

**CUCCAC Inquiries**  
**April 29, 2023 – August 31, 2023**

<b>Organization</b>	<b>Subject</b>	<b>Status</b>
Special District	Enacting the CUPCCAA	Closed
Business	CUPCCAA Maintenance Projects	Closed
School District	Public bid Openings Requirement	Closed
Business	Charter Cities and CUPCCAA	Closed
City	Informal Bidding vs. using City Staff	Closed
City	CUPCCAA Training	Closed
Business	Becoming CUPCCAA Recognized	Closed
Business	Joining the CUPCCAA	Closed
Special District	CUPCCAA Accounting Training	Closed
City	CUPCCAA and negotiated contracts	Closed
City	Participating Agency Status	Closed
School District	Purchase Order for Painting Contractor	Closed
Business	Ordinance/Resolution to Opt-in to UPCCAA	Closed
School District	Maintenance Work	Closed
County	Update to Existing Ordinance	Closed
School District	Cover Letter	Closed
Business	Vendor Application Process	Closed
City	Receiving and Opening Informal Competitive Bids	Closed
School District	Board Resolution to include Maintenance	Closed
City	CUCCAC Contact	Closed
Business	Approved Vendor List	Closed

<b>Organization</b>	<b>Subject</b>	<b>Status</b>
School District	CUPPCCA policy question	Closed
County	Training or Contact person for CUPCCAA	Closed
County	Newspaper Advertising for Formal Bids	Closed
School District	Maintenance Contracts	Closed
School District	Eligibility for CUPCCAA	Closed
Special District	CUPCCAA - Bid Splitting Question	Closed
City	Informal Bid Limits	Closed
Special District	Public Project Definition	Closed
School District	Filing Resolution	Closed

### **Enacting the CUPCCAA**

Q: Our board has passed a resolution for the adoption and implementation of the California Uniform Public Construction Cost Accounting Act

At what point does the resolution go into effect, once we submit the resolution to you or do we need to wait for confirmation? We would like to operate under this act as soon as possible.

A: The resolution goes into effect once an agency submits its resolution to the State Controller's Office (SCO), preferably at this email address ([LocalGovPolicy@sco.ca.gov](mailto:LocalGovPolicy@sco.ca.gov)). Once the SCO receives an agency's resolution, SCO will send an email confirming receipt with a welcome letter and additional links to information relevant to the California Uniform Public Construction Cost Accounting Act.

### **CUPCCAA Maintenance Projects**

Q: I was hoping to get some clarification pertaining to CUPCCAA requirements on cost thresholds. When an LEA or school wants to enter into a contract for preventative maintenance with us (a mechanical contractor) and the maintenance value is less than \$60k per year, does this fall under CUPCCAA if they want to agree to say 3 years? For instance. Each billing cycle of one year is \$50k, but then 3 years total \$150k. Are we to look at this as a one year of \$50k, or 3 of \$150k?

A: CUPCCAA only applies to public projects. A public project is defined in Public Contract Code section 22002(c)(1) as "Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility."

Additionally, PCC section 22002(d) states the following regarding maintenance projects:

(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.

Therefore, any project that is classified as maintenance would not be subject to CUPCCAA.

### **Public bid Openings Requirement**

Q1: I’ve been asked to get clarification if a public bid opening is required for CUPCCAA informal bids or is it only required for formal bids? Thank you.

A1: Public Contract Code (PCC) section 22034(a)(1) states the following:

(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.

Additionally, PCC section 22034(b) gives additional guidance regarding notices of informal bid projects, stating that “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.”□

PCC section 22037 contains the language regarding formal bids, which contains more distinctions between the formal and informal bidding process.

More information related to CUPCCAA, including the Cost Accounting Policies and Procedures Manual, can be found on the SCO website. This manual contains all Public Code Contract sections relevant to the Uniform Public Construction Cost Accounting Act

Q2: Thank you for the information; however, I do not see anything regarding once the informal bids are received – are they required to be read aloud and publicly?

A2: There is no Public Contract Code section that specifies what an agency does with informal bids once received. Based on that information, it is likely up to each agency’s own informal bidding procedures as to the proper procedure for moving forward with informal bids. Your agency’s legal representative may be better equipped to answer this question, as it is likely outside of the California Uniform Construction Cost Accounting Commission’s scope of authority.

### **Charter Cities and CUPCCAA**

Q: I have two (2) questions regarding California charter cities that have elected to be subject to the California Uniform Public Construction Cost Accounting Act ("UPCCAA").

First, is a charter city allowed to make a minor change to the definition of maintenance work even if it has elected to be subject to UPCCAA? If this is allowed, please see the following question.

Second, if a charter city has adopted UPCCAA for public projects and maintenance work, and is allowed to make a minor revision to the definition of maintenance work, then does the State Controller need to receive an updated resolution from the charter city reflecting that change?

A: Chair Nunan responded to the inquirer's questions via phone call

### **Informal Bidding vs. using City Staff**

Q: We recently held a formal bid process to award a contract to purchase materials/equipment for a conveyor system. Estimated cost of purchase is about \$72,000 as currently bid.

We were planning to install the equipment with our own staff. Our internal staff costs will be somewhere around an additional \$13,000 (again rough numbers).

Are we able to install this with our own services according to the uniform construction cost accounting act, or should these costs be considered part of the project cost and bid with the materials/equipment purchase from the manufacturer?

If we must bid the installation costs, can we bid it separately since the materials have already been bid? Or would that be considered splitting costs?

A: This is kind of a unique situation. There is no question that the installation costs are part of the overall project cost and need to be informally bid. I think it is up to the City whether to bid the installation separately or as a package with the equipment as long as they follow the rules for informal bidding.

I would recommend that the City request an additive alternate from each of the equipment bidders to provide the installation. They could also request bids from others for installation only.

If they don't receive bids for the installation or the bids they do receive are excessively high, they can still consider doing the work with their own forces per Section 22038 of the Public Contract Code.

### **CUPCCAA Training**

Q: We have had a significant changeover with staff and would like to ask some questions about CUPCCAA. Do you have a contact that can help us understand the requirements and provide a training?

A: The list of Commissioners on the California Uniform Construction Cost Accounting Commission (CUCCAC), which oversees CUPCCAA, can be found on the SCO website. Commissioners James and 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.

### **Becoming CUPCCAA Recognized**

Q: I am trying to help a company that I work with become recognized by CUPCCAA. I can't find where to submit an application. It is for resurfacing tennis courts at high schools in California.

A: A list of agencies that have opted into the California Uniform Public Construction Cost Accounting Act (the Act) can be found on the State Controller's Office website. Here is a link to the PDF of the list: [https://www.sco.ca.gov/Files-ARD-Local/participating\\_agencies\\_-\\_general.pdf](https://www.sco.ca.gov/Files-ARD-Local/participating_agencies_-_general.pdf)

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](https://www.sco.ca.gov/Files-ARD-Local/cuccac_manual_2021_edition.pdf)

Additional resources related to the Act can be found on the State Controller's Office website, including an FAQ document and relevant legislation. The link to the State Controller's Office website can be found here: [https://www.sco.ca.gov/ard\\_cuccac.html](https://www.sco.ca.gov/ard_cuccac.html)

### **Joining the CUPCCAA**

Q: [Agency] is asking me to join CUPCCAA so we could do a contract to resurface their tennis courts.

A: 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 CUPCCAA 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](https://www.sco.ca.gov/Files-ARD-Local/cuccac_manual_2021_edition.pdf)

Vendors/contractors do not need to notify the State Controller's Office regarding their work with CUPCCAA. The only notification the State Controller's Office requires for CUPCCAA is from the public agency who wishes to enact CUPCCAA's procedures. A list of agencies that have opted into CUPCCAA can be found on the State Controller's Office website. Here is a link to the PDF of the list: [https://www.sco.ca.gov/Files-ARD-Local/participating\\_agencies\\_-\\_general.pdf](https://www.sco.ca.gov/Files-ARD-Local/participating_agencies_-_general.pdf). Please ensure that the agency is opted into CUPCCAA per the State Controller's Office's records.

Additional resources related to the Act can be found on the State Controller's Office website, including an FAQ document and relevant legislation. The link to the State Controller's Office website can be found here: [https://www.sco.ca.gov/ard\\_cuccac.html](https://www.sco.ca.gov/ard_cuccac.html)

### **CUPCCAA Accounting Training**

Q: I have been asked to prepare a Zoom presentation on CUPCCAA for a Fire Protection District in northern California. They would specifically like training on the accounting side of CUPCCAA. Is this something the Commission or State Controller offers?

Additionally, any referrals to other individuals you know would be appreciated.

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 Clemens is the special district representative, 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.

### **CUPCCAA and negotiated contracts**

Q: I recently joined the [City], which participates in the California Uniform Public Construction Cost Account program. The City's purchasing department has the following question, and I'm hoping you can provide some guidance.

The Public Contract Code, Section 22032(a) permits public projects of \$60,000 or less to be performed by "negotiated contract" or "purchase order." The question is whether by "negotiated contract or purchase order," city staff can solicit quotes from contractors and then negotiate a contract with the contractor deemed most suitable for the job (as opposed to having to award to the lowest quote/bid contractor).

The informal bidding procedures under the Act, require that contracts be awarded to the lowest responsible bidder (PCC Sec. 22038); however, it appears that this requirement only applies to informally bid contracts greater than \$60,000 and less than \$200,000, which are let under Section 22032(b) of the Code.

A: If the contract is below the \$60,000 threshold, the City is free to negotiate in the manner that they choose. The City may also have its own procurement policies that require soliciting multiple bids as long as the project is below the \$60,000 threshold.

### **Participating Agency Status**

Q: I would like to know if the [City] has elected to become subject to the Act. I have searched our past resolutions but was not able to find any such a resolution. I am relatively new to my role here in the [City] and wonder if you have any record indicating that we notified SCO for the election.

A: The [City] is not on the SCO's list of participating agencies. The list of participating agencies can be found on the SCO website, and is updated at the beginning of each month. More resources regarding CUPCCAA can be found on the CUCCAC webpage.

### **Purchase Order for Painting Contractor**

Q: I'm reaching out to you today to see if you can provide me information regarding public funds jobs. Here is my scenario, please let me know if you can help me. Thank you

We would like to prepare a purchase order for a painting contractor to do various paint jobs at various locations throughout the year. How do we go about setting up the purchase order without making this a formal contract?

A: If the painting projects are at separate locations and do not exceed \$60,000 at any single school there should be no CUPCCAA involvement. It sounds like these will occur as needed and that there is no district-wide painting project where the projects are concurrent.

CUPCCAA is silent on contracting method. A purchase order is still a contract but might be easier to use in this situation. I would defer to the school district's procurement policies. Whether a contract or a purchase order is used, there should be a separate one for each project so that there is no confusion about the \$60,000 limit

### **Ordinance/Resolution to Opt-in to UPCCAA**

Q: The Controller's website here lists the cities that are opted-in to the CUPCCAA for public works construction contracts. Is there a database for copies of those various cities' ordinances and resolutions? Will there be one? Or is a CPRA request required to see copies of the ordinances or resolutions?

A: There is currently no public database for copies of the public agencies' ordinances and resolutions, and there is no plan to implement one.

Since each agency passes their respective ordinance and resolution through its governing board, these resolutions are available to the public. Therefore, the State Controller's Office would be able to provide copies of these ordinances and resolutions upon request. If you would like a copy of a specific agency's ordinance/resolution opting into the UPCCAA, please reply to this email address ([LocalGovPolicy@sco.ca.gov](mailto:LocalGovPolicy@sco.ca.gov))

### **Maintenance Work**

Q: I am writing regarding CUPCCAA for School Districts. Under CUPCCAA, if we have a paving project for a PARKING LOT that is ONLY a slurry project, and less than 1", does it require an informal bid if it is over \$60k? Or is that considered "maintenance work" as per Public Contract Code 22002(d)(3)

A: Slurry sealing of a parking lot would be classified as maintenance under the PCC. Not only is it applied in a coat of less than 1" thickness but it is also recognized as an effective way of improving the life span of asphalt paving.

Thus, slurry seal services would not fall under the purview of CUPCCAA

### **Update to Existing Ordinance**

[The County] has previously adopted the California Uniform Public Construction Cost Accounting Act via Ordinance 757. The County is looking to update the existing Ordinance and to present it to the County Board of Supervisors before the end of the year.

Q1: Reference: Cost Accounting Policies and Procedures Manual 2021 Edition, Section 1.01, Instruction for Adoption and Implementation of the Uniform Public Construction Cost Accounting Act, bullet 2. This section mentions when a local agency is going to adopt the Act. If the County is going to update the Ordinance, does the County need to notify the State Controller for updating the Ordinance?

A1: The County is required to notify the Controller of their intent to become subject to or withdraw from the Act by providing a copy of the approved resolution. The State Controller's Office would appreciate a copy of the approved updated ordinance, should the County decide to update their informal bidding ordinance.

Q2: Reference: Cost Accounting Policies and Procedures Manual 2021 Edition, Sample Ordinance, Notice Inviting Informal Bids, Bullet 2, This section only mentions "mailed" does this section allow mailed, faxed or emailed?

A2: The informal bidding procedures set forth in Public Contract Code (PCC) Section 22034 allows for the notice to contractors to be mailed, faxed, or emailed.

Q3: Reference: Cost Accounting Policies and Procedures Manual 2021 Edition, Sample Ordinance, Award of Contracts: Will the following verbiage be in compliance with the Act? "As approved by the Board, a designee or designees may be appointed to award contracts in lieu of, or in addition to, the authority vested in the Purchasing Agent pursuant to this Section."

A3: PCC Code Section 22034(c) regarding informal bidding ordinances states, "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."

The County may delegate the authority to award contracts to appropriate County representatives as they deem appropriate.

### **Cover Letter**

Q: Our school district has a signed board resolution ready to submit to CUPCCAA. The CUPCCAA website asks for a cover letter to go with the submission. Is there a template for the letter? If not, what elements are required for the letter?

A: The only requirement for the letter is that it notifies the Controller of your intent to opt-in to CUPCCAA. This may be a formal letter to the Controller provided as a pdf or mailed accompanying the copy of the signed resolution. This may also be in the body of an email providing us with notification of your intent to opt-in to the Act and the signed copy of the resolution.



## **Vendor Application Process**

**Q:** My Company is interested in becoming an approved vendor with CUPCCAA. I have looked for the application process but have not been able to locate it. Can you please direct me to someone who can help me, or provide the information?

**A:** 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 California Uniform Public Construction Cost Accounting Act (CUPCCAA). Please 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](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](https://www.sco.ca.gov/Files-ARD-Local/cuccac_manual_2021_edition.pdf)

## **Receiving and Opening Informal Competitive Bids**

**Q:** Is a public bid opening required for the informal bidding process? It appears that some agencies do not require a public opening for informal bidding. Some interpretations of the law suggest that email bid solicitations are permitted, indicating that a formal public bid opening may not be required, and bids can be received via email as well.

**A:** Public Contract Code (PCC) Section 22034 states that each public agency that has opted into the Act, "...shall enact an informal bidding ordinance to govern the selection of contractors to perform public projects...", which includes a notice to contractors.

The provisions of PCC 22034 also states that the notice to contractors shall be in accordance with one of the following options 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.

Additional information can be found in the Cost Accounting Policies and Procedures Manual under Sections 1.04 and 1.04.01.

### **Board Resolution to include Maintenance**

Q: [School District] has opt in for the CUPCCAA and we already provided the Board Resolution. If we want to include maintenance, do we need to provide another Board Resolution stating that we want to include Maintenance to the CUPCCAA or is maintenance already included?

A: The School District would not need another Board Resolution to use the alternative bidding procedures when contracting for maintenance.

The cost accounting procedures are applicable only for agencies that perform public project work as defined in Public Contract Code (PCC) 22002(c).

As maintenance does not constitute a “public project” under the Act, the cost accounting procedures do not apply.

However, as outlined in PCC 22003, a participating agency may also use the alternative bidding procedures when contracting for maintenance or other work that does not fall within the definition of a “public project” if it so chooses

### **CUCCAC Contact**

Q: I was hopeful that you might be able to provide me a contact number for someone that I can speak with regarding CUCCA? At your convenience, please pass that information along or reach out to me at my phone number below. Thanks.

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 James and Commissioner Wakeman are the cities representatives, and would likely be able to schedule a call with you.

You may also address any questions to our inbox at [LocalGovPolicy@sco.ca.gov](mailto:LocalGovPolicy@sco.ca.gov) and we will provide assistance or forward your questions and contact information to the commission for additional guidance.

### **Approved Vendor List**

Q: Please let me know if there is an approved vendors list aligned to the California Uniform Public Construction Cost Accounting Act. If so, please provide guidance. If not, please share how vendors participate.

A: 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 California Uniform Public Construction Cost Accounting Act (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](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](https://www.sco.ca.gov/Files-ARD-Local/cuccac_manual_2021_edition.pdf)

### **CUPPCCA policy question**

Q: Quick question to clarify - Do mandatory fire alarm / sprinkler tests, inspections and service contracts qualify for CUPPCCA with school districts?

A: The tests and inspections required for various fire sprinkler, fire alarm and elevator systems are considered maintenance and would not be classified as "public projects". Thus, these would not be subject to CUPCCAA and any dollar thresholds.

PCC section 22002(d) states the following regarding maintenance projects:

(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

### **Training or Contact person for CUPCCAA**

Q: If the County is thinking about adopting the CUPCCAA, besides the manual is there additional training or consultants that you could recommend? Or a person at your office, that we could address any questions to?

A: Thank you for contacting the State Controller's Office. Please see the response below to your inquiry:

The list of Commissioners on the California Uniform Construction Cost Accounting Commission (CUCCAC), which oversees CUPCCAA, can be found on the SCO website. Commissioner Hoevertz is the counties representative, 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.

You may also address any questions to our inbox at [LocalGovPolicy@sco.ca.gov](mailto:LocalGovPolicy@sco.ca.gov) and we will provide assistance or forward your questions to the commission for additional guidance.

### **Newspaper Advertising for Formal Bids**

Q1: Hello, I have a question regarding the Advertising in Local Newspapers for formal bidding. Who would I speak with regarding this?

A1: You have reached the correct mailbox for any questions regarding CUPCCAA.

Public Contract Code 22037 has more information concerning the advertisement of formal bids in local newspapers and the construction trade journals.

Additional information can also be found in the Cost Accounting Policies and Procedures Manual under section 1.05. The manual is located on the State Controller's Office website at [http://sco.ca.gov/ard\\_cuccac.html](http://sco.ca.gov/ard_cuccac.html)

Q2: I just wanted to make sure this was still required because as you probably know a "newspaper" does not reach the amount of contractors that solicitation portals (public purchase, etc), trade journals, contractors exchanges and bid houses do and it can be very expensive. I don't know if it will be discussed for changes anytime soon or what the merit behind keeping the requirement is? Any information you have is appreciated.

I am probably just not aware of the bigger picture where newspaper advertising is effective so I wanted to ask

A2: Pursuant to Public Contract Code 22037, advertising in newspapers is required for formal bids.

Changes to the Act are discussed at the California Uniform Construction Cost Accounting Commission (CUCCAC) meetings. Details regarding the commission and the public meetings can be found on our website at: [https://www.sco.ca.gov/ard\\_cuccac.html](https://www.sco.ca.gov/ard_cuccac.html)

CUCCAC Chair, John Nunan, may be able to address any questions or concerns you have regarding newspaper advertising. Contact information for the commission members can be found on the following page: [https://www.sco.ca.gov/ard\\_cuccac\\_members.htm](https://www.sco.ca.gov/ard_cuccac_members.htm)

### **Maintenance Contracts**

Q: Are there any contracts you are aware of that we can use to perform maintenance projects?

A: Unfortunately, the State Controller's Office does not have any sample templates for CUPCCAA or maintenance contracts. The guidance issued by the California Uniform Construction Cost Accounting Commission (CUCCAC) does not include sample contracts, only sample resolutions for agencies to opt into CUPCCAA.

Additionally, the Construction Industry Force Account Council (CIFAC) may be able to assist you. CIFAC is a non-profit coalition of construction industry associations who promote state and local agency compliance with the Public Contract Code. CIFAC often works with agencies who have recently adopted CUPCCAA, and they may be willing to provide some additional resources towards assisting with your inquiry. Please note that the State Controller's Office and CUCCAC are not affiliated with CIFAC, and this email is not an official recommendation of their services.

### Eligibility for CUPCCAA

Q: I was hoping if you can confirm that the [School District] has been a participating CUPCCA agency since 2011, and that there has been no pause in our eligibility to participate?

A: [School District] is on our list of participating CUPCCAA agencies and has been opted into the act since 2011. The School District remains subject to the Act until it withdraws from the Act by filing with the State Controller's Office an approved resolution of the agency's election to withdraw that was made during a public meeting of the agency's governing body.

### Bid Splitting Question

Q: We have 5 structures across our District in need of either a new roof or a roof repair. Are we allowed to use the same contractor for all of the work without competitive bidding since no single location will exceed \$60,000 in work, or do we have to go through the competitive process because the cost of all the work will exceed \$60,000?

A: In response to your inquiry about what constitutes the avoidance of "bid-splitting" in a construction program with multiple projects, I offer the following reasoning.

- Each individual project should be at a separate location (site).
- Each individual project should have a separate construction contract/purchase order.
- Construction of the projects should be on separate individual timelines/schedules.
- If the bid proposal amount of any of these projects is \$ 60,000 or less, no informal bidding process is required for that project.

### Informal Bid Limits

Q: In the Q&A posted on the website (shown below), indicates that amounts under \$60,000 do not require informal bidding.

*Does a contractor have to be on an agency's contractor list in order to perform projects less than \$60,000?*

No, any public project less than the \$60,000 informal bidding threshold can be performed by employees of the public agency, by negotiated contract, or by purchase order. An agency's list of contractors is only required to be alerted of projects that surpass the informal bidding threshold.

When you read the act it states that Public projects of \$200,000 or less may be let to contract by the informal procedures set forth in the Act as detailed in the 3 bullet points below.

- Public projects of \$60,000 or less may be performed by negotiated contract or by purchase order [PCC22032(a)]
- Public projects of \$200,000 or less may be let to contract by the informal procedures set forth in the Act [PCC22032(b)]
- Public projects of more than \$200,000 shall be let to contract by formal bidding procedures [PCC22032(c)]

The question is does bullet point 2 always apply? If we have a public project (example. Replacing Flooring in a Building for \$40,000), can we use a purchase order with a vendor who is on our CUPCCAA list? Our adopted informal bidding procedure states that but I just want to be sure I was understanding if the bullet points above are inclusive or if bullet point two is really more supposed to ready projects more than \$60,000 and less than \$200,000.

A: The informal bidding procedures are not required for Public projects of \$60,000 or less. If the contract is below the \$60,000 threshold, the City is free to use a purchase order with a vendor including vendors on their CUPCCAA list. The City may also have its own procurement policies in place for projects below the \$60,000 threshold.

### **Public Project Definition**

Q: Would a water or Sewer line replacement be considered a project? It seems to me that replacement of water main would not be a Project based on Public Contract Code section 22002(c). Can you let me know or send me to someone that can tell me?

A: Water or sewer line replacement may or may not be a “public project”. For example, if there is a water or sewer line break and you replace that section of pipe, that would definitely fall under maintenance and not be a “public project”. However, if you are replacing a long section of pipe to increase the capacity, that would be a “public project”.

### **Filing Resolution**

Q: [School District] recently approved a resolution to opt in to the California Uniform Construction Cost Accounting Commission's CUPCCAA program.

The next step is to file a record with the State Controllers office. Is there a form we need to use? How do we proceed to file the required documents with the State Controller's office?

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