

WASHINGTON BUSINESS JOURNAL

Friday, October 9, 2009

New green procurement policies mean big changes for contractors

Washington Business Journal - by [Vandana Sinha](#) Staff Reporter

Some local jurisdictions are beginning to put their money where their mouths are.

In a region where many leaders have backed goals to reduce greenhouse gases to 20 percent below 2005 levels by 2020, local governments are starting to look at their own spending to make use of potential solutions. They are increasingly adopting policies in their procurement departments that call for eco-friendly products and services, ones that are green from creation to contract.

Changes are under way at the four largest jurisdictions alone. The District is specifying more environmental preference in its purchasing, and a council member plans to push that even further. Montgomery County is working to consolidate green procurement practices, including for things like fuel and electricity, across all of its agencies. Arlington County is working to make its seven-year green buying policy more stringent. And Fairfax County's executive recently signed a new proclamation asking county agencies to move toward greener purchases.

They say with their roughly \$15 billion in total annual buying power, they can move the area's economic needle so it points to even faster environmental reform.

Though in that movement, the question remains which green-oriented companies could win never-before-seen opportunities — and which longtime contractors may get the boot because their products don't fit the new eco-friendly bill.

“We spend a lot of money,” said Chris McGough, an analyst with Fairfax's Department of Purchasing and Supply Management. “The decision where that money gets spent has a hidden impact.”

The reaction from green businesses is much more overt. D.C. Councilwoman Mary Cheh, D-Ward 3, received applause at the Sustainable Business Network of Washington's recent awards dinner when she mentioned a bill she plans to debut in the next month that would advance the

city's green procurement practices. "In this bill, agencies are going to have to go green with those goods and services," she said. "That's a market-mover, ladies and gentlemen."

The District's Office of Contracting and Procurement has already laid down environmentally preferable purchasing policies for janitorial, paint and solvent products, though they were part of a directive inked six years ago and set to expire four years ago. More recently, the office has been working to further develop and institutionalize green purchasing citywide with a new target list for desired green products, including recycled paper, computers, carpet and furniture. It is also targeting superfluous items at other agencies that could be reused.

The city is "including standard language in solicitations that makes it clear to the vendor community that the environment is a priority to the District when making our procurement decisions," said Briant Coleman, special assistant to the director.

In Fairfax, procurement officials are also rewriting contract bids, including one for toner cartridges and copier devices, to expressly solicit environmentally certified goods. But they acknowledge challenges with their new green purchasing policy, starting with its voluntary nature. Actual implementation gets more complicated when green products come with a higher price tag in the midst of budget crunches, but no promise of sharing in their eventual lower operating costs.

"Some departments will see the savings and others will not," McGough said. "The ones that will not are the ones seeing the upfront costs. It creates for a situation that's very challenging when persuading people."

Though, those savings could add up countywide. A national leader in green purchasing, King County in Washington state, said it bought \$54 million worth of green goods, including green cleaning supplies, porous concrete and recycled truck sideboards, and is even using goats to trim grass at county parks. It saved \$837,000 last year.

But some contractors may not see that financial benefit. Green purchasing advocates have pushed for — and some local jurisdictions say they are complying with — policies to stop contracts for water bottles, for instance, saying they yield tons of environmental waste to produce the plastic at a cost at least 750 times that of filtered municipal water.

"Any successful business needs to be able to understand the needs of the marketplace — they don't operate in a vacuum," said Jonathan Cohen, director of workplace programs at the Responsible Purchasing Network, a Takoma Park nonprofit, which counts about 21 green purchasing policies so far in Maryland, Virginia and D.C. "And the marketplace is clearly moving in a direction where there are more green products and more green demand."

The group estimates nearly 500 policies nationwide. Of its 200 members, including local governments, companies and nonprofits, 94 percent said they plan to do more green purchasing next year.

"This is not a passing trend," Cohen said. "This is a new way of doing business."