



**TOWN OF GRANITE QUARRY
BOARD OF ALDERMEN
SPECIAL CALLED MEETING
FRIDAY, OCTOBER 25, 2019 10:00 A.M.**

CALL TO ORDER Mayor Feather

1. APPROVAL OF THE AGENDA

2. DISCUSSION – SIGNATURE ON CHECK FOR PURCHASE OF TRUCK

ADJOURN

TO: Board of Aldermen
FROM: Interim Town Manager Larry Smith
RE: Maintenance F350 payment
DATE: 10/22/2019



In February, Jason presented a proposal to purchase an F350 with a snowplow in the FY19-20 budget. The Board decided not to prioritize the plow. Jason was indeed asked at that time if the truck could be prepped for a future plow, and he responded that it could.

What Jason did from there though is exactly what we should expect, encourage, and allow department heads the autonomy to do: he used his expertise and resources to research further, and develop solutions based on the Town Board's direction.

The original reason for a snowplow on this smaller truck was easier access in tight spots. Jason worked out an agreement with Faith's supervisor to hit any spots we might need with their smaller truck (if ever needed).

As Jason spec'd the F350, he found that the front plow mount stresses and wears a front end much quicker. Also, that upfitting the truck later with a plow package would not cost much more, if any, than ordering it that way now. Thus, saving the additional wear and tear on the F350 between now and some uncertain date in the future when we *might* purchase a plow only made sense.

He also spec'd the truck to safely handle any loads we will reasonably use this F350 for. He submitted it in his proposed budget. It made it through the budgeting process, and the Board included it in the Maintenance Department's FY19-20 budget.

After July 1st, Jason therefore shopped around, got the best price, confirmed everything with Finance, and ordered the F350.

Since mid-August, Mayor Feather has exhaustively questioned Jason and other staff about the specs and the purchase. Jason has gone out of his way to explain his choices, double checked the Town Board's feedback, and he and Shelly have *both* double/triple checked that the purchase met all statutory requirements and town purchase policies.

Payment is due for the F350. Shelly cut and signed the check 10/14/19, and included it in this last check batch. Mayor Feather is refusing to sign the check, saying the Board has to review it first.

The last capital purchase the Town Board reviewed was a Bobcat skidsteer - but that was an unbudgeted item the Board of course had to appropriate monies for. I have not looked back further than that, since any former policies would have no bearing on the adopted policies under which we are governed now.

I have explained that if the *Town Board* indeed wants to review all the specifications of purchases, we could of course discuss amending the Town Purchasing Policy to allow for that on future purchases.

At this point though, I have quadruple-checked behind Jason and Shelly and can find no current state or town policy authorizing the mayor or staff to arbitrarily continue withholding this payment that's due.



**Exceptions to State Competitive Bidding Requirements
For North Carolina Local Governments**

Exception	Applies To:	Description	Board Approval Required?	Other Requirements
State Contract G.S. 143-129(e)(9)	Informal and formal purchases	Purchases from contracts established by State of NC if the contractor is willing to extend the same or more favorable prices, terms and conditions	No	None
Federal Contract G.S. 143-129(e)(9a)	Informal and formal purchases	Purchases from contracts established by a federal agency if the contractor is willing to extend the same or more favorable prices, terms and conditions	No	None
Used Goods G.S. 143-129(e)(10)	Informal and formal purchases	Purchase of used goods from a public or private entity; remanufactured, refabricated, or demo goods are not included under this exception	No	None
Piggyback G.S. 143-129(g)	Formal purchases	Purchases from contracts entered into by any federal, state, or local government in U.S. that have been competitively bid within the previous 12 months if the contractor is willing to extend the same or more favorable prices, terms and conditions	Yes	Board approval at a regular meeting after at least 10 days public notice (notice may be given by publication and electronic means; notice by electronic means only requires governing board approval)

III. PURCHASING PROCEDURE

FOR THE PURCHASE OF ANY MATERIALS, SUPPLIES, EQUIPMENT, ETC. THE FOLLOWING GUIDELINES SHALL APPLY;

3.1 Purchases from \$0 - \$99.99

Purchases in this range will not require a purchase order, however the Department Head or their designee must confirm that funds are available prior to making a purchase.

3.2 Purchases from \$100.00 - \$999.99

Purchases in this range require a purchase order and the approval of the Department Head or their designee. Department Head or designee is responsible for verifying funds are available. Purchase orders must be signed and dated by Department Head or designee and submitted to Finance prior to purchase for pre-audit purposes. Once the purchase order is pre-audited, a purchase may be made.

3.3 Purchases from \$1,000.00 - \$7,499.99

Purchases in this range require a purchase order, Department Head or designee approval, and the approval of the Town Manager. Department Head or designee is responsible for verifying funds are available. Purchase orders must be signed and dated by the Department Head or designee and the Town Manager then submitted to Finance prior to purchase for pre-audit purposes. Once the purchase order is pre-audited, a purchase may be made.

3.4 Purchases from \$7,500.00 - \$29,999.99

Purchases in this range require a purchase order, Department Head or designee approval, and the approval of a member of the Board of Aldermen. Department Head or designee is responsible for verifying funds are available. Purchase orders must be signed and dated by the Department Head or designee and a member of the Board of Aldermen then submitted to Finance prior to purchase for pre-audit purposes. Once the purchase order is pre-audited, a purchase may be made.

3.5 Purchases from \$30,000.00 - \$89,999.99

Purchases in this range fall within the informal range of bids and are subject to all requirements of purchases in 3.4 Purchases from \$7,500.00 - \$29,999.99. Department Heads shall submit a signed and dated purchase order with informal quotes to Finance prior to purchase. Informal quotes may be received by verbal communications, email, or fax. Verbal communication should be documented. No minimum number of quotes are required; however, it is encouraged that every attempt is made to acquire at least three (3) quotes. Purchase orders and quotes will be submitted to Finance for pre-audit purposes. Once the purchase order is pre-audited, a purchase may be made.

3.6 Purchases \$90,000.00 and over

Purchases in this range fall within the formal range of bids and are subject to all requirements of purchases in 3.4 Purchases from \$75,000.00 - \$29,999.99. 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.

5.3 Single Brand Convenience

The Town 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 provide the documentation to Finance with purchase order.

Example: One brand of printer Town-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 Town to buy ink cartridges in bulk from a single provider, further reducing cost.

5.4 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 Finance Department with questions regarding goods on State Contract.

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/>

5.5 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 Board action is necessary. For purchases of \$90,000 and above, the provisions of N.C.G.S. § 143-129 will be followed.

5.6 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 Town 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.

5.7 Service Contracts

All service contracts, for which the contractor will perform work while on Town 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

EXHIBIT B
Purchasing Procedure

