

# City of Calistoga

## Staff Report

**TO:** Honorable Mayor and City Council  
**FROM:** Dylan Feik, City Manager  
**DATE:** June 7, 2016  
**SUBJECT:** Potential Code Amendment to Reflect Current California Uniform Construction Cost Accounting Commission (CUCCAC) Limits for Public Projects – Alternative Procedures

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APPROVAL FOR FORWARDING:



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Dylan Feik, City Manager

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1 **ISSUE:** Initiation of a Municipal Code amendment to reflect current State limitations on  
2 negotiated contracts for public works projects.

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4 **RECOMMENDATION:** Direct staff to prepare and process a Municipal Code  
5 amendment to reflect current State law regarding negotiated contracts for public works  
6 projects.

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8 **BACKGROUND:** The California Uniform Construction Cost Accounting Act  
9 (“CUCCAC”), codified at Public Contracts Code 22000 et seq., provides alternative  
10 procedures that may be used for smaller public contracts where the dollar value of the  
11 contract is within certain limits. The Legislature has revised the limits upward over  
12 time. Currently, they provide for projects up to \$45,000 to be performed by force  
13 account, negotiated contract, or purchase order. Projects between \$45,000 and  
14 \$175,000 may be performed using the informal bidding procedures set forth in  
15 CUCCAC. Finally, projects above \$175,000 are performed through formal bidding  
16 procedures.

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18 The City has codified CUCCAC in section 3.32.020 of the Calistoga Municipal  
19 Code. This section provides for slightly different limits than CUCCAC, with the amount  
20 for negotiated contracts called out at \$30,000. However, section 3.32.020(D)  
21 specifically provides that “[t]he above limits shall be adjusted from time to time as

22 provided by State law. When in conflict, the latest CUCCAC bid limitations shall  
23 govern.”  
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26 Section 3.32.020 Bid Limitations reads as follows:

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28 The following bid limitations shall be in effect:

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30 A. Public projects of \$30,000 or less may be performed by City  
31 employees by force account, by negotiated contract, or by purchase  
32 order;

33 B. Public projects of \$175,000 or less may be let to contract by informal  
34 procedures as set forth in this chapter and promulgated by the State  
35 Controller; and

36 C. Public projects over \$175,000 shall, except as otherwise provided by  
37 State law, be let to contract by formal bidding procedures.

38 D. The above limits shall be adjusted from time to time as provided by  
39 State law. When in conflict, the latest CUCCAC bid limitations shall  
40 govern. (Ord. 678 § 2, 2012; Ord. 459, 1991).

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42 This language strongly suggests that the intent at the time section 3.32.020 was  
43 adopted was for its limits to track those provided in state law.

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45 **DISCUSSION:** Staff is requesting Council consideration of an ordinance amendment to  
46 reflect current CUCCAC limits. Section 3.32.020 would read as follows:

47 A. Public projects of ~~\$30,000~~45,000 or less may be performed by City  
48 employees by force account, by negotiated contract, or by purchase  
49 order;

50 B. Public projects of \$175,000 or less may be let to contract by informal  
51 procedures as set forth in this chapter and promulgated by the State  
52 Controller; and

53 C. Public projects over \$175,000 shall, except as otherwise provided by  
54 State law, be let to contract by formal bidding procedures.

55 D. The above limits shall be adjusted from time to time as provided by  
56 State law. When in conflict, the latest CUCCAC bid limitations shall  
57 govern. (Ord. 678 § 2, 2012; Ord. 459, 1991).

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