



# Council Agenda Report

To: Mayor Pierson and the Honorable Members of the City Council

Prepared by: Robert DuBoux, Public Works Director/City Engineer

Approved by: Reva Feldman, City Manager

Date prepared: September 18, 2020 Meeting date: September 29, 2020

Subject: Electing to Become Subject to the Uniform Public Construction Cost Accounting Act

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**RECOMMENDED ACTION:** Adopt Resolution No. 20-53 electing to become subject to the Uniform Public Construction Cost Accounting Act (Public Contract Code Section 22000 et seq.).

**FISCAL IMPACT:** There are no direct fiscal impacts associated with approving this resolution.

**WORK PLAN:** The Uniform Public Construction Cost Account Act will apply to some of the Capital Projects listed in the Adopted Work Plan.

**DISCUSSION:** The Uniform Public Construction Cost Accounting Act (“Act”) is a program created in 1983 that provides alternative bidding procedures applicable to public works projects that a local agency can discretionarily choose to opt into if the agency elects to follow the cost accounting procedures set forth in the Cost Accounting Policies and Procedures Manual of the California Uniform Construction Cost Accounting Commission. The Act is enacted under Public Contracts Code section 22000 *et seq.*

Generally, the Act raises the bid thresholds for public agencies that elect to become subject to it, which is its primary benefit. The Act raises the bidding threshold to \$60,000 and establishes both informal and formal bidding procedures. The informal bid procedures apply to public works projects between \$60,000 and \$200,000, and the formal bid procedures apply to public works projects in excess of \$200,000. Using these procedures, public agencies can complete more projects in a timely manner as a result of the streamlined award process and the reduction in paperwork related to advertising and report filing. Otherwise, general law cities, like the City of Malibu (“City”), must

competitively bid all public works projects over \$5,000 through formal competitive bidding procedures.

A public agency that elects to become part of the Act must enact an informal bidding ordinance for those public works projects between \$60,000 and \$200,000. The City previously adopted an ordinance that enacted Chapter 2.60 of the City Municipal Code and implemented the required informal bidding procedures.

The City may elect to become subject to the Act through adoption of a resolution opting in the Act. The City will become subject to the Act once this resolution is passed and a copy of the adopted resolution is sent to the State Controller's Office, Local Government Programs and Services Division, Local Government Policy Section at the following address: P.O. Box 942850, Sacramento, CA 94250.

ENVIRONMENTAL REVIEW: This item is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines section 15061(b)(3) because it can be seen with certainty there is no possibility the action may have a significant effect on the environment and section 15064(e) which exempts purely economic regulations.

SUMMARY: City Council may direct staff to opt into the Act, decline to opt into the Act, or provide other direction.

ATTACHMENT: Resolution No. 20-53

RESOLUTION NO. 20-53

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MALIBU  
ELECTING TO BECOME SUBJECT TO THE UNIFORM PUBLIC  
CONSTRUCTION COST ACCOUNTING ACT (PUBLIC CONTRACT CODE  
SECTION 22000 ET SEQ.)

The City Council of the City of Malibu does hereby find, order, and resolve as follows:

SECTION 1. Recitals.

- A. Prior to the passage of Assembly Bill No. 1666, Chap. 1054 Stats. 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.
- B. The Uniform Public Construction Cost Accounting Act (the "Act"), codified at Public Contract Code Section 22000 *et seq.*, establishes such a uniform cost accounting standard.
- C. The California Uniform Construction Cost Accounting Commission ("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 works projects.
- D. The City Council of the City of Malibu ("City") desires to adopt and implement the uniform public construction cost accounting procedures as set forth in the Act.
- E. The adoption of these procedures is in the best interests of the City and in the public interest.

SECTION 2. The City Council 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 the City Clerk to notify the State Controller forthwith of this election.

SECTION 3. Environmental Review.

The Council finds that the adoption and implementation of this resolution is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061(b)(3) because it can be seen with certainty that there is no possibility that this action may have a significant effect on the environment and section 15064(e) which exempts purely economic regulations.

SECTION 3. This resolution shall become effective immediately upon its adoption. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED, and ADOPTED this 28th day of September 2020.

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MIKKE PIERSON, Mayor

ATTEST:

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HEATHER GLASER, City Clerk  
(seal)

APPROVED AS TO FORM:

THIS DOCUMENT HAS BEEN REVIEWED  
BY THE CITY ATTORNEY'S OFFICE

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CHRISTI HOGIN, City Attorney