

- Town of Damascus, Virginia -

An ORDINANCE Amending Section 22-70 of the CODE OF DAMASCUS, And Enacting Section 22-73 as Part of ARTICLE II DIVISION III – PURCHASES AND CONTRACTS for Compliance with Federal Regulations and Guidelines

WHEREAS, the Mayor and Town Council conducted a public hearing regarding the proposed adoption of this ordinance at 6PM on Monday, June 1, 2026; and

WHEREAS, the Town of Damascus seeks to align its municipal procurement procedures with prevailing federal micro-purchase thresholds and regulatory policies; and

WHEREAS, the Town of Damascus is required to adopt a formal code of conduct for procurement to ensure full compliance with established federal regulations and oversight standards;

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of Damascus, Virginia, that Section 22-70 of the Code of the Town of Damascus is hereby amended, and Section 22-73 is hereby added to Chapter 22 of said Code, to read as follows:

Added language is included below in italics and underline. Deleted language is included below in strikethrough and red-font text.

ARTICLE II, DIVISION III – PURCHASES AND CONTRACTS

Sec. 22-70. – Purchases and purchase orders.

(a) All purchases made in the name of the town shall be made by invoice and entered into the town's contract services system as accounts payable. Invoices shall be logged into the system by date, vendor name, budget line item, and as otherwise specified. All invoices for budgeted expenditures over \$2,500.00 shall be approved by the council and authorized by signatures of the mayor and treasurer. All invoices for budgeted items of \$2,500.00 or less shall be authorized by the signature of the mayor. No purchases over \$2,500.00 may be made for goods or services without prior approval of the council.

(b) Gasoline, oil and emergency repairs for all town vehicles and equipment are exempt from the provisions of subsection (a) of this section, but such purchases must be signed for by the person making the purchase; and in case of emergencies necessitating repairs, the repairs shall not exceed that which will put the vehicle or equipment in use until permission can be obtained for complete repair.

(c) For the purpose of state and federal grants and/or loans, all purchases of goods and services estimated to be less than \$80,000.00 for the sum of all phases, shall not be subject to the requirements of the competitive bidding or negotiation process, provided

that the purchasing agent shall, whenever the amount thereof exceeds ~~\$30,000.00,~~ \$15,000.00, secure three or more written informal solicitations. Written quotations from vendors shall be obtained where practical, although verbal quotations will be permitted, provided that the purchasing agent shall cause a written record of all such verbal quotations to be made and filed with the records of the transaction.

(Ord. of 11-7-2022, § 1)

Sec. 22-71. - Unlawful expenditures.

No expenditure shall be incurred by any officer or employee of the town for any purpose in excess of the amount dedicated for such purpose in the general appropriation ordinance for that fiscal year unless such expenditure is authorized by a vote of a majority of all of the members elected to the council.

(Code 1975, § 7-9; Code 2002, § 22-92)

Sec. 22-72. Exemptions.

The following transactions are hereby exempt from the provisions of this division:

- (1) Legal services associated with actual or potential litigation;
- (2) Purchases from the state penitentiary or a state contract from the state purchasing department warehouse;
- (3) Purchases for special police work when the chief of police certifies to the purchasing agent that items are needed for undercover police operations.

(Ord. of 10-2-2017, § 2; Ord. of 11-7-2022, § 2)

Sec. 22-73 – Procurement Code of Conduct

This Code of Conduct establishes ethical standards for all personnel engaged in the selection, award, and administration of all purchases of goods and services using state and federal grants and/or loans. These guidelines ensure compliance with federal regulations (2 CFR 200.318) and maintain public trust in the Town’s procurement processes.

- (a) All Town employees, officers, or agents involved in procurement must adhere to a high standard of integrity. No individual shall participate in the selection, award, or administration of a contract supported by federal or state funds if a real or apparent conflict of interest is involved.
- (b) A conflict of interest arises when any of the following parties has a financial or other interest in, or receives a tangible personal benefit from, a firm considered for a contract:
 - (1) The employee, officer, or agent.

- (2) Any member of their immediate family.
- (3) Their partner.
- (4) An organization which employs or is about to employ any of the parties listed above.
- (c) Relationships such as “a friend’s business” or “a council member’s employer” should be treated as potential conflicts. To maintain transparency, the safest approach is recusal from the procurement process and formal documentation of the relationship.
- (d) Town personnel may not solicit or accept gratuities, favors, or anything of monetary value from contractors or parties to sub-contracts. This includes:
 - (1) Cash or gift cards.
 - (2) Entertainment, meals, or travel.
 - (3) Loans or discounts not available to the general public.
- (e) In accordance with 2 CFR 200.112, all potential or actual conflicts of interest must be disclosed in writing immediately.
 - (1) Disclosures must be submitted to the Town’s procurement officer.
 - (2) The Town will, in turn, notify the federal awarding agency or the pass-through entity as required by law.

Violations of these standards are taken seriously to protect the integrity of the Town’s operations. Any individual found in violation of this Code of Conduct will be subject to disciplinary action, which may include:

- (a) Written reprimands.
- (b) Suspension of procurement authority.
- (c) Termination of employment.
- (d) Legal prosecution, where applicable.

VOTE:

Katie Lamb, Mayor	Aye/Nay/No Vote	Sammy Campbell	Aye/Nay
Hunter Faust, Vice Mayor	Aye/Nay	Charles Fields	Aye/Nay
Buddy Albro	Aye/Nay	Derwin Creech	Aye/Nay
Jeff Buckley	Aye/Nay		

ADOPTED, this the ____ day of _____, 2026.

Katie Lamb, Mayor

ATTEST: _____

Tuesday Pope, Clerk