

Board of Directors Delegated Authority

Category	Proposed / (Current) Approval Levels	Proposed / (Current) Reporting Levels
Existing categories with new approval and reporting levels		
Competitive contract awards and modifications	Board: unlimited (<i>unlimited</i>) Committees: up to \$50M (<i>\$5M</i>) CEO: contract awards up to \$5M (<i>\$200K</i>) Note: CEO may execute contract modifications up to contract value of \$5M (<i>\$200K</i>) or within pre-approved contingency	\$150K/federal threshold to \$5M (<i>\$100K/quarterly</i>) CEO to Board committees monthly
Sole source contract awards and modifications	Board: unlimited (<i>unlimited</i>) Committees: up to \$50M (<i>none</i>) CEO: up to \$150K/federal threshold (<i>\$100K</i>)	\$25K and above (<i>\$10K/quarterly</i>) CEO to Board committees monthly
Proprietary contract awards and modifications	Board: fully delegated to CEO Committees: \$0 CEO: unlimited (<i>no change</i>)	\$150K/federal threshold and above (<i>\$100K/quarterly</i>) CEO to Board committees monthly
Agreements (intergovernmental, rail entities, and limited nonprofit) Note: Rail entities and limited nonprofits are new categories in this section.	Board: unlimited (<i>unlimited</i>) Committees: up to \$50M (<i>none</i>) CEO: up to \$5M (<i>\$200K</i>) Note: Board approval is required for any agreement that establishes or modifies a Board policy.	None
Real property agreements	Board: unlimited (<i>unlimited</i>) Committees: up to \$5M (<i>\$5M</i>) CEO: up to \$500K (<i>\$200K</i>), and to committee or Board if lease term exceeds ten years (<i>five years</i>) regardless of dollar value	None
Other existing categories with little or no change		
Preliminary project planning activities	CEO: \$500K (<i>\$200K</i>) combined cost	
CEO authority to execute contract modifications within approved contingency	Note: allow the CEO to use approved contingency for any type of contract, not just capital projects	
Emergencies	CEO: Unlimited (<i>no change</i>)	Increase the Board ratification threshold from \$100K to \$150K/federal threshold
Write-off of uncollectable debts	CEO: \$5M (<i>\$200K</i>)	None

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Routine expenses of government	CEO: Unlimited when in budget (no change)	None
Legal services	CEO: Unlimited when in budget (no change)	General Counsel informs the Board quarterly
Claims, settlements, judgments	CEO: Unlimited when in budget (no change)	None
Relocation agreements with public and private utilities	CEO: Unlimited when in budget (no change)	None
Agreements for reimbursable services to others (100% reimbursable)	CEO: Unlimited when in budget (no change)	None
Betterments (increasing the amount of an executed contract for system expansion)	CEO: Up to \$500K Note: Existing policy to be consolidated from a Board motion and expanded to include any type of contract , not just professional services and construction	None
Employee compensation and benefit programs and retirement plans	CEO: Unlimited when in budget (no change)	None
New categories – Exceptions to the CEO’s delegated authority		
Any contract award that establishes or modifies a Board policy must be approved by the Board regardless of dollar value	Board: unlimited Committees: \$0 CEO: \$0	None
The CEO may not execute any contract award for which the proposed term exceeds 15 years including options	Board: unlimited Committees: up to \$50M CEO: up to \$150K/federal threshold	None
The CEO may not execute any construction contract award for which the proposed price exceeds the Sound Transit’s cost estimate by 20% or more	Board: unlimited Committees: when 20% or more and up to \$50M CEO: \$0	None
New category – Addition to the CEO’s delegated authority		
CEO may file applications for grant funding and accept and execute grant awards and agreements with grantor agencies	Board: fully delegated to CEO Committees: \$0 CEO: unlimited	Grant revenues reported as part of the annual update of the financial plan