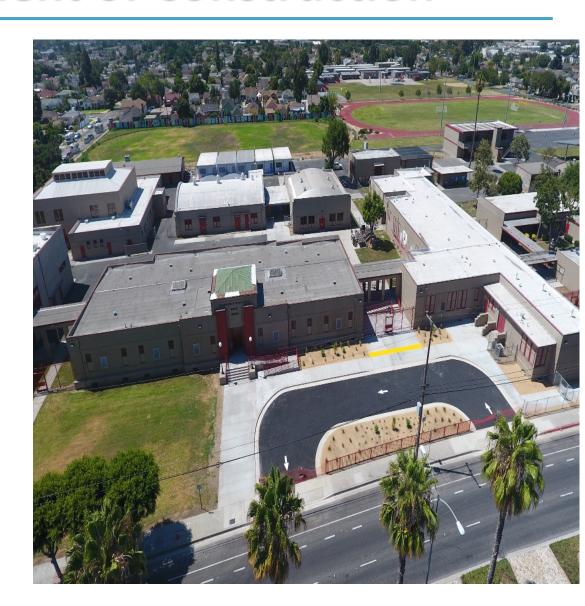
Procurement of Construction



FEBRUARY 11, 2020



Procurement of Construction Formal Bid Process

- Formal public bidding requires compliance with statutory and common law requirements.
- The District must award the contract to the lowest responsive, responsible bidder (price only).
- Bid Bond on the District's form or other security is required for construction bids.
 - Must be equal to ten percent (10%) of contract price. Must have notary certificate, power of attorney, and certificate of authority of signer.
 - Other acceptable forms of security are cash, a cashier's check payable to the District, or a certified check payable to the District.

Pub. Contract Code § 20111

Procurement of Construction Formal Bid Process - Advertising

- The District must advertise for bids and the following is required:
 - Published at least once a week for two weeks in some newspaper of general circulation, which also may be posted on the district's Web site or electronic portal (Pub. Contract Code § 20112);
 - Description of work to be done (Pub. Contract Code § 20112);
 - Time and place of bid opening (Pub. Contract Code § 20112);
 - Alternates in selection of the low bidder (Pub. Contract Code § 20103.8);
 - Mandatory job walk, if any (Pub. Contract Code § 6610);
 - Substitution of securities (Pub. Contract Code § 22300);
 - Required contractor's license to perform the work (Pub. Contract Code § 3300);
 - Prevailing wage and DIR registration (Labor Code §§ 1720 et seq. and 1725.5);
 - Sole sourced products if any (Pub. Contract Code § 3400).
 - May also include bid bonds and DVBE compliance.

Procurement of Construction Bid Splitting and Change Orders

 "It shall be unlawful to split or separate into smaller work orders or projects any work, project, service, or purchase <u>for the purpose of</u> evading the provisions of this article requiring contracting after competitive bidding.".

Pub. Contract Code § 20116; emphasis added.

- Any change order on a contract awarded per PCC § 20111 cannot exceed
 \$15,000 or 10% of the contract amount, whichever is greater.
 - The Board does <u>not</u> have authority to approve a larger change order not without an exception.

Pub. Contract Code § 20118.4

Procurement of Construction Other Topics (Briefly...)

Prequalification

 Mandatory for lease-leaseback projects and projects over \$1 million using state bond funds (Pub. Contract Code § 20111.6.)

Lease-Leaseback

 Post Davis case, there are now advertising requirements, best value selection provisions, subcontractor selection requirements, and the ability to contract for preconstruction services prior to DSA plan approval. (Educ. Code § 17406.)

Design-Build

For K-12 districts, it can be used for projects over \$1 million.
 Whether to use DB must be determined early in the pre-design process. (Educ. Code § 17250.10, et seq.)

CUPCCAAWhat Is It?



- The California Uniform Public Construction Cost Accounting Act ("CUPCCAA"). (PCC §§ 22000 22045.)
- Allows local agencies to perform public projects up to certain amounts with their own workforces ("Force Account") or by negotiated contract.
- Provides for <u>alternative</u> ("informal") bidding procedures when an agency performs public projects up to certain amounts.
- The agency must follow specific accounting procedures.

CUPCCAA Bid Limits

- Public projects of \$60,000 or less may be performed by negotiated contract or with the District's own workforces ("Force Account").
- Public projects of \$200,000 or less may be let to contract by the informal procedures set forth in the Act.
- Public projects of more than \$200,000 shall be let to contract by formal bidding procedures, including:
 - Plans, newspaper advertising for 14 days, trade journals for 15 days, other steps. (PCC §§ 22032 (a) (c); PCC § 22037.)
- WARNING: Do not split or separate a project to avoid a bid limit.

"It shall be unlawful to split or separate into smaller work orders or projects any project for the purpose of evading the provisions of this article requiring work to be done by contract after competitive bidding."

(PCC § 22033.)

CUPCCAAImplementation

- Resolution Governing Board approves resolution to become subject to CUPCCAA procedures.
- Controller District files resolution with Controller.
- <u>District-Wide</u> Entire District becomes subject to the Act.
- The List District establishes and maintains list of qualified contractors for informal bids.
 - Board can enact informal bidding regulations under PCC §22034 to establish a list of contractors to be notified of potential projects and procedures for informal bidding.
 - Some Districts rely on authority in the above-referenced resolution for these processes and policies.

Establishing & Maintaining List of Qualified Contractors

- Annual Invitation in Newspaper. "For the purpose of securing informal bids, the board shall publish [in a newspaper]..., a notice inviting contractors to register to be notified of future informal bidding projects. All contractors included on the informal bidding list shall be given notice of all informal bid projects in any manner as the district deems appropriate." (PCC §20116.)
 - This is not a "CUPCCAA" statute. This is a unique and general provision imbedded in the "bid-splitting" statute that is applicable to all school districts.
- Invitation in Trade Journals. District mails, faxes or emails written notice to designated trade
 journals, inviting all licensed contractors to submit required information for inclusion on
 qualified list for informal bids for the following calendar year. (§1.04.01 of the CUPCCAA
 Manual.)
 - <u>NOTE: The CUPCCAA Commission previously recommended the</u> <u>above November "trade journal invitation," but no longer does.</u> <u>Even so, it is a best practice.</u>
 - Yes, that is contradictory...

Establishing & Maintaining List of Qualified Contractors

- When They Ask Contractor may request to be added to the list by providing required information at any time. District must accept those requests.
- <u>Invite Contractors</u> District staff can and should invite contractors to be on the list if staff wishes them to be on the list.
- <u>Past Bidders (Optional)</u> Commission recommends inclusion of all contractors who submitted one or more valid bids during preceding year.
- What are "Qualified" Contractors? Should the District "prequalify" contractors for CUPCCAA projects? Should the District use a third party to assist?

Procedures for Informal Bidding

<u>List</u> - District maintains its list of qualified contractors, identified by work category;

Notice - District mails, faxes, and/or emails notice inviting bids at least 10 days before bids due to:

- All contractors on list for category of work; <u>or</u>
- Specified trade journals; <u>or</u>
- Both.

Scope - Notice should describe project in general terms with information for how to obtain detailed information and time and place for submission of bids.

Will often include site walk, where appropriate.

Procedures for Informal Bidding, Cont'd.

- Notice need <u>not</u> include drawings, plans, etc., unless required for preparing bid.
- <u>Delegation</u> Governing Board may delegate authority to award informal contracts to specific staff members.
- **Bid Opening** District staff opens informal bids just like any other bid, at specified time and place.
- <u>Low Bid</u> Lowest responsive, responsible bidder must be selected, or reject all bids.
- <u>High Bids</u> If all bids received exceed \$200,000, Governing Board may pass four-fifths resolution awarding contract at \$212,500 or less to lowest responsible bidder if it determines District's cost estimate was reasonable.

CUPCCAAProcedures for FORMAL Bidding

- Public projects of more than \$200,000 shall be let to contract by formal bidding procedures, including:
 - Detailed architectural plans, standard bid and contract documents
 - Newspaper advertising at least once, 14 days before bid opening
 - Different than "once a week for two weeks," which is the statutory requirement for advertisements for non-CUPCCAA school districts.
 - Many school districts still place two advertisements in the newspaper, but ensure that the first one is published at least 14 days prior to bid opening.
 - Notice in trade journals 15 days before bid opening
 - Other more detailed steps and processes

These are Still Public Works (Construction) Contracts

- Contractor Must Pay Prevailing Wages. (Ed. Code §17424)
- Bid Bond / Bid Security Required
 - CUPCCAA does not waive the statutory requirement for a bid bond. (PCC §20111(b).)
- Payment Bond Required
 - Civil Code § 3247: "Every original contractor to whom is awarded a contract by a public entity . . . in excess . . . of \$25,000 for any public work shall file a payment bond."
 - Get a performance bond too.
- Fingerprinting. (Ed. Code §45125, et seq.)
- Field Act Compliance Required. Construction is subject to all State approvals, as set forth in Education Code sections 17280 through 17313. (Ed. Code §17421.)

CUPCCAAThe Entire District is Subject to CUPCCAA

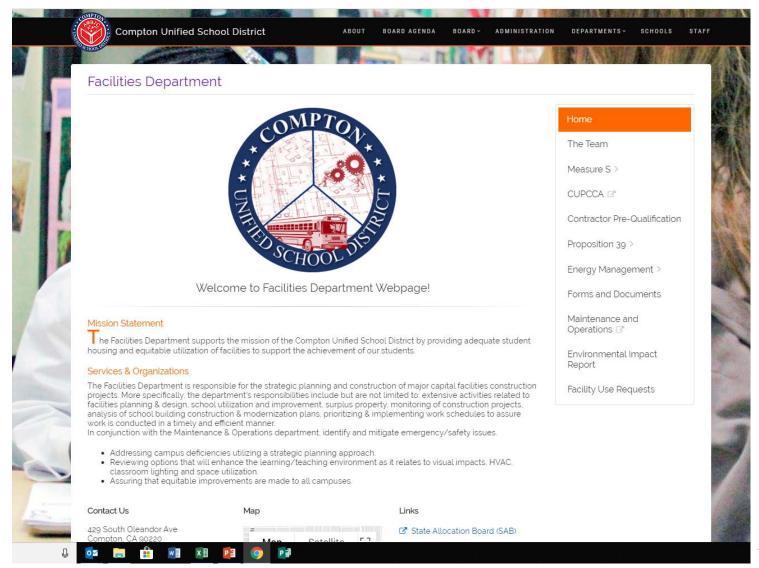
"A public agency which has...elected to become subject to [CUPCCAA], may utilize the bidding procedures set forth in [CUPCCAA] when contracting for "maintenance work," as defined in Section 22002, or when contracting for any other work which does not fall within the definition of "public project," as defined in Section 22002 [like repairs]."

(PCC §22003, emphasis added.)

COMPTON USD - FACILITIES DEPARTMENT



FACILITIES DEPARTMENT HOME PAGE





COMPTON

UNIFIED SCHOOL DISTRICT

Business and Administrative Services Facilities, Maintenance, Operations and Transportation

Informal Bid Process

Public projects of sixty thousand dollars (\$60,000) 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 two hundred thousand dollars (\$200,000 If all bids received are in excess of two hundred thousand dollars (\$200,000), (c) the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at two hundred twelve thousand five hundred dollars (\$212,500) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.

Public Works Projects of more than \$200,000 shall be let to contract by the Formal Bidding Procedures as defined by PCC 22032-

Compton Unified School District has contracted with Colbi Technologies to provide a web-based process for prequalification called Quality Bidders.

Information and Documents:
Project Name
Construction Manager
Architect (if applicable)
IOR and LOR (if applicable)
Estimated Construction Cost
Budget Codes
General Scope of Work posted on Quality Bidders
Special Conditions (if applicable)
License Class
Liquidated Damages
Alternatives (additive or deductive)
Time for Completion (days to complete after NTP)

Dates
Quality Bidder posting Advertisements
Pre-bid walk date, time, location
Bid submittal date, time and location
Bid opening date, time and location
Purchase Requisition with Approvals
Award Letter Packet

 For detailed instructions in completing your application on Quality Bidders, please navigate to the bottom of the page from this link: https://www.qualitybidders.com/pages/contractor

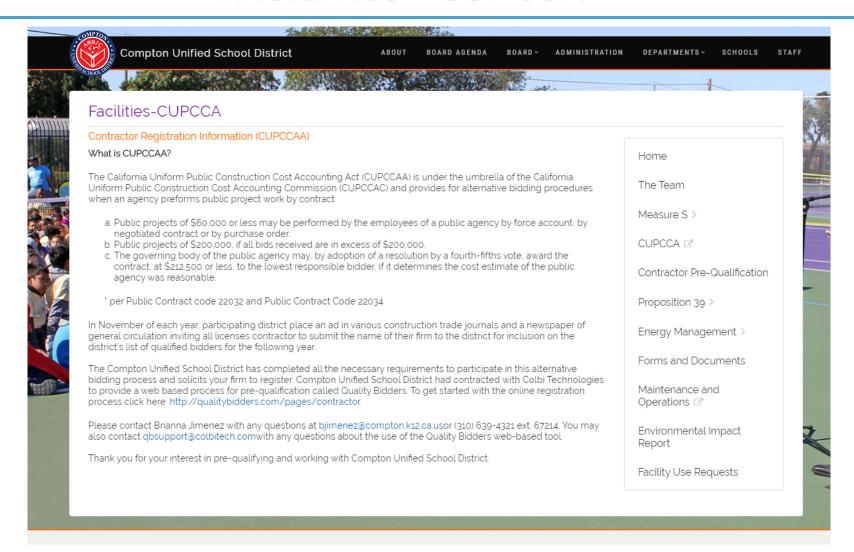
The following sites are locations for "List of Trade Journals" required by law:

Southern California Builders Association 723 N. Diamond Bar Blvd. #224 Diamond Bar, CA 91765 Phone: 909-396-1451

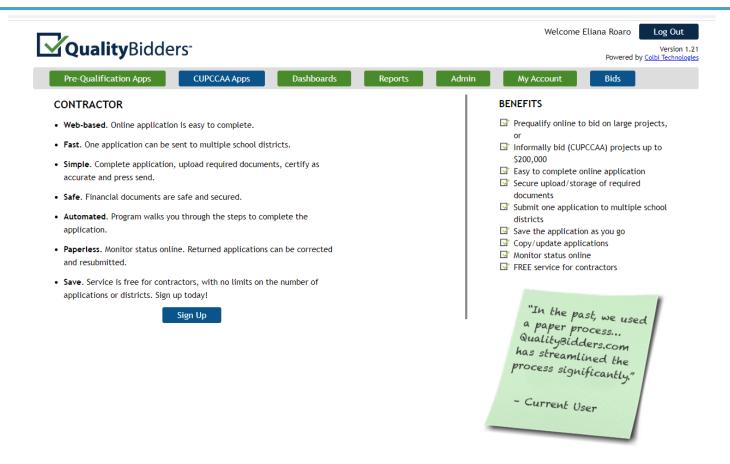
Email: scba@socalbuilders.org Website: www.socalbuilders.org Construction Data Company 2001 9th Avenue, 2nd Floor Vero Beach, FL 32960 Phone: 800-800-652-0008 Email: service@cdcnews.com Website: www.cdcnews.com Builders Notebook P.O. Box 4883 Santa Barbara, CA 93140 Phone: 877-776-5436

Email: planroom@buildersnotebook.com Website: www.buildersnotebook.com

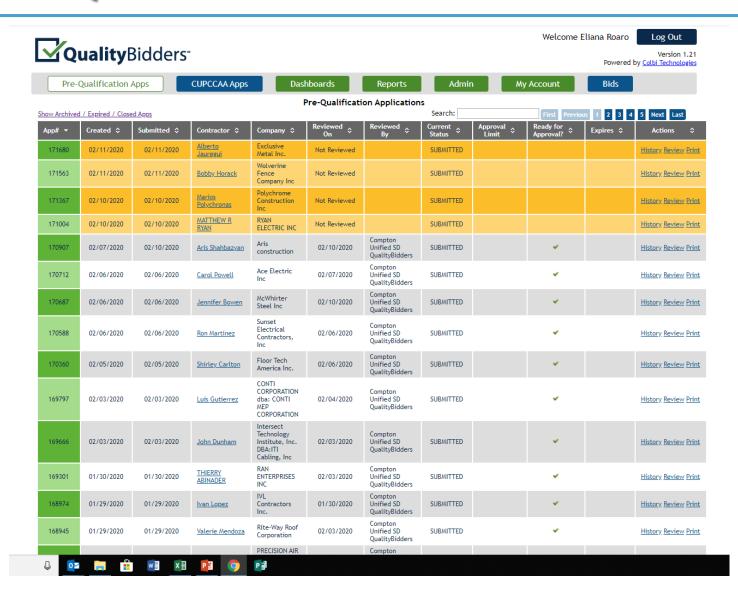
FACILITIES - CUPCCA



QUALITY BIDDERS PAGE



QUALITY BIDDER CONTRACTORS



FACILITIES - NOTICE TO CONTRACTORS

NOTICE TO CONTRACTORS CALLING FOR BIDS

NOTICE IS HEREBY GIVEN that the Compton Unified School District ("District"), acting by and through its Governing Board, invites sealed bids for the following work ("Work"):

BID # 12(18-19)FP, IT Building A Improvements

Bids shall be prepared in conformance with the Instructions to Bidders, using the forms included in the Bidding Documents. Submit all bids in a sealed envelope showing the bid number, opening date, and opening time. All Bids shall be received by the Compton Unified School District, Purchasing Department, 501 S. Santa Fe Avenue, 2nd Floor, Compton, CA 90221, no later than ten o'clock A.M. (10:00 a.m.) on March 28, 2019 at the Secretary's desk (Purchasing Dept.). No other place is acceptable. To be thereafter on said date and at said location publicly opened and read aloud at 10:10 a.m. in the District's Board Room.

Bidders using mail service for submittal of bids, it is YOUR RESPONSIBILITY to ensure the bid package is received in the Purchasing Services Department at the address indicated above. The Bidder assumes full and sole responsibility for timely receipt of its Bid, the Bid Security and any other documents required to be submitted with the Bid, by the District at the location designated for receipt of Bids. Further note, for purposes of the bid submittal, the time stamp clock in the Purchasing Department of the Compton Unified School District will be considered the official time.

All bids shall be made and presented on a form furnished by the District. Each bid must be accompanied by a Bid Security no less than ten percent (10%) of the maximum amount of the Bid Proposal, inclusive of any additive Alternate Bid Item(s), submitted by certified or cashier's check of the total bid and must be made payable to the Compton Unified School District. Failure of any Bid Proposal to be accompanied by Bid Security in the form and in the amount required shall render such Bid Proposal to be non-responsive and rejected by the District.

Bidding Documents, including Plans, Drawings, Specifications, Instructions to Bidders and other documents, if any, will be available for download on the District's website at www.compton.k12.ca.us.

Mandator	y Job Walk:	March 25, 2019 at 8:00 a.m.
----------	-------------	-----------------------------

Location:	FMOT Conference Room
	429 S. Oleander Avenue
	Compton, CA 90220

Questions must be submitted via email to <u>dspottsville@compton.k12.ca.us</u> no later than March 26, 2019 at 10:00 a.m.

Any contractor to whom a contract for the Work is awarded by the District shall be required to furnish performance and payment bonds as provided in the Instructions to Bidders and 5% retention.

Any contractor to whom a contract for the Work is awarded by the District is required to possess at the time of the contract for the Work is awarded a contracting license of the following classification(s): B.

ANY QUESTIONS?

