

CITY OF LAUREL
PROCUREMENT PROCEDURES

7/21/2015

I. COMPETITIVE SEALED BIDDING

The major steps in the bidding and award of a contract are soliciting bids, submitting bids, reviewing and evaluation bids, and awarding the contract.

The city requires formal bids for the purchase of capital equipment and other items of significant monetary value. Council approval is required for purchases or contracts of \$35,000 or more in value (Refer to Charter Resolution Number 135). Competitive pricing procedures will be used for acquisitions less than \$35,000.

A. SOLICITING BIDS:

1. The city makes its formal request for bids in the form of a “Notice to Bidders”. The notices shall include the following:
 - a. The project title, scope and date, and availability of bidding documents;
 - b. The location, date, time and place for opening bids;
 - c. Point of contact for information, regarding plans and specifications;
 - d. The cost of the bidding documents, if any;
 - e. The notice shall require that all bids be sealed and legibly marked on the envelope “SEALED BID – PROJECT NAME”;
 - f. The notice will specify that the city reserves the right to accept or reject any bid if such action best serves the public interest.
2. Bidding periods must be appropriate to industry standards to enable bidders to cost the work and obtain quotations from specialty contractors and suppliers.
3. Availability of the contract shall be published widely through legal notices in a newspaper of record; posted on the City’s website; mailed to contactors on the City’s bidders list and the minority contractor’s from the State’s Minority Business Listing. In addition, trade journals and technical publications may be used. The advertisements and legal notices shall include essentially the same information as the notice to bidders.

4. A sign off sheet for bidding document purchases, to include the bidder's name, address, telephone and facsimile number, should be prepared by the requesting department and be delivered along with the bidding documents to the Department of Budget and Personnel Services.

B. BID FORMS AND REQUIREMENTS:

1. Bid documents for Capital Improvement Projects shall contain, at least, the following information:
 - a. Notice to Bidders (as outlined above)
 - b. Information for Bidders
 - c. Insurance requirements as directed by the City Solicitor, but to contain at least the following:
 - i. General Liability Insurance
 - ii. Employers Liability Insurance
 - iii. Business Automobile Liability Insurance
 - iv. Worker's Compensation Insurance
 - d. Bid Bond, Performance Bond, Payment Bond
 - e. Special insurance/bond requirements, if any
 - f. Itemized proposal
 - g. Bidder's Questionnaire
 - h. Non-Collusive Bidding Certificate
 - i. Corporate Authority Resolution
 - j. Affidavits
 - k. Annotated Code of Maryland included by reference
 - l. Contract Agreement
 - m. Certificate of Guarantee/Warranty
 - n. General Conditions
 - o. Specifications
 - p. Delivery date or completion date
 - q. Period of Bid validity
2. Bid documents or requests for proposals for other goods or services shall contain, at least, the following information:
 - a. Notice to Bidders (as outlined above)
 - b. Information for Bidders
 - c. Insurance requirements, if required:

- i. General Liability Insurance
- ii. Employers Liability Insurance
- iii. Business Automobile Insurance
- iv. Worker's Compensation Insurance
- d. Special insurance/bond requirements, if any
- e. Itemized proposal
- f. Non-Collusive Bidding Certificate
- g. Corporate Authority Resolution
- h. Contractor's/Vendor's License Number
- i. Certificate of Guarantee/Warranty
- j. General Conditions
- k. Specifications
- l. Delivery date or completion date
- m. Period of Bid validity

C. DEVELOPING SPECIFICATIONS:

1. The requesting department shall be responsible for the development of specifications.
2. Specifications should be developed with attention to the following guidelines:
 - a. Specifications shall be concise, free of ambiguities, and provide a sound basis for competitive bidding.
 - b. Specifications shall not require features or quality levels unnecessary to the function or operation. The use of a particular brand specification is discouraged.
 - c. Suppliers must not prepare specifications.
 - d. All specifications shall provide that a minority-owned business (as defined by Federal and State Minority-owned Business program qualifications); a Laurel-area business (Laurel post office premise address); or Maryland-located business(when competing with out-of-state bidders) shall be granted a preference even if not the low bidder, and chosen so long as their bid is within three percent (3%) of the low bid.
 - e. See Addendum 1 – Sustainable Procurement

D. ADDENDA:

1. Addenda must be sent to all plan holders notifying them of significant interpretation, additions, deletions, modifications and extension of the bid date. It is preferable to make changes and clarify interpretations before bids are opened rather than attempt to adjust prices after the award.

2. Addenda have the same force as other contract documents and for that reason cannot be issued so close to the bid opening deadline that they cannot be distributed to all concerned without extending the bid deadline. Bidders must be required to submit a counter signed copy of all addenda with their proposals as verification that the changes were taken into account.

E. RECEIVING BIDS:

1. All bids must be received at the Department of Budget and Personnel Services prior to the published time and date for bid opening.
2. All bids must be stamped with the date and time the bid is received and initialed by the person receiving the bid. Upon request, a hand-written receipt will be provided to the bidder.
3. All bids must be held in a secure location in the Department of Budget and Personnel Services and made available for the bid opening.

F. BID OPENINGS:

1. Bid opening will be held at the place, on the date and time published for bid opening. Sealed bids are accepted up to the hour set for opening, any bids received after that time will be returned to the bidder unopened.
2. Upon the request of a submitter, that proposal can be returned sealed prior to the bid opening deadline. No change is allowed in a bid once it is opened. Bid envelopes must be identified on the outside with the project and bidder's name.
3. Should a sealed bid be inadvertently opened by a mail clerk, that bid will be immediately resealed and the clerk will write a statement "opened by mistake" on the front of the envelope and sign their name under the statement. At the established hour, a designated official will open the envelopes one at a time announcing the bidder's name, bid total, any alternate prices, presence of the required bond, and any obvious exceptions taken. Once all bids have been opened and declared, attenders may request that unit prices and the names of subcontractors and suppliers from the apparent low bid be read. The bids are then taken under submission for review. All bid securities are retained until an award is made or the bids are rejected. Bonds and bids can lapse; however, if action is not taken within the time stated in the notice to bidders (bidders may agree to an extension if one is needed).

G. REVIEW AND RECOMMENDATION:

1. Each bid must be reviewed for completeness and accuracy of figures and totals and compared with the final estimate. Decisions must be made regarding award or rejection of the additive or deductive alternates, if any, and the lowest responsive bid must be identified. The bid analysis and the department's recommendation are reviewed with the City Solicitor for legal sufficiency.

2. The recommendation shall be submitted to the Department of Budget and Personnel Services to insure the bidder is in good standing with the City for tax payments and other miscellaneous receivables.
3. If the low bid exceeds the final estimate, it can be accepted or all bids can be rejected, in which case the City may wish to request new bids based on the same or modified plans. Minor irregularities may be waived, but major irregularities or exceptions normally disqualify the offending bids. Licensing, bid security, experience, capability, and reliability of the contractor are review and verified. (Refer to the Bid Rejection Section)
4. Once all reviews are complete, a written recommendation to the City Council via the Office of the City Administrator is formulated.

H. AWARD OF BID:

1. After the award by the City Council, the successful bidder shall be sent a written notice by certified mail and advised to make all further required submittal and be prepared to execute the contract by a specified date.
2. All unsuccessful bidders must be notified in writing of the award. Upon written request any unsuccessful bidders shall be provided a bid tabulation and all associated staff documentation.
3. Once all contract documents and insurance requirements have been review and approved by the City Solicitor, the contract can be executed.

I. REJECTION OF A BID:

1. Any bid containing any one of the following omissions or irregularities shall ne irrevocable rejected without further review and shall not be accepted under any circumstances:
 - a. Any bid received after the hour advertised for the bid opening, which bid will be rejected a returned to the bidder unopened
 - b. Any bid submitted without the required bid bond or other security pursuant to the Information for Bidders
 - c. Any bid submitted without the required dollar amounts inserted in the appropriate portions of the Itemized Proposal forms
 - d. Any bid submitted without the prices written in words where required
 - e. Any bid submitted without the required Non-Collusive Bidding Certificate
 - f. Any bid that exceeds the amount authorized in the budget
 - g. Any bid with a discrepancy of 20% or more to the next highest bid
2. Any other omission or irregularities shall be a basis for the City rejecting the bid in the sole discretion of the City. Such irregularities would include, but not be limited, to the following:

- a. Any bid received that does not include published addenda that directly affect the prices offered by the contractor or has legal implications. Such bid may be considered if the bidder expressly agrees in writing that the bidder acknowledges the addenda and agrees that the prices contained in the bidder's proposal include all items required by the addenda
- b. Any bid submitted not intact must be reviewed by the City Solicitor for compliance with the bidding requirements. Prior to consideration of the bid, the bidder shall submit, within the time specified by the City, all of the pages missing from the bid document (fully completed, if required) with a written statement in the form required by the City, and signed by the bidder, that the bidder undertakes and agrees to be bound by and to comply with all of the provisions contained in those originally omitted pages
- c. Any bid submitted with a bid bond or other required security in a format other than the form required in the bidding documents, or which otherwise does not strictly comply with the bid documents, must be approved by the City Solicitor prior to considering the bid. The City reserves the right to allow the bidder to submit an acceptable bid bond or other security within the time specified by the City, or to reject the bid
- d. Any bid submitted without the required Bidder's Questionnaire Statement, Corporate Authority Resolution, Bidder's Affidavits, or the "Annotated Code of Maryland" Section properly completed. The City reserves the right to allow the bidder to submit the missing documents, fully completed, within specified time or to reject the bid because of the irregularity. If the City permits the bidder to supply those missing documents, but the bidder fails to do so within the time specified, the bid shall be rejected
- e. Any bid submitted without the completed "Insurance Agent's Statement" page

II. WAIVER OF COMPETITIVE BIDDING:

A. OTHER THAN SOLE SOURCE:

1. A method of procurement without competitive bidding or from other than low bidder when determined that an emergency situation prevails or other exceptional circumstances justify the waiver. Full explanation of such circumstances must be presented to the Office of the City Administrator in the request for the waiver so that a determination that a waiver of competitive bidding is appropriate and that the waiver is consistent with prescribed policies and procedures. The Office of the City Administrator may require informal price solicitations by phone prior to approval of the waiver.
2. Although competitive bidding should be required whenever practicable, a degree of latitude can be permitted when competition is not feasible for specific commodities, services or circumstances. The following is a listing of some of

the major categories of circumstances which shall justify procurement on a non-competitive basis or from other than low bidder:

- a. Emergencies - Sudden and unexpected occurrences or conditions which could not be foreseen, posing an actual or immediate threat to the continuance of an essential normal operation of the City or a threat to public health, welfare or safety, where the urgency of the need does not permit the delay involved in utilizing competitive methods. The waiver, in such circumstances, shall be limited only to those supplies and services necessary to meet the emergency
- b. Time Deadlines or Fiscal Limits - When all bids submitted under the competitive bid method are unreasonable or not responsive/responsible and there is no time to re-solicit bids without endangering the public health, welfare or safety or the re-solicitation would be fiscally disadvantageous or would not otherwise be in the best interest of the City
- c. Products or Services Immediately Available - (1) When immediate action is necessary to take advantage of a sale or (2) when informal competitive bids indicate that the product or service is immediately available from one vendor and not from lower bidders, the delay would impair the City's work program, and the price from the vendor who can deliver quickly is not materially higher than the lower bids.
- d. Cost Effectiveness – When the conduct of formal competitive bidding would be impractical or not cost-effective because of the administrative time and expense involved
- e. Compatibility – When units are joinable with existing equipment/systems, that being the most important consideration, or when manufacturer combined maintenance is desirable
- f. When sole vendor's item is needed for trial use or testing
- g. Riding contracts of Prince George's City, the State of Maryland or any other jurisdiction

B. SOLE SOURCE:

- 1. A method of procurement without bidding that exists when the goods or services to be procured are available from only one person or firm including but not limited to those having exclusive right to manufacture, sell or otherwise market such goods or services. This method of procurement requires the approval of the Mayor and City Council for procurements of \$35,000 or more and the approval of the City Administrator, or his or her designee, for procurements less than \$35,000 and shall be used only when necessary to service established standard needs whereby circumstances may warrant ward on a sole source basis. The requesting department must prepare a memorandum to the City Administrator justifying the sole source purchase. The City Administrator, or his or her designee, will review the department's

memorandum and if justified, will authorize the presentation of the memorandum to the City Council.

2. A purchase requisition will be completed by the requesting department and be submitted with the approved memorandum to the Department of Budget and Personnel Services.

III. REQUEST FOR PROPOSAL

A. The Request for Proposal method may be used when:

1. The cost of the purchase is estimated to equal or exceed the sum of thirty-five thousand dollars (\$35,000) for goods and services; and
2. Specifications cannot be prepared that permit an award on the basis of either the lowest bid price or the lowest evaluated bid price; or
3. Quality, availability, technical competence, and capability are of paramount importance in relation to price; or
4. The market place will respond better to a solicitation permitting a range of alternate proposals, and negotiation; or
5. The City determines that the bid prices received by competitive sealed bidding are unreasonable as to all or part of the requirements or when only one or no responsive bid is received in response to an Invitation for Bids; or
6. When the City Solicitor, upon recommendation by the department requesting the purchase, makes a written determination that competitive sealed bidding is otherwise not advantageous to the City.

B. A Request for Proposals which, along with other such additional content as may be deemed appropriate by the City, shall include the following:

1. A statement of the scope of services to be the subject of the contract; and
2. A list of factors and the relative importance or weight of each factor, including price that will be used in evaluating proposals.
3. A Request for Proposals shall be given adequate public notice in the same manner as provided in Section I.A.3 Competitive Sealed Bidding.
4. Before proposals are received, the City may conduct a pre-proposal conference with all potential offerors for the purpose of assuring full understanding of the using agency's requirements, as described in the

Request for Proposals. All such offerors shall be accorded fair and equal treatment with respect to this conference.

5. The City may not disclose to a competing offeror any information derived from a proposal of, or from interviews with, another competing offeror.
6. Proposals and best and final offers are irrevocable for the period specified in the Request for Proposals or any request for best and final offers, except that the proposal may be withdrawn or corrected as provided in regulations issued by the City.

IV. ROUTINE PURCHASES

- A. Any purchase not expected to equal or exceed \$35,000 may be awarded by the City in accordance with Routine Purchase procedures contained herein.
- B. Routine Purchase procedures include, but are not limited to, the following provisions:
- C. Contract requirements shall not be artificially divided so as to constitute a small purchase.
- D. Insofar as it is practical, no less than three businesses shall be solicited to submit quotations for purchases under \$35,000.
- E. Award shall be made to the business offering the lowest acceptable quotation.
- F. The name of the businesses submitting quotations and the date and the amount of each quotation shall be recorded and maintained as a public record.
- G. Department Heads have the authority to approve purchases up to \$1,000.00.
- H. The Director of Budget and Personnel Services has the authority to approve purchases between \$1,000.00 and \$4,999.99.
- I. The City Administrator's, or his or her designee, approval is required for purchases between \$5,000.00 and \$19,999.99.
- J. All quotations solicited which are expected to exceed \$1,000.00 shall be submitted in writing by the businesses.
- K. Purchases under \$1,000.00 may be made without competitive quotations.
- L. Nothing in this section shall preclude the City from requiring more stringent procedures for purchases made under the Routine Purchases procedures or from waiving these Routine Purchases procedures in whole or in part when, in the opinion of the City Solicitor, the best interests of the City would be served by such waiver.

V. CONTRACT NEGOTIATION

- A. A contract may be made by negotiation under the following circumstances:
1. If it is determined that complete sealed bidding or competitive sealed proposal cannot be used in awarding a contract because there is only one available or practical source for the subject of the contract, the city is authorized to award a contract by noncompetitive negotiation. The following circumstances shall be sufficient to determine that only one source for the contract is available or practical:
 - a. When competition is precluded because of the existence of patent rights, copyrights, secret processes, control of basic raw material, or similar circumstances where competition is impractical; or
 - b. When the contemplated procurement is for technical, non-personal services in connection with the assembly, installation, or servicing (or the instruction of personnel therein) of equipment of a highly technical or specialized nature; or
 - c. When the contemplated procurement is for parts or components being procured as replacement parts in support of equipment specially designed by the same manufacturer, and where the city determines that a substitute part or component of another manufacturer will not perform the same function in the equipment as the part or component it is to replace; or
 - d. When the contemplated procurement involves construction where a contractor or group of contractors are already at work on the site and it would not be practicable to allow another contractor or an additional contractor to work on the same site, or when the amount and value of the work is too small to interest other contractors to mobilize and demobilize; or
 - e. When property is required for experiment, test, development, or research in conjunction with determining the relative merits of the product or property for subsequent buys; or
 - f. When only one product will meet the technical and performance requirements for the procurement.
 2. Upon written certification by the using agency that any of the following circumstances exists, the city may negotiate a contract:
 - a. A public exigency will not permit a delay incident to advertising; or
 - b. Services or goods are to be provided by or under contract with another government agency or government.

3. Authority to negotiate a contract under any provision of this subtitle does not excuse compliance with the basic policy of obtaining maximum competition consistent with the needs of the occasion, to the end that all purchases will be made to the best interest of the City and other factors considered. The authority to negotiate contracts in no way eliminated the need of the city to exert reasonable efforts to obtain the most favorable prices possible.

VI. COMPETITIVE NEGOTIATION

A. Competitive Negotiation For Goods or Services Other than Professional Services

1. **Conditions for Use:** Upon a determination made in advance by the city and set forth in writing that competitive sealed bidding is either not practicable or not fiscally advantageous to the public; goods, services, or insurance may be procured by competitive negotiation. The writing shall document the basis for determination.

Construction may be procured only by competitive sealed bidding, except that competitive negotiation may be used in the following instances upon a determination made in advance by the city and set forth in writing that competitive sealed bidding is either not practicable or not fiscally advantageous to the public, which writing shall document the basis for this determination:

- i. for the construction, alteration, repair, renovation or demolition of buildings or structures when the contract is not expected to cost more than \$500,000.00; or
 - ii. for the construction of highways and any draining, dredging, excavation, grading or similar work upon real property.
2. **Request for Proposal:** The city shall issue a written Request for Proposal indicating in general terms that which is sought to be procured, specifying the factors which will be used in evaluating the proposal and containing or incorporating by reference the other applicable contractual terms and conditions, including any unique capabilities or qualifications which will be required of the contractor.
3. **Public Notice:** Public notice of the Request for Proposal shall be given at least ten days prior to the date set for receipt of proposals by publication in a newspaper of general circulation in the area in which the contract is to be performed. In addition, proposals may be solicited directly from potential contractors.

4. Receipt of Proposals: Proposals shall not be public and no proposals shall be handled so as to permit disclosure of the identify of any offer or the contends of any proposal to competing offers during the process of negotiation.
5. Selection and Award: Selection shall be made of two or more offerors deemed to be fully qualified and best suited among those submitting proposals, on the basis of the factors involved in the request for proposal, including price if so stated in the request for proposal. Negotiations shall then be conducted with each of the offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each offeror so selected, the City shall select the offeror which, in its opinion, has made the best proposal, and shall award the contract to that offeror. When the terms and conditions of multiple awards are so provided in the Request for Proposal, awards may be made to more than on offeror. Should the City determine in writing and in its sole discretion that only one offeror is fully qualified, or that one offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that offeror.

B. Competitive Negotiation for Professional Services

1. Conditions for Use: Contracts for professional services, shall be entered into by use of the Competitive Negotiations For Professional Services method.
2. Professional Service Contracts For Multiple Projects: A contract for professional architectural or engineering services relating to construction projects may be negotiated by the City, for multiple projects provided:
 - a. the projects require similar experience and expertise,
 - b. the nature of the projects is clearly identified in the Request for Proposal, and
 - c. the contract term is limited to one year or when the cumulative total project fees reach the maximum cost authorized in this paragraph, whichever occurs first. Such contract may be renewable for four additional one-year terms at the option of the City. Under such contract,
 - i. the fair and reasonable prices, as negotiated, shall be used in determining the cost of each project performed;
 - ii. the sum of all projects performed in one contract term shall not exceed one million dollars (\$1,000,000.00); and

iii. the project fee of any single project shall not exceed one million dollars (\$1,000,000.00). Any unused amounts from the first contract term shall not be carried forward to the additional term. Competitive negotiations for such contracts may result in awards to more than one offeror provided (1) the Request for Proposal so stated and (2) the City has established procedures for distributing multiple projects among the selected contractors during the contract term.

3. **Multiphase Professional Services Contracts:** Multiphase Professional Services Contracts satisfactory and advantageous to the City for environmental, location, study, design, and inspection work regarding construction of infrastructure projects may be negotiated and awarded based on qualifications at a fair and reasonable price for the first phase only, when completion of the earlier phases is necessary to provide information critical to the negotiation of a fair and reasonable price for succeeding phases. Prior to the procurement of any such contract, the City shall state the intended total scope of the project and determine in writing that the nature of the work is such that the best interest of the City request awarding the contract.
4. **Request for Proposals:** The city shall issue a written Request for Proposal indicating in general terms that which is sought to be procured, specifying the factors which will be used in evaluating the proposal and containing or incorporating by reference the other applicable contractual terms and conditions, including any unique capabilities or qualifications which will be required of the contractor.
5. **Public Notice:** Public Notice of the Request for Proposal shall be given at least ten days prior to the date set for receipt of proposals by publication in a newspaper of general circulation in the area in which the contract is to be performed. In addition, proposals may be solicited directly from potential contractors.
6. **Selection and Award:** The City shall engage in individual discussions with two or more offerors deemed fully qualified, responsible and suitable on the basis of initial response and with emphasis on professional competence, to provide the required services. Repetitive information interviews shall be permissible. The offerors shall be encouraged to elaborate on their qualifications and performance data or staff expertise pertinent to the proposed project, as well as alternative concepts. In addition, offerors shall be informed of any ranking criteria that will be used by the City in addition to the review of the professional competence

of the offeror. The Request for Proposal shall not, however, request that offerors furnish estimates of man-hours or cost for services. At the discussion stage, the City may discuss non-finding estimates of total project costs, including, but not limited to, life-cycle costing, and where appropriate, non-binding estimates of prices for services. Proprietary information from competing offerors shall not be disclosed to the public or to competitors. AT the conclusion of discuss, outlined in this paragraph above, on the basis of evaluation factors published in the request for proposal an all information developed in the selection process to this point, the City shall select in the order of preference two or more offerors whose professional qualifications and proposed services are deemed the most meritorious. Negotiations shall then be conducted, beginning with the offeror ranked first. If a contract satisfactory and advantageous tot eh City can be negotiated at a price considered fair and reasonable, the award shall be made to that offeror. Otherwise, negotiations with the offeror ranked first shall be formally terminated and negotiations conducted with the offeror ranked second, and so on until such a contract can be negotiated at a fair and reasonable price. Should the City determine in writing and in its sole discretion that only one offeror is fully qualified, or that one offeror is clearly more highly qualified and suitable than the others under consideration, a control may be negotiated and awarded to that offeror.

- C. Purchase of Insurance: Upon a written determination made in advance by the city that competitive negotiation for the purchase of insurance is either not practicable or not fiscally advantageous, insurance may be procured through a licensed agent or broker who shall be selected in the same manner provided.

VII. USE OF SEIZED CURRENCY

- A. Procedures for purchases made by the Laurel Police Department that are funded with Seized Currency are regulated by Federal and State law enforcement agency guidelines for the use of these funds.

VIII. USE OF SURPLUSED EQUIPMENT AND VEHICLES

- A. The surplus of equipment and vehicles shall be allowed without public notice to use as a trade-in for the purchase of equipment or vehicles of like or similar type.
- B. If the amount of the purchase less the trade-in value (net purchase price) is less than \$35,000, the Mayor and City Council are not required to approved the purchase.

MAYOR AND CITY COUNCIL OF LAUREL

PROCUREMENT PROCEDURES

ADDENDUM 1 - SUSTAINABLE PROCUREMENT POLICY

1. Purpose

The Mayor and City Council of Laurel 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 recognizes that the types of products and services the City buys have inherent social, human health, environmental and economic impacts, and that the City should make procurement decisions that embody the City's commitment to sustainability.

This Sustainable Procurement Policy is intended to:

- Identify those sustainability factors that shall be incorporated into procurement decisions;
- Provide implementation guidance;
- Empower employees to be innovative and demonstrate leadership by incorporating sustainability factors into procurement decisions;
- Communicate the City's commitment to sustainable procurement.

2. Policy

2.1 General Policy Statement

City employees will procure materials, products or services in a manner that integrates fiscal responsibility, social equity, and community and environmental stewardship.

2.2 Sustainability Factors

City employees will incorporate the following factors when writing specifications for, or procuring, materials, products, or services.

Environmental factors to be considered include, but are not limited to, the life cycle assessment of:

- Pollutant releases
- Toxicity, especially the use of persistent, bioaccumulative, and toxic (PBT) chemicals
- Waste generation
- Greenhouse gas emissions
- Energy consumption
- Depletion of natural resources
- Impacts on biodiversity

Social equity factors to be considered include, but are not limited to:

- Human health impacts
- Use of local businesses
- Use of State of Maryland Minority, Women, and Emerging Small Businesses

Fiscal Factors to be considered include, but are not limited to:

- Use reduction; buy only what you really need
- Product performance and quality
- Life-cycle cost assessment; lowest total cost
- Leveraging buying power
- Impact on staff time and labor
- Long-term financial/market changes

While not all factors will be incorporated into every purchase, it is the intent of this policy that City employees will make a good faith effort to incorporate and balance these factors to the maximum extent possible.

2.3 Use of Best Practices

City employees will utilize best practices in sustainable procurement as they evolve. As it applies to this policy, best practices in sustainable procurement are those that utilize leading edge sustainability factors, standards, and procedures in an efficient and effective way that is successful and replicable.

2.4 Toxics in Products and Services

City employees will utilize the framework of the Precautionary Principle as a guide when evaluating the comparative toxicity of products and services.

2.5 Use of Social and Environmental Product or Service Labels

City employees are encouraged to use independent, third-party social and/or environmental (eco) product or service label standards when writing specifications for, or procuring materials, products, or services, so long as such labels:

- Were developed and awarded by an impartial third-party;
- Were developed in a public, transparent, and broad stakeholder process; and
- Represent specific and meaningful leadership criteria for that product or service category.

In addition, whenever possible, label standards used in product or service specifications should represent standards that take into account multiple attributes and life-cycle considerations, with claims verified by an independent third-party.

2.6 City Code and State Law

It is the intent of this policy to complement City code and State laws.

3. Implementation and Responsibilities

3.1 Product and Service Standards

The City Department Heads shall be responsible for:

- Ensuring City staff utilize product and service standards and best practices that comply with this policy. Examples include, but are not limited to, standards for minimum recycled content, energy efficiency, and prohibited toxic ingredients;
- Ensuring that when the need for developing a City standard or best practice in sustainable procurement arises, Director of Budget and Personnel Service or his/her designee staff will participate and collaborate with other applicable City staff so as to harmonize and continuously improve standards throughout the City;
- Encouraging pilot testing for environmentally preferable/sustainable products; and
- Ensuring internal policies and procedures reference this policy and incorporate the use of sustainable products and services that meet the intent of this policy.

The Director of Budget and Personnel Service or his/her designee shall be responsible for:

- Providing resources for assisting departments with standards and best practices in sustainable procurement.

3.2 Specifications and Contracts

The City Department Heads shall be responsible for:

- Ensuring that specifications written by their department comply with this policy and incorporate sustainable procurement best practices.

The Director of Budget and Personnel Service or his/her designee shall be responsible for:

- Ensuring purchasing manuals and other internal procedures reference this policy and incorporate best practices for specifying products and services that meet the intent of this policy;
- Ensuring that evaluation criteria for determining the responsibility of prospective contractors incorporate sustainability factors that meet the intent of this policy; and
- Developing and integrating sustainable procurement boilerplate language into solicitation document templates.

3.3 Education

The City Department Heads shall be responsible for:

- Building awareness of this policy through information dissemination and incorporation into routine employee trainings;
- Encouraging employee attendance at internal and external trainings related to sustainability; and
- Encouraging the use of environmentally preferable/sustainable products and services through information dissemination, development of internal procedures, pilot testing, and leading by example.

The Director of Budget and Personnel Service or his/her designee shall be responsible for:

- Developing employee sustainable procurement resources such as, but not limited to, standards, specifications, tools, and best practices;
- Developing buyer-specific training on sustainable procurement best practices that meet the intent of this policy;
- Developing buyer competency in communicating to other City departments about this policy and opportunities for incorporating sustainable procurement best practices into solicitations and contracts;
- Developing inter-office communication among public procurement professionals about sustainable procurement best practices; and
- Taking the lead in communicating to existing and potential contractors and the public about this policy and related City requirements.

3.4 Data Collection and Performance Reporting

The City shall be responsible for:

- Cooperating in gathering information for the purposes of tracking, reporting, and evaluating the City's sustainable procurement activities and evaluating the effectiveness of this policy
- Integrating department-specific sustainable procurement goals into City's sustainability plans.
- Incorporating a progress report on sustainable procurement activities and the effectiveness of this policy into the City's annual or biennial report.

3.5 Resources

The City shall commit to providing the appropriate dedicated staff levels and related funding to support the implementation and coordination of this policy. This includes activities such as, but not limited to, employee training and resources, professional services, product/service pilot tests, and educational materials.

3.6 Policy Review

The Director of Budget and Personnel Service or his/her designee shall be responsible for periodically bringing together internal stakeholders to review this policy for updates or to otherwise determine whether this policy is in alignment with other City sustainability efforts and policies. The policy review shall be completed at least every [5] years, but may be done on a more frequent basis as needed.

APPENDIX A: DEFINITIONS

“Biodiversity”: the total diversity of all organisms and ecosystems at various spatial scales (genes, populations, species, ecosystems, and biomes). Biodiversity is often used as a measure of the health of biological systems.

“Environmentally Preferable”: products or services that have a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, or disposal of the product or service.

“Life Cycle Assessment or Life Cycle Analysis (LCA)”: the comprehensive examination of a product’s environmental and economic effects throughout its lifetime including new material extraction, transportation, manufacturing, use, and disposal.

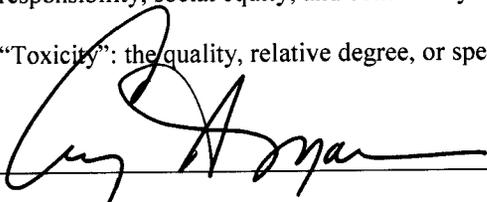
“Life Cycle Cost Assessment (LCCA)”: the comprehensive accounting of the total cost of ownership, including initial costs, energy and operational costs, longevity and efficacy of service, and disposal costs.

“Persistent, Bioaccumulative, and Toxic (PBT) Chemicals”: chemicals that are toxic, persist in the environment, and bioaccumulate in food chains.

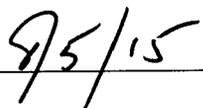
“Precautionary Principle”: a framework that guides decision makers to take anticipatory and protective measures when an activity raises threats of harm to human health or the environment, even if some cause and effect relationships are not fully established scientifically.

“Sustainable Procurement”: purchasing materials, products, and services in a manner that integrates fiscal responsibility, social equity, and community and environmental stewardship.

“Toxicity”: the quality, relative degree, or specific degree of being toxic or poisonous.



APPROVED-MAYOR CRAIG A. MOE



DATE