



**TO:** Governing Board

**FROM:** Valerie J. Armento, General Counsel

**SUBJECT:** Adopt Uniform Public Construction Cost Accounting Act (CUPCCAA) for Public Works Projects

**RECOMMENDED ACTION:** Adopt a Resolution electing Habitat Agency participation in the California Uniform Public Construction Cost Accounting Act (CUPCCAA).

**DISCUSSION:** In November 2014, the Implementation Board adopted both *General Contract and Procurement Procedures* to define contract authority, procurement of goods and services, awards of contracts, and protest procedures, and *Public Works Contract Procedures* to define contract authority, bid requirements, requirements specific to public works contracts, change orders, and reporting procedures. The focus of this report is for the Governing Board to elect to follow the California Uniform Public Construction Cost Accounting Act (CUPCCAA) procedures and direct the Implementation Board to update the existing *Public Works Contract Procedures* to be consistent with the CUPCCAA.

Over the course of the decade the Habitat Agency has been in existence, the nature of its projects has become more diverse, and the current procedures based upon standard Public Works Contract Code provisions have proven at times to be cumbersome, especially since both the Governing Board and the Implementation Board do not meet frequently. Similarly, the costs of projects have increased due to several factors beyond the control of the Habitat Agency. The CUPCCAA was created by the Legislature in 1983 as an alternative bidding process designed to reduce costs, expedite award of contracts and simplify administration of smaller projects. CUPCCAA is contained in the Public Contracts Code, Sections 22000 through 22045. It has been adopted by over 1,600 cities, counties, school districts and special districts throughout the state.

The California Uniform Construction Cost Accounting Commission was created to administer the Act, per Section 22010. It consists of 14 members: 13 members appointed by the State Controller and the License "A" member by the Contractors' State License Board. Seven members represent the public sector (counties, cities, school districts, and special districts). Six members represent the private sector (public works contractors and unions).

Pursuant to the current version of the Act, projects for the construction, reconstruction, renovation, alteration, improvement, demolition or repair work of public agency owned, leased or operated facilities may be procured as follows:

- Public projects of \$75,000 or less may be procured by negotiated contract or public agency employees by force account.
- Public projects of \$220,000 or less may be procured by informal bidding procedures.
- Public projects of greater than \$220,000 will be procured by formal bidding procedures set forth in the act.

By law, the governing body of the public agency must elect by resolution to become subject to the Act and a copy of the approved resolution must be filed with the State Controller's Office (Section 22030). Once a public agency has opted into the Act, it will remain a part of the program unless the agency withdraws from the Act by filing with the State Controller's Office a resolution of the agency's election to withdraw, adopted during a public meeting of the agency's governing body. The Act supersedes only the bidding procedures used once a public agency has opted into the Act and has notified the Controller. All other contracting requirements of the Public Contract Code remain applicable. The Act is part of the Public Contract Code; therefore, if the Act is silent on a particular matter, then the Public Contract Code applies to that matter.

At least once per calendar year, each public agency that has elected to become subject to the Act and intends to use the notice provisions outlined in Section 22034(a) must establish a new list or update its existing list of qualified contractors by mailing, faxing, or emailing written notice to all construction trade journals designated for that Agency under Section 22036, and may be more widely disseminated by other means. The notice must invite all licensed contractors to submit the name of their firms for inclusion on the list of qualified bidders for the following twelve (12) months. A participating agency may choose a specific date on which to renew its list of qualified contractors. An agency that maintains a list may add a contractor to the list at any time during the year.

*Qualified contractors* are contractors licensed by the State to perform the subject work. The Commission has determined that nothing in the Act prohibits a participating agency from using additional objective pre-qualification standards in the formation and maintenance of their Qualified Contractors Lists if they so desire. Agencies may disqualify contractors from the Qualified Contractors Lists when the contractors fail to furnish information to meet the minimum criteria as established by the Commission.

An agency may separately procure the materials and supplies for a project; however, all costs (materials, supplies, labor) of a project must be included in the project cost estimate to determine whether the project falls within the force account, informal bid, or formal bid thresholds.

**FISCAL IMPACT:** There is no cost to become subject to the CUPCAA. There is no direct fiscal impact associated with this item.

**ENVIRONMENTAL REVIEW:** 15378(b) - The action is not a "Project" subject to the California Environmental Quality Act ("CEQA")\_because it does not qualify as a "Project" under Public Resources Code Sections 21065 and 21080\_and in Section 15378(b) of Title 14 of the California Code of Regulations.

**ATTACHMENTS:**

Attachment A – Resolution

**Attachment A**

**Resolution**

**RESOLUTION NO. G-2025-\_\_\_\_\_**

**A RESOLUTION OF THE GOVERNING BOARD  
OF THE SANTA CLARA VALLEY HABITAT AGENCY ADOPTING  
UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT PROCEDURES**

**WHEREAS**, prior to the passage of Assembly Bill No. 1666, Chapter 1054, Statutes of 1983, which added Chapter 2, commencing with Section 22000, to Part 3 of Division 2 of the Public Contract Code, existing law did not provide a uniform cost accounting standard for construction work performed or contracted by local public agencies; and

**WHEREAS**, Public Contract Code section 22000 et seq., the Uniform Public Construction Cost Accounting Act, sets forth such a uniform cost accounting standard; 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 Santa Clara Valley Habitat Agency desires to elect to become subject to Uniform Public Construction Cost Accounting Procedures for the purpose of awarding public project contracts set forth in the Public Contract Code section 22000 et seq.; and

**WHEREAS**, the Habitat Agency finds that utilizing the procedures outlined in the Uniform Public Construction Cost Accounting Act will save administrative time and expense and will be in the best interest of the Habitat Agency; and

**WHEREAS**, the Governing Board delegates to the Implementation Board the responsibility for updating the Habitat Agency's Public Works Contract Procedures in order to implement the provisions of the Uniform Public Construction Cost Accounting Procedures;

**NOW, THEREFORE, BE IT RESOLVED** that the Governing Board of the Santa Clara Valley Habitat Agency 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 Habitat Agency staff to notify the State Controller of this election.

ADOPTED by the Governing Board of the Santa Clara Valley Habitat Agency on March 20, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Chair, Governing Board  
Santa Clara Valley Habitat Agency

ATTEST:

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KIM MANCERA  
Secretary  
Santa Clara Valley Habitat Agency