



BETTY T. YEE
California State Controller

November 1, 2018

To: ALL PUBLIC AGENCIES SUBJECT TO THE TERMS OF THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

SUBJECT: Notification Letter-Assembly Bill 2249 (Chaptered 169, Statutes of 2018)

The California Uniform Construction Cost Accounting Commission (CUCCAC) in agreement with the State Controller's Office (SCO) recommended an increase to the bid limit threshold prescribed in Public Contract Code (PCC) 22032, which was signed into law. Pursuant to PCC 22020, and on behalf of the State Controller Betty T. Yee, the SCO would like to inform on the following changes effective as of **January 1, 2019**:

- a) The change would allow projects costing \$60,000 or less to be performed by employees of a public agency by force account, by negotiated contract, or by purchase order;
- b) The change would allow projects costing up to \$200,000 to be contracted by informal bidding procedures; and projects costing over \$200,000 are subject to the formal bidding process.

The noted increases are pursuant to the provisions and benefits found in the Uniform Public Construction Cost Accounting Act (Act), which provides public agencies economic benefits and greater freedom to expedite public works projects. Agencies which elect to follow the cost accounting procedures set forth by the CUCCAC in its *Cost Accounting Policies and Procedures Manual*, will benefit from these increased limits by expediting delivery of public work projects and reduced bid processing costs. A new resolution adopting the change in legislation is not required if your agency is currently subject to the Act.

We encourage participating agencies to sign up on the SCO website for CUCCAC's email subscription service to receive important information concerning CUCCAC updates and legislative changes via e-mail. For more details or to sign up for the email subscription services, please contact the Local Government Programs Services Division at LocalGovPolicy@sco.ca.gov or visit our website at https://www.sco.ca.gov/ard_cuccac.html.

Sincerely,

A handwritten signature in black ink that reads "Sandeep Singh".

Sandeep Singh
Manager, Local Government Policy