

BOARD MEETING AGENDA SUBMITTAL

MEETING DATE: January 28, 2019

ITEM SUBMITTED BY: Peter Kampa, General Manager

SUBMITTAL PREPARED BY: Peter Kampa, General Manager

AGENDA ITEM: Consideration of Adoption of the Uniform Construction Cost Accounting Act Procedures, Relating to the Contracting for Public Works Projects
7d

RECOMMENDED ACTION

Motion to proceed with adoption of the Uniform Construction Cost Accounting Act Procedures, Relating to the Contracting for Public Works Projects

BACKGROUND

In the coming years, the District will be contracting for road improvement and maintenance projects, which require compliance with strict and onerous public contracting laws and regulations. Under law, the District must formally bid projects costing over \$25,000; which in today's construction market, does not buy a lot. One might think formal public bidding is the best way to get the least expensive deal on construction work; when in reality public bidding requires up to 30% additional cost is development of engineered plans and specifications, and many times contractors bidding against each other to drive the price up.

Also, in public bidding, the District MUST award the contract to the lowest bidder, which can be a disaster if the low bidder is a lousy contractor. In competitive bidding, there is no option to choose any contractor but the low bidder.

The competitive bid limit for the CSD can be increased to \$60,000 per project through adoption of specified accounting procedures, as developed by the state and called the Uniform Construction Cost Accounting Act or UCCAA. The would allow the district to seek informal bids from contractors, negotiate and award the contract to the lowest qualified and desirable bidder. Projects costing between \$60,000 and \$200,000 are subject to informal competitive bidding and over \$200,000 will be formally bid. It is recommended that the Board adopt the procedures. A FAQ document and procedures for adoption are attached, and the full procedures manual can be downloaded [HERE](#).

If the Board supports adoption of the procedures, a resolution and draft bidding ordinance will be introduced in February 2019.

ATTACHMENTS

1. UCCAA FAQ
2. UCCAA adoption procedures

FINANCIAL IMPACTS

There is no direct cost for adoption of the procedures, other than publication of the bidding ordinance, and their implementation may result in cost savings.