DISCLOSURE

This item is exempt from campaign disclosure requirements.

ALTERNATIVES

Alternate 1: Recommend that City Council provide direction on the key principles from which the Environmental Preferable Purchasing Policy will be developed.

Alternate 2: Amend the motion to include modified language on the key policies for guiding the development of an Environmental Preferable Purchasing Policy.

Alternate 3: The City Council may consider any other alternative not presented by staff

ADMINISTRATIVE ACTION

Prepared by:

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Approved by:

Roubik R. Golanian, P.E., City Manager

EXHIBITS/ATTACHMENTS

1. October 19, 2021, Staff Report: Environmentally Preferable Purchasing