

SERVING PUBLIC BUYERS AND VENDORS OF THE COMMONWEALTH OF MASSACHUSETTS

**Operational Services Division**

FAC85: Environmentally Preferable Cleaning Products, Programs, Equipment and Supplies

**Nomination for**

**2016 NASPO George Cronin Award**

**Executive Summary**

**July 26, 2016**

**Operational Services Division | One Ashburton Place, Suite 1017 | Boston, MA 02108 | 617-720-3300 | www.mass.gov/osd**

The Massachusetts Operational Services Division (OSD) partnered with surrounding states over the last few years to implement two “all green” cleaning product contracts, both of which have helped increase not only the demand for green cleaning products and the amount of products available, but have helped spur innovation, and reduce the cost of these products to a level of market acceptability. Although the green aspects of the contract are innovative in themselves, the process used, engaging multi-state and technical cooperation, using 3rd party specification as the basis of qualifying products, and developing a “living” contract to allow for products to be added/deleted throughout the contract term resulting in a longer contract that can still keep up with latest innovations and changes in the marketplace, are all models that other can use for successful contracts. Today, our existing green cleaners’ contract, [*FAC85: Environmentally Preferable Cleaning Products, Programs, Equipment and Supplies*](http://www.mass.gov/anf/docs/osd/uguide/fac85.pdf), offers an extensive selection of greener options from 15 vendors to successfully implement a green cleaning program. There are over 12,000 products available with annual contract sales of over $9 million per year, and an average 20% discount on all products off of the Manufactures Suggested Retail Price. In addition, there are multiple environmental and health savings in reduced energy use, water use, toxics used, and an increase in recycled content used as a result of this contract.

**Project Background:**

OSD implemented the first of its kind “all green” cleaning products multi-state contract in 2009, known as FAC59: Environmentally Preferable Cleaning Products, Programs, Equipment and Supplies (FAC59). This contract was bid as a result of a new Executive Order (EO) in the Commonwealth known as [*Executive Order (EO) 515: Establishing an Environmental Purchasing Policy*](http://www.mass.gov/courts/docs/lawlib/eo500-599/eo515.pdf), requiring all Departments to reduce their impact on the environment and enhance public health by procuring EPP’s whenever they are readily available, perform to satisfactory standards, and represent best value to the Commonwealth. The EPP Program identified cleaning chemicals as a contract category with “greener” alternatives that worked, and if used, could have a significant impact on human health and the surrounding environment. However, the market for these products was still maturing, prices were higher than conventional cleaning products, and there was a lack of education and technical assistance to help buyers transition to green cleaning programs.

The OSD reached out to surrounding states, with the understanding that success of this contract would be greater by using the purchasing power of multiple state governments to attract vendors into this market. Connecticut, New York, and Vermont joined, and the resulting contract, FAC59, included 21 vendors who provided third party certified green cleaning chemicals with third-party standards for environmental performance, in addition to a technical assistance component to assist facilities in transitioning to a green cleaning program. The contract was very successful, with over $8 million in sales, and OSD opted to re-bid it in FY2014.

The Strategic Sourcing Team (SST) was comprised of 21 members[[1]](#footnote-1). The team evaluated and updated the contract standards, examined recent buyer purchasing patterns, and conducted market analysis on greener product options. The team was delighted to receive over 37 bids, reflecting the market acceptance of green cleaning products.

The contract boasts 12 categories of products and services that include over 11,000 products and an extensive selection of options to implement a green cleaning program. Vendors may add products that meet the specifications outlined in the contract, enabling them to respond to user needs as the demand and availability of green product and service offerings grow. In addition, vendors are encouraged to submit innovative cleaning solutions that may fall out of the specifications, for review and approval. The Commonwealth’s Toxics Reduction Task Force[[2]](#footnote-2) developed a green cleaning outreach and education program for state agencies to assist in transitioning to a green cleaning program.

With only three quarters reporting for FY2016, the contract has already achieved over $9 million in spend.

Buyers in the Commonwealth now have an amazingly large array of options to consider when adopting a green cleaning program, and educational assistance to help transition to a greener cleaning program. We have made green cleaning products readily available, proved that they perform to satisfactory standards, and concluded that with FAC59 & 85 we are representing the best value to the Commonwealth.

**Innovation**

* **Multi-State Collaboration:** This contract is innovative in that it demonstrates how states can work together to develop a model “green” contract in which all products offered meets the stringent environmental specifications, leverages each of the states buying power and sets the strongest standards in the marketplace for green cleaning products. This successful, multi-state sustainable procurement created a model for future collaborative purchasing activities among the participating states.
* **Green Specifications:** Having an all-green contract makes it easy for contract users to transition to using green cleaning supplies (which also reduces the need to conduct a significant amount of outreach to end users) and makes tracking relatively simple since all products offered on the contract must meet environmental and/or health criteria. The [*FAC85 Mandatory Specifications and Desirable Criteria*](http://www.mass.gov/anf/docs/osd/epp/attachment-a-fac85-mandatory-specifications-and-desirable-criteria.docx) clearly outline the environmental specifications for all 12 product categories. All general purpose and specialty cleaners (except for disinfectants and sanitizers) as well as janitorial paper products and deicing chemicals are required to be third-party verified by either Green Seal or UL EcoLogo or US EPA’s Safer Choice Program. The team also conducted a thorough evaluation of the top third-party certifications for cleaning products to ensure that unbiased, acceptable standards would be met to guarantee the highest possible level of environmentalism. In addition, disinfectants and sanitizers also are required to meet standards to ensure that they are devoid of carcinogens, asthmagens and other chemicals of concern. Requiring products to meet nationally-recognized third-party certifier programs ensured that the environmental claims, as well as product performance, have been tested and certified by an established and legitimate. The Team’s review of the first year’s data found very little non-compliance with the contract specifications.
* **Living Contract:** To stay current and up to date with the changing and evolving green cleaning industry, a process was established for adding more green cleaning products to FAC85 contract. The process involves review by the Task Force, who created criteria for reviewing new products, and either approves or denies requests from vendors to allow new, innovative types of green cleaning products to the contract as they emerge in the marketplace. Since FAC85 inception, the Task Force has approved adding Food Grade Dichloroisocyanurate (NaDCC), a cleaning product for food contact sanitization. The Task Force is currently reviewing additional proposals and developing specifications.
* **Approved Products List:** All approved products are compiled into an “FAC85 Approved Products List”, which allows buyers to search for and compare products and pricing from different vendors. In addition, the OSD required cleaning contractors on the statewide contract FAC81: Environmentally Preferable Janitorial Services to only use products that either meet the specifications or are listed on the Approved Products List.
* **Training Required:** Since transitioning to a green cleaning program requires some level of expertise and technical assistance, FAC85 requires that vendor sales staff are trained to use the products and also offers an on-site assessment and recommendations to potential users. In addition, vendors must provide a certain level of training to contract users when requested. A key factor to adopting a green cleaning program is to understand how to use the product. For instances, cleaners with microbes require cold water, and if warm water were used, would kill the microbes and render the product useless. The OSD also created a [*Green Cleaning Webpage*](http://www.mass.gov/anf/budget-taxes-and-procurement/procurement-info-and-res/procurement-prog-and-serv/epp-procurement-prog/green-products-and-serv/specific-epp-statewide-contracts/green-cleaning-products.html) which includes information on policies, guidance, case studies, fact sheets, and additional resources to assist in transitioning to a green cleaning program.

**Transferability**

Other states can benefit by adopting many concepts in FAC85:

* **Green Specifications:** From the green cleaning industry perspective, states across the nation can easily adopt the FAC85 specifications (see link above) from this contract as it is not specific to Massachusetts or the Northeast; other states are also welcome to use the contract.
* **Living Contract:** Other states would benefit from executing “living contracts” that acknowledge the evolving nature of goods and services and ensure flexibility to allow the addition of new goods or services, or if needed, to modify specifications based on new information. Living contracts also allow for longer industry-current contracts terms, resulting in time and money savings by reducing the frequency of contract turnovers.
* **One-Stop-Shop:** Offering a comprehensive line of products so that contract users have a “one-stop-shop” solution for their supply and equipment needs contributes to procurement efficiency and user time savings. Further, requiring vendor product trainings for buyers allows for smooth contract transition.
* **Model of 3rd Party Certifications:** In the past, purchasers who identified environmental and/or health attributes to be included in procurements were then required to verify often complex claims and sort through multiple submissions from bidders. Choosing 3rd party certifications in bids streamlines the process, verifies product or service efficacy, and can be a great asset in determining many other vendor claims.

**Service Improvement**

Through the FAC85 bid development process, the team disovered serveral areas that needed crucial service improvements that were critical to adopting and implementing green cleaning programs:

* **Training/ Technical Assistance:** Requiring vendors to assist in the training and technical assistance was imperative to the contract. In addition, the EPP Program engaged experts at the Toxics Use Reduction Institute’s Green Cleaning Lab to provide additional navigation assistance to state facilities in implementing a green cleaning program.
* **Reducing Number Of Products:** Users have saved money by purchasing one product that uses different dilution rates for different levels of cleaning, sanitizing, or disinfecting, instead of purchasing multiple products. The contract also requires the use of closed loop dilution systems, which portion controls chemicals, reducing the amount typically used in an open container system which allows staff to pour desired amounts.
* **RFR Development:** In the past, states like New York had piggybacked on the prior green cleaning supplies contract after award. Consequently, the contract did not meet their needs because the vendors were too small to be able to provide reliable service to New York State. For FAC85, other states played a prominent role on the sourcing team, allowing them to include their desired specifications and needs. The result: a solicitation which attracted a wide range of vendors that were able to meet regional state’s needs.
* **Finding/Comparing Products:** Vendor price sheets had typically been posted online, and searching for and comparing products was onerous. Compiling all products approved for use on the contract into an Approved Products List assisted buyers in searching for and comparing similar products across vendors.
* **Product Compliance:**Products are reviewed and verified to ensure they meet the required product specifications, which includes product impact on workers, water quality, waste, and many other aspects of use, before being added to the Approved Product List. The list is updated when products are added, and posted on the Commonwealth’s electronic Market Center, [*COMMBUYS*](http://www.commbuys.com/)[[3]](#footnote-3), where contract materials are stored and available for public viewing.

**Cost Reduction**

Green cleaning products have traditionally been more expensive since it is a fairly new industry and products are still being developed. However, the multi-state collaboration naturally gave this contract more purchasing power and consequently lower prices. The effort has prompted a shift in the marketplace – and resulted in many of the green cleaning products becoming cost competitive with conventional products, and, in some cases, at a lower cost. Buyers now have a large array of options to consider when adopting a green cleaning program.

FAC85 has enabled contract users in Massachusetts and other participating states access to green cleaning supplies and equipment at substantially discounted prices. On average, the products offered on this contract have a discount of approximately 20% off the manufacturer’s suggested retail price. A $9 million dollar contract would therefore reflect an average savings of $1.8 million per year.

In addition to discount savings, we have estimated additional environmental savings from using a variety of products on the contract:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Description of Outcome | Pounds of Hazardous Material Reduced | Metric Tons of CO2 Equivalent Reduced\*[[4]](#footnote-4) | Gals of Water Conserved(Gallons) | Dollars Saved |
| Negotiating Discounts for Green Cleaning Products |  |  |  | **$1.8 million** |
| Purchase of Microfiber Mops[[5]](#footnote-5) | 95% chemical reduction | **120** | **2 million** | **$20,000** |
| Purchase of Certified Low-Toxicity Foaming Hand Soap | **190,000** (including 3000 of Triclosan) | **70** | **1.1 million** | **$11,000[[6]](#footnote-6)** |
| Purchase of Certified Low-Toxicity Glass Cleaner (Non-Ammoniated) | **13,000** |  |  |  |
| Purchase of Certified Low-Toxicity Laundry Detergents | **2,800** |  | HE detergents conserve water |  |

All calculations and assumptions on the above can be found in *Appendix A: FAC85 Environmental Benefits/Cost Savings.*

**Conclusion**

The two “all green” multi-state cleaning products contracts established new criteria for environmentally preferable and healthier products to be used throughout the participating states. Using the purchasing power of multiple states, and bringing together a sourcing team with expertise in environmental and health issues, the contracts were very successful in enhancing the market for high quality, lower cost, environmentally preferable green cleaning products. OSD was recently awarded by the Sustainable Purchasing Leadership Council both a Purchasing Innovation Award for its efforts in developing FAC85, and also the prestigious “Best Business Case” award for overall sustainable purchasing leadership.  More on the awards can be found in a recent [*OSD Blog Post*](http://blog.mass.gov/osd/procurement/operational-services-division-acknowledged-for-fostering-sustainable-purchasing-choices/).

1. The FAC85 Sourcing Team included authorities in the area of environmental conservation; toxics use reduction, public health, green procurement, and worker health and safety, members of purchasing departments, in addition to Connecticut, Rhode Island, New York, and Vermont, with Massachusetts being the lead. [↑](#footnote-ref-1)
2. The Toxics Reduction Task Force (Task Force) was created per E.O. 515 to provide guidance and assist agencies in identifying and eliminating purchases of products containing toxics chemicals. [↑](#footnote-ref-2)
3. The Approved Products List for FAC85 may be viewed in COMMBUYS at: <https://www.commbuys.com/bso/external/purchaseorder/poSummary.sdo?docId=PO-15-1080-OSD01-OSD10-00000003619&releaseNbr=0&parentUrl=contract> [↑](#footnote-ref-3)
4. #  *US EPA, Greenhouse Gas Equivalencies Calculator,* <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

 [↑](#footnote-ref-4)
5. Microfiber mops reduce water and chemical usage by 95%; US EPA, <https://www3.epa.gov/region9/waste/p2/projects/hospital/mops.pdf> [↑](#footnote-ref-5)
6. US EPA WaterSense estimates the cost of water is approximately $3/200 gallons; public agencies get utility discount = $2/200 gallons = $0.01/gallon. [↑](#footnote-ref-6)