

California Uniform Construction Cost Accounting Commission

Meeting Agenda

August 22, 2013
9:30AM to 12:30PM

Teleconference Number: (877) 581-9247
Participation Code: 221558

Locations

California State Controller's Office
300 Capitol Mall, 2nd Floor San Diego Room
Sacramento, CA 95814

Moreno Valley Unified School District Office
25634 Alessandro Boulevard
Moreno Valley, CA 92553

320 East Balboa Blvd
Newport Beach, CA 92661

1. **Call to Order**
2. **Introductions**
3. **Oath of Office**
4. **Approval of the Minutes for the Meeting of June 20, 2013 (Refer to attachment Item 4)**
5. **Commission Update (Refer to attachment Item 5)**
 - a. Report on new participating agencies.
 - b. Funding update.
6. **Public Comment**

(Limit of five minutes, unless the item you are addressing is on the agenda. If the item is on the agenda, notify the chair and you will be recognized at that time.)
7. **Staff Comment/Requests (Refer to attachment Items 7a and 7b)**
 - a. Legislative proposal to allow the Commission to charge an annual registration fee to participating agencies.
 - b. Letter to the author of AB 1598 requesting clarification of the bill's intent.
 - c. The legal opinion request on AB 1598 has been resubmitted to SCO's legal counsel with the Commission's amendments.

California Uniform Construction Cost Accounting Commission

8. Commissioner Comments/Requests/Questions

9. Old Business (Refer to attachment Item 9a)

- a. Sample donation letters to solicit donations for the Commission.

10. New Business (Refer to attachment Items 10a, 10b, 10c, and 10e)

- a. CIFAC's complaint against Sacramento County's Road Commissioner.
- b. County of Kern's questions.
- c. Commission defining commissioner term limits to be approved, added to the bylaws, and posted on the SCO Web site.
- d. Approval of revisions to the CUCCAC Policies and Procedures Manual and posted on the SCO Web site.
- e. Commissioner identification cards.
- f. Selection of new Chair for the Commission.

11. Annual Report to the Legislature (Refer to attachment Item 11a)

- a. Annual Report: The report to the Legislature for the year ending 06/30/13 is due.

12. Next Meeting

13. Adjournment

If you would like further information regarding this meeting or require special accommodation for attending this meeting, please contact:

State Controller's Office
Local Government Programs and Services
Divisions Local Government Policy
Section LocalGovPolicy@sco.ca.gov

Item 5 – Commission Update

5a. Report on new participating agencies.

2 new agencies have opted into the UPCCAA, bringing the number of agencies participating in the Act to 850.

5b. Funding update.

The Commission has \$5,054.99 of unrestricted donations available for its use.

California Uniform Construction Cost Accounting Commission
Financial Activity and Status Report
for the period 08/29/2012 to 08/22/2013

Cash Activity

		Conditional (1)	Unconditional	Total
Beginning Balance:	8/29/2012	\$ -	5,867.45	5,867.45
Receipts		-		-
Expenditures			812.46	812.46
Ending Balance:	8/22/2013	\$ -	5,054.99	5,054.99

(1) Note: Conditional donations are restricted to audit and account reviews.

Cash Receipts

Donor Type		Conditional	Unconditional	Total
City		\$ -	-	-
Community College District		-	-	-
Contractor		-	-	-
County		-	-	-
School District		-	-	-
Special District		-	-	-
Union		-	-	-
Total	8/22/2013	\$ -	-	-

Cash Expenditures

Expenditures				
Accounting Review				-
Services		-	-	-
Travel Expense Claims		-	812.46	812.46
Total	8/22/2013	\$ -	812.46	812.46

Item 7a – CUCCAC Legislative Proposal

ARTICLE 4. Registration Fee [22046 - 22048]

22046. (a) The Commission shall establish annual registration fees necessary to implement this section, not to exceed one hundred dollars (\$100). Notwithstanding Section 13340 of the Government Code, fees collected are continuously appropriated in an amount sufficient to administer this section and that amount may be expended by the controller for this purpose.

(b) Each public agency that elects to become subject to the uniform construction accounting procedures set forth in Article 2 (commencing with Section 22010) shall submit to the Controller by January 31st of each year the required registration fee.

(c) The Controller shall deposit all registration fee funds received, in to the “Uniform Public Construction Cost Accounting Act Fund.”

(d) Any public agency that does not pay the registration fee by March 31st of each year shall not use the bidding procedures provided by this article until they pay the fee.

22047. On or before January 1, of each year, the Controller shall send an invoice for the annual registration fee to all public agencies that have, by resolution, elected to become subject to the uniform construction cost accounting procedures set forth in Article 2 (commencing with Section 22010).

22048. (a) The “Uniform Public Construction Cost Accounting Act Fund” is established as a special account in the State Treasury. Proceeds of the fund may be expended by the Controller for the following functions of the Commission and shall not be used for any other purpose.

- (1) The costs of audits of public agency accounting procedures pursuant to Section 22042.
- (2) Reimbursement of Commissioners for travel, outreach, and other expenses necessarily incurred in the performance of the Commissioner’s duties.
- (3) Actual costs incurred by the Controller to administer the “uniform Public Construction Cost Accounting Act Fund.”

(b) The fund shall consist of the fees collected pursuant to Section 22046.

California Uniform Construction Cost Accounting Commission



August 2, 2013

The Honorable Joan T. Buchanan
State Capitol
P.O. Box 942849
Sacramento, CA 94249-0016

RE: Clarification of Assembly Bill 1598

Dear Ms. Buchanan,

The California Uniform Construction Cost Accounting Commission (CUCCAC) develops and enforces cost accounting policies and procedures pursuant to the Uniform Public Construction Cost Accounting Act (UPCCAA). Local agencies opting into the Act agree to follow these policies and procedures when performing public work projects.

The Commission requests clarification of the intent of AB 1598 (Chapter 810, Statutes of 2012) and its effect on the UPCCAA. The bill expanded the definition of public works by modifying the definition of installation to include, "the assembly and disassembly of freestanding and affixed modular office systems."

Is the expanded definition intended to affect the definition of "public projects" in the UPCCAA outlined in Public Contract Code sections 22000-22045?

Respectively submitted,

Jeff Armstrong, Chair
California Uniform Construction Cost Accounting Commission

cc: State Controller's Office

Jeff Armstrong
Northern CA Laborers' Union
Chairman-CUCCAC

Linda Clifford
Chief Financial Officer
C.C. Myers, Inc. - Contractor
Secretary-CUCCAC

Eddie Bernacchi
NECA, Politico Group
Subcontractors

Guiselle Carreon
Director of Purchasing
Grossmont Union High School District
Schools

George Hicks
Director of Public Works
City of Fairfield
Cities

David A. McCosker
Chairman of the Board
Independent Construction Co.
General Contractors

Lisa Miller-Strunk
Contractors State License Board
Appointed

Josie Ripoly
Purchasing Director
Moreno Valley Unified School
District-Schools

Cesar Diaz
Legislative Director
State Building and Construction Trades
Council
Labor

Robert R. Campbell
Contra Costa County
Auditor-Controller

William R. Dildine
Trojan Electric, Inc.
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Lisa Ekers
Port Director
Santa Cruz Harbor
Special Districts

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August 22, 2013

Mr. Darryl Mar
Analyst
3301 C Street
Sacramento, CA 95816

**RE: REQUEST FOR SUPPORT FOR THE CALIFORNIA UNIFORM PUBLIC
CONSTRUCTION COST ACCOUNTING COMMISSION (CUCCAC)**

Dear Darryl,

As members of the Commission, we are asking you to join us on behalf of the Public Works Construction Contractors in supporting the CUCCAC with a contribution of \$2,500. This contribution strengthens the Commission's ability to ensure the even-handed application of the California Uniform Public Construction Cost Accounting Act as intended when it was enacted in 1983 --- more than 30 years ago.

Our industry has already experience many of the benefits of membership such as; the creation of the Cost Accounting Procedures Manual that mandates local governments use of the Public Contract Code and requires them to solicit bids. It includes rules that limit their use of force account or day labor to undertake public works construction and major maintenance that contractors should be doing.

As a member of our industry, you have access to a Commission whose composition is balanced between private and public sector representatives of the public works construction industry, and who can, almost always, settle accounting disputes keeping both sides out of court, thus avoiding expensive legal fees and lost time. The Commission also makes recommendations to the State Controller to determine force account limits and bidding thresholds as needed.

Since its creation by the Legislature in 1983, except for the initial start-up costs, there has been no source of funding for the Act. All of the Commissioners have volunteered their time and have rarely received travel expense reimbursement. We now need your support in order to continue to provide these valuable services.

Your contribution will be used to: conduct cost accounting reviews with independent accounting consultants as complaints are filed, update the Cost Accounting Manual, maintain a website for easy access to the rules, work with the legislature, and

California Uniform Construction Cost Accounting Commission



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periodically review force account and bidding rules to ensure that they are relevant and keeping pace with today's industry demands.

Please help us by making your check payable to the "State of California" and note in the memo portion "for CUCCAC".

Please send your contribution to:

ATTN: Darryl Mar
State Controller's Office
Division of Accounting & Reporting
3301 C Street, Suite 740
Sacramento, CA 95816

Thank you in advance for your support of this important work.

Sincerely,

Linda Clifford, Commissioner
Secretary, CUCCAC
C.C. Myers, Inc.

David A. McCosker, Commissioner
2001 Chair, CUCCAC
Independent Construction



August 9, 2013

Jeff Armstrong, Chair
California Uniform Construction Cost Accounting Commission
Office of the State Controller
Division of Accounting and Reporting
P.O. Box 942850
Sacramento, CA 94250

Sent via Fax and Email with original to follow

Dear Mr. Armstrong and Commissioners;

The Construction Industry Force Account Council (CIFAC) is a non-profit organization that represents various members of the public works construction industry throughout California. We work to ensure compliance with the California Public Contract Code by public entities. Thus, we qualify as an interested party per the Act requirements.

We request that the Commission review the County of Sacramento, "Northgate Road Project". It is our belief that they have exceeded their force account limit, as established in Public Contract Code Section, 22032 (a). This violation occurred due to the Road Commissioner's failure to publicly declare that this work was to be performed by force account **prior** to commencing work. This is a requirement under PCC 22031(e).

Here is the sequence of events:

- On Friday, June 14, 2013 we were able to obtain a list of Road Commissioner projects from Michael Penrose, Public Works Director, in which he listed all current exempt projects. Northgate was not on that list.
- On June 17, 2013 the County was observed doing road work on Northgate Boulevard.
- On June 19, 2013 the County replied to CIFAC's request for evidence, with a copy of the declaration dated June 17, 2013 and stated the approximate value of the work would be \$108,000. They were observed working in excess of 8 hours per day, using outside trucking and other subcontractors.
- Attempts were made to get costs on the project that was observed to be on-going, through the remainder of June and in early July. Pavement markings were done by County crews the first week on August 2013. CIFAC was told that the County would not be giving costs on projects until the end of their year.
- On August 8, 2013 CIFAC received a listing of County Costs for the project (attached). These costs run from June 17 to June 28, 2013. These costs do not reflect the total cost of the project. These costs show that the County had spent \$284,993 for the first 10 days of work.

It is our opinion that the County has not met the requirement of publicly declaring the work prior to the commencement, that they are thus by their own records in violation of their \$45,000 force account threshold and that their estimate of the work done has been far exceeded. The intent of the Act and its requirements are to allow for equitable accounting and for transparency to the industry and the general public. Declarations that are not available until later dates, or unless someone sees the work and requests the information from the Department void any attempt to be transparent or comply with the law. Estimates that are not reasonably accurate do not allow the public to know on-going costs nor is there a check and balance system of monies being spent.

We have attached the email correspondence we have had with the Director of Transportation. We have also attached a copy of the complaint to the County of Sacramento, sent via certified mail as required. Please feel free to contact me or Sally Riley, Senior Field Representative at 530.549.3805 or sriley@cifac.org, should you have any questions regarding this complaint. We appreciate the Commissions timely response.

Sincerely,



Cathryn Hilliard, Executive Director

Attachments: Emails
Project Cost Chart
Copy of Letter to Sacramento County

Received June 14, 2013

From: Penrose, Michael [mailto:penrosem@SacCounty.NET]
Sent: Friday, June 14, 2013 9:01 AM
To: Sally Riley
Subject: FW: In-House Projects

Sally,

Sorry about the confusion on this information request. Here's the email that I mistakenly sent to the wrong email address (srilet@... instead of sriley@...) last month in response to your inquiry at that time. Going forward if you have specific work locations that you are interested in under what authority we are accomplishing that work please contact me directly and I will do my best to respond to your inquiry. Further since your inquiry last month the County road crews are doing the following locations under the road commissioner authority: Garden Highway – North Bayou to Elverta Road – roadway paving project

Coronado - roadway paving project

Chestnut Ave – roadway paving project
– roadway paving project

Boys Ranch Rd – roadway paving project

Scott Ranch – roadway paving project

Fleming Ave – Stockton Blvd to Del

Orangevale Ave – City Limits to West of

Twin Cities Rd – RR Tracks to Midway Rd

Scott Rd – Boys Ranch Rd to 2000 ft. s/o

Scott Rd – Scott Ranch to 2000 ft. n/o

Sierra Point Dr. – roadway paving project

Received June 19, 2013

From: Penrose, Michael
To: Sally Riley

Sally,

Attached is a copy of the declaration for the subject project location. The estimated cost of the project is \$108,000. The declaration was made June 17, 2013 as noted on the document. The declaration was made at the Sacramento County Department of Transportation building at 906 G Street, Suite 510, Sacramento, CA 95814. A record of the declaration is maintained at the Sacramento County Department of Transportation. Copies of the declaration have been sent to each of the County Board of Supervisors.

Acknowledgement of that correspondence to the Board Members will be posted on the July 16, 2013 Board hearing agenda under the section "Communications Received and Filed in Accordance with Resolution No. 83-1346"

To provide you some information on the process we are using in meeting the requirements of AB 720. As the County Road Commissioner, I am making the declaration for the work that is being done under the procedures set forth in Article 25 of Chapter 1 of the Public Contract Code in advance of the work being done. A record of the declaration is maintained in the Sacramento County Department of Transportation. Copies of the declaration are sent to the Sacramento County Board of Supervisors. Acknowledgement of the correspondence to the Board Members is posted on a subsequent Board hearing agenda under the section "Communications Received and Filed in Accordance with Resolution No. 83-1346". Project specific cost accounting is done for each project done under this authority. At the year end the total costs for the declared work will be compiled and used in the determination that the County is conforming to the requirements of Public Contract Code Section 22031.

Thanks

Michael Penrose

Director
SacDOT

Municipal Services Agency

916.874.8655 (office)
916.874.7831 (fax)
www.sacdot.com
Sacramento County
www.saccounty.net

From: Sally Riley [<mailto:sriley@cifac.org>]
Sent: Wednesday, June 19, 2013 10:58 AM
To: Penrose, Michael
Subject: Road Work North Gate and North Market

Michael, could I please have the cost breakdown and a copy of the declaration and where and when it was declared for North Gate and North Market.

Thank You, Sally Riley

Department of Transportation
Michael J. Penrose, Director



Division
Administrative
Maintenance & Operations
Planning & Design

County of Sacramento

June 17, 2013

Re: Public Contract Code § 22031(e) Declaration

Pursuant to Public Contract Code section 22031(e), this letter constitutes my declaration as County Road Commissioner that, as an alternative to the procedures set forth in the Uniform Public Construction Cost Accounting Act, I intend to utilize the procedures set forth in Article 25 (commencing with Section 20390) of Chapter 1 of the Public Contract Code in connection with the following work: Northgate Blvd - Between North Market Blvd and I-80 – roadway paving project.



Michael J. Penrose
County Road Commissioner

MJP/dlr

Cc: Board of Supervisors
Chief Deputy County Executive for Municipal Services

Received June 28, 2013

From: Penrose, Michael
To: Sally Riley
Sally,

I'm on vacation until July 8. I will have our staff pull those actual costs once I get back. Sally please note I do not intend on providing you detailed cost accounting on a project by project basis as we go throughout the year. We will be preparing an overall actual cost summary to be used to demonstrate our compliance with AB 720 rules once the Road Report is completed in the next couple of months.

Thanks

Michael Penrose
Director
SacDOT

Municipal Services Agency

916.874.8655 (office)
916.874.7831 (fax)
www.sacdot.com
Sacramento County
www.saccounty.net

From: Sally Riley [<mailto:sriley@cifac.org>]
Sent: Friday, June 28, 2013 9:11 AM
To: Penrose, Michael
Subject: North Gate and North Market costs

Michael, could you please provide me with a cost breakdown on North Gate and North Market? I am looking for labor, equipment (listed), materials and a start/finish date.

Thank You very much for your time.

Sally Riley, Senior Field Representative
CIFAC
Sriley@cifac.org

Received 8/5/2013

Yes I can. I'll get it to you in the next few days. We decided to wait until year end closed to compile the information that happens for us near the end of July.

Thanks

Michael Penrose

Director
SacDOT

Municipal Services Agency

916.874.8655 (office)
916.874.7831 (fax)
www.sacdot.com
Sacramento County
www.saccounty.net

From: Sally Riley [<mailto:sriley@cifac.org>]
Sent: Monday, August 05, 2013 7:21 AM
To: Penrose, Michael
Subject: Northgate Roadwork

Michael, Per our correspondence on 6/28/13, Can you provide me with the costs on the Northgate work. I am looking for start and end dates, labor, equipment, subcontractors and material costs. Thank you very much for your time. If you can not provide the information at this time, I appreciate a response.

Sally Riley, Senior Field Representative
CIFAC
sriley@cifac.org
530.549.3805



construction industry force account council

D. A. McCosker, President

Steve Harris, Vice President

Dave Thomas, Secretary

Michael Hester, Treasurer

COPY

August 9, 2013

Supervisor Susan Peters, Chair and Board Members
Sacramento County Board of Supervisors
700 H Street, Suite 1450
Sacramento, CA 95814

Sent via Certified Mail

Subject: Violation of the California Uniform Construction Cost Accounting Act
Northgate Area

Dear Supervisor Peters and Members of the Board,

This letter is to serve as notice to you, per California Public Contract Code Section, 22043(b) that we are filing a formal complaint with the California Uniform Construction Cost Accounting Commission that you are in violation of the Act. We assert that you have violated your force account limit of \$45,000 on the Northgate Road Paving Project, by not publically declaring the intent to self-perform this work PRIOR to the commencement of work, as required by PCC Section 22031(e). We are requesting the Commission to review this project at its August 22nd meeting and issue a ruling.

The Construction Industry Force Account Council is a non-profit organization that represents members of the industry.

Sincerely,

Cathryn Hilliard, Executive Director

cc: Michael J. Penrose, Director, Transportation Department



Northgate Blvd Cost and Accomplishment
Countywide

Northside Maintenance

Cost Summary Detail

Description	Accomp/Units	Initiate
NG BLVD	73,747.0 SQ F	06/17/13 <u>Completed</u>

Charge	Date	Type	Item	Description	Hrs	Rate	Cost
	06/19/13	Equip	R105	RENTAL ASPHALT GRINDER	6.00	439.00	2,634.00
	06/21/13	Equip	R105	RENTAL ASPHALT GRINDER	6.00	439.00	2,634.00
	06/26/13	Equip	R105	RENTAL ASPHALT GRINDER	6.00	439.00	2,634.00
	06/27/13	Equip	R105	RENTAL ASPHALT GRINDER	6.00	439.00	2,634.00
	06/20/13	Equip	R105	RENTAL ASPHALT GRINDER	6.00	439.00	2,634.00
	06/18/13	Equip	R105	RENTAL ASPHALT GRINDER	6.00	439.00	2,634.00
	06/24/13	Equip	R112	RENTAL BACKHOE SMALL (JD410)	9.00	0.00	0.00
	06/19/13	Equip	R112	RENTAL BACKHOE SMALL (JD410)	9.00	0.00	0.00
	06/21/13	Equip	R112	RENTAL BACKHOE SMALL (JD410)	8.00	0.00	0.00
	06/26/13	Equip	R112	RENTAL BACKHOE SMALL (JD410)	9.00	0.00	0.00
	06/17/13	Equip	R112	RENTAL BACKHOE SMALL (JD410)	9.00	0.00	0.00
	06/27/13	Equip	R112	RENTAL BACKHOE SMALL (JD410)	9.00	0.00	0.00
	06/20/13	Equip	R112	RENTAL BACKHOE SMALL (JD410)	9.00	0.00	0.00
	06/25/13	Equip	R112	RENTAL BACKHOE SMALL (JD410)	9.00	0.00	0.00
	06/18/13	Equip	R112	RENTAL BACKHOE SMALL (JD410)	9.00	0.00	0.00
	06/21/13	Equip	R115	NEW RATE STARTING FY 08-09RENTAL ROLLER L/	8.00	0.00	0.00
	06/26/13	Equip	R115	NEW RATE STARTING FY 08-09RENTAL ROLLER L/	9.00	0.00	0.00
	06/27/13	Equip	R115	NEW RATE STARTING FY 08-09RENTAL ROLLER L/	9.00	0.00	0.00
	06/20/13	Equip	R115	NEW RATE STARTING FY 08-09RENTAL ROLLER L/	9.00	0.00	0.00
	06/18/13	Equip	R115	NEW RATE STARTING FY 08-09RENTAL ROLLER L/	9.00	0.00	0.00
	06/17/13	Equip	R110	RENTAL DUMPTRUCK 10 WHEEL NWMN	38.00	87.00	3,306.00
	06/25/13	Equip	R110	RENTAL DUMPTRUCK 10 WHEEL NWMN	56.25	87.00	4,893.75
	06/24/13	Equip	R110	RENTAL DUMPTRUCK 10 WHEEL NWMN	59.00	87.00	5,133.00
	06/18/13	Equip	R111 / R111	RENTAL DUMPTRUCK TRANSFER NWMNRENTAL	57.25	87.00	4,980.75
	06/26/13	Equip	R111 / R111	RENTAL DUMPTRUCK TRANSFER NWMNRENTAL	61.75	87.00	5,372.25
	06/21/13	Equip	R111 / R111	RENTAL DUMPTRUCK TRANSFER NWMNRENTAL	65.00	87.00	5,655.00
	06/27/13	Equip	R111 / R111	RENTAL DUMPTRUCK TRANSFER NWMNRENTAL	65.50	87.00	5,698.50
	06/20/13	Equip	R111 / R111	RENTAL DUMPTRUCK TRANSFER NWMNRENTAL	67.50	87.00	5,872.50
	06/19/13	Equip	R111 / R111	RENTAL DUMPTRUCK TRANSFER NWMNRENTAL	80.00	87.00	6,960.00
				Subtotal for Equip			63,675.75
				Loaded Labor Rate			
	06/18/13	Labor			9.00	120.37	1,083.33
	06/18/13	Labor			2.50	120.37	300.93
	06/19/13	Labor			9.00	120.37	1,083.33

06/27/13

06/19/13 Labor	1.50	120.37	180.56
06/20/13 Labor	9.00	120.37	1,083.33
06/20/13 Labor	1.00	120.37	120.37
06/21/13 Labor	8.00	120.37	962.96
06/21/13 Labor	2.50	120.37	300.93
06/26/13 Labor	9.00	120.37	1,083.33
06/26/13 Labor	1.00	120.37	120.37
06/27/13 Labor	9.00	120.37	1,083.33
06/21/13 Labor	8.00	125.92	1,007.36
06/19/13 Labor	4.00	125.92	503.68
06/18/13 Labor	9.00	125.92	1,133.28
06/19/13 Labor	9.00	125.92	1,133.28
06/19/13 Labor	2.50	125.92	314.80
06/20/13 Labor	9.00	125.92	1,133.28
06/20/13 Labor	3.50	125.92	440.72
06/21/13 Labor	8.00	125.92	1,007.36
06/21/13 Labor	3.00	125.92	377.76
06/26/13 Labor	9.00	125.92	1,133.28
06/26/13 Labor	2.00	125.92	251.84
06/27/13 Labor	9.00	125.92	1,133.28
06/24/13 Labor	9.00	125.92	1,133.28
06/25/13 Labor	5.00	125.92	629.60
06/17/13 Labor	4.50	125.92	566.64
06/18/13 Labor	9.00	125.92	1,133.28
06/18/13 Labor	2.50	125.92	314.80
06/19/13 Labor	4.00	125.92	503.68
06/19/13 Labor	3.00	125.92	377.76
06/20/13 Labor	9.00	125.92	1,133.28
06/20/13 Labor	4.00	125.92	503.68
06/21/13 Labor	8.00	125.92	1,007.36
06/21/13 Labor	3.00	125.92	377.76
06/26/13 Labor	9.00	125.92	1,133.28
06/26/13 Labor	1.50	125.92	188.88
06/27/13 Labor	9.00	125.92	1,133.28
06/17/13 Labor	9.00	133.45	1,201.05
06/18/13 Labor	9.00	120.37	1,083.33
06/18/13 Labor	2.50	120.37	300.93
06/19/13 Labor	9.00	120.37	1,083.33
06/19/13 Labor	3.50	120.37	421.30
06/20/13 Labor	9.00	120.37	1,083.33
06/21/13 Labor	8.00	120.37	962.96
06/21/13 Labor	2.50	120.37	300.93
06/26/13 Labor	9.00	120.37	1,083.33
06/26/13 Labor	1.00	120.37	120.37
06/27/13 Labor	9.00	120.37	1,083.33
06/21/13 Labor	8.00	125.92	1,007.36

06/20/13 Labor	9.00	125.92	1,133.28
06/20/13 Labor	1.00	125.92	125.92
06/17/13 Labor	9.00	131.06	1,179.54
06/18/13 Labor	9.00	131.06	1,179.54
06/18/13 Labor	2.00	131.06	262.12
06/19/13 Labor	9.00	131.06	1,179.54
06/19/13 Labor	2.50	131.06	327.65
06/20/13 Labor	9.00	131.06	1,179.54
06/20/13 Labor	3.00	131.06	393.18
06/21/13 Labor	8.00	131.06	1,048.48
06/21/13 Labor	3.00	131.06	393.18
06/26/13 Labor	9.00	131.06	1,179.54
06/26/13 Labor	1.50	131.06	196.59
06/27/13 Labor	9.00	131.06	1,179.54
06/24/13 Labor	9.00	131.06	1,179.54
06/25/13 Labor	9.00	131.06	1,179.54
06/17/13 Labor	9.00	125.92	1,133.28
06/18/13 Labor	9.00	125.92	1,133.28
06/18/13 Labor	3.00	125.92	377.76
06/19/13 Labor	9.00	125.92	1,133.28
06/19/13 Labor	3.00	125.92	377.76
06/20/13 Labor	9.00	125.92	1,133.28
06/20/13 Labor	3.50	125.92	440.72
06/21/13 Labor	8.00	125.92	1,007.36
06/21/13 Labor	3.00	125.92	377.76
06/26/13 Labor	9.00	125.92	1,133.28
06/26/13 Labor	2.00	125.92	251.84
06/27/13 Labor	9.00	125.92	1,133.28
06/24/13 Labor	9.00	125.92	1,133.28
06/25/13 Labor	9.00	125.92	1,133.28
06/18/13 Labor	2.50	142.51	356.28
06/19/13 Labor	3.00	142.51	427.53
06/20/13 Labor	1.50	142.51	213.77
06/20/13 Labor	9.00	142.51	1,282.59
06/17/13 Labor	9.00	125.92	1,133.28
06/18/13 Labor	9.00	125.92	1,133.28
06/19/13 Labor	9.00	125.92	1,133.28
06/20/13 Labor	9.00	125.92	1,133.28
06/21/13 Labor	8.00	125.92	1,007.36
06/21/13 Labor	1.00	125.92	125.92
06/26/13 Labor	9.00	125.92	1,133.28
06/26/13 Labor	0.50	125.92	62.96
06/27/13 Labor	9.00	125.92	1,133.28
06/24/13 Labor	8.00	125.92	1,007.36
06/17/13 Labor	9.00	125.92	1,133.28
06/17/13 Labor	9.00	125.92	1,133.28

06/18/13 Labor	9.00	125.92	1,133.28
06/18/13 Labor	2.50	125.92	314.80
06/19/13 Labor	9.00	125.92	1,133.28
06/19/13 Labor	3.00	125.92	377.76
06/20/13 Labor	9.00	125.92	1,133.28
06/20/13 Labor	3.50	125.92	440.72
06/21/13 Labor	8.00	125.92	1,007.36
06/21/13 Labor	3.00	125.92	377.76
06/26/13 Labor	9.00	125.92	1,133.28
06/26/13 Labor	2.00	125.92	251.84
06/27/13 Labor	9.00	125.92	1,133.28
06/24/13 Labor	9.00	125.92	1,133.28
06/25/13 Labor	9.00	125.92	1,133.28
06/17/13 Labor	9.00	131.06	1,179.54
06/18/13 Labor	9.00	131.06	1,179.54
06/19/13 Labor	8.00	131.06	1,048.48
06/19/13 Labor	3.00	131.06	393.18
06/20/13 Labor	9.00	131.06	1,179.54
06/20/13 Labor	3.50	131.06	458.71
06/21/13 Labor	8.00	131.06	1,048.48
06/21/13 Labor	3.50	131.06	458.71
06/26/13 Labor	5.00	131.06	655.30
06/26/13 Labor	1.00	131.06	131.06
06/27/13 Labor	5.00	131.06	655.30
06/17/13 Labor	0.50	131.06	65.53
06/18/13 Labor	2.00	131.06	262.12
06/24/13 Labor	5.00	131.06	655.30
06/24/13 Labor	0.50	131.06	65.53
06/25/13 Labor	5.00	131.06	655.30
06/25/13 Labor	0.50	131.06	65.53
06/26/13 Labor	0.50	131.06	65.53
06/27/13 Labor	0.50	131.06	65.53
06/17/13 Labor	9.00	131.06	1,179.54
06/18/13 Labor	9.00	131.06	1,179.54
06/18/13 Labor	1.00	131.06	131.06
06/19/13 Labor	9.00	131.06	1,179.54
06/19/13 Labor	1.50	131.06	196.59
06/21/13 Labor	8.00	131.06	1,048.48
06/26/13 Labor	9.00	131.06	1,179.54
06/26/13 Labor	0.50	131.06	65.53
06/27/13 Labor	9.00	131.06	1,179.54
06/24/13 Labor	9.00	131.06	1,179.54
06/25/13 Labor	9.00	131.06	1,179.54
06/17/13 Labor	9.00	125.92	1,133.28
06/18/13 Labor	9.00	125.92	1,133.28
06/18/13 Labor	3.00	125.92	377.76

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06/19/13 Labor			9.00	125.92	1,133.28
06/19/13 Labor			3.50	125.92	440.72
06/20/13 Labor			9.00	125.92	1,133.28
06/20/13 Labor			4.00	125.92	503.68
06/21/13 Labor			8.00	125.92	1,007.36
06/21/13 Labor			3.50	125.92	440.72
06/26/13 Labor			9.00	125.92	1,133.28
06/26/13 Labor			2.50	125.92	314.80
06/27/13 Labor			9.00	125.92	1,133.28
				Subtotal for Labor	116,181.54
06/26/13 Material	HWY102	DUMP L & D PER TON	6.90	11.40	78.66
06/25/13 Material	HWY102	DUMP L & D PER TON	94.41	11.40	1,076.27
06/18/13 Material	HWY242	TEICHERT 3/4" AB	15.38	11.00	169.18
06/21/13 Material	HWY245	TEICHERT 1/2" AC	204.57	57.09	11,678.90
06/27/13 Material	HWY245	TEICHERT 1/2" AC	286.14	51.93	14,859.25
06/20/13 Material	HWY245	TEICHERT 1/2" AC	284.20	57.09	16,224.98
06/18/13 Material	HWY245	TEICHERT 1/2" AC	305.77	57.09	17,456.41
06/26/13 Material	HWY245	TEICHERT 1/2" AC	363.82	51.93	18,893.17
06/19/13 Material	HWY245	TEICHERT 1/2" AC	402.15	51.93	20,883.65
06/21/13 Material	HWY305	MISCELLANEOUS MATERIAL	1.00	16.18	16.18
06/18/13 Material	HWY305	MISCELLANEOUS MATERIAL	1.00	19.02	19.02
06/26/13 Material	HWY305	MISCELLANEOUS MATERIAL	1.00	80.92	80.92
06/18/13 Material	HWY305	MISCELLANEOUS MATERIAL	1.00	333.45	333.45
06/18/13 Material	SS1T	EMULSION TEICHERT SS1 PER GALLON	40.96	7.00	286.72
06/20/13 Material	SS1T	EMULSION TEICHERT SS1 PER GALLON	190.36	7.00	1,332.52
06/26/13 Material	SS1T	EMULSION TEICHERT SS1 PER GALLON	238.55	7.07	1,686.55
				Subtotal for Material	105,075.83
				Total	284,933.12

Item 10b - County of Kern's Questions

1. Please confirm that the cost accounting commission does not preclude us from bidding projects under 175,000 by our traditional formal design-bid-build method and under the authority of our Board of Supervisors.
2. Would your Commission intervene with County procedures if we are using our traditional methods?
3. Within the CUCCAC Manual, the second sentence of the last paragraph of the Preface says "Local agencies with a population of 75,000 or more may use an overhead rate of 30% of **all direct costs** (emphasis added)." However, for purposes of calculating and applying overhead rates, the manual correctly calculates on "Productive Hourly Rate" and never uses "all direct costs" such as direct materials and equipment (See Exhibit III-4 and Exhibit IV-2). Please clarify which cost elements are included in the 30% assumed overhead rate mentioned in the CUCCAC Preface.
4. Does using the Act eliminate or alter the use of purchase orders and JOC?
5. Please explain how the inclusion of the following affects the use JOC:

76 Op. Atty. Gen. 126,7-14-93 = Job order contracts - General law county or general law city may not enter into a "job order contract" in excess of \$50,000 for the performance of public projects involving minor construction, and the renovation, alteration, painting, and repair of existing facilities, except under narrowly defined statutory conditions applicable only to counties.
6. Can we reject a bid under the Act and opt not to use Force Account labor and then rebid the project at a later time using the Act's list of qualified licensed contractors? If yes, would that require Board of Supervisors' approval by (4/5th vote)? Would this trigger a Commission's Review?
7. What would we need to do if we thought we could do the project using Force Account labor but later realize that we will be exceeding the \$45,000 limit?
8. Section 22031 Alternative Procedures States: Nothing in this article shall prohibit a board of supervisors or a county road commissioner from utilizing, as an alternative to the procedures set forth in this article, the procedures set forth in Article 25 (commencing with Section 20390) of Chapter 1. Can you please explain how the Act will impact the Roads Department projects and accounting procedures as prescribed in the Guidelines Relating to Gas Tax Expenditures?

9. Kern Sanitation Authority (KSA) and Ford City-Taft Heights Sanitation District (FCTH) are separate entities and have separate Board of Directors that are made up of the same members as the County's Board of Supervisors. Would KSA and FCTH need their own Board of Directors approved ordinance for the Act?
10. Solid Waste Enterprise Fund (SWEF) employees typically perform the construction project oversight for SWEF, KSA & FCTH projects. How would the labor for SWEF employees be treated? Would the SWEF labor be considered part of the total project costs?
11. KSA staff rarely, if ever, handles construction projects for FCTH or the County's outlying wastewater treatment plants. Assuming they do, would KSA staff be considered part of the Force Account labor on those projects? The assumption is that they cannot be on the Act's list of contractors since they do not have a contractor's license.
12. The Roads Dept. performs various public works projects for both KSA & FCTH on an annual basis. Could KSA and FCTH use Roads Dept as Force Account labor? The assumption is that they cannot be on the Act's list of contractors since they do not have a contractor's license.
13. Are there specific State forms that we need to complete and keep on file for the bidding out of Act's list of contractors and for each of the Act's projects?
14. Can you please provide a clearer definition of maintenance separate from the one provided in the Act.
15. The County has very specific insurance requirements for General Liability, Automobile and Workers Compensation Insurance Limits. We cannot enter into a contract unless a contractor can meet these limits. Will we be able to use these limits in our pre-qualification requirements when we establish the vendor list?
16. Article 25 subdivision (c) of Section 20395 states: "By purchasing the material and having the work done by day labor, in which case advertising for bids is not required." Does day labor mean Force Account?
17. For clarification purposes, when it comes to using force account, does this mean that the County have to either choose between the \$45K per project option or the 30% option of total value of all work performed by force account as reported in the Controller's Streets and Roads Annual Report as of January 1 of each year ?
18. If yes, does the choice have to be declared annually on January 1?
19. Does the County have to list all projects that will be worked on using this option?

20. Can new projects be added to the list, and declared, during the year as long as the County does not go over the 30% limit?
21. According to the Controller's Streets and Roads Annual Report there are three main categories that track expenditures of Force Account: **Undistributed Engineering and Admin, Construction and Rights of Way and Maintenance**. If the County invokes the 30% rule, do all force account expenditures within these three categories come into play when calculating the 30% or only those that fall within **Undistributed Engineering and Admin & Construction and Rights of Way**?
22. Once the County makes the 30% option declaration, does each project performed by Force Account have to comply with the \$45K limit? Or, can it exceed \$45K?
23. Once the County makes the 30% option declaration, do the accounting rules described in the Act apply for each project performed by Force Account?

Item10c – Commissioner Term Limits

INTERPRETATION OF PCC 22014:

1. Commissioners are appointed to their terms by the State Controller.
2. Commissioners serve until their successors are appointed
3. Terms begin when the State Controller appoints the commissioner and continues for a minimum of three (3) years thereafter. Therefore, a Commissioner's term may last beyond the initial three years at the will of the State Controller.

RECOMMENDATION BY THE COMMISSION:

Once a commissioner is appointed, their initial service is from the date of appointment plus three years. After their first three year term, the commissioner serves at the will of the State Controller.

If, after their first three year term, a current commissioner wishes to stop serving, is asked to step down by their agency, is incapacitated by either death or disability, or is replaced by the State Controller, the commissioner's term ends.

Staff will make sure that vacancies are timely noticed to the Commission when and if they occur.

CONCLUSION:

Once a commissioner is initially appointed and completes their first three year term, staff does not have any obligation other than as the then sitting State Controller determines as relates to the appointment or if a commissioner steps down, is removed or is incapacitated and a vacancy is created.

Item 10e – Commission Identification Card Sample

