

California Uniform Construction Cost Accounting Commission

Meeting Agenda

Friday, April 19, 2024

10:00AM – 2:00PM

[Click here to join the meeting](#)

Teleconference Number (Audio Only)
916-318-8201 (United States, Sacramento)
Phone Conference ID: 281 954 406#

Locations

California State Controller's Office
Buckeye Meeting Room
3301 C Street, Suite 750
Sacramento, CA 95816

Live Oak Infrastructure
3450 Broad Street
San Luis Obispo, CA 93401

Compton Unified School District
417 Alondra Blvd
Compton, CA 90220

Earth Construction & Mining
11542 Knott Street, Suite 10
Garden Grove, CA 92841

LIUNA - Local 220
2201 H St
Bakersfield, CA 93301

City of Pismo Beach
760 Mattie Road
Pismo Beach, CA 93449

Name	Position	Representing
John Nunan <i>Chair</i>	Consultant	<i>General Contractors</i>
Leeann Errotabere <i>Vice Chair</i>	Retired Director of Purchasing	Pre-K – 12 Public Education <i>School Districts</i>
Nathaniel Holt <i>Secretary</i>	Chief Facilities Officer & Bond Program Manager	Compton Unified School District <i>School Districts</i>
Eddie Bernacchi	President	National Electrical Contractors Association – Politico Group <i>Subcontractors</i>
Will Clemens	Retired General Manager	Oceano Community Services District <i>Special Districts</i>
Johannes Hoevertsz	Director of Transportation and Public Works	County of Sonoma <i>Counties</i>
Mike James	Assistant City Manager	City of Pismo Beach <i>Cities</i>
Chuck Poss	President	Earth Construction and Mining <i>Subcontractors</i>
Hertz Ramirez	Business Manager	Laborers' International Union of North America <i>Labor</i>
Chad D. Rinde	Director of Finance	County of Sacramento <i>Counties</i>
Jeremy Smith	Deputy Legislative Director	State Building and Construction Trade Council <i>Labor</i>
Mary Teichert	Chief Operating Officer	Teichert Construction <i>Contractors State License Board</i>
Jennifer Wakeman	Assistant Administrative Services Director / Financial Services Manager	City of Lafayette <i>Cities</i>
Peter Worhunsky	President & CEO	Live Oak Infrastructure Group <i>General Contractors</i>

State Controller's Office Staff

Name	Position	Representing
Ethan Jaffe	Staff Counsel	State Controller's Office (SCO) <i>Legal Office</i>
Jia Liu	Supervisor	SCO <i>Local Government Policy Section</i>
Luis Gonzalez	Policy Analyst	SCO <i>Local Government Policy Section</i>

Meeting Agenda

- 1. Call to Order**
- 2. Introductions**
- 3. Approval of the Minutes (Refer to attachment 3A)**
 - A. Minutes for meeting held December 8, 2023
- 4. Commission Updates (Refer to attachments 4A, 4B, and 4C)**
 - A. Participating agencies
 - i. New
 - ii. Withdrawing
 - B. Funding update
 - C. Inquiry update
- 5. Public Comments**
- 6. Staff Comments/Requests**
 - A. SCO Staff Update
 - B. Ethics Courses & Form 700
 - C. Reappointments Update
- 7. Reports of Officers**
 - A. Chair
 - B. Vice Chair
 - C. Secretary
- 8. Committee Reports**
 - A. Legislative Update
 - i. AB 2192: Public agencies: cost accounting standards
 - ii. AB 2009: School Districts: public contracts
 - B. CUCCAC Manual
 - i. Proposed changes – Legislative updates
 - ii. Proposed changes – Non-Legislative updates
- 9. Commissioner Comments/Requests**
- 10. Old Business**
- 11. New Business**
 - A. Election of officers – Chairperson, Vice Chairperson, and Secretary
 - B. Annual CUCCAC Training/Webinar and Bidding Locations tool
- 12. Next Meeting**
- 13. Adjournment**

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Participating Remotely

Name	Position	Representing
Nathaniel C. Holt	Chief Facilities Officer & Bond Program Director	Compton Unified School District <i>School Districts</i>
Eddie Bernacchi	President	National Electrical Contractors Association – Politico Group <i>Subcontractors</i>
Chuck Poss	President	Earth Construction and Mining Subcontractors
Hertz Ramirez	Business Manager	Laborers' International Union of North America Labor
Peter Worhunsky	President & CEO	Live Oak Infrastructure Group <i>General Contractors</i>
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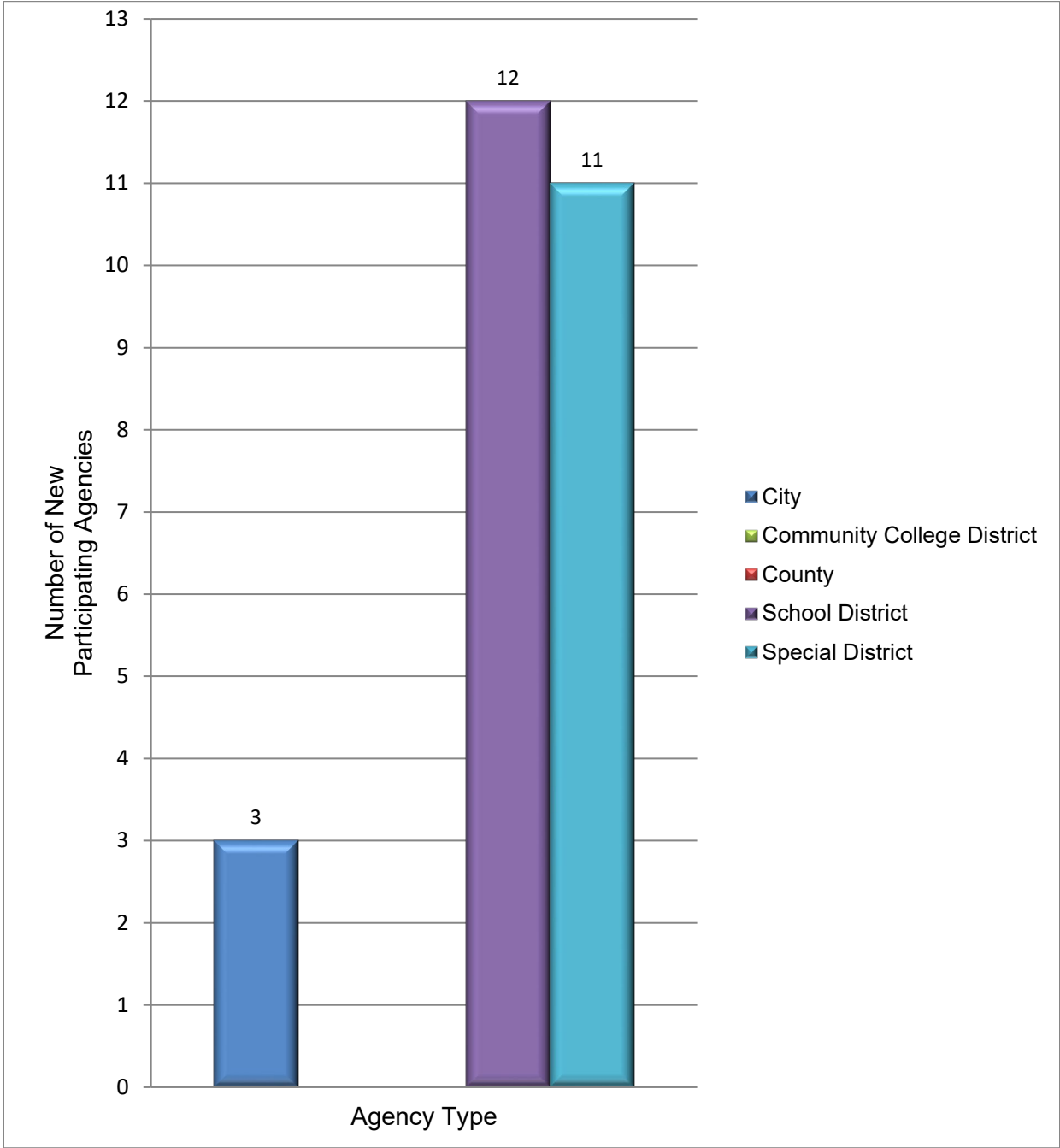
If you would like further information regarding this meeting or require special accommodations for attending this meeting, please contact:

State Controller's Office
Local Government Policy Section
LocalGovPolicy@sco.ca.gov

Report on new participating agencies

The State Controller’s Office has received 26 resolutions from agencies that have opted into the California Uniform Public Construction Cost Accounting Act (CUPCCAA), bringing the number of agencies participating in the Act to 1611.

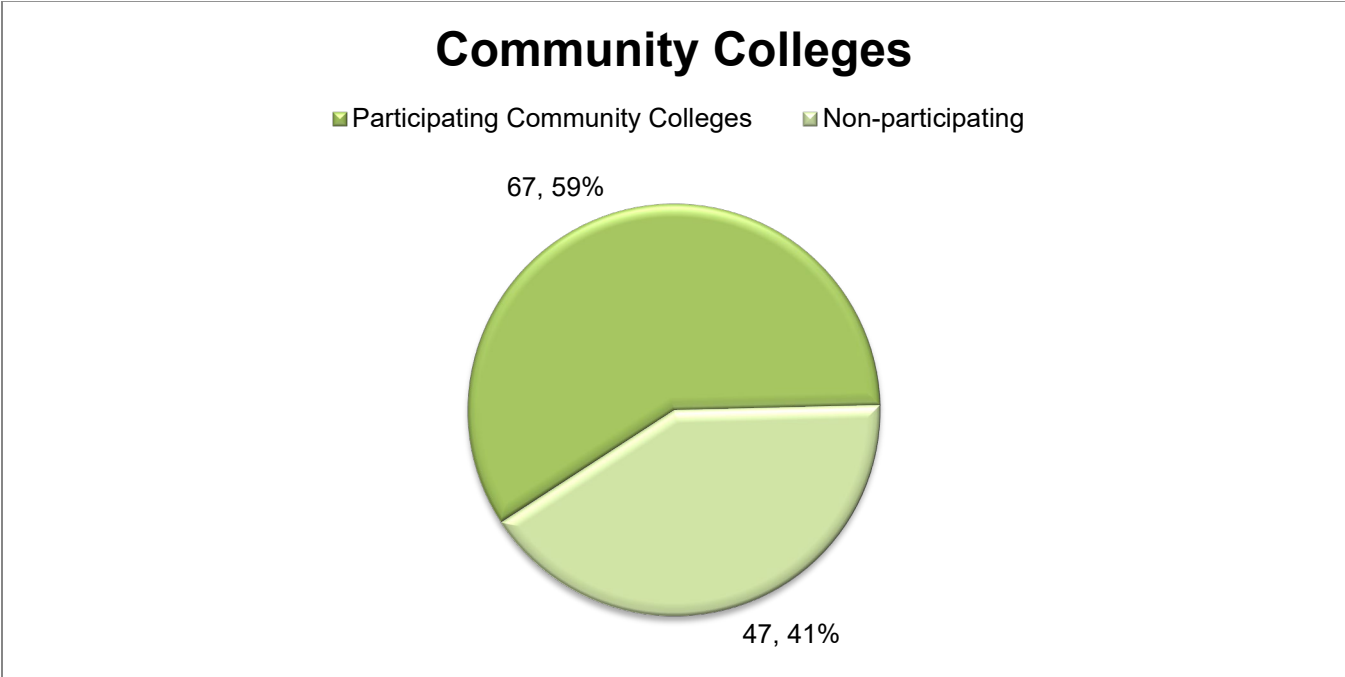
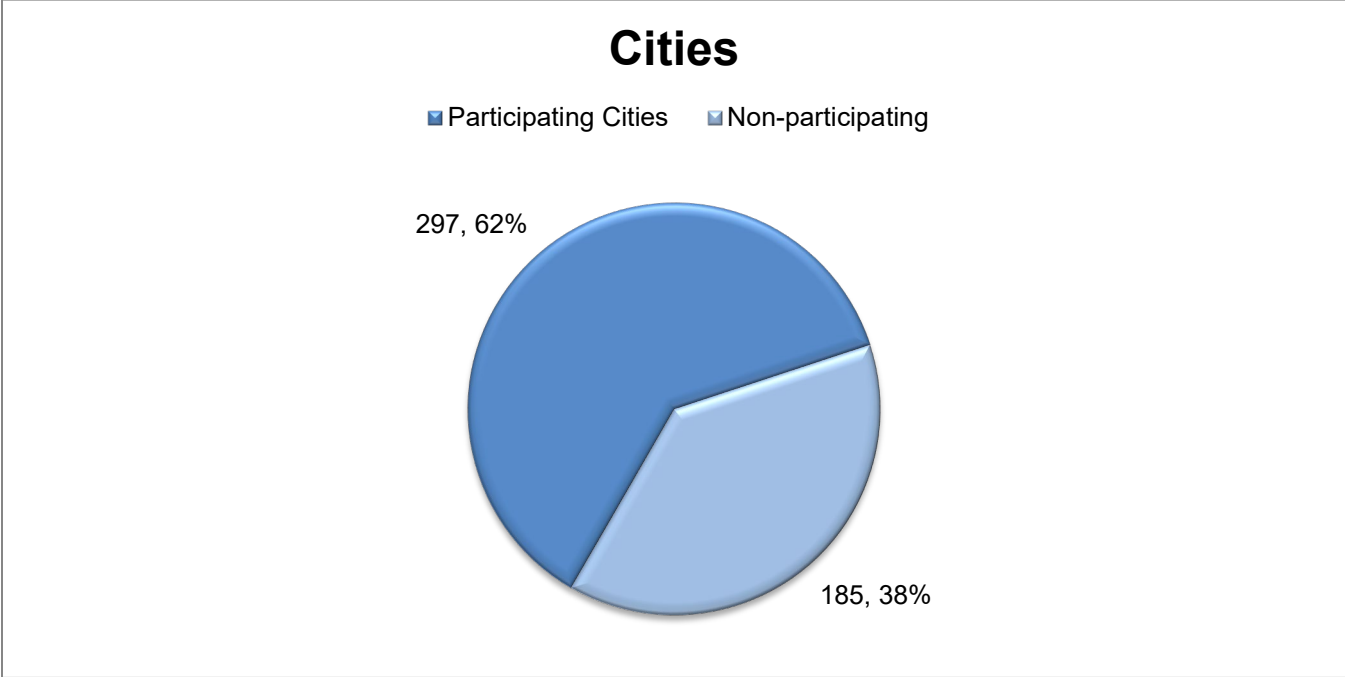
New Participating Agencies

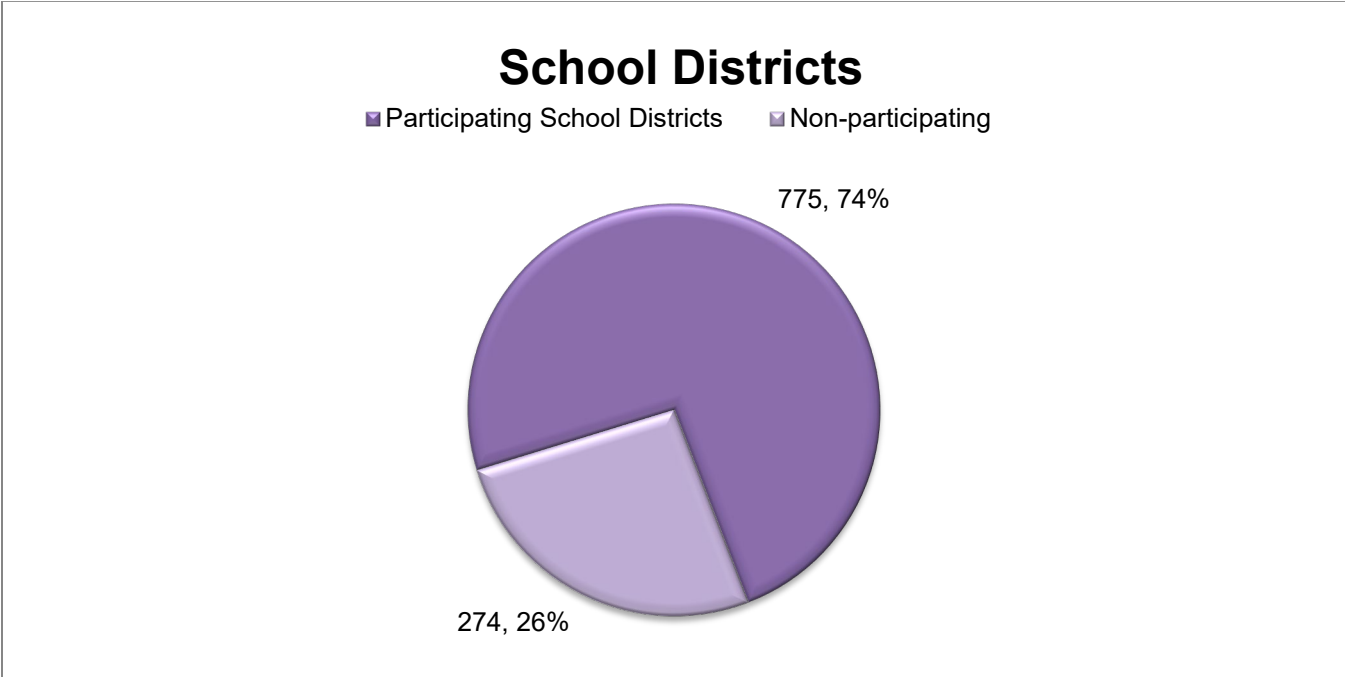
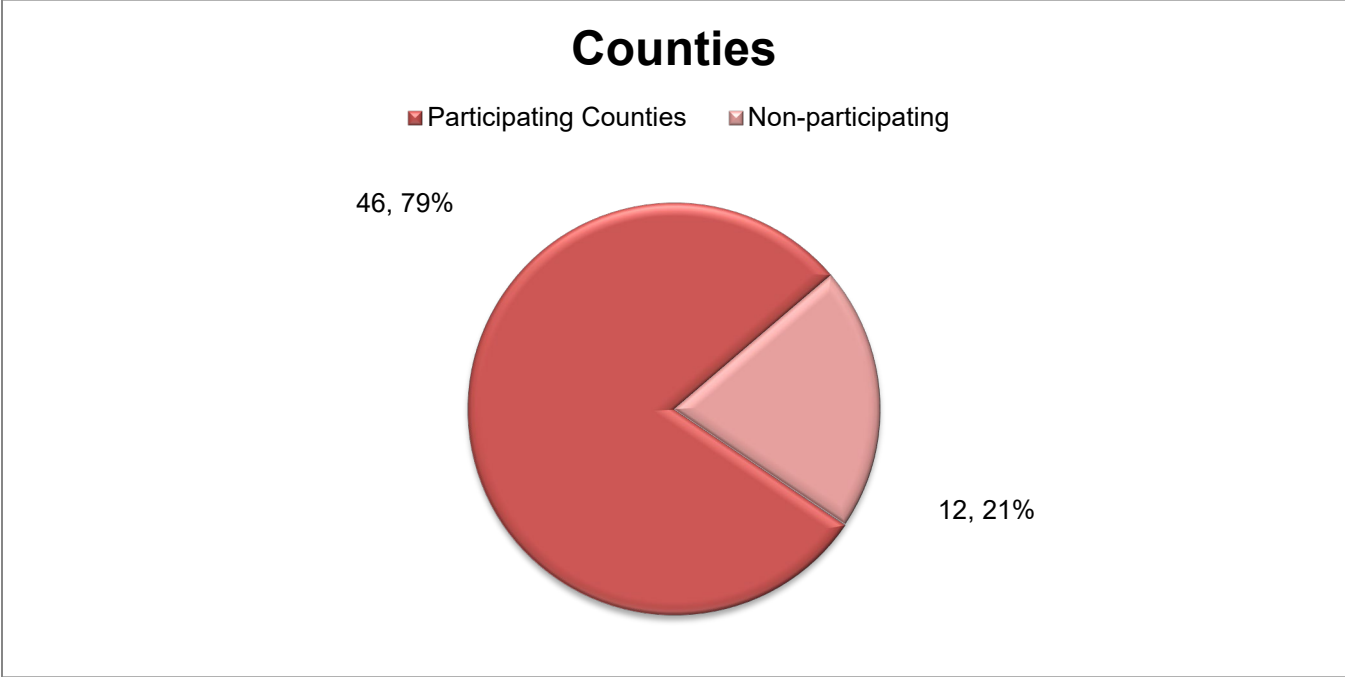


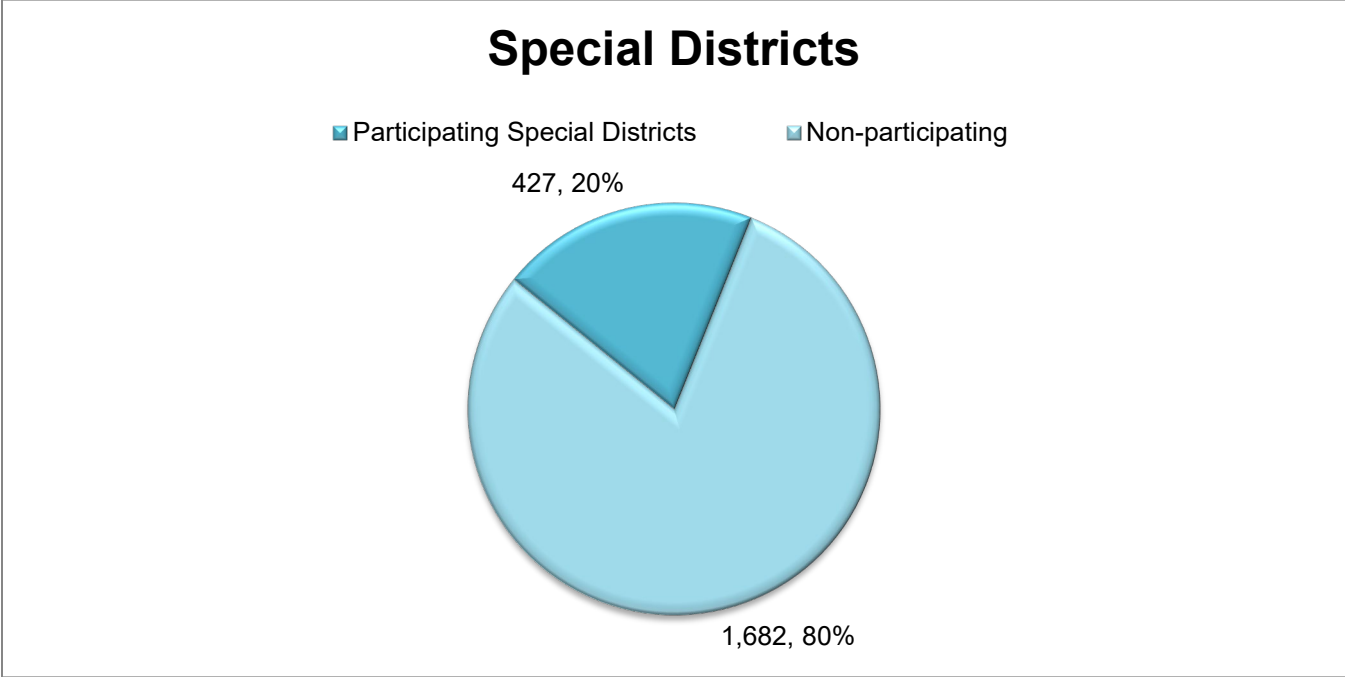
Participating Agencies Update
For the period November 28, 2023 – April 9, 2024

Item 4A

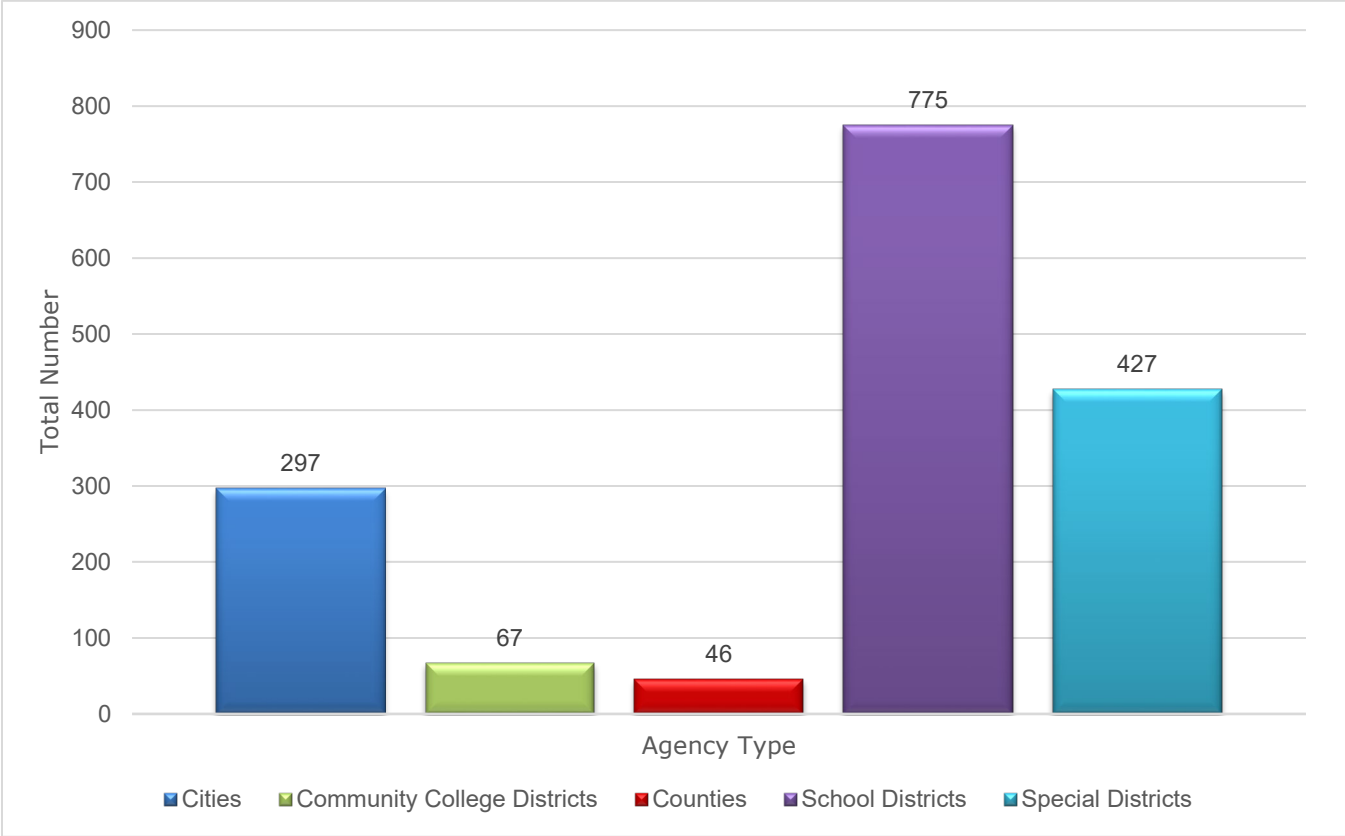
	Agency	Date Opted In	Agency Type
1	Brannan-Andrus Levee Maintenance District	11/9/2023	Special District
2	Buena Park Library District	12/5/2023	Special District
3	Reclamation District 556	12/19/2023	Special District
4	Yreka Union High School District	8/16/2023	Special District
5	Madera-Chowchilla Water & Power Authority	12/7/2023	Special District
6	City of Plymouth	10/12/2023	City
7	El Tejon Unified School District	4/11/2019	School District
8	June Lake Public Utility District	11/8/2023	Special District
9	Montecito Union School District	5/1/2024	School District
10	Sunnyvale School District	3/30/2017	School District
11	City of Calimesa	12/4/2023	City
12	Murphys Sanitary District	12/14/2023	Special District
13	Los Angeles County Office of Education	2/13/2024	School District
14	Fall River Valley Community Services District	2/14/2024	Special District
15	Nevada County Superintendent of Schools	4/12/2023	School District
16	Big Pine Community Services District	1/17/2024	Special District
17	Central Coast Blue Regional Recycled Water Authority	2/5/2024	Special District
18	Ducor Union Elementary School District	2/13/2024	School District
19	Big Bear City Community Services District	2/20/2024	Special District
20	Kneeland School District	3/6/2024	School District
21	Le Grand Union Elementary School	3/19/2024	School District
22	Kings River-Hardwick School District	3/12/2024	School District
23	Stony Creek Joint Unified School District	3/26/2024	School District
24	Fort Bragg Unified School District	3/14/2024	School District
25	Fort Sage Unified School District	3/20/2024	School District
26	City of Hollister	6/5/2023	City







Total Participating Agencies (1,612)



Commission Funding Update for the Period November 28, 2023 – April 9, 2024

Beginning balance as of November 28, 2023	\$	16,367.06
Grant – CCAP* 2023 4 th quarter grant	\$	625.00
	\$	<u>16,992.06</u>
Travel claims since November 28, 2023		
Commissioner 1 – Meeting in Sacramento	\$	618.56
Commissioner 2 – Meeting in Sacramento	\$	362.99
Commissioner 3 – Presentation for CSMFO ¹	\$	553.47
Commissioner 4 – Presentation for CASH ²	\$	375.45
Total travel claims	\$	<u>1,910.47</u>
Total funds	\$	<u>15,081.59</u>

*California Construction Advancement Program

1. The California Society of Municipal Finance Officers
2. California's Coalition for Adequate School Housing

CUCCAC Inquiries
November 28, 2023 – April 9, 2024

Organization	Subject	Status
School District	District vs Federal Procurement	Closed
Community College	Proposed CUPCCAA Changes	Closed
School District	Maintenance Work	Closed
City	Bid Limit Increase Effective Date	Closed
Business	Participating School Districts	Closed
School District	Rejection of a vendor's CUPCCAA app	Closed
City	Rejecting a Bid	Closed
City	CUPCCAA Handbook Concerns	Closed
City	Questions about opting in to CUPCCAA	Closed
Special District	CUPCCAA Contractors List	Closed
Special District	Opting Out of CUPCCAA	Closed
City	Zoom Calls	Closed
Community College	Contractor List Publishing	Closed
School District	How to File A Copy of the Signed Resolution to Opt into the CUPCCAA	Closed
School District	CUPCCAA School Districts	Closed
City	CUPCCAA Procedures	Closed
Business	CUPCCAA Inquiry	Closed
School District	LIST OF LEAs Opted-In to Maintenance	Closed
City	Request for Contact Info - Dodge Data & Analytics	Closed
Business	CUPCCAA Contractors	Closed
Special District	DBE and CUPCCAA	Closed
School District	Bid Splitting	Closed
City	CUPCCAA – Training	Closed
Special District	Re-register for the Act	Closed
Business	Joining CUPCCAA	Closed
City	Informal Bids	Closed
Special District	Sample Fiscal (Control) Policy	Closed

District vs Federal Procurement

Q: I am struggling to find a connection here but we are intending to use our Federal ESSER funds to purchase and install a generator and the bid for procurement plus the install is \$104k. The rules for Federal procurement refer to public contract code and code of federal regulations but I am not certain if in our state, CUPCCAA rules can be applied to this project. In other words, I would informally request bids to all contractors on my bidders list as the project is under the \$200k threshold but can I use CUPCCAA regulations on a federally funded project?

A: I'm assuming that the Federal funds you propose to use for this project are appropriate for the type of project you are planning. CUPCCAA does not really speak to the source of funding that an agency or district proposes. It is basically an exception to the Public Contract Code that allows agencies who have opted in to have flexibility in contracting for small projects. I know of no reason that you could not informally bid out this work as the Act allows. That being said, you should verify, in the directions that were given you by the Federal fund source, that there is not some explicit restriction to doing this.

Proposed CUPCCAA Changes

Q: If the attached CUPCCAA changes are approved on the December 8, 2023 meeting, when are the changes expected to go into effect for the participating agencies?

A: Once the Commission has agreed on the changes they would like to make to CUPCCAA, the Commission will need to introduce the changes in a bill, in either the Assembly or the Senate, this upcoming year. Once the bill has gone through the legislative process, the changes will go into effect on January 1st of the year following legislative approval.

Maintenance Work

Q: I am looking for information when we became participants of CUPCCAA. I'll like to find out if we became participants for both Construction and Maintenance, or if just construction. Would you be able to assist me?

A: Maintenance projects are not covered by CUPCCAA. Public Contract Code (PCC) Section 22002(d) states the following,

(d) "Public project" does not include maintenance work. For purposes of this section, "maintenance work" includes all of the following:

- (1) Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.
- (2) Minor repainting.
- (3) Resurfacing of streets and highways at less than one inch.
- (4) Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.
- (5) Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to, dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.

However, a participating agency may choose to use the informal bidding procedures for maintenance work.

PCC Section 22003 states, "A public agency which has, by resolution, elected to become subject to the uniform construction cost accounting procedures set forth in Article 2 (commencing with Section

22010), may utilize the bidding procedures set forth in Article 3 (commencing with Section 22030) when contracting for “maintenance work,” as defined in Section 22002, or when contracting for any other work which does not fall within the definition of “public project,” as defined in Section 22002.

Bid Limit Increase Effective Date

Q: Can you tell me when the effective date on the CUCCAC Limits will change if the commission passes this item?

A: Once the Commission has agreed on the changes they would like to make to CUPCCAA, the Commission will need to introduce the changes in a bill, in either the Assembly or the Senate, this upcoming year. Once the bill has gone through the legislative process, the changes will go into effect on January 1st of the year following legislative approval.

CUPCAA School Districts

Q1: Can you please direct me to a list of school districts impacted by CUPCCA? We are an infrastructure provider for EVSE and want to ensure we're providing necessary guidance for those who may be impacted?

Q2: I do have a couple of follow-up questions regarding Sourcewell Cooperative Purchasing Agreement. Sourcewell's internal solicitation process includes a public notice and advertisement of the RFP, proposal opening, deep evaluation criteria, and an official award with posting and review of approved contract documents. We're running into complications with CUPCCA participating agencies being unable to utilize the contract for projects over \$200,000. Can you please advise?

Q3: Our team is seeking clarification on the statues below? (22036 and 22037) It is not clear whether an additional public bid is required in addition to the public bid Sourcewell held and InCharge secured. If not, what instruction can we provide districts for how to proceed with getting a quote from InCharge (through our Sourcewell contract)?

A1: Please refer to the list of Participating Agencies at https://www.sco.ca.gov/Files-ARD-Local/participating_agencies_-_general.pdf

A2: Using the Sourcewell platform to procure services is acceptable if compliance with all sections, including 22036 and 22037, of the Public Contract Code is strictly followed. Any third party that is handling contracting services for a CUPCCAA - signatory agency is required to adhere to the same rules that bind the agency to the Act

A3: It is the responsibility of the participating agency to ensure that a public bid is compliant with the alternative bidding procedures prescribed by CUPCCAA.
If a participating agency chooses to use a service like Sourcewell, the third-party service must also be compliant with the alternative bidding procedures.

The required construction trade journals that have been chosen by the Commission can be found in the Cost Accounting and Procedures Manual under Sections 1.05 and 1.07.
The public agency, or third-party service, may also select additional publications from its geographical area and include them on its list of publications to be notified.

If the public bid Sourcewell held is compliant with the bidding procedures prescribed in the Act, there would be no need to hold an additional public bid for the project

Rejection of a vendor's CUPCCAA app

Q: We have a CUPCCAA application that we are looking for additional guidance on. The vendor that submitted the application falsified a bid last year, then when he was called out on it he got angry, rude, and threatened to sue the district. This year we have a new CUPCCAA application from him. We would like to reject it as we have no intention of doing business with a company that would lie, mistreat, and threaten us. Is there anything we need to be concerned about or aware of before rejecting the application?

A: FAQ 13 from the SCO website states "The Commission has determined that nothing in the Act prohibits a participating agency from using additional objective pre-qualification standards in the formation and maintenance of their Qualified Contractors Lists if they so desire." The district can set its own reasonable objective standards as it sees fit and be in compliance with the Act

Rejecting a Bid

Q: Can you kindly confirm after we formally bid the project, if we determine that we can do any of the work more economically, are we then able to go beyond the \$60,000 limit since the work will have been competitively bid (provided we can substantiate the cost savings)?

A: Rejecting a bid under CUPCCAA is governed by Public Contract Code (PCC) Section 22038. PCC 22038 states, "(a) In its discretion, the public agency may reject any bids presented, if the agency, prior to rejecting all bids and declaring that the project can be more economically performed by employees of the agency, furnishes a written notice to an apparent low bidder. The notice shall inform the bidder of the agency's intention to reject the bid and shall be mailed at least two business days prior to the hearing at which the agency intends to reject the bid. If after the first invitation of bids all bids are rejected, after reevaluating its cost estimates of the project, the public agency shall have the option of either of the following:

- (1) Abandoning the project or readvertising for bids in the manner described by this article.
- (2) By passage of a resolution by a four-fifths vote of its governing body declaring that the project can be performed more economically by the employees of the public agency, may have the project done by force account without further complying with this article.

CUPCCAA Handbook Concerns

Q: I recently processed the mailed notices as required by the latest "Cost Accounting Policies and Procedures Manual" (2021) and had concerns about the publishing company's listed contact information. I work in Solano County and was required to send the notification letter to both Construction Bidboard and Dodge Data & Analytics. I mailed my Notice of Invitation and the associated Public Notice to both companies and received "Return to Sender" notices for both. I have double checked my addresses making sure that I did not accidentally make a mistake on my end, but it appears that I sent the notices to the addresses listed in the Handbook. I have attempted to reach both companies via email but have not yet heard back. I have sent additional notices to all other recommended trade journals for our County in hopes that this will help fulfill the requirement until further clarification can be received. Please let me know if you have a suggested remedy or workaround for this concern.

A: Participating Agencies are not required to mail a notice to a trade journal if the trade journal listed under their county is now charging for its services, or is out of business. Instead, the Commission requests that agencies find some other method of notifying potential contractors of published jobs and how to be added to their informal bidding lists (e.g. internet – county's web page).

Questions about opting in to CUPCAA

A: The City with a population under 30,000 is looking into opting into the California Uniform Public Construction Cost Accounting Act. Could you please provide guidance on the following?

1. Steps for opting in for agencies with <30,000 population.
2. Do we need to pass separate resolutions for procedures and informal bidding?
3. After adopting resolutions, is the next step to notify contractors or the State Controller?
4. Any additional requirements post-opt-in.
5. Impact on other agency departments under the Act.
6. Is annual advertising required for small cities?

Q1: Steps for opting in for agencies with <30,000 population.

A1: The governing body must elect by resolution to become subject to the Act and must file a copy of the approved resolution with the State Controller's Office (Public Contract Code (PCC) Section 22030). A sample resolution can be located under section 1.02 of the CUCCAC Procedures Manual available at: http://www.sco.ca.gov/ard_cuccac.html. Once an agency has opted into the Act, it will remain a part of the program. There are no additional steps necessary regarding population size for opting in.

Q2: Do we need to pass separate resolutions for procedures and informal bidding?

A2: Once an agency has opted into the act, the agency must adopt an informal bidding ordinance. Samples of the informal bidding ordinance can be located under section 1.03 of the CUCCAC Procedures Manual available at: California Uniform Public Construction Cost Accounting Act - Cost Accounting Policies and Procedures Manual 2021 Edition.

Q3: After adopting resolutions, is the next step to notify contractors or the State Controller?

A3: After adopting the resolution opting in to the Act, the next step is to notify the State Controller's Office via email at LocalGovPolicy@sco.ca.gov of the agency's intent to opt in and provide a signed copy of the resolution. An agency may also notify the State Controller's Office via mail at: Office of the State Controller

Local Government Programs and Services Division
Local Government Policy Section
P.O. Box 942850
Sacramento CA 94250

Q4: Any additional requirements post-opt-in.

A4: Please refer to answer 6 and the FAQ page located at: [California Uniform Construction Cost Accounting Commission - Frequently Asked Questions \(FAQ's\)](#).

Q5: Impact on other agency departments under the Act.

A5: The Act only applies to public projects and would not be utilized by departments that do not perform public projects.

Questions about opting in to CUPCAA (Continued)

Q6: Is annual advertising required for small cities?

A6: An agency who chooses to maintain a list of qualified/licensed contractors under PCC 22034(a), must advertise the list of qualified contractors at least once per calendar year. For more information you can review the FAQ page located at: California Uniform Construction Cost Accounting Commission - Frequently Asked Questions (FAQ's).

CUPCCAA Contractors List

Q: Hello, our agency adopted CUPCCAA at our board meeting yesterday. I know we need to ready a list of qualified contractors and advertise for this on a builder's exchange and in trade journals. Can you recommend links and or contacts for these? I have googled and can't located any website that would give you an option to advertise for contractors.

A: The contact information of the construction trade journals can be found in the Cost Accounting Policies and Procedures Manual under sections 1.05 and 1.07.

The procedures manual can be found on the California Uniform Construction Cost Accounting Commission webpage at the following link: https://www.sco.ca.gov/ard_cuccac.html An agency who chooses to maintain a list of qualified/licensed contractors under PCC 22034(a), must advertise the list of qualified contractors at least once per calendar year.

For more information, you can review the FAQ page located at: California Uniform Construction Cost Accounting Commission - Frequently Asked Questions (FAQ's) or section 1.04 of the procedures manual

Opting Out of CUPCCAA

Q: VVWRA wishes to "opt out" of the CUPCCA program. A resolution is being considered. Moving forward, I need to provide the next steps for their procurement guidelines. Specifically, which PCC guidelines should they adhere to moving forward?

A: To opt out of CUPCCAA a resolution will need to be passed. Just like with opting in, you can use a similar sample found in the Cost Accounting Policies and Procedures Manual on page 6 in the link below. The only difference being that instead of opting in, you will state that you are opting out of CUPCCAA. California Uniform Public Construction Cost Accounting Act - Cost Accounting Policies and Procedures Manual 2021 Edition

Adherence to Public Contract Code that falls outside of the purview of CUPCCAA exceeds the State Controller's Office's authority to comment.

Zoom Calls

Q: I was wondering if you offer Zoom calls or meetings for further clarification questions.

A: The list of Commissioners on the California Uniform Construction Cost Accounting Commission (CUCCAC), which oversees CUPCCAA, can be found on the SCO website. Commissioner Hoevertsz is the counties representative, and would likely be able to assist with any clarification and questions. Here is a link to the Commissioner's contact information: [Commission Members](#).

Contractor List Publishing

Q: I had an inquiry regarding the Cost Accounting Policies and Procedures Manual-2021Edition. We are sending out our Annual Notice to Contractors to invite them to join our contractor's list and normally publish in a newspaper and email to trade journals and our old contractor list. From reading the excerpt below, it is my understanding that we only need to email the notice to the trade journals and do not need to publish in our local newspaper. Is that correct? I wanted to confirm that only notices for formal bids need to be published in the newspaper, not the notice of invitation to be in our contractor's list.

A: There is no requirement to publish the Contractor's list invite in the local newspaper and you are correct that formal bids do need to be published in the local newspaper.

According to question 11 of the FAQ page: At least once per calendar year, each Public Agency that has elected to become subject to the Act and intends to use the notice provisions outlined in Section 22034(a) must establish a new list or update its existing list of qualified contractors by mailing, faxing, or emailing written notice to all construction trade journals designated for that Agency under Section 22036. The notice must invite all licensed contractors to submit the name of their firms to the Agency for inclusion on the Agency's list of qualified bidders for the following twelve (12) months. Effective January 1, 2016, a participating agency can choose a specific date of their choice in which to renew its list of qualified contractors.

Here is a link to the FAQ page for your reference: California Uniform Construction Cost Accounting Commission - Frequently Asked Questions (FAQ's)

How to File A Copy of the Signed Resolution to Opt into the UPCCAA

Q: Our Board has adopted a resolution to opt into the Act, how and where do I submit a copy per the instructions?

A: To file the documents with the State Controller's Office, please email your agency's resolutions/ordinances and cover letter to LocalGovPolicy@sco.ca.gov. Be sure to retain the original wet signature or digitally signed document for audit purposes.

CUPCAA school Districts

Q: Do you know where I would be able to find a list of school districts that currently participate in CUPCAA? I am trying to find out if Ramona Unified is a member.

A: The list of participating agencies can be found on the California Uniform Construction Cost Accounting Commission's webpage at the following link: https://www.sco.ca.gov/ard_cuccac.html. The list is updated on the first of every month.

CUPCCAA Procedures

1. Do we need to obtain three bids for each bid, or can we select from the list of bids priced at \$200,000 or less?
2. Would you be able to provide the sample notice to be sent to journals and contractors?
3. Are we still permitted to conduct formal bidding for projects valued under \$200,000?
4. Can you provide an example of the policy that we would adopt through resolution?
5. How will other bidding procedures be affected or impacted? For instance, will there be increased notifications to journals, etc.?
6. Is a 4/5ths vote required for all actions related to the act?
7. What is the overall summary of the act, and what are the advantages of opting in?
8. Regarding accounting, what annual reporting obligations are mandated?
9. Is the resolution a one-time occurrence?
10. The City Council remains responsible for approving funds for each project, correct?
11. If a project exceeds \$200,000, do we then proceed to the formal public bidding process?
12. How does this influence contracts with Sourcewell and other cooperative purchasing agreements?
13. What are the implications for addressing local emergencies?
14. Does this impose limitations on the council's decision-making authority?
15. Which other public agencies and neighboring cities utilize this approach?

A: Commissioner Hoevertsz spoke with the inquirer over the phone.

CUPCCAA Inquiry

Q: We manufacture and install digital signs for schools, churches, and municipal. To bid and work with CUPCCAA requests, do we need to have a California Contractor's License?

A: California law requires that the installation of signs (whether electronic or otherwise) be performed by a licensed contractor. There are specific categories of the licensing process for signage installation work. An option to carrying your own license would be to hire a licensed contractor to do your installation in the state.

LIST OF LEAs Opt-In to Maintenance

Q: I'm looking for the list of LEAs that opted in for maintenance. Where can I find this list?

A: The list of participating agencies is available on the California Uniform Construction Cost Accounting Commission webpage, which can be found at the following address: https://www.sco.ca.gov/ard_cuccac.html. The State Controller's Office does not maintain a list of participating agencies that have chosen to require the use of the alternative bidding procedures for maintenance either by resolution, ordinance, or their internal purchasing policies.

Please note that the alternative bidding procedures apply only to work that constitutes a "public project" as defined in Public Contract Code (PCC) section 22002(c) and has a construction cost within the limits described in PCC section 22032. The alternative bidding procedures do not apply to maintenance work as defined in PCC section 22002(c). However, as outlined in PCC section 22003, a participating agency may also use the alternative bidding procedures when contracting for maintenance if it so chooses

Request for Contact Info - Dodge Data & Analytics

Q: I am with the City of Lompoc Engineering Division and in need of current contact/ mailing information for Dodge Data & Analytics. I have made several attempts to mail our project bid documents to them and always have them returned as undeliverable. The last address I had was in New York City, NY. Are you able to assist me?

A: The Cost Accounting Policies and Procedures Manual 2021 Edition has listed the contact information for Dodge Data & Analytics as the following:

Dodge Data & Analytics
830 Third Avenue, 6th Floor
New York, NY 10022
Phone: 877-784-9556
Email: support@construction.com
Website: www.construction.com

For the most up to date information, please see the Dodge Data & Analytics contact information page at the following address: <https://www.construction.com/contact/> Please note, participating agencies are not required to mail a notice to a trade journal if the trade journal listed under their county is now charging for its services, or is out of business.

Instead, the Commission requests that agencies find some other method of notifying potential contractors of published jobs and how to be added to their informal bidding lists (e.g. internet – county's web page)

CUPCCAA Contractors

Q: Does a contractor need to be registered with the School District or State Agency to use CUPCCAA? Or is the contractor allowed to use the program if the School District is authorized to use the program?

A: Contractors do not need to be registered with the State Controller's Office or the School District to participate in CUPCCAA.

The Commission recommends that Agencies automatically include in their contractors lists the names of all contractors who submitted one or more valid bids to the Agency. A contractor may also have his or her firm added to an Agency's contractors list at any time by providing the required information.

For more information regarding an Agency's contractors list please see section 1.04 and 1.04.01 of the Cost Accounting Policies and Procedures Manual - 2021 Edition which can be found at: https://www.sco.ca.gov/ard_cuccac.html.

DBE and CUPCCAA

Q: I hope this message finds you well. Our agency is moving toward opting in to the California Uniform Public Construction Cost Accounting Act (CUPCCAA), which modifies our purchasing and bidding procedures to allow for public project work in the amount of \$60,000 or less to be performed by a public agency's workforce, negotiated contract, or by purchase order. Public projects in the amount of \$200,000 or less may use the informal or formal bidding procedures set forth in Section 22032(b) or (c) of the Act. Public projects at a cost of more than \$200,000 must use formal bidding procedures to let the contract pursuant PCC Section 22032(c).

My question is about how the CUPCCAA relates to Disadvantaged Business Enterprise regulations. Does CUPCCAA supersede DBE requirements written into grant contract agreements if the work is under the \$200,000 threshold? Basically, are we and our contractors still required to follow DBE outreach for the informal bidding process for work under \$200,000? I do know that CUPCCAA does not supersede contract conditions such as prevailing wage, bonding requirements, etc.

A: Chair Nunan gave the inquirer a call and addressed her inquiry.

Bid Splitting

Q: Would it still be considered bid splitting if the following apply:

- *Project total is over the \$60,000 threshold, but less than \$200,000
- *Material is purchased from Purchasing Coop
- *Labor portion is informally bid out to the list of CUPCCAA contractor

A: Under the conditions provided, separating the purchase of materials and the informally bid labor portion would constitute a case of bid splitting because the total cost of the project exceeds the \$60,000 threshold.

All costs (materials, supplies, labor) of a project must be included in the project cost estimate to determine whether the project falls within the force account, informal bid, or formal bid thresholds

CUPCCAA - Training

Q: I wanted to know if there were any trainings upcoming on CUPCCAA that I could attend with my team.

A: Unfortunately the State Controller's Office does not offer any trainings regarding CUPCCAA. The list of Commissioners on the California Uniform Construction Cost Accounting Commission (CUCCAC), which oversees CUPCCAA, can be found on the SCO website. Commissioner James and Commissioner Wakeman are the cities representatives, and would likely be able to assist with a training session.

Additionally, the Construction Industry Force Account Council (CIFAC) is a nonprofit organization that specializes in Public Contract Code compliance and education. I believe that they have some training materials, and would likely be willing to assist in order to ensure compliance with CUPCCAA. Please note that CIFAC is not directly affiliated with CUCCAC nor the State Controller's Office, and this is not a direct endorsement of their services.

Re-register for the Act

Q: Strawberry Recreation District is a State Special District. Our District passed an Ordinance to adopt the Public Contracts Accounting Code, but is not currently registered with your agency. How do we re-register to ensure we are in compliance when using the code to go out for bid?

A: If your agency intends to opt-in to the California Uniform Public Construction Cost Accounting Act, please email your agency's resolutions/ordinance and cover letter to LocalGovPolicy@sco.ca.gov. Be sure to retain the original wet signature or digitally signed document for audit purposes. Once an agency has opted into the Act, it will remain a part of the program.

Joining CUPCCAA

Q: I was inquiring about the process of becoming a member of your organization. Please let me know what the process would be.

A: The governing body of a public agency must elect by resolution to become subject to the California Uniform Public Construction Cost Accounting Act (CUPCCAA) and must file a copy of the approved resolution with the State Controller's Office.

Each agency that participates in CUPCCAA maintains its own list of contractors. The California Uniform Public Construction Cost Accounting Commission's webpage has a list of agencies that are participating in the CUPCCAA. A vendor may contact each agency directly to let them know you would like to be on their list of contractors. For a list of participating agencies, please see the "Participating Agency Lists" header at the following link: https://www.sco.ca.gov/ard_cuccac.html

More Information regarding how a vendor can get on a public agency's list of registered vendors can be found in section 1.04.01 of the Cost Accounting Policies and Procedures Manual. Chapter 1 of the Manual provides an introduction and basic concepts of the Act for both public agencies and vendors. The link for the manual can be found here: https://www.sco.ca.gov/Files-ARD-Local/cuccac_manual_2021_edition.pdf

Informal Bids

Q: If Informal bids are solicited and all bids come in over \$200,000 can the City still award within a tolerance? We ask because it appears that other cities in that situation will award if the cost is \$212,500. Is that allowable? Is that the correct maximum number? We've also heard that it may be ok to still award up to \$220K

A: The maximum award limit for informal bids is governed by Public Contract Code Section 22034 (d), which states the following, "If all bids received are in excess of two hundred thousand dollars (\$200,000), the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at two hundred twelve thousand five hundred dollars (\$212,500) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable."

To receive notification of changes to the Uniform Public Construction Cost Accounting Act, please subscribe to the California Uniform Construction Cost Accounting Email Subscription Service at: https://www.sco.ca.gov/lgpsd_cuccac_notification_email.html.

Sample Fiscal (control) policy

Q: Do you have a sample Fiscal Control Policy that you might send me?

A: Sample documents for the California Uniform Construction Cost Accounting Act (CUPCCAA) can be found on the CUCCAC webpage at the following link: https://www.sco.ca.gov/ard_cuccac.html. The sample documents include a resolution to opt-in to CUPCCAA, an informal bidding ordinance, and a sample estimating form.

For assistance with other sample documents relating to CUPCCAA, please contact the commissioners. Their contact information may be found at https://www.sco.ca.gov/ard_cuccac_members.html

[California](#) Assembly Bill 2009[CA State Legislature page for AB2009](#)

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Bill Title: School districts: public contracts.

Spectrum: Partisan Bill (Democrat 1-0)

Status: *(Introduced)* 2024-04-01 - From committee chair, with author's amendments: Amend, and re-refer to Com. on ED. Read second time and amended. [\[AB2009 Detail\]](#)

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AMENDED IN ASSEMBLY APRIL 01, 2024

AMENDED IN ASSEMBLY MARCH 11, 2024

CALIFORNIA LEGISLATURE— 2023–2024 REGULAR SESSION

ASSEMBLY BILL

NO. 2009

Introduced by Assembly Member Rendon

January 31, 2024

An act to amend Sections 20111 and 20114 ~~of of~~, *and to add Section 20114.1 to*, the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2009, as amended, Rendon. School districts: public contracts.

Existing law requires the governing board of a school district to let contracts for public projects, as defined, involving an expenditure of \$15,000 or more, to the lowest responsible bidder who gives security as the governing board requires. ~~Existing law authorizes local agencies to elect to become subject to uniform construction accounting procedures, which provides alternative bidding procedures.~~

~~This bill would, notwithstanding those provisions, require the governing board to let contracts for public contracts involving an expenditure of \$34,500 or more to the lowest responsible bidder if, in the past 12 months, the governing board adopted a resolution declaring that the governing board intends to be subject to the uniform construction accounting procedures, the school district has an average attendance rate of 35,000 or greater, and the governing board has entered into a project labor agreement, as specified. The bill would require the Superintendent of Public Instruction to annually adjust the \$15,000 and \$34,500 amounts to reflect the percentage change in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as specified, commencing on January 1, 2026.~~

This bill would instead require the governing board to let contracts for public projects when the expenditure is \$34,500 or more to the above-described lowest responsible bidder. The bill would additionally require the Superintendent of Public Instruction to annually adjust the \$34,500 amount, commencing on January 1, 2026.

Existing law authorizes the governing board of a school district having an average daily attendance of 35,000 or greater to make repairs to school buildings, grounds, apparatus, or equipment and perform maintenance by day labor or force account, whenever the total numbers of hours on the job does not exceed 750 hours or when the total cost of material does not exceed \$21,000, as specified.

~~This bill would, notwithstanding those provisions, also authorize the governing board of a school district to make repairs and perform maintenance by day labor or force account, as described above, if the total cost of material does not exceed \$43,000, the governing board adopted, in the past 12 months, a resolution declaring that the governing board intends to be subject to the uniform construction accounting procedures, and the governing board has entered into a project labor agreement, as specified. The bill would require the Superintendent of Public Instruction to adjust the \$21,000 and \$43,000 amounts to reflect the percentage change in the California Consumer Price Index, beginning on January 1, 2026, and each January 1 thereafter.~~

This bill would instead authorize the governing board of a school district to make repairs and perform maintenance by day labor or force account, as described above, when the total cost of material does not exceed \$43,000. The bill would require adjustment of the \$43,000 amount to reflect the percentage change in the California Consumer Price Index, beginning on January 1, 2026, and each January 1 thereafter.

Existing law authorizes local agencies to elect to become subject to uniform construction accounting procedures, which provides alternative bidding procedures, by adopting a resolution and notifying the Controller.

This bill would authorize a governing board of a school district to elect, by adopting a resolution, to evaluate the uniform construction cost accounting procedures if (1) the governing board of the school district has not already elected to be subject to the uniform construction cost accounting procedures; (2) the school district has an average daily attendance of 35,000 or more pupils; and (3) the governing board of a school district has entered into a project labor agreement for all of its public projects, as specified. The bill would, if the governing board of a school district adopts the resolution, increase for one year the threshold for letting contracts for public projects to \$220,000 and for repairs and perform maintenance by day labor or force account to \$70,000.

Digest Key

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

Bill Text

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1.

Section 20111 of the Public Contract Code is amended to read:

20111.

(a) (1) The governing board of a school district, in accordance with any requirement established by that governing board pursuant to subdivision (a) of Section 2000, shall let a contract involving an expenditure of more than fifty thousand dollars (\$50,000) for any of the following:

(A) The purchase of equipment, materials, or supplies to be furnished, sold, or leased to the district.

(B) Services, except construction services.

(C) Repairs, including maintenance that are not a public project.

(2) The governing board shall let the contract to the lowest responsible bidder who shall give security as the board requires, or else reject all bids.

(b) (1) The governing board shall let a contract for a public project involving an expenditure of ~~fifteen thousand dollars (\$15,000)~~ *thirty-four thousand five hundred*

dollars (\$34,500) or more, to the lowest responsible bidder who shall give security as the board requires, or else reject all bids. A bid for construction work shall be presented under sealed cover, and shall be accompanied by one of the following forms of bidder's security:

- (A) Cash.
- (B) A cashier's check made payable to the school district.
- (C) A certified check made payable to the school district.
- (D) A bidder's bond executed by an admitted surety insurer, made payable to the school district.

~~(2) Notwithstanding paragraph (1), the governing board shall let a contract for a public project involving an expenditure of thirty-four thousand five hundred dollars (\$34,500) or more to the lowest responsible bidder if all of the following applies:~~

~~(A) In the past 12 months, the governing board adopted a resolution declaring that the governing board intends to be subject to the uniform construction accounting procedures set forth in Article 2 (commencing with Section 22010) of Chapter 2.~~

~~(B) The school district has an average daily attendance of 35,000 or greater.~~

~~(C) The governing board has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project.~~

~~(3)~~

(2) Upon award to the lowest bidder, the security of an unsuccessful bidder shall be returned in a reasonable period of time, but in no event shall that security be held by the school district beyond 60 days from the time the award is made.

(c) Procurement bid solicitations and awards made by a school district approved to operate at least one federal nonprofit child nutrition program for purchases in support of those programs shall be consistent with the federal procurement standards in Sections 200.318 to 200.326, inclusive, of Title 2 of the Code of Federal Regulations. These awards shall be let to the most responsive and responsible party. The price shall be the primary consideration, but not the only determining factor.

(d) This section applies to all equipment, materials, or supplies, whether patented or otherwise, and to contracts awarded pursuant to subdivision (a) of Section 2000. This section shall not apply to professional services or advice, insurance services, or any other purchase or service otherwise exempt from this section, or to any work done by day labor or by force account pursuant to Section 20114.

(e) (1) Commencing January 1, 1997, the Superintendent of Public Instruction shall annually adjust the dollar amounts specified in paragraph (1) of subdivision (a) to reflect the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period

ending in the prior fiscal year. The annual adjustments shall be rounded to the nearest one hundred dollars (\$100).

(2) Commencing January 1, 2026, the Superintendent of Public Instruction shall annually adjust the dollar amounts specified in ~~paragraphs~~ *paragraph* (1) ~~and (2)~~ of subdivision (b) to reflect the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the prior fiscal year. The annual adjustments shall be rounded to the nearest one hundred dollars (\$100).

(f) For the purposes of this section, the following terms have the following meanings:

(1) "Maintenance" has the same meaning as that term is defined in Section 20115.

~~(2) "Project labor agreement" has the same meaning as that term is defined in paragraph (1) of subdivision (b) of Section 2500.~~

~~(3)~~

(2) "Public project" has the same meaning as that term is defined in subdivision (c) of Section 22002.

SEC. 2.

Section 20114 of the Public Contract Code is amended to read:

20114.

(a) In a school district, the governing board may make repairs, alterations, additions, or painting, repainting, or decorating upon school buildings, repair or build apparatus or equipment, make improvements on the school grounds, erect new buildings, and perform maintenance by day labor, or by force account, whenever the total number of hours on the job does not exceed 350 hours.

(b) (1) In a school district having an average daily attendance of 35,000 or greater, the governing board may make repairs to school buildings, grounds, apparatus, or equipment, including painting or repainting, and perform maintenance by day labor or by force account whenever the total number of hours on the job does not exceed 750 hours, or when the cost of material does not exceed ~~twenty-one thousand dollars (\$21,000)~~ *forty-three thousand dollars (\$43,000)*.

~~(2) Notwithstanding paragraph (1), the governing board may make repairs specified in paragraph (1) by day labor or force account whenever the cost of material does not exceed forty-three thousand dollars (\$43,000) if both of the following applies:~~

~~(A) In the past 12 months, the governing board adopted a resolution declaring that the governing board intends to be subject to the uniform construction accounting procedures set forth in Article 2 (commencing with Section 22010) of Chapter 2.~~

~~(B) The governing board has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project.~~

~~(3)~~

(2) Beginning on January 1, 2026, and each January 1 thereafter, the amount specified in ~~paragraphs~~ *paragraph* (1) ~~and (2)~~ shall be adjusted to reflect the percentage change in the California Consumer Price Index for all items from January of the prior year to January of the current year, as determined by the Department of Industrial Relations.

(c) For purposes of this section, day labor shall include the use of maintenance personnel employed on a permanent or temporary basis.

(d) For the purposes of this section, "maintenance" has the same meaning as that term is defined in Section 20115.

SEC. 3.

Section 20114.1 is added to the Public Contract Code, to read:

20114.1.

(a) The governing board of a school district may elect, by adopting a resolution, to evaluate the uniform construction cost accounting procedures without electing to become subject to those procedures if the governing board meets all of the following requirements:

(1) The governing board of the school district has not already elected by resolution to be subject to the uniform construction cost accounting procedures and notified the Controller of that election pursuant to subdivision (a) of Section 22030.

(2) The school district has an average daily attendance of 35,000 or more pupils.

(3) The governing board of a school district has entered into a project labor agreement that meets the requirements of Section 2500 for all of its public works projects.

(b) For one year following the adoption of the resolution to evaluate the uniform construction cost accounting procedures pursuant to subdivision (a), the threshold set forth in paragraph (1) of subdivision (b) of Section 20111 shall be two hundred twenty thousand dollars (\$220,000), and the limitations set forth in paragraph (1) of subdivision (b) of Section 20114 shall be when the hours do not exceed 750 hours or the cost of material does not exceed seventy thousand dollars (\$70,000).

(c) A governing board of a school district that adopts a resolution to evaluate the uniform construction cost accounting procedures, pursuant to subdivision (a), is under no obligation to elect to become subject to the uniform construction cost accounting procedures. If the governing board has not elected to be subject to the uniform construction cost accounting procedures within one year following the adoption of the resolution to evaluate the uniform construction cost accounting procedures, the school district shall thereafter be subject to the threshold set forth in paragraph (1) of subdivision (b) of Section 20111 and the limitations set forth in paragraph (1) of subdivision (b) of Section 20114.

(d) For the purposes of this section, the following terms have the following meanings:

(1) "Public project" has the same meaning as set forth in subdivision (c) of Section 22002.

(2) "Uniform construction cost accounting procedures" means the uniform construction cost accounting procedures set forth in Article 2 (commencing with Section 22010) of Chapter 2.


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AB-2192 Public agencies: cost accounting standards. (2023-2024)

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Date Published: 03/18/2024 09:00 PM

AMENDED IN ASSEMBLY MARCH 18, 2024

CALIFORNIA LEGISLATURE— 2023–2024 REGULAR SESSION

ASSEMBLY BILL

NO. 2192

Introduced by Assembly Member Juan Carrillo

February 07, 2024

An act to amend ~~Section 22000~~ Sections 22002, 22032, 22034, 22039, 22042, 22042.5, 22043, and 22044 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2192, as amended, Juan Carrillo. Public agencies: cost accounting standards.

Existing law, the Uniform Public Construction Cost Accounting Act, authorizes a public ~~agency to elect~~ *agency, whose governing board has by resolution elected*, to become subject to uniform construction cost accounting procedures. Existing law provides for the development of cost accounting standards and an alternative method for the bidding of public works projects by public entities. *The act defines "public project" to include, among other things, construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility.*

This bill would ~~make nonsubstantive changes to the title provision of the Uniform Public Construction Cost Accounting Act.~~ *define "public project" to additionally include installations involving any publicly owned, leased, or operated facility.*

The Uniform Public Construction Cost Accounting Act authorizes public projects of \$60,000 or less to be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order, authorizes public projects of \$200,000 or less to be let to contract by informal procedures, and requires public projects of more than \$200,000 to be let to contract by formal bidding procedures. The act permits the governing body of a public agency, in the event all bids received for the performance of that public project are in excess of \$200,000, to award the contract at \$212,500 or less to the lowest responsible bidder if it determines the cost estimate of the public agency was reasonable.

This bill would instead authorize public projects of \$70,000 or less to be performed by the employees of a public agency by force account, authorize public projects of \$100,000 or less to be performed by negotiated contract or by purchase order, authorize public projects of \$220,000 or less to be let to contract by informal procedures, and

require public projects of more than \$220,000 to be let to contract by formal bidding procedures. The bill would permit the governing body of a public agency, in the event all bids received for the performance of that public project are in excess of \$220,000, to award the contract at \$235,000 or less to the lowest responsible bidder if it determines the cost estimate of the public agency was reasonable. The bill would also make conforming changes.

The Uniform Public Construction Cost Accounting Act creates the California Uniform Construction Cost Accounting Commission, to fulfill certain duties, including recommending for adoption by the Controller uniform construction cost accounting procedures for implementation by public agencies in the performance of, or in contracting for, construction on public projects. The act requires the commission to review the accounting procedures of any participating public agency where an interested party presents evidence that the work undertaken by the public agency falls into specified categories, including that the public agency has exceeded the force account limits. The act also requires the commission to review practices of any participating public agency where an interested party presents evidence that the public agency is not in compliance with requirements to enact a prescribed informal bidding ordinance to govern the selection of contractors to perform public projects.

This bill would additionally require the commission to review the accounting procedures of any participating public agency where an interested party presents evidence that the work undertaken by the public agency has been split or separated into smaller work orders or projects, as specified, and would make conforming changes. The bill would also require the commission to review noncompliance with bidding procedures for the publication or posting and electronic transmission of notice inviting formal bids.

Vote: majority Appropriation: no Fiscal Committee: ~~no~~yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. *Section 22002 of the Public Contract Code is amended to read:*

22002. (a) "Public agency," for purposes of this chapter, means a city, county, city and county, including chartered cities and chartered counties, any special district, and any other agency of the state for the local performance of governmental or proprietary functions within limited boundaries. "Public agency" also includes a nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency.

(b) "Representatives of the construction industry" for purposes of this chapter, means a general contractor, subcontractor, or labor representative with experience in the field of public works construction.

(c) "Public project" means any of the following:

(1) Construction, reconstruction, erection, alteration, renovation, improvement, demolition, *installation*, and repair work involving any publicly owned, leased, or operated facility.

(2) Painting or repainting of any publicly owned, leased, or operated facility.

(3) In the case of a publicly owned *electric* utility system, "public project" shall include only the construction, erection, improvement, or repair of dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.

(d) "Public project" does not include maintenance work. For purposes of this section, "maintenance work" includes all of the following:

(1) Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.

(2) Minor repainting.

(3) Resurfacing of streets and highways at less than one inch.

(4) Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.

(5) Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to, dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.

(e) For purposes of this chapter, "facility" means any plant, building, structure, ground facility, utility system, subject to the limitation found in paragraph (3) of subdivision (c), real property, streets and highways, or other

public work improvement.

SEC. 2. Section 22032 of the Public Contract Code is amended to read:

22032. (a) Public projects of ~~sixty thousand dollars (\$60,000)~~ *seventy thousand dollars (\$70,000)* or less may be performed by the employees of a public agency by force ~~account, by negotiated contract, or by purchase order.~~ *account.*

(b) Public projects of one hundred thousand dollars (\$100,000) or less may be performed by negotiated contract or by purchase order.

~~(b)~~

(c) Public projects of two hundred thousand dollars (\$200,000) two hundred twenty thousand dollars (\$220,000) or less may be let to contract by informal procedures as set forth in this article.

~~(c)~~

(d) Public projects of more than two hundred thousand dollars (\$200,000) two hundred twenty thousand dollars (\$220,000) shall, except as otherwise provided in this article, be let to contract by formal bidding procedure.

SEC. 3. Section 22034 of the Public Contract Code is amended to read:

22034. Each public agency that elects to become subject to the uniform construction accounting procedures set forth in Article 2 (commencing with Section 22010) shall enact an informal bidding ordinance to govern the selection of contractors to perform public projects pursuant to subdivision ~~(b)~~ *(c)* of Section 22032. The ordinance shall include all of the following:

(a) Notice to contractors shall be provided in accordance with either paragraph (1) or (2), or both.

(1) The public agency shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the commission. All contractors on the list for the category of work being bid shall be mailed, faxed, or emailed a notice inviting informal bids unless the product or service is proprietary. All mailing of notices to contractors pursuant to this subdivision shall be completed not less than 10 calendar days before bids are due.

(2) The public agency may elect to mail, fax, or email a notice inviting informal bids to all construction trade journals specified in Section 22036.

(b) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.

(c) The governing body of the public agency may delegate the authority to award informal contracts to the public works director, general manager, purchasing agent, or other appropriate person.

(d) If all bids received are in excess of ~~two hundred thousand dollars (\$200,000);~~ *two hundred twenty thousand dollars (\$220,000)*, the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at ~~two hundred twelve thousand five hundred dollars (\$212,500)~~ *two hundred thirty-five thousand dollars (\$235,000)* or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.

SEC. 4. Section 22039 of the Public Contract Code is amended to read:

22039. The governing body of the participating public agency or its designated representative shall adopt plans, specifications, and working details for all public projects exceeding the amount specified in subdivision ~~(c)~~ *(d)* of Section 22032.

SEC. 5. Section 22042 of the Public Contract Code is amended to read:

22042. The commission shall review the accounting procedures of any participating public agency where an interested party presents evidence that the work undertaken by the public agency falls within any of the following categories:

(a) Is to be performed by a public agency after rejection of all bids, claiming work can be done less expensively by the public agency.

(b) Exceeded the force account ~~limits~~. *limits set forth in subdivision (a) of Section 22032.*

(c) Has been improperly classified as maintenance.

(d) Has been split or separated into smaller work orders or projects, in violation of Section 22033.

(e) Has exceeded the limits or otherwise not met the requirements set forth in subdivisions (b), (c), and (d) of Section 22032.

SEC. 6. *Section 22042.5 of the Public Contract Code is amended to read:*

22042.5. The commission shall review practices of any participating public agency where an interested party presents evidence that the public agency is not in compliance with Section ~~22034~~. *22034 or 22037.*

SEC. 7. *Section 22043 of the Public Contract Code is amended to read:*

22043. (a) In those circumstances set forth in subdivision (a) of Section 22042, a request for commission review shall be in writing, sent by certified or registered mail received by the commission postmarked not later than eight business days from the date the public agency has rejected all bids.

(b) In those circumstances set forth in subdivision ~~(b) or (c)~~ *(b), (c), (d), or (e)* of Section 22042, a request for commission review shall be by letter received by the commission not later than eight days from the date an interested party formally complains to the public agency.

(c) The commission review shall commence immediately and conclude within the following number of days from the receipt of the request for commission review:

(1) Forty-five days for a review that falls within subdivision (a) of Section 22042.

(2) Ninety days for a review that falls within subdivision ~~(b) or (c)~~ *(b), (c), (d), or (e)* of Section 22042.

(d) During the review of a project that falls within subdivision (a) of Section 22042, the agency shall not proceed on the project until a final decision is received by the commission.

(e) A request for commission review pursuant to Section 22042.5 shall be in writing, sent by certified or registered mail, and received by the commission no later than eight days from the day an interested party formally complains to the public agency. The commission review shall commence immediately and conclude within 90 days from the receipt of the request for commission review.

SEC. 8. *Section 22044 of the Public Contract Code is amended to read:*

22044. The commission shall prepare written findings, which shall be presented to the public agency within 30 calendar days of formal commission review. Should the commission find that the provisions of this chapter or of the uniform cost accounting procedures provided for in this chapter were not complied with by the public agency, the following steps shall be implemented by that agency:

(a) On those projects set forth in subdivision (a) of Section 22042, the public agency has the option of either (1) abandoning the project, or (2) awarding the project to the lowest responsible bidder.

(b) On those projects set forth in subdivision ~~(b) or (c)~~ *(b), (c), (d), or (e)* of Section 22042, the public agency shall present the commission's findings to its governing body within 30 calendar days of receipt of written notice of the findings and that governing body shall conduct a public hearing with regard to the commission's findings within 60 calendar days of receipt of the findings.

(c) (1) On findings of noncompliance pursuant to Section 22042.5, the public agency shall notify its governing body of the commission's findings within 60 calendar days of receipt of written notice of the findings from the commission.

(2) The public agency shall notify the commission in writing, within 90 days of receipt of written notice of the findings, of the public agency's best efforts to comply.

~~SECTION 1. Section 22000 of the Public Contract Code is amended to read:~~

22000. This chapter shall be known, and may be cited, as the "Uniform Public Construction Cost Accounting Act."