



Expo

Exposition Metro Line
Construction Authority

707 Wilshire Boulevard
34th Floor
Los Angeles, CA 90017

213.243.5500
BuildExpo.org

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DATE: APRIL 5, 2007

TO: BOARD OF DIRECTORS

**FROM: RICHARD D. THORPE
CHIEF EXECUTIVE OFFICER**

ACTION: DELEGATION OF AUTHORITY BY CHIEF EXECUTIVE OFFICER

RECOMMENDATION

Authorize the Chief Executive Officer to delegate signature and contract authority to his/her designee. The designee would have full authority to sign contracts, forms, reports and correspondence up to the CEO's level of signature authority.

SUMMARY

The CEO has signature and contract authority which is detailed in state law, in the Authority's Administrative Code and delegated by the Expo Board. The CEO is authorized to approve and enter into contracts and modifications up to \$250,000. The Administrative Code allows the CEO to delegate certain duties, signature and contract authority with approval by the Expo Board. When the CEO is unavailable, the delegation of authority is necessary to ensure that there are no delays, contracts are executed and items are resolved in a timely manner. Depending on the type of authority being delegated, designees may be Officers of the Authority, such as the Chief Project Officer and Chief Operating Officer, or the Authority's Procurement and Contracts Manager.

DISCUSSION

The Authority's Administrative Code indicates that signature and contract authority rests with the CEO unless the Board authorizes the CEO to delegate his/her authority. As a result, the CEO is currently unable to delegate signature and contract authority to a designee if he is unavailable or out of town. Other entities, such as Metro, allow the CEO to delegate full signature authority to his/her designee. The Metro CEO's designee has full authority to sign the same contracts, forms, reports and correspondence

allowed under the CEO's own signature authority. Further, Metro's procurement manual specifies that the CEO may delegate procurement responsibility and Contracting Officer authority to qualified MTA employees. This enables designated employees to enter into contracts or execute modifications on behalf of the Agency. Also, Metro approval of construction contract change orders can be delegated by the CEO to various MTA employees up to certain dollar thresholds depending on the type of change order. This enables the Agency to work more efficiently and avoids delays in the execution of important contracts, reports and forms.

Delegation of signature and contract authority at Expo is necessary to ensure that contracts, letters, and other important documents are not delayed if the CEO is unavailable. The CEO may want to delegate signature and contract authority to certain individuals to ensure efficiency and to prevent project delays.

Furthermore, because of the fast-paced nature of the design/build construction contract, the CEO may wish to delegate some change order authority to the Chief Project Officer so that change order decisions can be made in the field. This will reduce any construction delays and will benefit the project.

Any delegation of signature and contract authority may not exceed the scope and dollar threshold of the CEO's own authority authorized by the Board, state law and the Administrative Code. Any delegation of authority must be made by the CEO in writing. The Board will be informed of all contract actions by the CEO or his designee as part of the monthly contracts agenda item.

FINANCIAL IMPACT

None.

NEXT STEPS

None.

ATTACHMENT(S)

None