

Memorandum

Date: May 18, 2023
To: Board of Directors
From: Kellyx Nelson
Re: Recommendation to adopt Resolution 2023-3: Electing to be Subject to the Uniform Public Construction Cost Accounting Procedures Pursuant to California Public Contract Code §22030

Recommendation

Staff recommends that the Board of Directors adopt Resolution 2023-3: Electing to be Subject to the Uniform Public Construction Cost Accounting Procedures Pursuant to California Public Contract Code §22030.

Background

The Uniform Public Construction Cost Accounting Act in the California Public Contract Code (CPCC) establishes uniform cost accounting standards and bidding procedures on construction work performed or contracted by public entities in the state. By agreeing to follow the cost accounting procedures pursuant to CPCC §22030 of the Act, public agencies may implement public projects of \$60,000 or less through the use of their own workforce, negotiated contract or purchase order. Additionally, they can use an informal bid process for procurement of public works contracts of \$200,000 or less.

Electing to be subject to these procedures allows the RCD to use these alternate processes for contracting for public projects. CPCC §22002(1) defines “public projects” as “Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility.” Agreements for these public projects are considered public works contracts (CPCC §1101) and are subject to the procurement requirements identified under the CPCC. Notably, projects located on private land and involving no publicly owned, leased or operated facility are not public projects and do not involve public works contracts. Additionally, agreements for non-construction services are not public works contracts.

Agencies that have elected to be subject to these procedures must also adopt an informal bidding policy for public projects that meets the requirements under CPCC §22034. The new Procurement and Subaward Policy that is also recommended for adoption by the Board enables the RCD to meet this requirement.

By electing to become subject to the Uniform Public Construction Cost Accounting Procedures pursuant to California Public Contract Code §22030 and, separately, adopting an updated Procurement and Subaward Policy, the RCD can:

- Procure construction services on public projects that cost \$60,000 or less through negotiated contract or purchase order.
- Utilize an informal bidding process (in the updated RCD policy) for procurement of construction services on projects that cost \$200,000 or less.



Resolution 2023-3

Electing to Become Subject to the Uniform Public Construction Cost Accounting Procedures Pursuant to Public Contract Code §22030

WHEREAS, the San Mateo Resource Conservation District (RCD) is a Special District organized under Division 9 of the California Public Resources Code with an original petition granted on July 1, 1939 and is defined in Section 3501 of the Government Code as a public agency;

WHEREAS, prior to the passage of Assembly Bill No. 1666, Chap 1054 Stats. 1983, which added Chapter 2 commencing with §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;

WHEREAS, Public Contract Code §22000 et seq., the Uniform Public Construction Cost Account Act, establishes such a uniform cost account standard;

WHEREAS, the 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 of public projects; and

WHEREAS, adoption of these cost accounting procedures enables the District to utilize bidding procedures to procure construction services for public projects;

NOW, THEREFORE, BE IT RESOLVED that the San Mateo Resource Conservation District hereby elects under Public Contract Code §22030 to become subject to 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 notify the State Controller forthwith of this election.

PASSED, APPROVED, AND ADOPTED by the San Mateo Resource Conservation District Board of Directors on the 18th day of May, 2023.

Barbara Kossy, President

Date