



# CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 4/25/06

SUBJECT: Resolution No 06-

**DEPARTMENT:** Finance

**RECOMMENDED MOTION:**

To approve the Resolution 06-37, updating the City's Purchasing Policy to include a specific Ethics Statement, Section 20, that contains all of the elements required by 24 CFR 85.36 for federal CDGB grant eligibility.

**SUMMARY:**

In order to receive CDBG funds from the federal government the City must comply with 24 CFR 85.36 and applicable provisions thereof. One of the requirements is that the City's Purchasing Policies include an Ethics Statement. The City's purchasing policy manual already contained ethics provisions, however the provisions were not codified into a specific section and did not contain all of the specific elements required when using CDGB funds to make purchases. The attached Ethics Statement proposed by the Purchasing Coordinator contains the existing ethics provisions of our policy (for example, numbered paragraph 4) and other provisions specifically required for CDGB entitlement (for example, numbered paragraph 5). Attached here is the proposed Ethics Statement accompanied by Resolution 06- adopting it.

**ATTACHMENTS:**  Ordinance  Resolution  Budget Resolution

Other  Support Documents/Contracts Available for Review in Manager's Office

**DEPARTMENT HEAD**

John A. Shelley, Finance Director

Date 3/25/06

**FINANCE DEPARTMENT**

Approved as to Budget Requirements

Date 3/28/06

**CITY ATTORNEY**

Approved as to Form and Legality

Date

**CITY MANAGER**

Approved Agenda Item For:

4/25/06

**COUNCIL ACTION:**

- Approved as Recommended
- Disapproved
- Tabled Indefinitely
- Continued to Date Certain
- Approved with Modification:

RESOLUTION NO. 06-37

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING THE CITY PURCHASING POLICY BY PROVIDING AN ETHICS STATEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, it is the purpose of the City Purchasing Policy to maximize the purchasing value of City funds in procurement; and

WHEREAS, it is also the purpose of the City Purchasing Policy to provide safeguards and ethical standards to maintain a procurement system of quality and integrity; and

WHEREAS, as a requirement to receive certain federal grant funds, specific ethics provisions must be added to the existing purchasing policy; and

WHEREAS, these safeguards and standards are to be codified in a written ethics statement, and added to the City Purchasing Policy as Section 20- Ethics Statement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA:

Section 1. The City of Port Orange hereby amends the City Purchasing Policy as attached hereto as Exhibit "A", until amended by resolution, adding Section 20, Ethics Statement.

Section 2. This resolution shall become effective immediately upon adoption.

\_\_\_\_\_  
MAYOR ALLEN GREEN

ATTEST:

\_\_\_\_\_  
Kenneth W. Parker, City Manager

Adopted on the        day of

Reviewed and Approved: \_\_\_\_\_

  
City Attorney

## SECTION 20

### ETHICS STATEMENT

The purpose of the ethics statement is to maximize the purchasing value of City funds in procurement and to provide safeguards for maintaining a procurement system of quality and integrity. It is to convey the basic principles of business conduct expected of all employees in order to safeguard the reputation of the City and its employees. The policy is general in nature and not intended to be all-inclusive. The fact that a certain action or activity is not mentioned as improper does not infer that it is either permissible or proper.

1. All acquisitions must comply with the City of Port Orange Policies and Procedures and Florida Statutes Chapter 287, and when federal funds are financing the acquisition, every purchase order or contract shall contain any clauses required by federal law, and applicable provisions of 24 CFR 85.36.
2. The City of Port Orange encourages all businesses, whether they be a small business, minority and women owned businesses to participate in the acquisition process with respect to doing business with the City and as outlined in 24 CFR 85.36.
3. Acceptance of gifts or gratuities from a contract grantee, other than advertising novelties of nominal value by employees participating in the selection or administration of the contract, is strictly prohibited. No employee shall become obligated to any vendor and shall not conduct any City transaction from which he/she may personally benefit.
4. No employee of the city shall contract with any entity or person transacting business with the city whereby the employee may derive income or benefits other than those provided as remuneration from the city for his employment except when the city council has made a prior determination that such dealings are in the best interest of the city.
5. No city employee, officer or agent shall participate in the selection, or in the award or administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when the participating 1) employee, officer or agent, 2) a member of his immediate family, 3) partner, or 4) organization that employs the employee has a financial or other interest in the contract grantee. Disciplinary action resulting in termination of the purchase, contract and/or employee, could result.
6. No contract, purchase or group of requisitions shall be subdivided to avoid bid, quotation, or approval requirements.
7. It is unlawful for a City officer or employee to order the purchase of any materials, supplies, equipment and/or contractual services, or make any contract other

than through the Coordinator of Purchasing without prior written authority or as specifically delegated herein. Any purchase, order or contract that is made contrary to these provisions shall not be approved and shall not bind the City as defined in the City's Purchasing Ordinance.

8. In cases of extreme emergency, an exception to the above policy may be made as outlined in Section 12 of the City's Purchasing Policies and Procedures and/or enacted by City Manager and ratified by the City Council.

9. The City of Port Orange follows Florida Statutes 112.3143 with respect to members of the City Council voting on awards for the purchases of equipment, goods and/or services where a conflict of interest may occur.

10. When a purchase is financed with federal funds, the City's local preferences ordinance will not be applicable if inconsistent with 24 CFR 85.36.

11. The City of Port Orange currently solicits bids by advertising both in the Daytona Beach News Journal a local newspaper, and on the Internet using Onvia (Demandstar) thereby ensuring that an open and competitive process has been followed.

12. When professional services such as architects, engineers, landscape architects and surveying firms, are required, the City follows the CCNA process, thereby adhering to Florida Statutes 287.055 as outlined in Section 13 of the City's Purchasing Policies and Procedures Manual. When using this type of process, or when only one bid or proposal is received, cost analyses are normally obtained either using current market pricing or advise from an Architectural/Engineering firm under contract with the City.

13. Procedures to resolve procurement protests are outlined in Section 14 of the City's Purchasing Policies and Procedures Manual.

Ethics statement