

BUSINESS & FACILITIES UPDATE

News and developments in bidding, building,
and business

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New Bid Limit of \$90,200 for School and Community College District Contracts.

As of January 1, 2018, the bid threshold over which community college district and school governing boards must competitively bid and award certain contracts was raised to \$90,200. This threshold level applies to the following types of contracts:

- Purchase of equipment, materials, or supplies to be furnished, sold, or leased to the district;
- Services, other than construction services; and
- Repairs, including maintenance as defined in Public Contract Code (PCC) section 20656, which are not public projects as defined in PCC section 22002 subdivision (c).

PCC sections 20111 subdivision (a) and 20651 subdivision (a) require school and community college district governing boards, respectively, to competitively bid and award any contracts involving an expenditure of more than \$50,000, adjusted for inflation, to the lowest responsible bidder. The State Superintendent of Public Instruction and the Board of Governors of the California Community Colleges are required to annually adjust the \$50,000 amount specified in the PCC. Both entities have increased the bid limit 2.20% to \$90,200 for 2018.

Contracts for construction of public projects, as defined in PCC section 22002(c), still have a bid threshold of \$15,000. Public projects include contracts for reconstruction, erection, alteration, renovation, improvement, demolition, and repair. This \$15,000 threshold is not adjusted for inflation.

The [notice](#) adjusting the bid limits is posted on the California Department of Education's website. The California Community Colleges Chancellor's Office also posted its notice adjusting the bid limits.

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