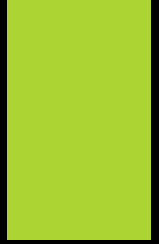
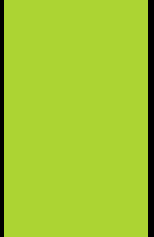




Public Works Contracting

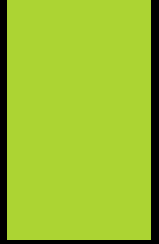
JOHN P. COGGINS, ADVISOR
REGIONAL GOVERNMENT SERVICES





“The District, as an independent special district formed under the Education Code, is not required to follow the Public Contracts Code. However, the District will follow similar bid procedures...”


ALTADENA LIBRARY DISTRICT - FINANCIAL POLICIES AND
PROCEDURES MANUAL



“Any project that includes the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind.”

Definition of Public Works Project

CALIFORNIA PUBLIC CONTRACT CODE (PCC) – PCC §1100



“Before entering into any contract for a project, the department shall prepare full, complete, and accurate plans and specifications and estimates of cost, giving such directions as will enable any competent mechanic or other builder to carry them out.”

PCC §10120



Elements of a Contract

- ▶ Scope of Work
- ▶ Performance Criteria
- ▶ Delivery & Payment Terms
- ▶ Evaluation Criteria
- ▶ Acceptance

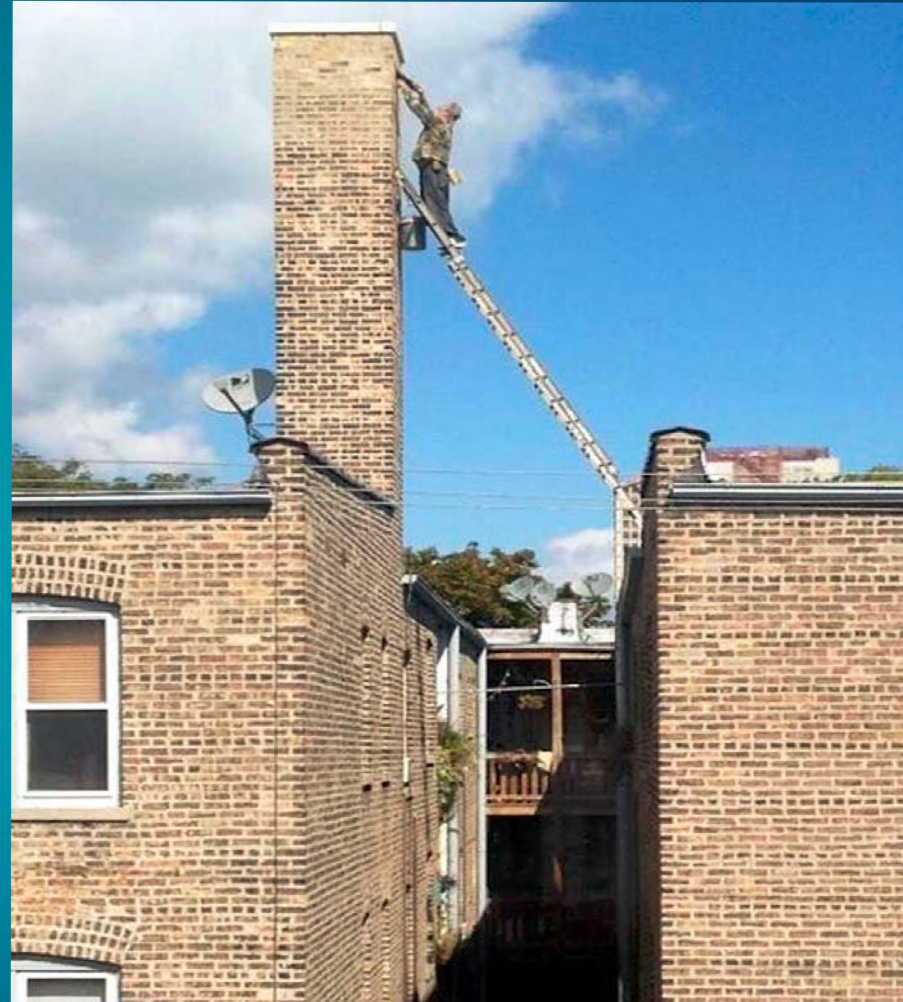
Pre-Bid Conference

- Answer questions, consider input from Contractors
- Issue addendum if necessary

Project Manager (Construction Manager)

- Individual responsible for monitoring performance
- Should be the single point of contact authorized to make changes
- Sign off project once complete

RISK MITIGATION





MOST CONTRACTORS MEAN WELL...









Risk Mitigation

- ▶ Bid, Performance & Payment Bonds
- ▶ Licensed Contractor
- ▶ Indemnification & Hold Harmless
- ▶ Insurance
 - ▶ General Liability
 - ▶ Property Damage
 - ▶ Automotive
 - ▶ Worker's Compensation
 - ▶ Errors & Omissions (Professional Services)
- ▶ Payment Retention

Retain Unrestricted Ownership of Work Product

“All reports, studies, information, data, forms, designs, plans, procedures, systems and any other materials or properties produced for this project shall be the sole and exclusive property of the District. No such materials or properties produced, in whole or in part, shall be subject to private use, copyrights, or patent rights by Consultant without the express written consent of the District.”

Other Factors

- ▶ Federal Funds
- ▶ Advertisement and Pre-Qualification of Contractors
- ▶ Prevailing Wages Required
- ▶ Project Commitment
- ▶ Subcontractors Approved by Owner
(Prime must perform at least 51% of the work)

CHANGE ORDERS



Change Management

- Communication is Key
- Changes to scope as work proceeds
- May increase *or* decrease Project Scope
- Project Manager should be the *only* authorized change agent
- Learn from changes – refine specifications

Payment Arrangements

- Firm Fixed Price
- Progress Payments
- Payment Retention
- Time & Materials
- Reimbursable Expenses
- Prompt Payment Discounts
- Liquidated Damages

RECOMMENDATIONS

California Uniform Public Construction Cost Accounting Act (CUPCCA) PCC §22000, et seq

- ▶ Public projects of \$60,000 or less may be performed by a public agency's force account using the public agency's own resources, or by negotiated contract, or by purchase order.
- ▶ Public projects in the amount of \$200,000 or less may use informal formal bidding procedures.
- ▶ Public projects at a cost of more than \$200,000 must use formal bidding procedures.

How the District Can Start Participating...

- ▶ The governing body must elect by resolution to become subject to the Act; and,
- ▶ File a copy of the resolution with the State Controller's Office.
- ▶ If the Act is silent on a particular matter, then the Public Contract Code applies on that matter.
- ▶ Sample resolution & FAQ's on State Controller's website.

https://sco.ca.gov/ard_cuccac.html

Job Order Contracting (JOC)

- ▶ Ideal for completing a wide variety of renovation, repair and minor construction projects.
- ▶ Competitively bid, fixed price, multi-year contract based on established unit prices via a Unit Price Book (UPB) with a multiplier applied to the unit costs.
- ▶ Indefinite Delivery Indefinite Quantity (IDIQ).
- ▶ Participation is available through Cooperative Bid Consortia.

<https://jocexcellence.org/what-is-joc>



Regional Government Services

Joint Powers Authority

- Finance
- Human Resources
- Project Management
- Purchasing

Contact: Glenn Lazof, Director of Finance Services, 650.587.7302

glazof@rgs.ca.gov

QUESTIONS

