



**Fremont City Council**

3300 Capitol Avenue  
Fremont, CA 94538

**SCHEDULED**

Meeting: 02/05/19 07:00 PM  
Div/Dept: City Attorney's Office  
Category: Code Adoptions & Amendments

**STAFF REPORT (ID # 3666)**

Sponsors:  
DOC ID: 3666

**ORDINANCE AMENDING CITY'S PURCHASING CODE CONSISTENT WITH A.B. 2249 TO REFLECT INCREASED MONETARY LIMITS FOR INFORMAL PUBLIC CONSTRUCTION PROJECT BIDDING PROCEDURES - Consideration of An Ordinance of the City of Fremont Amending Section 3.20.130 of the Fremont Municipal Code, Public Project Construction, by Adjusting the Monetary Limits Prescribed for Public Construction Contract Formal and Informal Bidding Procedures, Consistent with Chapter 169 of the Statutes of 2018 (A.B. 2249), Effective January 1, 2019; and a Finding that the Ordinance is Exempt from Review under the California Environmental Quality Act (CEQA) Because It Is Not a Project within the Meaning of CEQA Guidelines Section 15378**

**Contact Persons:**

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**Executive Summary:** The Uniform Public Construction Cost Accounting Act (Public Contract Code Section 22000 et seq.), provides alternative procedures that may be used by local agencies like the City of Fremont that are subject to the Act to let public construction contracts below specified monetary limits out to bid. Those monetary limits are updated periodically by the Legislature. By legislation enacted in 2018, the Act's monetary limits increased effective January 1, 2019. This ordinance would amend Fremont Municipal Code Section 3.20.130 to reflect accurately the monetary limits already in effect.

**BACKGROUND:** The Public Contract Code specifies the procedures that public agencies in California must follow for building public works projects. In 1983, the Legislature enacted the Uniform Public Construction Cost Accounting Act (UPCCAA), Public Contract Code Section 22000, et seq., to provide alternative procedures to the general requirements of the Public Contract Code for local agencies that voluntarily opt to be subject to the Act.

The City of Fremont has opted to be subject to the UPCCAA, and therefore may use alternative bidding procedures set forth in Public Contract Code Section 22032 to 22036. These statutes allow the use of informal bidding procedures that simplify the process of advertising bids for projects below a set monetary limit, and that authorize the use of minor project processes for even smaller projects, including performing the work in-house or by negotiated contract. Projects not falling below these limits must comply with the UPCCAA's formal bidding procedures. The Legislature periodically increases the monetary limits stated in Sections 22032 to 22036 to reflect rising construction costs.

Effective January 1, 2019, AB 2249 increased the monetary limit for informal bidding from \$175,000 to \$200,000, and for using minor project processes from \$45,000 to \$60,000. FMC Section 3.20.130 incorporates the UPCCAA's monetary limits, including any increase, and describes the informal bidding procedures used by the City. Although the section

automatically incorporates changes in state law, it also sets forth current limits for the benefit of bidders, City staff, and the public. Section 3.20.130 has not been amended since 2011, and does not reflect current monetary limits.

**DISCUSSION/ANALYSIS:** Adoption of the proposed ordinance would amend FMC Section 3.20.130 to reflect current monetary limits under the UPCCA for alternative bidding procedures.

**FISCAL IMPACT:** None.

**ENVIRONMENTAL REVIEW:** None required. The adoption of the proposed ordinance is not a "project," within the meaning of CEQA Guidelines 15378, which has the potential to cause significant environmental effects. The ordinance is declarative of existing law, and merely describes administrative procedures to be followed by City staff.

**ATTACHMENTS:**

- Draft Ordinance- Purchasing Code Amendments

**RECOMMENDATIONS:**

1. Introduce the proposed ordinance and waive the first reading.
2. Direct staff to prepare, and the City Clerk to publish, a summary of the ordinance.
3. Find that the adoption of the ordinance is exempt from review under the California Environmental Quality Act (CEQA) because adoption of the ordinance is not a project within the meaning of CEQA Guidelines Section 15378.