

# **LAKE LURE TOWN COUNCIL WORK SESSION PACKET**

Wednesday, April 26, 2023  
8:30 a.m.



**Mayor Carol C. Pritchett  
Mayor Pro Tem David DiOrio  
Commissioner Patrick Bryant  
Commissioner Scott Doster  
Commissioner Jim Proctor**

# **TOWN OF LAKE LURE**

## **Town Council Work Session Meeting**

Wednesday, April 26, 2023 - 8:30 AM

Lake Lure Municipal Center



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### **Agenda**

- I. Call to Order**
- II. Agenda Adoption**
- III. Review Draft Procurement Policy – Page 1**
- IV. Review Draft Card Policy – Page 38**
- V. Review Proposed Amendments to the Rules of Procedure for the Lake Lure Town Council – Page 50**
- VI. Discuss Dredging Contract – Page 63**
- VII. Discuss Budget Schedule – Page 64**
- VIII. Video Production Update – Page 66**
- IX. Discuss Land and Water Conservation Fund (LWCF) Grant – Page 72**
- X. Review Rumbling Bald Request to Rearrange the Placement of the Cluster Mooring Located on the Northwest end of the Lake – Page 75**
- XI. Review Zoning and Planning Board Recommendation for Amending Article III Section 6-48 and Adding 6-52(b) of the Building and Building Regulations – Page 80**
- XII. Review Zoning and Planning Board Recommendation for Doubled Permit Fees for Project Started Without Permits – Page 82**
- XIII. Discuss Drain Valve Installation Bid – Page 84**
- XIV. Discuss Horizontal Directional Drilling (HDD) Project - Page 85**
- XV. Project Updates – Page 86**
- XVI. Town Manager Updates – Page 87**
- XVII. Closed Session in Accordance with G.S. 143-318.11(a) (3) for Attorney Client Privilege**
- XVIII. Adjournment**

**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM  
Meeting Date: April 26, 2023**

**SUBJECT:** Review Draft Procurement Policy

**AGENDA INFORMATION:**

**Item Number:** III  
**Department:** Administration  
**Contact:** Hank Perkins, Town Manager  
**Presenter:** Hank Perkins, Town Manager

**BRIEF SUMMARY:**

The Town of Lake Lure adopted a procurement policy in 2018 that is impractical to use and has led to it not being followed. Mirroring similar municipalities, Town staff has drafted a new procurement policy that establishes viable bidding and purchasing guidelines that follow state law and fit the principles of the Town. Staff is also looking to establish a policy that is comprehensive to both purchase and contracting and is up to date with all available resource guidance.

**ATTACHMENTS:**

2018 Procurement Policy; Draft Procurement Policy

# TOWN OF LAKE LURE

## PURCHASING POLICY



Administrative Policy for all  
Town Employees

Adopted by Lake Lure Town Council,  
June 12, 2018

**Town of Lake Lure, North Carolina  
Purchasing Manual**

TABLE OF CONTENTS

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	Page(s)
Glossary	iii
I. Foreword	1
II. General Guidelines	2
2.1 Local Buying	
2.2 Planning	
2.3 Buying Proper Quality	
2.4 Authorization	
III. Purchasing Procedure	3-5
3.1 Purchases less than \$1,500.00	
3.2 Purchases between \$1,500.00 and \$4,999.99	
3.3 Purchases between \$5,000.00 and \$29,999.99	
3.4 Purchases between \$30,000.00 and \$89,999.99	
3.5 Purchases \$90,000.00 and above/Services \$500,000.00 and above	
3.6 Uniform Guidance Procurement Policy	
IV. Vendor Selection	5
4.1 Selection Policy	
4.2 Gifts and Gratuities	
V. Special Procurement Procedure	6-8
5.1 Blanket Purchase	
5.2 Emergency Purchase	
5.3 Sole Source of Supply	
5.4 Single Brand Convenience	
5.5 NC Purchase Contract and Cooperative Purchasing Agreements	
5.6 Piggybacking	
5.7 Professional Services	
5.8 Service Contracts	
5.9 Vendors with Town Accounts	
VI. Delivery and Performance	9
6.1 Partial Deliveries	
6.2 Non-Performance	

Town of Lake Lure, NC Purchasing Policy

VII.	Inspection and Testing	9-10
	7.1 Rejection	
	7.2 Damaged Goods	
	7.3 Latent Defects	
VIII.	Vendor Relations	10
IX.	Sale of Town Property	10
X.	Fuel Cards	10
XI.	Purchase Cards	11-12
	11.1 Employee Responsibilities	
	11.2 Receipts and Receipt Submission	
	11.3 Unauthorized Purchases	
	11.4 Consequences of Improper Use	
XII.	Fringe Benefits	12
XIII.	Exhibits	13

Exhibit A. Items Not Requiring a Purchase Order Exhibit

Exhibit B. Vendor Performance Evaluation Exhibit

Exhibit C. Purchase Order/ Quote Form

Exhibit D. Sale of Town Property Authorization

GLOSSARY

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**Bid:** A multi-step process required of the Town 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 the Formal Bid limit. Request for quotes are not required to be advertised to the public. Purchases in this category need to be approved by Town 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 Town 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 Town 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. FOREWORD

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

The understanding and cooperation of all employees is essential in order for the Town 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 Town procurement methods.

The goals of the Town'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 Town.
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 Town departments the required goods and services in a timely manner in the proper quantity and quality while providing necessary information to the Town 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 Town meet set goals. Any questions or concerns about this manual or the established procedures should be directed to the Town Finance Department.

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



## II. GENERAL GUIDELINES

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### 2.1 Local Buying

It is the desire of the Town of Lake Lure to contract with vendors within the Town and Rutherford County whenever possible. The Town has a responsibility to its citizens and local businesses; however, the Town must ensure taxpayer money is spent with prudence. The Town **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 Town business.

### 2.2 Planning

It is imperative that all Town 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 Town because proper planning reduces unnecessary clerical and supervisory time costs associated with the procurement process.

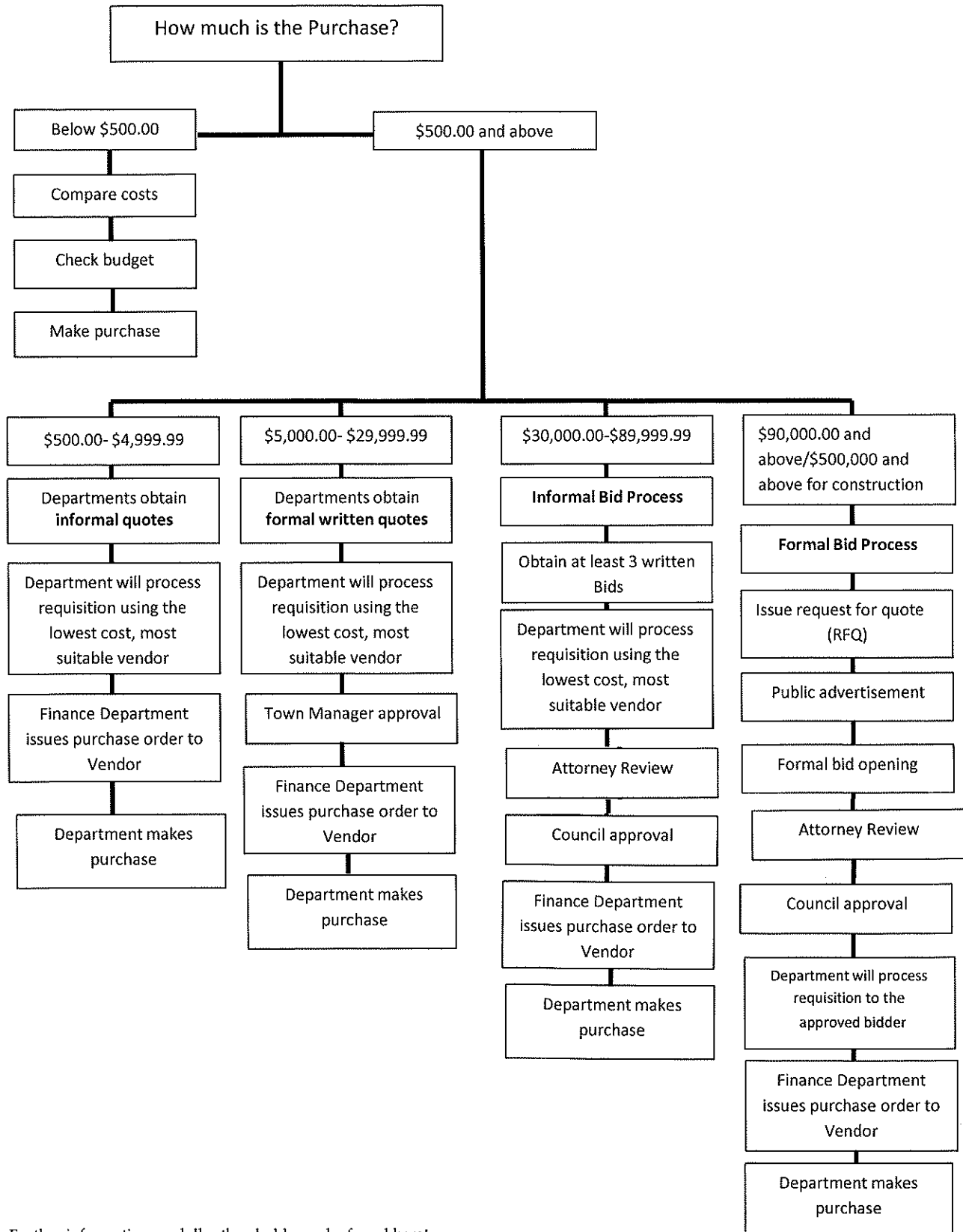
### 2.3 Buying Proper Quality

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 Town from excess expenses in the future. The requesting department should take this into consideration when making a purchase.

### 2.4 Authorization

Department Heads have been delegated the authority to approve purchases made under \$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.

**PURCHASING FLOW CHART**



Further information on dollar thresholds can be found here:  
<http://www.sog.unc.edu/sites/www.sog.unc.edu/files/Dollar%20Thresholds%20Chart%202013.pdf>

### III. PURCHASING PROCEDURE

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#### 3.1 Purchases less than \$500.00

Purchases less than \$500 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 \$500. These purchases may be made by utilizing the Town's Procurement Card (P-Card) process, check requests, or vendor accounts. Please see the Town's specific policy for acceptable P-Card expenses. 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.

#### **ALL PURCHASES \$500.00 AND ABOVE REQUIRE A REQUISITION AND PURCHASE ORDER (PO).**

#### 3.2 Purchases between \$500.00 and \$4,999.99

Purchases in this price range may be obtained by the requesting department(s) through an **informal quote** process. No minimum number of quotes is required however, 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.

#### 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. Purchases in the formal range require Town Manager approval. 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, if available, will receive the RFQ. Every effort will be made to obtain at least three (3) quotes. 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 require Town 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

## Town of Lake Lure, NC Purchasing Policy

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 Town 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 Uniform Guidance Procurement Policy

Contracts funded with federal grant and 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).

## **IV. VENDOR SELECTION**

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### 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 Town of Lake Lure will not use vendors who have been debarred by Federal, State, or Local governments.

### 4.2 Gifts and Gratuities

Town 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. The Town will not tolerate circumstances that produce, or reasonably appear to produce, conflicts between the personal interests of an employee and the interests of the Town. Accordingly, the Town may terminate, at no charge to the Town, any purchase order contract if it is found that substantial gifts or gratuities were offered to a Town employee. The Town may also take disciplinary action, including dismissal, against a Town employee who solicits or accepts gifts or gratuities of any value whatsoever.

## V. SPECIAL PROCUREMENT PROCEDURES

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### 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
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 Town 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 Town of Lake Lure 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 Finance 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 will 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 Department. 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 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 attach such documentation to each requisition.

**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.

### 5.5 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 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](http://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/>

#### 5.6 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 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.

#### 5.8 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 must be reviewed by the Town Attorney, signed by the Town Manager, pre-audited by the Finance Director, and be filed in the office of the Town Clerk. The executed contract should be scanned and attached to the department requisition that is forwarded to the Finance Department. The Town 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 Town Council through direct award or budget authorization may be executed by the Town Manager. Subsequent orders changing the original contract, which do not exceed the approved cost of the contract, will be executed by the Town Manager.

Town 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 Town Manager

#### 5.9 Vendors Town Accounts

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

## **VI. DELIVERY AND PERFORMANCE**

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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.

## **VII. INSPECTION AND TESTING**

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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 Town'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 Town may file a claim against all parties. A memo attached to a copy of the purchase order must be forwarded to the Finance Department.

## **VIII. VENDOR RELATIONS**

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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.

## **IX. SALE OF TOWN PROPERTY**

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The Town Manager has been authorized by the Lake Lure Town Council to declare as surplus single asset or property or a group of items with a value of up to \$5,000.00, to set its fair market value, and to convey title to the property and to advertise electronically the sale of any personal property. The Town Manager shall sign the Sale of Property Authorization form **prior** to the sale or disposal of any Town 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. N.C.G.S. § 160A-265 through 280 should be referenced before the sale of any Town property in order to ensure statutes and procedure are followed properly.

## **X. FUEL CARDS**

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Fuel cards will be assigned to Town owned vehicles and are required to be used to purchase fuel for Town 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 Town employees to use fuel cards to purchase fuel for any other vehicle or equipment other than which the card was issued to. Fuel cards are required to remain with the assigned vehicle and any missing cards should be reported immediately. Employees are required to use their 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.

## XI. PURCHASE CARDS

Purchase cards exist to provide departments a flexible and efficient way to make small purchases. Purchase cards empower the cardholder to acquire necessary materials to conduct business and/ or deliver services in a more convenient and expeditious manner. Purchase cards should not be used to procure items or services not directly related to Town business. Purchase cards cannot be used to purchase fuel for city vehicles. All Town vehicles will have fuel cards which must be used.

### 11.1 Employee Responsibilities

No purchase over \$500.00 shall be made using the purchase card system without a purchase order. Purchase cards assigned to employees may have approval limits set by Department Heads below the \$500.00 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 purchase card that each cardholder receives shall only be used by the cardholder. 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 scanning all receipts into the purchase card banking system. Receipts are required for all purchases. Failure to scan and attach receipts in a timely manner may result in the cardholder losing the privilege of using a Town purchasing card.
4. Purchase cards may be used by for lodging and for training/ professional activities. Purchase cards cannot be used for meals during employee travel. Cardholders should consult the Town's Travel Policy for more information.

### 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. Repeated lost or missing receipts may result in a cardholder losing the privilege associated with a Town purchasing card. A detailed receipt should be provided for all purchases.

Receipts should be scanned into the on-line Purchase Card Bank system and attached to their corresponding transaction. Scanning receipts to the system will streamline the accounts payable procedure and make processing transactions simpler for all parties involved.

11.3 Unauthorized Purchases

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

1. Personal purchases for one's self or family members 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 Town business

11.4 Consequences of Improper Use

A cardholder who makes unauthorized purchases or carelessly uses a purchase card will be liable to the Town of Lake Lure 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. Town policy strictly forbids anything in exchange for making a purchase.

For further information regarding the Town's Purchasing Card Policy, review the "Credit Card Purchases" form found at <http://www.townoflakelure.com>

**XII. FRINGE BENEFITS**

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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 Town Manager.

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Town of Lake Lure

**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
16. Approved travel arrangements and accommodations

# VENDOR PERFORMANCE EVALUATION

EXHIBIT B

Please take a moment to complete this vendor performance evaluation and return it to the Town 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: \_\_\_\_\_

# PURCHASE ORDER/QUOTE FORM

EXHIBIT C

Employee Name:	Department:
----------------	-------------

DATE QUOTES OBTAINED:	DATE GOODS ARE REQUIRED:	<input type="checkbox"/> DEPT WILL PICK UP <input type="checkbox"/> 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:

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Town of Lake Lure

# SALE OF TOWN PROPERTY

## AUTHORIZATION

EXHIBIT D

The Department Head is required to obtain authorization from the Town Manager **prior** to the sale or disposal of any Town Property, regardless of value. Include any additional relevant information necessary. Please attach a photo of the item sold if available.

**Complete the table below prior to the disposal of property:**

PROPERTY SOLD		SALE PROCEEDS ESTIMATE	
PROPERTY CONDITION		DEPT/BUDGET WHICH MADE THE ORIGINAL PURCHASE	
YEAR		TOWN I.D. #	
MILEAGE		VIN / SERIAL #	
MAKE		LISENCE PLATE#	
MODEL			

Other description, notes:

---



---

Department Head Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Town Manager Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

**Complete the table below after the disposal of property:**

NAME OF INDIVIDUAL OR BUSINESS THAT PROPERTY WAS SOLD TO:		DATE PAYMENT RECEIVED BY TOWN:	
SALE PROCEEDS ACTUAL	\$	SIGNATURE OF TOWN EMPLOYEE RECEIVING PAYMENT:	

This completed/ signed and authorized form must be submitted to the Finance Department along with the proceeds of any sale of property. If an item is scrapped or disposed of with no proceeds this completed/ signed and authorized form must be submitted to the Finance Director.



# Town of Lake Lure, North Carolina

## Procurement Policy

### Contents

1.0	Policy Purpose .....	2
2.0	Roles & Responsibilities .....	2
a.	Town of Lake Lure Procurement Division.....	2
b.	All Town Departments. ....	2
c.	Standards of Conduct.....	2
3.0	Penalties for Non-Compliance .....	2
4.0	Types of Purchases .....	3
a.	Goods (Apparatus, supplies, materials, or equipment).....	3
b.	Services .....	3
c.	Architects, engineers, surveyors, design-build, or construction manager at risk.....	4
d.	Construction or Repair.....	4
e.	Information Technology.....	5
5.0	Bidding .....	5
a.	Formal Bids.....	5
b.	Informal Bids.....	7
c.	Bid Specifications.....	7
d.	Request for Proposals (RFP).....	7
e.	Request for Qualifications (RFQ) .....	7
f.	Exemptions.....	8
6.0	Procurement Methods.....	10
a.	Requisitions .....	10
b.	Purchase Orders .....	10
c.	Change Orders.....	11
d.	Procurement Cards.....	11
e.	Electronic Payments .....	11
f.	Contracts.....	11
7.0	Delivery and Performance .....	12
8.0	Minority, Women, and Small Business Suppliers.....	12
	Exhibit A – Dollar Thresholds in North Carolina Public Contracting Statutes.....	14
	Exhibit B - Independent Contractor / Employee Checklist .....	15
	Exhibit C - Procurement Guidance When Using Federal Funds .....	16



## 1.0 Policy Purpose

This policy is intended to be a guide to all Town of Lake Lure Government employees responsible for obtaining apparatus, supplies, materials, equipment, and services. The intent is to design policies and procedures that will serve the Town's needs, provide for effective, efficient and economical buying processes, and follow the legal guidelines set forth in the North Carolina General Statutes.

## 2.0 Roles & Responsibilities

The procurement roles and responsibilities of Town of Lake Lure Government can largely be assigned to the following:

### a. Town of Lake Lure Finance Department

The Town's Finance Department is responsible for:

- Policy development, revision, implementation, and monitoring;
- Administration of centralized procurement programs and processes;
- Development and provision of any required procurement-related training to employees;
- Assisting all employees with procurement needs.

### b. All Town Departments

Department Directors and their designees, and all staff with procurement-related roles are responsible for the following:

- Conducting all purchasing activities in accordance with the applicable North Carolina General Statutes, Town policies and procedures, ordinances, Federal rules and regulations, and in pursuit of the best interests of Town of Lake Lure;
- Developing and maintaining good public, supplier, and internal relationships;
- Ensuring fair and open competition by ethical means;
- Extending honest, courteous, and impartial treatment to all interested suppliers;
- Respecting public trust and not abusing the procurement process for personal advantage or gain.

### c. Standards of Conduct

#### i. Gifts and Favors from Suppliers

North Carolina General Statute § 133-32 addresses the legal implications of governmental employees accepting gifts and favors from suppliers. Briefly summarized, this statute states it is unlawful for any supplier who has a current contract with a governmental agency, has performed under such a contract within the past year, or anticipates bidding on such a contract in the future to give gifts or favors to any employee of a governmental agency who is charged with preparing plans, specifications, or estimates for public contracts, awarding or administering such contracts, or inspecting or supervising construction. It is also unlawful for a governmental employee to willfully receive or accept such gifts or favors.

#### ii. Supplier Relations

Should a department have trouble with a supplier, concerns should be documented in an email to the Procurement Division. Correspondence should be as specific as possible, detailing the circumstances, dates, personnel involved (including titles), and phone numbers. This information will be helpful in determining if the supplier will be considered for future bid awards.

## 3.0 Penalties for Non-Compliance

Failure to comply with this policy may result in an audit finding and/or disciplinary action, including termination and criminal charges. Individuals and departments identified as failing to comply with Town of Lake Lure policies shall be notified and potentially identified to Town management, internal audit, and/or law enforcement, as appropriate.

**4.0 Types of Purchases**

Purchases must be made according to the dollar thresholds set forth by North Carolina law (see **Exhibit A – Dollar Thresholds in North Carolina Public Contracting Statutes**). Additional Town policies may also apply, as shown below.

a. **Goods (Apparatus, supplies, materials, or equipment)**

The following thresholds are established to govern procurement of goods.

<b>Dollar Threshold</b>	<b>Minimum Requirements</b>	<b>Approval/Signature authority</b>
\$0 - \$4,999	Multiple quotes not required P-Card recommended	Authorized Department Staff
\$5,000 - \$29,999	Multiple quotes recommended Requisition Purchase Order or Contract	Town Manager or Designee
\$30,000 - \$89,999	Informal bid process Requisition Purchase Order or Contract	Town Manager or Designee
\$90,000 or greater	Formal bid process Purchase Order or Contract	Town Manager or Designee Town Council Notified

i. **Vehicle Purchases**

The purchase of vehicles outside of the Police and Public Services departments should be coordinated in conjunction with the Procurement Division. Title and/or bill of sale must be received and maintained for all vehicle purchases.

ii. **Buy and Sale of Real Property**

The buy and sale of real property at any dollar amount must be approved by the governing Council.

b. **Services**

Competition may be formal or informal based on the dollar amount and project (RFP, simple quotes, or other best practice method). Award should be based on the best overall, justifiable solution, which may include cost and other factors. Refer to **Exhibit B - Independent Contractor / Employee Checklist** for help in determining whether someone qualifies as an independent contractor.

<b>Dollar Threshold</b>	<b>Minimum Requirements</b>	<b>Approval/Signature authority</b>
\$0 - \$4,999	Best practice based on the needs of the department Purchase Order recommended Contract may be advisable based on risk	Authorized Department Staff
\$5,000 - \$89,999	Best practice based on needs of the department Purchase Order or Contract required Contract may be advisable based on risk	Town Manager or Designee
\$90,000 or greater	Solicitation or Request for Proposals required unless waived (reason for waiver must be provided) Purchase Order or Contract	Town Manager or Designee Town Council Notified

Contracts with schools, universities or other agencies for student interns	Contract	Town Manager or Designee
One-year leases, rentals and maintenance contracts	Contract	Town Manager or Designee
Multi year leases, rentals, and maintenance contracts	Contract	Town Manager or Designee Town Council approval required if contract does not include non-appropriations clause

For services contracts, consider the following:

- Issuance of a Request for Proposals (RFP) is the preferred method when and if a Town department chooses to use a more formal competitive solicitation process.
- The procedures for advertising and proposal opening are flexible.
- Award of service contracts may be based on factors other than cost and responsiveness with such factors as vendor experience, qualifications, and solution possible taking precedence over price.

**Waiver of competitive solicitation of services contracts**

A Department may waive the requirement for issuance of a competitive solicitation for a services contract over \$90,000 when it is in the Town’s best interest to do so. Examples of such instances include the following:

- continuum of service delivery is paramount;
- competition will not yield significant benefits;
- when only a single vendor can provide a specific service.

**c. Architects, engineers, surveyors, design-build, or construction manager at risk**

Dollar Threshold	Minimum Requirements	Approval/Signature authority
\$0 - \$49,999	Qualification-Based Selection (unless exempted) Contract	Town Manager or Designee
\$50,000 - \$89,999	Qualification-Based Selection Contract	Town Council or Designee
\$90,000 or greater	Qualification-Based Selection Contract	Town Council Approval

**1. Qualification-Based Selection (QBS)**

- A Selection Committee comprised of at least 3 members must be used.
- A scoring process and criteria based on qualifications shall be used to evaluate participating firms.
- When using construction manager at risk, prequalification of first-tier subcontractors must be determined as stated in General Statute §143-128.1.
- If the exemption of the qualification process is being used it must be noted in any advertisement or announcement.

**2. Task Orders**

Any task order issued by an architect, engineer, or surveyor shall be approved by the Council or an employee designated by the Council.

**d. Construction or Repair**

General Statute § 143-129 requires the obtaining of formal bids for construction or repair for projects of \$500,000 and above. An advertisement must run one time at least ten calendar days before the bid opening. The advertisement must list the date and time of the bid opening, mention where the specifications may be obtained, and state that the Council reserves the right to reject any and all bids.

Three bids are required and if three are not received, the project must be re-advertised at least ten days before the next bid opening. If three are still not received, a contract can be awarded by the Town Council after evaluation, to the lowest responsive, responsible bidder, taking into consideration quality, performance, and the time specified for performance of the contract.

Dollar Threshold	Minimum Requirements	Approval/Signature authority
\$0 - \$4,999	Best practice based on the needs of the department	Authorized Department Staff
\$5,000 - \$29,999	Best practice based on the needs of the department Purchase Order or Contract	Town Manager or Designee
\$30,000 - \$89,999	Informal bid process Purchase Order or Contract	Town Manager or Designee
\$90,000 - \$499,999	Informal bid process Purchase Order or Contract	Town Manager or Designee BOCC Notified
\$500,000 or greater	Formal bid process Contract	BOCC Approval

e. **Information Technology**

Procurement of information technology goods and services are governed by N.C.G.S. 143-129.8 and N.C.G.S. 143-135.9.

**5.0 Bidding**

All bidding shall be compliant with North Carolina statutes.

When procurement requires both the purchase of goods and services, it is imperative to determine which element, whether goods or services, constitutes the larger component of cost. **The element constituting the larger portion of the procurement is the predominant aspect.** The predominant aspect must be identified in order to determine the procurement method required to fulfill the purchase.

The record of bids submitted shall be maintained. Departments should supply this record to the Finance Officer as directed.

a. **Formal Bids**

A **competitive bid process** in compliance with NCGS § 143-129 must be used in the following cases:

- Purchase of supplies, materials, and equipment estimated at \$90,000 and above;
- Construction or repair contracts estimated at \$500,000 and above.

**1. Notify Finance Department** that a formal bidding process is required.

**2. Prepare Specifications**

Detailed written specifications will be prepared by the requesting Department with the assistance of the Finance Officer or designee when needed. Refer to the section labeled “Bid Specifications” for additional information.

**3. Create Bid Package or Request for Bid**

A Request for Bid will be issued and will contain at a minimum the following information:

- A. The name of the requesting department.
- B. A brief description of the goods or services to be purchased.
- C. The date and time of the bid opening.
- D. The date and time of the pre-bid conference, if applicable.
- E. The name of the Finance Officer or designee.

- F. General Conditions, applicable for a Formal Bid Proposal.
- G. Specific requirements for the goods or services to be purchased.

#### 4. Post Advertisements

Advertisement of Bids: North Carolina General Statute § 143-129(b) requires that at least seven (7) calendar days must lapse between the date the advertisement appears and the date of the opening of formal bids. Bidding opportunities are publicized electronically using the Town website and the North Carolina League of Municipalities website. The Town may also choose to publicize bid opportunities in the local newspaper.

#### 5. Submission of Bids

Proposals for Formal Bids must comply with the following:

- A. Oral, telephone, or faxed bids are not accepted: The Finance Officer or designated staff will not accept oral bids nor bids received by telephone, or fax, for formal bids.
- B. Bids must be sealed: Bids shall remain sealed until the date and time set for the opening.
- C. Deviations: Bids containing conditions, omissions, erasures, alterations, or items not called for in the bid may be rejected by the Town as being incomplete.
- D. Bid forms must be signed: The bid forms must be signed in order to be considered a responsive, responsible bid. If a bidder is a corporation, the bid must be submitted in the name of the corporation, not the corporation's trade name. The bidder must indicate the corporate title of the individual signing the bid.
- E. Confirmation of receipt: The bidder is responsible for confirming the receipt of a bid submission.

#### 6. Receipt of Bids

The Finance Officer or designee will receive bids as follows:

- A. Bids must be received timely: If bid specifications indicate bids are to be delivered in person, through the postal mail, or by parcel service, bids must be delivered no later than the date and time set for the receipt of bids in the bid specifications.
- B. Bids must be kept in a secure location until opened: All bids received must be sealed and will be kept in a secure location until the time and date set for the opening of bids.
- C. Identity of Bidders confidential: Prior to the time and date of opening, the identity of the suppliers submitting bids and the number of bids received is confidential and may be disclosed only to Town officials and only when disclosure is considered necessary for the proper conduct of the bidding process.
- D. Inadvertent opening of bid: If a bid is inadvertently opened in advance of the prescribed bid opening, the Finance Officer or designee will write an explanation of the inadvertent opening on the envelope, with the bid number, time and date of opening. The envelope will be resealed and deposited with the other bids.
- E. Late Bids: Late bids will not be considered under any circumstances and will be returned unopened with a letter or email of explanation to the sender.

#### 7. The Opening of Bids

The Finance Officer or designee will open formal bids according to the following procedure:

- A. Bids opened and read aloud: All bids received timely will be opened and publicly read aloud at the time and date established for such opening in the Bid Package.
- B. Bids submitted electronically: Bids received via the electronic purchasing system are closed at the determined close time. A bid tally will be run indicating the suppliers responding to the bid and their bid amounts as submitted.
- C. Bids submitted for Information Technology goods and services: Proposals submitted for information technology goods or services, including software, telecommunications, data processing, etc., are not subject to public inspection until a contract is awarded. Therefore, there will be no public bid opening to comply with NCGS 143-129.8 for information technology related items.

## 8. Evaluation of Bids

The bids received timely will be examined by the Finance Officer or designee for compliance with the requirements set forth in the Bid Package. The Finance Officer or designee will review each bid to determine whether it has facial deficiencies that preclude it from being examined further.

## 9. Award

Bids shall be awarded in accordance with North Carolina General Statutes § 143-129(b) to the lowest responsive, responsible bidder taking into consideration quality, performance, and the time specified in the proposal for the performance of the contract.

### b. Informal Bids

An informal bidding process will be used for the following:

- Construction or repair contracts estimated from \$30,000 to \$499,999
- Purchases of supplies, materials, and equipment estimated from \$30,000 to \$89,999

While informal bids are acceptable at these thresholds, departments may also choose to use a formal process if desired. If the estimated total dollar amount of an informal purchase is over \$80,000 for purchases of goods or over \$450,000 for construction or repair contracts, then it is recommended to use a formal bid process to prevent rebidding if all quotes received are over the formal threshold.

NCGS § 143-131 does not specify any methods for securing informal bids, however it does require awards be made to the lowest responsible bidder taking into consideration quality, performance, and the time specified in the bids for the performance of the contract. Methods of receiving quotes are at the discretion of the Finance Officer or the requesting department designee.

State and Town policy require the following for all informal bids:

- Written documentation of contacting more than one vendor to support the competitive process.
- All verbal pricing or quotes must be documented in writing.
- The record of bids shall not be subject to public inspection until the contract is awarded.

### c. Bid Specifications

When using a formal or informal bidding process, specifications must be prepared. All specifications should do at least the following:

1. Identify minimum requirements;
2. Encourage competitive bids;
3. Be capable of objective review;
4. Provide for an equitable award at the lowest possible cost;
5. Identify factors to be used in evaluating bids.
6. Specifications will be as simple as possible while maintaining the degree of exactness required to prevent bidders from supplying substandard goods or services and otherwise taking advantage of their competitors.
7. All specifications utilizing a name brand must include the term "or substantially equivalent" to avoid being restrictive and eliminating fair competition from the bidding process.

Different methods of structuring specifications include:

- Qualified products on acceptable supplier list
- Specification by architectural or engineer drawings
- Specification by chemical analysis or physical properties
- Specification by performance, purpose or use
- Specification by identification with industry standards
- Specification by samples

### d. Request for Proposals (RFP)

NCGS § 143-129.8 authorizes the use of a Request for Proposals (RFP) process rather than an Invitation to Bid (ITB) in certain instances. RFP's may be used for the following:

- Purchases of services;
- Any combination of goods or services, particularly when the services component of the purchase is greater than the goods component;

- Technology and services contracts;
- Other combinations of goods and services not best handled by NCGS 143-129 and where departments have a need for a more flexible approach.

e. **Request for Qualifications (RFQ)**

In instances where a Qualifications-Based Selection (QBS) is required, a Request for Qualifications (RFQ) will be used to solicit responses from interested firms and individuals. The Finance Officer or designee should be notified to begin this process, to guide the QBS through selection, and to assist with creation of a proper RFQ.

f. **Exemptions**

G.S. 143-129 defines several exemptions to the competitive bidding requirements. The following categories of purchases are exempt from both the formal and informal bidding requirements established in G.S. 143-129. However, the following list is just a shorthand statement of these categories; before attempting to make purchases using these exceptions read the relevant sections of the statute contained in G.S. 143-129 very carefully as this statute provides additional guidance. Items 1) through 11) are found in G.S. 143-129 (e). Statutory guidance as to the other items is found in the statutes listed beside the item.

1. Purchases from other units of government;
2. Emergencies;
3. Group or Cooperative Purchasing Programs;
4. Change Order Work;
5. Gas, Fuel, and Oil;
6. Sole Source Purchases;
7. Information Technology Goods and Services awarded by the North Carolina Office of Information Technology Services;
8. Guaranteed Energy Savings Contracts; (See also G.S. 143-129.4)
9. State Contract Purchases;
10. Federal Contract Purchases
11. Purchase of Used Goods; (See G.S. 143-129 (e)(10))
12. Construction Management at Risk;
13. Previously Bid or "Piggybacking" Contracts; (See G.S. 143-129 (g))
14. Solid Waste Management Facilities; (See G.S. 143-129.2)
15. Use of Unit's Own Forces (force account work); (See G.S. 143-135 & SL 2009-250)
16. Purchases of Goods and Services from Nonprofit Work Centers for the Blind and Severely Disabled. (G.S. 143-129.5)

**Most Common Exemptions**

**1. Emergency Purchases**

NCGS § 143-129(e) (2) defines emergency purchase as "Cases of special emergency involving the health and safety of the people or their property." This exception is used in rare circumstances, such as natural disaster or sudden and unforeseeable damage to property. In cases of emergencies, the Department Head or designee may purchase directly from any supplier, supplies or services whose immediate procurement is essential to prevent delays in work, which may affect the life, health, or safety of Town of Lake Lure employees or citizens. The user department will exercise good judgment and use established suppliers 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.

- During working hours, the following procedure should be used for emergency purchases: An electronic requisition entered and approved by the requesting department will grant permission to the Purchasing Division to issue the purchase order. The requesting department will include in the requisition supporting documentation for the emergency purchase order: item(s) to be purchased with estimated quantities and the reason for the emergency purchase. After verifying available funds, a purchase order number will be issued for the expenditure. Should the purchase exceed the available account budget, a Request for Transfer of Funds will need to be completed immediately.
- After working hours, the following procedure should be used for emergency purchases: An electronic requisition will be entered and approved the next working day from the requesting department. The requesting department will also include any pertinent information

associated with the emergency purchase, to serve as supporting documentation and will be attached to the purchase order, including but not limited to: item(s) to be purchased with estimated quantities, and the reason for the emergency purchase. Emergency purchases, although sometimes necessary, are costly both in time and money. The use of emergency procedures will be limited and monitored for abuse.

## **2. State Contract Purchases**

Departments may use State of North Carolina contracts to procure available items without bidding if the contractor is willing to extend to the Town the same or more favorable prices, terms, and conditions. Following is a link to the state purchasing and contracting site where items can be searched for by keyword. These procurements do not require Council approval.

<http://www.doa.state.nc.us/PandC/keyword.asp>

## **3. Cooperative and Group Purchasing Programs**

Similar to State Contract Purchases, the Town may make purchases of supplies and equipment through group purchasing programs, which another entity has already carried out a competitive process to establish contracts on behalf of multiple entities at discount prices. These procurements do not require BOCC approval.

## **4. Sole Source**

In the rare event there is only one supplier capable of providing a particular good or service, the competitive pricing procedures outlined in this manual may be waived by the Finance Officer. Whenever Department Heads or designees determine a need to purchase goods from a "sole source", they will document the reason. The provisions of G.S. 143-129 will require the Town Commissioners approve this sole source exception. A sole source purchase exemption applies when at least one of these conditions exist:

- a. Performance or price competition for a product is not available.
- b. A needed product is available from only once source of supply.
- c. Standardization of compatibility is the overriding consideration.

If one of these conditions applies to the good to be purchased, then the item will be exempt from bidding and the purchase must have Council approval. Contact the Finance Officer for guidance before proceeding.

## **5. Piggybacking**

The Town can purchase, without bidding, from a supplier that has, within the past 12 months, successfully gone through the competitive bidding process for that item or service and contracted to furnish an item or service to another public agency. The supplier must be willing to supply the same item at the same or more favorable prices and other terms. The contract intended to be copied must be one that was entered into following the award of a public bidding process similar to ours.

North Carolina General Statutes § 143-129(g) allows municipalities, counties, or other subdivisions to piggyback for supplies, materials, or equipment from another governmental entity that has within the previous 12 months, completed a formal bid process, to purchase similar supplies, materials, or equipment if agreed upon by the supplier. The Statute requires approval by the Council of Commissioners and advertisement of intent to award. Federal guidelines may prohibit the option of piggybacking.

## **6. Grants**

When the Town is awarded a grant that has procurement requirements specified by the grantor, the Town will follow those requirements as long as they do not violate North Carolina General Statutes or Federal Uniform Guidance.

## **7. Use of Federal Funds**

When using federal funds, the Town must follow NC Statutes as well as OMB Guidance provided in the Code of Federal Regulations, Subpart D - Post Federal Award Requirements. The thresholds for micro- purchases, small purchases, and when sealed bids are required are set by OMB Guidance provided in the Code of Federal Regulations Title 2 Vol. 1 § 200.67 and §200.88. This guidance includes but is not limited to the following requirements:

### **i. Micro-purchases (\$0 - \$9,999)**

When practical, distribute micro-purchases among qualified suppliers.



- ii. **Small Purchases (\$10,000 – \$249,999)**
  - a. Price rate quotations must be obtained from an adequate number of qualified sources.
  - b. Written procurement procedures to define number and methods for obtaining quotes.
- iii. **Sealed Bid Procedures Required (\$250,000 and higher)**
  - a. Price rate quotations must be obtained from an adequate number of qualified sources;
  - b. Publicly advertised;
  - c. Competitive proposals;
  - d. Non-competitive proposals require written approval and justification (e.g. only one source/vendor available, inadequate competition, emergency).
- iv. **Documentation required (All amounts)**
  - a. Evidence the awarded supplier is not excluded from doing business with the Federal Government.
  - b. When quotes are required, documentation that an attempt was made to contact at least three suppliers to obtain quotes.

View Exhibit C - Procurement Guidance When Using Federal Funds for further guidance.

## 6.0 Procurement Methods

### a. Requisitions

An electronic requisition initiates the procurement cycle for purchase orders. The receipt of the request with the required information, appropriate approvals, and sufficient budget gives the Procurement Division the authority to issue a purchase order. The Department Head or designee must approve all requisitions within the requesting department.

### b. Purchase Orders

**Purchase orders are required for all purchases of \$5,000 and above.**

A purchase order is a contract between the Town and a supplier and is not binding until accepted by the supplier. Obtaining supplies, materials, equipment or services \$5,000 and over without a purchase order is an unauthorized purchase and a violation of resolution 03-04-04, adopted April 2003 by the Council of Commissioners. **Unauthorized purchases or split purchases to avoid the \$5,000 threshold are against Town policy and may result in disciplinary action.**

#### i. Purchase Order Requirements

1. **Submission of a requisition** using the Town's electronic procurement system. Purchase orders will not be created without a properly submitted requisition.
2. **Terms and conditions** must clearly define the delivery and performance requirements of the services, supplies, or equipment.
3. **Completion of the purchase order** by the Finance Officer or designee. The purchase order must be pre-audited, and the signatures of the Finance Officer and Finance Director must be on the completed document to be valid.
4. **Processing invoice(s) for payment** against a purchase order requires the applicable purchase order number be indicated for the invoice and that the purchase order have sufficient balance to cover the invoice amount. Receipt of goods and/or services must be verified prior to final payment of an invoice.

#### ii. Blanket Purchase Orders

Blanket Purchase orders can be used when there is a recurring need for expendable goods that are generally purchased, but the exact items, quantities, and delivery requirements are not known in advance and may vary considerably. Use of this process helps to avoid the creation of numerous purchase orders and contracts for routine purchases. Blanket purchase orders can also be a useful budgetary tool, as they obligate funds and allow easy tracking of recurring purchases throughout the year. A blanket purchase order should be used if the following criteria are applicable:

1. The annual cost can be reasonably estimated;
2. The purchases are paid through invoices (though it can be done if P-Cards are used);
3. There is a single account to which the expenses should be charged.

Examples would include maintenance agreements, purchase of building/cleaning supplies, etc. Requests for blanket purchase orders must, in addition to the required information, indicate the

following:

1. Items covered by the blanket purchase order and the amount should be listed in the purchase order comments;
2. If blanket purchase order should be limited to certain department employees, please include their names in the purchase order.

The issued purchase order will instruct the supplier that unauthorized purchases will not be allowed. It is the responsibility of the individual authorized to purchase under a blanket purchase order to ensure that an unspent balance remains to cover the purchases to be made for the remainder of the purchase order period.

**iii. Purchase Order Cut-Off Date**

Requisitions for materials, supplies, services and equipment (not included in blanket purchase orders or service contracts) for the ending current fiscal year must be submitted on or before a predetermined date provided to departments by the Finance Director. Requisitions of a routine nature that could have been scheduled prior to the cut-off date, and deemed not critical, will be processed in the new fiscal year. This procedure affords the Finance Department the opportunity to complete fiscal year end activities in a timely and proper manner and prepare for the annual audit.

**c. Change Orders**

- Changing, modifying, or canceling an existing purchase order can be initiated by the issuing department using the electronic procurement system.
- Approval of change orders is based on the new cumulative amount of the purchase order. Refer to the Types of Purchases section to view approval authorities.
- Changes to a purchase order will not be processed if the scope of services has been rendered or materials have already been received.

**d. Procurement Cards**

Purchases less than \$5,000 should be obtained by procurement card when possible. Please refer to the Credit Card Policy.

**e. Electronic Payments**

Electronic payments may be authorized as defined by G.S. 159-28. All pre-audit and disbursement rules must be followed per North Carolina Administrative Code (20 NCAC 03.0409 and 20 NCAC 03.0410. Please refer to the Credit Card Policy for additional guidance.

**f. Contracts**

All contracts are required to follow the Town of Lake Lure Contracts Policy and Contracts Control Process contained within.

**i. Contracts for Services**

Contracts are advised for use when the terms and conditions of the Town's purchase order is not sufficient to adequately protect against possible risk, or the scope of work is too complex to be adequately detailed in a purchase order.

**ii. Contracts for Goods**

In most cases a purchase order is sufficient as a contract for goods. Contracts for goods should be used if the nature of purchase is high risk and is not sufficiently controlled by the terms and conditions in the purchase order.

**iii. Contracts for Grants**

Any grant the Town awards should be entered into the Town's financial software to obligate funds, and stored in the Town's contract repository.

**iv. Multi-year Contracts**

Contracts that are not associated with a project ordinance, more than 12 months in length, cross Town fiscal years, and require funding from subsequent Town budgets require a non-appropriation clause or Council of Commissioners approval.

For example:

1. A contract runs from June – May (12 months) and the total for the entire contract is \$60,000 (\$5,000 per month). The current fiscal year funds \$5,000 and the subsequent fiscal year funds \$55,000. This contract does not require BOC approval because the term

is not more than 12 months.

2. A contract runs from June – September (16 months) and the total for the entire contract is \$80,000 (\$5,000 per month). The current fiscal year funds \$5,000 and the subsequent fiscal year funds \$75,000. This contract requires BOC approval because the contract requires funding from more than one fiscal year and the term is more than 12 months.
3. A contract runs from April – June (15 months) and the total for the entire contract is \$75,000 (\$5,000 per month). The current fiscal year funds all the \$75,000. This contract does not require BOC approval because all the funding comes from the current fiscal year, not requiring funding in subsequent fiscal years.

## **7.0 Delivery and Performance**

### **i. Delivery schedule**

The importance of the delivery schedule may be emphasized to the supplier within the bid documents. Delivery requirements will be clearly written and fully understood by all suppliers. 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.

### **ii. Non-performance**

If a supplier fails to meet any requirements of the specifications or terms and conditions of the contract or purchase order, the supplier can be cited for non-performance. The seriousness of non-performance will be evaluated by the department and Finance Officer based upon the circumstances of each violation.

### **iii. Inspection and testing**

Goods and materials should be checked at the time of receipt for damage or defects. The inspection will include assuring goods comply with the specifications. If damage is found or the goods fail to comply with the specifications, the item(s) will be rejected. To protect the Town's rights in the event of a rejection for any reason, the supplier will be informed immediately. Reasons for the rejection must be documented in an email to the Procurement Division in a timely manner.

### **iv. Supplier relations**

Should a department have trouble with a supplier, concerns should be documented in an email to the Procurement Division. Correspondence should be as specific as possible, detailing the circumstances, dates, personnel involved (including titles) and phone numbers. This information will be helpful in determining if the supplier will be considered for future bid awards.

### **v. Program Compliance Requirements**

All written statements, certifications or intentions made by the Bidder will become a part of the agreement between the Contractor and Town of Lake Lure for performance of this contract. Failure to comply with any of these statements, certifications, or intentions or with the Minority Business Plan will constitute a breach of the contract. A finding by Town of Lake Lure that any information submitted either prior to award of the contract or during performance of the contract is inaccurate, false or incomplete, will also constitute a breach of the contract. Any such breach may result in termination of the contract in accordance with the termination provisions contained in the contract. It will be solely at the discretion of Town of Lake Lure whether to terminate the contract for breach. In determining whether a contractor has made best faith efforts, Town of Lake Lure will evaluate all efforts made by the Contractor and will determine compliance.

## **8.0 Minority, Women, and Small Business Suppliers**

According to NCGS 143-129(b) the Town has no authority to establish preferences of any kind and are bound by law to award to the "lowest responsible, responsive bidder, taking into consideration quality, performance and the time specified in the proposals for the performance of the contract." However, it is the desire of the Town to purchase from Minority Businesses and suppliers located within Town of Lake Lure whenever possible. Local suppliers and Minority Business suppliers should be encouraged to compete for Town business.

### **i. Participation Goals**

The Town of Lake Lure Government Minority Business Plan states that **annual verifiable goals**

for minority business participation in construction projects (other provisions apply depending on project type & funding), procurement projects, professional, and other service projects are as follows:

- Construction – 12% overall for all minorities
- Procurement – 10% overall for all minorities
- Professional – 10% overall for all minorities
- Other Services – 10% overall for all minorities

**ii. Construction projects over \$300,000**

Per NCGS 143-128, for projects with an estimated cost of \$300,000 or greater that involve construction or repair to buildings, the bidder must provide, with the bid, documented proof in one of the following forms:

- **The State of North Carolina AFFIDAVIT A – Listing of Good Faith Efforts** along with the **Identification of HUB Certified / Minority Business Participation**
- **The State of North Carolina AFFIDAVIT B – Intent to Perform Contract with Own Workforce.** Other forms **must** be submitted with AFFIDAVIT A either at the time the bid is due or 72 business hours after the bid opening by the lowest responsible bidder or bidders who wish to be considered.

Failure to provide the documentation as listed in these provisions may result in rejection of the bid and will award to the next lowest responsible bidder. Town of Lake Lure reserves the right to waive any informality, if it can be resolved prior to award of the contract, and it is in the best interest of the Town to do so. For a full description of the Minority Business Forms and what must be completed to submit a responsible bid, contact the Finance Officer for guidance.

## Exhibit A – Dollar Thresholds in North Carolina Public Contracting Statutes

Requirement	Threshold	Statute
<b>Formal Bids</b>		
Construction or repair contracts	\$500,000 and above (estimated cost of	N.C.G.S §143-129
Purchase of apparatus, supplies, materials and equipment	\$90,000 and above (estimated cost of	N.C.G.S §143-129
<b>Informal Bids</b>		
Construction or repair contracts	\$30,000 to formal limit	N.C.G.S §143-131
Purchase of apparatus, supplies, materials and equipment	\$30,000 to formal limit	N.C.G.S §143-131
<b>Construction methods authorized for building projects</b>		
Separate Prime	Over \$300,000 (estimated cost of project)	N.C.G.S §143-128
Single Prime		
Dual Bidding		
Construction Management at Risk		
Design-Build		
<b>Minority-business enterprise requirements – Building Projects</b>		
Projects with state funding	\$100,000 or more	N.C.G.S §143-128.2(a)
Locally funded projects	\$300,000 or more	N.C.G.S §143-128.2(a)
Projects in the informal range	\$30,000 to \$500,000	N.C.G.S §143-131(b)
<b>Limit on use of own forces</b>		
Construction or repair projects	Not to exceed \$125,000 (total project) or \$50,000 (labor only)	N.C.G.S §143-135
<b>Bid bond or deposit</b>		
Construction or repair projects	Formal bids (see above)	N.C.G.S §143-129(c)
Purchase contracts	Not Required	
<b>Performance/payment bonds</b>		
Construction or repair projects	Projects over \$300,000 for each contract over \$50,000	N.C.G.S §143-129(c); N.C.G.S §44A-26
Purchase contracts	Not Required	
<b>General Contractor's License</b>	\$30,000 and above	N.C.G.S. §87-1
<b>Use of registered architect or engineer required</b>		
Nonstructural work	\$300,000 and above	N.C.G.S. §133-1.1(a)
Structural repair or new	\$135,000 and above construction	
Repair work affecting life safety	\$100,000 and above systems	
<b>Selection of architect, engineer, surveyor, or construction manager at risk</b>		
"Best qualified" selection procedure	All contracts unless exempted	N.C.G.S. §143-64.31
Exemption authorized	Projects where estimated fee is less than \$50,000 or other projects in sole discretion of BOC	N.C.G.S. §143-64.32

## Exhibit B - Independent Contractor / Employee Checklist

To assist you in deciding whether a worker is an employee or an independent contractor, complete the following questions. A worker is generally considered to have an employee relationship with the Town if the questions below are answered "YES".

**Complete this checklist only for individuals-sole proprietors, and partnerships. Do not complete for employees of a corporation.**

NAME: \_\_\_\_\_

Circle Answer

1. Is the worker currently employed by the Town or has the worker previously been an employee of the Town? Position: _____	Yes	No
2. Are the hours of work established or regulated by the Town?	Yes	No
3. Are tools and equipment supplied by the Town? Independent contractors use their own equipment.	Yes	No
4. Does the worker provide their service only to the Town? Independent contractors may have several contracts with other companies and advertise their services in the phone book or other source. List source: _____	Yes	No
5. Is the method of payment by unit of time, (i.e. hourly, weekly or monthly wage)? (Independent contractors are usually paid by job in a lump sum)	Yes	No
6. Is training received from or at the direction of the Town - either formally or informally?	Yes	No
7. Are repairs to equipment paid by the Town? Independent contractors pay for their own repairs.	Yes	No
8. Is the worker required to work at a specific place or to work on the Town's premises if the work could be done elsewhere? Independent contractors usually have a main office or other facility. Office Location: _____	Yes	No
9. Does the worker submit regular oral or written reports to the Town to account for their actions?	Yes	No
10. Are business and/or travel expenses directly paid by the Town? Independent contractors pay their own expenses.	Yes	No
11. Does the Town restrict the worker from accepting any other work? Independent contractors may have several jobs at one time.	Yes	No
12. Does the worker act in the capacity of a foreman for/or a representative of the Town by hiring others, supervising them and paying them at the direction of the Town?	Yes	No
13. Does the worker wear a uniform with the Town logo or other means of identification, except for	Yes	No
14. Is insurance coverage (liability, health, etc.) supplied by the Town?	Yes	No
15. Does the Town use the worker for any odd jobs that differ from their normal activities?	Yes	No
16. Is the relationship between the Town and the worker a continuing one?	Yes	No
17. Is the worker free from any liability for quitting a job before the job is completed?	Yes	No
18. Does the worker have to perform services in the order or sequence set by the Town?	Yes	No

**Note:** Independent contractors are required to have all necessary licenses to perform the work that they are contracted to perform.

If all questions above are answered **NO**, the worker is an Independent Contractor.

If any question above is answered **YES**, explain the question and send the checklist with the contract to the Finance Department for a determination as to whether the worker is an employee or an Independent Contractor.

## Exhibit C - Procurement Guidance When Using Federal Funds

OMB Guidance provided in the Code of Federal Regulations Subpart D - Post Federal Award Requirements, sections 200.318 through 200.326.

	<b>Goods &amp; Supplies</b>	<b>Construction/Repair</b>	<b>Services</b>	
<b>FORMAL</b>	<ul style="list-style-type: none"> <li>Formal bidding process required</li> <li>Publicly advertise</li> <li>Sealed Bids required</li> <li>Attempt to get bids from at least three bidders</li> <li>Award to lowest bidder</li> <li>Public bid opening</li> </ul>	<ul style="list-style-type: none"> <li>Formal bidding process required</li> <li>Publicly advertise</li> <li>Sealed Bids required</li> <li>Attempt to get bids from at least three bidders</li> <li>Award to lowest bidder</li> <li>Public bid opening</li> </ul>	<ul style="list-style-type: none"> <li>Request for proposals required</li> <li>Publicly advertise</li> <li>Attempt to get quotes from at least two sources</li> <li>Award to proposal most advantageous to the program, price and other factors considered</li> </ul>	<b>\$250,000 or greater</b>
		<ul style="list-style-type: none"> <li>Informal quotes required</li> </ul>	<ul style="list-style-type: none"> <li>Informal quotes required</li> </ul>	<b>\$90,000</b>
<b>INFORMAL</b>	<ul style="list-style-type: none"> <li>Informal quotes required</li> <li>Attempt to get quotes from at least two sources</li> <li>Award to lowest bidder</li> </ul>	<ul style="list-style-type: none"> <li>Attempt to get quotes from at least two sources</li> <li>Award to lowest bidder</li> </ul>	<ul style="list-style-type: none"> <li>Attempt to get quotes from at least two sources</li> <li>Award to proposal most advantageous to the program with price and other factors</li> </ul>	<b>\$10,000</b>
<b>NO QUOTE</b>	<ul style="list-style-type: none"> <li>No competitive quotes required if price appears to be reasonable</li> </ul>	<ul style="list-style-type: none"> <li>No competitive quotes required if price appears to be reasonable</li> </ul>	<ul style="list-style-type: none"> <li>No competitive quotes required if price appears to be reasonable</li> </ul>	<b>\$0</b>

<b>ALWAYS</b>	<b>ALLOWED EXCEPTIONS</b>
<ul style="list-style-type: none"> <li>Document procedures</li> <li>Award on fixed price or not to exceed</li> <li>Document the awarded supplier is not excluded</li> <li>Contract or PO contain UG provisions</li> <li>Solicit M/WBE businesses when possible</li> </ul>	<ol style="list-style-type: none"> <li>The item is available only from one single source.</li> <li>An urgent need or emergency will not permit a delay for competitive solicitation.</li> <li>The Federal awarding agency or pass-through allows noncompetitive proposals. from doing business with the Federal Gov.</li> </ol>

\* If seeking a contract with an architect, engineer, surveyor, or CMAR the procurement method must follow the Mini-Brooks Act.

**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM  
Meeting Date: April 26, 2023**

**SUBJECT:** Review Draft Credit Card Policy

**AGENDA INFORMATION:**

**Item Number:** IV  
**Department:** Administration  
**Contact:** Hank Perkins, Town Manager  
**Presenter:** Hank Perkins, Town Manager

**BRIEF SUMMARY:**

Along with the draft procurement policy, Town staff recommends adopting a card policy to establish appropriate guidelines to utilizing Town cards to make purchases. Town staff has studied similar policies and drafted a proposed card policy.

**ATTACHMENTS:**

Draft Credit Card Policy





# TOWN OF LAKE LURE

## TOWN ISSUED CREDIT CARD POLICY

**Prepared by:**  
Steve Ford  
Finance Officer

**Date Approved by**  
**Town Council:**

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**TOWN OF LAKE LURE  
TOWN ISSUED CREDIT CARD POLICY**

**PURPOSE**

To establish procedures and guidelines for using a Town issued credit card to purchase materials, supplies, and/or services by electronic means on behalf of the Town of Lake Lure.

**OVERVIEW**

Issuance of a Town credit card has been proven to be an effective tool and timely method for obtaining materials, supplies, and/or services to help departments maintain the consistent flow of day-to-day operations.

**SCOPE**

Town issued credit cards should only be used when:

- a. Making purchases for materials, supplies, and/or services that are for the official use of the Town of Lake Lure only.
- b. Making purchases for materials, supplies, and/or services that cannot be paid by means of an official check.
- c. Making purchases for materials, supplies, and/or services online or directly (in person).
- d. Paying travel expenses whenever the cardholder is on official Town business.
- e. Town issued credit cards will be assigned to employees who have direct authorization to make purchases using this method as approved by the Town Manager and Finance Director.

## PROCEDURE

To ensure the process operates efficiently and within an acceptable internal control structure, a timely response to each of the following elements is required.

### 1. Issue/Return of Credit Card

- a. The employee must sign documentation verifying agreement to the conditions of card use on the “Credit Card Authorization Form” (See Exhibit A).
- b. Total purchase authority is limited by the total purchase limit assigned to the card. The Town Manager will indicate his/her approval by signing the Credit Card Authorization Form.
- c. The Finance Director will review the enrollment form and obtain the credit card for the approved employee.
- d. Changes in spending/authority levels must be authorized by the Town Manager in writing and then submitted to the Finance Director for processing.
- e. Any employee who received a Town issued credit card must turn the card into the Finance Director immediately upon resignation notice or termination.

### 2. Use of Town Issued Credit Cards

- a. Employees who have been issued credit cards should notify the Finance Director immediately if the Town issued credit card has been **lost, stolen, or compromised**. The Finance Director is responsible for canceling and obtaining all Town issued credit cards. All expired or worn cards should be turned into the Finance Director for proper documentation and disposal.
- b. Town issued credit cards are to be used for Town business only. The use of the credit card to acquire or purchase materials, supplies, and/or services other than for official business is strictly **prohibited**.
- c. The cardholder is responsible for maintaining all vendor receipts and/or records until such time as the receipts/records are due the Finance Department.

- d. The cardholder is **responsible** for all purchases made on the assigned card regardless of who used the card, unless the card was used in a fraudulent manner after loss or theft.
- e. Town credit cards should not be shared and cardholders should not delegate use of the card to another employee without proper approval of the Town Manager or Finance Director.

### 3. Pre-Auditing and Disbursement Procedures

The 2015 State Legislature modified GS 159-28(d2) to allow the Local Government Commission (LGC) to adopt rules to address the execution of the pre-audit and disbursement process related to electronic transactions for local governments. The new pre-audit and disbursement rules were effective as of November 1, 2017, and exist as part of the North Carolina Administrative Code (20 NCAC 03.0409 and 20 NCAC 03.0410).

Units of government can now be exempt from the pre-audit certificate and disbursement certificate requirements on electronic transactions if they follow the requirements as detailed in the new administrative code rules. The new rules apply to electronic transactions utilizing the following:

- 1) Credit cards
- 2) Charge cards
- 3) Debit cards
- 4) Gas cards
- 5) Procurement cards
- 6) Electronic funds transfers

The following policies are designed to comply with the new pre-audit and disbursement rules in the NC Administrative Code 20 NCAC 03.0409 and 20 NCAC 03.0410.

- a. The Town issued credit cards may be used to purchase materials, supplies, and/or purchases when the cardholder has established that credit cards may be used as payment and when it is established that payment with a Town check is not acceptable.

- b. Permission must be obtained from the Finance Director before any purchases may be initiated with the Town issued credit cards.
- c. The Finance Director must ensure that there is an appropriate budget ordinance or project/grant ordinance appropriation authorizing the obligation.
- d. The Finance Director must ensure that sufficient monies remain within the appropriation to cover the amount that is expected to be paid out during the current fiscal year if accounted for in the budget ordinance, or cover the entire amount if accounted for in a project or grant ordinance.
- e. The cardholder must submit itemized receipts immediately following each purchase transaction to the Finance Director. Each itemized receipt must contain the following:
  - 1) Card type and last 4 digits of card number
  - 2) Date of transaction/purchase
  - 3) Brief description of transaction
  - 4) Total amount of transaction
  - 5) Sales tax amount, if applicable
  - 6) Employee signature
- f. The cardholder must submit itemized receipts to match the monthly credit card statements. If a receipt has been lost, the cardholder must make a diligent attempt to obtain a duplicate receipt from the vendor. In the event this is not available, a "Lost Credit Card Receipt Form" (Exhibit B) must be completed, which includes a detailed description and must be approved by the Town Manager. The Finance Director has the right to seek reimbursement from an employee for undocumented and/or unauthorized purchases.
- g. The Finance Department will then record the amount of the transaction in the Town's encumbrance system.
- h. The Finance Director will review all receipts to ensure compliance with all purchasing and pre-audit requirements. Once confirmed, the Finance Department will apply charges to appropriate line items and process the payment to the credit card vendor.

4. Action Due to Inappropriate or Accidental Use

The use of a Town issued credit card to acquire or purchase goods and services other than for the official use of the Town of Lake Lure is considered **fraudulent use**. However, the Town recognizes that accidental use can occur. The Town reserves the right to cancel an individual employee card at any time due to any type of abuse.

- a. If a cardholder accidentally uses a Town issued credit card for a personal purchase, the Finance Director should be contacted immediately upon discovery. If the Finance Director discovers an error, the employee will be contacted immediately. The employee must submit a "Credit Card Reimbursement Form" (Schedule C), along with the full reimbursement.
- b. Records of accidental personal use will be maintained by the Finance Director. In the event accidental use by a cardholder is detected on a repetitive basis, the Town Manager will be notified and the employee may be subject to disciplinary action.

5. Inappropriate or Fraudulent Use

If a cardholder makes an inappropriate or fraudulent purchase, the Town Manager shall be notified immediately regarding the transaction.

- a. A cardholder guilty of fraudulent use or repetitive inappropriate charges will be subject to disciplinary action, up to and including dismissal. The Town has the right to file a police report and press charges for fraudulent use of Town issued credit cards.
- b. Records of inappropriate use will be maintained by the Finance Department. The Town Manager will be notified about any notable amount of abuse.

6. Policy Forms

- a. Credit Card Authorization Form
- b. Lost Credit Card Receipt Form
- c. Reimbursement Form for Accidental or Inappropriate Use of a Town Issued Credit Card

**TOWN OF LAKE LURE  
CREDIT CARD AUTHORIZATION FORM**

**I. Employee/Cardholder Information**

Name: \_\_\_\_\_ Department: \_\_\_\_\_

**II. Cardholder's Agreement**

I understand that the use of the Town issued credit card is for purchases made on behalf of the Town.

I will be expected to use the credit card issued to me as directed and in accordance with this policy.

I will not permit another person to use the credit card issued to me (unless approved). Any such purchases made with my card will be considered to be made by me and my responsibility.

I will be responsible for the safe keeping of the credit card issued to me and, if lost, I will report its loss immediately to the Finance Director.

I understand that my personal credit will not be affected by any use of the Town issued credit card.

The use of a Town issued credit card to purchase goods and services for other than the official use of the Town of Lake Lure is fraudulent use. An employee guilty of fraudulent use will be subject to disciplinary action, up to and including dismissal. In addition, I agree that any reimbursement owed the Town, as a result of this type of use, may be deducted from my wages or other monies owed to me by the Town.

I have read, understand, and agree to the conditions above.

Employee Signature \_\_\_\_\_

Date \_\_\_\_\_

**III. Approval: Town Manager Signature: \_\_\_\_\_**

**Date: \_\_\_\_\_**

**EXHIBIT A**

**TOWN OF LAKE LURE  
CREDIT CARD AUTHORIZATION FORM**

**IV. Card Receipt**

Card Issuer \_\_\_\_\_ Card Number \_\_\_\_\_

Date Issued to Cardholder \_\_\_\_\_

Finance Director Signature \_\_\_\_\_

Card Issuer \_\_\_\_\_ Card Number \_\_\_\_\_

Date Issued to Cardholder \_\_\_\_\_

Finance Director Signature \_\_\_\_\_

Card Issuer \_\_\_\_\_ Card Number \_\_\_\_\_

Date Issued to Cardholder \_\_\_\_\_

Finance Director Signature \_\_\_\_\_

Card Issuer \_\_\_\_\_ Card Number \_\_\_\_\_

Date Issued to Cardholder \_\_\_\_\_

Finance Director Signature \_\_\_\_\_

Card Issuer \_\_\_\_\_ Card Number \_\_\_\_\_

Date Issued to Cardholder \_\_\_\_\_

Finance Director Signature \_\_\_\_\_



**TOWN OF LAKE LURE  
LOST CREDIT CARD RECEIPT FORM**

**Date of Purchase:** \_\_\_\_\_

**Merchant Name:** \_\_\_\_\_

**Amount of Purchase:** \_\_\_\_\_

**Description and purpose of the purchase?**

**Why is the original receipt or appropriate documentation missing?**

*I certify that I have contacted the merchant and was unable to obtain a copy of the purchase documentation. I also certify that this purchase was made for an official Town business purpose.*

**Cardholder Signature:** \_\_\_\_\_

**Cardholder Printed Name:** \_\_\_\_\_

*Form must also be reviewed and approved by the Town Manager before submitting to the Finance Director.*

**Town Manager Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

*This form is to be used as documentation only if the actual receipt, invoice, internet order screen, or appropriate substitute is unavailable for a purchase made on a Town issued credit card. It must be filled out completely and signed by both the cardholder and the Town Manager.*

**Date received by the Finance Director:** \_\_\_\_\_

**Finance Director Signature:** \_\_\_\_\_

**TOWN OF LAKE LURE  
REIMBURSEMENT FORM  
FOR ACCIDENTAL OR INAPPROPRIATE USE  
OF A TOWN ISSUED CREDIT CARD**

Complete this form if you accidentally used your credit card for non-Town of Lake Lure use (including personal use) or you used a credit card inappropriately and have been contacted by the Finance Director for reimbursement. This form, original receipts, and a copy of the reimbursement check, should be attached to this form and submitted to the Finance Director after it is signed by the Town Manager.

**\*\*\*REMINDER\*\*\***

Appropriate action will be taken against personnel for inappropriate use that is repetitive and/or intentional according to the Town Issued Credit Card Policy. Infrequent, inadvertent personal use that is quickly acknowledged and reimbursed should not result in action against the cardholder.

Date of Purchase	
Merchant Name	
Amount of Purchase	

***Describe the nature of the accidental or inappropriate use and how it occurred.***

***Describe how you plan to prevent future misuse.***

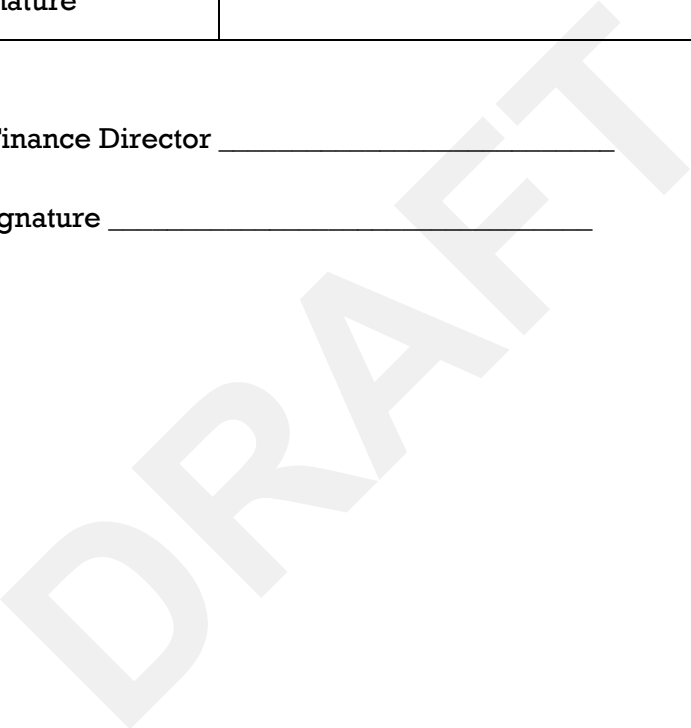
Continued

**TOWN OF LAKE LURE  
REIMBURSEMENT FORM  
FOR ACCIDENTAL OR INAPPROPRIATE USE  
OF A TOWN ISSUED CREDIT CARD**

Cardholder Name	
Cardholder Signature	
Town Manager Signature	

Date Received by Finance Director \_\_\_\_\_

Finance Director Signature \_\_\_\_\_



**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM  
Meeting Date: April 26, 2023**

**SUBJECT:** Review Proposed Amendments to the Rules of Procedure for the Lake Lure Town Council

**AGENDA INFORMATION:**

**Item Number:** V  
**Department:** Administration  
**Contact:** William Morgan, Town Attorney  
**Presenter:** William Morgan, Town Attorney

**BRIEF SUMMARY:**

In 2001, Town Council adopted Rules of Procedure for the Lake Lure Town Council. Town Attorney William Morgan has reviewed the 2001 procedures manual and has proposed amendments based on the current Town Council operations.

**ATTACHMENTS:**

Proposed Amendments to the Rules of Procedure for the Lake Lure Town Council

## ***Adopted 4-10-01***

# **Rules of Procedure for the Lake Lure Town Council**

### **Rule 1. Regular Meetings**

The council shall hold a regular meeting on second Tuesday of each month, except that if a regular meeting day is a legal holiday, the meeting shall be held on the next business day unless otherwise designated by the council. The meeting shall be held at The Lake Lure Municipal Center and shall begin at ~~7:00~~ 5:00 P.M. A copy of the council's current meeting schedule shall be filed with the city clerk.

### **Rule 2. Special, Emergency, and Recessed [or Adjourned] Meetings**

**(a) Special Meetings.** The mayor, the mayor pro tempore, or any two members of the council may at any time call a special council meeting by signing a written notice stating the time and place of the meeting and the subjects to be considered. At least forty-eight hours before a special meeting called in this manner, written notice of the meeting stating its time and place and the subjects to be considered shall be (1) delivered to the mayor and each council member or left at his or her usual dwelling place; (2) posted on the council's principal bulletin board, or if none, at the door of the council's usual meeting room; ~~and~~ (3) mailed or delivered to each newspaper, wire service, radio station, television station, and person who has filed a written request for notice with the city clerk; ~~and, (4) posted on the Town's website.~~ Only those items of business specified in the notice may be transacted at a special meeting called in this manner, unless all members are present or have signed a written waiver of notice. Even in such a case, the council shall only discuss or transact items of business not specified in the notice if it determines in good faith at the meeting that it is essential to discuss or act on the item immediately.

A special meeting may also be called or scheduled by vote of the council in open session during another duly called meeting. The motion or resolution calling or scheduling the special meeting shall specify its time, place, and purpose. At least forty-eight hours before a special meeting called in this manner, notice of the time, place, and purpose of the meeting shall be (1) posted on the council's principal bulletin board, or if none, at the door of the council's usual meeting room; and (2) mailed or delivered to each newspaper, wire service, radio station, television station, and person who has filed a written request for notice with the city clerk. Such notice shall also be mailed or delivered at least forty-eight hours before the meeting to each council member not present at the meeting at which the special meeting was called or scheduled, and to the mayor if he or she was not present at that meeting. Only those items of business specified in the notice may be discussed or transacted at a special meeting called in this manner, unless all members are present or those not present have signed a written waiver of notice, and the council determines in good faith at the meeting that it is essential to discuss or act on the item immediately.

**(b) Emergency Meetings.** Emergency meetings of the city council may be called only because of generally unexpected circumstances that require immediate consideration by the council. Only business connected with the emergency may be considered at an emergency meeting. One of the following two procedures must be followed to call an emergency meeting of the council.

(1) The mayor, the mayor pro tempore, or any two members of the council may at any time call an emergency council meeting by signing a written notice stating the time and place of the meeting and the subjects to be considered. The notice shall be delivered to the mayor and each council member or left at his or her usual dwelling place at least six hours before the meeting.

(2) An emergency meeting may be held at any time when the mayor and all members of the council are present and consent thereto, or when those not present have signed a written waiver of notice, but only in either case if the council complies with the notice provisions of the next paragraph.

Notice of an emergency meeting under (1) or (2) shall be given to each local newspaper, local wire service, local radio station, and local television station that has filed a written emergency meeting notice request, which includes the newspaper's, wire service's, or station's telephone number, with the city clerk. This notice shall be given either by telephone or by the same method used to notify the mayor and the council members and shall be given at the expense of the party notified.

**(c) Recessed Meetings.** A properly called regular, special, or emergency meeting may be recessed to a time and place certain by a procedural motion made and adopted as provided in Rule 18, Motion 2, in open session during the regular, special, or emergency meeting. The motion shall state the time and place when the meeting will reconvene. No further notice need be given of a recessed session of a properly called regular, special, or emergency meeting.

### **Rule 3. Organizational Meeting**

On the date and at the time of the first regular meeting in December following a general election in which council members are elected, or at an earlier date, if any, set by the incumbent council, the newly elected members shall take and subscribe the oath of office as the first order of new business. As the second order of new business, the council shall elect a mayor pro tempore. This organizational meeting shall not be held before the municipal election results are officially determined, certified, and published in accordance with Subchapter IX of Chapter 163 of the North Carolina General Statutes.

### **Rule 4. Agenda**

(a) **Proposed Agenda.** The city clerk shall prepare a proposed agenda for each meeting. A request to have an item of business placed on the agenda must be received at least Three working days before the meeting. Any council member may, by a timely request, have an item placed on the proposed agenda. A copy of all proposed ordinances shall be attached to the proposed agenda. An agenda package shall be prepared that includes, for each item of business placed on the proposed agenda, as much background information on the subject as is available and feasible to reproduce. Each council member shall receive a copy of the proposed agenda and the agenda ~~package~~ package, and they shall be available for public inspection and distribution or copying when they are distributed to the council members.

(b) **Adoption of the Agenda.** As its ~~first third~~ order of business at each meeting, the council shall, as specified in Rule 6, ~~discuss~~ discuss, and revise the proposed agenda and adopt an agenda for the meeting. If items are proposed to be added to the agenda of a meeting, the council may, by majority vote, require that written copies of particular documents connected with the items be made available at the meeting to all council members.

The council may by majority vote add items to or subtract items from the proposed agenda, except that (a) the council may not subtract items from the proposed agenda stated in the notice of a special meeting called by the mayor, mayor pro tempore, or two council members, unless those calling the meeting consent to the deletion, (b) the council may not add items to the proposed agenda stated in the notice of a special meeting called by the mayor, mayor pro tempore, or two council members, unless all members are present, or those who are absent sign a written waiver of notice, and (c) only business connected with the emergency may be considered at an emergency meeting. The council may add items to the proposed agenda of a special meeting only if it determines in good faith at the meeting that it is essential to discuss or act on the item immediately.

The council may designate certain agenda items “for discussion and possible action.” Such designation means that the council intends to discuss the general subject area of that agenda item before making any motion concerning that item.

(c) **Consent Agenda.** The council may designate a part of the agenda as the “consent agenda.” Items shall be placed on the consent agenda by those preparing the proposed agenda if they are judged to be noncontroversial and routine. Any member may remove an item from the consent agenda and place it on the regular agenda while the agenda is being discussed and revised prior to its adoption at the beginning of the meeting. All items on the consent agenda shall be voted on and adopted by a single motion, with the minutes reflecting the motion and vote on each item.

(d) **Open Meetings Requirements.** The council shall not deliberate, vote, or otherwise take action on any matter by reference to a letter, number, or other designation, or other secret device or method, with the intention of making it impossible for persons attending a meeting of the council to understand what is being deliberated, voted, or acted on. The council may, however, deliberate, vote, or otherwise take action by reference to an agenda, if copies of the agenda—sufficiently worded to enable the public to understand what is being deliberated, voted, or acted on—are available for public inspection at the meeting.

## Rule 5. Public Address to the Council

~~Any individual or group who wishes to address the council shall make a request to be on the agenda to the city clerk. However, the council shall determine at the meeting whether it will hear the individual or group. The council shall provide at least one period for public comment per month at a regular meeting of the council. The council may adopt reasonable rules governing the conduct of the public comment period, including, but not limited to, rules (i) fixing the maximum time allotted to each speaker (currently set as three (3) minutes, (ii) providing for the designation of spokesmen for groups of persons supporting or opposing the same positions, (iii) providing for the selection of delegates from groups of persons supporting or opposing the same positions when the number of persons wishing to attend the hearing exceeds the capacity of the hall, and (iv) providing for the maintenance of order and decorum in the conduct of the hearing. The council is not required to provide a public comment period under this section if no regular meeting is held during the month. Public Comment is generally reserved for items that are not on the Council’s agenda. No public comments are allowed on any item on which a public hearing has been set or held. Comments may be submitted in writing to the Town Clerk, which will become part of the minutes.~~

## Rule 6. Order of Business

Items shall be placed on the agenda according to the order of business. Once the meeting is called to order, and following the invocation (if offered) and the Pledge of Allgience, tThe order of business for each regular meeting shall be as follows:

1. Invocation~~Agenda Adoption~~
  2. Mayor’s Communications ~~Informal discussion and public comment.~~
  3. Town Manager’s Communications ~~Discussion and revision of the proposed agenda, including consent agenda; adoption of an agenda~~
  4. Public hearings
  5. Council Liaison Reports and Comments ~~Approval of the minutes~~
  5. Committee reports ~~Presentations~~
- Public Comment

- ~~6.~~ Consent Agenda
- ~~7.6.~~ Unfinished business
- ~~8.7.~~ New business
- ~~9.8.~~ Administrative reports Closed Session(s)
- ~~10.9.~~ Council Reports Adjournment

By general consent of the council, items may be considered out of order.

## **Rule 7. Office of Mayor**

The mayor shall preside at all meetings of the council but shall have the right to vote only when there is a tie. In order to address the council, a member must be recognized by the mayor.

The mayor or other presiding officer shall have the following powers:

- (a) To rule motions in or out of order, including any motion patently offered for obstructive or dilatory purposes;
- (b) To determine whether a speaker has gone beyond reasonable standards of courtesy in his or her remarks and to entertain and rule on objections from other members on this ground;
- (c) To entertain and answer questions of parliamentary law or procedure;
- (d) To call a brief recess at any time;
- (e) To adjourn in an emergency.

A decision by the presiding officer under (a), (b), or (c) may be appealed to the council upon motion of any member, pursuant to Rule 18(b), Motion 1. Such a motion is in order immediately after a decision under (a), (b), or (c) is announced and at no other time. The member making the motion need not be recognized by the presiding officer, and the motion if timely made may not be ruled out of order.

A mayor or other presiding officer may adjourn without the board's vote or appeal in an emergency, and he or she may also call a brief recess without a vote at any time.

## **Rule 8. Office of Mayor Pro Tempore**

At the organizational meeting, the council shall elect from among its members a mayor pro tempore to serve at the council's pleasure. A council member who serves as mayor pro tempore shall be entitled to vote on all matters and shall be considered a council member for all purposes, including the determination of whether a quorum is present. In the mayor's absence, the council may confer on the mayor pro tempore any of the mayor's powers and duties. If the mayor should become physically or mentally unable to perform the duties of his or her office, the council may by unanimous vote declare that the mayor is incapacitated and confer any of the mayor's powers and duties on the mayor pro tempore. When a mayor declares that he or she is no longer incapacitated, and a majority of the council concurs, the mayor shall resume the exercise of his or her powers and duties. If both the mayor and mayor pro tempore are absent from a meeting, the council may elect from among its members a temporary chairman to preside at the meeting.

## **Rule 9. When the Presiding Officer Is in Active Debate**

If the mayor or other presiding officer becomes actively engaged in debate on a particular proposal, he or she may designate another council member to preside over the debate. The mayor or other presiding officer



shall resume presiding as soon as action on the matter is concluded.

### **Rule 10. Action by the Council**

The council shall proceed by motion, except as otherwise provided for in Rule 4 and in Rule 31. Any member may make a motion.

### **Rule 11. Second Required**

A motion shall require a second.

### **Rule 12. One Motion at a Time**

A member may make only one motion at a time.

### **Rule 13. Substantive Motions**

A substantive motion is out of order while another substantive motion is pending.

### **Rule 14. Adoption by Majority Vote**

A motion shall be adopted by a majority of the votes cast, a quorum as defined in Rule 27 being present, unless otherwise required by these rules or the laws of North Carolina. A majority is more than half.

### **Rule 15. Voting by Written Ballot**

The council may choose by majority vote to use written ballots in voting on a motion. Such ballots shall be signed, and the minutes of the council shall show the vote of each member voting. The ballots shall be available for public inspection in the office of the city clerk immediately following the meeting at which the vote took place and until the minutes of that meeting are approved, at which time the ballots may be destroyed.

### **Rule 16. Debate**

The mayor shall state the motion and then open the floor to debate on it. The mayor shall preside over the debate according to the following general principles:

- (a) The maker of the motion is entitled to speak first;
- (b) A member who has not spoken on the issue shall be recognized before someone who has already

spoken;

- (c) To the extent possible, the debate shall alternate between proponents and opponents of the measure.

### **Rule 17. Ratification of Actions**

To the extent permitted by law, the council may ratify actions taken on its behalf but without its prior approval. A motion to ratify is a substantive motion.

### **Rule 18. Procedural Motions**

(a) **Certain Motions Allowed.** In addition to substantive proposals, only the following procedural motions, and no others, are in order. Unless otherwise noted, each motion is debatable, may be amended, and requires a majority of the votes cast, a quorum being present, for adoption. Procedural motions are in order while a substantive motion is pending and at other times, except as otherwise noted.

(b) **Order of Priority of Motions.** In order of priority (if applicable), the procedural motions are

**Motion 1. To Appeal a Procedural Ruling of the Presiding Officer.** A decision of the presiding officer ruling a motion in or out of order, determining whether a speaker has gone beyond reasonable standards of courtesy in his or her remarks, or entertaining and answering a question of parliamentary law or procedure may be appealed to the council, as specified in Rule 7. This appeal is in order immediately after such a decision is announced and at no other time. The member making the motion need not be recognized by the presiding officer and the motion, if timely made, may not be ruled out of order.

**Motion 2. To Adjourn.** This motion may be made only at the conclusion of council consideration of a pending substantive matter; it may not interrupt deliberation of a pending matter. A motion to recess [or adjourn] to a time and place certain shall also comply with the requirements of Rule 2(c).

**Motion 3. To Take a Brief Recess.**

**Motion 4. Call to Follow the Agenda.** The motion must be made at the first reasonable opportunity, or the right to make it is waived for the out-of-order item in question.

**Motion 5. To Suspend the Rules.** The council may not suspend provisions of the rules that state requirements imposed by law on the council. For adoption, the motion requires a vote equal to two-thirds of the actual membership of the council, excluding the mayor, unless he or she may vote in all cases, and vacant seats.

**Motion 6. To Go into Closed Session.** The council may go into closed session only for one or more of the permissible purposes listed in G.S. 143-318.11(a). The motion to go into closed session shall cite one or more of these purposes and shall be adopted at an open meeting. A motion based on G.S. 143-318.11(a)(1) shall also state the name or citation of the law that renders the information to be discussed privileged or confidential. A motion based on G.S. 143-318(a)(3) shall identify the parties in each existing lawsuit concerning which the council expects to receive advice during the closed session, if in fact such advice is to be received.

**Motion 7. To Leave Closed Session.**

**Motion 8. To Divide a Complex Motion and Consider It by Paragraph.** The motion is in order whenever a member wishes to consider and vote on subparts of a complex motion separately.

**Motion 9. To Defer Consideration.** The council may defer a substantive motion for later consideration at an unspecified time. A substantive motion the consideration of which has been deferred expires 100 days thereafter unless a motion to revive consideration is adopted. If consideration of a motion has been deferred, a new motion with the same effect cannot be introduced while the deferred motion remains pending (has not expired). A member who wishes to revisit the matter during that time must take action to revive consideration of the original motion [Rule 18(b), Motion 14], or else move to suspend the rules [Rule 18(b), Motion 5].

**Motion 10. Motion for the Previous Question.** The motion is not in order until there have been at least 20 minutes of debate, and every member has had an opportunity to speak once.

**Motion 11. To Postpone to a Certain Time or Day.** If consideration of a motion has been postponed, a new motion with the same effect cannot be introduced while the postponed motion remains pending. A member who wishes to revisit the matter must either wait until the specified time, or move to suspend the rules [Rule 18(b), Motion 5].

**Motion 12. To Refer a Motion to a Committee.** The council may vote to refer a substantive motion to a committee for its study and recommendations. Sixty days or more after a substantive motion has been referred to a committee, the introducer of the substantive motion may compel consideration of the measure by the entire council, whether or not the committee has reported the matter to the council.

**Motion 13. To Amend.** (a) An amendment to a motion must be pertinent to the subject matter of the motion. An amendment is improper if adoption of the motion with that amendment added would have the same effect as rejection of the original motion. A proposal to substitute completely different wording for a motion or an amendment shall be treated as a motion to amend.

(b) A motion may be amended, and that amendment may be amended, but no further amendments may be made until the last-offered amendment is disposed of by a vote.

(c) Any amendment to a proposed ordinance shall be reduced to writing before the vote on the amendment.

**Motion 14. To Revive Consideration.** The board may vote to revive consideration of any substantive motion earlier deferred by adoption of Motion 9 of Rule 18(b). The motion is in order at any time within 100 days after the day of a vote to defer consideration. A substantive motion on which consideration has been deferred expires 100 days after the deferral unless a motion to revive consideration is adopted.

**Motion 15. To Reconsider.** The council may vote to reconsider its action on a matter. The motion to do so must be made by a member who voted with the prevailing side (the majority side except in the case of a tie; in that case the "~~no~~'s" prevail) and at the meeting during which the original vote was taken, including any continuation of that meeting through recess [or adjournment] to a time and place certain. The motion cannot interrupt deliberation on a pending ~~matter, but~~ matter but is in order at any time before final adjournment of the meeting.

**Motion 16. To Rescind or Repeal.** The council may vote to rescind actions it has previously taken or to repeal items that it has previously adopted. The motion is not in order if rescission or repeal of an action is forbidden by law.

**Motion 17. To Prevent Reintroduction for Six Months.** The motion shall be in order immediately following the defeat of a substantive motion and at no other time. The motion requires for adoption a vote equal to two-thirds of the actual membership of the council excluding the mayor and vacant seats. If adopted, the restriction imposed by the motion remains in effect for six months or until the next organizational meeting of the council, whichever occurs first.

### **Rule 19. Renewal of Motion**

A motion that is defeated may be renewed at any later meeting unless a motion to prevent reintroduction has been adopted.

### **Rule 20. Withdrawal of Motion**

A motion may be withdrawn by the introducer at any time before it is amended or before the presiding officer puts the motion to a vote, whichever occurs first.

### **Rule 21. Duty to Vote**

Every member must vote unless excused by the remaining members according to law. A member who wishes to be excused from voting shall so inform the presiding officer, who shall take a vote of the remaining members. No member shall be excused from voting except upon matters involving the consideration of his or her own financial interest or official conduct. In all other cases, a failure to vote by a member who is physically present in the council chamber, or who has withdrawn without being excused by a majority vote of the remaining members present, shall be recorded as an affirmative vote.

### **Rule 22. Introduction of Ordinances**

A proposed ordinance shall be deemed to be introduced on the date the subject matter is first voted on by the council.

### **Rule 23. Adoption of Ordinances and Approval of Contracts**

(a) **Generally.** An affirmative vote equal to a majority of all the members of the council not excused from voting on the question in issue (including the mayor's vote in case of an equal division) shall be required to adopt an ordinance, to take any action that has the effect of an ordinance, or to make, ratify, or authorize any contract on behalf of the city. In addition, no ordinance or action that has the effect of an ordinance may be finally adopted on the date on which it is introduced except by an affirmative vote equal to or greater than two-thirds of all the actual membership of the council, excluding vacant seats, and not including the mayor unless he or she has the right to vote on all questions before the council. No ordinance shall be adopted unless it has been reduced to writing before a vote on adoption is taken.

~~b) **Zoning Protest Petitions.** An affirmative vote equal to three-fourths of all the members of the city~~

~~council shall be required for an ordinance making a change in a zoning regulation, restriction, or boundary to become effective, if a valid protest petition is received in accordance with the requirements set out in G.S. 160A-385(a) and G.S. 160A-386. This rule shall not apply in those cases excepted by G.S. 160A-385(a).~~

## **Rule 24. Adoption of the Budget Ordinance**

Notwithstanding the provisions of any city charter, general law, or local act:

- (1) Any action with respect to the adoption or amendment of the budget ordinance may be taken at any regular or special meeting of the council by a simple majority of those present and voting, a quorum being present;
- (2) No action taken with respect to the adoption or amendment of the budget ordinance need be published or is subject to any other procedural requirement governing the adoption of ordinances or resolutions by the council; and
- (3) The adoption and amendment of the budget ordinance and the levy of taxes in the budget ordinance are not subject to the provisions of any city charter or local act concerning initiative or referendum.

During the period beginning with the submission of the budget to the council and ending with the adoption of the budget ordinance, the council may hold any special meetings that may be necessary to complete its work on the budget ordinance. Except for the notice requirements of the open meetings law, which continue to apply, no provision of law concerning the call of special meetings applies during that period so long as (a) each member of the board has actual notice of each special meeting called for the purpose of considering the budget, and (b) no business other than consideration of the budget is taken up. This rule does not allow, and may not be construed to allow, the holding of closed meetings or executive sessions by the council if it is otherwise prohibited by law from holding such a meeting or session.

## **Rule 25. This space is reserved for later use.**

*The board may adopt its own special rules of procedure, to be specified here.*

## **Rule 26. Closed Sessions**

The council may hold closed sessions as provided by law. The council shall only commence a closed session after a motion to go into closed session has been made and adopted during an open meeting. The motion shall state the purpose of the closed session. If the motion is based on G.S. 143-318.11(a)(1) (closed session to prevent the disclosure of privileged or confidential information or information that is not considered a public record), it must also state the name or citation of the law that renders the information to be discussed privileged or confidential. If the motion is based on G.S. 143-318.11(a)(3) (consultation with attorney; handling or settlement of claims, judicial actions, or administrative procedures), it must identify the parties in any existing lawsuits concerning which the public body expects to receive advice during the closed session. The motion to go into closed session must be approved by the vote of a majority of those present and voting. The council shall terminate the closed session by a majority vote.

Only those actions authorized by statute may be taken in closed session. A motion to adjourn or recess shall not be in order during a closed session.

## **Rule 27. Quorum**

A majority of the actual membership of the council plus the mayor, excluding vacant seats, shall constitute a quorum. A majority is more than half. A member who has withdrawn from a meeting without being excused by majority vote of the remaining members present shall be counted as present for purposes of determining whether or not a quorum is present.

## **Rule 28. Public Hearings**

Public hearings required by law or deemed advisable by the council shall be organized by a special order (adopted by a majority vote) that sets forth the subject, date, place, and time of the hearing as well as any rules regarding the length of time allotted for each speaker, and other pertinent matters. The rules may include, but are not limited to, rules (a) fixing the maximum time allotted to each speaker; (b) providing for the designation of spokespersons for groups of persons supporting or opposing the same positions; (c) providing for the selection of delegates from groups of persons supporting or opposing the same positions when the number of persons wishing to attend the hearing exceeds the capacity of the hall (so long as arrangements are made, in the case of hearings subject to the open meetings law, for those excluded from the hall to listen to the hearing); and (d) providing for the maintenance of order and decorum in the conduct of the hearing.

All notice and other requirements of the open meetings law applicable to council meetings shall also apply to public hearings at which a majority of the council is present; such a hearing is considered to be part of a regular or special meeting of the council. These requirements also apply to hearings conducted by appointed or elected committees of the council, if a majority of the committee is present. A public hearing for which any notices required by the open meetings law or other provisions of law have been given may be continued to a time and place certain without further advertisement. The requirements of Rule 2(c) shall be followed in continuing a hearing at which a majority of the council is present.

The council may vote to delegate to city staff members, as appropriate, the authority to schedule, call, and give notice of public hearings required by law or the council. The council shall provide adequate guidelines to assist staff members in fulfilling this responsibility, and it shall not delegate the responsibility in cases where the council itself is required by law to call, schedule, or give notice of the hearing.

At the time appointed for the hearing, the mayor or his or her designee shall call the hearing to order and then preside over it. When the allotted time expires or when no one wishes to speak who has not done so, the presiding officer shall entertain or make a motion to end the hearing

## **Rule 29. Quorum at Public Hearings**

A quorum of the council shall be required at all public hearings required by state law. If a quorum is not present at such a hearing, the hearing shall be continued until the next regular council meeting without further advertisement.

## **Rule 30. Minutes**

Full and accurate minutes of the council proceedings, including closed sessions, shall be kept. The board shall also keep a general account of any closed session so that a person not in attendance would have a reasonable understanding of what transpired. These minutes and general accounts shall ~~remain closed to be~~ remain closed to be open to inspection of the public, so long as public inspection would frustrate the purpose of the closed

~~session, except as otherwise provided in this rule.~~ The exact wording of each motion and the results of each vote shall be recorded in the minutes, and on the request of any member of the council, the “ayes” and “nos” upon any question shall be taken. Members’ and other persons’ comments may be included in the minutes if the council approves.

~~Minutes and general accounts of closed sessions may be sealed by action of the council. Such sealed minutes and general accounts may be withheld from public inspection so long as public inspection would frustrate the purpose of the closed session.~~

## **Rule 31. Appointments**

The council may consider and make appointments to other bodies, including its own committees, if any, only in open session. The council may not consider or fill a vacancy among its own membership except in open session.

The mayor shall not have a right to vote on appointments that come before the council unless there is a tie vote.

Rather than proceeding by motion, the council shall use the following procedure to make appointments to various other boards and offices: The town clerk shall report on applications received. The mayor shall then open the floor for nominations, whereupon the names of other possible appointees may be put forward by the council members. The names submitted shall be debated. When the debate ends, the mayor shall call the roll of the members, and each member shall cast his or her vote.

The nominee(s) receiving the highest number of votes shall be appointed. If more than one appointee is to be selected, then each member shall have as many votes as there are slots to be filled. A member must cast all of his or her votes and cast them for different nominees.

The voting shall continue until one nominee receives a majority of the votes cast, whereupon he or she shall be appointed. If more than one appointee is to be selected, then each member shall have as many votes in each balloting as there are slots to be filled, and votes from a majority of the members voting shall be required for appointment. During each balloting, a member may cast all of his or her votes or fewer than all of them, but he or she shall not cast more than one vote for a single candidate.

## **Rule 32. Committees and Boards**

**(a) Establishment and Appointment.** The council or the mayor, if the mayor is delegated that power by the council, may establish and appoint members for such temporary and standing city committees and boards as are needed to help carry on the work of city government. Any specific provisions of law relating to particular committees and boards shall be followed.

**(b) Open Meetings Law.** The requirements of the open meetings law shall apply to all elected or appointed authorities, boards, commissions, councils, or other bodies of the city that are composed of two or more members and that exercise or are authorized to exercise legislative, policy-making, quasi judicial, administrative, or advisory functions. However, the law’s requirements shall not apply to a meeting solely among the city’s professional staff.

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~~(b) **Open Meetings Law.** The requirements of the open meetings law shall apply to all elected or appointed authorities, boards, commissions, councils, or other bodies of the city that are composed of two or more members and that exercise or are authorized to exercise legislative, policy-making, quasi-judicial, administrative, or advisory functions. However, the law's requirements shall not apply to a meeting solely among the city's professional staff.~~

### **Rule 33. Amendment of the Rules**

These rules may be amended at any regular meeting or at any properly called special meeting that includes amendment of the rules as one of the stated purposes of the meeting, so long as the amendment is consistent with the city charter, general law, and generally accepted principles of parliamentary procedure. Adoption of an amendment shall require an affirmative vote equal to or greater than two-thirds of all the actual membership of the council, excluding vacant seats, and not including the mayor unless he or she has the right to vote on all questions before the council.

### **Rule 34. Reference to *Robert's Rules of Order Newly Revised***

To the extent not provided for in these rules, and to the extent it does not conflict with North Carolina law or with the spirit of these rules, the council shall refer to *Robert's Rules of Order Newly Revised*, to answer unresolved procedural questions.

The above Rules ~~for~~ of Procedure are based on *Suggested Rules of Procedure for a City Council*, 3<sup>rd</sup> edition, by Fleming Bell, II (Chapel Hill, N.C.: The Institute of Government, The University of North Carolina, 2000).



**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM  
Meeting Date: April 26, 2023**

**SUBJECT:** Discuss Dredging Contract

**AGENDA INFORMATION:**

**Item Number:** VI  
**Department:** Administration  
**Contact:** Hank Perkins, Town Manager  
**Presenter:** Michael Dydula, Project Manager

**BRIEF SUMMARY:**

The contract for dredging has expired. Town staff recommends entering into a new dredging agreement following the administration of proper and legal bidding procedures.

**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM**

**Meeting Date: April 26, 2023**

**SUBJECT:** Discuss Budget Schedule

**AGENDA INFORMATION:**

**Item Number:** VII  
**Department:** Administration  
**Contact:** Hank Perkins, Town Manager  
**Presenter:** Hank Perkins, Town Manager

**BRIEF SUMMARY:**

Following the adopted FY 2023-2024 Budget Calendar, Council budget review will begin in May. There should be at least one Council budget meeting in May and staff is requesting that Council determine an appropriate date to hold such meeting. Additionally, a public hearing for the proposed budget should take place at the June 13<sup>th</sup> regular Council meeting.

Staff recommended dates:

Preliminary meeting – week of May 15<sup>th</sup>

Subsequent meetings (if necessary) – week of May 24<sup>th</sup>

**ATTACHMENTS:**

FY 23-24 Budget Calendar

## FISCAL YEAR 2023-2014 BUDGET CALENDAR

DEADLINE	TASK
Week of January 31 2023	Distribute FY 23-24 operational budget materials to department heads and key staff personnel. Also, Capital Improvement Program (CIP) also distributed for review and possible additions.
March 1, 2023-March 25, 2023	Departmental meetings with Finance (and Town Manager as necessary) to determine preliminary operational budget requests. Finance reviews with Town Manager. Draft recommended operational budget.
Week of April 1, 2023 - April 22, 2023	Budget sessions with staff, Manager and Finance continue. Revenue projections and estimates are generated. Final staff reviews and budget document editing. -CIP is finalized.
Late April, 2023	Revenue estimates finalized. County property tax value estimates due. Final Draft is completed
May, 2023	May 9 2022-Town Manager presents FY 2023-24 budget to Council at regular meeting. Council reviews. Council work sessions are scheduled throughout the month for changes to be incorporated into final budget document.
June 13, 2023	Hold public hearing on proposed budget. Adoption of budget.

**LAKE LURE TOWN COUNCIL  
AGENDA REQUEST FORM  
Meeting Date: April 26, 2023**

**SUBJECT:** Video Production Update

**AGENDA INFORMATION:**

**Item Number:** VIII  
**Department:** Communications  
**Contact:** Laura Krejci, Communications Director  
**Presenter:** Hank Perkins, Town Manager

**BRIEF SUMMARY:**

The Town of Lake Lure originally proposed a series of timeless professionally produced videos on the following topics:

1. Lake Use Regulations
2. Boater Safety
3. Town Board Guidelines and Responsibilities

There was a delay in finalizing the script for the Lake Use Regulations. Some have suggested that the video on this topic may no longer be relevant. A suggestion was made to combine the first two videos. Commissioner DiOrio drafted the attached script for this video.

**RECOMMENDED MOTION AND REQUESTED ACTIONS:**

The Town Manager wishes to discuss this with Town Council to ensure everyone concurs with this recommendation. Additionally, If one video is recommended, we value any additional input regarding the draft script.

**FUNDING SOURCE:**

General Fund – Transfer from Fund Balance

**ATTACHMENTS:**

Draft Video Script

## **DRAFT Boater Safety Video Script**

Hello from Lake Lure North Carolina, nestled in the Hickory Nut Gorge along the Blue Ridge foothills between Charlotte and Asheville.

This instructional video will help prospective boaters safely operate their watercraft on the waters of our scenic lake surrounded by the majestic blue ridge mountains. Boating activity has significantly increased in recent years due to residential development and a substantial rise in tourism – and many boat operators are unfamiliar with Lake Lure. This video serves to get all boaters on the same page to enhance your overall boating experience.

We welcome visitors to enjoy our recreational lake and we ask that you take the time to understand our compulsory lake use regulations - rules that are essential to ensure safe boating on our small 734-acre lake. Lake users must comply with North Carolina Fish and Wildlife Regulations and Lake Lure Use Regulations - two sets of regulations that work together to provide a safe boating environment specific to the unique features of the lake.

Lake Lure is owned by the citizens of Lake Lure and supervised by the Lake Lure Marine Commission - an elected body that is chartered by the North Carolina General Assembly. A citizen board called the Lake Advisory Board or LAB researches all matters of lake operations to protect citizens, property, and the environment and makes recommendations directly to the Commission. You can help keep our lake safe and enjoyable by exercising your personal responsibility to adhere to the safety principles crafted by the Lake Advisory Board and authorized by the Commission.

To ensure that all motorized boat operators understand the regulations, every boat operator - including visitors and residents alike - no matter how experienced - must complete a Lake Lure specific boater licensing course before operating any motorized boat on the lake. This license is specific to Lake Lure and additional North Carolina State boat safety training requirements may apply. An online course with licensing process instructions is available at [townoflakelure.com](http://townoflakelure.com) - and this video covers many of the key safety principles.

All boats operated on Lake Lure waters must also be permitted by the Town of Lake Lure. This requirement is designed to ensure that only boats of appropriate size, weight, and power are operated on our constrained waters. Oversized and overpowered boats have been reported to cause hazardous and damaging wakes that are intensified within our narrow channels. Boat restrictions will be strictly enforced – and all boat owners must provide manufacturer provided specifications prior to permitting.

The popularity of Lake Lure is on the rise. The Lake Advisory Board monitors the boater pressure on the lake – and there has been a significant increase in boating activity due to property development and tourism. Boating activity is particularly elevated during weekends in the peak season – extending well past the recommendations of our governing safety study. To continue access and encourage weekday rather than weekend activity for our visitors, the Marine

Commission implemented a non-resident day pass permitting framework that accommodates unrestricted access for any weekday in the year and on weekends during the off-season before Memorial Day and after Labor Day. Non-residents who berth their boats in a town or other commercial pier continue to be eligible for an annual permit that allows for unrestricted weekend access.

Boat permits and boater licenses may be obtained downtown at the Washburn Marina, at the Cabana in Rumbling Bald, or at the Town Parks and Recreation Office at the Greenspace. Boater licenses only may be also be obtained by our Lake Livery Rental businesses. Please keep in mind that failure to comply with these regulations may result in fines or forfeiture of your boating license.

Boating regulations have been developed over a number of years based on citizen and police reports of dangerous situations – and backed by extensive research by water safety experts. The lake regulations are based upon a Lake Lure comprehensive boater safety study that applied national boating safety norms to our lake. I will lead you through a summary of these rules.

As a responsible boater, it is your responsibility to ensure your boat is equipped with U.S. Coast Guard approved safety equipment including a fire extinguisher, horn or whistle signal device, throw cushion, operational navigation lights, and personal flotation devices - or PFDs - for each person. Children under 13 yrs. old and all participants in towed watersports – no matter what age - must wear a personal flotation device.

As with any moving vehicle, never operate a boat on the waters of Lake Lure while under the influence of an impairing substance including a blood-alcohol level of 0.08 or more. It is unlawful to operate a boat in a reckless or negligent manner so as to endanger life, limb, or property.

As you enjoy snacks or a meal on the lake, please do not feed the wildlife. Wild animals have specialized diets and they can become malnourished or die if fed the wrong foods. Also, do not place, throw, deposit, or discharge any litter, raw sewage, bottles, cans, papers, or other liquid or solid materials in Lake Lure. If you see debris in the water, you are encouraged to remove that debris if possible. If you encounter large storm debris, please report the condition to the Parks and Recreation Department as soon as practicable.

Excessive speed is the leading cause of boating accidents. Never operate a boat at a speed greater than is reasonable and prudent under the existing conditions. High speed can be dangerous because excessive speed reduces reaction time to an emerging perilous situation. High speed can cause extensive property damage and high-performance boats at high throttle can be extremely noisy.

The max speed limit on Lake Lure is 45 mph for any condition or situation. Pontoons or Deck Boats with a single 300 horsepower outboard are generally limited to a max hull speed of about 48 miles per hour, so externally driven watercraft will be limited to a 300-horsepower

rating. Internal or inboard propulsion vessels, mostly used for watersports, are difficult to regulate and will rely of the 45 miles per hour speed limit. We encourage to check your boat indications – tachometer of speed indicators - with a GPS device such as a smartphone – to know your boat’s unique speed characteristics.

We ask that you pay special attention to the wake your boat generates. Please observe No Wake Zones – defined by boat operation at 1000 rpm or less and no white water emanating from the bow. No wake zones have been established within 75 feet from shore around the perimeter of the entire lake and at the entrance to all coves - within 75 feet of another operating vessel or 100 feet from an emergency vessel displaying lights. Also, no wake restrictions are extended to the entire lake during darkness. These designated areas are typically marked by buoys. These zones provide a sanctuary for swimmers and non-motorized watercraft, and provide a protection buffer for lake structures. Stay well clear of the dam especially the power plant intake penstock and flood gates.

Lake Lure is a great place for families to enjoy watersports, but please be mindful of the dangers that watersports can pose. Experience, training, and due diligence are all important aspects of safe watersports. Given the constrained waters of Lake Lure, no personal motorized watercraft of any kind are allowed on the lake. Jet skis and motorized boards – for example – can be difficult to see and avoid in our very narrow channels – and our typical summer congestion does not meet the space operating standards for individual watersports. In addition, no towed watersports are allowed in any cove or no-wake zone.

Professional training is recommended before engaging in watersports. Many visitors do not have such training – so no towed watersports are allowed from rented vessels - including Vacation Rental (VR) and Livery (L) watercraft. Boat drivers engaged in watersports must focus their attention forward at all times to prevent dangerous boating situations. In accordance with State Law, boats must have a dedicated spotter or rear-view mirror to maintain a forward focus. There is a maximum of two towed riders at a time to promote stability and prevent a dangerous broad dispersal of several dislodged swimmers in the narrow Lake Lure channels. All towed watersport participants must wear a US Coast Guard approved personal flotation device.

Wake surfing is becoming increasingly popular. Surfing behind heavily ballasted wake boats requires special consideration. Wake surfers on Lake Lure must adhere to North Carolina Wildlife Resource Commission Guidelines. Stay at least 150 feet away from other boats, the shoreline, docks or other structures - minimize repetitive passes causing excessive wakes – and provide surfers a wide berth. Boaters should suspend activity if unable to maintain the required safe separation. To prevent the introduction of invasive species from wake boat ballast tanks from other regions; these boats shall be limited to property owners in Lake Lure. Ballast boats owned by non-residents are not permit eligible.

It is incumbent upon the motor boat operator to stay clear of swimmers, floaters, and non-motorized watercraft. Swimmers must swim, dive, swing from a rope, float with a buoyancy device or waterslide into waters no further than 50 feet from the shoreline of Lake Lure. Also,

stay clear of floating swim platforms. These platforms must be tethered less than 30 feet from shore. So, motorized operation within 50 feet of shore is allowed, but should be conducted with extreme caution.

Swimming or floating from a boat offshore is fun, but protect your swimmers. This activity is permissible if accompanied by an observer located inside the boat. All waterborne activities must remain within 25 feet of the boat – and void boat-swim operations in heavy boat traffic areas and navigation channels.

Kayaking, canoeing, and paddle-boarding continues to be a popular pass-time. All non-motorized boaters (except sailboats and rowing sculls) must stay within the 75-foot no-wake buffer zone except when crossing a channel at a 90-degree angle to access the opposite shoreline. Canoes, kayaks, paddle boards, and other similar vessels may be difficult to see and are prone to capsize from wakes - stay well clear of these types of watercraft. Motorized watercraft must also yield to sailboats in accordance with inland rules of the road. Sailboats have the right of way as the stand-on vessel when meeting a motorized watercraft.

There is no replacement for mariner prudence and common sense. Head ashore during severe weather or lightning. Always be respectful of your neighbors and fellow boaters. Boathouses, docks, and swim platforms are private property. Please be considerate when approaching or fishing near lake structures – and boarding to private structures without permission is prohibited. Sound is amplified and travels far across the lake, so please keep music to a reasonable level. Docking lights can blind an oncoming vessel at night, so they must only be used for docking. Please do not tether to any marker buoy, manhole, or other utility infrastructure on the lake or shoreline - and mooring at any Town owned day slip is limited to two and a half hours.

You may see a variety of commercial vessels operating on the lake. All boats that generate revenue for profit or non-profit entities require a commercial license. These include Tour Boats (T), Vacation Rentals (VR) and Livery Boats (L), Service Boats including Fishing Guides (S), and Towed Watersports Activity Boats (TW). Commercial boats may be restricted in their ability to maneuver especially when conducting service operations. Dredging operations – for instance - are frequent around the Town Marina inlet. Give these boats and dredges as wide a berth as possible.

Finally, help is available if your boat become disabled or you are in distress. For any emergency situation on the lake, dial 911. Signal nearby boats for assistance if out of 911 communications range. Fellow boaters should assist boats in need if you see or hear a distress signal. Police boats regularly conduct lake patrols especially during peak usage times or officers may be dispatched to a boat from shore as necessary. Lake Lure Fire and Rescue maintains a fire boat and other craft to respond to fires and conduct search and rescue with emergency medical services and diver certified personnel. In addition, North Carolina Fish and Wildlife conducts occasional patrols and will investigate boating incidents and accidents.



Remember that the regulations presented in this video are implemented to keep you, your friends, and family safe while enjoying our beautiful lake. Our [Lake Use Regulations](#) are designed to put safety first! As always, your support and cooperation are appreciated as we continue to work together to improve Lake Lure for future generations. Your Personal Responsibility is the first line of defense for safe boat operations and we ask that you adhere to these guidelines to the best of your ability. Enjoy the beauty and serenity of Lake Lure and we welcome you to join us on the water!

**Final screen shot:**

**Thank you for watching this video and visiting the Town of Lake Lure, NC.**

**Please visit [www.townoflakelure.com](http://www.townoflakelure.com) for additional information and resources.**

**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM**

**Meeting Date: April 26, 2023**

**SUBJECT:** Discuss Land and Water Conservation Fund (LWCF) Grant

**AGENDA INFORMATION:**

**Item Number:** IX  
**Department:** Parks, Recreation, and Lake  
**Contact:** Hank Perkins, Town Manager  
**Presenter:** Hank Perkins, Town Manager

**BRIEF SUMMARY:**

The Town received a Land and Water Conservation Fund (LWCF) grant in 1988 and it was recently determined that the Town has been non-compliant with the fund guidelines due to the construction of Town Hall on land designated for recreational use per the LWCF grant. Town staff reached out to the North Carolina Department of Natural and Cultural Resources (NCDNCR) for guidance regarding compliance and the NCDNCR recommended property conversion which entails exchanging the non-compliant Morse Park location for an alternative town location with similar value to be designated for recreational uses following LWCF guidelines. The Town also discussed the need to declare the original amenities obsolete.

Most recently, the NCDNCR responded to the Town's inquiries on the matter and stated the following:

*Good evening,*

*It is my understanding that we are pursuing the conversion due to the municipal building. Within the conversion, we will be able to communicate any changes of outdoor public recreation facilities of the remaining LWCF property. Which facilities were you going to deem obsolete and what are your plans for public outdoor recreation on the remaining park property? What public outdoor recreation will be made available on the replacement property? Depending on your answers, we may be able to cover everything within the conversion process.*

*I have already set up your SharePoint portal to pursue the conversion to bring the town back into compliance. If you need me to resend the link to SharePoint, I am happy to do so. Conversions are covered beginning on p. 102 of the [LWCF Manual](#). The manual is a bit clunky, but it is the resource the NPS operates from for this process.*

*For the conversion documentation you'll need to complete the following:*

*Complete the Compliance and Stewardship (C&S)*

- 1. Brief Description on the bottom of page 1*
- 2. Section 1.0, 1.1 Conversions of Use*
- 3. Section 3.0 Resources Information*

*Highlights to include in the C&S:*

- 1. The proposal's consistency with North Carolina's SCORP and an adopted local comprehensive parks plan (if available);*
- 2. A narrative addressing the recreation usefulness of the parcel being converted from the LWCF and how it is replaced at the replacement site;*
- 3. A public meeting about the conversion with meeting minutes or documentation of other adequate outreach to the interested and affected public; and*
- 4. The state's recommended NEPA pathway (Division of Parks and Recreation Staff will determine this).*

*Application and Revision (A&R)*

- 1. Brief Description on the bottom of page 1 (should be the same as the C&S)*
- 2. Section 4.0 Amendments (A., B., and C.)*

*Description and Notification (DNF)*

- 1. Complete the first page for the converted property with the facilities remaining*
- 2. Complete the second page for the replacement property*

*Appraisals*

*The fair market value established by Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA appraisals) (also known as Yellowbook appraisals) of the property to be converted and the property proposed as replacement or a qualified waiver of valuation. Appraisals for converted and replacement property should be completed within the same time frame. (We asked NPS if the appraisal had to include the municipal building but have not received guidance).*

*Third-party review of both appraisals*

*LWCF Recreation Area Boundary map*

1. *A map showing the location of the conversion on the original LWCF recreation area boundary map, with a zoomed in conversion footprint if it is very small compared with the scale of the map;*
2. *A map showing the revised LWCF recreation area boundary at the original park site;*
3. *If the replacement site or park is not contiguous with the park being partially converted, a location map depicting the relative location of the replacement to the conversion); and*
4. *A new LWCF recreation area boundary map for the replacement park or recreation site.*
5. *Once we approve the maps, I'll provide additional instructions for signatures.*

*An assessment by the State Historical Preservation Office (SHPO) must be completed on the property gained and the property lost. This can take 30+ days.*

*Any supporting documentation related to NEPA and environmental impacts of either property.*

*Please keep any documents that are already in Word form in Word form to cut down on unnecessary formatting issues that occurs with converting documents back and forth.*

*I know this is a lot of documentation. Conversions are complex because LWCF-funded properties are protected in perpetuity. Your RRS consultant, Blake Covington, can help you with your documentation. If you have any issues accessing your SharePoint or need me to add contributors, please let me know. Conversions can take 6 months to a year to receive NPS approval.*

Town Staff will be working with Destination by Design to determine how to best move forward.

**LAKE LURE TOWN COUNCIL  
REQUEST FOR BOARD ACTION  
Meeting Date: April 26, 2023**

**SUBJECT:** Rumbling Bald Resort's request to rearrange the placement of the cluster mooring located on the northwest end of the lake.

**AGENDA INFORMATION:**

**Item Number:** X  
**Department:** Community Development  
**Contact:** Mike Williams, Director, Community Development Department  
**Presenter:** Mike Williams, Director, Community Development Department

**BRIEF SUMMARY:**

Rumbling Bald Resort has requested to be allowed to reconfigure the arrangement of their approved cluster mooring on the northwest end of the lake. General Manager, Jeff Geisler states that the request is due to the sediment fill issues on the north end of the mooring area and to improve wake issues in the mooring area. The cluster mooring was approved by Town Council in 2011. In 2022, a temporary reconfiguration was approved by Director Dean Givens due to accessibility issues due to their dredging project delay. The current reconfiguration has been reviewed by Dean Givens, who referred it to me as Lake Structure Administrator. The February 9, 2011 cluster mooring approval stated "No additional slips to be added. Any additional expansion of marina must have approval by Town Council."

I have reviewed the proposal which essentially removes what had been the pier nearest the beach ("A" on exhibit A) and splits it at the ends of the three piers at the opposite end of the cluster mooring ("D, E and F" on exhibit A).

**RECOMMENDED MOTION AND REQUESTED ACTIONS:** To approve reconfiguration of the cluster mooring with pier "A" being split and added to end of piers "D, E and F".

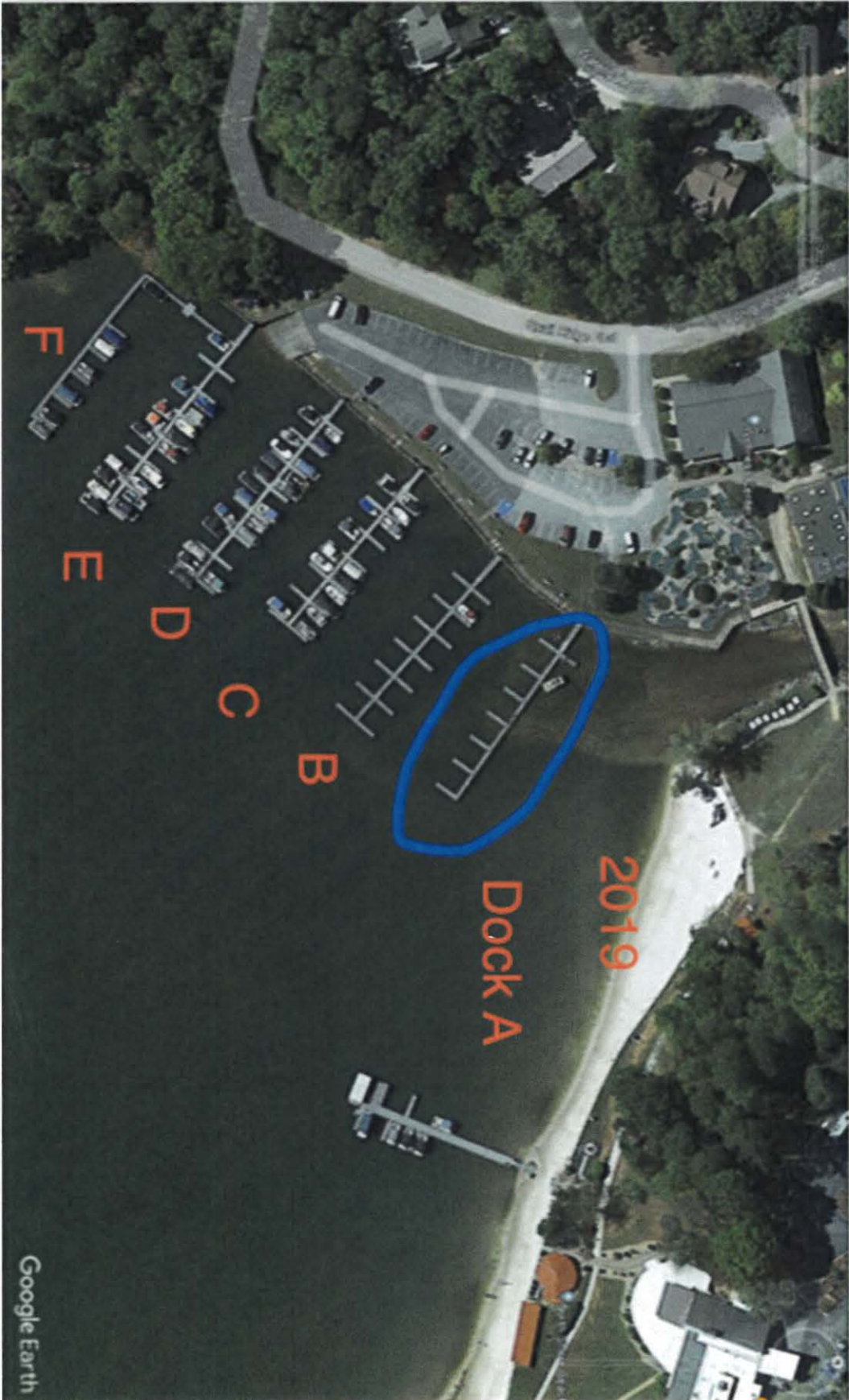
**ATTACHMENTS:**

Attachments A, B, C: Pictures illustrating requested reconfiguration and Attachment D: Copy of original permit notes.

**STAFF'S COMMENTS AND RECOMMENDATIONS:**

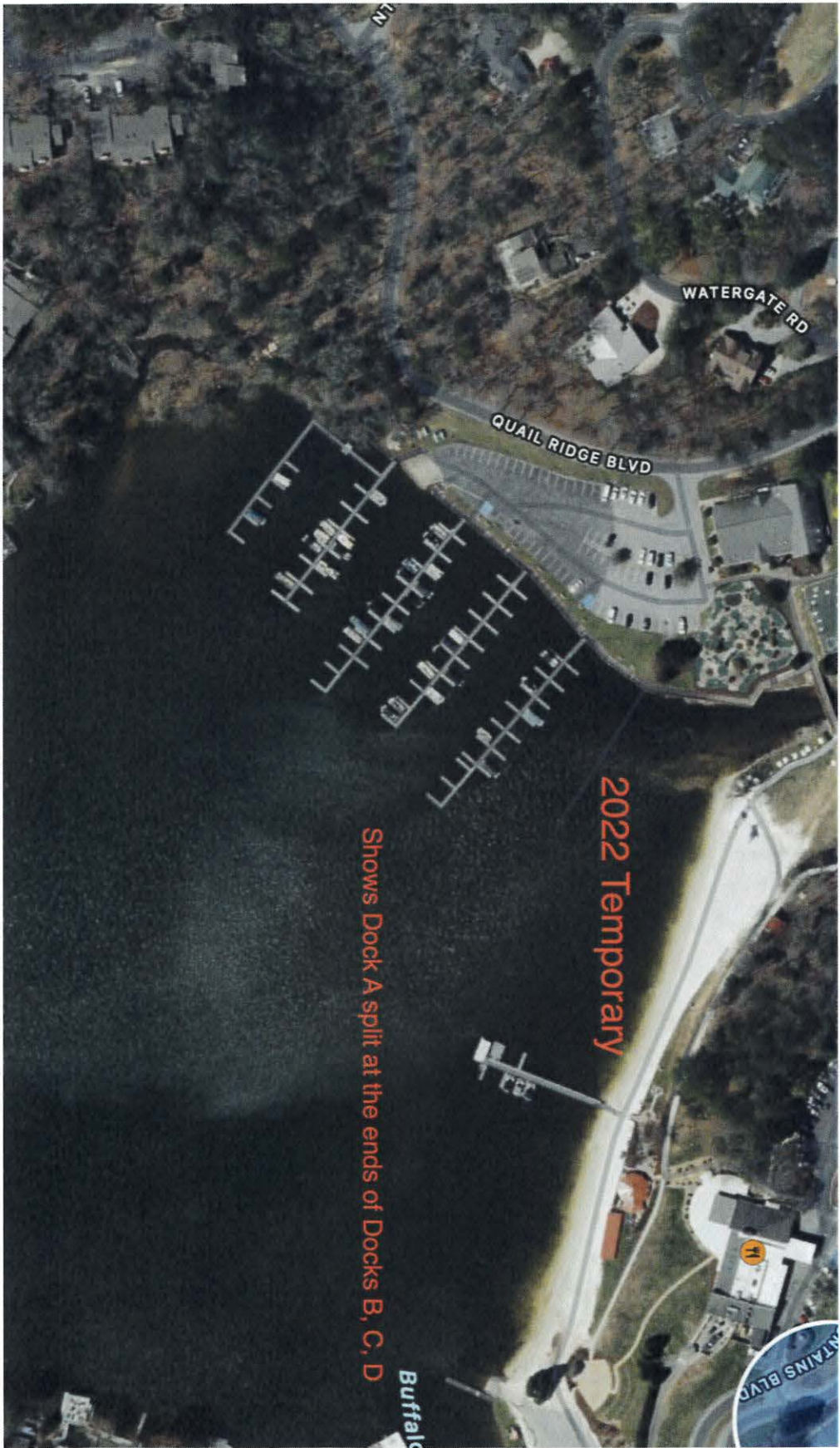
The Community Development Department has reviewed the proposal in light of Section 6-59 "Cluster Mooring Facilities" of the Town Code of Ordinances and the February 9, 2011 permit conditions and finds no reason for not allowing the proposed cluster mooring reconfiguration. We recommend that Town Council vote to adopt the recommended proposal to provide Rumbling Bald Resort to obtain the Lake Structure Permit required for this change.

RUMBLING BALD RESORT MOORING relocation proposal A



*original*

RUMBLING BALD RESORT MOORING relocation proposal B



Shows Dock A split at the ends of Docks B, C, D

2022 Temporary

*Temp 2022 (due to dredging delays)*





**Permits**

Permit	Fees	Contractor	Subcontractors	Architect	Engineer	Inspections	Violations
--------	------	------------	----------------	-----------	----------	-------------	------------

Permit #  Permit Type   Show All?

Property Address  Prop #

Type  Construction Type  Occupancy Class  Occupancy Load

Present Use  Proposed Use   Septic?  F.E.M.A.

GIS  Power Company  Plan Review #

Construction Notes

Gross Area (sq ft)  # of Units  Valuation  Permit \$  Total Paid \$

Date Added  Approval Date  Approved By

Expiration Date  Denial Date  Denial Reason

Close Date  Notes

Temp COO

COO Date

Appl First  Appl Last  Phone  Cell

Email  Company  Fax

Mailing Address  Mailing Address 2

City  State  Zip

**LAKE LURE TOWN COUNCIL  
REQUEST FOR BOARD ACTION  
Meeting Date: April 26, 2023**

**SUBJECT:** Review Zoning and Planning Board Recommendation for Amending Article III Section 6-48 and Adding 6-52(b) of the Building and Building Regulations

**AGENDA INFORMATION:**

**Item Number:** XI  
**Department:** Community Development  
**Contact:** Mike Williams, Director, Community Development Department  
**Presenter:** Mike Williams, Director, Community Development Department

**BRIEF SUMMARY:**

The Zoning and Planning Board has made recommendations for amending Article III Section 6-48 and Adding 6-52(b) of the Building and Building Regulations. Community Development Director Mike Williams will review the recommendations with Council and Council will provide input as necessary.

**ATTACHMENTS:**

Draft Ordinance for Amending Article III Section 6-48 and Adding 6-52(b) of the Building and Building Regulations

**ORDINANCE NUMBER 23-26-04**

**AN ORDINANCE AMENDING ARTICLE III SECTION 6-48 AND ADDING 6-52(b) OF THE BUILDING AND BUILDING REGULATIONS OF THE TOWN OF LAKE LURE CODE OF ORDINANCES**

**WHEREAS**, The Town of Lake Lure Code of Ordinances does not adequately address the varied scope of lake structure projects requiring permitting within the Town; and

**WHEREAS**, The Town of Lake Lure Zoning and Planning Board has recommended that the Town Council adopt the attached changes to the ordinance to address disparity between large lake structure projects such as constructing a boathouse and a relatively simpler lake structure project such as structural repairs to an existing structure; and

**WHEREAS**, The Town of Lake Lure Zoning and Planning Board has recommended that the Town Council amend the Town fee schedule to assess a reduced review fee for Minor Structural Repair, Demolition and Deck Top Accessory Structure applications of \$240; and

**WHEREAS**, The Town of Lake Lure Town Council has deemed that it is appropriate to define Minor Structural Repairs and address permitting requirements for those Minor Structural Repairs; and

**WHEREAS**, The Town of Lake Lure Town Council has determined that the existing Article III Section 6-48 of the Building and Building Regulations definitions should be expanded to include Minor Structural Repairs; and

**WHEREAS**, The Town of Lake Lure Town Council has determined that the existing Article III Section 6-52 of the Building and Building Regulations definitions should be expanded to include item (b) providing permitting requirements for Minor Structural Repairs; now

**NOW, THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE, NORTH CAROLINA, MEETING IN SPECIAL SESSION AND WITH A MAJORITY OF TOWN COUNCIL VOTING IN THE AFFIRMATIVE.**

**Section 6-48 Definitions**

**Repairs, Minor Structural.** Structural repair or replace in like kind actions to an existing lake structure costing no more than \$4,999,

**Section 6-52(b).** Minor structural repairs and replacements may be excluded from the requirement that plans be professionally sealed if the present plans are approved by the Lake Structure Administrator as sufficient to justify the applicant's assurance of structural integrity of the project.

**Town Fee Schedule.** Lake Structure review fees: \$240 - Minor Structural Repairs, Demolitions and Deck Top Accessory Structures.

**LAKE LURE TOWN COUNCIL  
REQUEST FOR BOARD ACTION  
Meeting Date: April 26, 2023**

**SUBJECT:** Review Zoning and Planning Board Recommendation for Doubled Permit Fees for Project Started Without Permits

**AGENDA INFORMATION:**

**Item Number:** XII  
**Department:** Community Development  
**Contact:** Mike Williams, Director, Community Development Department  
**Presenter:** Mike Williams, Director, Community Development Department

**BRIEF SUMMARY:**

The Zoning and Planning Board has approved a recommendation for language regarding doubled permit fees for projects started without permits. Community Development will review the Zoning and Planning Board recommendation and Council will provide input is needed.

**ATTACHMENTS:**

Presentation to the Zoning and Planning Board from Community Development including Approved Board Recommendations Regarding Doubled Permit Fees for Projects Started without Permits

**PRESENTATION TO ZONING & PLANNING BOARD FROM COMMUNITY DEVELOPMENT DEPARTMENT**

***Requesting recommendation regarding Proposed Doubled Permit Fees for Projects Started without Permits***

- 1) Regarding Lake Structure permits:  
Change – Sec 6-49(12) The application fee, the amount of which shall be established by the town council. Failure to obtain a required permit prior to commencing work shall subject applicant to double application fee. AND,
- 2) Regarding Zoning permits:  
Add new to – Sec 36-140 (5) The application package shall include the review fee, the amount of which shall be established by the town council. Failure to obtain a required permit prior to commencing work shall subject applicant to double application review fee. AND,
- 3) Regarding Land Disturbance permits:  
Add 22-23(a)(1)(d) The application package shall include the review fee, the amount of which shall be established by the town council. Failure to obtain a required permit and plan approval prior to commencing work shall result in double the normal application review fee. AND,
- 4) Regarding Sign:  
Included in Zoning Sec 36-140(5)
- 5) (Mobile Food Vendor and Vacation Rental Operator Permits will be exempted from double fees but operating without permits will still subject vendor/operator to fines for the violation.

**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM**

**Meeting Date: April 26, 2023**

**SUBJECT:** Discuss Drain Valve Installation Bidding

**AGENDA INFORMATION:**

**Item Number:** XIII  
**Department:** Project Management  
**Contact:** Mike Dydula, Project Manager  
**Presenter:** Mike Dydula, Project Manager

**BRIEF SUMMARY:**

Following all state and local rules and regulations, the Town has completed the bidding process for the installation of the reservoir drain valves. The Town received two bids from two companies, Morgan Corporation and Kiewit Corporation. Morgan Corporation was the low bidder at \$7,462,660 while Kiewit's bid was at \$9,680,800. Town staff has been reviewing the bids with Schnabel Engineering and there has been discussion with financial partners such as FEMA. The Town and Schnabel Engineering will meet with Morgan Corporation next week to hold more in-depth discussions in regard to their bid.

**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM  
Meeting Date: April 26, 2023**

**SUBJECT:** Discuss Horizontal Directional Drilling (HDD) Project

**AGENDA INFORMATION:**

**Item Number:** XIV  
**Department:** Project Management  
**Contact:** Mike Dydula, Project Manager  
**Presenter:** Mike Dydula, Project Manager

**BRIEF SUMMARY:**

The Town did not receive any bids in the second attempt to advertise for the Horizontal Directional Drilling (HDD) Project. Town staff and LaBella Associates will be assessing alternative project delivery methods.

**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM  
Meeting Date: April 26, 2023**

**SUBJECT:** Project Updates

**AGENDA INFORMATION:**

**Item Number:** XV  
**Department:** Project Management  
**Contact:** Mike Dydula, Project Manager  
**Presenter:** Mike Dydula, Project Manager

**BRIEF SUMMARY:**

Project Manager Mike Dydula will provide Council with an update in regard to ongoing major projects.

**ATTACHMENTS:**

Project Manager Progress Report will be available at the time of the meeting



**LAKE LURE TOWN COUNCIL  
AGENDA ITEM REQUEST FORM  
Meeting Date: April 26, 2023**

**SUBJECT:** Town Manager Updates

**AGENDA INFORMATION:**

**Item Number:** XVI  
**Department:** Administration  
**Contact:** Hank Perkins, Town Manager  
**Presenter:** Hank Perkins, Town Manager

**BRIEF SUMMARY:**

Town Manager Hank Perkins will provide Council with any updates that are not included on the meeting agenda. Council will also have the opportunity to ask any questions.

**XVIII**  
**ADJOURNMENT**