

AN ACT

ENTITLED, An Act to exempt local governments from certain competitive bid requirements.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 5-18-2 be amended to read as follows:

5-18-2. Except as provided in section 2 of this Act, all contracts of any public corporation, whether for the construction of public improvements or contracts for the purchase, lease or rental of materials, supplies or equipment, if such contracts involve an expenditure equal to or in excess of the amount provided for in § 5-18-3, shall be let to the lowest responsible bidder. The governing body may reject any and all bids and readvertise for proposals if none of the bids are satisfactory, or if they believe any agreement has been entered into by the bidders to prevent competition.

Section 2. That chapter 5-18 be amended by adding thereto a NEW SECTION to read as follows:

A contract of a public corporation may be awarded without competitive sealed bids or competitive sealed proposals regardless of the estimated cost if the governing body determines that there is only one source for the required service or item of tangible personal property. The governing body shall conduct negotiations, including price, delivery, and quantity to obtain the price most advantageous to the governing body. The governing body shall include in the bid file written verification that there was only one source for service or item. This section does not apply to construction services or equipment.

Section 3. That § 9-12-1 be amended to read as follows:

9-12-1. Every municipality shall have power:

- (1) To sue and be sued and to contract in its corporate name;
- (2) To acquire by lease, purchase, gift, condemnation, or other lawful means and hold in its corporate name or use and control as provided by law both real and personal property and easements and rights of way within or without the corporate limits for all purposes

authorized by law or necessary to the exercise of any power granted;

- (3) To provide that supplies needed for the use of the municipality shall be furnished by contract let to the lowest responsible bidder, except as otherwise provided by law;
- (4) To construct, operate, and maintain an auditorium and all public buildings necessary for the use of the municipality;
- (5) To insure the public property of the municipality;
- (6) To convey, sell, give, dispose of, or lease both the personal and real property of the municipality as provided by this title.

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I certify that the attached Act
originated in the

HOUSE as Bill No. 1109

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1109

File No. _____

Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby
approved this _____ day of
_____, A.D., 20__

Governor

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STATE OF SOUTH DAKOTA,
SS.
Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State