



METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

TO: MTC Administrative Committee
MTC Operations Committee
BATA Oversight Committee

DATE: December 2, 2015

FR: Executive Director

W.I.: 1150

RE: Recommended Revisions to Executive Director's Signature Authority:

- MTC Resolution No. 3619, Revised
- MTC SAFE Resolution No. 44, Revised
- BATA Resolution No. 46, Revised

Summary of Recommendations

Based on significant increases in contracting activities for MTC, MTC SAFE, BATA, BAHA and BAIFA and review of other Bay Area transportation agencies' practices, staff recommends that the Committee approve, and forward to the Commission or applicable Authority for approval, the following revision to the Executive Director's (ED) and Deputy Executive Directors' (DED) delegated signature authority, expressed in MTC Resolution No. 3619, Revised, MTC SAFE Resolution No. 44, Revised, and BATA Resolution No. 46, Revised, for reasons discussed in this memorandum:

Increase the delegated contracting authority of the ED or DED from \$100,000 to \$200,000 to allow for contracts or amendments to contracts totaling \$200,000 to be authorized by the ED or DED, without Committee approval.

Background

"Signature authority" refers to the ED's or DEDs' ability to authorize contracts or funding agreements without Committee approval. The proposed changes to MTC Resolution No. 3619, Revised, MTC SAFE Resolution No. 44, Revised, and BATA Resolution No. 46, Revised, would establish identical signature authority limits.

The dollar amounts for delegated authority in MTC Resolution No. 3619, Revised, MTC SAFE Resolution No. 44, Revised, and BATA Resolution No. 46, Revised, were last amended in 2004 to increase the ED and DED signature authority from \$25,000 to \$100,000 for contracts, among other changes.

Discussion

Increasing the ED's and DEDs' authority to execute third party contracts to \$200,000 would permit Commissioners to use committee meetings to focus on projects with greater financial and programmatic significance and is consistent with regional practice. To illustrate the likely impact of the proposed delegation on MTC Committees, in Fiscal Year 2014-15, MTC Committees approved 190 contracts or amendments. Under the proposed higher delegation threshold, MTC Committees

would have been asked to approve 123 contracts or amendments, comprising approximately 96% of the total dollar value of MTC's contracts in Fiscal Year 2014-15. Per the attached survey of other California transportation agencies with comparable contracting activities (Attachment 1), the proposed delegation would be higher than some comparable agencies such as the San Francisco Bay Area Rapid Transit District (BART) and the Bay Area Air Quality Management District (BAAQMD), but below other large agencies such as Orange County Transportation Authority (OCTA), Los Angeles Metropolitan Transit Authority (LAMTA), San Francisco Municipal Transportation Agency (SFMTA), and Santa Clara Valley Transportation Authority (VTA).

Under the proposed delegation, the ED and DED, if authorized by the ED, could sign third-party contracts in amounts up to and including \$200,000 without committee approval, provided that the items to be purchased or work to be done were included in the adopted agency budget. As is the practice under the current \$100,000 ceiling, management staff would continue to identify contracts under \$200,000 likely to be of Commission interest, to refer to the appropriate Committee for approval. Other provisions related to purchase orders, Section Director authority and monthly reporting are proposed to remain unchanged.

Recommendation

Staff recommends that the Committee forward to the Commission or applicable Authority for its approval the revisions to MTC Resolution No. 3619, Revised, MTC SAFE Resolution No. 44, Revised, or BATA Resolution No. 46, Revised, as applicable, as set forth in the attached revised resolution.



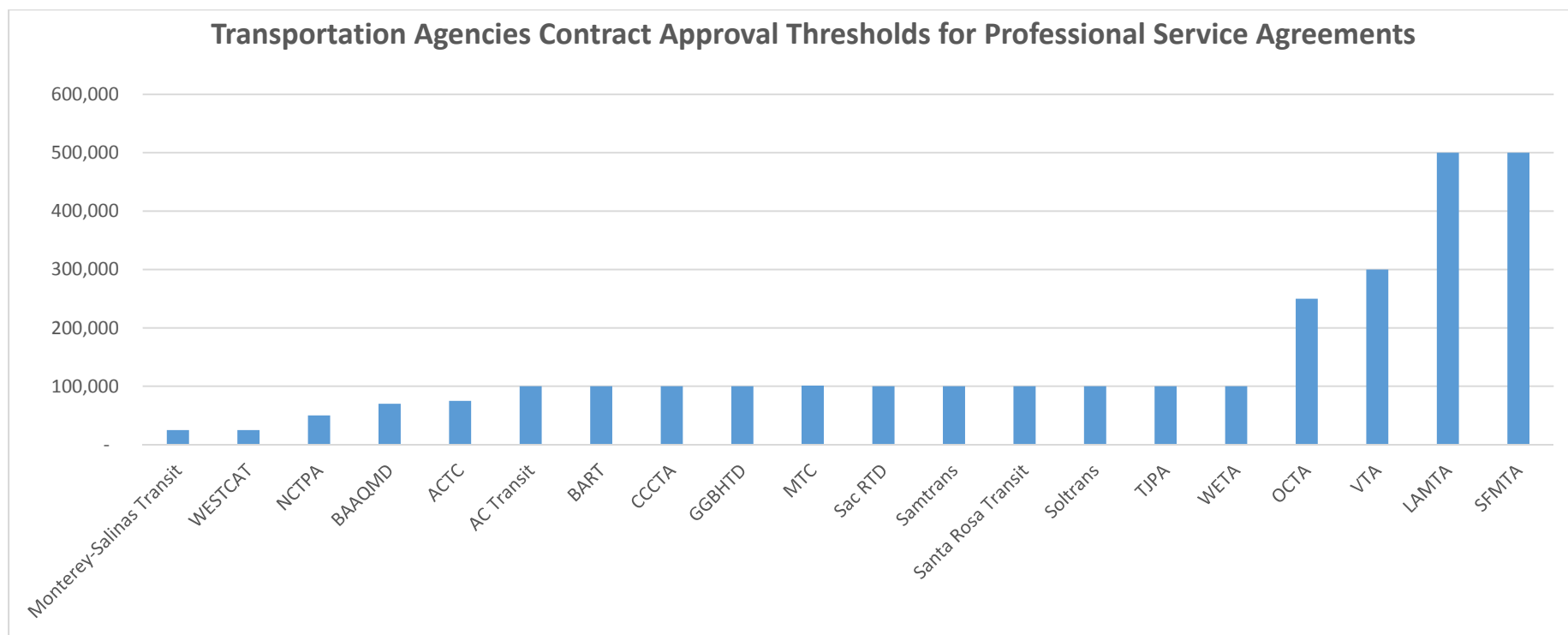
Steve Heminger

Attachments:

Attachment 1 – Transportation Agencies Contract Approval Thresholds for Professional Service Agreements

Attachment 2 – MTC Resolution No. 3619, Revised

ATTACHMENT 1



Notes: VTA allows for purchases up to \$500K, TJPA allows for construction contracts up to \$400K and LAMTA allows for low bid awards up to \$1M. SANDAG has a \$5M threshold but is not depicted in this chart to allow visual comparison of all other agencies.

Date: March 24, 2004
W.I.: 1150
Referred by: Administration
Revised: 04/25/07-C
06/23/10-C
04/24/13-C
12/16/15-C

ABSTRACT

Resolution No. 3619, Revised

Resolution No. 1101 delegated signature authority to the Executive Director of the Commission, Deputy Executive Director, or a designee of the Executive Director, to enter into certain specific contracts and funding agreements without Administration Committee approval.

This resolution revises the signature authority delegated to the Executive Director by the Commission, or to the Deputy Director if authorized by the Executive Director, to enter into certain specified contracts and funding agreements without Administration Committee approval.

Resolution No. 1101 is superseded.

Attachment A of this resolution was revised on April 25, 2007 to delegate signature authority to the Executive Director of the Commission or to the Deputy Director or other designee, if authorized by the Executive Director, to execute contract amendments that in total do not exceed the dollar value of a contract allotment approved by the Commission. In addition, clarifying changes were made to this resolution to reflect MTC's current staffing organization and Committee structure.

Attachment A of this resolution was revised on June 23, 2010 to modify and clarify the delegation of signature authority.

Attachment A of this resolution was revised on April 24, 2013 to augment the signature authority of the Executive Director and the Deputy Executive Director in relation to emergency expenditures, as defined in Attachment A.6.

Attachment A of this resolution was revised on December 16, 2015 to increase the delegation of signature authority.

Date: March 24, 2004
W.I.: 1150
Referred by: Administration

RE: Delegation of Contracting Authority, without Administration Committee approval, to the Executive Director of the Commission, a Deputy Director, or a designee of the Executive Director

METROPOLITAN TRANSPORTATION COMMISSION

Resolution No. 3619

WHEREAS, the Metropolitan Transportation Commission (Commission) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code § 66500 *et seq.*; and

WHEREAS, pursuant to Government Code § 66505, the Commission has appointed an Executive Director who, subject to the direction of the Commission, has charge of administering the affairs of the Commission; and

WHEREAS, pursuant to the Executive Director's duties in administering the affairs of the Commission, the Executive Director, among other things, enters into contracts and purchase orders for goods and services necessary to carry out the statutory purposes of the Commission and funding agreements with other public agencies for the distribution and receipt of funds; and

WHEREAS, funds for such purchase orders, contracts and funding agreements are programmed by the Commission with the adoption of the annual Overall Work Program (OWP) and annual budget for each fiscal year and are approved via appropriate committee(s) of the Commission; and

WHEREAS, in order to efficiently administer such purchase orders, contracts and funding agreements, the Commission authorized the Executive Director, pursuant to MTC Resolution No. 1101, to execute certain agreements without prior approval by the Administration Committee; and

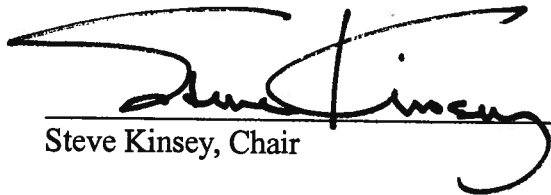
WHEREAS, the Commission wishes to modify MTC Resolution No. 1101; now, therefore, be it

RESOLVED, that the Executive Director, or the Deputy Director, or a designee of the Executive Director, is hereby authorized and directed to sign purchase orders, contract documents and funding agreements, as indicated on Attachment A; and, be it further

RESOLVED, that any action taken by the Executive Director (or the Deputy Director or designee, as applicable), shall be reported to the Administration Committee as part of the monthly financial reporting procedure; and, be it further

RESOLVED, that Commission Resolution No. 1101 is superseded with the adoption of this resolution.

METROPOLITAN TRANSPORTATION COMMISSION



Steve Kinsey, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California, on March 24, 2004.

Date: March 24, 2004
W.I.: 1150
Referred by: Administration
Revised: 04/25/07-C
06/23/10-C
04/24/13-C
12/16/15-C

Attachment A
Resolution No. 3619
Page 1 of 2

1. References to “contracts” in this Attachment refer also to “purchase orders”.
2. The Executive Director or a designated Deputy Executive Director is hereby authorized to sign contracts and/or amendments to contracts totaling \$~~200,000~~~~100,000~~, without referral to a standing Committee of the Commission with contract approval authority, provided the things to be purchased or the work to be done are included in the annual Overall Work Program and/or the annual budget approved by the Commission. This delegated authority is renewed for any single contract each time the appropriate Committee approves a new total contract amount.
3. The Executive Director may authorize MTC Section Directors to sign contracts and/or amendments to such contracts with a total contract value up to \$25,000 cumulatively.
4. Where a Commission Committee with contract approval authority has approved a contract allotment in addition to the original contract amount to cover changes that may be required during the performance period, the Executive Director or a designated Deputy Executive Director is authorized to sign change orders and contract amendments that in total do not exceed the approved contract allotment, without further referral to the appropriate authorizing Committee.
5. The Executive Director, or designated Deputy Executive Director is authorized to sign funding agreements and amendments to funding agreements included in the annual Overall Work Program and/or the annual budget approved by the Commission authorizing MTC to receive funds from other public agencies and to distribute funds to other public agencies without referral to the appropriate authorizing Committee and without regard to dollar amount, provided, with respect to distribution of funds, that the recipients are named in the

Overall Work Program or annual agency budget or by action of another Committee of the Commission. Funding agreements distributing funds to recipients not so named are subject to the delegation authority for contracts and amendments in paragraphs one, two and three of this Attachment.

6. The Executive Director and a Deputy Executive Director is hereby authorized to waive competitive procurement requirements for emergency contracts and/or purchase orders, with the approval of the Commission Chair, or in his/her absence, the Vice Chair, provided that:
(i) funds for the contract or purchase order are available in the adopted agency budget; and
(ii) each emergency contract or purchase order may not exceed \$200,000~~100,000~~.

“Emergency” contract is defined as a contract necessary to deal with Acts of God or other threats to public safety or well-being when the delay caused by waiting for the next meeting of the Committee or Commission would increase that threat. Any contract or purchase order in excess of \$100,000 shall be ratified by the appropriate authorizing Committee or Commission at the next regular meeting.