

Date: May 23, 2025

To: TriMet Board of Directors

From: Jeff Rogers, Director of Procurement & Supply Chain Management

Subject: Contracting Delegation to the General Manager

The current delegation from the TriMet Board of Directors (“Board”) to the TriMet General Manager (“GM”) was established by resolution in 2022. That delegation maintained the \$1 million contracting delegation established in 2017 for goods and services contracts, but it also aligned contracts for personal services at the \$1 million level. Hence, as of 2022, the Board delegated contracting authority to the GM for all contracts up to \$1 million.

Based on a presentation made to the Board on April 30 and the discussion that ensued thereafter, I present the following options for consideration by the Board.

- 1.) Double threshold to \$2 million for all contracts, except sole source over \$250,000
 - a. All Sole Source contracts over \$250,000 would require Board approval
 - b. Reduces contracts reviewed by the board by one-third
 - c. Increases speed of execution for contracts between \$1M and \$2M
 - d. Maintains Board’s project awareness and public fiduciary duty
- 2.) Increase threshold to \$5 million for all contracts, except sole source over \$250,000
 - a. All Sole Source contracts over \$250,000 would require Board approval
 - b. Reduces contracts reviewed by the board by half
 - c. Increases speed of execution for contracts between \$1M and \$5M
 - d. Maintains Board’s project awareness and public fiduciary duty on very high dollar contracts and Sole Source contracts (highest risk contracts only)
- 3.) Unlimited Delegation (no Board review of contract awards)
 - a. Promotes maximum speed and efficiency of project execution
 - b. Board would exercise fiduciary duty through Budget and Financial Reporting
 - c. Aligns with Metro and Multnomah County
 - d. Staff could present summary of contracts awarded monthly during Board Meeting

Ultimately, this is a decision for the Board to carefully consider and decide. If the Board wishes to consider a staff recommendation, I recommend option #2 as an appealing balance between Board fiduciary duty, administrative efficiency, project execution timeliness, and perceived contracting risk. The Procurement & Supply Chain Management Department can implement any of these options, or variation thereof, without issue.