

## **APPENDIX B**

### **PURCHASING POLICY & PROCEDURES OF THE CITY OF ROCKY TOP**

(Ord. #569, Sept. 2022)

**PURCHASING POLICY & PROCEDURES  
OF THE CITY OF ROCKY TOP**

<b>SECTION</b>	<b>PAGE</b>
INTRODUCTION.....	APP-B-2
PURCHASING PROCEDURES .....	APP-B-3
RELATIONSHIP BETWEEN PURCHASING AGENT AND DEPARTMENT HEAD .....	APP-B-6
FORMS AND METHODS .....	APP-B-8
EMERGENCY PROCEDURES.....	APP-B-10
SEALED BIDS OR PROPOSALS .....	APP-B-12
NON-PERFORMANCE POLICY .....	APP-B-17
CONTRACTUAL PURCHASES/GRANTS .....	APP-B-18
OTHER GENERAL LAWS .....	APP-B-19
MUNICIPAL OFFICER INTEREST.....	APP-B-22
EXPENDITURE BREAKDOWN.....	APP-B-23
DIRECT PAYMENT FORM .....	APP-B-25
EXHIBIT 1	
EXHIBIT 2	

## **INTRODUCTION**

The main function of a purchasing manual is to aid all departments within the city by securing the best materials, supplies, equipment, and service at the lowest possible cost, while maintaining high standards of quality. One purpose of this manual is to explain city buying policies and to serve as a general framework and guide for purchasing decisions. To have a good purchasing program, all city employees directly or indirectly associated with buying must work as a team to promote the city's best interests in getting the maximum value for each dollar spent.

As revision or additions to this manual become necessary, the governing board will be responsible.

## PURCHASING PROCEDURES

The City Recorder, with the approval of the City Manager, may act as purchasing agent for the city, with power, except as set out in these procedures, to purchase materials, supplies, equipment; secure leases and lease-purchases; and dispose of and transfer surplus property for the proper conduct of the city's business. All contracts, leases, and lease-purchase agreements extending beyond the end of any fiscal year must have prior approval of the governing body.

The purchasing agent shall have the authority to make purchases, leases, and lease purchases of more than \$10,000 and less than \$25,000<sup>1</sup> singly or in the aggregate during any fiscal year and, except as otherwise provided herein, shall require three competitive bids or quotations in writing, prior to each purchase. Competitive bids or quotations for the purchase of items that cost more than \$1,000 and less than \$10,000 shall require 3 quotations. Competitive bids or quotations for the purchase of items that cost less than \$1,000 are desirable but not required. All competitive bids or quotations received shall be recorded and maintained in the office of the purchasing agent for a minimum of seven years after contract expires. Awards shall be made to the best bid determined by the department and purchasing agent.

A description of all projects or purchases, except as herein provided, that require the expenditure of city funds of \$25,000<sup>2</sup> or more shall be prepared by the purchasing agent and submitted to the City Manager and governing body for

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<sup>1</sup>The \$25,000 limit was set and approved by the governing body of Rocky Top. The Municipal Purchasing Law of 1983 sets a standard amount of \$2,500 but allows cities to increase to a maximum of \$25,000.

<sup>2</sup>The \$25,000 limit was set and approved by the governing body of Rocky Top. The Municipal Purchasing Law of 1983 sets a standard amount of \$2,500 but allows cities to increase to a maximum of \$25,000.

authorization to call for bids or proposals. After the determination that adequate funds are budgeted and available for a purchase, the governing body may authorize the purchasing agent to advertise for bids or proposals. The award of purchases, leases, or lease purchases of \$25,000<sup>1</sup> or more shall be made by the governing body to the overall best bid.

Purchases amounting to \$25,000<sup>2</sup> or more, which do not require public advertising and sealed bids or proposals, maybe allowed only under the following circumstances and, except as otherwise provided herein, when such purchases are approved by the governing body:

- Sole source of supply or proprietary products as determined after complete search by using the department and the purchasing agent, with governing body approval.
- Emergency expenditures with subsequent approval of the governing body.
- Purchases from instrumentalities created by two or more cooperating governments.
- Purchases from nonprofit corporations whose purpose or one of whose purposes is to provide goods or services specifically to municipalities.
- Purchases, leases, or lease purchases of real property.
- Purchases, leases, or lease purchases, from any federal, state, or local governmental unit or agency, of second hand articles or

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equipment or other materials, supplies, commodities, and equipment.

- Purchases through other units of governments as authorized by the Municipal Purchasing Law of 1983.
- Purchases directed through or in conjunction with the state Department of General Services.
- Purchases from Tennessee state industries.
- Professional service contracts as provided in T.C.A. 12-4-106 (see exhibit 1)
- Tort liability insurance as provided in TCA 29-20-407 (see exhibit 2)
- Purchases of fuels, fuel products or perishable commodities.
- Purchases of natural gas and propane gas for re-sale.

The purchasing agent, in cooperation with the City Manager, shall be responsible for following these procedures and the Municipal Purchasing Law of 1983, as amended, including keeping and filing required records and reports, as if they were set out herein and made a part hereof and within the definitions of words and phrases from the law as herein defined.

## RELATIONSHIP BETWEEN PURCHASING AGENT AND DEPARTMENT HEADS

The purchasing agent is a service agent for all other departments of the city. The purchasing function is a service, and for the mutual benefits gained to go toward the good of the city, all departments must work in harmony. The manual is a guide to help the departments know their buying responsibilities.

### Purchasing Department's Responsibilities

- To aid and cooperate with all departments in meeting their needs for operating supplies, equipment, and services.
- To process all requisitions with the least possible delay.
- To maintain vendor files for all approved vendors.
- Prepare purchase orders, and process and maintain order and requisition files.
- To prepare and advertise requests for bids and maintain bid files.
- To investigate and document complaints about merchandise and services for future reference.
- To transfer or dispose of surplus property.

### Department Head Responsibilities

- To allow ample lead time for the purchasing agent to process the requisition and issue the purchase order, while permitting the supplier time to deliver the needed items.
- To prepare and complete a requisition that accurately describes the purchase being made with the purchase amount and the budget expenditure code used for payment. **No purchase order will be**

**given without an acceptable requisition from the department head.**

- To plan purchases wisely in order to eliminate avoidable emergencies.
- To procure a product that will meet the department's needs at the least cost to the city.
- To initiate specification preparation on items to be bid.
- To inspect merchandise upon receipt, and complete a receiving report noting any discrepancies in types, numbers, condition, or quality of goods.
- To advise the purchasing department of defective merchandise or dissatisfaction with vendor performance.
- To search for new, improved sources of supplies and services.
- To advise the purchasing department of surplus property.

## FORMS AND METHODS

### *Purchasing Requests*

A verbal request from a department head is required for purchases, with pricing information, initiation of a bid request, and/or for requesting governing body approval on major expenditures.

A properly processed PO Request must include the following information:

- Date Requested
- Date Needed
- Department
- Requisitioner - Signature of the department head and purchasing agent on the final printed PO.
- Delivery address/information
- Quantity
- Unit price
- Description - Give a clear description of the item or service.
- Account to be charged - Complete budgetary code. (ie. 129-41510-211)
- Total - If you do not have the total amount you are allowed to put on the requisition "not to exceed" a dollar amount projected by the vendor and/or department head.

A request must be completed before a purchase is made, except when stated otherwise. If a company is waiting for a purchase order to process an expediated purchase, the department head is responsible for discussing the matter with the City Recorder. The process will be the exception rather than the rule.

The City Clerk shall certify, by signature, that the proper account has been charged and the availability of budgetary and cash funds. The department head will verify that the information listed on the PO is correct and sign the PO indicating that his/her request is authorized and correct in its entirety.

If the finance officer indicates there is not enough money in the requested line-item, the department head will work with the City Recorder to complete a line-item transfer prior to issuance of the PO.

### ***Purchase Order***

A purchase order authorizes the seller to ship and invoice the materials and services as specified. Purchase orders shall be written in a clear, concise and complete manner. This will prevent confusion and unnecessary correspondence with suppliers.

Purchase orders are issued only after a requested by a department head and approved by the purchasing agent and the City Recorder. No purchase order will be issued until the City Recorder has certified adequate funds and cash balances to make the purchase, except as otherwise mentioned.

The purchasing agent issues purchase orders, except as otherwise provided herein. The department heads will not make purchases on supplies or services until a purchase order is issued, except under the emergency purchase procedures and as otherwise provided herein.

The purchasing agent must initiate all cancellations and will issue a purchase order to the next best vendor or renew the purchasing process.

## **EMERGENCY PURCHASES**

Emergency purchases are to be made by departments only when normal functions and operations of the department would be hampered by submitting a requisition in the regular manner, or when property, equipment, or life are endangered through unexpected circumstances and materials, services, etc., and are needed immediately.

Emergency purchases, either verbal or written, may be made directly by the department head with competitive bids, provided sufficient funds are available and necessary approvals have been secured. The purchasing agent or the department head, if the purchasing agent is unavailable, may authorize an emergency purchase.

After determining a true emergency exists, the following procedure should be followed:

1. Notify the purchasing agent of the need and nature of the emergency. The agent will give verbal approval. This number will be put on the requisition referred to in number four (4) below.
2. The department head must use sound judgment about prices when making emergency purchases of materials and supplies and for labor or equipment. Orders should be placed with vendors who have a good track record with the department.
3. Suppliers shall furnish sales tickets, delivery slips, invoices, etc., for the supplies or services rendered. Terms of the transaction, indicating price and other data, shall be shown.
4. As soon as the purchase is complete, on the same or following business day, the department head must:

- a. Give the purchasing agent a complete requisition with a description of the emergency and approval by the department head.
  - b. The sales ticket, delivery slip, invoice, and material receiving report confirming the purchase must be attached to the emergency requisition form.
  - c. The purchasing agent will issue the vendor a purchase order, and initiate the payment process, if applicable.
5. If an emergency should occur during a time when the purchasing department normally is closed, the department head will follow the above procedures with the exception of step 1. The evidence of purchase, such as sale slip, counter receipt, delivery slip, invoice, etc., that the supplier normally furnishes, shall be attached to the completed and approved requisition form and be forwarded to the purchasing department, along with a material receiving report.

## **SEALED BIDS OR PROPOSALS**

Sealed bids are required on purchases of \$25,000 or more, unless otherwise noted herein. Bids must be advertised in a local newspaper of general circulation or on the city's website not less than five (5) days before bid opening date.

Purchasing agent's responsibilities:

- Prepare bid requests.
- Establish date and time for bid opening.
- Select possible sources of supply.
- Prepare specifications (unless of a technical nature, such as architectural, engineering, etc.) using the department heads input and assistance.
- Mail bid requests and advertise as appropriate. If delivered by hand, a receipt of the bid request should be signed by the vendor.
- Receive and open bids.
- Evaluate bids using department head's assistance.
- Prepare bids and make a recommendation on award to the governing body for approval.
- Process purchase order after governing body approval.
- Maintain all specification and bid data files.

Department Head responsibility:

- Prepare requisition or formal letter to begin bid process. This should contain specific information about items needed. For example, quantity, size, brand preferred, performance requirements, etc.

- Submit requisition or formal letter to begin bid request to the purchasing agent at least three weeks prior to the date bids are to be opened.
- Assist in specification preparation if needed.
- Assist in evaluation of bid results.

Bids will be opened at the time and date specified on the bid request. All bids are opened publicly and read aloud, with a tabulation provided to all vendors participating. Proposals for extensive systems, complicated equipment, or construction projects, with prior approval of the governing body, may be opened privately in cases where the disclosure of the contents of the proposal could not readily be evaluated and would have a negative impact on both the vendor and the city.

The invitation for bids shall be distributed electronically and bids shall be considered when they are received in hand at the purchasing agent's office if by the time and date set for receipt of bids. Such electronic bids or proposals shall contain specific reference to the Invitation for Bids; the items, quantities, and prices for which the bid is submitted; the time and place of delivery; and a statement that the bidder agrees to all the terms, conditions, and provisions of the Invitation for Bids.

No bids received after closing time will be accepted. All late bids will be returned unopened to the vendor. Bids postmarked on the bid opening date but received after the specified time will be considered late and will be returned unopened. Telephone bids will not be accepted.

The purchasing agent sends duplicate copies of bid request forms to each bidder, thereby enable the bidder to return one and maintain a file copy. Bids will not

be accepted on any vendor letterhead, vendor bid form or other substitutions unless special permission is given by the purchasing agent.

**Failure of a vendor representative to sign a bid proposal removes that bid from consideration. A typed official's name will be accepted without that person's written signature.**

The city reserves the right to reject any or all bids, to waive any irregularities in a bid, to make awards to more than one bidder, to accept any part or all of a bid, or to accept the bid (or bids) that in the judgment of the governing body is in the best interest of the city.

Bids are to include all shipping charges to the point of delivery. Bids will be considered only on the basis of delivered price, except as otherwise authorized by the governing body.

The purchasing agent and department head may request a sample product as part of a bid. If this is stated on the bid proposal form, the vendor is required to comply with this request or have the bid removed from consideration.

Specifications in the request for bid are intended to establish a desired quality or performance level or other minimum requirements that will provide the city with the best product available at the lowest possible price. When a brand name or model is designated, it signifies the minimum quality acceptable. If an alternate is offered, the bidder must include the brand name or model to be furnished, along with complete specifications and descriptive literature and, if requested, a sample for testing. Brands or models other than those designated as "equal to" products shall receive equal consideration.

A tie bid is one in which two or more vendors bid identical items at the same unit cost. The winning bidder among tie bids may be determined by one of the following factors:

- Discount allowed
- Delivery schedule
- Previous vendor performance
- Vendor location
- Trade-in value offered

An invitation to bid, a request for proposal, or other solicitations may be canceled, or any or all bids or proposals maybe rejected in part as may be specified in the solicitation when it is in the best interest of the city. The reasons shall be made a part of the bid or proposal file.

In addition to price, the following points should be considered when awarding a bid:

- The ability of the bidder to perform the contract or provide the material or service required.
- Whether the bidder can perform the contract or provide the material or service promptly or within the time specified, without delay or interference.
- The character, integrity, reputation, experience, and efficiency of the bidder.
- The previous and exiting compliance, by the bidder, with laws and ordinances relating to the contract or service.
- The ability of the bidder to provide future maintenance and service for the use of the subject contract.
- Terms and conditions stated in bid.

- Compliance with specifications or request for proposal.

The City of Rocky Top has been authorized to accept bids awarded by the State of Tennessee, and any other government jurisdiction within the United States that utilizes a competitive bidding process similar to the City of Rocky Top, without the requirement of local bidding; such acceptance is known as "piggybacking."

## **NON-PERFORMANCE POLICY**

Failure of a bidder to complete a contract, bid, or purchase order in the specified time agreed on, or failure to provide the service, materials, or supplies required by such contract, bid, or purchase order, or failure to honor a quoted price on services, materials, or supplies on a contract, bid, or purchase order may result in one or more of the following actions:

- Removal of a vendor from bid list for a period to be determined by the governing body
- Allowing the vendor to find the needed item for the city from another supplier at no additional cost to the city
- Allowing the city to purchase the needed services, materials, or supplies from another source and charge the vendor for any difference in cost resulting from this purchase.
- Allowing monetary settlement.

Once the purchasing agent has issued a purchase order, no follow-up work should be done unless the department head says the items have not been received. If this happens, the purchasing agent will initiate action, either written or verbal as time allows, to investigate the delay. The department head will be advised of any further problems or a revised delivery date.

## **CONTRACTUAL PURCHASES**

Materials, supplies, or services that are needed constantly for city operations will be taken on a formal bid and will be awarded by the governing body for a contract period determined to be in the best interest of the city. This procedure shall be used in cases where the amount of the purchase of said materials, supplies, or services will be \$25,000 or more within the fiscal year. For amounts below \$25,000, the award will be made by the purchasing agent.

## **GRANTS**

Grants will be subject to all Purchasing Policies and Procedures of the City of Rocky Top. Invoices describing services provided must be received for a payment to be issued. Any exceptions may be handled individually, on a case-by-case basis, at the determination of the City Manager. If an exception is granted, arrangements must be made in advance.

## **OTHER GENERAL LAWS**

### ***Professional Service Contracts (TCA 12-4-106)***

Professional services include:

- Legal Services
- Fiscal Agent
- Financial Advisor
- Educational Consulting Services
- And similar services by professional people or groups with "high ethical standards"

Only contracts for services performed within the professional's field of expertise are to be considered professional service contracts. Leasing office space from an attorney or purchasing computer services from an accountant, for example, are not professional services and will require competitive bids.

According to the legislation, a contract will be awarded on the basis of recognized competence and integrity, rather than on competitive bids. This does not stop the city from requesting proposals from eligible service providers, then deciding about the capabilities of each.

Any fiscal agent or financial advisor that serves the city and wants to bid - directly or indirectly - on any debt obligation of the municipality being sold to the public at a competitive sale must have prior written permission from the city.

***Tort Liability Insurance (TCA 29-20-407)***

The city may purchase tort liability insurance, without competitive bidding, from the Tennessee Municipal League or any other plan authorized by any organization of governmental entities, representing cities and counties. This is true regardless of any public or private act or charter restrictions.

***Purchase through State General Services (TCA 12-3-1001)***

The city may take advantage of "state prices" regardless of any charter or general law requirements. In addition, notwithstanding any local or private act, charter or general law restrictions, the city may purchase any item from local sources if such item is available for purchase under the provisions of contracts or price agreements entered into by the department of general services, and such item is available at the same or lower cost from such local sources, and the local governmental entity is not permitted to purchase from an existing contract established by the department. Not all prices quoted to the state are available to local governments.

***Purchases from other governments (TCA 12-3-1003)***

Any municipality may buy second-hand items or equipment or other materials, supplies, commodities, and equipment from any other government. These purchases may be made without competitive bidding and public advertisement, regardless of charter requirements.

***Purchases for other local governments (TCA 12-3-1004)***

A local governmental entity may buy supplies, equipment, and services for any other local governmental body. Examples of governmental entities include municipalities, counties, and utility districts.

***Cooperative purchasing agreements - Local (TCA 12-3-1009)***

Any local government may participate in, sponsor, conduct or administer a cooperative purchasing agreement for the procurement of any supplies, services or construction with one or more other local governments in accordance with an agreement entered into between the participants.

***Cooperative purchasing agreements - State (TCA 12-3-216)***

This agreement authorizes the commissioner of general services to enter into cooperative purchasing agreements with local governments, provided that each contract is established through the use of competitive sealed bids.

***Cooperative Purchasing - Local in-state and Local out of state (TCA 12-9-101)***

The Inter-local Cooperation Act permits any local government of this state to enter into joint agreements to exercise any legitimate governmental function (including purchasing) with any local government, in Tennessee or in any other state. Participating local governments in another state must have the same blanket authority under that state's own laws.

## **MUNICIPAL OFFICER INTERESTS**

No one holding a city office, elected or appointed, shall contract with the city for any work that is to be paid for out of the treasury, nor shall such person hold or have any direct interest in such a contract. Direct interest is defined as any business in which the official is the sole proprietor, a partner, or the person who has the controlling interest. Controlling interest means the person with the ownership or control of the largest number of outstanding shares owned by any individual or corporation.

No municipal officer shall be indirectly interested in any contract with the municipality unless the officer publicly acknowledges his interest. Indirectly interested is defined as any contract in which the officer is interested, but not directly, but includes contracts where the officer is directly interested, but is the sole supplier of the city.

It is unlawful for any person whose duty is to vote for or to supervise any contract with a municipality to be directly or indirectly interested in such a contract.

**EXPENDITURE BREAKDOWN**

<b>Expenditure Amount</b>	<b>Responsibility of Purchasing Agent and Department Head</b>
\$0 - 249.99	No purchase order necessary
\$250+	Purchase order required
\$500 - 999.99	General purchasing policy - 3 quotes preferred
\$1,000 - 9,999	Three quotes required
\$10,000 - 24,999	Three written quotes
\$25,000+	Public bid

The amounts listed above are a reference guide for department heads and the purchasing agent. It is the responsibility of the purchasing agent and department head to communicate regarding any specific instance where an exception might apply.

**DIRECT PAYMENT**

The following items qualify for a direct payment. A purchase order is not required; a department head signature is required on the invoice/payment.

- Communications and Utilities
- Department billings
- Bonds and Insurance
- Benefits
- Reimbursements
- Contributions
- Payroll Reimbursements
- Legal fees for Attorneys
- Freight/Shipping
- Interpreters for Court
- Doctor Payments
- Dues and Membership Fees
- Publication and Subscription
- Travel - Use Travel Forms
- Tuition and Training
- Postage
- Advertisement/Legal Notices
- Non-Recurring Items of \$250 or less
- Bank Charges
- Other Governmental Entities
- Debt Services Payments

It is the responsibility of the department head to communicate with the purchasing agent should questions arise of the acceptable use of a direct payment.

**APPENDIX C**

**DROUGHT MANAGEMENT PLAN FOR  
THE CITY OF ROCKY TOP**

**PWSID: 0000383**

**Date January 1, 2019**

(Ord. #525, Jan. 2019)

**DROUGHT MANAGEMENT PLAN  
FOR THE CITY OF ROCKY TOP**

<b>SECTION</b>	<b>PAGE</b>
AUTHORITY AND STATUS TO PLAN . . . . .	APP-C-2
SYSTEM CHARACTERISTICS AND RISKS . . . . .	APP-C-2
PURPOSE OF THE DROUGHT MANAGEMENT PLAN . . . . .	APP-C-2
DROUGHT MANAGEMENT PLAN WITHIN THE CONTEXT OF AN EOP . . . . .	APP-C-3
THE PLANNING COMMITTEE . . . . .	APP-C-3
GOALS - OBJECTIVES AND PRIORITIES . . . . .	APP-C-4
GENERAL WATER USES IN ORDER OF PRIORITY . . . . .	APP-C-4
ORDINANCES, POLICIES AND LEGAL REQUIREMENTS . . . . .	APP-C-4
PHASED MANAGEMENT . . . . .	APP-C-5
DROUGHT ALERT . . . . .	APP-C-5
VOLUNTARY WATER REDUCTIONS . . . . .	APP-C-5
MANDATORY WATER RESTRICTIONS . . . . .	APP-C-6
EMERGENCY WATER MANAGEMENT . . . . .	APP-C-6
MONITOR SUPPLY AND DEMAND . . . . .	APP-C-7
TRIGGER POINTS TO MANAGEMENT PHASES . . . . .	APP-C-7
DROUGHT ALERT . . . . .	APP-C-7
VOLUNTARY WATER REDUCTIONS . . . . .	APP-C-8
MANDATORY WATER RESTRICTIONS . . . . .	APP-C-8
WATER EMERGENCY MANAGEMENT . . . . .	APP-C-8
MANAGEMENT TEAM . . . . .	APP-C-8
REVIEW, EVALUATION AND UPDATING THE MANAGEMENT PLAN . . . . .	APP-C-9

### **Authority and Status to Plan.**

The City of Rocky Top Water and Sewer Department chartered and organized under the laws of the State of Tennessee. Rocky Top owns and operates a water distribution system serving the citizens of Rocky Top and the surrounding areas of Anderson County. The distribution manager for the City of Rocky Top has the authority to implement the drought management plan.

### **System Characteristics and Risks.**

Rocky Top has approximately \_\_\_\_ water connections. Using the household factor of 2.55 persons per household for Anderson County, this is equivalent to approximately 2,040 persons. The usage is categorized as follows:

Water Use Category	Use in Gallons (Avg.)	Percent of Total Usage	Peak Water Use	Percent of Total Usage	Increase in Gallons	Percent Increase (peak over avg.)
Residential	1,500,000	99	2,000,000	99	500,000	33
Commercial	27,000	1	35,000	1	8,000	29
Total	1,527,000	100	2,035,000	100	1,803,000	100

One hundred percent of the water used by Rocky Top is purchased from the Anderson County Water Authority. Our distribution system contains two water storage tanks with a combined capacity of 2,000,000 gallons and 2,100,000 gallons of storage is provided to our system by the Anderson County Water Authority.

### **Purpose of the Drought Management Plan.**

The purpose of this plan is to reduce water demand in the event of a drought where existing water supplies are inadequate to meet current demand for potable water. The significance of taking into account water use on average and

during peak water demand (though it may not reflect an extreme or exceptional drought) is that system officials can identify water uses that have the potential to be reduced more easily. The point here is to identify potential discretionary or non-essential water uses. It is evident from the data above that water use by residential users typically increases 33 percent over average water use. The 29 percent increase in commercial use is insignificant with respect to our overall use and will not impact our system with efforts to reduce our overall water consumption.

Because water use data reflects a typical peak summer water use but not necessarily a moderate, severe or extreme drought, additional water use could be expected by residential customers on the system to water cattle and other livestock, though they usually rely on ponds and small streams which are likely to be depleted in a severe drought.

During the droughts of 2008 and 2015, Anderson County Water Authority was able to meet customer demand with no restrictions implemented.

### **Drought Management Plan within the Context of an EOP.**

Development of the town's drought management plan and EOP were assigned to the utility manager. He organized a team of individuals, to help organize and frame the plan. Our EOP addresses line breaks, storms, earthquakes, hazardous material spills and civil disturbances. The EOP is not available for public scrutiny. The drought management plan focuses attention on managing supplies and demand during a declared drought.

### **The Planning Committee**

The City of Rocky Top's drought management plan is a separate component of the Emergency Operation Plan (EOP). It was developed by Utility staff, but included a focus group in its development and review. Unlike the EOP to which

the drought plan is an "annex," the drought plan includes a standby rate structure, restricts some water uses and in some cases bans other water uses at times. The drought management plan was adopted by the utility board. The final adoption process was the normal process used by our board to adopt all policies.

### **Goals - Objectives and Priorities.**

The initial goal of the drought management plan was to provide water to all priority uses as established by the water system under worsening drought conditions (three levels). The water uses and levels of water availability take into account the maintenance of public health and safety, sustaining economic activity, preserving critical environmental resources and life activities.

### **General Water Uses in Order of Priority:**

- Hospital and medical facilities
- Nursing homes and elderly care facilities
- Human Consumption (Drinking water, domestic cooking, bathing, toilet use)
- Fire protection (structural facilities, and hazardous situations)
- Pets (animal hospitals, kennels) and livestock
- Environment (Erosion, Aquatic Habitat)
- Commercial Uses (Restaurant, Laundry, Office, Retail)
- Industry and Manufacturing (Sanitation, Process, Cooling)
- Recreation (Pools, Athletic Fields)
- Landscape (shrubbery) watering (Home and Commercial)
- Lawn watering, Vehicle Washing (Home and Commercial)

### **Ordinances, Policies and Legal Requirements.**

The department's drought management plan, rules, and policies are available for review. Copies can be examined at the office of the Public Works Department.

**Phased Management.**

Because we purchase 100% of our water from Anderson County Water Authority, Rocky Top has agreed to adopt the drought management plan developed by the Anderson County Water Authority. In addition our plan will include the following restrictions if needed. The drought response plan is broken into four phases: Drought Alert, Voluntary Water Reductions, Mandatory Water Restrictions and Emergency Water Management. The drought management phases and sets of trigger points along with their associated goals are described below. Failure to achieve a management phases goal within a reasonable time shall call for the next phase to be implemented.

**Drought Alert.**

In the drought alert phase, no reduction in water use demand is planned. We will focus on monitoring conditions, prepare for the possible implementation of "Voluntary Reductions," and call its drought task force group together to review the plan and next-step actions.

**Voluntary Water Reductions.**

Under "Voluntary Reductions" Rocky Top has established a water use reduction goal of 10 percent. This figure corresponds to approximately 200,000 gallons per day water use judging by peak usage. The trigger points for implementing this phase would be a reduction in our overall normal storage capacity of more than 25% for five consecutive days. The public appeal would consist of news releases to the media (weekly newspaper, local radio and regional television stations). Customers will be encouraged to use efficient water practices, e.g., watering lawns between sunset and sunrise, along with the more careful watering of shrubs and other landscape plantings.

**Mandatory Water Restrictions.**

The goal of activating a "Mandatory Water Restrictions" phase would be to reduce water demand by customers by 15 percent (from estimated peak demand). This would amount to a reduction of approximately 300,000 gallons per day. Vehicle washing will be restricted. Restrictions to car/vehicle washing will apply to commercial car washes that do not recycle water and to the domestic washing of cars, etc. Lawn and landscape watering will be restricted. To assist in reducing usage, the water system will reduce the amount of flushing where possible. Among the trigger points for implementing this phase would be a reduction in overall storage capacity to more than 35% for five consecutive days. Restrictions will be provided to the public through the media and posted in public buildings. A \$15.00 surcharge will be assessed to all customers using over 4,000 gallons per month. System personnel will be utilized to monitor compliance with restrictions. Customers will also be requested to report violators of the restrictions.

The following will be used to enforce restrictions:

- First offense - A written warning will be issued
- Second Offense - A \$50.00 fine
- Third Offense - Customer's water service will be discontinued for a minimum of 15 days. A reconnection fee will be required to have service restored.

**Emergency Water Management.**

The "Emergency Water Management" phase of the drought plan would be triggered by severe water pressure or other hydraulic issues, including but not limited to a drop in our overall water storage capacity to more than 50% for more than 5 consecutive days. The purpose of this phase would be to reduce water use to 25 percent of the peak demand. This would be a reduction of approximately 500,000 gallons per day. The media will be used to strongly

encourage all customers to curtail any nonessential usage. A \$25.00 surcharge will be assessed to all customers using over 4,000 gallons per month. System personnel will be utilized to monitor compliance with restrictions. Customers will also be requested to report violators of the restrictions.

The following will be used to enforce restrictions:

- First offense - A written warning will be issued
- Second Offense - A \$50.00 service charge
- Third Offense - Customer's water service will be discontinued for a minimum of 3 days. A reconnection fee will be required to have service restored.

### **Monitor Supply and Demand.**

The City of Rocky Top has established 4 drought management phases in addition to adopting the drought management plan established by Anderson County Water Authority. The four phases are described below. In addition, numerous trigger points were identified signaling the beginning of a phase.

### **Trigger Points to Management Phases.**

#### **Drought Alert.**

US Drought Monitor includes the service area of the City of Rocky Top in the "D1" classification (Moderate Drought, resulting in either agricultural or hydrologic impacts) or the USGS indicates that the flow in the Clinch River has reached moderate drought conditions. Once an area is included in one of these classifications, officials responsible for monitoring drought trigger points will initiate monitoring activities.

**Voluntary Water Reductions** (the trigger point for this phase is any one of the following):

- Trigger points set by the City of Rocky Top.
- Reduction in overall storage of greater than 25% for five consecutive days.

**Mandatory Water Restrictions** (the trigger point for this phase is any one of the following):

- Trigger points set by the City of Rocky Top.
- Reduction in overall storage of greater than 35% for five consecutive days.

**Water Emergency Management** (the trigger point for this phase is any one of the following):

- Trigger points set by the City of Rocky Top.
- Reduction in overall storage of greater than 50% for five consecutive days.

The goal of this phase is to bring water use demand to a level where water supplies could be maintained and sufficient time be allowed for filter backwashing and plant maintenance. This phase calls for sacrifices by users, with the expectation that rainfall is not likely to occur, and that extremely limited supplies must be reserved for supporting life and necessary sanitary uses (human consumption). The phase would likely correspond to conditions described by the US Drought Monitor as an exceptional drought.

### **Management Team.**

Rocky Top designated the City Manager to be the drought plan implementation Manager. He is ultimately in charge of managing the water system. In addition, the chief distribution operator for the City of Rocky Top will aid in gathering

information, assessing the situation and recommend/advise/approve the utility manager's actions. The task group is activated and will meet as necessary, but no less than once a week, once a "Drought Alert" has been initiated. A "Drought Alert" corresponds to the US Drought Monitor's categorization of the water system's service area as being characterized as under "Severe" drought conditions. The task group monitors water system conditions, including water demand, water supply, forecasted conditions, hydraulic conditions, water quality issues, impacted communities, public notification, plan modifications, staffing, trigger points and other issues related to the implementation of the plan. The task group and chief operator must also maintain records of their actions, system conditions at the time of management actions taken, and their effects. Finally, the drought management group and plan implementation manager must also determine and announce the step-down and/or deactivation of the plan.

### **Review, Evaluation and Updating the Management Plan**

The drought management plan was adopted on \_\_\_\_\_ by the city council. The drought manager will review the plan within 6 months after any phase of the plan has been implemented and/or every 5 years. Refinements to the drought management plan will be made as necessary. The drought manager is responsible for making the review and presenting that review before the utility board.