CHAPTER 1

MISCELLANEOUS

SECTION
5-102. Checks to be signed by recorder-treasurer.
5-103. Drug fund.


5-102. Checks to be signed by recorder-treasurer. All checks shall be signed by the city recorder-treasurer and countersigned by the city manager. (1996 Code, § 5-102)

5-103. Drug fund. The City of Rutledge in compliance with the provisions of Tennessee Code Annotated, §§ 6-22-120 and 40-33-211 does hereby authorize and direct the city recorder to establish an account for the depository of funds seized as a result of drug related arrests made pursuant to Tennessee Code Annotated, §§ 53-11-201, et seq. at the Citizens Bank and Trust Company of Grainger County, Tennessee, Rutledge Branch, said account and funds contained therein to be administered in accordance with applicable law. (1996 Code, § 5-103)

Charter references
For specific charter provisions on depositories of municipal funds, see Tennessee Code Annotated, § 6-4-402.
CHAPTER 2

PRIVILEGE TAXES

SECTION
5-201. Tax levied.
5-202. License required.

5-201. **Tax levied.** Except as otherwise specifically provided in this code, there is hereby levied on all vocations, occupations, and businesses declared by the general laws of the state to be privileges taxable by municipalities, an annual privilege tax in the maximum amount allowed by state laws. The taxes provided for in the state's Business Tax Act (*Tennessee Code Annotated*, §§ 67-4-701, *et seq.*.) are hereby expressly enacted, ordained, and levied on the businesses, business activities, vocations, and occupations carried on within the city at the rates and in the manner prescribed by the act. In no event shall the tax imposed by this section exceed fifteen dollars ($15.00) as established by *Tennessee Code Annotated*, § 67-4-709(a). (Ord. #105, April 2009)

5-202. **License required.** No person shall exercise any such privilege within the city without a currently effective privilege license, which shall be issued by the recorder to each applicant therefor upon the applicant's payment of the appropriate tax. (Ord. #105, April 2009)
CHAPTER 3
PURCHASING

SECTION
5-301. Procedures.

5-301. Procedures. (1) As designated in this chapter, the mayor shall act as purchasing agent for the city, with power, except as set out in these procedures, to purchase materials, supplies, equipment, and services; 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 extended beyond the end of any fiscal year must have prior approval of the governing body.

(2) The purchasing agent shall have the authority to make purchases, leases, and lease-purchases of more than five hundred dollars ($500.00) and less than five thousand dollars ($5,000.00) singly or in the aggregate during any fiscal year and, except as otherwise provided herein, shall require three (3) competitive bids or quotations, either verbal or written whenever possible prior to each purchase. Competitive bids or quotations for the purchase of items which costs less than five hundred dollars ($500.00) are desirable but not mandatory. All competitive bids or quotations received shall be recorded and maintained in the office of the city recorder for a minimum of two (2) years after audit. Awards shall be made to the lowest and best bidder.

(3) A description of all projects or purchases, except as herein provided, which require the expenditure of city funds of five thousand dollars ($5,000.00) or more singly or in the aggregate during any fiscal year shall be prepared by the purchasing agent and submitted to the governing body for 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 five thousand dollars ($5,000.00) or more shall be made by the governing body to the lowest and best bidder.

(4) Purchases amounting to five thousand dollars ($5,000.00) or more, which do not require public advertising and sealed bids or proposals, may be allowed only under the following circumstances and, except as otherwise provided herein, when such purchases are approved by the governing body:

(a) Sole source of supply or proprietary products as determined after a complete search by the purchasing agent, with governing body approval.

(b) Emergency expenditures with subsequent approval of the governing body.

(c) Purchases from instrumentalities created by two (2) or more cooperating governments.
(d) Purchases from non-profit corporations whose purpose or one (1) of whose purposes is to provide goods or services specifically to municipalities.

(e) Purchases, leases, or lease-purchases of real property.

(f) Purchases, leases, or lease-purchases from any federal, state, or local governmental unit or agency of second-hand articles or equipment or other materials, supplies, commodities, and equipment.

(g) Purchases through other units of governments as authorized by the Municipal Purchasing Law of 1983.¹

(h) Purchases directed through or in conjunction with the state Department of General Services.

(i) Purchases from Tennessee state industries.

(j) Professional service contracts as provided in Tennessee Code Annotated, § 29-20-407.

(k) Tort Liability Insurance as provided in Tennessee Code Annotated, § 12-4-407.

(l) Purchases of fuels, fuel products, or perishable commodities.

(m) Professional services shall not be bid.

(5) The purchasing agent 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 definitions of words and phrases from the law as herein defined.

(6) The purchasing agent may use a city purchase order to outline the terms and conditions for a purchase. A sample purchase order is attached.

(7) If the purchase is over the dollar limit, under no circumstances may multiple forms be used in an effort to avoid competitive bidding. Any variations in the purchase order and invoiced amount for purchases exceeding five thousand dollars ($5,000.00) shall be approved by the board of mayor and aldermen.

(8) Any violation of this purchasing policy is subject to disciplinary action which could include termination of employment.

(9) This limit may be lowered or increased to a maximum ten thousand dollars ($10,000.00) by the governing body. (Ord. # 128, March 2014)

¹This document may be viewed in the office of the recorder.