



STAFF REPORT

DATE: April 11, 2022

TO: Sacramento Regional Transit Board of Directors

FROM: Shelly Valenton, VP, Integrated Services and Strategic Initiatives
/Chief of Staff and Laura Ham, VP Planning and Engineering

SUBJ: DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO
TO APPROVE AND EXECUTE INFORMATION TECHNOLOGY
PROCUREMENT CONTRACTS OVER \$150,000 FOR THE Q
STREET ADMINISTRATIVE BUILDING PROJECT

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

The proposed Resolution will allow the General Manager/CEO to enter into contracts over \$150,000 to purchase information technology goods and services to the extent necessary and as needed for the Q Street Administrative Building Project.

FISCAL IMPACT

The fiscal impact is dependent on the products and services purchased, although some level of savings is expected due to government discounts for hardware, software, and services. The independent cost estimate for network infrastructure products, licensing, and services to provide internet services at the new building is approximately \$375,000 for the essential network infrastructure. The Q Street Admin Building Capital Improvement Project (CIP) budgeted an amount of \$675,000 in the CIP for Information Technology under WBS V102.08.02. Project V102 is fully funded.

DISCUSSION

The General Manager is moving forward to execute a lease for office space at 1102 Q Street. To meet the desired move-in deadline of July 1, 2022, Staff is expediting several procurements to ensure that appropriate contracts are in place to meet the business needs.

Due to the short four-month time frame and world-wide supply chain shortages, waiting to seek Board approval to execute information technology product and service-related procurement contracts could delay the relocation and transition of administrative staff. Therefore, Staff is asking for a standing delegation of authority to the General

Manager/CEO to take procurement actions in excess of the current authority under the Procurement Ordinance.

Currently, the General Manager/CEO's procurement contract authority is as follows:

- (1) New contracts up to \$150,000;
- (2) Amendments to Board-approved contracts up to \$150,000;
- (3) Amendments to General Manager-approved contracts up to an aggregate total (between the initial contract and amendments) of \$150,000.
- (4) Contract Change Orders for public works – authority varies based on the original value of the Contract, but the aggregate limit for smaller public works projects is generally 10% of the original contract price and the individual limit is \$150,000 for a single Contract Change Order regardless of the original contract value.

When these limits are exceeded, the Board is required to approve the contract and may, in addition, be required to make findings related to non-competitive procurements or a decision to amend a contract above the informal solicitation threshold.

The contract or contract amendments that could exceed the General Manager/CEO's authority or require sole source justification include, but are not limited to networking equipment, software configuration, licensing, and services. Any individual contract, work order, or contract change order entered into under this authority may not exceed a total consideration of \$375,000.

The Procurement department will ensure that all purchasing is compliant with the Board approved Procurement Ordinance. Procurement will identify the most-efficient path forward and will utilize cooperative agreements where available, to ensure competitive pricing is obtained.

RESOLUTION NO. 2022-04-039

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

April 11, 2022

DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE AND EXECUTE INFORMATION TECHNOLOGY PROCUREMENT CONTRACTS OVER \$150,000 FOR THE Q STREET ADMINISTRATIVE BUILDING PROJECT

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, authority is hereby delegated to the General Manager/CEO to approve Procurement contracts that would otherwise be in excess of his authority, as set forth in the Procurement Ordinance (21-10-01), up to a maximum of \$375,000 for a single information technology-related Procurement action as reasonable and necessary for the Q Street Administrative Building Project.

THAT, any Procurement undertaken pursuant to this delegation of authority must be undertaken in compliance with the otherwise-applicable provisions of the Procurement Ordinance.

THAT, this delegation of authority will expire, without further action of the Board, on December 31, 2022.

STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary