



# BuildPERALTA Academy

Build Peralta Academy

Doing Business with Peralta and How to Bid Formally and Informally including CUPCCAA

Wednesday, October 14, 2020



# Safety - Starts with Self Wellness Tips



- Exercise. Aim for at least 30 minutes of exercise daily



- Eat healthy



- Avoid mind-altering substances



- Prioritize sleep



- Build an internal locus of control



- Quiet time 10 minutes a day



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# Agenda

- Welcome
- Introductions
- Bond Program Overview
- Commitment to Local Businesses
- Build Peralta Academy Schedule
- Course Part 1 – Doing Business With The Peralta Community College
- Course Part 2 – CUPCAA Informal Bidding Process
- Survey
- Closing



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# Introduction of Presenters

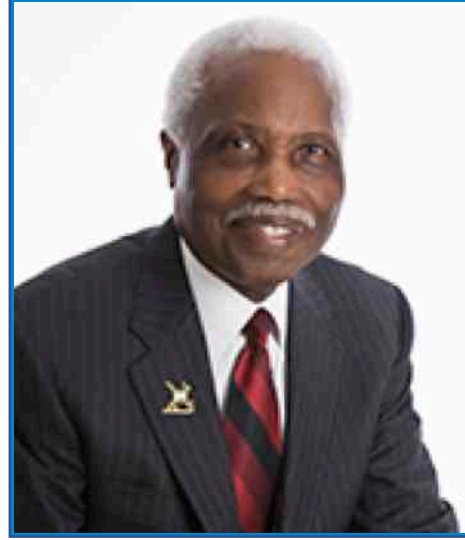
Sharon Serrano, AECOM



Sharon Serrano  
AECOM



Shonda Scott  
360 Total Concept



Bonnie James  
BRJ & Associates



Brian Slaughter  
Peralta Colleges



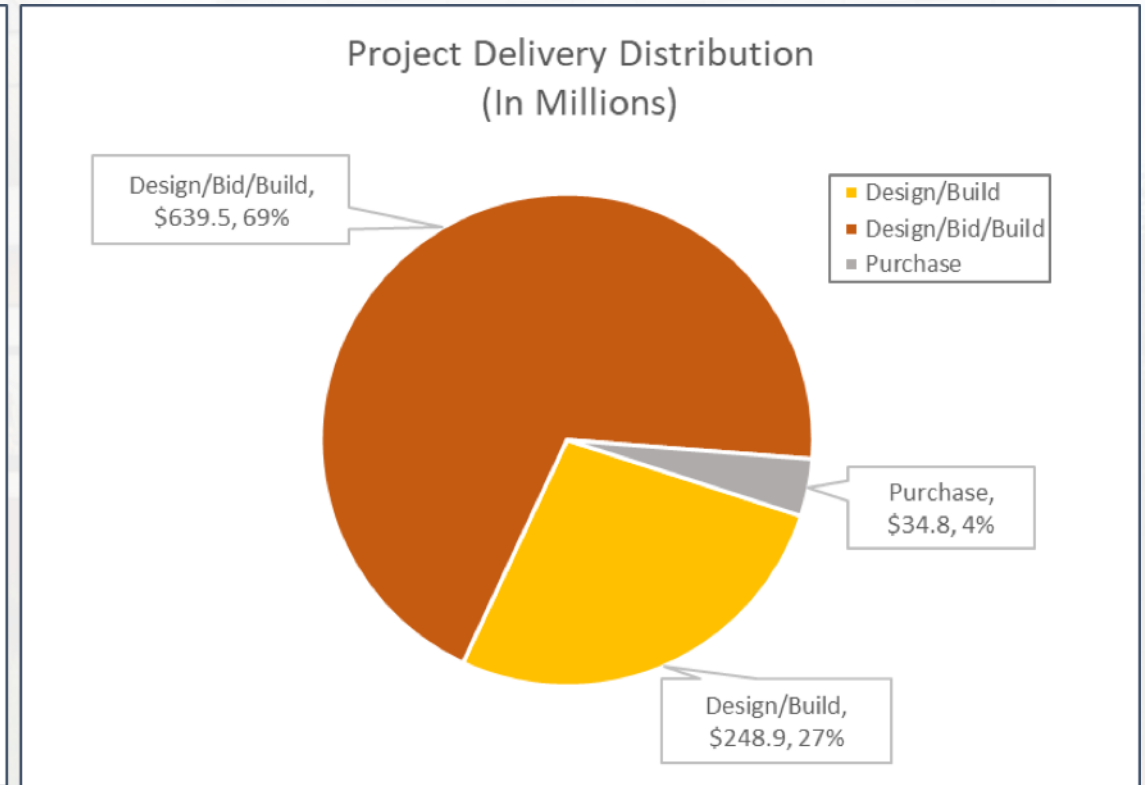
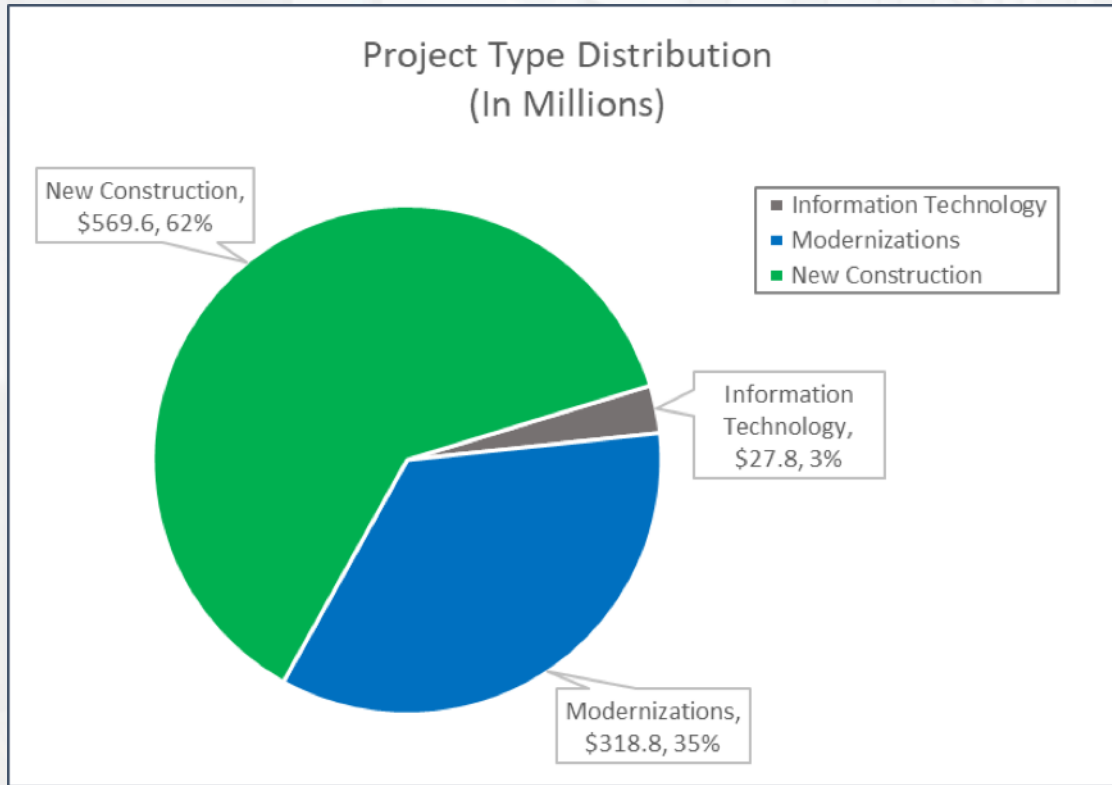
Ray Loving  
AECOM



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# Capital Program Overview

Sharon Serrano, AECOM



# Commitment to Local Businesses

Shonda Scott, 360 Total Concept

- PCCD Small Business Policy
  - 25% Small Local Business Participation
- Certification (small business located in 6 cities in Peralta District: Alameda, Albany, Berkeley, Emeryville, Oakland and Piedmont)
  - SLBE: Revenue size has not exceeded gross annual revenue for the past 3 consecutive years
    - Construction Firms: \$8.5M > under
    - Goods Non-Professional Services Firms \$6M > under
    - A/E and Professional Services \$3M > under
  - SELBE
    - For businesses that have not exceeded revenue of \$1.5M past 3 consecutive years
- Host Outreach Meetings
- Matchmaking Sessions with Primes
- Build Peralta Academy
  - Technical Assistance Workshops



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# Build Peralta Academy Course Schedule (9 Part Series – Technical Assistance Workshops)

Course Title	Description	Instructors	Date
Developing A Safety Program During COVID19 Era	Learn The Law(s) Federal OSHA has approved California’s use of its version of construction and OSHA safety	BRJ & Associates - Mark Edwards Avitus Group – Bill Kane	9/30/20
How to Bid Informally and Formally including CUPCCAA	Learn how to bid informally and formally including the CUPCCAA process, pre-qualification and other PCCD contracting procedures	PCCD – Brian Slaughter AECOM - Ray Loving	10/14/20
Small Business Guide to Access Capital; Manage Profitability and Cashflow	Learn about programs and opportunities for small businesses to achieve capital/cashflow in a COVID-19 Era, including PPP loan forgiveness	SBA - Julie Clowes Summit Bank - Tom Duryea FHLB–Kevin Blackburn PCV - Adria Moss Avitus Group - Pete Maki 360 Total Concept - Shonda Scott	10/28/20
Change Management: How to Manage Scope, Schedule & Budget	Learn the principles of planning for the identification and management of changes	PCCD Program Management/ Construction Management PM Panel: AECOM, BRJ, Kitchell, Roebblen, Swinerton	11/12/20
How to Obtain Bonding/Insurance	Learn how to obtain construction bonds and insurance for major projects and how to build bonding capacity for your company	Merriwether & Williams	11/18/20
Learn more about PCCD Small Business Program and Local Small Business Certification	Learn about PCCD’s small local business program and how to get certified with local agencies	PCCD - Atheria Smith City of Oakland - Ernestine Nettles Port of Oakland - Ramona Dixon	12/09/20
How to Prepare Estimate	Learn the principles of how to prepare a construction estimate	AECOM - Peter Morris	12/16/20
Scheduling 101 - How to Prepare A Schedule	Learn the basics about project schedules: from critical path method to work breakdown structure and everything in between	AECOM - Craig Olsen	1/12/21
How Labor Compliance is Implemented at PCCD	Learn what is needed when working under a Project Labor Agreement, including guidelines and challenges that can impact small businesses	TBA	TBA



Meet  
The  
Expert



## Brian Slaughter

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Purchasing Director, Financial Services  
Peralta Community College District  
[bslaughter@peralta.edu](mailto:bslaughter@peralta.edu)



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# Doing Business With The Peralta Community College

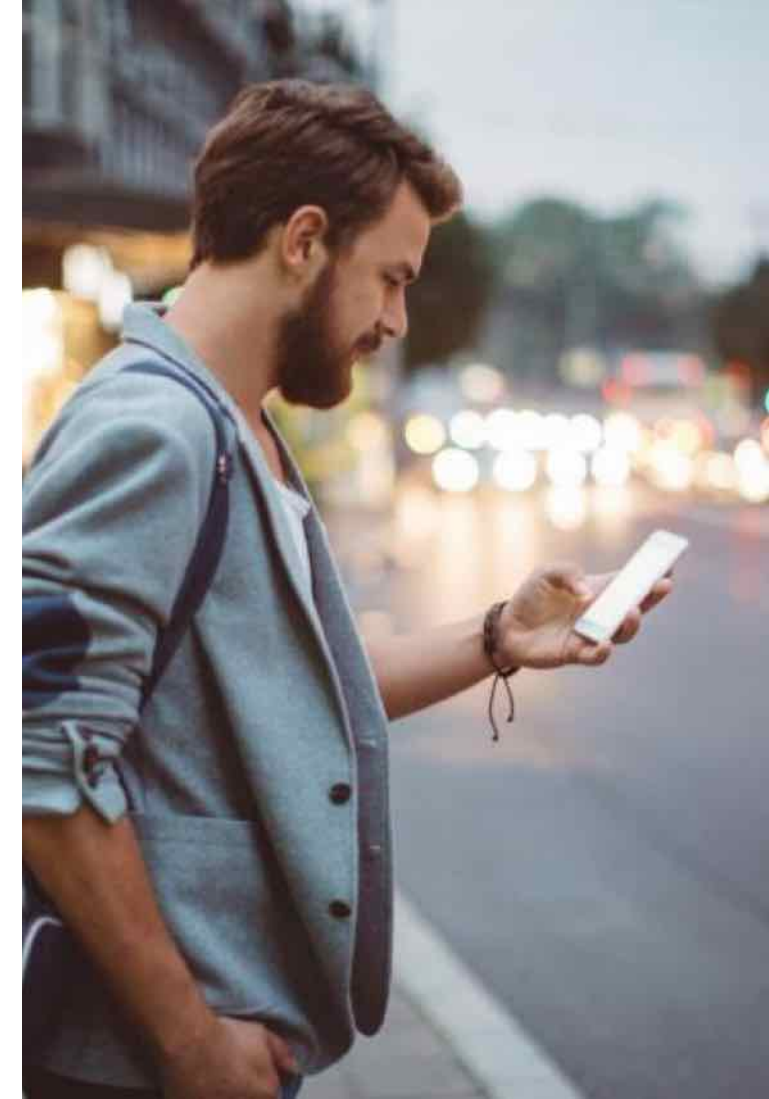


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# Course Overview

- Mission statement
- Procurement regulations and policies
- Purchasing functions
- Vendor Registration
- The Purchasing/Warehouse process



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# Department Goals



*Our goals are to ensure that goods and services necessary for the operation of the district are obtained at competitive prices.*

*Guarantee fairness in the selection of vendors, and putting more tax dollars into education while providing the savings, service, and solutions supporting the achievements and success of every student and teacher in the district, and*

*Obtain goods, services, and construction for public purposes according to laws and procedures intended to provide for the economical expenditures of public funds*



# Procurement Regulations

California Public contract code-20651

Requires competitive bidding for certain goods and services.

Education code-81641

Defines informal contracting levels.

Exempts certain goods from competition

## Board Policy -6330,6430

Defines expending authority for purchasing and contracts.

## Administrative Procedures- 6330, 6430

Defines purchasing and contract procedures.





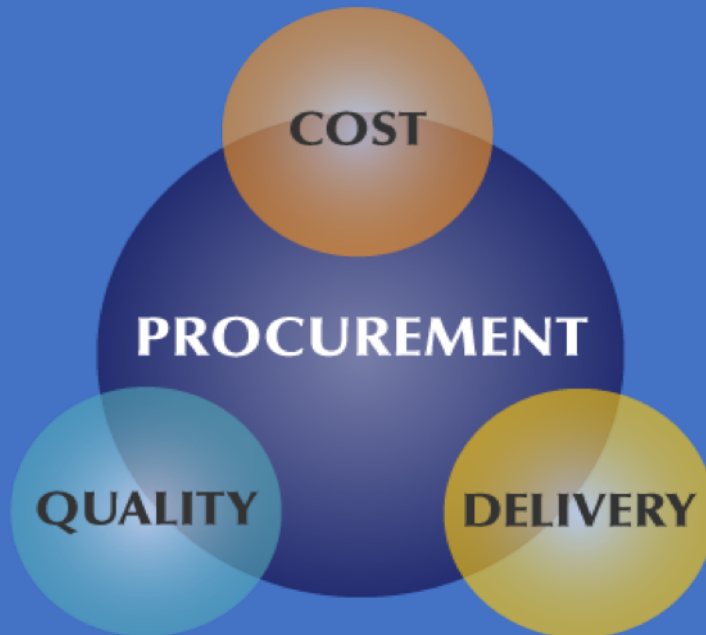
# Authority to Purchase Goods and Supplies for the District

- The Chancellor is delegated by the Board the authority to purchase supplies, materials, apparatus, equipment and services up to Public Contract Code 20651, beyond which a competitive bid process is required.
- The purchase of goods and services shall be made through the Purchasing Department following authorized procedures in accordance with established policies and laws.





# Purchasing Functions



- The Purchasing Department procures goods and services for the District. **Purchasing by any other means is not permitted unless authorized by written policy.**
- We buy supplies, equipment, and services.
- We issue written purchase orders and contracts for materials and services purchased.
- We maintain the vendor database.
- We utilize vendors registered with the online Vendor Registry database to procure goods and services.
- We receive and deliver material.
- We dispose of surplus, obsolete, or scrap materials.

# Vendor Registration



➤ Vendors must be registered to business with the district. To apply to become a registered vendor, download the vendor application and the W-9 forms from the district purchasing website at:

<https://web.peralta.edu/purchasing/vendor-registration>

➤ Forward signed originals to the purchasing department for processing. Deliver both documents to 501 5th avenue, Oakland, CA 94606, or by fax: (510) 587- 7873.

➤ Next, complete the PCCD online vendor registration system to receive quotes, bids and RFP solicitations. Vendors are required to use the PCCD registration system when the district elects to receive electronic quotes and sealed bids submittals. For assistance, please call 510-466-7225.

➤ Click on these links to complete the vendor registration process:

- Vendor Application
- Download W-9 Form
- Online PCCD District Vendor Registration and Bid Notification System



## Bid Requirements for Goods and Services

Purchases over the \$95,200 bid threshold requires formal bids (PCC 22002.)

- Written sealed, competitive bids must be obtained.
- Bids are based upon specifications that you provide.
- Purchase orders and contracts are awarded to the lowest, qualified, responsive and responsible bidder.
- Written documentation must be maintained to support all transactions and purchases falling within the above dollar amount.
- This applies to all funding sources.
  - May require formal bids for items regardless of the cost if it determines that such bids would be in the best interest of the District.





# General Purchasing Information



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- All purchases or commitments to buy are made through the use of a purchase order.
- **No invoice submitted by a vendor shall be paid unless the purchase was made by the Purchasing Director, his/her authorized agent, or Board designee.**
- The Purchase Order number must appear on all invoices for payment.
- **Important!! Do not accept any orders for materials or begin any work for services, or public works projects ( even if you have a signed contract) without a duly authorized and signed purchase order.**

## Note:

- *The purchase order (PO) is a commercial document and first official offer issued by a buyer to a seller with a request to order a product or service.*
- *It is used as the vehicle to pay invoices.*
- *The PO indicates types, quantities, and agreed prices for products or services.*
- *It is used to control the purchasing of products and services from external suppliers.*
- *When the seller accepts the purchase order, it forms a legally binding contract between the buyer and the seller.*





# Construction and Maintenance Projects.



## Managed by the Department of General Services

### ▶ Construction

- California Public Contract Code # 22002 defines “Public Projects” as 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.
- Requires Facilities review, approval, and project coordination.

### ▶ Maintenance

- Routine, recurring, and usual work for the preservation or protection of any publicly operated facility for its intended purposes.
- Minor repainting.
- Resurfacing of streets and highways at less than one inch.
- Landscape maintenance, including mowing, watering, trimming, pruning, planning, replacement of plants, and servicing irrigation and sprinkler systems.



# Public Works and Maintenance Projects

## Construction-Bond Projects

Dollars	Minimum Requirements
\$60,000 or less	Negotiate contract or issue purchase order One written quote or proposal required.
Over \$60,000 and up to \$200,000	Informal Biding-CUPCAA (PCC 22032 (b))
More than \$200,000	Formal Bids (PCC 22030 (c))

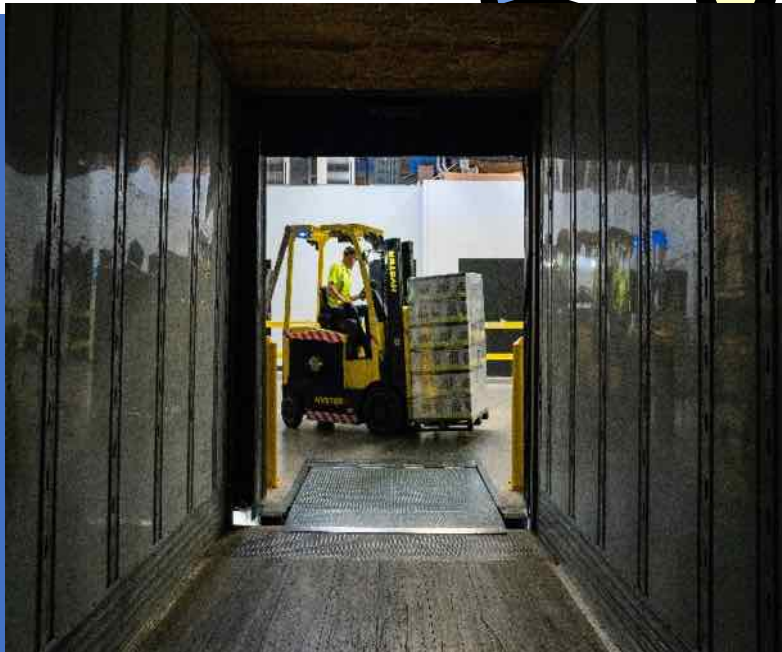
## Maintenance Projects

Dollars	Minimum Requirements
\$60,000 or less	Negotiate contract or issue purchase order One written quote or proposal required.
Over \$60,000 and up to \$95,200	Informal Bidding-CUPCAA (PCC 22032)
More than \$95,200	Formal Bids (PCC 22030)





# Receipt and Delivery at the Warehouse



- The vendor **must clearly display** the purchase order number on all packaging documents.
- Shipments delivered to the District Warehouse without a purchase order number may be returned to the vendor/supplier.
- All shipping and other related charges will be borne by the vendor/shipper or the person who authorized the shipment.

# Purchasing Website

The District website is your resource for the District's purchasing services.

You can locate the purchasing website at the following link:

<https://web.peralta.edu/purchasing/>

We appreciate your Interest.

Thank you!



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# Uniform Public Cost Accounting Act

CUPCCAA Informal Bid Act  
Public Contract Code, 22034



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# What is it?

- CUPCCAA allows a district to use alternate bidding procedures for construction contracts
- Enacted in 1983 under section 22000 et seq. Public Contract Code
- Allows public agencies to use “Force Account” labor to perform public project.
- Provides alternative bid limits for public works projects.
- Simplifies procedures for authorization of emergency work.



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# How is it Implemented?

- Board must elect by resolution to become subject to CUPCCAA
- Resolution must be filed with the State Controllers Office.
- Entire District becomes subject to the Act.
- The District complied with CUPCCAA implementation requirements and is subject to CUPCCAA including maintenance



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# CUPCCAA Bid Thresholds - Construction

- \$60,000 or less for construction (including repairs)
  - Negotiate contract or issue purchase order (PCC 22032(a))
- Over \$60,000 and up to \$200,000
- Informal Bidding (PCC 22032 (b))
- More than \$200,000
  - Formal Bidding – (PCC 22030(c))



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# CUPCCAA Bid Thresholds - Maintenance

- 60,000 or less for maintenance
  - Negotiate contract or issue purchase order (PCC 22032(a))
- Over \$60,000 and up to \$95,200
  - Informal Bidding (PCC 22032 (b))
- More than \$95,200
  - Formal Bidding – (PCC 22030(c))



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# General Public Works Requirements

- Contractor must pay Prevailing Wages (Ed. Code 17424, Labor Code 1771.5)
- Payment Bond Required
  - Civil Code § 9550: “Every original contractor to whom is awarded a contract by a public entity...In excess...of \$25,000 for any public work shall file a payment bond.”
  - Performance bond
- Fingerprinting (Ed. Code §45125, et seq.)
- Field Act Compliance Required. Construction is subject to all State approvals, as set force in Ed. Code sections 17280 through 17313. (Ed. Code §17421)
- Change Orders are only permitted to a maximum of contract total of \$60,000.



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# Public Project Defined

- Public Project per PCC §§ 22002 (c) is defined as:
  - Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned , leased, or operated facility.
  - Painted or repainting of any publicly owned, leased, or operated facility



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# Maintenance Defined

- Maintenance (per PCC §§ 22002 (d))
  - Routine, recurring, and usual work for the preservation or protection of any publicly operated facility for its intended purposes.
  - Minor repainting
  - Resurfacing of streets and highways at less than one inch
  - Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing irrigation and sprinkler systems.



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# Force Account

- “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. Project costs for force account work include the following:
  - **Direct Costs:**
    - ✓ Labor including all benefit costs
    - ✓ Equipment charged on an hourly rate including depreciation, insurance, maintenance/repair, fuel and oil, tires and grease, etc.
    - ✓ Cost of materials and supplies with a total unit value of \$25 or more including discounts, tax, and shipping.
  - **Indirect Costs:**
    - ✓ Other labor including inspection, clerical, and supervision.
    - ✓ Other expenses including utilities, telephone, temporary fencing, etc.
  - **Overhead Costs:**
    - ✓ Either the agency’s actual calculated overhead rate or 30% of direct costs.



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# California Prevailing Wage Requirements

Labor Code Section 1771.5 provides a higher threshold of over \$25,000 for construction work or;

over \$15,000 for alteration, demolition, repair or maintenance work under the circumstances specified in that section.

- **Purchasing requires DGS-DWK Independent Contractors Agreement for public projects exceeding \$25,000**
- **Public work contracts over \$25,000 requires Payment Bond**
- **Purchasing requires DGS-DWK Independent Contracts Agreement for Maintenance projects exceeding \$15,000**



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# Informal Bidding Procedures

- Registration of Contractors (Voluntary)
  - ✓ Each November, the District sends a notice by mail or email to designated trade journals, inviting contractors to submit the following information:
    - ✓ Contact name and mailing address
    - ✓ Contact phone number, fax number, and email address
    - ✓ Type of work contractor is interested in performing
    - ✓ Type of work contractor is licensed to perform
    - ✓ Contractor's license class and number
  - ✓ District creates updated contractors list on January 1.
  - ✓ District may include contractors that submits required information during the calendar year or the prior November or December.
  - ✓ At any time, Contractor may provide required information and be added to the list.
  - ✓ District can eliminate contractors from prior list who do not annually reapply for inclusion.



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# Informal Bidding Procedures -continued

- ✓ **Send Notice to all contractors on the list for category of work and/or specified trade journals or both at least 10 days before bids are due.**
- ✓ Notice inviting Bids includes:
  - ✓ General description of project work
  - ✓ How to obtain detailed information
  - ✓ Time and place to submit bids
  - ✓ Notice need not include drawings, plans, etc., unless required for preparing bid.
  - ✓ Governing Board may delegate authority to award informal contracts to specific staff members.
    - ✓ \* Note: EC 17605 requires all delegated transaction be approved or ratified within 60 days

**If all bids received exceed \$200,000, Board may pass a resolution by 4/5 vote to award the contract at \$212,500 or less to the lowest responsible bidder if the Districts cost estimate was reasonable. (PCC 22034 & 22036)**



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# Repairs

- The scope, cost, and complexity factor into whether a project is maintenance or construction:
  - **Example 1:** Replacing a utility pole with a like pole would be maintenance. Replacing a utility pole with a pole with new and improved technology would be considered construction.
  - **Example 2:** Replacement of a steel beam in a building that had deteriorated with a new, but identical beam would be considered a construction repair rather than maintenance because of the replacement project's scale and complexity.



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# Maintenance

- Factors to consider
  - The facility needs to be currently in existence
  - The work needs to be routine, recurring, and usual.
  - The need for the work must be based on keeping the facility in functioning and useful order or to preserve it for future use.



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# Formal Bidding Procedures

- Email and Mail Notice Inviting Bids to all trade journals specified in the Cost Accounting Policies and Procedures Manual at least 15 calendar days before the bid opening date.
- Publish in a newspaper of general circulation that is published in the district at least 14 calendar days before the bid opening date.
- Detailed architectural plans, voluminous bid and contract documents.
- Bid may be rejected if Board declares at hearing that project can be more economically performed by district employees, and notice of District's intent is mailed at least 2 days before hearing. If all bids are rejected, Board may:
  - ✓ abandon project or re-advertise for bids,
  - ✓ Have project done by force account passing a resolution by 4/5<sup>th</sup> vote declaring that project can be more economically performed by District employees



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# Emergencies

- Board may proceed at once to replace or repair without giving notice inviting bids by 4/5<sup>th</sup> vote that emergency will not permit a delay and action is necessary to respond to emergency.
- If no notice for bids is given, then the Board shall review emergency action at the next regularly scheduled meeting, and each meeting until emergency terminated, to determine by 4/5 vote that need continue to exist.
  - (PCC 22035 & 22050)



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Meet  
The  
Expert



## Ray Loving

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Associate Vice President

AECOM

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# Unique Bond Program Characteristics

- Costs can only be expended for projects listed in “formal” ballot language
  - Specific to each campus
  - District-wide projects also identified
- Bond language very specific as to types of construction
  - New Construction, Renovations, Infrastructure, etc.
    - ***Recurring maintenance not allowed***
- Board Required to Establish citizen’s Bond Oversight Committee
  - Duty to ensure bond proceeds are expended only for those projects listed on Bond Project List



# Financial Management - Cash Flow Projections

- Program Maintains Real –Time Financial Reporting
  - *Budget vs Commitments vs Actuals*
- Forecasting Cash Flows
  - Enhances Budget Management
    - ✓ Comparative Analyses (how are we doing?)
    - ✓ Budget Management Fluid (not static)
    - ✓ Assists in Preparation for Unforeseen Events
      - Negative Financial Uncertainties
  - Spending Indicator
    - Projections Help Provide (spending) Behavior Patterns
      - ✓ Are we spending “smartly”?
      - ✓ Helps in Future Decisions
        - Future objective/plan affects current resource usage
    - Affects Project Timing Decisions



# Year End Fiscal Closing

- Modified Accrual requires recognition of all expenditures for the fiscal year even if no cash outlay
- Recognize costs when measurable
- Goods and services received or rendered prior to June 30 are recognized in the current year
  - *Whether or not invoice received.....*

# Audits

## Performance/Financial

- **Proposition 39 Requires both a Financial and Performance Audit**
- What's the Goal of these Audits?
  - Determine whether our financial statements are fairly presented
  - Performance audit examines whether program is managed effectively, efficiently, and in line with operating procedures and/or Best Practices
  - Assess the state of management's internal accounting controls
  - Report any significant findings and recommendations

# What happens when there's a 'Finding'?

- Three types of findings: Low-Priority / Mid-Priority / High-Priority
- Findings are public documents and are reported and scrutinized by our clients, constituency groups, general public and taxpayers
- All findings require immediate remediation with particular focus on High- and Mid-Priorities

**REPEAT FINDINGS ARE NOT GOOD**

QUESTIONS?





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# BuildPERALTA Academy

## Build Peralta Bond Program Contact Information

Website <https://build.peralta.edu>

Email [buildperalta@peralta.edu](mailto:buildperalta@peralta.edu)

