

Information for Contractors Regarding Public Works Projects

Introduction

The primary goal of the formal bid process is to facilitate competition from a broad group of potential vendors / contractors. Some of the typical steps of a formal bid process includes: developing a scope of work, advertising, clarify the scope of work through addendums when needed, bid opening and award. All this is done before the project can be started. The processing time from preparation of the legal advertisement to award of bid is approximately four (4) to six (6) weeks.

In order to reduce the time to commence a project the California Uniform Public Construction Cost Accounting Act (CUPCCAA) was enacted.

What is CUPCCAA?

This program was created in 1983 to provide public agencies an option to take action toward utilizing higher bid limits and to enhance the agency's ability to perform the public works project with force labor. Note? The act is enacted under Public Contracts Code Section 22000 through 22045 (hereafter abbreviated as PCC 22000-22045).

Here is a summary of the effective bid limitations:

- x Public projects of thirty thousand dollars (\$30,000) or less may be performed by the employees of a public agency by negotiated contract or by purchase order.
- x Public projects of one hundred twenty-five thousand dollars (\$175,000) or less may be contracted by informal bid procedures.
- x If all bids received are in excess of one hundred twenty-five thousand dollars (\$175,000) the governing body of the public agency may by adoption of a resolution by a four-fifths vote, award the contract at one hundred thirty-seven thousand five hundred dollars (\$137,500), or less, to the lowest responsible bidder if it determines the cost estimate of the public agency was reasonable.
- x Public projects of more than one hundred twenty-five thousand dollars (\$175,000) shall contract

Traditional Bidding vs. MCC Implemented CUPCCAA

	Traditional Bidding	MCC Adopted CUPCCAA
Pre-qualification of Contractors	Optional	Yes
Program Adoption	None	Yes
Bid Limit(s)	\$15,000	x\$0-25,000 – Any vendor from the prequalified vendor pool can be chosen. x\$25,001 - \$175,000 – Informal estimate procedure using prequalified vendor pool. x\$175,001+ - Must be formally bid.
Advertising	With every bid	xMinimum once a year to establish pre-qualification for jobs under \$175,000. xAll jobs over \$175,000
Projects from \$0 - \$25,000	xJobs from \$0 - \$15,000 may be negotiated by contract or purchase order. x	

- c. The lowest submitted estimate shall be awarded the job by the District
- d. Upon award, the contractor will be required to complete the "Public Works Agreement for Projects between \$25,001 and \$125,000."
- e. Upon award, the contractor will be required to submit Payment and Performance Bonds.
- f. Once all required documents have been received, Purchasing & Material Management shall return to the contractor a fully executed copy of the agreement along with the Purchase Order. This combination of documents will be considered the Notice to Proceed, contingent upon direction by the Facilities Department.

Projects from \$175,001+

For all jobs from one hundred twenty-five thousand and one dollar (\$125,001) and over, the District shall use the Formal Bidding Process as specified in the California Education Code and Public Contract Code