

**INTERCITY TRANSIT
RESOLUTION NO. 05-2026
SIGNATURE AUTHORITY - FISCALLY BINDING OBLIGATIONS**

A RESOLUTION of the Intercity Transit Authority (ITA) establishing a framework and guidance for allocating authority for legally binding obligations based on dollar value or other risk criteria.

WHEREAS, the ITA is authorized under RCW 36.57A, Public Transportation Benefit Area (PTBA), to adopt Resolutions necessary for the efficient operation and administration of public transportation services; and

WHEREAS, the ITA seeks to mitigate risk, streamline processes, enhance operational efficiency, and ensure compliance with applicable laws.

NOW, THEREFORE, BE IT RESOLVED BY THE INTERCITY TRANSIT AUTHORITY AS FOLLOWS:

Section 1. ADOPTION

Pursuant to the authority granted under RCW 36.57A, the ITA hereby adopts this Resolution.

Section 2. APPROVAL THRESHOLDS AND DELEGATED AUTHORITY

Formal ITA approval is required for any fiscal obligation exceeding the ITA Approval Threshold. The ITA Approval Threshold is defined solely as the dollar amount established by the federal Simplified Acquisition Threshold's upper limit or qualifying enhanced upper limit, adjusting automatically whenever that federal baseline is modified. Reference to the federal threshold's upper limit serves exclusively as a dynamic monetary index and shall not be construed to adopt, apply, or incorporate federal procurement rules, procedures, or statutory frameworks.

ITA approval may be considered and granted using any meeting format utilized by the ITA during regularly scheduled public meetings including but not limited to consent agenda items, regular agenda items, or staff presentations or, when authorized by law, within executive session.

The ITA may grant project-level or contract-level authority using fixed dollar amounts, spending ceilings, or other parameters. When project-level authority is authorized by the ITA, individual contracts executed within that approved scope do not require separate ITA action, provided their aggregate value remains within the authorized total.

For all projects, contracts, fiscal obligations, and procurement matters falling below the ITA Approval Threshold or to further manage ITA delegated contract or project-level authority, the General Manager is authorized to establish internal approval limits, delegation schemes, and governing rules via administrative policy, procedure, or executive guidelines.

Nothing in this Resolution precludes Agency staff from seeking formal ITA approval for any obligation below the mandatory threshold.

Section 3. ITA DOLLAR THRESHOLD GENERAL GUIDANCE

(a) Focus on Net Risk Exposure. The ITA recognizes that as fiscal obligations are satisfied and paid down, the Agency's corresponding risk exposure decreases. Absent an overarching and

baseline approval, the ITA Approval Threshold applies to initial, unfulfilled, or remaining financial burdens, rather than the historical cumulative spend of a contract or project.

(b) Overarching and Baseline Approvals. When the ITA has previously approved a project-level or contract-level "up-to" cumulative ceiling, blanket project allocation, or baseline budget, all individual contract executions, task orders, and modifications falling within that authorized cap are deemed pre-approved transactional activities and do not require independent ITA action.

(c) Mandatory Approval Triggers. Absent any prior existing overarching and baseline approval, formal ITA approval is required prior to taking any of the following actions whenever the net unpaid obligation equals or exceeds the ITA Approval Threshold:

1. **Direct Fiscal Obligations:** Execution of any contract, agreement, or binding action that creates a new or unfulfilled fiscal obligation meeting or exceeding the ITA approval threshold.
2. **Contract Modifications and Change Orders:** Execution of any amendment, change order, or modification whose standalone dollar value when added to the remaining unpaid balance of the underlying contract causes the total active obligation to meet or exceed the ITA approval threshold. No ITA action is required if the new modification plus the remaining unpaid balance remains below the threshold.

(d) Non-Fiscal Framework Agreements. On-Call Contracts, Qualified Vendor Lists, and similar administrative frameworks do not constitute fiscal obligations at the time of initial award or execution. Accordingly, their initial execution does not require ITA approval regardless of anticipated total spend. Binding fiscal obligations under these framework agreements occur solely through subsequent task orders, work orders, or purchase orders, or similar instruments. Each such order or subsequent modification shall be evaluated as an independent contract action for ITA approval threshold compliance.

(e) Competitive Awards. Conducting formal fully advertised competitive procurements does not, by itself, require ITA approval. Approval of competitive awards and resulting contracts is governed as follows:

1. **Non-Fiscal Frameworks:** Awards establishing On-Call Contracts or Qualified Vendor Lists, or similar instruments, require no ITA approval, as no immediate fiscal obligation is created.
2. **Pre-Approved Baselines:** Contracts derived from competitions within a previously ITA approved project-level budget or cap may be awarded and executed without additional ITA action.
3. **Standalone Awards:** For competitions meeting or exceeding the threshold without a pre-approved baseline, ITA approval is required for the award and constitutes full authorization to execute all resulting contracts without further ITA action.

Section 4. UTILITIES AND GOVERNMENTAL PERMITS, TAXES, FEES

Utility bills and infrastructure costs and governmental Permits, taxes, fees, and the like do not require ITA approval.

Section 5. TRANSACTIONAL PURCHASING NON-CUMULATIVE

Transactional purchasing of goods and services is essential to a wide range of Agency activities, including, but not limited to, fleet and facilities maintenance. Such purchases shall, by default, be considered non-cumulative.

Section 6. RATIFICATION

The ITA and the General Manager reserve the authority to ratify prior actions within their respective scope of responsibility. If ratified, a formal ratification cures and extinguishes any underlying procedural, technical, or authority defects, rendering the ratified action fully valid and binding from its inception.

Section 7. NOMENCLATURE

For the purposes of this Resolution, any reference to a “Contract” shall broadly encompass any instrument or agreement that creates a binding obligation. Instruments such as Purchase Orders, Task Orders, Work Orders, Amendments, Change Orders, and Qualified Vendor Lists, or similar instruments, are treated as functionally synonymous under this Resolution, regardless of their formal title or the immediate presence of a fiscal obligation.

Section 8. EMERGENCY AND URGENT CIRCUMSTANCES

In urgent or time-sensitive circumstances involving potential harm, risk to public safety or life, or a significant threat to Agency property or operations, the General Manager (GM), their designee, or in the their absence, a member of the Senior Leadership Team, is granted delegated authority to commit funds and execute actions exceeding the ITA Approval Threshold without prior ITA approval. The exercise of this delegated authority shall be communicated to the ITA Chair, or, if unavailable, other members of the ITA, at the earliest practical opportunity. Once emergency conditions permit, any actions or fiscal obligations taken under this section shall be timely presented to the ITA to consider formal ratification.

Section 9. INTERPRETATION

This Resolution, along with any policies, procedures, or instruments derived from it, shall be construed in a manner that favors the Agency’s operational capacity and statutory mission. Agency staff retains sole administrative discretion to interpret and apply the provisions of this Resolution and any policies, procedures, or instruments derived from it, and any staff determination regarding its meaning, scope, or execution shall serve as the official and controlling interpretation, subject only to direction from the ITA.

Section 10. SPLITTING OR SEGMENTING

Agency staff shall not intentionally divide or segment any procurement activity solely to circumvent established approval thresholds.

Section 11. CONTINUITY

Subsequent changes in governing law or regulation shall not affect the validity of this Resolution as a whole. Where statutory changes create a conflict or defect within this Resolution, the General Manager is authorized to execute necessary administrative policy or procedural updates to align Agency practices with evolving legal mandates and address any operational conflicts caused by legislative actions. Nothing herein precludes formal Resolution amendments, which may be submitted to the ITA for consideration upon direction of the ITA or when deemed prudent by the General Manager.

Section 12. EXECUTION

The General Manager, or their authorized designee, is authorized to develop, approve, and implement comprehensive policies, procedures, delegation matrices, forms, and other instruments necessary to effectively manage the Agency’s signature authority and financial obligations. This delegation explicitly includes, but is not limited to, establishing internal approval workflows, expenditure controls, risk mitigation strategies, and other administrative

safeguards not specifically enumerated herein, provided that such resulting policies and instruments do not conflict with the express provisions of this Resolution or applicable law.

ADOPTED this 21st day of October 2026

INTERCITY TRANSIT AUTHORITY

ATTEST:

Carolyn Cox

Carolyn Cox
Chair

Patricia Messmer

Pat Messmer
Executive Assistant /
Clerk to the Board

APPROVED AS TO FORM

Jeff Myers

Jeffrey S. Myers
Legal Counsel