

**MULTNOMAH COUNTY, OREGON
ADMINISTRATIVE PROCEDURE PUR-8**

SUBJECT: Sustainable, Responsible and Equitable Business Procurement Practices

PURPOSE: Incorporate the “triple bottom line” of sustainability in our responsible business practices to ensure factors of the environment, equity, and economic impacts are taken into consideration in the purchase of goods and services.

ORGANIZATION RESPONSIBLE: Department of County Management, Central Purchasing

Effective Date: 1 April, 2022

Approved by: Deborah Kafoury, County Chair



ORGANIZATIONS AFFECTED: All Departments/Offices

LEGAL CITATION/REFERENCE: ORS 279A, PCRB Rules, PUR-1, PUR-9, FIN-16, Multnomah County Executive Rule 395, Climate Action Plan, Sustainable Purchasing Leadership Council Guidance for Leadership in Sustainable Purchasing V.2.0

I. POLICY STATEMENT

Multnomah County recognizes that the products and services it purchases have inherent sustainable (economic, environmental, human health and social) impacts. The County recognizes it should make procurement decisions that embody its commitment to more sustainable practices and processes to achieve positive impacts of economy, environment, and social equity in our business operations and service delivery.

Through this policy, the County seeks to improve sustainable performance in our supply chain with continual improvement of our strategic sustainable purchasing program. This framework allows us to be better stewards of County resources and promote healthier outcomes for our staff and citizens.

II. OBJECTIVES

As defined by the NIGP (National Institute for Public Procurement), “sustainability” encompasses the concept of stewardship which is responsible management of resource use

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and requires that environmental, social equity, and economic impacts be incorporated into an entity's spending. (Source, NIGP)

"Sustainable purchasing," as used in this procedure, shall be defined as those processes and practices that address the economic, environmental, and socially equitable impact factors that must be considered to promote fair and equitable trade, as well as address social justice outcomes.

Responsible business practices should be brought into all Sourcing Events to ensure the incorporation of the Triple Bottom Line of sustainability for competitive procurements.

Intermediate Procurements shall incorporate the maximum sustainability factors possible into sourcing documents, evaluations of proposals, agreements, and contract administration.

Formal Procurements shall reserve a minimum of 25 percent (25%) of the evaluation points for sustainability criteria. These percentages will be allocated for sustainability criteria for economic, environmental, and social equity impacts. Each procurement should be examined individually to determine the best way to allocate the percentages of the economic, environmental, and socially equitable impacts because all goods and services are different and can positively affect sustainability factors in different ways.

To support a Strategic Sustainable Procurement Program that includes a minimum of 25% of evaluation criteria dedicated to responsible business practices, Central Purchasing, through the Supplier Diversity Program, shall provide the following guidance to ensure the appropriate impacts are incorporated into each procurement by establishing source selection requirements:

1. Use of the County [Equity & Empowerment Lens](#)
2. [Language Library](#)
3. [MMP Responsible Business Practice Library](#)
4. [PUR-8 Eco-label and certification Specification Language Library](#) will house certifications for incorporation into Sourcing Events and Contracts. Central Purchasing will work with departments to ensure that specifications based eco-labels and certifications are incorporated into Sourcing Events and negotiated into contracts.
5. [Climate Action Plan Goals](#): Central Purchasing will work with departments to ensure that Climate Action Plan actions are incorporated into Sourcing Events when applicable.
6. As applicable, Labor Harmony.
7. PCRB rules for Division 46 and 60. Central Purchasing will continue to work with departments to ensure that the PCRB rules are incorporated into Sourcing Events and negotiated into contracting.

Multnomah County adopted the **Triple Bottom Line** because it brings in considerations that have positive impacts and assist in achieving County goals concerning sustainability and social equity considerations.

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The Triple Bottom Line provides for three areas of consideration that work together for maximum positive outcomes through public procurement.

1. **Environmental:** The purchasing of products or services that have a lesser or reduced impact on human health and the environment when compared with competing products or services that serve the same purpose. This comparison may include raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance or disposal of the product or service that mitigates or reduces Greenhouse Gas (GHG) emissions.

Environmental Impact Areas to include:

- **Healthy Purchasing** focuses on less toxic purchasing and reduces the use of hazardous chemicals and substances.
- **Water conservation** refers to reducing the usage of water and recycling of waste for different purposes such as cleaning, manufacturing, and agriculture irrigation. Water conservation is defined as any beneficial reduction in water loss, a reduction in water use, or improved water management.
- **Energy Conservation** is the practice of reducing the demand for energy, meeting demands as efficiently as possible, supplying energy from low carbon and renewable energy sources; meeting carbon off-set goals; using energy efficient products; purchasing energy efficient materials, and avoiding products that draw power when turned off. This includes using less energy to fulfill the same function or purpose; usually attributed to a technological fix rather than a change in behavior, examples include better insulation to reduce heating/cooling demand, compact fluorescent bulbs to replace incandescent, or proper tire inflation to improve gas mileage.
- **Waste Reduction Strategies** support processes that prevent waste, the reuse of assets and materials, refurbishing of assets, and recycling of all materials.
- **Food Justice** is communities exercising their right to grow, sell, and eat healthy food. Healthy food is fresh, nutritious, affordable, appropriate culturally-, and grown locally with care for the well-being of the land, workers, consumers, and animals.

2. **Social Equity:** The imperative to create full and equitable access to opportunities for all citizens and suppliers enabling them to attain their fullest potential. Social Equity factors ensure that County values are communicated through our procurement processes to address disparities and inequities, especially to the historically underutilized and most vulnerable segments of our communities.

Social Equity Impact Areas include, but are not limited to:

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- Providing suppliers of all sizes the necessary resources to participate in County sourcings, particularly
 - Minority-owned,
 - Woman-owned,
 - Service Disabled Veteran-owned,
 - Emerging Small Business-owned,
 - Disadvantaged Business Enterprise-owned, and
 - Other certified business groups as designated by the State of Oregon Certification Office for Business Inclusion & Diversity (COBID).

Other considerations:

- Culturally Responsive and Specific Services that provide resources for our community to overcome barriers and succeed,
- Community engagement,
- Diversity/equal opportunity,
- Accessibility to equal remuneration,
- Grievance & remedy processes,
- Occupational Health & Safety,
- Fair Trade,
- Remedies to access education and training,
- Living Wage,
- Local hiring considerations,
- Human and Indigenous rights,
- Right to collective bargaining,
- Anti-corruption and bribery,
- Fair working hours and compensation,
- The right of freedom of association,
- No child/ forced /bonded labor, and
- Project-labor Agreement.

- 3. Economy:** The system through which a society answers the three (3) economic questions: How wealth is created, distributed and retained.

County procurement of goods and services should have an empowering impact on communities who face the most inequities. Ensuring economic equity allows citizens to both contribute and fully participate in the local economy.

Economic Impact Areas to include, but not limited to:

- No Conflicts of Interest,
- No patent misuse,
- No corruption (bribery, extortion),

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- No price fixing,
- No product tying,
- No Monopoly (seller collusion),
- No Monopsony (buyer collusion),
- Use of local suppliers,
- Investment in research for innovation,
- Open competition,
- Transparency of information, and
- Fair dealings.

- 4. Labor Harmony:** Multnomah County has an interest as an entity contracting for services that have inherent social, human health, environmental, and economic impacts, in preventing interruptions or disruptions to critical services provided by the County through its services providers, and ensuring the workers providing services are safe, well compensated, and have adequate benefits.

It is the policy of Multnomah County Executive Rule 395 that certain contracts with providers of critical services to the County should contain a provision that stipulates that there be no interruption or disruption to those services due to union or labor organization activities by the provider's employees or workforce, and that requires service providers to sign a project-labor agreement with applicable unions or organizers.

III. Guiding Principles

Public procurement provides the [Values](#) of Accountability, Ethics, Impartiality, Professionalism, Service, and Transparency to support the best value framework.

Value of Sustainability in Procurement

From NIGP's Procurement Dictionary:

Value: *a set of attributes and expectations meaningful to the organization; a fair return on investment*

Best Value: *An assessment of the return that can be achieved based on the total life cycle cost of the item; a procurement method that emphasizes value over price. The Best Value might not be the lowest cost.*

Sustainability brings the best value.

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- The Value of Sustainability in the context of achieving the best overall value for money requires the consideration of economic, environmental, and socially equitable impacts in criteria embedded in the procurement process.
- Sustainability considerations are interconnected to provide the maximum best value in all impact areas of Economy, Environment, and Social Equity.
- Public procurement framework allows the County to engage with service providers and commodities markets to identify current industry standards that support County values and to influence industries to innovate to meet County needs.
- Public Procurement conducts market research that examines the following during the planning phase to ensure information is analyzed for the most suitable approach that satisfies sourcing needs and County values:
 - Life Cycle Assessment (LCA): A science-based tool for comparing the environmental performance of two or more scenarios.
 - LCA quantifies the potential environmental impacts of products or systems throughout the life cycles and can highlight a product's impact areas for strategic improvement.
 - Life Cycle Costing (LCC): The total cost of ownership over the life-span of the asset. An analysis technique that takes into account operating, maintenance, the time value of money, disposal and other associated costs of ownership as well as the residual value of the item,
 - Buy Determination: Identifying when to buy, establishing delivery schedules that are realistic in terms of market conditions and practices,
 - Identifying potential sources for sourcing outreach,
 - Reviewing sole source justifications,
 - Evaluating small business concerns for each procurement (Social Equity),
 - Identifying price-related and non-price evaluation sustainability factors,
 - Identifying terms and conditions for the sourcing,
 - Establishing quantity price breaks, and
 - Estimating the proper price level or value of the supplies or services.

IV. STRATEGIC SUSTAINABLE PROCUREMENT PROGRAM

Sustainable Procurement approach will ensure sustainability impacts are brought into the procurement life cycle.

Procurement Life Cycle:

The Procurement Life Cycle shall include the incorporation of all impact areas in each stage of the procurement. This includes using the **required** vetted [PUR-8 Eco-label and certification Specification Language Library](#) for each Sourcing Event to ensure applicable and appropriate obligation targets are incorporated into each contract as a part of a supplier's service delivery or business operations.

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Procurement Planning

- Administrative Procedure PUR-9 [“Source Selection Requirements and Procedures for Goods and Services”](#)
- The decision to Buy - Reviewing Sustainability Questions.
 - Pre-Work and Scoping meeting,
 - Assessment - Incorporate the Responsible Business Practices objectives, and
 - Make/buy/amend decisions.
- Procurement Development - Reviewing Sustainability questions
 - Program Design - Incorporate the Responsible Business Practices objectives,
 - Determine Type of Procurement,
 - Develop Specifications - Include Sustainability criteria, and
 - Develop Solicitation - Include Sustainability Criteria.
- Sourcing Process
 - Receive Proposals,
 - Evaluate Proposals, and
 - Award Contract.
- Contract Development
 - Negotiate specifics - Ensure Sustainability Criteria is identified,
 - Write Contract - Write Sustainability Criteria into the Contract,
 - Legal Review, and
 - Contract Approval.
- Contract Administration
 - Vendor Orientation,
 - Payment and Monitoring,
 - Performance Monitoring - Ensure Sustainability is being practiced,
 - Compliance Monitoring - Ensure Sustainability is being executed correctly, and
 - Evaluation
 - Contract Monitoring
 - Program Model Evaluation
 - Fiscal Compliance
 - Contract Close-out

Start Contract planning with lessons learned. Analysis of the value, risks, or impediments the sustainability criteria brought to this contract must be included in the planning process.

V. Roles and Responsibilities

Sustainable Purchasing Coordinator:

- Leads the County Strategic Sustainable Procurement Program by:
 - Encouraging the development of processes for sustainability to be incorporated into the procurement life cycle at every stage to include tracking and reporting mechanisms.

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- Provides guidance on sustainability and sustainable sourcing processes,
 - Identifies and communicates new specifications and requirements,
 - Examines and recommends areas in which to expand the use of sustainable products and services through sourcing processes,
 - Researches purchasing regulations and County procedures to ensure alignment with the goals of sustainable sourcing processes identified by PUR-8,
 - Publishes technical support, formal and informal training, and guidance on Commons (County's internal website) & public website,
 - Provides updates for purchasing boilerplate language documents, templates, website pages, and other internal procedures implementing this policy and incorporates best practices for obtaining sustainable outcomes,
 - Serve as the Central Purchasing representative for internal and external organizations for sustainable purchasing activities.
 - Coordinates with the Green Team to ensure alignment with County sustainable purchasing goals.
 - Shares information on new products and services for consideration by their teams.
 - Coordinates with the Climate Leadership Team ensures climate action plan goals are incorporated into sourcing events.
 - Periodically brings together internal stakeholders to review PUR-8 for updates and alignment with other County policies,
 - Provides guidance on federal and state requirements in support of PUR-8 considerations in sourcing planning, and
 - Provides periodic project updates to the organization.
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- Developing and implementing the tracking and reporting of sustainable purchasing actions in the Multco MarketPlace (MMP),
 - Integrating this policy into how commodities, including office supplies and other durable goods, are purchased.
 - Promoting and educating County internal customers about this procedure, and
 - In conjunction with the Workforce Compliance Team, ensure the use of COBID Certified Firms in County sourcings.

Departmental programs are responsible for:

- Coordinating with the Sustainable Purchasing Coordinator to ensure all identified sustainability factors of the Triple Bottom Line are incorporated into every procurement and contract where sustainable purchasing applies. This includes ensuring reference actions supporting such items as the County [Equity and Empowerment Lens](#), [Climate Action Plan](#), [Social Equity](#), LCA, and other criteria outlined in this policy to identify specifications to be incorporated into all applicable Sourcing Events, to include small,

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intermediate and formal events, to include federal and state requirements for social equity and environmental considerations.

- Ensure sustainability criteria and terms are incorporated into all applicable contracts and validating that these are included in delivery of the goods or services as part of contract administration.

VI. Procedure Review

The Sustainable Purchasing Coordinator shall be responsible for an annual review of this Administrative Procedures and will bring together internal stakeholders to review this procedure for updates to and/or alignment with other County policies.

VII. Reporting

The Sustainable Purchasing Coordinator will provide project updates through the Purchasing Annual Report.