# The California Uniform Public Construction Cost Accounting Act (CUPCAA)

PRESENTER: SCOTT HARVEY, SENIOR EXECUTIVE DIRECTOR, ADMINISTRATIVE SERVICES

BOARD MEETING: JANUARY 17, 2019

### **CUPCCA** Defined

- The California Uniform Public Construction Cost Accounting Act is legislation that was enacted in 1983 to help promote "uniformity of the cost accounting standards and bidding procedures on construction work performed or contracted by public entities in the state" (Section 22001).
- The Act is a voluntary program available to all public entities in the State, but it only applies to those public agencies that have "opted in" to the provisions set forth by the Act.
- State has not modified current statutory bid amount level (\$15,000) for contracted public works projects.

# CUPCAA allows for the following:

- Public projects in the amount of \$200,000 or less may use the informal bidding procedures set forth in Section 22032(b) of the Act.
- Public projects at a cost of more than \$200,000 shall use formal bidding procedures to let the contract pursuant PCC Section 22032(c).
- Public project work in the amount of \$60,000 or less to be performed by a public agency's force account, by negotiated contract, or by purchase order (Section 22032(a)).

### What is Our Current Procedure:

• Per our CURRENT procedure, we follow basic Public Contract Code and ALL construction projects over \$15,000 and maintenance projects over \$90,200 involve formal bidding.

 Deferred Maintenance and small construction projects can sometimes involve over 20 formal bids which take months to process.

# Main Benefits to Opting into CUPCCAA:

Reduce Administrative Burden

Complete Projects in a shorter period of time

Reduce project costs

Encourages local contractors to compete for projects

# Who Participates in CUPCCAA

 Collectively, over 300 Government Agencies and School Districts throughout the State

- Local Participation
  - ✓ Four Unified District in Orange County
  - ✓ List is expected to grow

### **Board Resolutions:**

- 1. First Step in the Process:
  - Adoption of Resolution 24-18-19
    - Opting into the rules and regulations of CUPCAA
- 2. <u>Second Step in the Process</u>:
  - Adoption of Resolution 25-18-19
    - Changes the District's informal bidding ranges
    - Provides authorization to participate in the program
- 3. Next Steps (if approved by the Board)
  - The District will begin prequalifying contractors
  - Submit the Resolutions and contractor lists to the State Controller's
    Office and Orange County Department of Education

# MEMBER QUESTIONS OR COMMENTS