

# Increased Contract Bid Threshold Effective Friday, January 1, 2021

December 23, 2020

Effective January 1, 2021, the bid threshold for school district contracts competitively bid pursuant to Public Contract code section 20111(a) has been increased from \$95,200 to \$96,700. This bid threshold applies to any of the following:

- Equipment, materials, or supplies furnished, sold, or leased to the district;
- Non-construction services; or
- Repairs, including maintenance (as defined in Public Contract Code section 20115, that are not public projects (as defined in Public Contract Code section 22002(c)).

It is anticipated that the California Community Colleges Chancellor's Office will make an announcement soon regarding the bid threshold for similar types of contracts let pursuant to Public Contract Code section 20651(a) applicable to community college districts.

The bid threshold for construction services contracts remains at \$15,000, unless the district has adopted the California Uniform Public Construction Cost Accounting Act (CUPCCAA).

CUPCCAA bid thresholds for construction services contracts for agencies, including school and community college districts, are unchanged from 2019 and remain as follows:

- Public projects of \$60,000 or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order without bidding;
- Public projects of \$200,000 or less may be awarded by informal bidding procedures; and
- Public projects of more than \$200,000 must be awarded by formal bidding procedures.

For more information about the increased bid thresholds, updated front end construction documents, or whether CUPCCAA is a good fit for your District, please contact a DWK attorney in our Business, Property, and Construction practice group.

## **PRACTICE AREAS**

- Construction
- Business and Property