

Ordinance No. 5951

AN ORDINANCE TO CHANGE THE PROCESS FOR SMALL PURCHASES AND EXECUTION OF CONTRACTS BY DEPARTMENT DIRECTORS BY AMENDING SECTIONS 3.04.030 AND 3.04.090 OF THE RAPID CITY MUNICIPAL CODE

WHEREAS, the City of Rapid City has adopted ordinances authorizing department directors to make purchases and enter contracts for amounts below the limits requiring competitive bidding; and

WHEREAS, the current ordinances require the Mayor to approve all purchases of \$5,000 or more; and

WHEREAS, the Common Council desires to simplify the process for making purchases and entering into contracts by removing mayoral approval for purchases that are within the department's budget; and

WHEREAS, the Common Council of the City of Rapid City finds that it is in the best interests of the City to amend Sections 3.04.030 and 3.04.090 of the Rapid City Municipal Code.

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

3.04.030 Purchasing procedures.

A. Whenever any city department 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 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. The Mayor, Any department director, or acting department director as designated by the Mayor, or designee of the foregoing may approve and sign a purchase order if the amount shall be ~~\$5,000 or less, where upon the purchase shall be fully authorized. In the event the amount involved shall be more than \$25,000, without prior approval by the Common Council, \$5,000 and not exceeding the bid limit established by SDCL Chapter 5-18A, the Mayor, department 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 directors to obtain informal quotations from local suppliers for any item or repair in excess of \$2,000. ~~but less than the bid limit established by SDCL Chapter 5-18A, and for all repairs over \$2,000.~~

C. All purchases in excess of \$25,000 must comply ~~In all respects, city purchasing procedures must comply~~ with SDCL Chapters 5-18A through 5-18D.

BE IT FURTHER ORDAINED by the City of Rapid City that Section 3.04.090 of the Rapid City Municipal Code be and hereby is amended to read as follows:

3.04.090 Contracting authority delegated to department directors.

A. The Mayor and ~~D~~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 § 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.

B. If an individual department director enters into a contract or multiple contracts with a single vendor with an aggregate cost of more than \$25,000 in a calendar year, approval by the Council will first be required for all contracts in excess of the \$25,000 aggregate. Notwithstanding this subsection, in the event of extenuating circumstances, a department director may enter into contracts with a single vendor that exceeds the \$25,000 limit, provided that the requirements of the laws on competitive bidding are satisfied. The extenuating circumstances shall be reported to the Council at its next regular meeting.

CITY OF RAPID CITY

Mayor

ATTEST:

Finance Officer

(seal)