

CarmichaelRECREATION AND
PARK DISTRICT

Memo

To: Advisory Board of Directors

From: Mike Blondino, District Administrator
Ingrid S. Penney, Administrative Services Manager

Date: September 17, 2020

Subject: CIP Bidding and Award Procedures

Background:

In January 2017, the Sacramento County Board of Supervisors adopted a resolution for governance of the dependent special districts. This Resolution consolidated and replaced all those previously made, effecting the governance and operations of the districts; providing various roles, responsibilities, and delegation authority to the districts. It reflected new requirements and limitations in order to be consistent with State law and County practices. One category covered was provisions for awarding construction contracts and addressing bid protests. (Exhibit A – Section extract)

According to the section on Construction Contracts, the Advisory Board of Directors was charged with establishing and adopting standardized bidding and award procedures that have been reviewed and approved the Department of General Services – Contract & Purchasing Services Division and the Office of the County Counsel.

Last year, District Staff (DA Blondino, PSM Perry, and ASM Penney) attended a workshop, presented by the head of County General Services. Participants came from Mission Oaks RPD, County Counsel, and other County Departments, as well. The workshop provided information on requirements based on whether the project was classified as a public project or repair/maintenance project. Each category dictated bidding thresholds and process. All the information shared was consistent with any federal or state statutes or local ordinances.

Discussion:

Staff developed the Carmichael Recreation and Park District CIP Project Process (Exhibit B) including Bidding and Award Procedures based on the Governing Resolution, federal or state statutes or local ordinances, information provided at the workshop, and District practices. The Bidding and Award Procedures were later reviewed and approved by both the Office of the County Counsel and the Department of General Services – Contract & Purchasing Services Division.

Please note that the bidding and award process was streamlined by requesting authorization to initiate Request for Proposals as required by the District Administrator as part of the District Budget approval. The Advisory Board gave this authorization for FY2020-21 at the August 6, 2020 Special Meeting.

RECOMMENDATION:

Staff recommends that the Advisory Board approve the Carmichael Recreation and Park District CIP Project Process, establishing and adopting the Bidding and Award Procedures, as presented.

a. Each advisory board of directors shall be authorized to advertise, receive bids, and award contracts for the construction or maintenance of public projects and repair of existing facilities for a total cost per contract which does not exceed five hundred thousand dollars (\$500,000), for projects which have been approved by the Board of Supervisors, and the plans and specifications which have been approved by the advisory board upon the following conditions:

1. Bids for the work are received and the lowest responsible responsive bid is equal to or less than the engineer's public estimate of the project costs;

2. No bid protest is received during the applicable protest period;

3. No third party protest to the award is received; and

4. For those contracts to which Federal disadvantaged business enterprise (DBE) requirements are applicable, the lowest responsible bidder has met all required DBE participation levels.

b. After bids are received and within the time period available for bid protests, written notice of intent to award a contract pursuant to this section shall be provided to the Clerk of the Board of Supervisors who shall notice as communication received on the next available public agenda of the Board of Supervisors (shall be posted on each District's website).

c. Bidding and award procedures must be consistent with any federal or state statutes or local ordinances governing public construction contracts, including, but not limited to, public notice and solicitation requirements, environmental review, prevailing wages, and opportunities for all contractors including small, minority, women-owned businesses, and the provisions of the California Uniform Public Construction Cost Accounting Act, Public Contract Code Section 22010, et seq.

d. The advisory board of directors shall establish and adopt standardized bidding and award procedures that have been reviewed and approved by the Department of General Services - Contract & Purchasing Services Division and the Office of the County Counsel.

e. Modification to bidding and award procedures must be reviewed and approved by the Department of General Services ,Purchasing Division, in consultation with County Counsel

f. If a bid protest is received by the District, the District shall consult with County Counsel to determine whether the protest shall be heard by the advisory board or the Board of Supervisors

CARMICHAEL RECREATION AND PARK DISTRICT CIP PROJECT PROCESS

First Steps

1. Master Plan and/or Project Design (plans & specs; cost estimates)
2. Verify CEQA and DFG requirements (as applicable)
3. Verify with County Counsel (when applicable)
4. Approval by Advisory Board and Board of Supervisors
 - a. Advisory Board Regular Meetings – Third Thursday of the month
 - b. Board of Supervisor Meetings – Every Tuesday, five week advance scheduling
5. Budget Process – CIP
6. After a public project is budgeted; plans & specs and cost estimates go to the Advisory Board for approval and delegate authority to the District Administrator to bid and award the contract to the lowest responsible bidder, within funds allocated for the project.

Bidding Thresholds

Public Project or Repair/Maintenance Determination

1. A “Public Project” per PCC § 22002(c) – Not Repairs or Maintenance
 - Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility.
 - Painting or repainting of any publicly owned, leased, or operated facility.

Examples: Painting an entire facility, replacing multiple HVAC units at a site, replacing fencing at a site, replacing all plumbing fixtures in the bathrooms at a site, building a snack bar, installing benches/bleachers, re-paving a parking lot if depth is greater than 1”, replacing multiple windows at a site, installing new sod at a field/park, replacing a portion of a sprinkler system at a site

2. A “Repair/Maintenance Project”
 - The word “repair” in its ordinary sense relates to the preservation of property in its original condition and does not carry the connotation that a new thing should be made, or a distinct entity created; includes minor repainting.
 - To repair means to mend an old thing, not to make a new thing; to restore to a sound state something which has become partially dilapidated, not to create something which has no existence.
 - The facility needs to be currently in existence.
 - Maintenance per PCC § 22002(b) – The work needs to be routine, recurring, and usual for the preservation or protection of any publicly operated facility for its intended purposes.

- The need for the work must be based on keeping the facility in functioning and useful order or to preserve it for future use.

Examples: painting over graffiti/repainting a portion of a building, replacing one failing HVAC unit at a site, replacing a portion of a site's aged fence, replacing rusted components of plumbing fixtures in one bathroom, patching the roof of a snack bar, re-finishing portions of seats on some benches/bleachers, re-surfacing/re-paving a parking lot if depth is less than 1", fixing a few single cracked windows at a site, mowing, trimming, watering, pruning, planting, replacement of plants, inspecting/servicing/fixing a few parts of irrigation and sprinklers at a site.

- "A public agency which has...elected to become subject to [CUPCCAA], **may** utilize the bidding procedures set forth in [CUPCCAA] when contracting for "**maintenance** work," as defined in Section 22002, or when contracting for any other work which does not fall within the definition of "public project," as defined in Section 22002 [like **repairs**]." (PCC §22003, emphasis added.)

Public Project Bidding Thresholds as Set Forth in the Contract Code and CUPCCAA

1. Public projects of **<\$6,500** Contracting using Purchasing Agent Authority using state-licensed independent contractors and purchase materials, furnishings, and supplies used in the construction or repair of public works estimated as costing not more the \$6,500 without the formality of obtaining bids, letting contracts, preparing specifications, and other things required by PCC § 20131.a.
2. Public projects of **>\$6,500 to \$60,000** or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order. It is appropriate to procure three written quotes when feasible. (PCC § 22032 (a))
 - a. Force Account refers to work performed on public projects using: internal resources, including but not limited to labor, equipment, materials, supplies, and subcontracts of the public agency.
 - b. Advisory Board approval of plans & specs not necessary. Project Manager informally bids and awards Project.
 - c. 100% Performance Bond required for Projects greater than \$6,500; 100% Payment Bond required for projects exceeding \$25,000.
3. Public projects of **\$60,001 up to \$200,000** may be let to contract by informal procedures as set forth in the Public Contract Code; requires sealed bids.
 - a. Advisory Board approval of plans & specs required. Advisory Board may delegate authority to the District Administrator or designee to award informal contract.
 - b. Minimum 15 days Advertising – District Website/Contractor List. Notice need not include drawings, plans, etc. unless required for preparing bid.

- c. District may use the County's list and/or develop a list of qualified bidders. In November of each year, the District would advertise in various construction trade journals and a newspaper of general circulation inviting all licensed contractors to submit the name of their firm to the District for inclusion on the District's list of qualified bidders for the following year.
4. Public projects of **>\$200,000 but <\$500,000** shall be let to contract by formal bidding procedures.
- a. Advisory Board approval of plans & specs required. Advisory Board may delegate authority to the District Administrator or designee to award contract.
 - b. Minimum 15 days Advertising – District Website/Newspaper/Builders Exchange; minimum 21 days when Grant funds are used.
 - c. If an emergency occurs the District's Administrative Officer may make the purchase without price competition.
 - d. Research CMAS availability
5. Public projects of **\$500,000** shall be performed by the County General Services/Public Works
- a. Please note: Public projects performed by County General Services/Public Works are advertised/bid, contracted, and managed by County staff. The District does not control the timeline; must pay for County services – average cost 30% of the project.

Dollar thresholds for Prevailing Wage Requirement on Projects by Labor Code

(Please note the amount is based on the amount of the entire Project.)

>\$1,000 for public works projects

Prevailing wage requirements apply to public works projects over \$1,000. The law does not permit jobs to be parceled in order to avoid the \$1,000 threshold. If the awarding body knows that total yearly project costs or projects awarded to the same vendor will exceed \$1,000, that vendor must be registered with the DIR as a public works contractor, and the contract for those projects should be registered using the PWC-100 form.

Public works in general means:

- Construction, alteration, demolition, installation, or repair work done under contract and paid in whole or in part out of public funds.
- It can include preconstruction and post-construction activities related to a public works project.
- For a full definition of public works refer to *Labor Code section 1720*.

Anyone working on a public works project must be paid prevailing wages as determined by DIR.

BIDDING & AWARD PROCEDURES

Preparation of Bid Package

1. Coordinate deadline dates with - District Administrator / Advisory Board
2. Prepare Ad – place in local newspaper
3. Contact vendors on vendor list
4. Prepare Bid Documents – Includes: Notice to Contractors, Bid Form/Sheet, General Requirements, Special Provisions, and Sample Contract, Bid Bond, Performance Bond, and Payment Bond.
 - a. Circulate to Finance Department for review
 - e. Circulate to Recreation Department as necessary for review
5. Upload Bid documents to the District website under Projects.

Pre-Bid Conference(s) or Job Site Walkthrough

1. Arrange meeting room or job site meeting location
2. Prepare sign-in sheet
3. Conduct Meeting

Addenda (if any)

1. Issue any required addenda

Bid Opening

1. Prepare Conference Room
2. Conduct Bid Opening
3. Verify that all required documents are submitted with each bid
4. Complete Bid Spreadsheet with e-mail addresses/include disclosure

Bid Submittal Evaluation – Due Diligence

1. Review documents from lowest bidder, verify all submittal documents are included
2. Copies of Good Faith Effort submittals (when applicable) to Compliance Analyst

3. Determine whether license is current and active using the Contractor State License Board <http://www.cslb.ca.gov/OnlineServices/CheckLicense/CheckLicense.aspx>
4. Confirm that contractor and all subcontractors listed on the bid are currently registered with the State of California, Department of Industrial Regulations(DIR) for public projects <https://cadir.secure.force.com/ContractorSearch>
5. Perform reference checks.
6. Bonding verification, Performance Bond, Bid Bond, Payment Bond (Materials and Labor)
7. Obtain approval to issue Notice of Intent to Award – from District Administrator or County Counsel if necessary
8. Prepare Notice of Intent to Award
9. Obtain/Review Contractor's Qualification Statement, if applicable
10. Calendar end of Protest Period (how long)

Reject all Bids/No Bids Received/Emergency Contracts

1. Reject all bids – The District may reject all bids presented on a project.
 - a. The District then can reevaluate its cost estimates for the project and either:
 - Consult County Counsel; then
 - Abandon the project or re advertise for bids again, or
 - 4/5 vote declare the project can be performed by Force Account.
2. No Bids Received. If no bids are received through the formal or informal process, a District may perform the project by Force Account or negotiated contract without further complying with CUPCCAA procedures. (PCC § 22038)

Emergency Contracts

1. The work may be done by day labor under the direction of the Advisory Board, by contractor, or by a combination of the two.
2. By a 4/5 vote of the Advisory Board, may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts.
3. By a 4/5 vote of the Advisory Board, the authority to enter into emergency contracts may be delegated to the District Administrator or designee. The District Administrator or designee must report at each following meeting until the action is terminated (contract completed).

Award Process

1. Verify no protests received
2. Obtain approval from the Advisory Board to issue Notice of Award and delegate authority to the District Administrator to sign the contract if delegation authority has not already been obtained.
3. Prepare/Issue Notice of Award
4. Prepare Contract and attachments
5. Conduct contract signing/mail contract
6. Document *small project exemption*, by filling out Park District Public Works Requirement Form. (It is not necessary to file a PWC-100 form with the DIR.)
7. Obtain Insurance Certificate(s)
8. Verify Insurance
9. Confirm GL and WBS Element (Project #) coding for COMPASS
10. Prepare Contract Circulation Sheet
 - a. District Administrator
 - b. County Counsel
 - c. Project Manager
 - d. Finance Manager
11. Schedule pre-construction meeting
12. Receive/verify Bonds
13. Receive/file Contractor Reporting for Construction Projects form
14. Prepare official sets of manuals/drawings (3)
15. Complete and submit PWC-100 form online with Department of Industrial Relations (DIR)
<https://www.dir.ca.gov/Public-Works/PublicWorks.html>
16. Coordinate with the County of Sacramento, Construction Management & Inspection, Labor Compliance Section to fulfill the DIR requirements. (Contractors and subcontractors on most public work projects are required to submit certified payroll records to the State Labor Commissioner using DIR's electronic certified payment reporting system.) County will assist the District with compliance.
 - a. Complete County's Project Data Information Sheet to set up the Project

- b. Submit along with: Project specs, low bidder's submittal, award letter copy, and completed PWC-100
 - c. District Finance completes and files an Encumbrance Form for County services.
17. Conduct pre-construction meeting.
 18. Receive/file Notice to Proceed.
 19. Inspections, as needed.
 20. Request Daily/Weekly records. Certified payroll submitted online.
 21. Prepare addendums/change orders over the course of the Project, as needed.

Contract Completion

1. Verify that all work, as-builts, and provisions of the contract have been completed as specified.
2. Negotiate and remediate any disputed items
3. File Notice of Completion with the Sacramento County Recorder's Office
4. Release retention.