### RESOLUTION NO. 2016-031

# A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE ELECTING TO BECOME SUBJECT TO THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING PROCEDURES

WHEREAS, Public Contract Code Section 22000 et seg., the Uniform Public Construction Cost Accounting Act, establishes a uniform cost accounting standard; and

WHEREAS, prior to the passage of Assembly Bill No. 1666, Chapter 1054. Statutes of 1983, which added Chapter 2, commencing with Section 22000, to Part 3 of Division 2 of the Public Contract Code, existing law did not provide a uniform cost accounting standard for construction work performed or contracted by local public agencies; and

WHEREAS, the California Uniform Construction Cost Accounting Commission (Commission) established under the Act has developed uniform public construction cost accounting procedures for implementation by local public agencies in the performance of or in the contracting for construction of public projects; and

WHEREAS, the Act allows for alternative procurement methods for projects up to \$175,000; and

WHEREAS, the alternative procurement methods provide flexibility and opportunities for significant cost savings to the City.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Elk Grove, hereby elects under Public Contract Code Section 22030 to become subject to the uniform public construction cost accounting procedures set forth in the Act and to the Commission's policies and procedures manual and cost accounting review procedures, as they may each from time to time be amended, and directs that the City Clerk notify the State Controller forthwith of this election.

BE IT FURTHER RESOLVED that the City Council of the City of Elk Grove, hereby adopts the policies and procedures set forth in Exhibit A of this Resolution and authorizes the City Manager to make modifications to Exhibit A consistent with the Uniform Public Construction Cost Accounting Act, and as necessary to meet the needs of the City.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 9th day of December 2015.

ATTEST:

DAWS. MAYOR of the

CITY OF ELK GROVE

APPROVED AS TO FORM:

# City of Elk Grove Policies and Procedures for Implementing the California Uniform Public Construction Cost Accounting Act

No. PW-005

Date: Revised:	Department: Public Works Division: Capital Improvement Program	Authority: City Manager
This Administrative Policy is declarative of existing City policy, is issued under the authority vested in the City Manager, and shall remain in place unless and until rescinded or superseded.		Laura S. Gill, City Manager

### **PURPOSE**

The purpose of this Policy is to streamline and provide efficiencies in the procurement of public projects by implementing the California Uniform Public Construction Cost Accounting Act (UPCCAA or "Act").

This Policy defines the procedures to be followed in order to comply the Act which is defined in PCC 22000-22003.

### SCOPE

All public projects defined by Public Contract Code section 22002.All maintenance projects defined by Public Contract Code section 22003 where the City elects to use the procedures of the Act.

### ASSIGNMENT OF RESPONSIBILITY

All Department Managers that initiate a public improvement project must insure delivery of the improvement complies with this policy.

### SECTION TITLE

## 1. Project Cost Estimate and Cost Thresholds

An Engineer's Estimate must be developed to obtain a reasonable cost estimate. If the estimate is within 5% of a project cost threshold as listed below, go to the next higher level of compliance. UPCCAA will periodically update the project thresholds. If UPCCAA has different thresholds than those specified below, the UPCCAA thresholds shall be used.

a. Project Cost Threshold \$5,000 and Below.

Projects below \$5,000 can be performed by City staff (Force Account) or any other contracting procedure consistent with the City's purchasing ordinance. (EGMC 3.42).

b. Project Cost Threshold above \$5,000 but below the limits set forth in Public Contract Code section 22032(b), as amended from time to time (\$45,000 at the time of adoption)

These projects are subject to prevailing wage. These projects must be contracted through the Capital Improvement Program Manager using a contract or by purchase order (PCC §22032(a)) as follows:

<u>Special Note:</u> Though the Act allows these projects to be performed by City Forces (Force Account), the accounting and tracking requirements of the Act must be followed which requires project specific cost accounting for all Labor, Equipment and Materials. Therefore, the use of Force Account shall not be used without prior written approval of the Department Head with the specific recognition that the accounting tracking provisions of the Act must be followed

- 1. Solicit 3 quotes
- 2. City Manager makes award to lowest responsible bidder
- 3. Require the Contractor to report labor, equipment, and materials expenses separately
- c. Project Cost Threshold above the limits specified in 1b, but below the limits set forth in Public Contract Code section 22032(b), as amended from time to time (\$175,000 at the time of adoption). These are the Informal Bidding requirements.
  - A. Maintain a List of Registered Contractors
    - The Capital Program Manager must maintain a list of registered contractors in accordance with the guidelines provided in UPCCAA.
  - B. Notice of Informal Bidding
    - 1. A notice of a request for informal bids shall be developed containing information about the project and the time and place for the submission of bids. (PCC §22034(d)). This notice must be mailed to either one or both of the following options at the discretion of the Capital Program Manager:
      - a. All City of Elk Grove registered contractors for the type of work being bid
      - b. All appropriate construction trade journals

d. Public Cost Threshold above the limits set forth in Public Contract Code Section 22032 (C), as amended from time to time (\$175,000 at the time of adoption) shall, except as otherwise provided for in the Act, be let to contract by formal bidding procedures.

# 2. Award of Bid for Public Projects Eligible for Informal Bidding.

- A. Bids shall be awarded by the City Manager to the lowest responsible and responsive bidder. If two bids are received in the same bid amount, the City Manager has the discretion to award the project to either bidder.
- B. If no bids are received the project may be abandoned, rebid or performed by City Staff (force account)
- C. Rejecting bids. The City Manager has the authority to reject all bids and make any the final determination ruling on all bid protests.
- D. If all bids received are in excess of the limits set forth in Public Contract Code section 22032(b), as amended from time to time (\$175,000 at the time of adoption)), the City Council may by adoption of a resolution by a four-fifths vote of the City Council, award the contract, at \$187,500 or less, to the lowest responsible bidder, if the City Council determines the engineer's estimate for the project, prepared by the City, was reasonable. (PCC 22034(f)). These monetary limits are subject to change if and when the monetary limits change under state law.
- E. All Contracts authorized by the City Manager over \$5,000 will be regularly reported to the City Council.

# CERTIFICATION ELK GROVE CITY COUNCIL RESOLUTION NO. 2016-031

STATE OF CALIFORNIA	)	
COUNTY OF SACRAMENTO	Ć	<b>S</b> S
CITY OF ELK GROVE	j)	

I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on February 24, 2016 by the following vote:

AYES: COUNCILMEMBERS: Ly, Detrick, Hume, Suen

NOES: COUNCILMEMBERS: None

ABSTAIN: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: Davis

Jason Lindgren, City Clerk City of Elk Grove, California