



Santa Clara County Office of Education

Charles Weis, Ph.D.
County Superintendent of Schools

Informational Bulletin

For Santa Clara County Districts

District Business & Advisory Services

Nimrat Johal: Director- DBAS: 408-453-6599

Cathy McKim, Manager-DBAS: 408-453-6588

Bulletin: 12-066

Date: November 9, 2011

To: District Fiscal Directors
District CBO's

From: Cathy McKim

Re: Bid Limit Change under the Uniform Public Construction Cost Account Act
Effective January 1, 2012

The purpose of this bulletin is to notify you of two recently enacted bills that change to the bit limits under the Uniform Public Cost Accounting Act (PCC). This change will be effective January 1, 2012.

Assembly Bill (AB) 720, signed into law on October 9, 2011, amends section 22032 of the Public Contract Code (PCC) to increase the dollar threshold limits governing bid procedures for public projects.

Assembly Bill (AB) 943 (Chapter 110/2011), signed into law on July 25, 2011, amended Section 22034(f) of the Public Contract Code to read, "If all bids received are in excess of \$175,000, the governing body of the public agency may, by adoption of a resolution by a 4/5 vote, award the contract, at \$187,500 or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable." AB 943 increased the previous informal bid limits of \$125,000 to \$175,000, and from \$137,500 to \$187,500, respectively.

The current limits are shown below:

Code Section	Requirement	Project Cost		
		Old Limit	New 2012 Limit	Increase
PCC 22032(a)	No bid requirements. May be performed by employees of a public agency	\$30,000 or less	\$45,000 or less	+15,000
PCC 22032(b)	Informal bid procedures (PCC 22034)	\$125,000 or less	\$175,000 or less	+50,000
PCC 22032(c)	Formal	Over \$125,000	Over \$175,000	+50,000

Please share this information as deemed appropriate.



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Reference:

CAL. PCC. CODE § 22032 : California Code - Section 22032

(a) Public projects of thirty thousand dollars (\$30,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order.

(b) Public projects of one hundred twenty-five thousand dollars (\$125,000) or less may be let to contract by informal procedures as set forth in this article.

(c) Public projects of more than one hundred twenty-five thousand dollars (\$125,000) shall, except as otherwise provided in this article, be let to contract by formal bidding procedure.

CAL. PCC. CODE § 22034 : California Code - Section 22034

Each public agency that elects to become subject to the uniform construction accounting procedures set forth in Article 2 (commencing with Section 22010) shall enact an informal bidding ordinance to govern the selection of contractors to perform public projects pursuant to subdivision (b) of Section 22032. The ordinance shall include all of the following:

(a) The public agency shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the commission.

(b) All contractors on the list for the category of work being bid or all construction trade journals specified in Section 22036, or both all contractors on the list for the category of work being bid and all construction trade journals specified in Section 22036, shall be mailed a notice inviting informal bids unless the product or service is proprietary.

(c) All mailing of notices to contractors and construction trade journals pursuant to subdivision (b) shall be completed not less than 10 calendar days before bids are due.

(d) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.

(e) The governing body of the public agency may delegate the authority to award informal contracts to the public works director, general manager, purchasing agent, or other appropriate person.

(f) If all bids received are in excess of one hundred twenty-five thousand dollars (\$125,000), the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at one hundred thirty-seven thousand five hundred dollars (\$137,500) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.

County Board of Education: Leon F. Beauchman, Michael Chang, Joseph Di Salvo, Julia Hover-Smoot, Grace H. Mah, Craig Mann, Anna Song
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A Champion for Children, Schools and Community