

August 10, 2004

**Honorable Mayor and Members of the
Hermosa Beach City Council**

**Regular Meeting of
September 14, 2004**

SUBJECT: AB 939 WASTE REDUCTION AND RECYCLING PROGRAM –
PROCUREMENT POLICY.

Recommendation

That the City Council approve the attached resolution establishing a procurement policy to help implement the City's AB 939 waste reduction and recycling program.

Background

The Waste Management Reduction Act (AB 939) mandated a state program requiring that each local jurisdiction prepare, adopt and implement a Source Reduction and Recycling Element in order to divert 50% of its solid waste from local landfills. The City retained Eugene Tseng & Associates (ETA) to evaluate the status of the City's progress in implementation of AB 939 and to prepare the City's annual report for submittal to the California Integrated Waste Management Board. Mr. Tseng has worked for several years on the City's program compliance.

Over the last year, the city has recycled and diverted less solid waste than required. Consequently, the City must implement additional programs in order to achieve compliance with the AB 939 requirements.

Analysis

Among the programs suggested by ETA is the creation of a City procurement policy emphasizing the purchase of recycled supplies and materials for City business. It should be noted that the City already supports recycling through the following:

- Copy paper: 30 percent recycled material
- Storage boxes, two styles: 35 and 59 percent recycled
- Manila file folders: 10 percent recycled
- Hanging file folders: 10 percent recycled
- Letterhead stationary 30 percent recycled
- Letterhead envelopes 30 percent recycled
- Business cards 30 percent recycled

The attached policy is aimed at enhancing the above recycling percentages by instituting the following measures:

- A. The use of product specifications and requisitions which do not indiscriminately require the use of products made from virgin materials, nor specifically exclude the use of recycled-content products where practicable;
- B. Performance standards which are reasonable and related to function, and not designed to exclude the purchase of recycled-content products. (However, nothing in this policy is to

be construed as requiring a department or contractor to procure products that do not perform adequately for their intended use or are not available at a reasonable price in a reasonable period of time).

- C. To the extent such information is known, City staff shall identify products available with recycled-content and vendors from whom such products are available;
- D. Department heads shall have the authority to specify a minimum “recycled-content” standard in bid solicitation to accomplish the purposes of this policy.

These policies have been recognized by the Waste Management Board as promoting recycling efforts. The policies should not have a significant fiscal impact upon the City.

Approved for Fiscal Impact

Sol Blumenfeld, Director
Community Development Department

Viki Copeland, Director
Finance Department

Concur:

Stephen R. Burrell
City Manager

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RESOLUTION 04-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, APPROVING A PROCUREMENT POLICY FOR THE PURCHASE OF RECYCLED PRODUCTS

The City Council of the City of Hermosa Beach does hereby resolve as follows:

Section 1. The Waste Management Reduction Act (Assembly Bill 939) mandated a state program requiring that each local jurisdiction prepare, adopt and implement a Source Reduction and Recycling Element in order to divert 50% of its solid waste from local landfills.

Section 2. One method of implementing the foregoing state requirement is the creation of a city procurement policy emphasizing the purchase of recycled supplies and materials for City business.

Section 3. Based on the foregoing, the City Council hereby approves the “Recycled Products Procurement Policy”, attached hereto as Exhibit “A”, and instructs City staff to begin implementation of the new policy immediately.

PASSED, APPROVED, and ADOPTED this 14th day of September, 2004.

PRESIDENT of the City Council and MAYOR of the City of Hermosa Beach, California

ATTEST:

APPROVED AS TO FORM:

CITY CLERK

CITY ATTORNEY

EXHIBIT A

CITY OF HERMOSA BEACH RECYCLED PRODUCTS PROCUREMENT POLICY

1. Purpose.

The City of Hermosa Beach Recycled Products Procurement Policy provides that all city departments shall, whenever possible, use recycled products and recycled materials to encourage recycling and waste diversion goals. This policy is enacted to demonstrate compliance with the Waste Management Reduction Act (AB 939) and foster market development for recycled products.

2. Overview.

Buying recycled benefits the City in the following ways:

- A. Diversion of materials that can be recycled reduces the amount of materials being collected for disposal in landfills;
- B. Conserves the use of virgin raw materials, whose costs continue to rise;
- C. Creates jobs and economic development opportunities along with an enhanced public image as the city takes a proactive approach to waste management and environmental consciousness.

The Recycled Product Procurement Policy calls upon each city department to evaluate its opportunities for the use of products manufactured with recycled materials and to revise contracting and procurement procedures and specifications to increase the purchase of recycled products. In the implementation of this policy, each department will:

- Identify and evaluate recycled products to determine the extent to which they may be used by the department and its contractors;
- Purchase recycled products and recyclable products whenever practicable;
- Ensure that contracts issued by the department require recycled material content whenever practicable and that contractors provide the type of recycled content and reports of amounts purchased; and
- Report the progress of the policy implementation, including evaluation results and volumes purchased by the department and its contractors.

In addition, each department will assist in the implementation process of this Policy. This assistance will be to determine the parameters and guidelines of acceptable recycled products and materials for the City to purchase and to track information needed for the annual report. Information for the annual report is to include documentation of the types, quantities and dollar amounts of recycled products purchased in the previous year by the City, its contractors and grantees. The report shall also identify and discuss the following:

- A. Instances where the Policy is waived or its requirements found impractical; and
- B. Barriers to the procurement of recycled-content products.

To facilitate departmental implementation of this Policy, the Finance Director (“Director”) will monitor the Recycled product Procurement Program. In the implementation of this Policy, the Director and department heads will be responsible for the following:

- The Director will monitor Central Stores supplies to ensure consistency with this Policy.
- Department heads shall conduct their own research on products for purchase other than items purchased through Central Stores.
- The Director will, in conjunction with the City Manager and Community Development Director, review procurement opportunities and Policy requirements with departments and monitor implementation efforts;
- The Director will provide technical support to staff, as necessary, regarding the implementation of the Recycled Product Procurement Policy;

To facilitate departmental implementation of the Recycled Product Procurement Program, the Office of the City Manager will:

- Commit to provide written reports to the California Integrated Waste Management Board as required by state regulations;
- Work with the Finance Director to coordinate development and implementation of procurement guidelines, and minimum content standards, and recommend revisions of policy as required.

3. Definition of Recycled Content.

- A. *Recycled materials.* Waste material and by-products that have been recovered or diverted from the solid waste stream and that can be utilized in place of raw or virgin material in the manufacturing of a product. Recycled materials may consist of materials derived from post-consumer waste, manufacturing waste, industrial scrap, agricultural wastes and other items, all of which can be used in the manufacture of new products.
- B. *Post-consumer recovered materials.* A finished material that would normally be dispersed of as a solid waste, having completed its life cycle as a consumer item. Examples of post-consumer recovered materials include, but are not limited to, old newspaper, office paper, yard waste, steel, aluminum cans, glass plastic bottles, oil, asphalt, concrete and tires.
- C. *Pre-consumer recovered materials.* Material or by-products generated after manufacturing of pre-consumer recovered materials include, but are not limited to, obsolete inventories of finished goods, rejected unused stock and paper wastes generated during printing, cutting and other converting operations

- D. *Total recovered material.* The total pre-and post-consumer recovered material contained in a product.
- E. *Practicable.* Sufficient in performance, available at a reasonable price, and within a reasonable time period.

4. Recycled Content Preference.

City departments shall, whenever practicable and fiscally responsible, purchase products which contain, in order of preference, the following:

- A. The highest percentage of recycled content of post-consumer recovered material available in the marketplace; and
- B. The highest percentage of “pre-consumer recovered material” available in the marketplace.

This preference is a long-term goal of the City. Therefore, in those instances where it is deemed impracticable to procure a recycled-content item, a specific explanation for finding must be included in the purchasing record (See *Section VII - Monitoring*).

5. Recyclability and Waste Reduction.

In addition to the recovered material content of a product, important criteria in selecting products shall also be as follows:

- A. The ability of a product and its packaging to be reused, reconditioned for use or recycled through existing recycled collection programs;
- B. The volume and toxicity of waste and by-products of a given product, and the packaging designed to minimize waste and toxic by-products in their manufacture, use, recycling and disposal shall be preferred.

6. Product Specification and Bid Solicitation.

Product specifications shall conform to the following guidelines:

- A. Product specifications shall not indiscriminately require the use of products made from virgin materials, nor specifically exclude the use of recycled-content products where practicable;
- B. Performance standards must be reasonable and related to function, and shall not be designed to exclude the purchase of recycled-content products. However, nothing in this Policy shall be construed as requiring a department or contractor to procure products that do not perform adequately for their intended use or are not available at a reasonable price in a reasonable period of time. Further, nothing in this Policy shall

be construed as requiring a department or contractor to procure products where the warranty for recycled products is not equal to virgin products or where the use of recycled materials voids, shortens, interrupts or cancels warranty of other supplies or units of components.

- C. To the extent such information is known, City staff shall identify products available with recycled-content and vendors from whom such products are available at the time purchases are made (on the purchase order);
- D. Department heads shall have the authority to specify a minimum “recycled-content” standard in bid solicitation to accomplish the purposes of this Policy.

7. Contractors and Grantees.

All City contractors and grantees shall be requested to conform to the minimum recycled-content procurement standards set forth by the Office of the City Manager and the Community Development Department. This request shall be applied to contractors and grantees in procuring materials or products to perform contractual services for the City, to produce or provide a work product to the City or on the City’s behalf, or to conduct work funded by a grant from the City.

Contractors and grantees shall be further requested to report to the department procuring the services the types, quantities and total dollar amounts of recycled products, which are purchased by the contractor or grantee in connection with City-funded work. The percentage of post-consumer and total recovered material content of such purchased products shall also be requested to be included in the report. Information from contractors will be compiled annually by each department and provided to the City Manager for the annual report referenced in Section 9.

Any RFP or bids for services requested by the City will include a statement that the City prefers doing business with companies that adhere to our principles. In addition, it will request that any proposal submitted to the City shall be printed two-sided on recyclable paper and the percentage of post-consumer recycled content used in the manufacturing process must be indicated. Any consultants or contractors producing reports for the City will submit such on (post-consumer) recyclable paper.

8. Promotion.

All City purchases and printed recycled paper products shall be labeled with the standard phrase “*Printed on Recycled Paper*”. All city departments or agencies shall be required to use recycled products for their business cards, letterhead stationary, envelopes, business forms and pertinent documents. All said documents shall be printed with the standard phrase “*Printed on Recycled/Recyclable Paper*” thereby promoting the use of post-consumer content. If sufficient documentation and certification is available, reasonable efforts shall be undertaken to specifically indicate the percentage of recycled post-consumer content. (i.e., In this case, the phrase “*Printed on 30% Post-Consumer Recycled Paper*” shall appear on all products produced by and for the City.) In addition, the use of non-toxic inks for City publications or mailings will be encouraged.

All City photocopying of requested documents, and those produced by grantees and contractors shall be produced on post-consumer recycled paper, when practicable. All contractors and grantees will submit all requested documents to the City on recycled paper. This shall include, but not be limited to, drafts, reports, training manuals, bids, and responses to inquiries and permit applications. The City will also engage in the practice of two-sided copies for all City memos and mailings.

9. Monitoring.

The Community Development Department and the Office of the City Manager shall prepare and deliver to the City Council an annual report on implementation of this Policy and formalize a recycled products list to aid in purchasing and monitoring goals. The report shall include documentation of the types, quantities and dollar amounts of recycled products purchased in the previous year by the City, its contractors and grantees. The report shall also identify and discuss the following:

- A. Instances where the Policy is waived or its requirements found impractical; and
- B. Barriers to the procurement of recycled-content products.

10. Fiscal Impact.

The adoption and implementation of this Procurement Policy may have negative impacts on future budgets, but the extent of such impacts is unclear at this time. However, given the requirements of AB 939, the concern over additional landfill development and rising disposal costs, these anticipated costs are necessary to conserve and protect natural resources and support the City of Hermosa Beach’s recycling and market development goals.