

City of Calistoga

Staff Report

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TO: Honorable Mayor and City Council
FROM: Dylan Feik, City Manager
DATE: July 19, 2016
SUBJECT: Consideration of an Ordinance Amending Chapter 3.32.020 of the Calistoga Municipal Code Regarding Public Works Bid Requirements

APPROVAL FOR FORWARDING:



Dylan Feik, City Manager

1 **ISSUE:** Consideration of an Ordinance Amending Chapter 3.32.020 of the Calistoga
2 Municipal Regarding Public Works Bid Requirements.

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4 **RECOMMENDATION:** Following a public hearing, introduce the ordinance and waive
5 its first reading. The ordinance will amend the Calistoga Municipal Code 3.32.020 Bid
6 Limitations.

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8 **BACKGROUND:** The California Uniform Construction Cost Accounting Commission
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 of Calistoga has codified CUCCAC in section 3.32.020 of the Calistoga
19 Municipal Code (Ordinance 678). This section provides for slightly different limits than
20 CUCCAC, with the amount for negotiated contracts called out at \$30,000. However,
21 section 3.32.020(D) specifically provides that “[t]he above limits shall be adjusted from

22 time to time as provided by State law. When in conflict, the latest CUCCAC bid
23 limitations shall govern.”

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25 Section 3.32.020 Bid Limitations reads as follows:

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27 The following bid limitations shall be in effect:

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

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

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

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

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

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

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

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

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

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

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58 **FISCAL IMPACT:** There is no known fiscal impact associated with this
59 ordinance.

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61 **ATTACHMENT:**

62 1. Draft Ordinance

63 2. Ordinance 678