

**RESOLUTION NO. 78-2**  
**Delegation of Authority and Procurement Policy**

<b>MEETING:</b>	<b>DATE:</b>	<b>TYPE OF ACTION:</b>	<b>STAFF CONTACT:</b>
Executive Committee Board	10/06/11 10/27/11	Recommendation to Board Final Action	Celia Kupersmith, Deputy CEO <b>Kunjan Dayal, Director of Procurement and Contracts</b> <b>Loren Armstrong, Legal Counsel</b>

**PROPOSED ACTION**

Updates the existing delegated authority and policy for the procurement of contracts, materials, services, and work; for the acquisition, use, and disposal of real and personal property; for the execution of agreements with other public entities; and supersedes Resolution No. 78-1.

**KEY FEATURES**

- This action updates the existing delegated authority and procurement policy. The updated policy:
  - Eliminates, without substantively altering the existing policy, detailed procedural requirements that are better addressed in the agency’s internal processes and procedures;
  - Modifies existing language to be consistent with other current Board-adopted legislation;
  - Establishes a commitment in procurement to balance overall life-cycle costs with minimizing environmental impacts, promoting human health and safety, conserving natural resources, and promoting sustainability
  - Establishes two new delegations of authority to facilitate agency administration:
    - Authority to surplus and dispose of personal property
    - Authority to write-off uncollectible debts consistent with certain criteria
  - Clarifies periodic reporting requirements of the chief executive officer (CEO) to the Board, and
  - Makes stylistic and editorial changes that do not modify the existing delegation of authority.
- The changes reaffirm the agency’s commitment to full and open competition, inclusion of small businesses, and diversity and sustainability initiatives.
- Adoption of this resolution will supersede Resolution No. 78-1, the Board’s existing delegated authority and procurement policy.
- Attachment A to this staff report shows a comparison of Resolution No. 78-1 and Resolution No. 78-2.

**PROJECT DESCRIPTION**

This action updates Resolution No. 78-1, the Board’s delegated authority and policy for the procurement of materials, work, and services and for the acquisition and use of property and property rights. Under the resolution, the CEO is authorized to establish and implement business management, administrative, and employment policies, and to employ such personnel as the CEO determines necessary to effectively manage and operate the agency. The policy also delegates and establishes monetary levels of authority to the CEO and committees of the Board for procurements, property actions, and agreements.

## **FISCAL INFORMATION**

Not applicable to this action.

## **SMALL BUSINESS PARTICIPATION**

Not applicable to this action.

## **BACKGROUND**

The current policy was established in 1998. Since that time, the agency has implemented Sound Move; internal systems, processes, procedures have matured; voters passed ST2 and it is being implemented; and the agency has developed into a planning, constructing, and operating organization. The changes reflected in Resolution No. 78-2 are mainly stylistic or modify existing language to be consistent with other current board policies. Except for the two new delegations of authority, the revisions do not substantively modify the existing delegation of authority in Resolution 78-1.

The proposed changes reaffirm the agency's commitment to full and open competition, inclusion of small businesses, and diversity and sustainability initiatives.

## **ENVIRONMENTAL COMPLIANCE**

Jl 9/29/2011

## **PRIOR BOARD/COMMITTEE ACTIONS**

Resolution No. 78-1 – Established revised delegated authority and procedures for the procurement of materials, work and services and for the acquisition and use of property and property rights for the authority and superseding Resolution No. 78.

## **TIME CONSTRAINTS**

None.

## **PUBLIC INVOLVEMENT**

Not applicable to this action.

## **LEGAL REVIEW**

LA 10/27/11

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>A RESOLUTION of the Board of the Regional Transit Authority for the Pierce, King, and Snohomish Counties region establishing revised delegated authority and procedures for the procurement of materials, work and services and for the acquisition and use of property and property rights for the Authority and superseding Resolution No. 78.</p> <p>WHEREAS, pursuant to Chapter 81.112 RCW, the Board of the RTA has broad powers to contract for materials, work and services and to secure or dispose of property and rights in property as may be necessary for the benefit and operations of the RTA; and</p> <p>WHEREAS, it is in the public interest to establish procedures for such procurements, contracting and real property actions and to establish the administrative authority of the Executive Director and his or her designees to implement such procedures; and</p> <p>WHEREAS, such procedures should be designed to achieve savings in cost and time and to meet public needs consistent with other requirements of state law and applicable federal laws and regulations; and</p> <p>WHEREAS, the Board of the RTA has determined that it is in the public interest to facilitate certain procurements by delegating review and approval responsibilities to the Board's Finance Committee and Executive Committee, respectively;</p> <p>NOW, THEREFORE, BE IT RESOLVED by the Board of the Regional Transit Authority as follows:</p>	<p>A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority updating the existing delegated authority and policy for the procurement of contracts, materials, services, and work; for the acquisition, use and disposal of real and personal property; for the execution of agreements with other public entities; and superseding Resolution No. 78-1.</p> <p>WHEREAS, the Central Puget Sound Regional Transit Authority, commonly known as Sound Transit, was formed under RCW Chapters 81.104 and 81.112 for the Pierce, King, and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030; and</p> <p>WHEREAS, Sound Transit has broad powers to contract for materials, work and services and to secure or dispose of property and property rights as may be necessary for the benefit and operations of Sound Transit; and</p> <p>WHEREAS, it is in the public interest to establish procedures to procure and contract for materials, services, and work, and to acquire use and dispose of real, personal and intangible property; and</p> <p>WHEREAS, this policy encourages full and open competition, providing opportunities for small businesses, and implementing appropriate diversity and sustainability initiatives as permitted by law; and</p> <p>WHEREAS, the Sound Transit Board is committed to protecting the environment for present and future generations, and encourages the increased use of environmentally preferable products and services while remaining fiscally responsible; and</p> <p>WHEREAS, the Sound Transit Board has determined that it is in the public interest to facilitate certain procurements by delegating</p>	<p>“Full and open competition” language is required by the FTA. This replaces “maximum practicable competition” in <b>78-1 Section 2.A.</b></p> <p>Recital is added to reflect the Board’s sustainability initiative authorized in <b>Resolution No. R2007-12.</b></p> <p>Provision is updated to reflect the Board’s current and successor committees.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
	<p>authority to review and approve contracts to the chief executive officer and the Board's current and subsequent committees.</p> <p>NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority as follows:</p>	
<p><u>Section 1. Delegated Authority.</u></p> <p>A. The Board has retained an Executive Director to implement the mission, goals, objectives and policy guidelines of the Board of the RTA pursuant to procedures to be established by the Board. The Executive Director derives authority from the Board acting as the governing body of the RTA. The following procedures are adopted by the Board for the purpose of establishing the administrative authority of the Executive Director.</p> <p>B. The Executive Director shall be responsible for normal RTA operations. The phrase "normal RTA operations" as used herein means the regular day-to-day business transactions of the agency involving personnel, finances, payments of vouchers, facilities, real and personal property, and other assets. The Executive Director shall retain professional staff, which shall operate and manage according to directives and policy from the Executive Director subject to review by the Board. The Executive Director shall regularly inform and consult with the Chair of the Board, the Board's standing committees, and the Board as a whole regarding significant information, business transactions and policies through methods mutually agreeable to the Board and the Executive Director. The Executive Director shall be responsible for the day-to-day direction and conduct of business transactions of the RTA subject to the policies, limitations and procedures set forth in this Resolution.</p> <p>C. The Executive Director may delegate to appropriate RTA staff such of his or her administrative authority or reporting requirements herein established as, in his or her discretion, is</p>	<p><u>Section 1. Delegated Authority</u></p> <p>A. The Board has retained a chief executive officer (CEO) to operate the agency and to implement the mission, goals, objectives, policies, and guidelines established by the Board. Subject to Board oversight, the CEO is authorized to establish and implement business management, administrative, and employment policies, and to employ such personnel as the CEO determines necessary to effectively manage and operate the agency. The CEO may delegate this authority to appropriate Sound Transit employees to facilitate the efficient management and operation of the agency.</p> <p>B. The CEO will regularly inform and consult with the Chair of the Board, the full Board, and the standing committees about business transactions, policies, and issues of significance to the agency.</p> <p>C. The CEO is authorized to establish, select, fund, and administer existing or alternative employee compensation and benefit programs such as health, dental, vision, life, and disability insurance plans, and IRS Code 457 and 401(a) retirement plans and to pay the annual cost to administer and maintain these benefit plans within the adopted budget or other Board authorization.</p> <p>D. Except in emergencies, only the Board acting as a body or a standing committee is authorized to direct the CEO to implement a policy or course of action.</p>	<p><b>78-2 Section 1</b> consolidates 78-1 Sections 1.A, 1.B, and 1.C.</p> <p><b>78-2 Section 1.C</b> clarifies the CEO's authority to establish and administer employee compensation and benefit programs.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>necessary and advisable for the efficient exercise of such authority. To implement delegations of RTA staff, the Executive Director may issue such policies and procedures, monetary delegations, authority to execute contracts and other documents to guide agency administration such as employee position descriptions, affirmative action plans, office manuals, etc., which shall include such delegations as may be appropriate. Directives or initiatives by the Board shall be implemented through the Executive Director unless otherwise provided in the Board's directive or initiative. Except in the event of emergencies, directives or initiatives shall be approved by the full Board of the RTA acting as a body, or by a motion of a standing committee of the Board. The Board, acting as a body, may at any time rescind or suspend all or any portion of the delegated authority confirmed upon the Executive Director under this Resolution by further resolution or motion acted on in a public meeting.</p> <p>D. The Board's Executive Finance Committee is hereby authorized to approve all contracts proposed for award and all contracts for the RTA to acquire or use property of others or to allow the use of RTA property by others which exceed the Executive Director's award authority under this resolution up to a maximum amount of Five Million Dollars (\$5,000,000), provided the proposed award has been previously reported to the Board's Finance Committee.</p>	<p>E. The Board, acting as a body in a public meeting may at any time, adopt a motion or resolution to rescind or suspend all or any portion of authority delegated to the CEO in this resolution.</p>	
<p><u>Section 2. Procurement and Contracting Procedures.</u></p> <p>A. The Executive Director shall ensure that equipment, materials, supplies and services are procured efficiently and economically by the RTA with maximum practicable competition and in compliance with the procedures established by this Resolution, applicable state and federal laws and regulations, and adopted Board policies.</p> <p>B. Contracts for equipment, materials, supplies and non-professional and professional services purchased or work ordered</p>	<p><u>Section 2. Procurement and Contracting Authority</u></p> <p>A. Consistent with current and future laws, the CEO is directed to establish and implement policies and procedures relating to procurement, contracting, contract administration, and contract close-out. To improve efficiency and minimize the disadvantages of traditional low-bid procurement and design-bid-build project delivery, these policies and procedures will include innovative procurement and contracting techniques and alternative procurement and project delivery methods.</p>	<p><b>78-2 Section 2.A</b> replaces similar language in 78-1 Section 19 and locates the language more appropriately in <u>Section 2. Procurement and Contracting Authority</u></p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>for the RTA, the estimated cost of which is not more than Two Hundred Thousand Dollars (\$200,000), may be awarded by the Executive Director pursuant to such procedures as the Executive Director deems reasonable and in the best interests of the RTA; provided, that such purchases or orders are within current budget authorizations. For purchases or orders that are not included in current budget authorizations, such costs shall not exceed Fifty Thousand Dollars (\$50,000). Contracts in excess of the Executive Director's award authority but less than Five Million Dollars (\$5,000,000) may be approved for award by the Board's Executive Finance Committee, provided the proposed award has been reported to the Board's Finance Committee pursuant to Subsection 1.D. above. All contracts for services purchased or work ordered pursuant to this subsection which exceed One Hundred Thousand Dollars (\$100,000) shall be reported to the Board by the Executive Director on a periodic basis not less frequently than quarterly. All contracts for sole source procurements awarded by the Executive Director which exceed Ten Thousand Dollars (\$10,000) shall be included in such reports.</p>	<p>Property, equipment, materials, supplies, services, and work should be procured efficiently and economically through a process that, to the extent practicable, facilitates full and open competition.</p> <p>B. The CEO is authorized to award contracts with a value that does not exceed \$200,000, when the amount authorized by the contract is included in the adopted budget or other Board authorization. For purchases or orders that are not included in current budget authorizations, such costs shall not exceed \$50,000. Contracts awarded by the CEO that exceed \$100,000 must be included in a quarterly report to the Board.</p> <p>C. The Sound Transit Capital Committee and the Sound Transit Operations and Administration Committee (or successor committees) are authorized to approve the award of contracts within their areas of delegated responsibility when the contract value does not exceed \$5,000,000.</p> <p>D. The Board must approve contracts when the contract value exceeds \$5,000,000.</p>	<p><b>78-2 Section 2.B and 2.C</b> more clearly presents information in 78-1 Section 2.B. Sole Source language is now in 78-2 <u>Section 5. Sole Source Procurements</u>.</p> <p><b>78-2 Section 2.C and 2.D</b> delegates final approval authority level to the Board's current committees and provides for successor committees.</p>
<p><u>Section 3. Competitive Bidding.</u></p> <p>The competitive bidding procedures of the RTA shall be as follows:</p> <p>A. Contracts for equipment, materials, supplies, and non-professional services or work, the estimated cost of which is in excess of \$100,000, shall be awarded pursuant to competitive sealed bidding as provided in this section and under the following conditions:</p> <ol style="list-style-type: none"> <li>1. Time permits the solicitation, submission and evaluation of sealed bids; and</li> <li>2. Award will be made on the basis of price and other price-related factors; and</li> <li>3. It is not necessary to conduct discussions with the</li> </ol>	<p><u>Section 3. Competitive Bidding</u></p> <p>A. Contracts for work, equipment, goods, materials, supplies, and non-professional services, the estimated cost of which exceeds \$100,000, and which are normally procured based on price related factors alone, must be awarded through publicly-advertised solicitations for competitive, sealed bids when each of the following conditions are satisfied:</p> <ol style="list-style-type: none"> <li>1. Time permits the solicitation, submission and evaluation of sealed bids;</li> <li>2. Award will be made based on price and other price-related factors;</li> <li>3. It is not necessary to conduct discussions with the</li> </ol>	<p><b>78-2 Section 3</b> removes 78-1 Sections 3.B, 3.C, 3.D, and 3.E. because they are procedural.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>responding bidders about their bids; and 4. There is reasonable expectation of receiving more than one sealed bid.</p> <p>B. The Executive Director shall cause a notice inviting sealed bids to be published in newspapers of general circulation within Pierce, King, and Snohomish Counties at least once a week for two consecutive weeks, the first publication of which shall be not less than ten days before accepting bids for such contract. The plans and specification for such work or equipment, materials, supplies or non-professional services or work must be on file with the Executive Director and open to public inspection at the time of publication of such notice. The notice shall state generally the equipment, materials, supplies or non-professional services or work to be purchased or work to be done and shall call for bids for doing the same to be sealed and filed with the RTA on or before the day and hour specified. The notice may be published in such additional newspapers or magazines and for such additional period of time as the Executive Director shall deem to be in the best interest of the RTA.</p> <p>C. Each bid shall be accompanied by a bid guarantee payable to the RTA for a sum not less than five percent of the amount of the bid in such form as may be established or approved by the Executive Director. The guarantee requirement may be waived by the Executive Director if he/she deems such action necessary to promote participation in the bidding and such action is consistent with applicable federal or state laws and regulations. The Executive Director may further require a performance/payment bond or bonds for the accomplishment of its public works, or for the purchase of supplies and materials and for the performance of necessary work or services. The bond or bonds shall be payable to the order of the RTA, shall be in such form as may be established or approved by the Executive Director, and shall be in an amount not less than one hundred percent of the public works portion of</p>	<p>responding bidders about their bids; and 4. There is reasonable expectation of receiving more than one sealed bid.</p> <p>B. If required by law or when in the agency’s best interests, the CEO may require performance/payment bonds and/or bid bonds to secure the performance of public works or other contracts.</p> <p>C. The CEO may exercise discretion and reject any or all bids, or cancel or modify bid solicitations when the CEO deems it to be in the best interests of the agency to reject, cancel or modify bids or bid solicitations. The CEO may exercise discretion and waive minor irregularities in bid submittals.</p> <p>D. The CEO may establish and use a small works process and limited public works process consistent with RCW 39.04.155.</p>	<p><b>78-2 Section 3.D</b> explicitly grants the authority to use a “small works process” and “limited public works process” for smaller public works procurements as required by state regulations.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>the contract price unless a lesser amount is provided by law or Board policy, provided however that the Executive Director is authorized to reduce the bond required for a particular contract if allowed by law and in the best interest of the RTA.</p> <p>D. Any bids received shall be considered as offers to contract with the RTA. At the time and place named, bids received by the RTA shall be publicly opened and read. The Executive Director shall require the bids to be retained and analyzed and make his/her recommendation as to the best bid. The Executive Director may reject any or all bids or cancel or modify bid solicitations if the Executive Director deems such actions to be in the best interests of the RTA. Minor irregularities in bid form may be waived.</p> <p>E. Contracts shall be awarded on the basis of the best bid. Any bid or any portion of any bid or all bids may be rejected by the Executive Director. In determining "best bid," the following elements shall be given consideration in addition to price:</p> <ol style="list-style-type: none"> <li>1. The ability, capacity and skill of the bidder to perform the contract or provide the service or work required;</li> <li>2. The character, integrity, reputation, judgment, and efficiency of the bidder;</li> <li>3. The quality and timeliness of performance by the bidder of previous contracts with the RTA, other local governments and state and federal agencies, including but not limited to, the relative costs, burdens, time and effort necessarily expended by the RTA or such governments and agencies in securing satisfactory performance and resolving claims;</li> <li>4. The previous and existing compliance by the bidder with laws relating to public contracts including, but not limited to, minority and women business enterprise and equal Employment opportunity requirements;</li> <li>5. The history of the bidder in filing claims and litigation on prior projects involving the RTA or other governments and agencies;</li> </ol>		



**Resolution No. 78-2**  
**Staff Report - Attachment A**

<b>78-1</b>	<b>Proposed 78-2</b>	<b>Change from 78-1</b>
and 6. Such other information as may be secured having a bearing on whether the bidder is responsible and has submitted a responsive bid.		

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p><u>Section 4. Competitive Proposals.</u></p> <p>If soliciting competitive sealed bids is not appropriate under the conditions described in Section 3, then equipment, materials, supplies professional and non-professional services or work purchased and ordered, the estimated cost of which is in excess of One Hundred Thousand Dollars (\$100,000), may be let by contract under the following competitive sealed proposals procedures:</p> <p>A. The Executive Director shall cause a notice inviting statements of qualifications and/or proposals to be published in newspapers of general circulation throughout Pierce, King, and Snohomish Counties at least once a week for two consecutive weeks, the first publication of which shall be not less than ten days before accepting proposals for such contract. The notice shall state generally the work to be done or equipment, materials, supplies or non-professional services or work to be purchased and shall call for statements of qualifications and/or proposals to be submitted to the RTA on or before the day and hour named therein. The notice may be published in such additional newspapers or magazines and for such additional period of time as the Executive Director shall deem to be in the best interest of the RTA. The request for statements of qualifications and/or proposals shall state the relative importance of price and other evaluation factors, including but not limited to, the elements listed in Section 2 for evaluating competitive sealed bids.</p> <p>B. After review of the proposals, the RTA may award the contract on the basis of the proposals submitted or after conducting interviews with selected offerors as provided in Section II of this Resolution, or the RTA may conduct discussions with responsible selected offerors to determine which proposals should be evaluated in more detail and/or which whether it is necessary for offerors should be requested to submit best and final offers for evaluation. The RTA may request clarifications and consider minor</p>	<p><u>Section 4. Competitive Proposals and Professional Services</u></p> <p>A. <u>Competitive Proposals.</u> If soliciting competitive sealed bids is not feasible under the conditions described in Section 3, contracts to procure equipment, materials, supplies, services, or other work may be awarded through publicly-advertised solicitations for sealed proposals, taking into consideration price and other established evaluation factors, which must, at a minimum, include past performance on Sound Transit contracts, if any.</p> <p>B. <u>Professional Services.</u> Except where the Board has approved a different procurement process in this resolution or other motion, professional services to be performed by consultants, including but not limited to planning, engineering, financial, marketing, appraisal, and other specialized professional services must be procured through requests for proposals or qualifications.</p> <p>The CEO may initiate the procurement of professional services in the following circumstances:</p> <ol style="list-style-type: none"> <li>1. When the services cannot be performed on a timely basis by employees of Sound Transit,</li> <li>2. The services are not part of employees' regular and routine work,</li> <li>3. The services require specialized professional or technical expertise not available from employees, or</li> <li>4. The services are needed for only a specific period of time that does not warrant the hiring of an employee.</li> </ol>	<p><b>78-2 Section 4</b> consolidates 78-1 Sections 4 and 11 because of their similarity and excludes 78-1 Sections 4.A, 4.B, and 4.C because they are procedural.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>adjustments in the proposals in order to better understand the proposals and to qualify them for further consideration; provided, that information discussed or obtained from one offeror shall not be disclosed to competing offerors during the discussions and negotiations. Except to the extent protected by state and or federal laws, proposals shall be considered public documents and available for review and copying by the public after an award of contract recommendation is made.</p> <p>C. If the RTA determines to award a contract, the award shall be made to a responsible offeror whose proposal is determined to be the most advantageous to the RTA, taking into consideration price and the other established evaluation factors.</p>		
<p><u>Section 5. Prequalification</u></p> <p>The Executive Director is hereby authorized to establish procedures for qualifying equipment, materials, supplies and consulting and contracting firms to perform or provide non-professional services and work prior to procurement of such items, services or work when special qualifications, experience, capability or performance characteristics are important to the success of a project. Under such procedures, only equipment, materials, supplies and contractors or consultants providing non-professional services and work that are determined to meet the qualifying criteria of the RTA will be acceptable to bid or to propose in the subsequent procurement.</p>		
<p><u>Section 6. Sole Source Procurements.</u></p> <p>Notwithstanding any other provisions of this resolution, upon determination in writing by the Executive Director that there is only one source practicably available for that which is to be procured, a contract may be negotiated and awarded to that source without being competitively procured. The Executive Director shall report to the Board all contracts for sole source procurements which exceeds Ten Thousand Dollars (\$10,000) on a periodic basis, not</p>	<p><u>Section 5. Sole Source Procurements</u></p> <p>A. Notwithstanding any other provision of this resolution, when the CEO makes a written determination that there is only one source practicably available for that which is to be procured, a contract may be negotiated and awarded to that source without a competitive process.</p> <p>The CEO is authorized to award sole source contracts when</p>	<p><b>78-2 Section 5</b> more clearly presents information from 78-1 Section 6.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>less frequently than quarterly. Contracts for sole source procurements up to One Hundred Thousand (\$100,000) Dollars may be awarded by the Executive Director. Contracts for sole source procurements exceeding One Hundred Thousand (\$100,000) Dollars shall be approved by the Board for award. The resolution approving the contract, if required under the procedures established by this resolution, shall also indicate the reasons for the sole source procurement.</p>	<p>the contract value does not exceed \$100,000. Except in emergencies, sole source contracts that exceed \$100,000 must be approved by the Board.</p> <p>B. Sole source contracts whose estimated value exceeds \$10,000 must be included in a quarterly report to the Board required by Section 2.B.</p>	
<p><u>Section 7. Proprietary and Nondiscretionary Items.</u></p> <p>A. Spare parts, replacement parts and maintenance contracts for existing equipment and systems where only proprietary items and services are compatible with the existing equipment and systems and where such items and services can be acquired only from the manufacturer or from a single distributor or licensee may be acquired, ordered or paid in the best interests of the RTA by the Executive Director within budget appropriations or other Board authorization therefor.</p> <p>B. Routine expenses of government, such as utilities charges, governmental taxes, publication and meeting expenses, and governmental fees for licenses and permits may be acquired, ordered or paid in the best interests of the RTA by the Executive Director within budget appropriations or other Board authorization therefor.</p> <p>C. The Executive Director is hereby authorized to approve payments of claims, settlements and judgments, and to acquire, order and pay for professional and expert services in support of claims, settlements and litigation, as may be in the best interests of the RTA within budget appropriations or other Board authorization therefor.</p>	<p><u>Section 6. Proprietary and Nondiscretionary Items</u></p> <p>A. The CEO is authorized to order, acquire and pay for spare parts, replacement parts and equipment that can be acquired only from the manufacturer or from a single distributor or licensee, and is authorized to enter into maintenance contracts for existing equipment and systems when only proprietary items and services are compatible with the existing equipment and systems when the expenditure is in the best interests of Sound Transit and is included in the adopted budget or other Board authorization.</p> <p>Proprietary contracts whose value exceeds \$100,000 must be included in a quarterly report to the Board required by Section 2.B.</p> <p>B. Routine expenses of government, such as utilities charges, governmental taxes, publication and meeting expenses, and governmental fees for licenses and permits, may be acquired, ordered or paid in the best interests of Sound Transit by the CEO and is included in the adopted budget or other Board authorization.</p>	<p><b>78-2 Section 6.A</b> adds a reporting requirement for proprietary contracts.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
	<p>C. The CEO is authorized to retain, or to cause to be retained through the general counsel, attorneys or law firms, or other appropriate professionals, experts, and support services, as necessary to provide general and specialized legal services, including litigation services, required by the agency. The CEO may pay for legal, expert, and related services based on a negotiated fixed fee for specific services or by hourly reimbursement not to exceed the established hourly rate, plus expenses, normally charged by the provider to the general public in the area when the expenditure is included within budget appropriations or other Board authorization. The CEO or general counsel may add the retained attorneys and law firms to the then-current on-call roster of qualified attorneys at the time the services are required and must manage the on-call roster consistent with the financial requirements of Motion No. M2001-61. The CEO or general counsel will inform the Board of the quarterly legal expenses.</p> <p>D. The CEO is authorized to approve payments of claims, settlements, and judgments as may be in the best interests of Sound Transit when the expenditure is included in the adopted budget appropriations or other Board authorization.</p> <p>E. The CEO is authorized to enter into reimbursement agreements with public and private utilities, including telecommunication providers, to relocate utilities when the expenditure is included in the adopted budget or other Board authorization.</p>	<p><b>78-2 Section 6.C</b> simplifies the process to add an individual legal firm or attorney to the on-call legal roster by eliminating the requirement to hold an open roster call for all attorneys when adding an individual firm or attorney. <b>Motion No. M2001-61</b> authorizes the agency to contract with other legal counsel through an on-call legal roster that firms can join at least once per year.</p> <p><b>78-2 Section 6.E</b> explicitly grants authority to the CEO to execute relocation agreements with public and private utilities, without competitive procurement, in keeping with industry practice.</p>
<p><u>Section 8. Emergency.</u></p> <p>When any emergency shall require the immediate execution of a contract for work or services, or any immediate purchases of materials, equipment supplies, services or construction items, the Executive Director is authorized to make a finding of the existence of such emergency and execute any contracts or purchases</p>	<p><u>Section 7. Emergency</u></p> <p>Notwithstanding any other provision of this resolution, when any emergency requires the immediate execution of a contract for work or services, or any immediate purchases of materials, equipment, supplies, services or construction items, the CEO is authorized to execute any contracts or make purchases necessary to respond to</p>	

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>necessary to respond to the existing emergency, provided that the Executive Director shall, at the first RTA Board meeting following the Executive Director's finding of the existence of an emergency, request Board ratification of the finding of emergency and any purchases or contracts awarded and/or executed pursuant to that finding if the cost thereof exceeds \$100,000.</p> <p>The Executive Director shall keep the RTA Board informed of the development of the emergency situation and the progress of any contracts or purchases executed to remedy the emergency.</p>	<p>the existing emergency, provided that the CEO must make a written finding that an emergency exists.</p> <p>At the first regular Board meeting following the written finding of the existence of an emergency, the CEO must request Board ratification of the finding of emergency and of any purchases or contracts awarded and/or executed pursuant to that finding if the amount exceeds \$100,000.</p> <p>The CEO must keep the Board informed about the emergency and the progress of any contracts or purchases executed to address the emergency.</p>	
<p><u>Section 9. Capital Project Authorization.</u></p> <p>Work for capital projects may be authorized on a project-wide basis or by individual contract, utilizing the procedures outlined below.</p> <p>A. <u>Preliminary Work on Projects Within Current Budget Authorizations.</u> For projects that are within current budget authorizations, the Executive Director is authorized to conduct project planning, scoping, environmental reviews, permitting, and preliminary engineering and environmental testing necessary to the projects(s) without prior RTA Board approval, so long as the cost of such activities does not exceed Two Hundred Thousand Dollars (\$200,000), and the selection and payment requirements referenced in this Resolution are followed.</p> <p>B. <u>Final RTA Board Capital Project Authorization.</u> After preliminary planning, scoping and engineering has been performed, and before funds in excess of Two Hundred Thousand Dollars (\$200,000) are anticipated to be expended beyond preliminary engineering on a project, additional RTA Board approval shall be required. Such additional RTA Board authorization may also constitute final project authorization if, at the time of request for</p>	<p><u>Section 8. Capital Project Authorization</u></p> <p>A. The Board will authorize capital projects on a project-wide basis, by individual contract or by other action, as the Board deems appropriate.</p> <p>B. <u>Projects Within Current Board-Adopted Budgets and Authorizations.</u> For capital projects that are included in the adopted budget or other Board authorization, the CEO is authorized to conduct project planning, scoping, environmental reviews, permitting, and preliminary engineering and environmental testing necessary to the projects provided the estimated combined cost of all such activities does not exceed \$200,000.</p> <p>C. <u>Significant Changes in Capital Projects.</u> The CEO must notify the Board in a timely manner if it becomes apparent that</p> <ol style="list-style-type: none"> <li>1. a capital project cannot be completed within the authorized amount (including contingency),</li> <li>2. delays to a capital project will have negative financial, community, or operations implications, or</li> <li>3. there is a possibility of substantial scope change.</li> </ol>	<p><b>78-2 Section 8</b> excludes 78-1 Sections 9.B and 9.C because they are procedural.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>such further RTA Board approval, the request includes sufficient information for the RTA Board to give final project approval, and if the RTA Board gives final approval. The information in such a request for final approval shall include, but is not limited to: how the project accomplishes established agency objectives; anticipated community or customer impacts; appropriate financial analyses; the anticipated schedule for project completion; estimated project costs (including planning, architectural and engineering, staff, construction contract and project contingency costs), and project funding sources. The project authorization shall also approve a reasonable contingency.</p> <p>C. Except as provided otherwise by the Board, for all contracts for work for which RTA Board approval has been obtained, (either on a project-wide or individual contract basis), or for which the Executive Director is authorized to contract without prior Board approval, the Executive Director is authorized to take all further steps necessary for completion of the work, including but not limited to: publication of notice calling for bids or proposals; rejection of bids or proposals or award of contract; canceling or delaying bid or proposal openings; administration of contracts (including execution of contract change orders); acceptance or rejection of work; contract close-out; and claims negotiations and settlements. Such actions shall be consistent with applicable legal requirements and RTA policies.</p> <p>D. If it becomes apparent at any time: that the project cannot be completed within the authorized amount (including contingency); that project delays will have negative financial, community or operations implications; or that there has been a substantial change in project scope; then additional RTA Board authorization shall be required.</p>		

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p><u>Section 10. Capital Contract Administration.</u></p> <p>The following procedures and practices shall be utilized by the Executive Director to initiate and report on the status of capital projects.</p> <p>A. Unless the RTA Board requests more frequent reporting, the Executive Director shall report quarterly to the RTA Board on the progress and status of major capital projects.</p> <p>B. Where contracts for the performance of work have been individually awarded and work is in progress, and changes in plans and/or specifications are necessitated in order to properly accomplish the work, the Executive Director is authorized to execute change orders to the contract provided the following conditions are met:</p> <ol style="list-style-type: none"> <li>1. The estimated cost of the changes in plans and/or specifications will not exceed funds available in the approved contingency for the work. However, when an individual change order proposed to be issued under any contract exceeds such limits or the available approved contingency is not sufficient for such change order, the change order shall not be issued without prior RTA Board approval.</li> <li>2. The contract provides for issuance of change orders and the change order is consistent with the terms and provisions of the contract.</li> <li>3. The individual change order has been approved and/or certified by the project architect or engineer as being appropriate and has been reviewed by legal counsel.</li> </ol>	<p><u>Section 9. Capital Projects Contract Administration</u></p> <p>A. <u>Reporting.</u> Unless the Board requests more frequent reporting, the CEO will report quarterly to the Board on the progress and status of major capital projects.</p> <p>B. <u>Change Orders.</u> When changes in the plans and/or specifications are necessary to properly accomplish the work, the CEO is authorized to execute change orders to the contract provided the following conditions are met:</p> <ol style="list-style-type: none"> <li>1. The estimated cost of the changes will not exceed funds available in the approved contingency for the work as established in the subject contract,</li> <li>2. The contract provides for change orders and the change order is within the scope of the original procurement, and</li> <li>3. The individual change order has been approved by appropriately delegated staff. Legal counsel must review non-routine change orders.</li> </ol>	<p><b>78-2 Section 9</b> excludes 78-1 Section 10.B.3. because change order activities do not necessarily involve a project architect or engineer.</p>
<p><u>Section 11. Professional Services</u> Professional services to be performed for the RTA by other than employees, including but not limited to engineering, financial, marketing, appraisal and other specialized or professional</p>	<p><u>Section 10. Cooperative and Joint Agreements with Government Entities</u></p> <p>A. Subject to the monetary limitations in Section 2, the CEO may</p>	



**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>services, the estimated cost of which exceeds One Hundred Thousand Dollars (\$100,000), shall be procured consistent with the following procedures.</p> <p>A. The Executive Director may initiate the procurement of professional services in the following circumstances:</p> <ol style="list-style-type: none"> <li>1. When the services cannot be performed on a timely basis by employees of the RTA; or</li> <li>2. The services are not part of the routine assignment for such employees; or</li> <li>3. The services require specialized professional or technical expertise not available from such employees.</li> </ol> <p>B. The Executive Director shall cause a notice inviting statements of qualifications and/or proposals to be published in newspapers of general circulation throughout Pierce, King, and Snohomish Counties at least ten days before the date for submitting such statements of qualifications and/or proposals. The request for statements of qualifications and/or proposals published or provided to interested parties shall describe the services required, list the types of information and data required of each proposal, identify applicable minority/women/ disadvantaged business enterprise and equal Employment opportunity requirements, describe the evaluation criteria and state the relative importance of the criteria.</p> <p>C. The Executive Director shall establish a selection board to review and evaluate statements of qualifications and/or proposals and, if appropriate, hear oral presentations by proposers. After consultation with the Board, the Executive Director may request that one or more RTA Board members serve on the selection board. The selection board shall select and rank the most qualified proposers. In selecting and ranking such proposers, the selection board shall consider the published evaluation criteria and may consider such other information as may be secured during the</p>	<p>enter into cooperative and/or joint agreements on behalf of Sound Transit with federal, state and local governments for the provision or purchase of work, services (excluding the light-rail and regional express operations and maintenance agreements), governmental approvals and mitigation requirements, supplies, materials, and equipment whenever the CEO determines it to be advantageous. Work, goods, or services acquired for Sound Transit by federal, state, or local governments or public agencies in the manner prescribed by the provisions of applicable law, charter or regulation of such federal, state or local governments is authorized in lieu of the conditions of this section.</p> <p>B. Unless the agreement is authorized under Section 6.B and 6.E, the Board must approve any agreement with another government or public agency when</p> <ol style="list-style-type: none"> <li>1. the government or public agency is acting in its governmental capacity and the agreement involves either a policy relating to the implementation of the regional transit plan or a non-routine governmental function, or</li> <li>2. the agreement involves a significant non-administrative policy decision.</li> </ol>	<p><b>78-2 Section 10.B</b> adds a provision to require Board approval of agreements with other public agencies that involve policy decisions.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>evaluation process related to a proposer's qualifications and experience. The ranking of proposers shall be subject to approval by the Executive Director. If the Executive Director approves the ranking, the Executive Director may authorize contract negotiations with the top ranked proposer or proposers. Negotiations may be conducted concurrently or sequentially.</p> <p>D. Contracts for architectural and engineering services shall be procured in accordance with Chapter 39.80 RCW.</p>		
<p><u>Section 12. Use of RTA Property.</u></p> <p>The procedures for allowing use of RTA property shall be as follows:</p> <p>A. The following directives of this section apply to all agreements of or transactions for use of RTA real property, including but not limited to acquisitions, leases, concession agreements, rental agreements, operating agreements, licenses, easements, access permits, rights of entry and other use agreements (all hereinafter referred to as "Real Property Agreements" or "Agreements") related to the RTA's use of real property owned by others.</p> <p>B. Except as provided in subparagraph 12C. below, all real property of the RTA shall be used pursuant to an appropriate written instrument approved by the RTA Board. Prior to the execution of such instrument, the Executive Director is authorized to enter negotiations and to apprise the Board of the progress of such negotiations; obtain appropriate appraisals; provide for proper security; submit the Agreement to legal counsel for approval; and follow all other applicable laws and RTA created policies and procedures.</p> <p>C. The Executive Director is authorized to perform the following actions without RTA Board approval, but must semi-annually</p>	<p><u>Section 11. Sound Transit Real Property</u></p> <p>This section applies to all agreements and transactions relating to the acquisition, use, or disposition of real property, including but not limited to, purchase and sale agreements, deeds, leases, concession agreements, rental agreements, operating agreements, maintenance agreements, licenses, easements, access permits, rights of entry and other use agreements (collectively Real Property Agreements).</p> <p>A. Real Property Agreements that obligate Sound Transit or the other party to pay more than \$200,000 but less than \$5,000,000, may be approved by the Sound Transit Capital Committee or the Sound Transit Operations and Administration Committee (or successor committees) as appropriate. The Board must approve agreements when the financial obligation of either Sound Transit or the other party exceeds \$5,000,000.</p> <p>B. The CEO may execute Real Property Agreements to allow others to occupy or otherwise make use of Sound Transit property or to allow Sound Transit to occupy or otherwise use real property owned by others including leases, rental agreements, operating agreements, licenses, easements, use and access permits, rights of entry and other use agreements under the following conditions:</p>	<p><b>78-2 Section 11</b> removes repetitive language found in 78-1 Sections 12 and 13.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>provide the Board with a report summarizing such actions:</p> <p>1. Agreements having a term (including any options) of five years duration or less may be approved and executed by the Executive Director provided: the RTA's standard agreement form is used or, if no standard form exists, in a form approved by legal counsel; Agreement provisions conform to the RTA's real estate policies and procedures; and any financial obligation to the RTA does not exceed Two Hundred Thousand Dollars (\$200,000) and is within authorized budget limits. Agreements in excess of Two Hundred Thousand Dollars (\$200,000) but less than Five Million Dollars (\$5,000,000) may be approved by the Board's Executive Finance Committee provided the proposed Agreement has been reported to the Board's Finance Committee.</p> <p>2. To the extent assignments, subleases, approvals, or options are permitted in a basic Agreement, the same may be approved and executed by the Executive Director, provided: other substantive provisions of the Agreement are unchanged (except for increases in payments to the RTA); any new option or options do not result in an extension of the original term of the Agreement (including original options) of more than three additional years; appropriate adjustments consistent with RTA real estate policies and procedures are made; and any new financial obligation to the RTA does not exceed One Hundred Thousand Dollars (\$100,000) and is within authorized budget limits.</p> <p>3. Easements, licenses, access permits or other rights of entry or use Agreements ancillary to the normal operation of the RTA may be granted by the Executive Director provided there is no new financial obligation to the RTA. The granting of permanent easements which deprive or substantially limit the RTA's use of essential RTA property or property rights shall require RTA Board approval.</p> <p>4. The Executive Director is charged with the responsibility to ensure that all Agreement terms are complied with and is authorized to take necessary measures to cause compliance or to</p>	<ol style="list-style-type: none"> <li>1. Neither Sound Transit nor the other party is obligated to pay more than \$200,000,</li> <li>2. The term (including any options) does not exceed five years,</li> <li>3. The provisions conform to Sound Transit's real estate policies and procedures,</li> <li>4. Sound Transit's financial obligation is within authorized budget limits, and</li> <li>5. The agreement is in a form approved by legal counsel.</li> </ol> <p>Such Real Property Agreements may include renewal options, options to sublease or assign. The CEO is authorized to enter into agreements memorializing the exercise of such options provided that the new agreement is in all ways consistent with this Section 10.B, including that the combined terms and financial obligations of the original and new agreements do not exceed the limitations of this Section 10.B.</p> <p>C. The CEO may execute easements, licenses, access permits or temporary rights of entry, or allow the use of Sound Transit property when</p> <ol style="list-style-type: none"> <li>1. the right granted is ancillary to the normal operation of Sound Transit or its property, and</li> <li>2. there is no new financial obligation owed by Sound Transit.</li> </ol> <p>Board approval is required to grant permanent easements (excluding standard utility easements that service Sound Transit such as gas, water, sewer, electrical, and telephone) or other property rights that deprive or substantially limit Sound Transit's use of essential property or property rights.</p> <p>D. The CEO may execute Real Property Agreements to acquire or dispose of real property, when</p>	

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>protect the RTA's legal position, including but not limited to termination of an Agreement and the giving of all notices provided for in an Agreement. The Executive Director is further authorized to take all necessary actions on behalf of the RTA in connection with Agreement surety bonds, letters of credit, cash deposits or other legal security and insurance coverage required pursuant to any Agreements of the RTA.</p>	<ol style="list-style-type: none"> <li>1. Neither Sound Transit nor the other party is obligated to pay more than \$200,000,</li> <li>2. The provisions conform to Sound Transit's real estate policies and procedures,</li> <li>3. Sound Transit's financial obligation is within authorized budget limits, and</li> <li>4. The agreement is in a form approved by legal counsel.</li> </ol> <p>E. The CEO must ensure compliance with all Real Property Agreement terms and is authorized to take necessary measures to cause compliance or to protect Sound Transit, including but not limited to, termination of an agreement, the giving of all notices provided for in an agreement, and filing actions for eviction, unlawful detainer, damages, and injunctive relief.</p> <p>The CEO may also take all necessary actions in connection with surety bonds, letters of credit, cash deposits, or other legal security and insurance coverage required pursuant to any Real Property Agreements.</p> <p>F. The CEO is authorized to take all necessary steps, including executing all required agreements, closing documents, deeds, decrees, and other necessary instruments to complete an authorized transaction to secure title to or to dispose of real property.</p> <p>Sound Transit's price for the acquisition of or use of real property may not exceed Sound Transit's determination of value by more than ten percent or the authorized budget without specific Board approval.</p> <p>G. The CEO is authorized to apply for the vacation of streets or roads, and to take all other steps necessary to acquire a fee</p>	

**Resolution No. 78-2**  
**Staff Report - Attachment A**

<b>78-1</b>	<b>Proposed 78-2</b>	<b>Change from 78-1</b>
	interest in street or road ends or other public right of way ancillary to Sound Transit development when the estimated acquisition costs do not exceed \$200,000 and are included in the adopted budget or other Board authorization.	

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p><u>Section 13. Real Property Acquisition and Disposition</u></p> <p>A. The Executive Director may approve contracts for the RTA to acquire or use property of others, including purchase agreements, leases, rental agreements, operating agreements, licenses, easements, use and access permits, rights of entry and other use agreements; provided that funding for the rental or other resulting monetary obligation is within authorized budget limits, the term of such agreement does not exceed five years (including options), and the total monetary commitment of the RTA over the term of any such agreement (including options) does not exceed Two Hundred Thousand Dollars (\$200,000). Contracts for property acquisition or use in excess of the Executive Director's contract authority but less than Five Million Dollars (\$5,000,000) may be approved by the Board's Executive Finance Committee, provided the proposed contract for acquisition or use has been reported to the Board's Finance Committee pursuant to Subsection 1.D. above.</p> <p>B. The Executive Director is authorized to obtain appropriate appraisals for use in evaluating or negotiating any proposed RTA acquisition, sale or lease of real property or any lesser interest therein.</p> <p>C. After the RTA Board authorizes the acquisition of real property by negotiated purchase or condemnation, the Executive Director shall take all necessary steps, including executing all required closing documents, deeds, and other necessary title instruments to secure title of such property for the RTA. The acquisition price of individual properties (or ownerships) shall in no case exceed the RTA's appraisal of fair market value by more than ten percent (10%) or authorized budget limitations without further specific RTA Board approval. All voluntary acquisitions costing in excess of Two Hundred Thousand (\$200,000) shall be approved by the RTA Board.</p>	<p><u>Section 12. Surplus Property (other than Real Property)</u></p> <p>The CEO may declare Sound Transit personal property surplus and may dispose of such property as the CEO determines to be in the best interests of Sound Transit, subject to applicable laws and Sound Transit policies.</p> <p>When feasible, surplus property should be disposed of in a manner that provides reasonable and fair compensation to Sound Transit, provided that when the costs associated with disposing of the property exceed its reasonable value, the CEO is authorized to offer the property, without charge, to other public agencies or to be used to support the poor and infirm as allowed under Article VIII, Section 7 of the Washington State Constitution.</p>	<p><b>78-2 Section 12</b> is added to delegate to the CEO the authority to surplus and dispose of personal property.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>D. The Executive Director is authorized to make application for vacation of streets or roads, and to take all other steps necessary to acquire a fee interest in street or road ends or other public right of way ancillary to RTA development, if the estimated acquisition costs do not exceed Two Hundred Thousand Dollars (\$200,000) and are within authorized budget limits.</p> <p>E. Upon approval by the RTA Board, the Executive Director is authorized to sell, exchange, transfer, lease or otherwise dispose of RTA real or personal property to government entities as provided in Chapter 39.33 RCW.</p>		
<p><u>Section 14. Miscellaneous Provisions.</u></p> <p>A. Any public work performed by employees of the RTA, the estimated cost of which exceeds the amount set forth in RCW 39.04.020 shall be performed consistent with the provisions of Chapter 39.04 RCW.</p> <p>B. The Executive Director may designate employees of the RTA to act as the purchasing agents of the RTA for the purpose of carrying out the policies and provisions of this resolution.</p> <p>C. The Executive Director is authorized to enter into cooperative and/or joint agreements on behalf of the RTA with federal, state and local governments for the purchase of supplies, materials, and equipment whenever in the judgment of the Executive Director, purchases may thereby be more advantageously made. Whenever supplies, materials and equipment are purchased for the RTA by such federal, state or local governments, such purchases may be accomplished in the manner prescribed by the provisions of applicable law, charter or regulation of such federal, state or local governments, rather than the provisions of this section. The federal, state or local governmental units shall be reimbursed for necessary costs of performing purchasing services for the RTA.</p>	<p><u>Section 13. Miscellaneous Provisions</u></p> <p>A. The CEO will ensure that Sound Transit complies with state law where specifically applicable to the award by Sound Transit of public contracts, including, without limitation, Title 39 RCW and Chapter 60.28 RCW.</p> <p>B. The CEO may designate Sound Transit employees to act as the purchasing or contracting agents to implement the policies and provisions of this resolution.</p> <p>C. When a procurement involves the expenditure of federal or state grant or contract funds, and the method of procurement required by such agency differs from the requirements of this resolution, the CEO will conduct the procurement in accordance with any mandatory applicable federal or state laws and regulations, and as required by the grant.</p> <p>D. The CEO may include provisions in contracts awarded by Sound Transit that promote cooperation and motivate contractors or vendors to improve the project quality or function, to reduce the cost or to save time in construction or delivery by using such methods as shared savings for value</p>	

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>C. When a procurement involves the expenditure of federal or state grant or contract funds, and the method of procurement required by such agency differs from the requirements of this resolution, the Executive Director shall conduct the procurement in accordance with any mandatory applicable federal or state laws and regulations.</p> <p>E. The Executive Director shall ensure that the RTA complies with state law where specifically applicable to the award by the RTA of public contracts. including, without limitation, Title 39 RCW and Chapter 60.28 RCW.</p> <p>F. The Executive Director is authorized to enter into agreements under which the RTA will provide reimbursable services to others and for which the RTA will receive reimbursement, when such services are part of normal RTA operations or incident thereto.</p> <p>G. The Executive Director is authorized to include provisions in contracts awarded by the RTA which promote cooperation and motivate contractors or vendors to improve the project quality or function, to reduce the cost or to save time in construction or delivery by using such methods as shared savings for value engineering, incentive payments, reimbursement for proposal or bid preparation expenses and preconstruction planning, and partnering.</p> <p>H. In the case of a tie bid, preference shall be given to goods, equipment and construction produced in Washington or provided by Washington persons, firms or corporations, if such a choice is available; otherwise, the tie shall be decided by lot.</p> <p>I. Whenever any bidder is a resident of any other state and such</p>	<p>engineering, incentive payments, reimbursement for proposal or bid preparation expenses and preconstruction planning and partnering.</p> <p>E. The CEO is authorized to enter into agreements under which Sound Transit will provide reimbursable services to others and for which Sound Transit will receive reimbursement, when such services are part of normal Sound Transit operations.</p> <p>F. The CEO, upon the written recommendation of the chief financial officer and legal counsel, may write-off uncollectible debts provided:</p> <ol style="list-style-type: none"> <li>1. The amount of the debt is within the CEO's delegated authority specified in Section 2.B., and</li> <li>2. Reasonable efforts to collect the debt have been made, and</li> <li>3. The debt has been discharged in bankruptcy, or</li> <li>4. The cost of collection exceeds the amount of the debt.</li> </ol>	<p><b>78-2 Section 13.F</b> is added to authorize the CEO to write off uncollectible debts.</p>



**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>state under its laws allows a resident contractor of that state a preference, a like preference may be allowed to the lowest responsible bidder or proposer who is a resident of Washington if so provided in the bidding documents and allowed by applicable state and federal laws and regulations.</p>		
<p><u>Section 15. Special Circumstances</u></p> <p>Whenever in the judgment of the Board special circumstances require a procedure different from that set forth herein, the Board may authorize the making of purchases, the ordering of work or the performance of services in such other manner as may be deemed to be appropriate to the circumstances</p>	<p><u>Section 14. Special Circumstances</u></p> <p>Whenever in the judgment of the Board, special circumstances require a procedure different from that set forth herein, the Board may authorize the making of purchases, the ordering of work or the performance of services in such other manner as may be deemed to be appropriate to the circumstances.</p>	
<p><u>Section 16. Protests.</u></p> <p>The Executive Director shall establish procedures for considering and determining prequalification, bid and proposal protests and appeals. The Executive Director, or his or her designee, shall render the final administrative determination on all such protests and appeals.</p>	<p><u>Section 15. Protests</u></p> <p>The CEO must establish procedures for considering and determining procurement protests and appeals. The CEO, or his or her designee, will render the final administrative determination on protests and appeals.</p>	
<p><u>Section 17. Debarments and Suspensions.</u></p> <p>The Executive Director shall comply with the following procedures in contract debarment and suspension actions:</p> <p>A. After reasonable notice to the person involved and reasonable opportunity for that person to be heard, the Executive Director shall have authority to debar a person, firm or other legal entity for cause from consideration for award of contracts with the RTA. An individual debarment action shall be for a period of not more than two years.</p> <p>B. The Executive Director shall have the authority to suspend a person, firm or other legal entity from consideration for award of contracts if there is probable cause for debarment. An individual suspension action shall be for a period of not more than six</p>	<p><u>Section 16. Debarments and Suspensions</u></p> <p>The CEO may establish procedures for debarment and suspension actions. After reasonable notice to the person involved and reasonable opportunity for that person to be heard, the CEO is authorized to debar a person, firm or other legal entity for cause from consideration for award of contracts with Sound Transit for a period of not more than two years.</p> <p>The CEO is authorized to suspend a person, firm or other legal entity from consideration for award of Sound Transit contracts for a period of not more than six months if, in the CEO's discretion, there is probable cause for debarment.</p> <p>The CEO's decision of debarment or suspension, which must be reported to the Board at the next regular Board meeting, will be the</p>	<p><b>78-2 Section 16</b> excludes 78-1 Sections 17.C. and 17.D. because they are procedural.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>months.</p> <p>C. The authority to debar or suspend shall be exercised in accordance with procedures established by the Executive Director.</p> <p>D. The causes for debarment or suspension include the following:</p> <ol style="list-style-type: none"> <li>1. Conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;</li> <li>2. Conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a contractor to the RTA;</li> <li>3. Conviction under state or federal antitrust statutes arising out of the submission of bids or proposals;</li> <li>4. Violation of provisions of contracts with the RTA of a character which is regarded by the Executive Director to be so serious as to justify debarment action, including but not limited to:               <ol style="list-style-type: none"> <li>(a) deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or</li> <li>(b) substantial failure to comply with commitments to and contractual requirements for participation by women, and minority and disadvantaged business enterprises and equal opportunity; or</li> <li>(c) a recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts; provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment; or</li> </ol> </li> <li>5. Violation of ethical standards set forth in contracts with the RTA; or</li> </ol>	<p>final and conclusive decision on behalf of Sound Transit, unless the Board determines otherwise.</p>	

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>6. Any other cause the Executive Director determines so serious and compelling as to affect responsibility as a contractor to the RTA, including debarment by another governmental entity for any cause similar to those set forth herein.</p> <p>E. The Executive Director's decision of debarment or suspension shall constitute the final and conclusive decision on behalf of the RTA.</p>		
<p><u>Section 18. Privatized Contracts.</u></p> <p>The following provisions shall apply to contracts entered into by the RTA for work or services to be provided to the RTA by private parties which retain an ownership interest in facilities used for such work on services:</p> <p>A. The specifications for each privatization contract which involves construction, reconstruction, maintenance, or repair of a facility shall contain a provision stating the specified hourly minimum rate of wage, not less than the Washington State or Davis Bacon Act prevailing rate of wage, <i>whichever is higher</i> shall be paid to laborers, workers, or mechanics in each trade or occupation employed in the performance of such contract, either by the contractor, subcontractor, or other person doing or contracting to do the whole or any part of the work contemplated in the construction, reconstruction, maintenance, or repair of the facility.</p> <p>B. The Executive Director is authorized and directed to establish a process under which the payment of prevailing wage by such contractor or its subcontractors may be monitored and enforced.</p>	<p><u>Section 17. Privatized Contracts</u></p> <p>The following provisions apply to contracts entered into by Sound Transit for work or services provided by private parties that retain an ownership interest in facilities used for such work or services:</p> <p>A. The specifications for each privatization contract which involves construction, reconstruction, maintenance, or repair of a facility must contain a provision stating the specified hourly minimum wage, not less than the Washington State or Davis Bacon Act prevailing wage, whichever is higher, that must be paid to laborers, workers, or mechanics in each trade or occupation employed in the performance of such contract, either by the contractor, subcontractor, or other person doing or contracting to do the whole or any part of the work contemplated in the construction, reconstruction, maintenance, or repair of the facility.</p> <p>B. The CEO must ensure payment of prevailing wages by contractors and subcontractors on such work.</p>	
<p><u>Section 19. Implementation.</u></p> <p>The Executive Director is hereby authorized to establish additional regulations, requirements, certifications and procedures as the Executive Director deems necessary to carry out the policies and provisions of this resolution. The Executive Director is authorized to propose innovative contracting techniques for securing</p>		<p><b>78-1 Section 19</b> merged and moved to 78-2 Section 2.A.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
<p>necessary work and services including, but not limited to, design/build and general contractor/construction manager projects.</p> <p><u>Section 20. Affirmative Action.</u></p> <p>The Authority is committed to a policy of providing fair and representative Employment and business opportunities for minorities and women in the procurement of equipment, materials, supplies and non-professional and professional services purchased or work ordered for the Authority, consistent with those RTA M/W/DBE policies, procedures, and guiding principles in effect at the time. The Executive Director shall take such steps as may be necessary to ensure that parties contracting with the RTA fully comply with all federal, state and local laws, regulations and ordinances pertaining to non-discrimination, equal Employment and affirmative action. The Executive Director is further authorized and directed to utilize, minority and women's business requirements or goals in the RTA's contracting as may be applicable under federal or state grant contracts or as may be imposed by federal and state laws and regulations or by RTA Board policy.</p> <p>The Executive Director is further authorized and directed to take all necessary steps to collect sufficient statistical and anecdotal evidence to determine whether a formal preference program or alternative means to involve minority and women's businesses is necessary to remedy discrimination against such businesses. Such steps shall be taken on a schedule that would permit any resulting program to be in place prior to the award of any major design or capital contracts and may include review of existing data collected by agencies within the jurisdiction of the Authority the commissioning of a consultant study for the Authority itself, or the collaboration with other agencies in a joint study.</p>	<p><u>Section 18. Small Business and DBE</u></p> <p>Sound Transit is committed to a policy of providing fair and representative employment and business opportunities for small businesses and disadvantaged business enterprises in the procurement of equipment, materials, supplies and services purchased or work ordered for Sound Transit, consistent with those Sound Transit policies, procedures, and guiding principles in effect.</p> <p>A. The CEO will take such steps as may be necessary to ensure that parties contracting with Sound Transit fully comply with all federal, state and local laws, regulations and ordinances pertaining to non-discrimination, equal employment and affirmative action.</p> <p>B. The CEO is further authorized and directed to utilize small business and DBE requirements or goals in Sound Transit's contracting as may be applicable under federal or state grant contracts or as may be imposed by federal and state laws and regulations or by Sound Transit Board policy.</p> <p>C. The CEO must monitor the usage of small businesses and minority, women, and disadvantaged business enterprises to ensure Sound Transit's performance in this respect is consistent with the law and the Board's adopted policies and procedures.</p>	<p><b>78-2 Section 18</b> replaces 78-1 Section 20 with updated language.</p>

**Resolution No. 78-2  
Staff Report - Attachment A**

78-1	Proposed 78-2	Change from 78-1
	<p><u>Section 19. Green Purchasing Initiatives</u></p> <p>Sound Transit is committed to protecting the environment for present and future generations. That commitment includes encouraging and increasing the use of environmentally preferable products and services while remaining fiscally responsible. In its purchasing and contracting activities, the agency will balance overall life-cycle costs with minimizing environmental impacts, promoting human health and safety, conserving natural resources, and promoting sustainability.</p>	<p><b>78-2 Section 19</b> is added to reflect the Board's sustainability Initiative in <b>Resolution No. R2007-12.</b></p>
<p><u>Section 21. Supersession and Ratification.</u></p> <p>Resolution No. 78, as adopted by the Board of the Regional Transit Authority on December 13, 1996 and Section 16(J) of Resolution No. 80 adopted on January 23, 1997, are hereby superseded and replaced by this amended Resolution 78-1. All actions previously taken pursuant to said Resolution No. 78 by the officers, employees, agents or consultants of the RTA are hereby ratified and approved.</p>	<p><u>Section 20. Supersession, Ratification, and Implementation</u></p> <p>Resolution No. 78-1, as adopted by the Board of the Central Puget Sound Regional Transit Authority on April 9, 1998 is hereby superseded and replaced by this updated Resolution 78-2. All actions taken under Resolution No. 78-1 by the officers, employees, agents or consultants of Sound Transit are hereby ratified and approved.</p> <p>The CEO may establish additional regulations, requirements, certifications and procedures as the CEO deems necessary to carry out the policies and provisions of this resolution.</p> <p>ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on _____.</p>	

**RESOLUTION NO. 78-2**

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority updating the existing delegated authority and policy for the procurement of contracts, materials, services, and work; for the acquisition, use, and disposal of real and personal property; for the execution of agreements with other public entities; and superseding Resolution No. 78-1.

WHEREAS, the Central Puget Sound Regional Transit Authority, commonly known as Sound Transit, was formed under RCW Chapters 81.104 and 81.112 for the Pierce, King, and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, Sound Transit has broad powers to contract for materials, work and services and to secure or dispose of property and property rights as may be necessary for the benefit and operations of Sound Transit; and

WHEREAS, it is in the public interest to establish procedures to procure and contract for materials, services, and work, and to acquire use and dispose of real, personal and intangible property; and

WHEREAS, this policy encourages full and open competition, providing opportunities for small businesses, and implementing appropriate diversity and sustainability initiatives as permitted by law; and

WHEREAS, the Sound Transit Board is committed to protecting the environment for present and future generations, and encourages the increased use of environmentally preferable products and services while remaining fiscally responsible; and

WHEREAS, the Sound Transit Board has determined that it is in the public interest to facilitate certain procurements by delegating authority to review and approve contracts to the chief executive officer and the Board's current and subsequent committees.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority as follows:

## Section 1. Delegated Authority

A. The Board has retained a chief executive officer (CEO) to operate the agency and to implement the mission, goals, objectives, policies, and guidelines established by the Board. Subject to Board oversight, the CEO is authorized to establish and implement business management, administrative, and employment policies, and to employ such personnel as the CEO determines necessary to effectively manage and operate the agency. The CEO may delegate this authority to appropriate Sound Transit employees to facilitate the efficient management and operation of the agency.

B. The CEO will regularly inform and consult with the Chair of the Board, the full Board, and the standing committees about business transactions, policies, and issues of significance to the agency.

C. The CEO is authorized to establish, select, fund, and administer existing or alternative employee compensation and benefit programs such as health, dental, vision, life, and disability insurance plans, and IRS Code 457 and 401(a) retirement plans and to pay the annual cost to administer and maintain these benefit plans within the adopted budget or other Board authorization.

D. Except in emergencies, only the Board acting as a body or a standing committee is authorized to direct the CEO to implement a policy or course of action.

E. The Board, acting as a body in a public meeting may at any time, adopt a motion or resolution to rescind or suspend all or any portion of authority delegated to the CEO in this Resolution.

## Section 2. Procurement and Contracting Authority

A. Consistent with current and future laws, the CEO is directed to establish and implement policies and procedures relating to procurement, contracting, contract administration, and contract close-out. To improve efficiency and minimize the disadvantages of traditional low-bid procurement and design-bid-build project delivery, these policies and procedures will include

innovative procurement and contracting techniques and alternative procurement and project delivery methods.

Property, equipment, materials, supplies, services, and work should be procured efficiently and economically through a process that, to the extent practicable, facilitates full and open competition.

B. The CEO is authorized to award contracts with a value that does not exceed \$200,000, when the amount authorized by the contract is included in the adopted budget or other Board authorization. For purchases or orders that are not included in current budget authorizations, such costs shall not exceed \$50,000. Contracts awarded by the CEO that exceed \$100,000 must be included in a quarterly report to the Board.

C. The Sound Transit Capital Committee and the Sound Transit Operations and Administration Committee (or successor committees) are authorized to approve the award of contracts within their areas of delegated responsibility when the contract value does not exceed \$5,000,000.

D. The Board must approve contracts when the contract value exceeds \$5,000,000.

### Section 3. Competitive Bidding

A. Contracts for work, equipment, goods, materials, supplies, and non-professional services, the estimated cost of which exceeds \$100,000, and which are normally procured based on price related factors alone, must be awarded through publicly-advertised solicitations for competitive, sealed bids when each of the following conditions are satisfied:

1. Time permits the solicitation, submission and evaluation of sealed bids,
2. Award will be made based on price and other price-related factors,
3. It is not necessary to conduct discussions with the responding bidders about their bids,  
and
4. There is reasonable expectation of receiving more than one sealed bid.



B. If required by law or when in the agency's best interests, the CEO may require performance/payment bonds and/or bid bonds to secure the performance of public works or other contracts.

C. The CEO may exercise discretion and reject any or all bids, or cancel or modify bid solicitations when the CEO deems it to be in the best interests of the agency to reject, cancel or modify bids or bid solicitations. The CEO may exercise discretion and waive minor irregularities in bid submittals.

D. The CEO may establish and use a small works process and limited public works process consistent with RCW 39.04.155.

#### Section 4. Competitive Proposals and Professional Services

A. Competitive Proposals. If soliciting competitive sealed bids is not feasible under the conditions described in Section 3, contracts to procure equipment, materials, supplies, services, or other work may be awarded through publicly-advertised solicitations for sealed proposals, taking into consideration price and other established evaluation factors, which must, at a minimum, include past performance on Sound Transit contracts, if any.

B. Professional Services. Except where the Board has approved a different procurement process in this resolution or other motion, professional services to be performed by consultants, including but not limited to planning, engineering, financial, marketing, appraisal, and other specialized professional services must be procured through requests for proposals or qualifications.

The CEO may initiate the procurement of professional services in the following circumstances:

1. When the services cannot be performed on a timely basis by employees of Sound Transit,
2. The services are not part of employees' regular and routine work,

3. The services require specialized professional or technical expertise not available from employees, or
4. The services are needed for only a specific period of time that does not warrant the hiring of an employee.

#### Section 5. Sole Source Procurements

A. Notwithstanding any other provision of this resolution, when the CEO makes a written determination that there is only one source practicably available for that which is to be procured, a contract may be negotiated and awarded to that source without a competitive process.

The CEO is authorized to award sole source contracts when the contract value does not exceed \$100,000. Except in emergencies, sole source contracts that exceed \$100,000 must be approved by the Board.

B. Sole source contracts whose estimated value exceeds \$10,000 must be included in a quarterly report to the Board required by Section 2.B.

#### Section 6. Proprietary and Nondiscretionary Items

A. The CEO is authorized to order, acquire and pay for spare parts, replacement parts and equipment that can be acquired only from the manufacturer or from a single distributor or licensee, and is authorized to enter into maintenance contracts for existing equipment and systems when only proprietary items and services are compatible with the existing equipment and systems when the expenditure is in the best interests of Sound Transit and is included in the adopted budget or other Board authorization.

Proprietary contracts whose value exceeds \$100,000 must be included in a quarterly report to the Board required by Section 2.B.

B. Routine expenses of government, such as utilities charges, governmental taxes, publication and meeting expenses, and governmental fees for licenses and permits, may be acquired, ordered or paid in the best interests of Sound Transit by the CEO and is included in the adopted budget or other Board authorization.

C. The CEO is authorized to retain, or to cause to be retained through the general counsel, attorneys or law firms, or other appropriate professionals, experts, and support services, as necessary to provide general and specialized legal services, including litigation services, required by the agency. The CEO may pay for legal, expert, and related services based on a negotiated fixed fee for specific services or by hourly reimbursement not to exceed the established hourly rate, plus expenses, normally charged by the provider to the general public in the area when the expenditure is included within budget appropriations or other Board authorization. The CEO or general counsel may add the retained attorneys and law firms to the then-current on-call roster of qualified attorneys at the time the services are required and must manage the on-call roster consistent with the financial requirements of Motion No. M2001-61. The CEO or general counsel will inform the Board of the quarterly legal expenses.

D. The CEO is authorized to approve payments of claims, settlements, and judgments as may be in the best interests of Sound Transit when the expenditure is included in the adopted budget appropriations or other Board authorization.

E. The CEO is authorized to enter into reimbursement agreements with public and private utilities, including telecommunication providers, to relocate utilities when the expenditure is included in the adopted budget or other Board authorization.

#### Section 7. Emergency

Notwithstanding any other provision of this resolution, when any emergency requires the immediate execution of a contract for work or services, or any immediate purchases of materials, equipment, supplies, services or construction items, the CEO is authorized to execute any contracts or make purchases necessary to respond to the existing emergency, provided that the CEO must make a written finding that an emergency exists.

At the first regular Board meeting following the written finding of the existence of an emergency, the CEO must request Board ratification of the finding of emergency and of any

purchases or contracts awarded and/or executed pursuant to that finding if the amount exceeds \$100,000.

The CEO must keep the Board informed about the emergency and the progress of any contracts or purchases executed to address the emergency.

#### Section 8. Capital Project Authorization

A. The Board will authorize capital projects on a project-wide basis, by individual contract or by other action, as the Board deems appropriate.

B. Projects Within Current Board-Adopted Budgets and Authorizations. For capital projects that are included in the adopted budget or other Board authorization, the CEO is authorized to conduct project planning, scoping, environmental reviews, permitting, and preliminary engineering and environmental testing necessary to the projects, provided the estimated combined cost of all such activities does not exceed \$200,000.

C. Significant Changes in Capital Projects. The CEO must notify the Board in a timely manner if it becomes apparent that

1. a capital project cannot be completed within the authorized amount (including contingency),
2. delays to a capital project will have negative financial, community, or operations implications, or
3. there is a possibility of substantial scope change.

#### Section 9. Capital Projects Contract Administration

A. Reporting. Unless the Board requests more frequent reporting, the CEO will report quarterly to the Board on the progress and status of major capital projects.

B. Change Orders. When changes in the plans and/or specifications are necessary to properly accomplish the work, the CEO is authorized to execute change orders to the contract provided the following conditions are met:

1. The estimated cost of the changes will not exceed funds available in the approved contingency for the work as established in the subject contract,
2. The contract provides for change orders and the change order is within the scope of the original procurement, and
3. The individual change order has been approved by appropriately delegated staff. Legal counsel must review non-routine change orders.

#### Section 10. Cooperative and Joint Agreements with Government Entities

A. Subject to the monetary limitations in Section 2, the CEO may enter into cooperative and/or joint agreements on behalf of Sound Transit with federal, state and local governments for the provision or purchase of work, services (excluding the light-rail and regional express operations and maintenance agreements), governmental approvals and mitigation requirements, supplies, materials, and equipment whenever the CEO determines it to be advantageous. Work, goods, or services acquired for Sound Transit by federal, state, or local governments or public agencies in the manner prescribed by the provisions of applicable law, charter or regulation of such federal, state, or local governments is authorized in lieu of the conditions of this section.

B. Unless the agreement is authorized under Section 6.B and 6.E, the Board must approve any agreement with another government or public agency when

1. The government or public agency is acting in its governmental capacity and the agreement involves either a policy relating to the implementation of the regional transit plan or a non-routine governmental function, or
2. The agreement involves a significant non-administrative policy decision.

#### Section 11. Sound Transit Real Property

This section applies to all agreements and transactions relating to the acquisition, use, or disposition of real property, including but not limited to, purchase and sale agreements, deeds, leases, concession agreements, rental agreements, operating agreements, maintenance

agreements, licenses, easements, access permits, rights of entry and other use agreements (collectively Real Property Agreements).

A. Real Property Agreements that obligate Sound Transit or the other party to pay more than \$200,000 but less than \$5,000,000, may be approved by the Sound Transit Capital Committee or the Sound Transit Operations and Administration Committee (or successor committees) as appropriate. The Board must approve agreements when the financial obligation of either Sound Transit or the other party exceeds \$5,000,000.

B. The CEO may execute Real Property Agreements to allow others to occupy or otherwise make use of Sound Transit property or to allow Sound Transit to occupy or otherwise use real property owned by others including leases, rental agreements, operating agreements, licenses, easements, use and access permits, rights of entry and other use agreements under the following conditions:

1. Neither Sound Transit nor the other party is obligated to pay more than \$200,000,
2. The term (including any options) does not exceed five years,
3. The provisions conform to Sound Transit's real estate policies and procedures,
4. Sound Transit's financial obligation is within authorized budget limits, and
5. The agreement is in a form approved by legal counsel.

Such Real Property Agreements may include renewal options, options to sublease or assign. The CEO is authorized to enter into agreements memorializing the exercise of such options provided that the new agreement is in all ways consistent with this Section 10.B, including that the combined terms and financial obligations of the original and new agreements do not exceed the limitations of this Section 10.B.

C. The CEO may execute easements, licenses, access permits or temporary rights of entry, or allow the use of Sound Transit property when

1. the right granted is ancillary to the normal operation of Sound Transit or its property,  
and

2. there is no new financial obligation owed by Sound Transit.

Board approval is required to grant permanent easements (excluding standard utility easements that service Sound Transit such as gas, water, sewer, electrical, and telephone) or other property rights that deprive or substantially limit Sound Transit's use of essential property or property rights.

D. The CEO may execute Real Property Agreements to acquire or dispose of real property, when

1. Neither Sound Transit nor the other party is obligated to pay more than \$200,000,
2. The provisions conform to Sound Transit's real estate policies and procedures,
3. Sound Transit's financial obligation is within authorized budget limits, and
4. The agreement is in a form approved by legal counsel.

E. The CEO must ensure compliance with all Real Property Agreement terms and is authorized to take necessary measures to cause compliance or to protect Sound Transit, including but not limited to, termination of an agreement, the giving of all notices provided for in an agreement, and filing actions for eviction, unlawful detainer, damages, and injunctive relief.

The CEO may also take all necessary actions in connection with surety bonds, letters of credit, cash deposits, or other legal security and insurance coverage required pursuant to any Real Property Agreements.

F. The CEO is authorized to take all necessary steps, including executing all required agreements, closing documents, deeds, decrees, and other necessary instruments to complete an authorized transaction to secure title to or to dispose of real property.

Sound Transit's price for the acquisition of or use of real property may not exceed Sound Transit's determination of value by more than ten percent or the authorized budget without specific Board approval.

G. The CEO is authorized to apply for the vacation of streets or roads, and to take all other steps necessary to acquire a fee interest in street or road ends or other public right of way ancillary

to Sound Transit development when the estimated acquisition costs do not exceed \$200,000 and are included in the adopted budget or other Board authorization.

Section 12. Surplus Property (other than Real Property)

The CEO may declare Sound Transit personal property surplus and may dispose of such property as the CEO determines to be in the best interests of Sound Transit, subject to applicable laws and Sound Transit policies.

When feasible, surplus property should be disposed of in a manner that provides reasonable and fair compensation to Sound Transit, provided that when the costs associated with disposing of the property exceed its reasonable value, the CEO is authorized to offer the property, without charge, to other public agencies or to be used to support the poor and infirm as allowed under Article VIII, Section 7 of the Washington State Constitution.

Section 13. Miscellaneous Provisions

- A. The CEO will ensure that Sound Transit complies with state law where specifically applicable to the award by Sound Transit of public contracts, including, without limitation, Title 39 RCW and Chapter 60.28 RCW.
- B. The CEO may designate Sound Transit employees to act as the purchasing or contracting agents to implement the policies and provisions of this resolution.
- C. When a procurement involves the expenditure of federal or state grant or contract funds, and the method of procurement required by such agency differs from the requirements of this resolution, the CEO will conduct the procurement in accordance with any mandatory applicable federal or state laws and regulations, and as required by the grant.
- D. The CEO may include provisions in contracts awarded by Sound Transit that promote cooperation and motivate contractors or vendors to improve the project quality or function, to reduce the cost or to save time in construction or delivery by using such methods as shared savings for value engineering, incentive payments, reimbursement for proposal or bid preparation expenses and preconstruction planning and partnering.



E. The CEO is authorized to enter into agreements under which Sound Transit will provide reimbursable services to others and for which Sound Transit will receive reimbursement, when such services are part of normal Sound Transit operations.

F. The CEO, upon the written recommendation of the chief financial officer and legal counsel, may write-off uncollectible debts provided:

1. The amount of the debt is within the CEO's delegated authority specified in Section 2.B., and
2. Reasonable efforts to collect the debt have been made, and
3. The debt has been discharged in bankruptcy, or
4. The cost of collection exceeds the amount of the debt.

#### Section 14. Special Circumstances

Whenever in the judgment of the Board, special circumstances require a procedure different from that set forth herein, the Board may authorize the making of purchases, the ordering of work or the performance of services in such other manner as may be deemed to be appropriate to the circumstances.

#### Section 15. Protests

The CEO must establish procedures for considering and determining procurement protests and appeals. The CEO, or his or her designee, will render the final administrative determination on protests and appeals.

#### Section 16. Debarments and Suspensions

The CEO may establish procedures for debarment and suspension actions. After reasonable notice to the person involved and reasonable opportunity for that person to be heard, the CEO is authorized to debar a person, firm or other legal entity for cause from consideration for award of contracts with Sound Transit for a period of not more than two years. The CEO is authorized to suspend a person, firm, or other legal entity from consideration for award of Sound

Transit contracts for a period of not more than six months if, in the CEO's discretion, there is probable cause for debarment.

The CEO's decision of debarment or suspension, which must be reported to the Board at the next regular Board meeting, will be the final and conclusive decision on behalf of Sound Transit, unless the Board determines otherwise.

#### Section 17. Privatized Contracts

The following provisions apply to contracts entered into by Sound Transit for work or services provided by private parties that retain an ownership interest in facilities used for such work or services:

- A. The specifications for each privatization contract which involves construction, reconstruction, maintenance, or repair of a facility must contain a provision stating the specified hourly minimum wage, not less than the Washington State or Davis Bacon Act prevailing wage, whichever is higher, that must be paid to laborers, workers, or mechanics in each trade or occupation employed in the performance of such contract, either by the contractor, subcontractor, or other person doing or contracting to do the whole or any part of the work contemplated in the construction, reconstruction, maintenance, or repair of the facility.
- B. The CEO must ensure payment of prevailing wages by contractors and subcontractors on such work.

#### Section 18. Small Business and DBE

Sound Transit is committed to a policy of providing fair and representative employment and business opportunities for small businesses and disadvantaged business enterprises in the procurement of equipment, materials, supplies and services purchased or work ordered for Sound Transit, consistent with those Sound Transit policies, procedures, and guiding principles in effect.

- A. The CEO will take such steps as may be necessary to ensure that parties contracting with Sound Transit fully comply with all federal, state and local laws, regulations and ordinances pertaining to non-discrimination, equal employment and affirmative action.

B. The CEO is further authorized and directed to utilize small business and DBE requirements or goals in Sound Transit's contracting as may be applicable under federal or state grant contracts or as may be imposed by federal and state laws and regulations or by Sound Transit Board policy.

C. The CEO must monitor the usage of small businesses and minority, women, and disadvantaged business enterprises to ensure Sound Transit's performance in this respect is consistent with the law and the Board's adopted policies and procedures.

Section 19. Green Purchasing Initiatives


Sound Transit is committed to protecting the environment for present and future generations. That commitment includes encouraging and increasing the use of environmentally preferable products and services while remaining fiscally responsible. In its purchasing and contracting activities, the agency will balance overall life-cycle costs with minimizing environmental impacts, promoting human health and safety, conserving natural resources, and promoting sustainability.

Section 20. Supersession, Ratification, and Implementation

Resolution No. 78-1, as adopted by the Board of the Central Puget Sound Regional Transit Authority on April 9, 1998 is hereby superseded and replaced by this updated Resolution No. 78-2. All actions taken under Resolution No. 78-1 by the officers, employees, agents or consultants of Sound Transit are hereby ratified and approved.

The CEO may establish additional regulations, requirements, certifications and procedures as the CEO deems necessary to carry out the policies and provisions of this resolution.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 27, 2011.

  
Fred Butler  
Board Vice Chair

ATTEST:

  
Marcia Walker  
Board Administrator