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REPORT ON COST EFFECTIVE PURCHASING AND THE BUY QUIET PROGRAM

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MAINE CITIES AND TOWNS SAVING THROUGH COOPERATIVE PURCHASING

Spending limitations, tax caps, decreasing municipal resources, reduced federal assistance, mandatory budget cuts—these are phrases heard all too often by local government officials. While demand for services remains at an all-time high, local resources are simply not keeping pace.

What options are open to municipal officials in today's era of fiscal constraints? A number of *Maine* communities have discovered the practicality and advantages of cooperative purchasing. Cooperative or joint purchasing is increasingly being viewed as an effective method to help keep the cost of government services down.

The cities of Lewiston and Auburn have pooled their purchasing power and through a cooperative purchasing arrangement such items as fuel, rock salt, paper supplies, calcium chloride, tires, traffic paint, public works equipment and other items are now being purchased in a more cost-effective manner. Estimated savings of 10-15 percent across-the-board have resulted. The responsibility for overall administration of the purchasing process is shared by each city on an alternating yearly basis. Additional information can be obtained from Norman Beauparlant, Purchasing Agent, Municipal Building, Lewiston, Maine 04240 (207) 784-2951.

Brewer, Maine in cooperation with five other towns jointly purchases fire equipment such as turnout gear, hose, couplings, and breathing apparatus. In addition, Brewer and Bangor have entered into an agreement for the joint purchase of all building fuel and gasoline for fleet vehicles. Brewer, Orono, Old Town, East Millinocket and the Penobscot County Sheriff's Department have also used pooled bids the past two years to purchase police cruisers.

The town of Rockport has purchased police cruisers through a cooperative arrangement and estimates the savings per vehicle to be \$1,000. The Rockport experience illustrates another important aspect of cooperative purchasing—*timing*. If purchases can be planned and then delayed until the last minute, municipal governments have more idle cash to invest. For example, Rockport's annual earned interest rose from \$22,000 to \$37,000, an increase of 68 percent.

The Greater Portland Council of Governments (COG) and its 17-member communities have been involved in cooperative purchasing the past six years. Cooperative purchases have included rock salt, fuel oil, school buses, road striping, fire department equipment and rescue department equipment. Savings of 15-25 percent over individual town purchases are the most noticeable benefit of this effort. The COG is currently planning an expansion of its cooperative purchasing program and bids for chlorine, data processing supplies, public works equipment and office products are being considered. Other cost-saving measures such as the joint delivery of services, e.g., public works equipment shared by member municipalities, are also being explored. For further information contact Robert Gorman, Greater Portland Council of Government, 331 Veranda Street, Portland, Maine 04112 (207) 774-9891.

NEW ENGLAND BUY QUIET PROGRAM UNDERWAY

A regionally-coordinated program to develop local "Buy Quiet" programs in New England cities and towns is being conducted by the New England Municipal Center (NEMC). Supported by the Environmental Protection Agency (EPA), NEMC is working with local governments to prepare bid specifications for municipal goods and services to promote the purchasing and use of quiet models of equipment. Experiences have demonstrated that quiet products tend to be better engineered, more energy efficient, require less maintenance and last longer and can be obtained at little or no additional cost.

A voluntary program, 16 cities and towns are already participating: *Avon, Manchester, Rocky Hill and Wethersfield, CT; Bangor, Kittery and Portland, ME; Brookline, Cambridge, Danvers, Newton and Watertown, MA; and Concord, Derry and Merrimack, NH.*

NEMC is working closely with the National League of Cities, the National Institute of Governmental Purchasing and EPA's Office of Noise Abatement and Control to provide technical assistance to participating communities. Information about the program is available from James Hurley, NEMC Assistant Director (603) 868-5000.

BUY QUIET DEVELOPMENTS

WHY **bq** ?

A community can establish a local Buy Quiet Program quickly and with very little sacrifice. The potential benefits from such a program are considerable and include reduced costs, improved product performance and an enhanced quality of life for residents. A Buy Quiet program will be very noticeable to constituents and local leaders. Previously noisy and annoying power equipment now all of a sudden becomes quieter. Also, the quietest models may be the most energy efficient because noise is wasted energy. Consequently, fuel consumption is reduced with the result being increased dollar savings. Engineering features in quiet models often lead to lower maintenance expenses and longer product life cycles resulting in further savings.

To help municipal governments establish a Buy Quiet Program, NEMC and the National Institute of Governmental Purchasing (NIGP) are maintaining a "data bank" to assist local officials. The data bank provides information on quieter models of commonly used products and case histories of cities and towns that have instituted "Buy Quiet" programs. Design, performance and noise level information is also available. Model purchase descriptions for lawnmowers, chain saws, garbage trucks, portable air compressors, pavement breakers, motorcycles and vacuum cleaners are currently on file with other product/equipment specifications being developed.

A final note—because manufacturers actively compete for major municipal purchases, communities can be assured that a quiet product will be competitively priced and that all final purchasing decisions rightfully remain a local responsibility.

bq UPDATE

Although the Buy Quiet Program is in the initial phase in the New England region it has already had a wide and positive impact on the national scene. Currently more than 300 units of government, including municipal governments, state agencies, counties and special districts are participating in the Buy Quiet effort. A wide-range of power equipment has already been purchased by a number of jurisdictions. Agencies which have recently purchased such state of the art equipment for no additional costs include:

- Salt Lake City, Utah
- Portable Air Compressors
- El Segundo, California
- Brush Clippers
- St. Paul, Minnesota
- Lawnmowers
- Prince Georges County, Maryland
- Trash Compacting Trucks
- Washington Suburban Sanitary Commission
- Front-end Loaders
- State of Washington
- Chain Saws

The Salt Lake City case is of particular interest. By using a bid evaluation formula developed through the Buy Quiet Program, the city will obtain a projected savings of more than \$20,000 over the five-year life cycle of two 160 CFM, 2 wheel, portable air compressors. The city specification requires a maximum acceptable noise level of 76 dBA measured in accordance with the U.S. Environmental Protection Agency Air Compressor Noise Test Procedure. Projected savings on energy alone *per unit* will amount to \$10,675.08. Additional information on this purchase is available from Stephen Gordon, Buy Quiet Program Director, National Institute of Governmental Purchasing, 1735 Jefferson Davis Highway, Arlington, Virginia 22202, (703) 920-4020 or from Clair Moffet, Purchasing Agent, Salt Lake City Corporation, 320 Circuit Center Building, 450 South 200 East, Salt Lake City, Utah 84111, (801) 535-7661.

NATIONAL BUY QUIET NEWS

LOCAL OFFICIALS ENDORSE

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Comments by local officials about the Buy Quiet Program...

"Asking for quieter tractors didn't cost us a cent more and I'm sure that the folks who live near our work areas are going to be a lot happier."

Joe Pope
Purchasing Agent
Washington Suburban
Sanitary Commission
Washington, D.C.

"In buying quieter lawnmowers we had no trouble in obtaining a sufficient number of bids and the prices we paid were no higher than before. We plan to follow the same approach with jackhammers, garbage trucks and other noisy items."

Raymond Hughes
Deputy Purchasing Administrator
Shelby County, Tennessee

"If we are asking the private sector to make less noise, it's the city's responsibility to do the very same thing by buying quiet."

John Sweet, Councilman
Sponsor: Buy Quiet Ordinance
Atlanta, Georgia

"The Buy Quiet Program... an overwhelming success."

Stanley Zamansky
Director of Purchasing
Baltimore, Maryland

MANUFACTURERS SUPPORT

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"It is our intent to design quieter models of commercial duty lawnmowers to help make our communities a more desirable place to live."

Paul Seltzer
Toro Corporation

"The idea underlying the Buy Quiet Program is fantastic! It's the American way of bringing about product improvements. I can assure you that we will do everything in our power to compete in the rapidly expanding market place for quieter chain saws."

Jack Ehlen
McCulloch Corporation

"We will continue to pledge our support for the energy efficiency costing methods of bid evaluation and the Buy Quiet Program as it pertains to portable air compressors."

R.E. Enners
Product Manager
Ingersoll-Rand Company

NATIONALLY SYNDICATED COLUMNIST LAUDS BUY QUIET PROGRAM AS "INFINITELY PREFERABLE" TO REGULATION

The nationally-renowned and respected columnist James J. Kilpatrick has offered an enthusiastic endorsement of the Buy Quiet Program. Kilpatrick, in his column of January 9, 1981, cited the advantages of the Buy Quiet Approach as opposed to traditional regulation: "Unlike the federal regulation, which is complexity itself, this program is simplicity itself. It rests solidly upon the ancient law of supply and demand." A remark made by Shelby County, Tennessee Deputy Purchasing Administrator Raymond Hughes vividly illustrates this point: "Cities and counties that want quieter trucks ask for them, those that do not, don't."

Such an emphasis allows for more local autonomy and promotes the concept of competition among various manufacturers in the considerable public sector market. As Kilpatrick notes, "If we believe in the marketplace system, why do we not give the system a reasonable chance to work? Instead of imposing uniformity by federal decree, why do we not try variety for a change? One of our cherished principles is 'local responsibility'. Why not abide by that principle?"

Furthermore, whenever possible and practical other federal agencies should assume this posture rather than emphasizing heavy-handed regulatory enforcement. Granted certain programs and areas need close scrutiny and tight regulations on the part of federal government "but a decent respect for federalism ought to teach us that national regulation should be the last resort, not the first."

PURCHASING AND BUY QUIET ASSISTANCE AVAILABLE FROM NEMC

INTERESTED AND NEED HELP?

NEMC was recently awarded a grant from the U.S. Environmental Protection Agency which provides for a "Buy Quiet Program." As part of this effort, NEMC will work very closely with the National Institute of Governmental Purchasing—a highly respected organization whose primary objective is to raise and maintain the professional standards of governmental purchasing.

Although the Buy Quiet Program has positive environmental ramifications, its primary emphasis is on purchasing and improving this critically important process in order to save funds in today's era of fiscal constraints. The Buy Quiet Program is a unique opportunity to help strengthen and enhance the municipal purchasing process. A variety of on-site technical assistance including development of technical bid specifications, contract format and method, bid evaluation, award criteria, peer contacts, and related information will be made available at no cost to individual cities and towns under NEMC's project.

If you are interested and want more information please complete the following form and mail to:

New England Municipal Center
Petee Brook Offices
P.O. Box L
Durham, New Hampshire 03824

PLEASE RETURN THIS SECTION IF YOU WOULD LIKE MORE INFORMATION ABOUT BUY QUIET

Municipality/Agency _____

Mailing Address _____

Your Name/Contact _____

Position _____

Telephone _____

FACTS ABOUT NEMC

The New England Municipal Center (NEMC) is a regional local government resource and program center sponsored by the Connecticut Conference of Municipalities, Maine Municipal Association, Massachusetts Municipal Association, New Hampshire Municipal Association, Rhode Island League of Cities and Towns and the Vermont League of Cities and Towns. Created in 1971, NEMC is a private, non-profit agency and the only regional consortium of its kind in the country. NEMC conducts programs to help local governments improve the delivery of public services.

NEMC activities include a core Institutional Program and a series of special projects. It provides information, training and technical assistance activities in areas such as arts and the humanities, citizen participation and volunteerism, community development, criminal justice, economic development, environment, emergency management, energy conservation, finance management, human resources, intergovernmental relations, labor relations, personnel and transportation.