



Policy Review

Contract Signing Authority Limits – Proposed Change

Agenda

- Council Signing Authority (Instructional & Artistic Services)
 - Type of Contracts
 - Number of Contracts
- Key Drivers
 - Inflation
 - Program/Service Cost
 - Administrative Cost
 - Jurisdiction Threshold Comparison
- Recommendation & Next Steps

Council Signing Authority and Proposed Changes

Type of Purchase	Current Threshold	Proposed Threshold
Operating Supplies & Equipment	None	None
Operating Services, Repair & Maintenance, and General Services	None	None
Professional Services (including Technology)	Over \$50,000 total project	Over \$150,000 total project
Instructional & Artistic Services	Over \$75,000 total project	Over \$150,000 total project
Architectural & Engineering Services	Over \$50,000 total project	Over \$150,000 total project
Public Works	Over \$300,000 total project	Over \$700,000 total project
Sole Source	Over \$50,000 total project	Over \$50,000 total project
Interlocal Agreements (including Grants)	All	All
Collective Bargaining Agreements	All	All

Types of Contracts

- Parks & Recreational Programs/classes
- Parks & Recreational Camps
- Artistic Services

Contracts - Council Review

YEAR	Council Approval Not Required	Council Approval CURRENT Signing Limit	Council Approval PROPOSED Signing Limit
	# of Contracts Under \$75K	# of Contracts \$75K - \$150K	# of Contracts Over \$150K
2020	47	1	0
2021	61	1	0
2022	57	2	0
2023	79	5	1
2024	89	8	0
2025 to Date	57	4	0

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

- Nature Vision: Outdoor preschool programming
- RSCC: Artwork installation on connector wall
- Eastside Skill Samurai: Youth summer camps

Key Drivers and Benefits of Policy Update

- Align with inflation (CPI-W) since 2018
- Accounts for rising program and service 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 program delivery

Inflation and Program/Service Cost

- Overall cumulative inflation (Seattle-Tacoma-Bellevue CPI-W) is up by 35% since 2018.
- Program/service contract costs have increased 110% since 2018.

	Cost per Resident Participant						
Nature Vision	2018	2019	2021	2022	2023	2024	2025
Nature Adventure Day Camp	164.45	180.70	227.50	250.25	276.25	318.50	351.00

Administrative Cost

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

- Each Council-reviewed contract costs the City an average of \$3,200 in staff/council time
- In 2024, 8 contracts under \$150K went to Council, totaling over \$25,000 in administrative costs

Contract Approval Thresholds – by City

City Name	Council Signing Authority Limit
City of Arlington	> \$150,000
City of Bellevue	> \$350,000
City of Bothell	> \$100,000
City of Issaquah	> \$300,000
City of Kirkland	> \$75,000
City of Redmond	> \$75,000
City of Seattle	> \$789,000
City of Vancouver	> \$300,000
City of Woodinville	> \$50,000

Notes

- Information was gathered in 2024

Recommendation and Next steps

- Signing Limit increase for Instructional and Artistic services from \$75,000 to \$150,000 per project cost
- Report (monthly) the list of contracts between \$75,000 and \$150,000 per project cost
- Updated Resolution will be presented to Council on August 4, 2025.
- Review Signing Limits for Architectural and Engineering Services Contracts during September 9 FAC meeting.

Thank You

Any Questions?

Kelley Cochran, Finance Director: 425-556-2748

Haritha Narra, Deputy Finance Director: 425-556-2163

Adam O'Sullivan, Financial Services Manager: 425-556-2199

