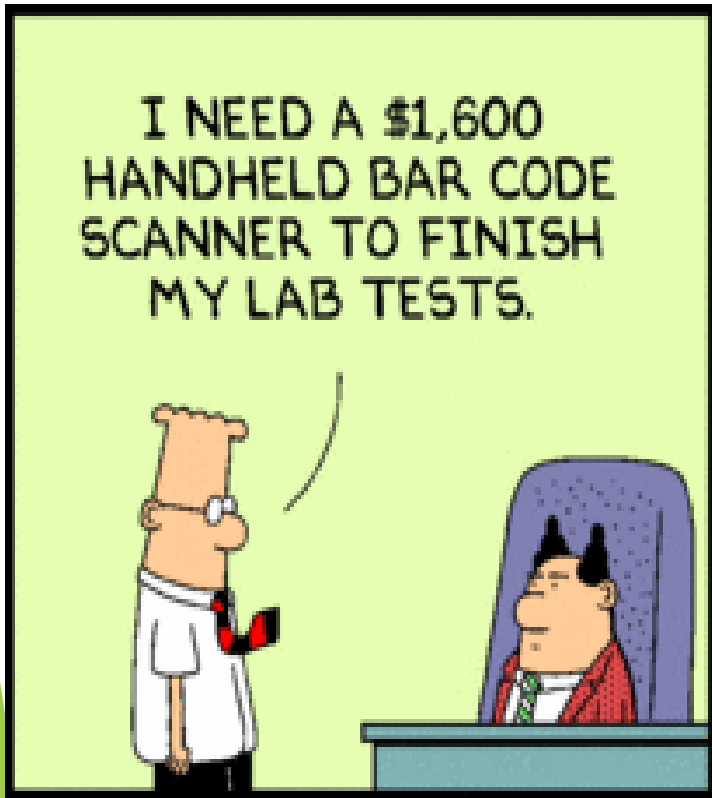


Green Purchasing: *Beyond the Basics*

*Incorporating green purchasing into bids,
specifications, and contracts*

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Public Procurement 102



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Green Purchasing, how hard can it be?

- ▶ **Action By:** **Action:**
- ▶ **Department** 1. Departments shall develop purchase requests, contract specifications, and scopes of work in accordance with the EPP policy. Departments shall send these documents to the Purchasing Division for final review.
- ▶ **Purchasing** 2. Purchasing shall review purchase requests, contract specifications, and scopes of work submitted by the requesting Department to ensure compliance with the EPP policy.

Pretty hard - End user / Specifier

1. As an end user / specifier you have to prepare your requisition. OK, got it. Some paperwork and people can help walk you through it.
2. You also need to prepare your specifications and scope of work. In accordance with Federal, State and local laws and internal policies.
3. This means applying the most recent and relevant sustainable best practices. Many times this requires understanding new products, means and methods. It also means understanding your local market conditions.
4. What sort of funds are being used and what type of contract is it?

Pretty hard - Purchasing agent

1. As a purchasing agent you need to be comfortable with utilizing Request for Proposals more often and developing an evaluation methodology / rubric that is sound and defensible.
2. This means applying the most recent and relevant sustainable best practices. Many times this requires understanding new products, means and methods. It also means understanding your local market conditions.
3. What type of contract and what type of funds are being used?
4. What examples of this type of contracting for this work / product has been done previously?

Pretty hard - Sustainability professionals

1. As a sustainability professional, do you have internal resources that will help you in advising your specifiers and your purchasing agents, considering the variety of different specifications?
2. Do you know enough of the business process that your end user currently has?
3. Do you understand enough about public procurement and contracting?
4. Are you familiar with your local markets and vendors / contractors?

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GOVERNMENT
CONTRACT.



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NOW WE NEED TO
FOLLOW ALL OF OUR
COMPANY POLICIES PLUS
EVERY GOVERNMENT
PROCUREMENT RULE.



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I FEEL LIKE I'M
BEING SMOTHERED
BY A DAMP MATTRESS!

THAT'S WHAT
VICTORY
FEELS LIKE!



What do you with public funds?

- ▶ Manage a grant
 - ▶ Oversee construction
 - ▶ Work at a Community Center
 - ▶ Information Technology operations
 - ▶ Work at the front desk of an office
 - ▶ Automotive mechanic
-
- Virtually every aspect of public employment requires a decision regarding utilization of public funds

What Type of Procurement Activity is it?

1. Consultant Contract
2. Grant funded or grant award
3. Public Works / Construction
4. Goods and Services

Consultant



Consultant Contract

- ▶ Typically not thought of as having a “green” element. Although the relevant expertise that they bring to your project should reflect knowledge of current trends.
- ▶ Many consultant firms are selected from a consultant roster if under a certain \$\$\$\$ threshold.
- ▶ Often, a consultant firm that has proven performance on a previous contract is taken into consideration. Ensure that you aren’t simply making decisions from historical patterns.

Grants



Grant Funds

1. If you are the recipient of the grant, you are bound by grant conditions. If there is allowance to utilize your pre-existing policy or if the grant is silent in regards to some elements that you would like to see “greened”, ensure that the grantor is comfortable with your approach.
2. If you are awarding grant funds (ensuring that these are not “trickle down” funds) see what opportunities are available to add some sustainability element. Most agencies and organizations have some type of Sustainability Plan that would support the promotion of an environmental element.

Construction



Public Works / Construction

- ▶ For facilities / vertical construction, ensure that you're A/E consultant is well versed in current LEED standards and is also familiar with other sustainability standards (Living Building Challenge, Whole Building Design Guide standards, etc.).
- ▶ Regarding utility / vertical construction, have supporting evidence that you're A/E consultant understands WSDOT Environmental Procedures Manual, Green Roads and has worked on projects that has progressive elements.

Public Works / Construction, continued

- ▶ Standard Design - Bid - Build public works do not allow for anything other than low bid by statute. Some exceptions are allowed by Job Order Contracting, GC/CM, Design - Build and ESCO. Design - Bid - Build requires your public works project managers, engineers and A/E consultants to have completed 100% design and spec'd out your project. If your design group is unfamiliar with newer building technologies or these technologies have not been tested or been in a pilot program, it adds an element of risk.
- ▶ Construction Specifications Institute (CSI), used predominantly for facilities construction, is typically an easier format to allow latitude in specification. This contract structure can be a positive or a negative.
- ▶ American Public Works Association (APWA), used predominantly for utilities construction, spells out each line item . Although it would typically allowed an engineer approved equal, bidders typically bid what is on the bid form and do not seek alternatives.

Goods & Services



Goods & Services

- ▶ Often the most available public procurement contract method that can utilize sustainable strategies most effectively. Some of the reasons which make “Goods & Services” contracts a viable procurement method are:
 - ▶ Can focus on a limited product group, commodity or service.
 - ▶ Typically lower expenditure than a public works project.
 - ▶ Can utilize both RFP’s and ITB’s. Meaning evaluating proposals or taking a low bid.
 - ▶ Depending on the public agency, you can pilot products more easily at lower dollar thresholds.
 - ▶ Generally allow the agency to cancel contracts without justification or lengthy notice.

Sustainable Contracting Strategies for Purchasing Professionals

- ▶ Align contracting documents and boilerplate with Sustainable Action Plan and local policy.
- ▶ A strategy for memorializing the integration of policy into boilerplate and contract documents can be the use of “decision or discussion” boxes. This will aid the procurement agent as well as the project manager.
- ▶ Maintain an open working relationship with sustainable professionals in your organization.
- ▶ Develop “commodity teams” of subject content experts within your agency.
- ▶ As you plan your procurement schedule, review upcoming contracts that are ready to expire and try to determine if the specification is in keeping with your internal policy and best practices. Seek advisement from your commodity teams and sustainable professionals or outside help if possible.
- ▶ Take advantage of free resources that exist.

Sustainable Contracting Strategies for End Users / Specifiers

- ▶ Determine which contracts or procurement methods you use in your work.
- ▶ Compare your contracts that you utilize with Sustainable Action Plan and local policy.
- ▶ Note recommendations for contract improvement keeping sustainability in mind.
- ▶ Maintain an open working relationship with sustainable professionals in your organization.
- ▶ Seek out and participate on a “commodity team” regarding one of your fields of expertise.
- ▶ Seek out examples from other agencies or private industry to compare best practices.
- ▶ Take advantage of any free resources that exist.

Reporting and Benchmarking

- ▶ Integrate specific reporting language into your specification and contract documents that make sense. Typically, a quarterly report is relatively easy for vendors / contractors to produce and public agencies to understand.
- ▶ Give an example of the report required. Do not rely on the vendor to create reporting on an ad hoc basis or without any format guidelines.
- ▶ When possible, utilize a “calculator” to tell the story of your purchase activities.
- ▶ Continue to edit and “tweak” your specifications and contract documents. As market conditions, products and trends continue to change, your documents and contracts should reflect this. Your contracts and business processes should never be “done”.

Questions?



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