

## **STAFF REPORT**

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**DATE:** February 27, 2023  
**TO:** Sacramento Regional Transit Board of Directors  
**FROM:** Jamie Adelman, VP, Procurement, Real Estate and Special Projects  
**SUBJ:** DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO AMEND OR APPROVE AND EXECUTE CONTRACTS FOR FURNITURE AND FIXTURES AND INFORMATION TECHNOLOGY EQUIPMENT AND SERVICES OVER \$150,000 FOR FURTHER EXPANSION AT THE Q STREET ADMINISTRATIVE BUILDING

### RECOMMENDATION

Adopt the Attached Resolutions.

### RESULT OF RECOMMENDED ACTION

The proposed resolutions will allow the General Manager/CEO to enter into or amend existing contracts over \$150,000, with one or more vendors, to purchase Information Technology (IT) equipment and professional services, as well as furniture, fixtures, and associated installation 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 necessary materials that will be purchased through competitively-bid procurements.

The Q Street Administrative Building Capital Improvement Project (CIP), WBS V102 is fully funded and has current savings of approximately \$850,000 from phase 1 of the project, which included tenant improvements, furniture and installation, full IT buildout, and other necessities for a new office environment for four office suites. The savings realized will be used to fund phase 2 of the project, which will include the same components for an additional suite in the building.

This request is for contracts associated with IT equipment and services and furniture, fixtures, and installation. Requested total aggregate amounts for phase 2 are:

Information Technology	\$250,000
Furniture & Fixtures	\$350,000

## DISCUSSION

In February 2022, SacRT executed a lease for approximately 19,000 square feet of office space at 1102 Q Street, based on available leasable space in that building. At that time, staff received approval from the Board to pursue additional space in the building as they become available. SacRT will soon be executing a new lease for an additional suite of approximately 6,400 square feet located on the 3<sup>rd</sup> floor of 1102 Q Street. The new suite will require tenant improvements to: standardize all the SacRT leased suites in the building; provide a more refreshed workspace than the current administrative offices; and be on par with our industry peers and other local government offices. The additional space allows SacRT to accommodate more administrative staff, while still reducing its overall footprint for administrative offices compared to the old location.

Due to the short time frame within which the furniture and IT equipment will be needed and supply chain delays affecting multiple industries, waiting to seek Board approval to execute furniture, IT, and service-related procurement contracts could delay occupancy of the new office space. Therefore, Staff is requesting a standing delegation of authority to the General Manager/CEO to approve procurement actions in excess of the General Manager/CEO's current authority under the Procurement Ordinance as needed to outfit the new suite.

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 must approve the contract before it can be executed and the Board 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.

Staff has identified multiple competitively-bid contracts procured by other agencies, that can be used consistent with Section 1.407 of the SacRT Procurement Ordinance, which permits the use of cooperative purchasing agreements and government schedules if the bidding procedures followed by a public entity for any such contract satisfy the bidding requirements set out in the Procurement Ordinance and if the contract does not violate any federal or state requirements applicable to SacRT. Purchasing under these contracts will allow SacRT to obtain the materials necessary more quickly while still obtaining competitive pricing.

The Procurement Department will ensure that all purchasing is compliant with the Board-approved Procurement Ordinance. Procurement will identify the most-efficient path forward while ensuring that competitive pricing is obtained.

RESOLUTION NO. 2023-02-018

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

February 27, 2023

**DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO AMEND OR APPROVE AND EXECUTE CONTRACTS FOR INFORMATION TECHNOLOGY EQUIPMENT AND SERVICES OVER \$150,000 FOR FURTHER EXPANSION AT THE Q STREET ADMINISTRATIVE BUILDING**

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 and amendments, with one or more contractors, that would otherwise be in excess of his authority, as set forth in the Procurement Ordinance (2022-12-001), up to a maximum aggregate amount of \$250,000, for IT equipment and services as reasonable and necessary for phase 2 of 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, 2023.

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PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Tabetha Smith, Assistant Secretary

RESOLUTION NO. 2023-02-019

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

February 27, 2023

**DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO AMEND OR APPROVE AND EXECUTE CONTRACTS FOR FURNITURE, FIXTURES, AND INSTALLATION SERVICES OVER \$150,000 FOR FURTHER EXPANSION AT THE Q STREET ADMINISTRATIVE BUILDING**

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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, 2023.

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PATRICK KENNEDY, Chair

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