

AMENDED IN SENATE MAY 20, 2008
AMENDED IN SENATE APRIL 2, 2008
AMENDED IN SENATE MARCH 3, 2008
AMENDED IN SENATE JANUARY 22, 2008
AMENDED IN ASSEMBLY MARCH 22, 2007
CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 117

**Introduced by Assembly Member Beall
(Coauthor: Assembly Member Laird)**

January 9, 2007

An act to amend Sections 20211 and 20301 of, and to add Section 20916.1 to, the Public Contract Code, and to amend Section 103222 of the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 117, as amended, Beall. Transportation authorities and districts: contracts.

(1) Existing law establishes bridge and highway districts and various regional transportation authorities and transit districts, including the Santa Clara Valley Transportation Authority, the San Mateo County Transit District, the Alameda-Contra Costa Transit District, and the Golden Gate Bridge, Highway and Transportation District, and prescribes the powers and duties of each, including procedures for awarding contracts and procurement. Existing law, with respect to the purchases of supplies, equipment, and materials by bridge and highway districts that exceed \$20,000, requires the contract to be let to the lowest

responsible bidder, and, with respect to purchases by other authorities and districts that exceed \$25,000, requires the contract to be let to the lowest responsible bidder. Existing law, regarding the Santa Clara Valley Transportation Authority, the Alameda-Contra Costa Transit District, and the Golden Gate Bridge, Highway and Transportation District requires a notice requesting bids to be published in a newspaper of general circulation.

This bill instead would require contracts of those specified entities under which the expenditure for the purchase of supplies, equipment, and materials exceeds \$100,000, to be let to the lowest responsible bidder or to the responsible bidder who submits a proposal that provides the best value, as defined. The bill also would require the authority or district, and the Golden Gate Bridge, Highway and Transportation District to the extent practicable, to obtain a minimum of 3 quotations, either written or oral, that permit prices and terms to be compared, whenever the expenditure required for the purchase of supplies, equipment, or materials exceeds \$2,500, but does not exceed \$100,000.

With respect to the San Mateo County Transit District, the bill would require a notice requesting bids be published in a newspaper of general circulation, and would increase the authority of the general manager to act for the board ~~where~~ when the expenditure is less than \$100,000.

By expanding the duties of a local agency, this bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 20211 of the Public Contract Code is
- 2 amended to read:
- 3 20211. (a) The purchase of all supplies, equipment, and
- 4 materials, when the expenditure required exceeds one hundred
- 5 thousand dollars (\$100,000), shall be by contract let to the lowest

1 responsible bidder, or in the district’s discretion, to the responsible
2 bidder who submitted a proposal that provides the best value to
3 the district on the basis of the factors identified in the solicitation.
4 “Best value” means the overall combination of quality, price, and
5 other elements of a proposal that, when considered together,
6 provide the greatest overall benefit in response to the requirements
7 described in the solicitation documents.

8 (b) The district shall obtain a minimum of three quotations,
9 either written or oral, that permit prices and terms to be compared
10 whenever the expected expenditure required for the purchase of
11 supplies, equipment, or materials exceeds two thousand five
12 hundred dollars (\$2,500), but does not exceed one hundred
13 thousand dollars (\$100,000).

14 (c) The construction of facilities and works, when the
15 expenditure exceeds ten thousand dollars (\$10,000), shall be by
16 contract let to the lowest responsible bidder.

17 (d) Notice requesting bids shall be published at least once in a
18 newspaper of general circulation, which publication shall be made
19 at least 10 days before bids are received. The board may reject any
20 and all bids and readvertise in its discretion.

21 SEC. 2. Section 20301 of the Public Contract Code is amended
22 to read:

23 20301. (a) The purchase of all supplies, equipment, and
24 materials, when the expenditure required exceeds one hundred
25 thousand dollars (\$100,000), shall be by contract let to the lowest
26 responsible bidder, or in the authority’s discretion, to the
27 responsible bidder who submitted a proposal that provides the best
28 value to the authority on the basis of the factors identified in the
29 solicitation. “Best value” means the overall combination of quality,
30 price, and other elements of a proposal that, when considered
31 together, provide the greatest overall benefit in response to the
32 requirements described in the solicitation documents.

33 (b) The authority shall obtain a minimum of three quotations,
34 either written or oral, that permit prices and terms to be compared
35 whenever the expected expenditure required for the purchase of
36 supplies, equipment, or materials exceeds two thousand five
37 hundred dollars (\$2,500), but does not exceed one hundred
38 thousand dollars (\$100,000).

39 (c) Notice requesting bids shall be published at least once in a
40 newspaper of general circulation, which publication shall be made

1 at least 10 days before the bids are received. The board may reject
2 any and all bids and readvertise at its discretion.

3 SEC. 3. Section 20916.1 is added to the Public Contract Code,
4 to read:

5 20916.1. (a) The purchase of all supplies, equipment, and
6 materials by the Golden Gate Bridge, Highway and Transportation
7 District, when the expenditure required exceeds one hundred
8 thousand dollars (\$100,000), shall be by contract let to the lowest
9 responsible bidder, or in the district’s discretion, to the responsible
10 bidder who submitted a proposal that provides the best value to
11 the district on the basis of the factors identified in the solicitation.
12 “Best value” means the overall combination of quality, price, and
13 other elements of a proposal that, when considered together,
14 provide the greatest overall benefit in response to the requirements
15 described in the solicitation documents.

16 (b) To the extent practicable, the district shall obtain a minimum
17 of three quotations, either written or oral, that permit prices and
18 terms to be compared whenever the expected expenditure required
19 for the purchase of supplies, equipment, or materials exceeds two
20 thousand five hundred dollars (\$2,500), but does not exceed one
21 hundred thousand dollars (\$100,000).

22 (c) Notice requesting bids shall be published at least once in a
23 newspaper of general circulation, which publication shall be made
24 at least 10 days before the bids are received. The board may reject
25 any and all bids and readvertise at its discretion.

26 SEC. 4. Section 103222 of the Public Utilities Code is amended
27 to read:

28 103222. (a) The purchase of all supplies, equipment, and
29 materials, when the expenditure required exceeds one hundred
30 thousand dollars (\$100,000), shall be, by contract, let to the lowest
31 responsible bidder, or in the district’s discretion, to the responsible
32 bidder who submitted a proposal that provides the best value to
33 the district on the basis of the factors identified in the solicitation.
34 “Best value” means the overall combination of quality, price, and
35 other elements of a proposal that, when considered together,
36 provide the greatest overall benefit in response to the requirements
37 described in the solicitation documents.

38 (b) The district shall obtain a minimum of three quotations,
39 either written or oral, that permit prices and terms to be compared
40 whenever the expected expenditure required for the purchase of

1 supplies, equipment, or materials exceeds two thousand five
2 hundred dollars (\$2,500), but does not exceed one hundred
3 thousand dollars (\$100,000).

4 (c) Where the expenditure required by the bid price is less than
5 one hundred thousand dollars (\$100,000), the general manager
6 may act on behalf of the board. When acting pursuant to this
7 subdivision, the general manager shall ~~promptly~~ notify the board
8 *within 30 days* of any action taken on behalf of the board.

9 (d) Notice requesting bids required by the section shall be
10 published at least once in a newspaper of general circulation, which
11 publication shall be made at least 10 days before the bids are
12 received. The board may reject any and all bids and readvertise at
13 its discretion.

14 *SEC. 5. Section 2 of this act, which amends Section 20301 of*
15 *the Public Contract Code, Section 3 of this act, which adds Section*
16 *20916.1 to the Public Contract Code, and Section 4 of this act,*
17 *which amends Section 103222 of the Public Utilities Code, shall*
18 *apply solely to the procurement of supplies, equipment, and*
19 *materials, and shall not apply to construction contracts.*

20 ~~SEC. 5:~~

21 *SEC. 6.* If the Commission on State Mandates determines that
22 this act contains costs mandated by the state, reimbursement to
23 local agencies and school districts for those costs shall be made
24 pursuant to Part 7 (commencing with Section 17500) of Division
25 4 of Title 2 of the Government Code.