AN ORDINANCE TO UPDATE THE CONTRACTING AUTHORITY
DELEGATED TO DEPARTMENT DIRECTORS BY AMENDING
SECTION 3.04.090 OF THE RAPID CITY MUNICIPAL CODE

WHEREAS, SDCL 9-1-5 allows the Common Council to delegate the authority to enter
into contracts on behalf of the municipality to any employee of the City; and

WHEREAS, the City of Rapid City has established by ordinance a purchasing system for
the acquisition of supplies and materials by department directors, which allows department
directors to make purchases under the limit established by state law requiring competitive
bidding; and

WHEREAS, the City of Rapid City has also by ordinance delegated to department
directors the ability to enter into contracts in an amount less than $25,000; and

WHEREAS, the delegation of authority to department directors allows the City to
efficiently provide services to the citizens of Rapid City; and

WHEREAS, the Common Council desires to increase the current limits on the authority
of department directors to reflect the increasing costs of supplies and improve the efficiency of
the purchasing system; and

WHEREAS, the Common Council further desires to change the contracting authority to
bring it in line with the purchasing authority of department directors.

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

A. The Mayor and department directors authorized 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 exceeding the limits provided above
in a calendar year, approval by the Council, or appropriate governing body, 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 above limits, 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

Attest

Mayor

Finance Officer

(seal)