



PURCHASING HANDBOOK

SHASTA UNION HIGH SCHOOL DISTRICT

BID THRESHOLDS - CONSTRUCTION AND PUBLIC WORKS
PROJECTS

Board Approved 06/12/2018

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SHASTA UNION HIGH SCHOOL DISTRICT

PRICE SOLICITATION PROCEDURES BIDS AND QUOTATIONS

Procurement of Materials, Supplies, Non-Capitalized Equipment, Equipment, Equipment Replacement and Services, where aggregate amounts do not exceed the limits set by Public Contract Code sections 20111 through 20118, and 22002 shall require the number of written proposals as listed by the corresponding dollar amounts:

PROCUREMENT THRESHOLD	PROCUREMENT PROCESS
\$0.01 to \$4,999.00	At least One (1) written proposal, but more is optimal to save on pricing. Requisitions must include all information obtained (Verbal quotes should have company name, items requested, and amount listed on the requisition).
\$5,000.00 to \$30,000.00	At least Two (2) written proposals must be obtained and submitted with the School District requisition for purchase of the item. The Business Department retains authority to deem the proposal "fair and reasonable" and solicit additional proposals if pricing is not deemed "fair and reasonable" by the Chief Business Official.
\$30,000.01 - \$81,000.00	At least three (3) written proposals must be obtained by the Business Department. The Accounting Department will award a Purchase Order to the vendor who has submitted pricing that is deemed lowest, reasonable and most responsive by the Chief Business Official or his/her designee.
\$83,400.00 and above	Formal bidding process by the Chief Business Official or his/her designee.

*** Commencing January 1, 1997, the Superintendent of Public Instruction shall annually adjust the dollar amounts specified in subdivision (a) to reflect the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the prior fiscal year. The annual adjustments shall be rounded to the nearest one hundred dollars (\$100).

The Chief Business Official shall annually notify District Personnel of the annual adjusted dollar amounts within ten (10) business days of being notified by the Superintendent of Public Instruction of the adjusted dollar amounts. The formal bid process for the calendar year for goods and services is set at \$81,000.00 (or as updated by the State.)

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Shasta Union High School District participates in the Uniform Public Construction Cost Accounting Act, Public Contract Code 22000, which raises bidding thresholds for informal bids to \$45,000.00 and bidding thresholds for formal bids to \$175,000.00. The Governing Board shall let any contract for a public project, as defined in Public Contract Code section 22000, involving an expenditure of One Hundred Seventy Five Thousand Dollars (\$175,000.00) or more, to the lowest responsible bidder who shall give security as the board requires, or else reject all bids. All bids, whether formal or informal, for construction work shall be presented under sealed cover and shall be accompanied by one of the following forms of bidder's security:

- (1) Cash.
- (2) A cashier's check made payable to the School District.
- (3) A certified check made payable to the School District.
- (4) A bidder's bond executed by an admitted surety insurer, made payable to the School District.

Upon an award to the lowest bidder, the security of an unsuccessful bidder shall be returned in a reasonable period of time, but in no event shall that security be held by the School District beyond sixty (60) days from the time the award is made.

In this regard, the District will follow the provisions of Public Contract Code Section 22033 which states:

It shall be unlawful to split or separate into smaller work orders or projects any work, project, service, or purchase for the purpose of evading the provisions of this article requiring contracting after competitive bidding.

The District shall maintain records indicating the total cost expended on each project in accordance with the procedures established in the most recent edition of the California School Accounting Manual for a period of not less than five (5) years after completion of the project.

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The District will act in accordance with Public Contract Code section 20112, which reads:

For the purpose of securing formal bids the Governing Board shall publish at least once a week for two weeks in some newspaper of general circulation published in the District, or if there is no such paper, then in some newspaper of general circulation circulated in the county, a notice calling for bids, stating the work to be done or materials or supplies to be furnished and the time and place where bids will be opened. Whether or not bids are opened exactly at the time fixed in the public notice for opening bids, a bid shall not be received after that time.

All bid instructions and specifications will be clear and complete, setting forth all necessary conditions for competitive bidding.

Bid, payment (labor and material) and performance bonds shall be required as per statute. However, the District may, in its discretion, set lower limits as deemed necessary.

All advertised bids shall be opened in public at a prescribed time and place. Interested parties may receive prices and other information listed in the bid at the public opening. After the bids have been opened and tabulated, they will be made available for interested parties to review. The Business Department shall receive, open, announce and secure all bids within the department. No original bid document will be removed from the Business Department, without the written authorization of the Chief Business Official and/or his/her designee.

Any bid received after the time specified in the advertised notice will be returned unopened to the bidder. (Government Code section 53068)

All bids received will be evaluated and recommendations made to the Chief Business Official of Business Services for Governing Board approval. Evaluations will be based upon responsiveness to District specifications by the vendor. Awards shall be made to the lowest responsive and responsible bidder meeting all specifications.

When identical low responsible and responsive bids are received, the District will choose amongst the low bids by lot or reject all bids. The only statutory exception to this rule applies when the District receives two or more identical lowest responsible bids. Public Contract Code section 20117 allows the Board of Education to choose by lot between identical bids for the purchase, sale or lease of real property, supplies, materials, equipment, services, bonds, or the awarding of any contract, pursuant to a provision requiring competitive bidding.

The Governing Board reserves the right to:

Reject all bids.

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Reject any part of any bid unless the bidder expressly limits the bid to “all or none.”

Accept any part of a bid at prices quoted, unless the bidder expressly limits the bid to “all or none.”

Waive any informality or minor irregularity in any bid.

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The California Legislature passed the California Uniform Public Construction Cost Accounting Act (Public Contract Code 22000 et seq.) to promote uniformity of bidding procedures and cost accounting standards on construction projects performed and contracted by public entities in the State. The act is an excellent tool for local public agencies which want to:

- raise their bidding thresholds to \$45,000.00;
- simplify the bidding process for projects valued at less than \$175,000.00
- increase the likelihood of receiving bids from responsible contractors;
- minimize limits on using employees for public works.

Obtaining proposals for construction projects that fall under the informal bid limit of \$30,000.00 is as follows:

Purchasing Thresholds	Purchasing Process
\$0.00-\$10,000.00	Solicitation of at least Two (2) written proposal for the project. The project will be awarded to the contractor or vendor whose proposal is most fair, reasonable and responsible.
\$10,001.00-\$30,000.00	Solicitation of at least Three (3) written proposals for the project. The project will be awarded to the contractor or vendor whose proposal is most fair, reasonable and responsible.
\$30,000.01-\$45,000.00	Solicitation of at least Three (3) or more written proposals for the project. The project will be awarded to the contractor or vendor whose proposal is most fair, reasonable and responsible. Any project with a value greater than \$25,000.00 requires a payment and performance bond per California Civil Code Section 3247 et seq.

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INFORMAL BIDS

Projects that exceed \$45,000.00 but not more than \$175,000.00 in value must be informally bid per Public Contract Code sections 22030 – 22045. Projects that are informally bid should adhere to the following procedures, although the District can make certain procedures optional.

1. Plans and specifications are only required if DSA approval is necessary. However, it is the District's option to develop plans and specifications for construction projects that the District deems necessary.
2. Newspaper publication is not a requirement for informal bids. The District may publish a notice inviting bid to attract additional contractors to bid on the job.
3. Informal bid notices must be sent to contractors on the District's bid list as well as the trade newspapers representing Shasta County.
4. Informal bid notices sent to contractors should describe the project in general terms, describe how to obtain more detailed information on the project, time and place for the submission of bids, estimated cost of project, work to be performed, bonding requirements and other pertinent information. The District has the option of putting together a full bid package and sending to contractors on the bid list.
5. The notice inviting bid must be mailed not less than ten (10) days before the bids are due. The District has some discretion as to who the bids are mailed to and must follow one of the listed methods:
 - a. Mail notices inviting informal bids to all listed contractors for the category of work being performed.
 - b. To all construction trade journals designated for Shasta County.
 - c. To all contractors and trade journals.

After bids are opened from an informal bid, the District may at its option place the award of the informal bid on the agenda for approval by the District's Governing Board.

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FORMAL BIDS

Public Works projects that are valued at more than \$175,000.00 must be let to contract by formal bidding. Formal bidding procedures require the following:

1. Approval to bid the project by the Governing Board

2. Publication in a newspaper of general circulation at least 14 days before the date of opening of bids. The notice is only required to be published once.

3. Publication of bid project to construction trade journals designated for Shasta County.

4. The bid should include all information about the project, including bonding requirements. The District has the option of mailing bids to the contractors on the bid list.

5. The notice inviting formal bids must be mailed to the designated trade journals at least 30 days before the date of the opening of bids.

6. The bid award requires approval by the Governing Board before creation of the contract or contracts.

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PROFESSIONAL SERVICES

In accordance with Government Code sections 4528 and 53060, certain professional services are exempt from competitive bidding. The District may want to send out a Request For Proposal to the firms requesting qualifications and pricing for comparison. These services may include:

1. Architectural firms.
2. Landscape architectural firms.
3. Engineering firms.
4. Land survey firms.
5. Program management firms.
6. Construction management firms.
7. Inspection firms.

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INSTRUCTIONS AND PROCEDURES FOR ADVERTISED BIDS

The Governing Board shall call for bids by advertising in a local newspaper of general circulation, or if no such paper exists, then in some newspaper of general circulation, circulated in the county, at least once per week for two consecutive weeks for equipment and materials bids, and at least one week for formal construction bids. The notice shall state the work to be done or materials or supplies to be furnished, and the time and place where bids shall be opened (PCC 20112). In addition, the Notice Inviting Bids will be posted on the District's website.

The notice shall contain the time, date and location of any mandatory pre-bid conference, site visit or meeting. The notice shall also contain when and where the project documents, including final plans and specifications are available. Any such mandatory conference, site visit or meeting shall not occur within a minimum five (5) calendar days of the publication of the initial notice (PCC 6610).

Bid instructions and specifications shall include the following requirements and information:

1. All formal bids shall be presented under sealed cover and shall be accompanied by one of the following forms of bidders' security (PCC 20107, 20111):

- a. Cash
- b. A cashier's check made payable to the District
- c. A certified check made payable to the District
- d. A bidder's bond executed by an admitted surety insurer and made payable to the District.

The security of the unsuccessful bidders shall be returned in a reasonable period of time, but no later than 60 days after the bid is awarded (PCC 20111).

2. Bids shall not be accepted after the advertised bid opening time, regardless of whether the bids are actually opened at that time (PCC 20112).

3. When two or more identical low and responsible bids are received, the Governing Board may determine which bid will be accepted by lot of the Governing Boards choosing (PCC 20117).

4. If the District requires that the bid include prices for items that may be added to or deducted from the scope of work in the contract, depending on the availability of funds, the bid solicitation shall specify which one of the following methods will be used to determine the lowest bid. In the absence of such a specification, only the method provided in item (a) below will be used (PCC 20103.8):

- a. The lowest bid shall be the lowest bid price on the base contract without consideration of the prices on the additive or deductive items.

b. The lowest bid shall be the lowest total of the bid prices on the base contract and those additive or deductive items that were specifically identified in the bid solicitation as being used for the purpose of determining the lowest bid price.

c. The lowest bid shall be the lowest total of bid prices on the base contract and those additive or deductive items that when taken in order from a specifically identified list of those items in the solicitation, and added to, or subtracted from, the base contract, are less than, or equal to, a funding amount disclosed by the District before the first bid is opened.

d. The lowest bid shall be determined in a manner that prevents any information that would identify any of the bidders or proposed subcontractors or suppliers from being revealed to the public entity before the ranking of all bidders from lowest to highest has been determined.

5. Any subsequent change or alteration of a contract shall be governed by the provisions of Public Contract Code section 20118.4.

6. After being opened, all submitted bids become public records pursuant to Government Code Section 6252 and shall be made available pursuant to the law.