MINUTES of the Regular Meeting of the Board of Directors of Pliocene Ridge CSD. Held Wednesday May 17, 2017 at Station 67 100, Pike City Rd. Pike

- 1. Call to order: The meeting was called to order at 6:40 pm by President Wayne Babros. Board members present: Wayne Babros, Daniel Guyer and Gracie Knowles. Director Bruce Coons was absent due to an issue with the water system in Alleghany. Also present were Pike assistant chiefs Jim Buckbee & Tom Starr and Alleghany assistant chief David Arbogast, PCVFD auxiliary President Roland Robertson and AVFD auxiliary Secretary Vickie Tenney. Pliocene Ridge CSD Secretary Rae Bell was present and took the minutes. Flag Salute.
- 2. <u>APPROVAL OF THE AGENDA</u>: A motion was made by Gracie Knowles to approve the agenda, 2<sup>nd</sup> by Daniel Guyer. Motion passed: 3 Ayes, 0 Nayes, 1 Absent, 0 Abstain, 1 Vacant.
- 3. PUBLIC COMMENT: None.

#### 4. INFORMATION/DISCUSSION ITEMS

- a) Correspondence: Incoming Letter from Golden State Risk Management Authority with an estimate of Pliocene Ridge's Insurance Contribution for the next fiscal year. Outgoing None
- **b)** Committee/Member/Business Reports:
- 1. Alleghany Assistant Chief Arbogast reported that they have been doing Wildland Training. The field-day training with all nearby local departments is scheduled for June 3<sup>rd</sup>. Alleghany is providing the salads.
- 2. Pike City Assistant Chiefs Buckbee & Starr reported that they received the new airpacks on loan from Camptonville Fire and they are state-of-the-art. They've had a couple of calls since the last meeting and are about finished with their Basic 32 refresher. They did their annual Heat Related Illness Training and will be doing fire shelter training next.
- 3. Station 71 Auxiliary Vickie Tenney reported that they have raffle tickets for sale. The maximum number that will be sold is 1,000. The drawing will be held at the Christmas Party planned for December 16th. Their annual membership meeting is scheduled for June 7<sup>th</sup>.
- 4. Station 67 Auxiliary Roland reported that they are having their cemetery clean-up on Sat May 20<sup>th</sup> weather permitting. They will set the date for the Taco night at their next meeting. The June meeting has been moved to Thursday June 15<sup>th</sup> at 2 pm. It includes their annual membership meeting and they have a lot to go over.
- 5. Risk Manager Report: None
- 6. Board Member/Staff reports: None
- 7. Standing Committee Reports: Streetlights: It was reported that a follow-up email from PG&E regarding the light upgrade was received that afternoon. Rae and Bruce will look it over and respond with any questions. An informational meeting needs to be scheduled to involve the community. Wayne suggested that it be scheduled with the next AVFD meeting. Vickie Tenney thought that would be fine.

#### 5. ACTION ITEMS

- a) Approval of regular meeting minutes dated April 19, 2017 Motion to approve the minutes as submitted made by Daniel Guyer 2<sup>nd</sup> Gracie Knowles. Motion passed: 3 Ayes, 0 Nayes, 1 Absent, 0 Abstain, 1 Vacant.
- b) Approval of treasurer's report dated 4/30/17 and a correction to 3/31/17 report. Moved by Gracie Knowles 2<sup>nd</sup> by Daniel Guyer. Motion passed: 3 Ayes, 0 Nayes, 1 Absent, 0 Abstain, 1 Vacant
- c) Unfinished Business
- 1. Wayman Dam project No report.
- 2. Ongoing Policy & Procedure review/update: A FAQ sheet about the Uniform Construction Cost Accounting Act was reviewed. A resolution and Policy for Opting in will be presented at the next meeting.
- 3. Regarding the Alleghany Firehouse project: Vickey Tenney reported that if the district specifies that both the Alleghany and Pike Firehouse Projects are for ADA Compliance on the monthly agendas this will document the fact that issue is not being ignored. This eliminates some of the liability related to not being in compliance. No report from the project committee. 4. Regarding the Pike Firehouse projects: Roland Robertson reported that they are pretty sure all costs for the staircase have been identified. They sent the request for a grant to SPI and should hear back within 30 to 60 days if it is approved or not. They had no luck finding a contact with Robinson Timber. They plan on contacting the Yuba County Water District since they have the Our House Dam which is in Pike's immediate response area. Daniel Guyer, Mark Jokerst, Denise Ruane and Roland had a meeting to outline both projects in more detail. A meeting is being planned with USDA Rep Mike Valdez to go over the projects with him and get his opinion about what is most likely to be funded. The hope is to get the stairs done this year and to start on the lift next year.
- 5. Dispatch Office in Alleghany: It was reported that Downieville Fire Chief Lee Brown was fired since the last PRCSD meeting. Vickie is waiting for the "dust to settle" and is remaining in contact with them about getting the dispatch office operational again and becoming an active dispatcher.
- 6. 17/18 CDF Volunteer Assistance Grant: Everything needed has been received from both departments and the application will be submitted before the May 22<sup>nd</sup> deadline.

#### d) New Business

- 1. Secretary/Treasurer's Contract: Tabled to next meeting.
- 2. Preliminary Budget: Documents not ready, will be put on June agenda. It was noted that the most convenient place for the Budget Committee meeting is the Sixteen to One Mine Office in Alleghany because of the printing capabilities there. The budget committee meeting will be held there, the same day as the regular meeting June 21<sup>st</sup>.
- 3. Advanced Life Support Tax Fee Proposal After a lengthy discussion, Secretary Rae Bell was tasked with drafting a letter to Frontire Medical Resources inquiring if they would be receptive to a ballot measure that does not specify Advanced Life Support but that is more general as far as specifying how the funds would be allocated. The reason for this request is the fact that the district is having a hard time even recruiting Emergency Medical Technicians and a Paramedic can be called from Grass Valley faster than Downieville. The draft letter will be sent to all board members and the auxiliaries for input. Because one director was absent a vote on the issue was tabled to the next meeting.

**NEXT MEETING AGENDA ITEMS** The next regular meeting is scheduled for June 21st at the Alleghany Firehouse at 6:30 pm. The Budget Committee will meet the same day at the mine office. A safety committee meeting also is on the calendar (this fact was missed at the meeting).

**ANNOUNCEMENTS** Pike Cemetery clean-up scheduled for Saturday the 20<sup>th</sup>.

**ADJOURNMENT:** There being no further business before the board the meeting was adjourned at 7:30 PM

Respectfully submitted,

> Bul A

Rae Bell Arbogast

Secretary



## Pliocene Ridge Community Services District

100 Pike City Road Pike City, CA 95960

plioceneridge.org

plioceneridge@gmail.com

#### CERTIFICATE OF POSTING

CSD, Sierra County California:	-	cument was posted on behalf of Pliocene Ridge
Regular Meeting Agenda Meeting date: _	5 17	_17

In the following location(s):

Alleghany Post Office Bulletin Board, The Alleghany Firehouse, plioceneridge.org, emailed to agenda list. Tom or Jim to post at Pike Firehouse

On 5/13/17 (date)

A copy of which is attached hereto and by reference made a part herof.

Signed under penalty of perjury: X

Rae Bell Arbogast



### Pliocene Ridge Community Services District

100 Pike City Road Pike City, CA 95960

plioceneridge.org

plioceneridge@gmail.com

#### NOTICE OF REGULAR MEETING OF THE BOARD OF DIRECTORS

Wednesday May 17, 2017 6:30 pm Pike City Firehouse 100 Pike City Rd.

- 1. ESTABLISH QUORUM, CALL TO ORDER, FLAG SALUTE
- 2. APPROVAL OF AGENDA
- 3. PUBLIC COMMENT
- 4. INFORMATION/DISCUSSION ITEMS, STAFF &/OR COMMITTEE REPORTS
  - a) Correspondence
  - b) Committee/Member/Business Reports:
    - 1. Station 71 Chief's report
    - 2. Station 67 Chief's report
    - 3. Station 71 Auxiliary
    - 4. Station 67 Auxiliary
    - 5. Risk Manager Report
    - 6. Board Member Report –
    - 7. Standing Committee Reports: Streetlight, Budget, Safety

#### 5. ACTION ITEMS:

- a) Approval of Minutes of April 19, 2017
- b) Approval of Treasurer's report dated April 30, 2017 and corrected report for March 31, 2017
- c) Unfinished business:
  - 1. Wayman Dam Project
  - 2. Ongoing Bylaws & Policy review and/or update: FAQ sheet on Uniform Construction Cost Accounting Act included in packets
  - 3. Alleghany Firehouse Project –
  - 4. Pike Firehouse Project –
  - 5. Status of dispatch office in Alleghany
  - 6. Fiscal year 2017-2018 50/50 CDF Volunteer Assistance application
- d) New business
  - 1. Review and renew Secretary/Treasurer's Contract
  - 2. Adopt Preliminary Budget for FY 17/18 (due by June 30<sup>th</sup>)
  - 3. Consideration of ALS property tax fee proposal being floated by Frontier Medical Resources for Western Sierra County.
- 6. ANNOUNCEMENTS, NEXT MEETING DATE & AGENDA ITEMS ~ Next regular meeting June 21st in Alleghany.

#### 🕇 🕭. ADJOURNMENT

Upon request, Agendas will be made available in alternative formats to accommodate persons with disabilities. Please make your request to District Secretary, 100 Pike City Rd, Pike CA 95960 specifying your disability and the format in which you would like to receive this Agenda and future Agendas as well.



### Pliocene Ridge Community Services District

Serving the Communities of Alleghany, Forest City and Pike City 100 Pike City Road
Pike City, CA 95960

Treasurers Report cut off date: March 31, 2017

Deposits								\$	2,303.53
Budget Line #	Date	Fron	1:		For:				Amount
		Savi			Bank Transfer			\$	2,000.00
	3/13		Buckbee		CC charge reimburse for it	em kept		\$	29.99
					Deposits Total			\$	2,029.99
Expenditure: Budget					,				,
Line #	Ck#		Date	То:	For:				
	2417		3/13	AT&T	Oct thru Feb phone bills			\$	187.37
6172.2					Phone Alleghany	\$	92.39		
6172.3					Phone Pike	\$	94.98		
6176.2	2418		3/13	Suburban Propane	Propane Alleghany Station	1		\$	469.40
	2419			VOID					
	2420			VOID					
7660	2421		3/15	Ned Cusato	German Fire			\$	212.67
8660	2422		3/15	Jim Buckbee	German Fire			\$	212.67
	EFT		3/23	Credit Card				\$	449.01
7300				Staples	Computer Alleghany	\$	377.45		
6250.1				Staples	Office Supplies	\$	13.04		
7660				B&C	Supplies Alleghany	\$	51.56	***************************************	
8660				Dollar Store	Supplies Pike	<del>.</del> \$	6.96		
0000	OL		3/27	PG&E	Саррисстис			\$	723.97
6170.2	02			. 002	PG&E Alleghany	\$	142.18		
6170.3					PG&E Pike	\$	200.79		
9171.4					Streetlights - Forest	ς	22.17		
9170.4					Streetlights - Alleghany	\$	358.83		
					Expenditures Total			\$	2,255.09
-	Reserve Balances	·		Ending C	hecking Account Balance			\$	2,078.43
Unallocated	Contingency	\$	14,500.00					X	***************************************
Unallocated	Alleghany Fire	\$	2,700.00	Starting	Savings account balance			\$	26,120.35
Unallocated	Pike City Fire	S	3,300.00		transfer from checking				,
Allocated	Streetlights	\$	1,567.02	1	transfer to checking			\$	(2,000.00
Allocated	Pike City Firehouse	\$	7,300.04	1	interest earned			S	1.88
	Pike City Firehouse	1000	3,085.63	Ending	Savings Account Balance			•	24,122.23
Allocated Allocated		\$	695.26	Litting	ournings Account Dalance	1		\$	27,122.20
	Alleghany Firehouses			Ganaral	Fund (accounts listed ab	ova) Total		\$	26,200.66
Allocated	Alleghany Engines	\$	7,096.70	General	r unu (accounts nated ab	ovej iotal		φ	20,200.00
	Interest Earned	\$	4.85	_				•	10.010.01
	Total		40,249.50					\$	40,246.94
Funds	not updated for Germ	an Fi	re yet.		interest earned transfer from savings			\$	2.56
				R	eserve account Ending Ba	lance		\$	40,249.50
					Total ALL FUNDS			\$	66,450.16
					Total ALL FUNDS			P	00,450.16

This is a cash-based document and may not match accrual-based reports



### Pliocene Ridge Community Services District

Serving the Communities of Alleghany, Forest City and Pike City 100 Pike City Road
Pike City, CA 95960

Treasurers Report cut off date: April 30, 2017

Deposits				Beginning C	thecking Account Balance			\$	2,078.43
Budget Line #	Date	Fro	m:		For:				Amount
	4/21		ra County A	uditor	2nd installment fiscal year	16/17		 \$	10,793.96
4020.1		*******	revenue		Streetlights	\$	2,682.42		
9020			revenue		Fire	\$	8,111.54		
					Deposits Total	<u> </u>		\$	10,793.96
Expenditure: Budget	3				·				
Line #	Ck #		Date	To:	For:				
	2423		4/18	AT&T				\$	35.74
6172.2			,		Phone Alleghany	\$	17.87		
6172.3					Phone Pike	\$	17.87		
8301	2424		4/18	Banner Communication	ns Paiger Battery			\$	24.61
6270.1	2425		4/18	Rae Bell Arbogast	Secretary/Treasurer 3rd 1/	4 billing	3	\$	393.75
7350	2426		4/18	Sierra County Public W	orks	ſ	Fuel Alleghany	\$	24.71
6176.2	2427		4/19	Suburban Propane		Prop	ane Alleghany	\$	140.22
	Cash Rewards		4/26	WA Bank Credit cart pa	aid with cash rewards total \$:	155.63			
7660				B&C Trash Bags Allegh	any	\$	12.93		
6275.1				Go Dadday	Annual domain renew	\$	30.16		
8660			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	B&C Surge protector	Pike	\$	31.06		
8300				Radio Shack	Batteries Pike	\$	81.48		
	EFT			PG&E				\$	567.60
6170.2					PG&E Alleghany	\$	115.00		
6170.3					PG&E Pike	\$	20.28		
9171.4					Streetlights - Forest	\$	22.25	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
9170.4					Streetlights - Alleghany	\$	360.07		
					Expenditures Total			\$	1,186.63
	Reserve Balances			Ending 6	Checking Account Balance			\$	11,685.76
Unallocated	Contingency	\$	14,500.00						
Unallocated	Alleghany Fire	\$	2,700.00	Starting	g Savings account balance			\$	24,120.35
Unallocated	Pike City Fire	\$	3,300.00		transfer from checking				
Allocated	Streetlights	\$	1,567.02	_	transfer to checking				
Allocated	Pike City Firehouse	\$	7,300.04		transfer to FUNDS				
Allocated	Pike City Engines	\$	3,085.63	Ending	Savings Account Balance			\$	24,120.35
Allocated	Alleghany Firehouses	\$ \$	695.26						
Allocated	Alleghany Engines	\$	7,096. <b>7</b> 0	Genera	al Fund (accounts listed ab	ove) To	otal	\$	35,806.11
	Interest Earned	\$	4.85						
	Tota	1 \$	40,249.50	Reserv	e account Starting Balance			\$	40,249.50
	•			<del>_</del>	interest earned				
					transfer from savings				
				Re	serve account Ending Bala	nce		\$	40,249.50
									70 055 64
					Total ALL FUNDS			\$	76,055.61

Updated: October 15, 2014

# CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT FREQUENTLY ASKED QUESTIONS (FAQ)

#### 1. What is the Uniform Public Construction Cost Accounting Act?

A program created in 1983 which allows local agencies to perform public project work up to \$45,000 with its own work force 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 (Commission). The Uniform Public Construction Cost Accounting Act (Act) is enacted under Public Contracts Code Section 22000 through 22045 (hereafter abbreviated as PCC 22000-22045).

In addition, the Act provides for alternative bidding procedures when an agency performs public project work by contract.

- a) Public projects of \$45,000 or less may be performed by negotiated contract or by purchase order (PCC 22032(a)).
- b) Public projects of \$175,000 or less may be let to contract by the informal procedures set forth in the Act (PCC 22032(b)).
- c) Public projects of more than \$175,000 shall be let to contract by formal bidding procedures (PCC 22032(c)).

Every five years, the Commission shall consider whether there have been material changes in public construction costs and make recommendations to the State Controller regarding adjustments to the bidding procedure monetary limits (PCC 22020). Adjustments should be effective for the fiscal year that commences not less than 60 days following the State Controller's notification to all participating agencies.

#### 2. What are the benefits of the program?

- a) Increased force account limit
- b) Informal bidding for projects between \$45,001 and \$175,000 which do not require advertising.
- c) Reduces the number of formal bids.
- d) Expedited contracting for small projects.

Many participants laud the program because it gives them more leeway in the execution of public works projects; has speeded up the awards process; has improved timeliness of the project completion; has eliminated considerable red tape and cumbersome paperwork relative to advertising and filing of reports; and has simplified administration. Many agencies have encountered only minimal challenges with the accounting requirements and the overhead portion. Moreover, where required, the adjustment was relatively simple; most of the required procedures were already actually in place, so there was no noticeable change in the existing operations. The Standard Accounting Codes Structure will satisfy the reporting requirements when used properly.

## 3. Is the Uniform Public Construction Cost Accounting Act mandatory for local agencies?

No. The Act is a voluntary program. However, it is available to all local agencies, counties, and cities, both general law and charter.

#### 4. How does a local agency become subject to the Act?

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 (PCC 22030). Sample documents are available at: http://www.sco.ca.gov/ard\_cuccac.html

#### 5. May a local agency withdraw from the Act?

An agency may withdraw by filing a resolution of the agency's election to withdraw with the State Controller's Office.

#### 6. What is the California Uniform Construction Cost Accounting Commission?

A state commission created under the Act (PCC 22010). It consists of fourteen (14) members: thirteen (13) members are appointed by the State Controller and one is a designated member of 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). The Commission members receive no salary, but are eligible for reimbursement of their direct expenses related to the Commission. The Commission is responsible for administration of the Act. The State Controller provides limited staff and other support to the Commission (PCC 22015(a)).

#### 7. What are the Uniform Public Construction Cost Accounting Procedures?

The cost accounting procedures were developed by the Commission. They are to be used to estimate costs for determining if a public project is required to be bid out and to capture and record actual costs when a public project is performed by the agency's own work force. The procedures follow normal accounting in the industry and in many cases are not much different from those already in place at the agency. Sample forms are available in the CUCCAC Cost Accounting Policies and Procedures Manual.

School districts may use the Standard Accounting Code Structure to comply with the tracking requirements.

# 8. Are the cost accounting policies and procedures applicable for agencies whose work force only performs maintenance tasks as defined in the Act and whose public projects are all contracted out?

The cost accounting policies and procedures are only applicable for agencies that perform public project work by force account. This does not exclude from the program agencies whose public projects are all contracted out. In fact, they might want to review the benefits available and elect to participate now in the event conditions change at some time in the future.

## 9. The Public Contract Code section 22034(a) states "the agency shall maintain a list of qualified contractors...". What is meant by the term "qualified contractors"?

The term "qualified contractors" is intended to define contractors who request to be added to an agencies list for specified types of specialty work and are licensed and otherwise legally qualified to perform that work as licensed contractors. In addition, the Commission has determined that nothing in the Act prohibits a participating agency from, at their discretion, using an objective pre-qualification process in the formation and maintenance of their contractor's lists. This change will be added to the language on Section 3, page 7, of the Cost Accounting Policies and Procedures Manual.

## 10. Can a local agency disqualify or exclude certain contractors from the Qualified Contractors List required pursuant to PCC 22034(a)?

Agencies may disqualify contractors from the Qualified Contractors List when a contractor fails to furnish information to meet the minimum criteria as established by the Commission pursuant to PCC 22034(a).

# 11. For agencies that do not maintain an informal bidders list, are they allowed to choose who will get notifications on information projects?

The Act requires that an informal bid project is either advertised and/or notifications are sent to all contractors on the informal bidders list. We have noticed that a very large percentage of signatory local public agencies do not maintain or update an informal bidders list and are sending notices to only one or two contractors.

There is no exemption to maintaining a list of bidders. PCC 22034(a). The public agency shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the commission. If an agency is not maintaining a list or notifying all contractors or trade papers, then they are not in compliance with the Act.

The Public Contract Code states that participating agencies shall adopt an ordinance requiring that a list of all qualified contractors, identified according to categories of work be maintained. It does not require the list to be used however, and allows notifications to the required trade journals and exchanges be used as an alternate if desired. For agencies that elect to use the alternative authorized method of advertising, the purpose of the list is effectively negated.

If an agency is using the contractor's list then they must send the notification to all contractors on the list for that category of work and the list must be maintained in accordance with the Manual.

# 12. What is the difference between qualifying contractors under UPCCAA and pregualification of contractors under PCC 20101?

Qualification of contractors is a process that allows contractors to register with the agency for notification of public works opportunities. The prequalification process under PCC 20101 is a more complex process that requires a standardized questionnaire and evaluation of contractors using standard scoring criteria.

- 13. Must a local agency: (1) Notify contractors pursuant to PCC 22034(b) if the contractor is believed not to have the skills, credentials, or experience to perform the work? (2) Consider bids submitted if the agency believes the contractor does not have the skills, credentials, or experience to perform the work?
  - a) If a contractor is on the Qualified Contractors List (PCC 22034(b)), the contractor must be notified by the agency of public projects for which he is licensed to perform.
  - b) All bids received from qualified contractors must be considered.
- 14. Does the Act allow flexibility in cases of great emergency and when repair or replacements are necessary to permit the continued conduct of the operations or services of a public agency?

PCC 22035 provides that in cases of great emergency the governing body may, by majority vote, proceed without adopting plans and giving notice to bids to let contracts. In addition, this section provides that the governing body may delegate to the appropriate agency manager the power to declare an emergency and/or proceed with repairs or replacements without approval by the board. PCC 22050 provides contracting procedures without giving notice for bids to let contracts for these emergencies.

- 15. Do the alternative bidding procedures apply only to public projects as defined in PC 22002(c) or can they be used for the following types of items:
  - a) Maintenance work to be performed by contract?
  - b) Purchase of heavy equipment?
  - c) Purchase of materials?

Pursuant to PCC 22003, a participating agency may use the alternative bidding procedures on maintenance work as defined in PC 22002(d), items 1-5. PCC 22003 is permissive and agencies can continue to exclude maintenance from the alternative bidding procedures. However, if an agency misclassifies a project (\$45,001 or more) as maintenance and therefore, does not uses the applicable bidding procedures, a review by the Commission may be conducted pursuant to PCC 22042(c).

The purchase of equipment and supplies fall under PCC 20111; however, when purchased or used as part of a public works project, the costs associated with the purchase or use become part of the project cost and must be considered when applying the bid limits under the Act.

#### 16. What will membership in the Act cost my agency?

At the present, no required membership fees or dues are assessed. However, the Commission has never received direct state funding for a short period of its history. The State has indicated that the participating agencies, contractors, and unions that benefit from the Commission should be responsible for its funding. Therefore, in November 2004, the Commission asked member agencies, contractor's associations, and construction related unions for voluntary donations to support the Commission. There may be additional requests for voluntary support. Any mandatory fees or dues would require legislation and would be for a nominal amount.

#### 17. What are the most common concerns?

There are three leading areas of expressed concern and mostly all are quickly alleviated when addressed properly. These are:

- a) Cost accounting policies and procedures;
- b) Informal bidding procedures;
- c) Accounting review procedures.

The cost accounting requirements follow those common to the construction industry. The informal bidding up to \$175,000 is seen by the agencies as an asset enhancing project completion. Maintenance of a Qualified Contractor Bid List is routine, since interested contractors make it a point to be included on the list. While a review could potentially hold up a project for 30 days pursuant to PCC 22043, formal complaints have been rare in the Commission's history.

## 18. Does an agency have to calculate an overhead rate in order to apply the accounting procedures?

Cities with populations of less than 75,000 may use an overhead rate of 20% of all direct costs in lieu of the overhead rate calculation specified in Section VI of the Cost Accounting Policies and Procedures Manual. Cities with a population of more than 75,000, counties, special districts, and school districts may use an overhead rate of 30% of all direct costs, in lieu of a calculated rate.

# 19. When a local entity opts into the Act, does the Act supersede other contracting legal requirements such as statutory requirements for performance bonds, prevailing wages, and certificates of insurance, etc?

The Act only supersedes the bidding procedures used once a public agency has adopted a resolution and notified the Controller. All other contracting requirements are applicable whether or not a public entity opts into the Act.

The specific mention of bidding procedures emphasizes the omission of other statutory requirements (such as bond payments, prevailing wages, addenda, change orders, etc.) and implies that their applicability is found in specific statutory provisions rather than the Act.

Therefore, the Act does not supersede other contracting requirements for performance bonds, prevailing wages, and certificates of insurance, etc.

# 20. Can a signatory agency, claim to be to be exempt from requirements in the Public Contract Code (PCC) by claiming they only have to follow the language and procedures within the Act?

No. The Commission has ruled in the past that where the Act is silent, the standard code applies.

21. If signatory agencies that are not following the advertising requirements in the Act, will the Commission address those agencies? Can a complaint be brought to the Commission?

PCC 22042 lists the categories of complaints that the Commission can consider.

22. PCC 20112 specifically requires school districts to advertise twice for a two week period, while PCC 22037 requires advertising once, 14 days in advance of the date of opening of bids. Which code applies to school districts?

PCC 22037. When the Act is in conflict with any other code, the Act shall supersede. Districts may choose to maximize their outreach by continuing to advertise twice.

23. May an agency contract separately for like work at the same site at the same time using the under \$45,000 Force Account method?

No.

24. May an agency bid out 2 separate projects that occur at the same time and site, but are different types of work?

Yes, there is no violation if the work is being competitively bid.

25. How does an agency process change orders when the standard code conflicts with the Act?

For contracts below \$45,000, the total cost of the contract may not exceed \$45,000. For informal contracts, it is recommended the agency consult with their legal counsel for interpretation of change order limits for their region.

Change orders for formal bids would follow the requirements in PCC 20118.4.

- 26. Does an agency by opting into the Act automatically bring
  - a) All departments of the agency into the Act?
  - b) Districts under control of the governing board into the Act?

When a local agency elects to become subject to the uniform construction cost accounting procedures, the entire entity is considered subject to the Act and no departments will be exempt.

Special Districts, which are governed by a board of supervisors or city council, are only subject if a separate election is made.



## **NOTICE**

### **BUDGET COMMITTEE**

### **MEETING**

WEDNESDAY MAY 17, 2017

# STARTING AT 5:30 PM AND GOING TO 6:30 PM

AT THE PIKE FIREHOUSE 100 PIKE CITY ROAD PIKE