

2025 Policy Updates



October 22, 2025

Jody Jacoby, Chief Procurement Officer; Ned Smith, Chief Finance Officer

Overview

2 Policies to Change

1. FM 14-2 Expenditures for the Procurement of Goods, Services and Real Estate Policy
2. FM 15-1 Income/Grants Policy

1 Focus of Change

Updates to signature authority

Update Signature Authority



Background on Signature Authority



Signature authority is set by Council Policy



Current policy: any new awards or amendments >\$500k require Committee and Council action



Construction & Design-Build approval thresholds increased in 2022 through Business Item No. 2022-251 (from \$2.5 million to \$10 million).



Goods and services approval thresholds were last increased in 2013 & 1999

Signature Authority Changes

Threshold Type	Current Value	Proposed Value	Authority for change
Regional Administrator Delegations	• Goods, services, real estate, income/grant agreements: \$500,000 • Construction: \$10 million	• Goods, services, real estate, income/grant agreements: \$2 million • Construction \$10 million (no change)	• Set by Met Council internal policy

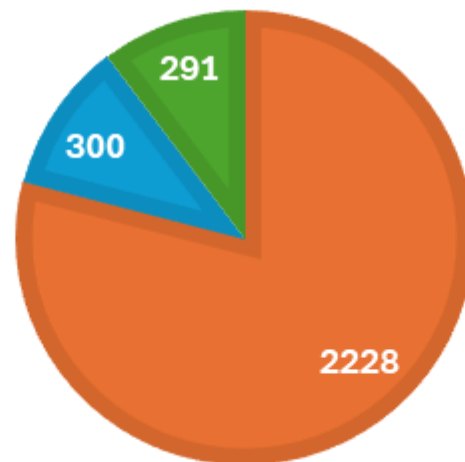
Impacts



Analysis of Data – 10 Year Glance

HOW MANY CONTRACTS DOES COUNCIL TAKE ACTION ON?

■ \$500k and Under ■ Over \$500k to \$2M ■ Over \$2M



- Majority of contracts (79%) are already under the \$500k threshold (orange slice).
 - This is the group that Council does not take action on, and will continue not to
- Increasing threshold to \$2M leads to a roughly 50% reduction in contracts that would have come before Council (eliminating the blue slice)

Time Impacts

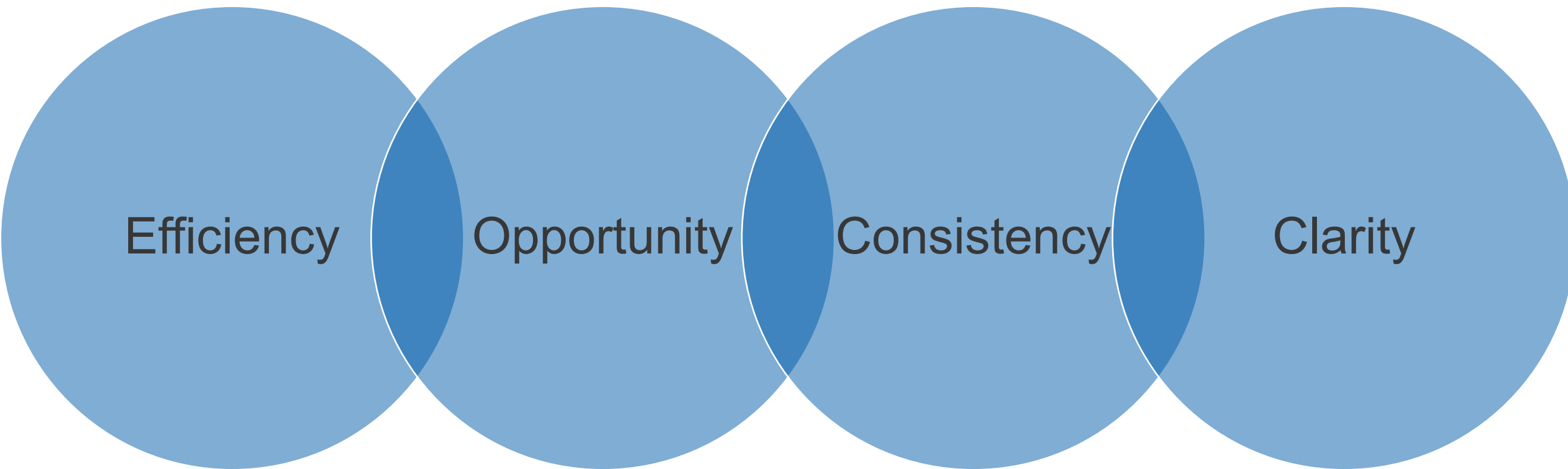


89
days

Procurement Action Lead Time (PALT)

Drafting a Business Item, going before Committee, and going before Council adds an average of 89 days to PALT

Positive Changes



Requested Council Action



Approve Business Item 2025-261

FM 14-2 Expenditures for the Procurement of Goods, Services and Real Estate Policy

- Increases Regional Administrator signature authority to \$2 million for goods, non-construction services, and real estate



Approve Business Item 2025-262

FM 15-1 Income/Grants Policy

- Increases Regional Administrator signature authority to \$2 million for contracts and agreements that generate revenue



Questions

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