



Policy Review

Contract Signing Authority Limits – Proposed Changes

Agenda

- Council Signing Authority for:
 - Professional/Consulting Services
 - Technology Consulting Services
 - Architectural & Engineering
 - Public Works
- Key Drivers
 - Inflation
 - Service and Labor Cost
 - Administrative Cost
 - Jurisdiction Threshold Comparison
- Recommendation & Next Steps

Council Signing Authority and Proposed Changes

Type of Purchase	Current Threshold	Proposed Threshold	Approval Status
Operating Supplies & Equipment	None	None	No Change
Operating Services, Repair & Maintenance, and General Services	None	None	No Change
Professional Services (including Technology)	Over \$50,000 total project	Over \$150,000 total project	Pending Approval
Instructional & Artistic Services	Over \$75,000 total project	Over \$150,000 total project	Approved August 4, 2025
Architectural & Engineering Services	Over \$50,000 total project	Over \$150,000 total project	Pending Approval
Public Works	Over \$300,000 total project	Over \$700,000 total project	Pending Approval
Sole Source	Over \$50,000 total project	Over \$50,000 total project	No Change
Interlocal Agreements (including Grants)	All	All	No Change
Collective Bargaining Agreements	All	All	No Change

Types of Contracts

Professional Services (Not Technology)

- Consulting
- Human Services
- Legal Services
- Community Engagement

Architectural & Engineering

- Building Assessment
- Stormwater Engineering
- Modeling Services
- TP&E

Professional Services (Technology)

- IT Consulting and Project Management
- Training
- Database Administration
- Software Implementation

Public Works

- Construction
- Roadway Paving
- Building Repair/Upgrades

Professional Service Contracts Council Review

YEAR	Council Approval Not Required	Council Approval Current Signing Limit	Council Approval Proposed Signing Limit
	# of Contracts Under \$50K	# of Contracts \$50K - \$150K	# of Contracts Over \$150K
2020	25	15	4
2021	33	15	5
2022	27	8	5
2023	33	23	17
2024	17	6	9
2025 to Date	33	16	6

Routine agreements that would be handled administratively under the new proposed limit:

- Hazardous Waste Program
- Fire Department Promotional Examinations
- Tourism Strategic Plan Consulting

Professional Service Contracts (Technology) Council Review

YEAR	Council Approval Not Required	Council Approval Current Signing Limit	Council Approval Proposed Signing Limit
	# of Contracts Under \$50K	# of Contracts \$50K - \$150K	# of Contracts Over \$150K
2021	3	0	0
2022	1	2	0
2023	1	0	0
2024	6	2	1
2025 to Date	2	3	1

Routine agreements that would be handled administratively under the new proposed limit:

- SQL Server Database Administration
- ACFR Implementation
- Migration of FleetFocus and FuelFocus to the cloud

Architectural & Engineering Services Council Review

YEAR	Council Approval Not Required	Council Approval Current Signing Limit	Council Approval Proposed Signing Limit
	# of Contracts Under \$50K	# of Contracts \$50K - \$150K	# of Contracts Over \$150K
2020	6	1	12
2021	7	1	11
2022	6	0	7
2023	4	2	7
2024	7	3	7
2025 to date	4		19

Routine agreements that would be handled administratively under the new proposed limit:

- Development of Master Plan for SE Redmond Park
- Downtown Redmond Adaptive Signals Project
- Energy Audit Services Project

Public Works Council Review

YEAR	Council Approval Not Required	Council Approval Current Signing Limit	Council Approval Proposed Signing Limit
	# of Contracts - Under \$300K	# of Contracts - \$300K - \$700K	# of Contracts over \$700K
2020	9	2	5
2021	2	3	6
2022	4	0	9
2023	1	4	3
2024	1	0	5
2025 to Date	1	0	4

- Average cost of PW contracts between \$300K and \$700K is \$373K (9 contracts)
- Average cost of PW contracts over \$700K is \$4MM (32 contracts)

Routine agreements that would be handled administratively under the new proposed limit:

- Electric Vehicle Charging Stations
- Construction work on Bear Creek Keller Farms Project
- Construction of 520 Trail Grade Separation at NE 40th Steet

Key Drivers and Benefits of Policy Update

- Align with inflation (CPI-W) since 2018
- Expected tariff impacts
- SB 5814 – passed and enacted, now requires sales tax be applied to contracts where it didn't before
- Accounts for rising service and labor costs surpassing current signing limits
- Lower administrative overhead per contract
 - Reduces staff time preparing routine Council agenda items
 - Streamlines internal review and approval processes
- Avoids delays for vendors and service delivery

Inflation and Service Cost

- Overall cumulative inflation between 2018 and 2025 (Seattle-Tacoma-Bellevue CPI-W) is up by 32%
- Seattle area construction costs some of the highest in the US - soaring material and labor costs
- Labor and supply shortages

Administrative Cost

- Each Council-reviewed contract costs the City an average of \$3,200 in staff/council time

Per Agenda Item	No. of FTEs	Total Hours	Total Estimated Cost
Pre-Work	7	10	\$1,114.72
Meetings	19	11.5	\$1,493.99
<i>Internal Services</i>		4.5	\$588.13
<i>Committee of the Whole</i>		4.75	\$611.36
<i>Council Meetings</i>		2.25	\$294.50
Legistar System	6	5.9	\$678.33
Totals		27.4	\$3,287.04

Administrative Cost - 2024

Contract Type	No. of Contracts	Contract Amount Range	Estimated Administrative Cost
Professional Services	6	\$50,000 - \$150,000	\$19,000
Professional Services - Technology	2	\$50,000 - \$150,000	\$6,500
Architectural & Engineering	3	\$50,000-\$150,000	\$9,000
Public Works	10	\$300,000 - \$700,000	\$32,000

Contract Approval Thresholds by City

City Name	Professional Services Council Signing Authority Limit	Public Works Council Signing Authority Limit
City of Bellevue	>\$350,000	>\$350,000
City of Bothell	>\$100,000	>\$100,000
City of Issaquah	>\$300,000	>\$300,000
City of Kirkland	>\$75,000	>\$75,000
City of Redmond	>\$50,000	>\$300,000
City of Seattle	>\$789,000	>\$1,000,000
City of Woodinville	>\$50,000	>\$50,000

Information was gathered in 2025

Recommendation and Next steps

- Signing Limit increase for all Professional Services Agreements (Tech, Non-Tech, A&E) from \$75,000 to \$150,000 per project cost
- Signing Limit increase for Public Works Contracts from \$300,000 to \$700,000
- Report (monthly) the list of professional services contracts between \$75,000 and \$150,000 per project cost, and Public Works Contracts between \$300,000 and \$700,000
- Updated Resolution will be presented to Council on September 16, 2025

Thank You

Any Questions?

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