

**CITY OF VACAVILLE**  
**CONTRACTING FOR CONSTRUCTION PROCEDURES POLICY**



CITY OF VACAVILLE  
PUBLIC WORKS DEPARTMENT  
650 MERCHANT STREET  
VACAVILLE, CA 95688

*Adopted: November 13, 2012*

**Contracting for Construction Procedures Policy**

Adopted:

November 13, 2012

**Policy E-2012-01;**

Amendments:

**CITY OF VACAVILLE  
DEPARTMENT OF PUBLIC WORKS**

**Policy E-2012-01  
Contracting for Construction Procedures**

**Adopted: 11/13/2012**

**Background**

The State of California Public Contract Code sets forth the requirements for contracting the construction of public works projects by local agencies. Chapter 2, Article 1, commencing with Section 22000 establishes an alternative procedure for local agencies whose governing board adopts a resolution to become subject to the alternate procedure.

The City Council adopted an ordinance on June 8, 1993, to become a subject to the alternate procedure as set forth in the Uniform Public Construction Cost Accounting Act ("Act"). The provisions of the Act were added to Chapter 2.72 of the Vacaville Municipal Code by ordinance on June 14, 1995.

**Procedure**

The procedure to be followed for the award of contract for public works contracts fall into one of the following three categories: 1) contracts of \$45,000 or less, 2) contracts greater than \$45,000 up to \$175,000 or less, and 3) contracts greater than \$175,000. In accordance with the City's Purchasing Policies and Procedures, a Purchase Order requisition shall be processed for each category of contract cited above. Prevailing wage rates apply to all public contracts greater than \$1,000.

**1) Contracts of \$45,000 or less**

The contracts may be performed by City employees by force account or by negotiated contract.

**A. City Employees**

The California Uniform Construction Cost Accounting Commission Cost Accounting Policies and Procedures Manual (CAPP) published by the State Controller's Office defines force account as work performed on public projects using internal resources including, but not limited to, labor, equipment, materials, supplies and subcontracts of the public agency. Subcontracts include the use of an outside contractor with specialized skills and/or equipment needed to complete an element of the work on the public project. There are specific project accounting requirements for the force account work that are detailed in the CAPP.

**B. Negotiated Contract and Purchase Order**

The City's procurement procedures require that contracting of any type of work must be accomplished with a purchase order. Procurement of contracts under this category is a very simplified process that does not require formal advertisement, formal solicitation of bids, a performance bond, progress payment, final dollar letter, notice of materials to be used,

subcontracting form, apprentice notification, or contractor organization form. A standard "Negotiated Contract" shall be used for all contracts falling into this category. A notice to proceed, business license, taxpayer ID number, payment bond, and guarantee are required; and are included in the standard Negotiated Contract. Construction plans and Specifications are not required but may be furnished. The contractor must provide insurance in the amount specified by the City Risk Manager.

Although the Uniform Public Construction Cost Accounting Act does not specify any procedures for entering into a negotiated contract, the following are procedures shall be followed when feasible: (Note, these procedures apply only to 100% locally funded projects)

- a. While solicitation of bids is not required under negotiated contracts, cost proposals should typically be requested from three contractors. In rare circumstances, a single contractor may be contacted for a cost proposal. The details of the scope and cost may be negotiated.
- b. The Negotiated Contract shall be awarded to the contractor with the most advantageous bid (i.e. – does not necessarily have to be the lowest bidder).
- c. If plans and/or specifications have been developed, they are incorporated into the Negotiated Contract documents and define the scope of the work. If plans and/or specifications have not been developed, the details of the scope of work and cost are defined in the Negotiated Contract. Negotiated Contracts are typically lump sum, although in certain instances may be comprised of or include specific contract items of work.
- d. The Project Manager executes the Negotiated Contract and processes a Purchase Order Requisition.

## **2) Projects greater than \$45,000 and \$175,000 or less**

Contracts with a construction dollar value greater than \$45,000 and less than \$175,000 may follow the criteria for bidding and award described in the Act as the "informal bidding procedures" (PCC Section 22030). The major difference between the informal and formal bid process is that the informal process simplifies and shortens the advertising period from 30 calendar days (preferred) / 15 calendar days (required) for formal bidding to 10 calendar days before the date of opening the bids; and that the contract award is made by the Director of Public Works (DPW) rather than by the City Council.

The informal bid process requires:

- a. Complete Project Plans, Specifications and standard contract documents.
- b. Mailing of the City's standard "Notice to Bidders" to the 4 trade journals designated by the California Uniform Construction Cost Accounting Commission not less than 10 calendar days prior to opening of the bids.

The current designated trade journals are:

1. Contra Costa Builders Exchange  
2440 Stanwell Drive, Suite B  
Concord, CA 94520-4801

2. Solano/Napa Builders Exchange  
135 Camino Dorado  
Napa, CA 94558
  3. Construction Bidboard (eBidboard)  
4420 Hotel Circle Court, Room 215  
San Diego, CA 92108
  4. McGraw – Hill Construction Dodge  
4020 Lennane Drive, Suite 104  
Sacramento, CA 95834-1987
- c. Sealed bids are delivered to the office of the City Clerk and are opened by the DPW’s designee.
  - d. The DPW or the DPW’s designee notifies the successful contractor of the award of contract using the City’s standard notice of award.
  - e. The Engineering Services Contract Compliance Specialist ensures submittal of various contract documents, coordinates execution of the contract, and processes the Purchase Order Requisition for the construction contract.
  - f. Pursuant to the Capital Improvement Program Policies and Procedures approved by the City Manager on June 10, 2008, the Engineering Division of the Public Works Department shall administer all informal projects.

**1) Projects greater than \$175,000**

Projects with a construction dollar value greater than \$175,000 must follow the criteria for bidding and award described in the “Act” for “Formal Bidding Procedure” (PCC Section 22030), which is summarized as follows;

- a. Complete Project Plans, Specifications and standard contract documents.
- b. Mailing of the City’s standard “Notice to Bidders” to the 19 standard trade journals, including the 4 described above, not less than 15 calendar days before the date of opening the bids. On typical projects, a 30 calendar day notice is desired.
- c. Publish the “Notice to Bidders” in the *Vacaville Reporter* a minimum of 15 calendar days before the date of opening the bids. On typical formal projects, a 30 calendar day notice is desired. Notice to Bidders should typically be published in the Sunday edition of the *Vacaville Reporter* for greatest circulation.
- d. The date for the bid opening should consider all circumstances such as DBE requirements, and shall typically be 14, but a minimum of 7 calendar days prior to the date of award of contract by the City Council.
- e. Pursuant to the Capital Improvement Program Policies and Procedures approved by the City Manager on June 10, 2008, the Engineering Division of the Public Works Department shall administer all formal projects.

## Capital Improvement Project Contracting for Construction Procedures

Item Required (Minimum)	Negotiated Contract & Purchase Order (\$45,000 & Less)	Informal (\$45,001 to \$175,000)	Formal (Over \$175,000)
Prevailing Wage Rates	X	X	X
Written Scope of Work and Optional Sketch	X		
Construction Plans		X	X
Project Specifications		X	X
Send Notice Inviting Bids to 4 Designated Trade Journals no Less Than 10 Calendar Days Before Bid Opening		X	
Publish Notice to Bidders in Local Newspaper and Send Notice Inviting Bids to 4 Designated Trade Journals no Less Than 15 Calendar Days Before Bid Opening			X
Sealed Bid		X	X
Bid Bond		X	X
City Staff Awards Contract	X	X	
City Council Awards Contract			X
Payment Bond	X	X	X
Performance and Materials Bonds		X	X
Standard Contract Documents	X	X	X
Purchase Order	X	X	X
Acceptance of Project Completion By Staff	X	X	
Council Acceptance of Project Completion			X
File Notice of Completion	X	X	X