DATE: October 19, 2015

TO: Alameda County Waste Management Authority Board

FROM: Gary Wolff, Executive Director

BY: Pat Cabrera, Administrative Services Director

SUBJECT: Uniform Public Construction Cost Accounting Act

BACKGROUND
At the October 8, 2015 Programs and Administration (P&A) Committee meeting, staff discussed adopting the Uniform Public Construction Cost Account Act (UPCCAA) as an alternative to the Authority’s current requirement to follow the state Public Contract Code (which requires formal bidding for public works projects over $4,000). A full bidding process for public work projects over $4,000 (which would include relatively minor repairs), is not an efficient use of public resources, and is not required under our current purchasing policy. The memo that discusses this issue including our current purchasing policy (Attachment C) for goods and services can be found at P&A-10-8-15-UPCCAA-Memo.

DISCUSSION
The UPCCAA allows public projects estimated to cost $45,000 or less (rather than $4,000 or less), to be performed without a formal or informal bidding process and to use the informal bidding process for projects costing between $45,001 to $175,000. For projects over $175,000 the UPCCAA requires competitive bidding. Therefore, if adopted, the UPCCAA would replace the burdensome contracting standards that currently apply to the Authority with an understandable set of rules to follow in contracting decisions. Our current purchasing policy (Attachment C) provides for competitive cost estimates to be obtained in most cases, and requires Board approval for projects over $50,000.

RECOMMENDATION
The P&A Committee by a vote of 10-0 (Carson and Turner absent) recommended that the Authority Board on October 28th: 1) waive reading of the full draft ordinance provided as Attachment A and schedule it for consideration of adoption at the November 18 WMA meeting, and 2) adopt the Resolution provided in Attachment B.

Attachment A: Draft Ordinance
Attachment B: Draft Resolution
ATTACHMENT A

ORDINANCE #2015-03

AN ORDINANCE
TO PROVIDE FOR INFORMAL BIDDING PROCEDURES
UNDER THE
UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT
(CALIFORNIA PUBLIC CONTRACT CODE § 22000 ET SEQ.)

The Board of the Alameda County Waste Management Authority ordains as follows:

SECTION 1 (Enactment)

The Board of the Authority does hereby enact this ordinance in full consisting of Section 1 through Section 6.

SECTION 2 (Informal Bid Procedures)

Public projects, as defined by section 22002 of the California Public Contract Code ("Code"), and in accordance with the terms of section 22032 of the Code, may be let to contract by informal procedures as set forth in sections 22032-22035 of the Code.

SECTION 3 (Contractors List)

The Authority shall develop and maintain a list of contractors identified according to categories of work in accordance with section 22034 of the Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission ("Commission").

SECTION 4 (Notice Inviting Informal Bids)

(a) Where a public project subject to the informal bid procedures pursuant to Section 2 is to be performed, a notice inviting informal bids shall be mailed to all contractors for the category of work to be bid, as shown on the list developed in accordance with Section 3 not less than 10 calendar days before bids are due. The notice inviting informal bids shall describe the project in general terms, how to obtain more detailed information about the project, and state the time and place for the submission of bids.

(b) If there is no list of qualified contractors maintained by the Authority for the particular category of work to be performed, the notice inviting bids shall be sent to all construction trade journals as specified by the Commission in accordance with Section 22036 of the Code.
(c) If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors.

**SECTION 5 (Award of Contracts)**

The Executive Director is authorized to award informal contracts pursuant to this Ordinance for contracts that do not exceed $175,000. Expenditures in non emergency situations that exceed $50,000 per vendor/contractor per fiscal year also require Board approval. If all bids received are in excess of one hundred seventy-five thousand dollars ($175,000), the Authority Board may, by adoption of a resolution by a four-fifths vote, award the contract, at one hundred eighty-seven thousand five hundred dollars ($187,500) or less, to the lowest responsible bidder, if the Board determines the cost estimate of the Authority staff was reasonable.

**SECTION 6 (Notice and Effective Date)**

This ordinance was introduced and first reading waived on October 28, 2015 and adopted on November 18, 2015. It shall be posted at the Authority Office for at least thirty (30) days after its adoption by the Board and shall become effective thirty (30) days after the adoption.

Passed and adopted this __ day of _____, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

I certify that this is a full, true and correct copy of ORDINANCE NO. 2015-XX which is on file in the Authority Office and that it was passed and adopted on the date indicated above.

_______________________
GARY WOLFF
EXECUTIVE DIRECTOR
WHEREAS, the Uniform Public Construction Cost Accounting Act ("Act"), Pub. Contract Code § 22000 et seq., establishes a uniform cost accounting standard for construction work performed or contracted for by local public agencies; and

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 for construction of public projects; and

WHEREAS, the Act provides a set of streamlined contracting rules for local public agencies that elect to be governed by the Act’s uniform construction cost accounting standard; and

WHEREAS, the Alameda County Waste Management Authority (Authority) would benefit from the application of those contracting rules and the uniform construction cost accounting standard;

NOW THEREFORE, BE IT RESOLVED, that the Authority 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 Executive Director notify the State Controller forthwith of this election; and

BE IT FURTHER RESOLVED, that this Resolution shall take effect upon the effective date of Ordinance 2015-XX TO PROVIDE FOR INFORMAL BIDDING PROCEDURES UNDER THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT.

ADOPTED BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSENT:
ABSTAIN:

____________________________
Gary Wolff, Executive Director