

# BUSINESS & FACILITIES UPDATE

News and developments in bidding, building,  
and business

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## **New Bid Limit of \$92,600 for School and Community College District Contracts.**

As of January 1, 2019, the bid threshold over which community college district and school district governing boards must competitively bid and award certain contracts was raised to \$92,600. 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) sections 20656 or 20115, as applicable, 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 3.39% to \$92,600 for 2019.

Contracts for construction of public projects, as defined in PCC section 22002 subdivision (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.

This article was written by [Abigail W. Clark](#), Associate, from the San Francisco office of Liebert Cassidy Whitmore. Abigail is a member of the firm's Business and Facilities practice group which assists public agency clients in matters including construction, contracts, purchase agreements and real property. Abigail can be reached at (415) 512-3065 or at [aclark@lcwlegal.com](mailto:aclark@lcwlegal.com). For more information regarding the update above or about our firm please visit our website at <http://www.lcwlegal.com>, or contact one of our offices below.

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6033 W. Century Blvd.  
5<sup>th</sup> Floor  
Los Angeles, CA 90045  
(310) 981-2000

135 Main Street  
7<sup>th</sup> Floor  
San Francisco, CA 94105  
(415) 512-3000

5250 North Palm Ave.  
Suite 310  
Fresno, CA 93704  
(559) 256-7800

550 West C Street  
Suite 620  
San Diego, CA 92101  
(619) 481-5900

400 Capitol Mall  
Suite 1260  
Sacramento, CA 95814  
(916) 584-7000