



Memo

December 4, 2025

To: Board of Directors
From: Dow Constantine, CEO
Subject: Simplified Acquisition Threshold Change (\$250,000 to \$350,000)

In 2023, the Board adopted Resolution No. R2023-30, updating the Board's Procurement and Delegated Authority Policy. The updated policy increased the delegated authority levels for the Sound Transit Board, the Committees of the Board, and the CEO, and set thresholds for reports that are distributed to the Board on a monthly basis.

Under Section 2.2.6 of the Resolution, staff are required to notify the Board if there is a change to the "Simplified Acquisition Threshold" or "SAT." The SAT is the federal index adopted by the Board that establishes some of the dollar thresholds in the Board's Procurement and Delegated Authority policy. As outlined in Federal Acquisition Regulation (FAR) final rule (90 FR 41877), the federal SAT was raised from \$250,000 to \$350,000, effective October 1, 2025.

The increase in the SAT affects the thresholds in the policy that specifically use the SAT as a dollar threshold. These include:

- Section 2.2.6 – The CEO will report monthly to the Board regarding those competitively-procured contracts awarded, executed or modified by the CEO pursuant to the Board's delegation of authority that exceed the SAT, excluding taxes.
- Sections 2.3.1 and 2.4 – Contracts that are estimated to exceed the SAT, excluding taxes, must be awarded through publicly advertised solicitations.
- Section 2.6.5 – The CEO will report monthly regarding sole source contracts awarded, executed, and modified by the CEO that exceed the federal simplified acquisition threshold, excluding taxes, as required by section 2.2.6.
- Section 2.7.3 – The CEO will report monthly regarding proprietary contracts awarded, executed, and modified by the CEO that exceed the federal simplified acquisition threshold, excluding taxes, as required by section 2.2.6.

The SAT is also used by the Procurement, Contracts & Agreements Division and agency staff to establish internal thresholds that ensure the agency is following procurement best practices.

The Procurement, Contracts & Agreements Division will adopt this change in the SAT and its application to these sections of the Board Resolution effective the first day of the month following distribution of this memorandum to the Board, that is, in this case, January 1, 2026.