



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Barbara Mason, Purchasing Manager
Lincoln Bogard, Administrative Services Director

MEETING DATE: January 28, 2025

SUBJECT: Consideration of Resolution 2025-09, Increasing the California Uniform Public Construction Cost Accounting Act (CUPCCAA) Bid Limit Amounts to Reflect the Changes As Passed by State of California Assembly Bill 2192

RECOMMENDATION:

Adopt Resolution 2025-09.

BACKGROUND:

In 1983, the State of California adopted the Uniform Public Construction Cost Accounting Act (CUPCCAA or "Act"). CUPCCAA authorizes public entities to follow an alternative public contracting approval process. The Act was enacted to promote uniformity of the cost accounting standard and bidding procedures on construction work performed or contracted by public agencies in the State. In summary, CUPCCAA provides flexibility to agencies by establishing a sliding scale of formality in the bidding process depending on the dollar amount as follows:

- For public projects costing \$60,000 or less, agencies can self perform the project or award to any qualified contractor without the need to publicly advertise or seek bids prior to the award of that contract.
- For public projects costing greater than \$60,000 up to \$200,000, the agencies may obtain three informal quotes. Note that CUPCCAA provided that if all bids received are in excess of \$212,000, an agency may, upon adoption of a resolution by a four-fifths vote, award the contract up to \$212,000, to the lowest responsible bidder.

The City Council adopted CUPCCAA on August 27, 2019, by Ordinance No.1550 and Resolution No. 2019-99. The City's B-30 Procurement Policy (B-30) was updated to include this adoption and bid limits. Later in the year, the City approved Ordinance No. 1604 which superseded Ordinance No. 1550 which provided the guideline location for the bid limits would be in B-30. The City continues to operate and utilize this Act for Public Works projects which has streamlined the procurement process, expedited projects, and increased productivity.

On September 29, 2024, Assembly Bill 2192 was enacted providing an update to the existing CUPCCAA. Effective January 1, 2025, CUPCCAA bidding limits were increased as follows:

- For public projects costing \$75,000 or less, agencies can self perform the project or award to any qualified contractor without the need to publicly advertise or seek bids prior to the award of that contract.

- For public projects costing greater than \$75,000 up to \$220,000, the agencies may obtain three informal quotes. Note that CUPCCAA provided that if all bids received are in excess of \$235,000, an agency may, upon adoption of a resolution by a four-fifths vote, award the contract up to \$235,000, to the lowest responsible bidder.

Additionally, the "Public Project" definition was modified to include "installation and is now defined as "construction, reconstruction, erections, alternation, renovation, improvement, demolition, installation, and repair work involving any publicly owned, leased or operated facility." There was also a clarification made to public projects that involve publicly owned utility systems to make clear that the provision applies to a "publicly owned electric utility system." Further, the CUPCCAA Commission can now review potential violations related to bid splitting or exceeding the Act's bid limits and review a public agency's noncompliance with the bidding procedures related to the publication or posting and electronic transmission of notices inviting formal bids.

JUSTIFICATION:

The City adopted CUPCCAA to include Legislature increases to the limits periodically over time. This is the first increase since the Act inception in 1983. The City continues to operate and utilize this Act allowing for expedited processing and increased productivity for public projects. City Staff continues to report out all contracts for CUPCCAA monthly to the City Council for review and transparency.

FISCAL IMPACT:

Continued savings in time and operational efficiencies across multiple departments.

ALTERNATIVES:

1. Adopt Resolution 2025-09 and update the bidding limits in the B-30.
2. Provide Staff with alternative direction.

BUDGETED?:

Yes

CONTRACT/AGREEMENT:

No

ATTACHMENTS:

1. [Resolution 2025-09, CUPCCAA Limits.docx](#)
2. [Reso 2019-92.pdf](#)
3. [Bill Text - AB-2192 Public agencies_ cost accounting standards_.pdf](#)
4. [Procurement Administrative Policies CUPCCAA Changes.pdf](#)