

ORDINANCE # 5167**AN ORDINANCE TO ALLOW DEPARTMENT DIRECTORS TO EXECUTE CONTRACTS ON BEHALF OF THE MUNICIPALITY BY AMENDING CHAPTER 3.04 OF THE RAPID CITY MUNICIPAL CODE.**

WHEREAS, the City of Rapid City has established by ordinance a purchasing system for the acquisition of supplies and materials; and

WHEREAS, the South Dakota Legislature has recently amended state law to allow a municipality to delegate to appointed officials the authority to enter into contracts on behalf of the municipality subject to any limits the governing body may impose; and

WHEREAS, delegating authority to enter into contracts to Department Directors will facilitate the timely provisions of services to the citizens by reducing the amount of time necessary to execute municipal contracts; and

WHEREAS, the current limits on the ability of department directors to approve and sign purchase orders appear to be reasonable limits to extend to department directors authority to execute contracts.

NOW THEREFORE, BE IT ORDAINED by the City of Rapid City that Section 3.04.030 of the Rapid City Municipal Code is hereby amended to read as follows:

3.04.030 Purchasing procedures.

A. Whenever any city department ~~head~~ **director** or officer or other person desires to make any purchase of materials, supplies, equipment, printing or services on behalf of the city, he or she shall issue a purchase order therefor. It shall be the duty of the department ~~head~~ **director** to preaudit the purchase order prior to incurring the obligation and the preaudit shall be directed toward the determination of funds available and appropriations unexpended or uncommitted in the fund or funds involved and toward the necessity for the purchase.

B. Any department ~~head~~ **director** designated by the mayor may approve and sign a purchase order if the amount shall be \$500 or less, where-upon the purchase shall be fully authorized. In the event the amount involved shall be more than \$500 and not exceeding the bid limit established by SDCL Chapter 5-18, the Mayor, department ~~head~~ **director** and Purchasing Agent must approve and sign the purchase order ~~prior to incurring of the obligation~~. Reasonable attempts shall be made by all department ~~heads~~ **directors** to obtain informal quotations from all local suppliers for any item in excess of \$1,000 but less than the bid limit established by SDCL Chapter 5-18, and for all repairs over \$1,000.

C. In all respects, city purchasing procedures must comply with SDCL Chapter 5-18.

BE IT FURTHER ORDAINED by the City of Rapid City that Chapter 3.04 of the Rapid City Municipal Code be amended by adding a new Subsection 3.04.090 to read as follows:

3.04.090 Contracting authority delegated to department directors.

Department directors authorized by the Mayor to approve and sign purchase orders shall also have the authority to enter into contracts on behalf of the City within the limits established in subsection 3.04.030, provided that any necessary funding is available within the department's budget and the contract is first reviewed and approved by the City Attorney.

CITY OF RAPID CITY

Mayor

ATTEST:

Finance Officer

(SEAL)

First Reading:

Second Reading:

Published:

Effective: