1. Agenda Packet

    Documents:

    JUNE 26, 2018 AGENDA PACKET.PDF

2. Meeting Materials

    Meeting photos will be POSTED ON FLICKR.

    Documents:

    JULY CALENDAR.PDF

AGENDA
CITY OF LENOIR
COMMITTEE OF THE WHOLE
801 WEST AVENUE,
TUESDAY, JUNE 26, 2018
8:30 A.M.

I. CALL TO ORDER

II. CITIZEN COMMENT

III. COMMITTEE ITEMS

A. Public Utilities/Public Works

1. Update; Downtown Two-Way Traffic Study – Public Works Director Jared Wright

IV. Community Development

A. Lenoir Tourism Development Authority: The Lenoir Tourism Development Authority met on Thursday, June 14. Kaylynn Horn, Economic Development Director, will present a report of current activities.

B. Lenoir Business Advisory Board: The Lenoir Business Advisory Board cancelled its meeting of Thursday, June 14. Kaylynn Horn, Economic Development Director, will present a report of current activities.

C. Planning Board: The Planning Board met on Monday, June 25. Planning Director Jenny Wheelock will present a report of current projects.

D. Parks & Recreation Advisory Board: The Parks & Recreation Advisory Board did not meet in June. The next meeting will be held on Monday, August 20 at Optimist Park Clubhouse. Kenny Story, Recreation Director, will present a report of current activities.

V. FINANCE & ADMINISTRATION

A. Financial Update – Finance Director Donna Bean

B. Purchasing Policy – Finance Director Donna Bean

C. Update; Public Communications – Public Information Officer Joshua Harris

D. Cancellation; July City Council Meeting – City Council may decide to cancel the Council meeting of Tuesday, July 17 due to no agenda items.

VI. PUBLIC SAFETY

A. Update; Police Department – Police Chief Scott Brown

1. Update; Draft Policy; Small Unmanned Aerial System (sUAS), aka “drone” – Police Chief Scott Brown

B. Update; Fire Department – Fire Chief Ken Hair

VII. OTHER

A. July Calendar

VIII. ADJOURN

PURCHASING POLICY

DRAFT

Revised June 19, 2018

City of Lenoir, North Carolina
Purchasing Policy Manual

TABLE OF CONTENTS

GLOSSARY

Bid: a multi-step process required of the City by North Carolina General Statutes. Quotes from three separate vendors are required during any bid process unless the good or service to be supplied is produced by only one vendor.

Informal Bid: A bid on items $30,000.00 to $90,000.00. Request for quotes are not required to be advertised to the public. Purchases in this category do not need to be approved by City Council.

Formal Bid: A bid on items $90,000.00 and above or on services $500,000.00 and above. Public advertisement of the request for quote and bid process must be made, bids must be opened in public forum, and City Council must approve the winning bid.

Quote: a price provided by a vendor on a provided good or service.

Informal Quote: a quote received via verbal communication, email, website, catalog, or fax.

Formal Quote: A price quote received via U.S. Mail, email, fax, or hand delivery.

Requisition: input into the financial system by a department to request the generation of a purchase order by the Finance Department prior to a purchase.

Purchase Order (PO): authorization for the purchase of goods sent by the Finance Department to a vendor prior to the purchase.

Request for Written Quotation (RFQ): A request sent to a vendor for a written quote on a certain good or service.

Encumbering: to commit a given amount of money to the payment of an order.

Purchasing/ Procurement: interchangeable, how the City obtains needed goods and services.

Department Head: The individual authorized to make purchasing decisions on behalf of his/ her department.

Vendor: provider of a good or service.

I. FORWARD

This purchasing policy is intended for use as a guide to the City of Lenoir's purchasing methods and practice. When used properly, the policies and procedures established herein will enable the City to obtain needed goods and services efficiently and economically. The goal of this policy is to give structure to the City of Lenoir's procurement methods and to set guidelines for City departments.

The City of Lenoir engages in a number of varied activities while providing municipal services for its residents. A great variety of equipment, supplies and services must be purchased for the departments and divisions performing these services. These purchases are processed through the Purchasing Agent who is a member of the Finance Department. In accordance with the City of Lenoir's moral and legal obligations, every effort should be put forth to assure that minority and small business enterprises are given equal business opportunity to participate in all phases of its operation.

The understanding and cooperation of all employees is essential in order for the City to maximize the value of each taxpayer dollar spent. While this manual does not answer all procurement related questions, it provides a sound foundation for City procurement methods.

The goals of the City's purchasing program are as follows:

1. To comply with legal and ethical requirements of public purchasing and procurement.
2. To assure vendors that impartial and equal treatment is afforded to all who conduct business with the City.
3. To receive maximum value for money spent by awarding purchase orders to the lowest responsible, responsive bidder, taking into consideration quality, performance, support, delivery schedule, previous performance, business location, and other relevant factors.
4. To provide City departments the required goods and services in a timely manner in the proper quantity and quality while providing necessary information to the City Finance Department.
5. To professionally administer the search for sources of supplies, the development of new sources, the selection of suppliers, negotiations, commitments, follow-ups, and adjustments.
6. To promote healthy business relationships through informed and fair purchasing practice and maintenance of ethical standards.
7. To maximize the standardization of products used by all departments in order to minimize stock levels and obtain better prices for necessary goods and services.

If the procedures and guidelines established in this manual are followed, each department will be capable of managing, controlling, and planning available resources to meet present and future needs in order to help the City meet set goals. Any questions or concerns about this manual or the established procedures should be directed to the Finance Department.

This manual is effective immediately following City Council adoption and supersedes all previous purchasing or procurement instructions or directives.

II. GENERAL GUIDELINES

2.1 Local Buying

It is the desire of the City of Lenoir to contract with vendors within the City whenever possible. The City has a responsibility to its citizens and local businesses; however, the City must ensure taxpayer money is spent with prudence. The City **does not** make purchasing decisions based exclusively on the location of the vendor; however, every effort will be made to encourage qualified local vendors and suppliers to compete for City business.

2.2 Planning

It is imperative that all City departments take time to properly plan purchases. Purchasing plans should be made for goods and services to be purchased in both the near and distant future; thereby minimizing small orders and last minute purchases. Planning is of highest importance to the City because proper planning reduces unnecessary clerical and supervisory time costs associated with the procurement process.

2.3 Buying Proper Quality

Quality and service are as important as price when considering goods for purchase; it is the duty of the requesting department to secure the most cost-effective good or service that will meet but not exceed the requirements for which the goods or services are intended. In some instances the lowest price does not necessarily mean the lowest cost. A higher price, higher quality product may save the City from excess expenses in the future. The requesting department should take this into consideration when making a purchase.

2.4 Authorization – For Purchases Not Governed by Uniform Guidance

Department Heads have been delegated the authority to approve purchases made under $2,500.00. Department Heads should only authorize purchases for necessary goods when proper documentation is provided and funds are available to make the purchase. The Department Head or his designee must authorize each invoice with signature and date before forwarding to Finance for payment. This authorization verifies that the goods and or services have been received, the budgeted funds are available and the invoice has been coded to the proper account number.

NOTE: All purchases, regardless of the amount, for the following items must have the approval of the appropriate division head to insure that the item is appropriate for the intended purpose.

Items	Approval Required
Equipment	**Vehicle Services Director**
Facility Related Items/Improvements	**Building Maintenance Director**
Technology	**IT Director**

All purchases of supplies, equipment, and contractual services, except professional services, where the cost exceeds $29,999.00 are purchased on the basis of formal, competitive, sealed bids (see chart). Construction or repair work requiring the estimated expenditure of $50,000.00 or more also requires the use of the formal, sealed bid procedure.

Purchases of $20,000.00 or less are made on an informal bid basis. Whenever possible, these purchases are based on a minimum of three informal quotations. Quotations may be solicited by mail, telephone or personal visits by salesmen or vendor representatives.
In case of emergency, and with the consent of the Purchasing Agent, department heads may purchase necessary supplies, materials or equipment without an informal bid. This may be done only when it is essential that such purchases be made in order to safeguard City property or to provide services which virtually affect the life, health or convenience of the citizens of Lenoir. The reason for the emergency purchase and along with the proper approvals should be noted on the invoice.

PURCHASING FLOW CHART

How much is the Purchase?				
Below $2,500.00	$2,500.00 and above			
Up to $2,499.00	$2,500.00- $4,999.99	$5,000.00- $29,999.99	$30,000.00-$89,999.99	$90,000.00 and above/$500,000 and above for construction and repairs
Compare costs	Departments obtain Informal quotes – Minimum of 3 (yearly on routine items)	Departments obtain formal quotes – Minimum of 3 (yearly on routine items)	Informal Bid Process	Formal Bid Process
Check budget	Department will process requisition using the lowest cost, most suitable vendor	Department will process requisition using the lowest cost, most suitable vendor	Departments obtains Informal quotes – Minimum of 3 **written bids**	Issue request for quote (RFQ)
Make purchase	Finance Department issues purchase order to Vendor upon approval	Finance Department issues purchase order to Vendor upon approval	Department will process requisition using the lowest cost, most suitable vendor	Public advertisement
	Department makes purchase	Department makes purchase	Finance Department issues purchase order to Vendor upon approval	Formal bid opening
			Department makes purchase	Council approval
				Department will process requisition using the approved bidder
				Finance Department issues purchase order to Vendor upon approval
				Department makes purchase

3.1 Purchases less than $2,500.00

Purchases less than $2,500.00 do not require a Requisition or a Purchase Order (PO) and may be made upon the approval of the department head. In order to meet the pre-audit requirements of GS. 159-28 each department shall be appointed a deputy finance director for purchases less than $2,500. These purchases may be made by utilizing a check requests, credit card transaction, or vendor accounts. Every purchase should follow a cost comparison to ensure a competitive price and quality for each good and service purchased. Issues that may override the price comparison process may include delivery time and material specifications. Overrides should be documented.

ALL PURCHASES $2,500.00 AND ABOVE REQUIRE A REQUISITION AND PURCHASE ORDER (PO).

3.2 Purchases between $2,500.00 and $4,999.99

Purchases in this price range may be obtained by the requesting department(s) through an informal quote process. It is encouraged that every attempt is made to acquire at least three (3) quotes. The informal quotes may be received through verbal communications, email, or fax. Verbal quotes must be noted in typed or hand written form documenting price, date quoted, name of vendor, and name of the individual representative of the vendor. Quotes are to be scanned and submitted with the purchase requisition prior to purchase; after the purchase order is issued and approved, a purchase may be made. For routine monthly purchases, a minimum of three(3) quotes should be obtained yearly.

3.3 Purchases between $5,000.00 and $29,999.99

Purchases in this price range are obtained through the formal quote process. In the formal quote process, the requesting department is required to receive at least three (3) quotes via U.S. Mail, email, fax, or hand delivery. The required three written quotes are to be scanned and submitted with/ attached to the purchase requisition prior to purchase; after the purchase order is issued and approved, a purchase may be made.

3.4 Purchases between $30,000.00 and $89,999.99

Purchases in this range must be obtained through informal bids. Departments are responsible for sending a request for quote (RFQ) and will allow vendors sufficient time to respond to the request based on the complexity of the request. RFQs in the informal bid range may or may not be advertised to the public. A minimum of three (3) vendors will receive the RFQ. Quotes in the informal bid range may be submitted through U.S. Mail, email, fax, or hand delivery. No verbal quotes are acceptable in the informal bid price range. Purchases in the informal bid range do not require City Council approval. In this range, a no bid may be accepted as a bid. In accordance with N.C.G.S. § 143- 131, a Request for Written Quotation will be used for purchases of $30,000 to formal limits (3.2a) with or without advertising. The required three written informal bids are to be scanned and submitted with/ attached to the purchase requisition prior to purchase; after the purchase order is issued and approved, a purchase may be made.

3.5 Purchases $90,000.00 and above/Services $500,000.00 and above

Purchases in this range must be obtained through formal bids. Departments are responsible for sending a request for quote (RFQ) and will allow vendors sufficient time to respond to the request based on the complexity of the request. Every effort will be made to obtain at least three (3) bids. A newspaper advertisement must run at least seven (7) days prior to the bid opening. Written bids in this range must be submitted in a sealed envelope and must be opened at a public bid opening. Purchases in the formal range require City Council approval. In accordance with N.C.G.S. § 143-129, invitation for formal bids will be used for purchases of $90,000 and greater ($500,000 and greater for construction and repairs). This will include advertising in the local newspaper and/ or other advertising media as deemed appropriate and receiving sealed bids. The supporting documentation and all bids received are to be scanned and submitted with/ attached to the purchase requisition prior to purchase; after the purchase order is issued and approved, a purchase may be made.

3.6 Purchases funded by Federal grant or loan funds

Contracts funded with federal grant or loan funds must be procured in a manner that conforms with all applicable Federal laws, policies, and standards, including those under the Uniform Guidance (2 C.F.R. Part 200).

III. VENDOR SELECTION

4.1 Selection Policy

Vendors will be selected on a competitive basis. Formal bids and informal bids will be solicited by the requesting department. Bid awards, purchase orders and/ or contracts will be issued to the lowest, responsive, responsible bidder. The City of Lenoir will not use vendors who have been debarred by Federal, State, or Local governments.

4.2 Gifts and Gratuities

City employees are prohibited from soliciting or accepting any rebate, money, costly entertainment, gift, or gratuity (with the exception of mementos and novelties of nominal value) from any person, company, firm or corporation to which any purchase order or contract is, or might be awarded.

A. Conflicts of Interest: In addition to the prohibition against self-benefiting from a public contract under G.S. 14-234, no officer, employee, or agent of the City of Lenoir may participate directly or indirectly in the selection, award, or administration of a contract supported by a local, state or federal award if he or she has a real or apparent conflict of interest. A real or apparent conflict exists when any of the following parties has a financial or other interest in or receives a tangible personal benefit from a firm considered for award of a contract:
   1. the employee, officer, or agent involved in the selection, award, or administration of a contract;
   2. any member of his or her immediate family;
   3. his or her partner; or

4. an organization which employs or is about to employ any of these parties.

Any officer, employee, or agent with an actual, apparent, or potential conflict of interest as defined in this policy shall report the conflict to his or her immediate supervisor. Where applicable, any such conflict shall be disclosed in writing to the award agency or pass-through entity in accordance with applicable local state and federal awarding agency policy.

B. Gifts In addition to the prohibition against accepting gifts and favors from vendors and contractors under G.S. 133-32, officers, employees, and agents of the City of Lenoir are prohibited from accepting or soliciting gifts, gratuities, favors, or anything of monetary value from contractors, suppliers, or parties to subcontracts other than items of nominal value which fall into one of the following categories may be accepted:

1. promotional items;
2. honorariums for participation in meetings; or
3. meals furnished at banquets.

Any officer, employee or agent who knowingly accepts an item of nominal value allowed under this policy shall report the item to his or her immediate supervisor.

C. Violation: The City will not tolerate circumstances that produce, or reasonably appear to produce, conflicts between the personal interests of an employee and the interests of the City. The City may also take disciplinary action against a City employee who solicits or accepts gifts or gratuities. Employees violating this policy will be subject to discipline up to and including termination. Accordingly, the City may terminate, at no charge to the City, any purchase order contract if it is found that gifts or gratuities were offered to a City employee. Contractors violating this policy may not be eligible for future contract awards.

IV. SPECIAL PROCUREMENT PROCEDURES

5.1 Blanket Purchase Order

Blanket purchase orders will be issued to selected vendors for the procurement of certain items after competitive pricing has been completed and if budgeted funds are available. Blanket purchase orders are intended to expedite the procurement of frequently needed and repetitious supplies. Blanket purchase orders should be made for goods and services when the amount of clerical or administrative work otherwise involved is impractical. Examples of items procured through a blanket purchase order include: janitorial services, maintenance service contracts, chemicals, temporary personnel services, automotive parts, and others. Blanket purchase orders will encumber the requesting department's funds for any amounts remaining on the purchase order.

Requisition for blanket purchase orders must include all required information along with the following additional information:

1. Time period the purchase order is valid (Maximum of one year – new bids should be

obtained yearly.)
2. Items covered by the blanket purchase order
3. The Not to Exceed (NTE) amount
4. A listing of all personnel approved to purchase from the blanket purchase order

All vendor delivery tickets must be signed by an authorized City employee indicating receipt of the goods and/ or services. All delivery tickets from blanket purchase orders must be scanned and forwarded to Accounts Payable as supporting documentation for invoice processing.

5.2 Emergency Purchases

In cases of emergencies, the Department Head or his/ her designee may purchase directly from any vendor the supplies or services whose immediate procurement is essential to prevent delays in work which may affect the life, health, safety, or convenience of City of Lenoir employees or citizens.

The user department shall exercise good judgment and use established vendors if possible when making emergency purchases. Always obtain the best possible price and limit purchases to those items emergency related**.** Not anticipating needs does not constitute an emergency situation. First, determine if a true emergency does exist. Second, anticipate needs and avoid emergency situations whenever possible. Emergency orders are always costly. Vendors usually charge top prices if supplies or services must be obtained on an emergency basis.

During working hours, follow standard purchasing procedure as usual as soon as time and the situation permits.

After working hours, the following procedure should be used for emergency purchases: verify funds are available and if needed complete a Request to Transfer Funds form and forward immediately to the Budget office. The packing slip or invoice received should be coded with the account(s) to be charged and signed, scan/ attach a brief explanation of the nature of the emergency and forward to Accounts Payable with the invoice. Emergency purchases, although sometimes necessary, are costly both in time and money. The use of emergency procedures should be limited and be monitored for abuse.

5.3 Sole Source of Supply

In the event there is only one vendor capable of providing a particular good or service, the competitive pricing procedures outlined in this manual may be waived by the Finance Director. Whenever a Department Head decides to purchase goods from a sole source, he/ she shall document on the requisition why only one company or individual is capable of providing the goods required. The provisions of N.C.G.S. § 143-129 will be followed requiring Council approval for sole source exception for all purchases made at or above statute levels.

5.4 Single Brand Convenience

The City recognizes in certain scenarios it is efficient to purchase items from a single provider rather than a variety of vendors. In such cases exceptions may be made to standard purchasing procedure; given proper documentation is provided. The purchaser should note reasons buying from a certain vendor will be more efficient in the long run and attach such documentation to each requisition.

Example: One brand of printer City-wide would allow the same type of ink cartridge to be ordered and reduces time cost related to finding multiple brands. This also allows the City to buy ink cartridges in bulk from a single provider, further reducing cost.

5.5 State of North Carolina Purchase Contract

All Departments may use the State of North Carolina Department of Administration Purchase and Contract Division whenever possible for procurement of capital and non-capital items. It shall be the responsibility of Department Heads to familiarize themselves with this purchasing method and to check for needed goods and services which are available through this resource at a lower cost than many other vendors offer. This system expedites the purchase of goods, offers pricing compatible with quotes received from formal and informal bids, and satisfies North Carolina General Statutes. Examples of goods on State Contract are: law enforcement vehicles, office furniture, copiers, janitorial supplies, copier paper, light bulbs, etc. Contact the Purchasing Agent with questions regarding goods on State Contract. The following are resources for local government purchasing.

The State of North Carolina Interactive Purchasing System can be found on the web at www.ips.state.nc.us/ips/Default.aspx.

The North Carolina E-Procurement System can be found on the web at http://eprocurement.nc.gov/

The North Carolina Sherriff's Association can be found on the web at https://ncsheriffs.org/procurement

The North Carolina League of Municipalities preferred vendor list can be found on the web at https://www.nclm.org/marketplace/preferred-partners

The US Communities Government Purchasing Alliance can be found on the web at http://www.uscommunities.org/

The Houston-Galveston Area Council can be found on the web at http://www.h-gac.com/coop/default.aspx

5.6 Piggybacking

The department head may use the piggybacking process whenever necessary to purchase apparatus, supplies, materials, and equipment. Contracts in the informal range can be used as a tool to solicit additional bids, but no Council action is necessary. For purchases of $90,000 and above, the provisions of N.C.G.S. § 143-129 will be followed.

5.7 Professional Services

Normal competitive procedures are difficult to use in securing professional services such as attorneys, planners, and other professionals who, in keeping with the standards of their discipline, will not enter into a competitive bidding process. When an agreement between a professional service company and the City is established, a purchase order with the proposed amount shall be issued to satisfy accounting and statutory requirements. Purchases from professionals shall otherwise follow N.C.G.S. § 143-64.31 and 64.32.

5.8 Service Contracts

All service contracts, for which the contractor will perform work while on City property, must be accompanied by a standard contract form. The contract must follow all signature procedures and contain all necessary insurance and payment options. The completed and signed contract must be reviewed by the City Attorney, signed by the City Manager, pre-audited by the Finance Director, and be filed in the office of the City Clerk. The executed contract should be scanned and attached to the department requisition that is forwarded to the Finance Department. The City will not enter into contractual agreements that are subject to automatic renewal and will attempt to structure contracts to coincide with the fiscal year.

Contracts authorized by City Council through direct award or budget authorization may be executed by the City Manager. Subsequent orders changing the original contract, which do not exceed the approved cost of the contract, will be executed by the City Manager.

City Council must approve all contracts that meet any of the following criteria:

1. Contracts subject to statutory bid thresholds
2. Contracts with terms greater than one year
3. Contracts exceeding budgetary approval, which require a budget amendment
4. Contracts suggesting a significant policy change as determined by the City Manager.

5.9 Vendors with City Accounts

The City should have accounts with certain vendors where possible in order to expedite the purchasing process for frequently needed minor items. In the event the City has an account with a certain vendor, City employees should not use credit cards to obtain goods or services from the vendor. Proper purchasing procedures should be followed and only authorized purchases should be charged to City accounts.

V. DELIVERY AND PERFORMANCE

A completed and accepted purchase order by the parties concerned must produce the intended results or objectives before it can be considered a successful or completed purchase. The terms and conditions must clearly define the delivery and performance requirements of the services, supplies, or equipment.

The importance of the delivery schedule will be emphasized to the vendor. Delivery requirements will be clearly written and fully understood by all vendors. If several items are required by the purchase order, there may be a different delivery schedule for each item. It is necessary to clearly indicate the delivery location on the requisition.

6.1 Partial Deliveries

Some purchase orders may list several items. It is possible the vendor may complete timely delivery on some items, which is referred to as "partial delivery". Upon receipt of a partial delivery, photocopy the purchase order; attach a copy of the signed delivery receipt and forward to the Finance Department along with the vendor invoice indicating which lines of the purchase order are to be paid.

6.2 Non-Performance

If a vendor fails to meet any requirements(s) of the specifications or terms and conditions of the contract or purchase order, the vendor can be cited for non-performance. The seriousness of non-performance will be evaluated based upon the circumstances of each violation.

VI. INSPECTION AND TESTING

Life and safety as well as successful operation of expensive equipment and supplies may depend upon how well a purchased item meets design and performance specifications.
Goods and materials should be checked at the time of receipt for damage or defects. The inspection shall include assuring goods comply with the specifications. If damage is found or the goods fail to comply with the specifications, the item(s) shall be rejected as outlined below.

7.1 Rejection

In order to protect the City's rights in the event of rejection, for whatever reason, the vendor shall be informed immediately. Reasons for the rejection must be documented in memo form, attached to a copy of the purchase order and forwarded to the Finance Department in a timely manner.

7.2 Damaged Goods

One of the major reasons for immediately inspecting the goods or materials upon receipt is to detect any visible damage. It is necessary that all damage including evidence of concealed damage shall be documented by memo, attached to a copy of the purchase order, forwarded to the Finance Department, reported to the vendor as soon as possible, and informs the vendor of the damaged goods. When it is apparent that the extent of the damage causes the goods to be worthless, they will not be accepted.

7.3 Latent Defects

Latent defects may be the result of damage in transit or failure of the manufacturer to conform to specifications. Consequently, it is often difficult to fix responsibility for the defective material. If specific liability for the defect cannot be determined between the carrier, the vendor, or the manufacturer, the City may file a claim against all parties. A memo attached to a copy of the purchase order must be forwarded to the Finance Department.

VII. VENDOR RELATIONS

Good vendor relations are valuable business assets established through mutual confidence and satisfactory business communication between buyer and seller. An important contribution toward promoting and preserving these relations is a clear understanding of the method of contract between buyer and seller. Any conflicts which may arise should be reported to the Finance Department.

VIII. SALE OF CITY PROPERTY

The City Manager has been authorized by the Lenoir City Council to declare as surplus single asset or property or a group of items, to set its fair market value, and to convey title to the property and to advertise electronically the sale of any personal property. The City Manager shall sign the Sale of Property Authorization form **prior** to the sale or disposal of any City property. The Finance Department shall keep all approved forms, which will record a description of the property sold or exchanged, and the amount of money or other considerations received for each sale or exchange. All surplus items are to be listed on Govdeals in accordance with City of Lenoir Resolution No. 6-2007, N.C.G.S. § 160A-270 and N.C.G.S. § 160A-270(c) which should be referenced before the sale of any City property in order to ensure statutes and procedure are followed properly.

IX. FUEL CARDS

Fuel cards will be assigned to City owned vehicles and are required to be used to purchase fuel for City vehicles, or in some instances, to purchase fuel for other job-related equipment such as: weed-eaters, lawn mowers, leaf-blowers, etc. It is not appropriate for City employees to use fuel cards to purchase fuel for any other vehicle or equipment other than which the card was issued. Fuel cards are required to remain with the assigned vehicle and any missing cards should be reported immediately. Employees are required to use their user ID# and PIN # when purchasing fuel. Any unauthorized use of a PIN not assigned to the employee will result in disciplinary action up to and including termination.

11.1 Employee Responsibilities

No purchase over $2,500.00 shall be made using the credit card system without a purchase order. Credit cards assigned to employees may have approval limits set by Department Heads below the $2500.00 policy threshold. If an employee needs to make a purchase above the limit set by the Department Head, the employee should consult with the Department Head before making a transaction.

1. The credit card that each cardholder receives shall only be used by the cardholder or a designee. No other person is authorized to use this card. The cardholder may make transactions on behalf of others in their department/ division; however, the cardholder is responsible for all purchases charged to their card.
2. The total value of a transaction shall not exceed a cardholder's single purchase limit. Payment for a purchase shall not be split into multiple transactions to stay within the single purchase limit.
3. The cardholder is responsible for maintaining receipts of all card transactions and submitting with the card statement monthly. Receipts are required for all purchases. Failure to attach receipts and return in a timely manner may result in the cardholder losing the privilege of using a City credit card.

11.2 Receipts and Receipt Submission

Receipts should be collected and kept for all transactions. If a detailed receipt is not obtained from the vendor, a Lost/ Missing Receipt Form and a detailed list of what was purchased will be required with the receipt. Repeated lost or missing receipts may result in a cardholder losing the privilege associated with a City credit card. A detailed receipt should be provided for all purchases.

11.3 Unauthorized Purchases

Certain items should not be purchased by City employees. Any of the following items listed below have been deemed inappropriate for purchase by City employees:

1. Personal purchases or for personal identification
2. A single purchase that exceeds the cardholder's single purchase limit
3. Cash advances
4. Gift Cards
5. Alcoholic beverages
6. Purchase of in-room movies during a hotel/ motel stay while on City business

11.4 Consequences of Improper Use

A cardholder who makes unauthorized purchases or carelessly uses a purchase card will be liable to the City of Lenoir for the total dollar amount of such purchases plus any administrative fees charged by the bank or card company in connection with the misuse. The cardholder's employment may also be terminated and will be subject to legal action.

Cardholders are expected to obtain the best prices available on purchases. Purchase of an item above market prices where the vendor gives the employee any form of gift, bonus, or premium whether in the form of cash or merchandise is considered a kickback, is illegal, and can result in disciplinary action up to and including termination of employment and lawful prosecution. City policy strictly forbids anything in exchange for making a purchase.

X. FRINGE BENEFITS

Any item purchased for an employee must be a valid business expense and not considered wages to the individual. Clothing, non-monetary awards, meals, travel, and other items may be considered wages depending on circumstances. Awards of cash or cash equivalents are always considered wages regardless of the amount awarded. All awards and purchases considered wages to an employee must be processed through payroll and will be subject to all applicable taxes. Please contact the Finance Department with any questions.

Any award of cash or cash equivalents must be pre-approved by the City Manager.

XI. EXHIBITS

Exhibit A. Items Not Requiring a Purchase Order
Exhibit B. Vendor Performance Evaluation
Exhibit C. Purchase Order/ Quote Form
Exhibit D. Surplus Form

EXHIBIT A

Items Not Requiring a Purchase Order

1. Advertising: legal ads, radio announcements, etc.
2. Specified chemicals
3. Dues
4. Claim payments (Citizens filing for damages/ reimbursement)
5. Insurance
6. Medical examinations
7. Medical supplies (Fire and Rescue)
8. Land purchases & easements
9. Petty cash & replenishing funds
10. Postage
11. Refunds
12. Building rental
13. Tuition or other fees for approved educational purposes
14. Utilities (electricity, water, sewer, cable, internet, natural gas, trash, etc.)
15. Lease purchase payments, debt service payment
16. Approved travel arrangements and accommodations
17. Uniforms (Upon Request)
18. Bullet Proof Vests (Upon Request)

City of Lenoir

VENDOR PERFORMANCE EVALUATION

EXHIBIT B

Please take a moment to complete this vendor performance evaluation and return it to the City Finance Department.

Vendor Name:___________________________ Purchase Order #:________________________

Date Promised:_______/_______/__________ Actual Delivery Date:______/______/______

Details or Remarks: ____

Check all of the following that apply about the vendor & goods or services purchased:

_____Suggests Cost-Saving Possibilities
_____Competitive Pricing:
_____Knowledge of Products and Industry
_____Prompt & Accurate Technical Assistance
_____Advises of any Potential Trouble
_____Replaces Rejected Items in a Timely Manner
_____Courteous & Helpful
_____Handles Complaints Promptly
_____Expedites and Handles All Courteously
_____Delivers on or Before Specified Time

Quality of Item:__________________________ Delivery: ______________________________

Service:_________________________________ Comments: ____________________________

PURCHASE ORDER QUANTITIES ARE OVER OR SHORT: ________________________________

Overall Rating: Please rate the vendor for this purchase on a scale of 1-10 with (1) indicating unacceptable performance and (10) indicating extreme satisfaction with the vendor.

OVERALL RATING: _____________________

City of Lenoir

PURCHASE ORDER/QUOTE FORM

EXHIBIT C

Employee Name:	Department:

DATE QUOTES OBTAINED:	DATE GOODS ARE REQUIRED:	______DEPT WILL PICK UP ______EMERGENCY ORDER

	VENDOR 1 NAME	VENDOR 2 NAME:	VENDOR 3 NAME:
VENDOR #:			
CONTACT:			
PHONE #:			
TOTAL QUOTE:			

ACCOUNT #	QTY	ITEM DESCRIPTION	UNIT	TOTAL

REASON(S) QUOTES NOT OBTAINED /EXPLANATION OF SOLE SOURCE OR EMERGENCY:

REQUEST TO SURPLUS CITY PROPERTY

Department Requesting Disposal of Surplus Property	
Date of Request	
Department Name	
Contact Name	
Phone	

ITEM	QTY	CODE*	SERIAL / VIN #	MAKE	MODEL / YEAR	MILEAGE/ MACHINE HOURS	REASON FOR REQUEST	CURRENT LOCATION OF THE ITEM	ORIGINAL PURCHASE PRICE	DATE OF PURCHASE	ESTIMATED SALVAGE VALUE	ITEM IN WORKING ORDER Y/N	APPROVED TO LIST ON GOVDEALS
													☐
													☐
													☐
													☐
													☐
													☐

***Please enter one CODE per item: (S1) Obsolete (S2) Too Costly to Maintain (S3) Beyond Repair (S4) Cannibalized (S5) Employee Retirement**

APPROVED BY	DATE

ITEM	DATE OF SALE	SELLING PRICE	DATE OF DEPOSIT	BUDGET CODE FOR DEPOSIT	DATE ITEM REMOVED FROM INVENTORY		BY WHOM - SIGNATURE	DATE ITEM REMOVED FROM INSURANCE	BY WHOM - SIGNATURE	DATE TAG CANCELLED OR TRANSFERRED	BY WHOM - SIGNATURE
-											
-											
-											
-											

ALL SURPLUS ITEMS ARE LISTED ON GOVDEALS IN ACCORDANCE WITH CITY OF LENOIR RESOLUTION NO. 6-2007, NC GENERAL STATUTES 160A-270 AND NCGS 160A-270 (c)

Lenoir Police Department

1035 West Avenue NW
Lenoir, North Carolina 28645
(828) 757-2121 ● Fax (828) 757-2103

Yuneec H520

DIMENSIONS 20.5 x 17.9 x 11.6 inches

FLIGHT TIME 28 Min

WEIGHT 3.6 lbs

MAXIMUM ALTITUDE 500 m

MAXIMUM FLIGHT DISTANCE 1 MILE

Capable flight in High Wind

Capable flight in rainy conditions

Neither flight data nor images, videos or log files are forwarded to external servers and remain in your possession. Thus, your data is optimally protected.

Intended Uses

- Scene Documentation ie;
  - Crash Scene
  - Crime Scene
  - Natural or Man-Made Disaster
- Critical Incident Assessment
- Search and Rescue
  - Silver Alerts
  - Amber Alerts
  - Other Search and Rescue Missions
- Other City Department Assistance where Public Safety Concern Exists

Training

- In house training of operators on 05/23/2018 by Yuneec
- Applicable Operators to acquire proper FAA Licensing
- Documented Quarterly sUAS Team Training

Projected Readiness

- June 2018

Lenoir Police Department Standard Operations Manual

Policy Number ______

Section Title: SMALL UNMANNED AIRCRAFT SYSTEMS

Effective Date: June 1, 2018

Department Policy

It is the policy of the Lenoir Police Department to utilize Small Unmanned Aircraft Systems *(sUAS)* in the safe collection of additional digital evidence, which is often made possible through elevated unmanned positions. Duly trained and authorized agency personnel may deploy sUAS when such use is appropriate in the performance of their official duties, and where such deployment and collection of any digital evidence originating from or generated by the sUAS comply with the policy provisions provided herein, as well as federal, state, and local laws and/or regulations.

Small Unmanned Aircraft Systems *(sUAS)* under the control of the Lenoir Police Department shall not be used as covert surveillance tools or for the purpose of gathering advanced intelligence related to criminal investigations, unless life-threatening situations exist, and only then with approval of the Chief of Police.

I. PURPOSE

This policy is intended to provide assigned and authorized personnel with mandates and guidelines for the proper law enforcement and public safety utilization of sUAS technology and the information it provides.

II. DEFINITIONS

Although some of these terms may not be specific to this policy, they are relevant to the understanding, operation, and management of unmanned aircraft.

Digital Media Recordings (DMR): Digital recording of images, sounds, and associated data.

Model Aircraft: A remote controlled aircraft used by hobbyists that is built, produced, manufactured, and operated for the purposes of sport, recreation, and/or competition.

Unmanned Aircraft (UA) or Unmanned Aerial Vehicle (UAV): An aircraft that is intended to navigate in the air without an on-board pilot. Also commonly referred to as Remotely Piloted Aircraft *(RPA)*, Remotely Operated Vehicle *(ROV)*, or Drone.

Unmanned Aircraft System (UAS): A system that includes the necessary equipment, network, and personnel to control an unmanned aircraft.

Small Unmanned Aircraft Systems (sUAS): UAS systems that utilize UAVs weighing less than 55 pounds and are consistent with Federal Aviation Administration *(FAA)* regulations governing model aircraft.

sUAS Flight Crewmember: A pilot, visual observer, payload operator or other person assigned duties for a sUAS for the purpose of flight or training exercise.

Unmanned Aircraft Pilot: A person exercising control over a UA/UAV/UAS/sUAS during flight.

III. PROCEDURES

A. Administration

All deployments of sUAS must be specifically authorized by the Chief of Police or his/her designee. This agency has adopted the use of sUAS to provide an aerial visual perspective when responding to emergency situations involving articulable and exigent public safety circumstances, and for the following objectives:

1. Scene Documentation: To document a crime scene, crash scene, accident scene, or other major incident scene *(e.g., natural or man-made disaster, large-scale forensic scene investigation, etc.)*.

2. Situational Awareness: To assist decision makers *(e.g., incident command staff, emergency management personnel, event planners, etc.)* in understanding the nature, scale, and/or scope of an incident or event and planning and/or coordinating a safe and effective response.

3. Search and Rescue: To assist in missing person investigations, AMBER Alerts, Silver Alerts, and other search and rescue missions.

4. To assist other City of Lenoir Departments when such requests involve a documented public safety purpose.

B. Procedures for sUAS Utilization

1. The Lenoir Police Department will obtain applicable authorizations, permits, and/or certificates required by the Federal Aviation Administration *(FAA)* prior to deploying or operating the sUAS. All such authorizations, permits, and/or certificates shall be maintained and current at all times.

2. The sUAS will be operated only by authorized personnel *(pilots and crew members)* who have been trained and certified in the operation of the Lenoir Police Department system(s).

3. sUAS-certified personnel shall conduct standardized inspections and tests on sUAS equipment prior to each deployment to verify the proper functioning of all equipment and the airworthiness of the device.

4. The sUAS equipment is the responsibility of assigned individual officers and will be used with reasonable care to ensure proper functioning. Equipment malfunctions or maintenance needs shall be brought to the attention of the appropriate Division Commander as soon as possible so that repairs and/or maintenance can be procured.

5. The sUAS equipment and all data, images, video, and metadata captured, recorded, or otherwise produced by the equipment is the sole property of the Lenoir Police Department.

6. All flights will be documented on a form or database designed for that purpose, and all flight time shall be accurately recorded. In addition, each deployment of the sUAS shall include information regarding the reason for the flight; the date, time, and location of the flight; the names of the supervisor approving the deployment and the staff assigned; and a summary of the activities covered, actions taken, and outcomes from the deployment. Documentation shall be forwarded through the chain of command to the Chief of Police for review.

7. Advanced public notification of sUAS flight shall be made in coordination with the City of Lenoir Public Information Officer. Exceptions to this requirement for instances where officer safety or investigation could be jeopardized, or where such notification is neither reasonable nor practical, must be approved by the Chief of Police or his/her designee.

8. sUAS shall not be used as a covert surveillance tool or to gather advanced intelligence related to criminal investigations. However, when authorized use involves specific and articulable grounds to believe that the sUAS will collect evidence of criminal wrongdoing and the sUAS will be used in a manner that is likely to intrude upon reasonable expectations of privacy, the agency will obtain a search warrant prior to conducting the flight.

C. Restrictions on sUAS Utilization

1. The sUAS shall be utilized only in support of official law enforcement duties, public safety missions, and upon requests of other City of Lenoir departments when a public safety purpose exists.

2. The sUAS shall not be operated in an unsafe manner or in violation of FAA rules.

3. The sUAS shall not be equipped with weapons of any kind.

4. The sUAS shall not be utilized for personal reasons.

D. Digital Media Recordings (DMR) Retention and Management

1. All DMR shall be handled in accordance with existing policy on data and record retention, as applicable.

2. All DMR shall be securely downloaded at the completion of each mission. The sUAS-certified operators will record information for each file that shall include the date, time, location, and case reference numbers or other mission identifiers, and identify all sUAS personnel involved in the mission.

3. Officers shall not edit, alter, erase, duplicate, copy, share, or otherwise distribute, in any manner, any sUAS DMR without prior written authorization and approval of the Chief of Police or his/her designee.

4. All access to sUAS DMR must be specifically authorized by the Chief of Police or his/her designee, and all access is to be audited to ensure that only authorized users are accessing the data for legitimate and authorized purposes.

5. Files shall be securely stored in accordance with agency policy and state records retention laws.

E. sUAS Supervision and Reporting

1. sUAS supervisory personnel shall manage all deployments and uses of sUAS to ensure that officers equipped with sUAS devices utilize them in accordance with the policy and procedures defined herein.

2. An authorized sUAS supervisor or administrator will audit flight documentation at regular intervals. The results of the audit will be documented and filed. Any changes to the flight time counter will be documented.

3. The Chief of Police shall publish quarterly and annual reports documenting the agency's deployment and use of sUAS devices. These reports, at a minimum, will include deployment dates, times, general locations, specific purposes, number of officers involved, and general summaries of results and outcomes.

F. Training

1. Police personnel who are assigned sUAS must complete an agency-approved training program to ensure proper use and operations. Such training will be based on current standards and best practices as determined by professional institutions such as the Federal Aviation Administration *(FAA)*, the International Association of Chiefs of Police *(IACP)*, the Police Executive Research Forum *(PERF)*, the University of North Carolina School of Government *(UNCSOG)*, and the North Carolina Justice Academy *(NCJA)*, as well as manufacturer's recommendations. Additional training shall be required at periodic intervals to ensure the continued safe and effective operation of the equipment and to incorporate changes, updates, or other revisions in policy and equipment.

2. All agency personnel with sUAS responsibilities, including command level officers, shall be trained in local, state, and federal laws and regulations, as well as policies and procedures governing the deployment and use of sUAS.

Acknowledgment

This document was developed with assistance from the International Association of Chiefs of Police (IACP) Law Enforcement Policy Center in cooperation with the IACP Aviation Committee.

July 2018

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3 Cancelled-City Council Meeting	4 City Offices Closed! 5:00 p.m. - 10:00 p.m. 4th of July Celebration Mulberry Rec. Center	5	6 7:00 p.m. - 10:00 p.m. The Tre'King Band (on Square)	7 8:30 p.m. Fabulous Film Night "Star Wars The Last Jedi" (on Square)
8	9 Cancelled-City/County Services Committee	10 8:00 a.m. EDC	11	12 4:00 p.m.Tourism Dev. Authority 6:00 p.m. LBAB Blackberry Fest. Event	13 Blackberry Events (Downtown Lenoir)	14 9:00 a.m. Blackberry Festival (Downtown)
15 Blackberry Festival Event	16	17 6:00 p.m. City Council	18 9:00 a.m. Staff Mtg.	19 4:00 p.m. - 6:00 p.m. Retirement Reception Scott Brown, Police Chief (Civic Center)	20 7:00 p.m. - 10:00 p.m. The Shiloh Hill Band (on Square	21 8:30 p.m. Fabulous Film Night "Coco" (on Square)
22	23 5:30 p.m. Planning Board	24 Cancelled-Committee of the Whole	25 Cancelled-Foothills Regional Airport Authority	26	27 7:00 p.m. - 10:00 p.m. Deacon Black Band (on Square	28
29	30	31				

Notes for August

The annual Harambee Festival begins on Saturday, August 4 through Friday, August 10 at the Martin Luther, King, Jr. Facility. Activities are scheduled throughout the week.

City of Lenoir
P.O. Box 958
Lenoir, N.C. 28645
www.cityoflenoir.com
757-2200 / 757-2162 fax

Joseph L. Gibbons, Mayor
Scott E. Hildebran, City Manager
Shirley M. Cannon, City Clerk

July 2018

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