




Sustainable Procurement Action Planning

Reeve Consulting
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Project Purpose & Scope

1. Benchmark current practices
2. Develop an Action Plan and KPIs
3. Document SP success stories
4. Identify high-impact procurement opportunities
5. Find ways to align procurement with purpose



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Meeting Purpose

1. Understand sustainable procurement
2. Align on Nanaimo's approach to sustainable procurement
3. Provide input on the sustainable procurement Action Plan

Sustainable Procurement

What it is and key traits for an effective program

What do Cities Buy?



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Using a Common Language

Sustainable procurement



Environmental



Ethical



Social

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Environmental Aspects

- Energy Efficiency and GHG Reduction
- Waste Reduction and Diversion
- Water Quality and Conservation
- Ecosystems and Biodiversity Protection



Success Story: High-efficient Boilers

- New high-efficiency boilers at Beban Pool
- Heat Beban Park facilities using less energy
- Estimated energy savings:
 - 3,083 GJ/year
- FortisBC Efficiency in Action Award



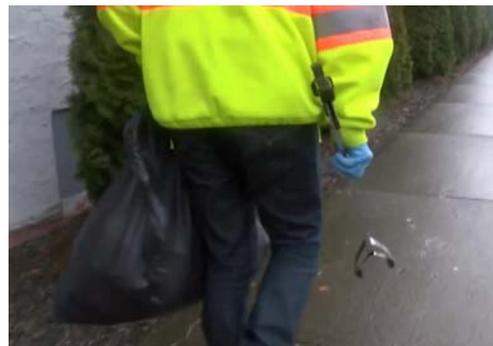
Social Aspects

- Building access to employment and contracting for equity-seeking groups
- Indigenous economic opportunity
- Skills and training
- Social enterprises
- Local economic development



Success Story: Urban Clean Up

- Contract with John Howard Society
- Employment for community members with barriers to employment
- Cleaning up downtown area of used needles and litter
- Strengthened sense of community and wellbeing for the employed

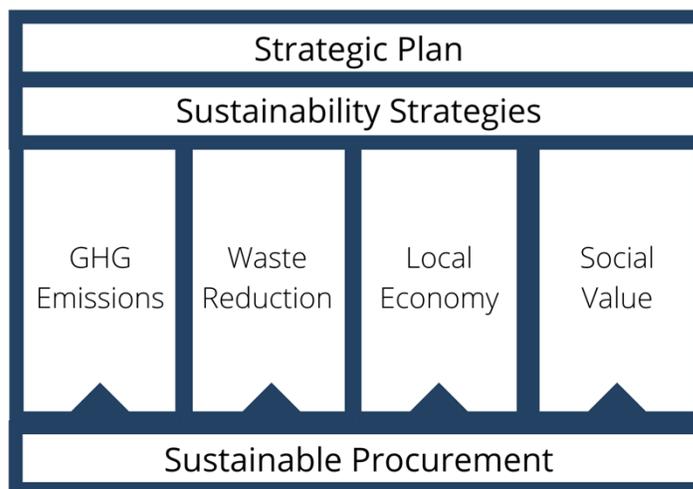


Ethical Aspects

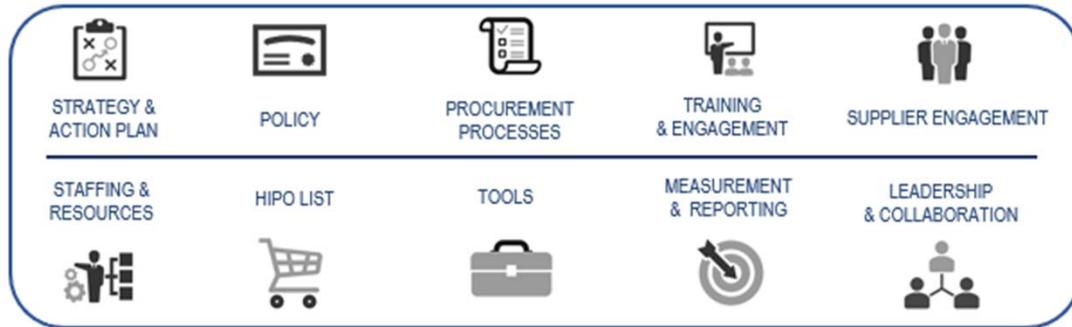
- Safety
- Fair and living wage
- Health and wellness
- Human rights
- Working conditions



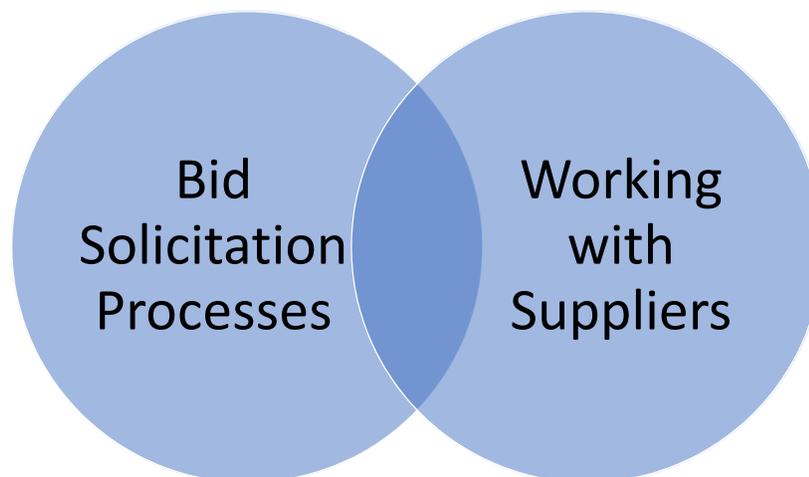
Enabling Strategy



A Best Practice Program



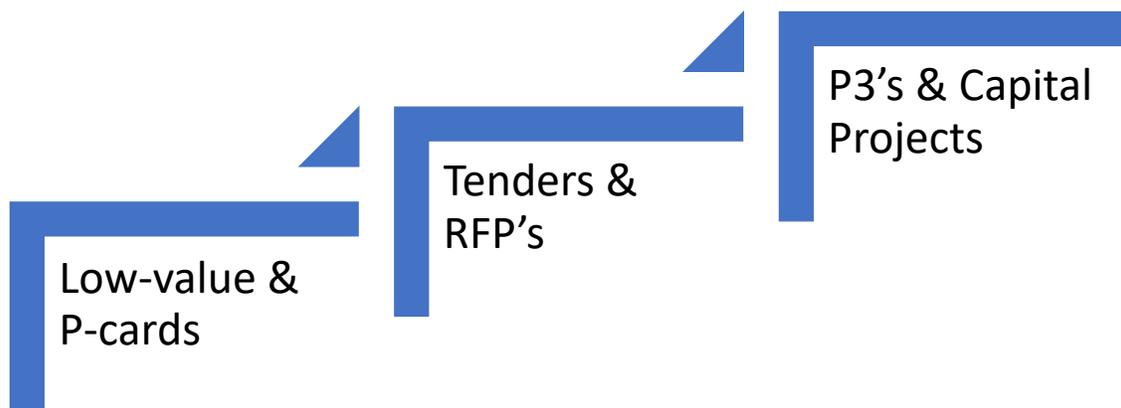
Sustainable Procurement Approach



Integrated Approach for Solicitations



Scaled for Spending Levels



Working with Suppliers

Strategic
Suppliers



Other
Suppliers

Questions?

What are Nanaimo's Priorities?



Environmental

- Ex. GHG emissions
-
-



Social

- Ex. local jobs
-
-



Ethical

- Ex. fair wage
-
-

Nanaimo Current State

Success Stories & Program Benchmark

Success Story: Real Ice

- Real Ice technology installed at Nanaimo Ice Centre, Frank Crane and Cliff McNabb arenas
- Ice resurfacing with cool water instead of hot
- Estimated energy savings:
 - Frank Crane arena: 414 GJ/year
 - At Cliff McNabb arena: 348 GJ/year
- FortisBC Efficiency in Action Award



Success Story: OCP Review

- Put request in the RFP for consultant to work with local students
- Provides planning students with an opportunity for skills development
- Strong focus on engaging with community groups traditionally hard to reach (i.e. Indigenous, renters, youth, etc.)



Nanaimo Program Benchmark

Program Element	Status	Moon
Strategy & Action Plan	<ul style="list-style-type: none"> None currently, completion through current project 	
SP Policy	<ul style="list-style-type: none"> Current Procurement Policy contains brief statement on sustainability 	
Processes & Procedures	<ul style="list-style-type: none"> No specific SP templates or resources 	
Toolkit	<ul style="list-style-type: none"> Some access to tools through CCSPI and CCSP 	
Training & Engagement	<ul style="list-style-type: none"> CCSPI 101 and 102 No specific training on sustainable procurement 	

Nanaimo Program Benchmark Cont.

Program Element	Status	Moon
Supplier Engagement	<ul style="list-style-type: none"> No formal supplier engagement on SP 	
Staffing & Resources	<ul style="list-style-type: none"> Central procurement team Budget towards project, CCSPI & CCSP 	
HIPO List	<ul style="list-style-type: none"> Initial draft list under development 	
Measurement & Reporting	<ul style="list-style-type: none"> No measurement specifically for SP Some reporting for E3 Fleet and CARIP 	
Leadership & Collaboration	<ul style="list-style-type: none"> Support from Council Participation in peer groups: CCSPI & CCSP 	

How do we Compare?

	Action Plan	Policy	Procedures	Toolkit	Training & Engagement	Supplier Engagement	Staffing & Resources	HIPO List	Measurement	Leadership & Collaboration
Nanaimo	○	◐	○	◐	◐	○	◐	◐	◐	◐
Abbotsford	◐	○	○	○	○	○	○	○	○	◐
Kelowna	○	◐	◐	○	○	○	◐	○	○	◐
Saanich	○	○	◐	○	○	○	◐	◐	○	◐
Victoria	◐	○	◐	○	◐	○	◐	○	○	◐
Vancouver	●	●	◑	●	●	◑	●	●	●	●

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Questions?

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Draft Action Plan

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Action Plan

-  Program Vision & Goals
-  2 Year Strategy: 2020 - 2022
-  Roles & Responsibilities
-  Measurement & Reporting

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Program Vision

Nanaimo's procurements are made with meaningful consideration of how the organization can make tangible improvements on our environmental, social, ethical and economic objectives through our supply chain.

We want a diverse, inclusive, and fairly paid local and international supplier base. Nanaimo procurement is a catalyst for social and environmental innovation in the marketplace leading to a low carbon, circular and inclusive economy.

Program Goals

G1 Program: Build out all 10 elements of a best practice program

G2 Activity: Meaningfully and regularly incorporate sustainability into procurement decision-making

G3 Impact: Significantly improve environmental performance and positive social outcomes as a result of procurement activities

End of Phase 1: Aug. 2020



Action Plan



HIPO



Measures

Fall 2020 Sept. – Dec.



1. Staffing & Resources

Create a FTE Buyer and a Cross-Departmental Working Group to convene and consult on program development



2. Policy (Directional & Intentional)

Develop a Sustainable Procurement Policy and begin approval process



3. Toolkit

Identify a set of tools to adopt and tailor to Nanaimo's needs

Fall 2020 Sept. – Dec. (Cont.)



4. Procurement Procedures

Integrate sustainability into existing procurement procedures and develop a user guideline for the tools



5. Measures for Evaluation

Refine KPI's, data collection processes, and identify targets



6. HIPO Shopping List

Ongoing implementation of SP with HIPO list items

End of Phase 2: Dec. 2020



Action Plan



HIPO



Measures



Staff/Resources



Policy



Toolkit



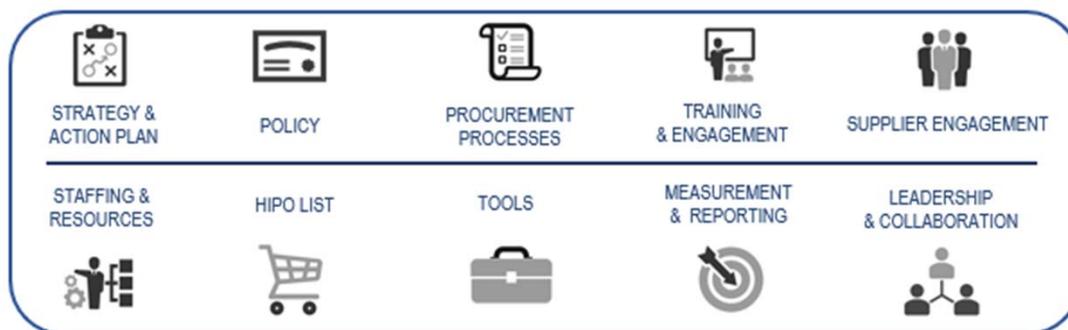
Procedures

Jan. 2021 – Dec. 2021

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Focus
Areas

- 1. Internal Training & Engagement**
 - a) Develop an Engagement Plan
 - b) Roll-out communications and training for City staff
- 2. Supplier Engagement**
 - a) Inform and consult local/strategic suppliers
 - b) Pilot a VPM initiative
- 3. Piloting & Refining**
 - a) HIPO list implementation
 - b) Tools and procedures
 - c) Data collection and KPI tracking

End of Phase 3: Dec. 2021



Roles & Responsibilities

City Council

- Set direction around sustainable procurement priorities and goals
- Monitor overall program progress towards established goals

Cross-Departmental Working Group

- Representatives from across the organization to meet regularly
- Monitor program implementation, HIPOs, successes and challenges

Purchasing Department

- Lead implementation, measurement, and engagement
- Develop and maintain policy, procedures, and toolkit

Client Departments

- Identify sustainability risks/opportunities in upcoming purchases
- Support creation of specifications and evaluation

Resourcing



Internal Staff



External Expertise



Program Budget

Discussion

- Where would you expect program development to be, by Dec. 31st 2020?
- How well do these activities align with those expectations?
- What could be some of the challenges or considerations to implement SP successfully?

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Measures for Evaluation

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Process Indicators

- #, \$, % of bid solicitations issued
- #, \$, % of contracts executed
- Average weighting allocated
- #, % of staff trained
- Communicate with #, % of suppliers



Outcome Indicators



- Cost savings (\$)
- Energy use reductions (kWh)
- GHG emissions reductions (tCO2 equivalent)
- Waste reduction or avoidance (kg)
- Paper type/use (e.g. recycled content, source)
- Suppliers with CSR or Carbon strategies (#,%)
- Contracted diverse suppliers/social enterprises (#,\$)
- Local jobs created / skills upgraded (# of individuals)

Getting Set-up



Identify what to measure



Determine collection processes



Set a baseline and targets



Start small and expand over time

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Discussion

What would be most interesting/useful for reporting and communications?

Activity:

- Circle top 2 – 3 process indicators
- Circle top 2 – 3 outcome indicators

Share with the group (30 seconds each)

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HIPO List

High Impact Procurement Opportunities

Criteria for Selecting HIPO's

1. High Volume / High Value
2. Environmental Risk / Opportunity
3. Social Risk / Opportunity
4. Significant Public Profile
5. Mature Market
6. Third-Party Certification



Potential HIPOs

 Vending Services

 Electronic equipment

 Capital Projects

 Pest Control

 Catering & Food Services

 Paper & Print Materials

 Office Furniture

 Cleaning Services

 Uniforms & Apparel

 Landscaping Equipment

Benefits

What can Nanaimo gain from sustainable procurement?

Why Should the City do this?



Success Story: Green Fleet

- Green Fleet Strategy → E3 Silver Rating
- 44 vehicles now use alternative fuels
 - Fully electric, hybrid, or CNG
 - Includes cars, pick-up trucks, garbage trucks, and ice-resurfacing machines
- 17% decrease in diesel fuel used 2007-2018
- 4% decrease in gasoline used 2007-2018



Discussion

Activity:

- Add any additional benefits
- Rank top 2 – 3 benefits for Nanaimo

Share with the group (30 seconds each)

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Next Steps

1. Refine SP Action Plan
2. Continue evolution of HIPO List
3. Share Success Stories

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Thank-you



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