

AMENDED IN ASSEMBLY MAY 2, 2011
AMENDED IN ASSEMBLY MARCH 22, 2011
CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 943

Introduced by Assembly Member Williams

February 18, 2011

An act to amend Sections ~~20723 and 20751~~ 22032 and 22034 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 943, as amended, Williams. Public contracts: local contracts: ~~port and harbor districts~~; *alternative procedures*.

Existing law governing public contracts establishes procedures that public agencies, as defined, are required to follow when performing public works projects. If public agencies voluntarily elect to become subject to uniform construction cost accounting procedures, projects of \$125,000 or less may be let by contract by informal procedures, and those worth more than \$125,00 require formal bids, as specified. If all of the informal bids received are in excess of \$125,000, the governing board of the public agency may adopt a resolution, by a ⁴/₅ vote, to award the contract at \$137,500 or less to the lowest responsible bidder.

This bill would increase the above limits from \$125,000 to \$175,000, and from \$137,500 to \$187,500, respectively.

~~Existing law governing contracts for harbor districts requires that contracts for all work exceeding \$5,000 be awarded upon competitive bidding, except that work consisting solely of new construction shall be awarded by competitive bidding only if it exceeds \$10,000.~~

~~This bill would instead require that contracts for all work, including work consisting solely of new construction, for harbor districts be awarded by competitive bidding if the cost of the contract exceeds \$35,000.~~

~~Existing law governing contracts for port districts requires that contracts for new construction work exceeding \$10,000, or the purchase of supplies exceeding \$25,000, or projects involving building maintenance and improvements exceeding \$10,000, be let by the board of the port district by competitive bidding, in accordance with specified procedures.~~

~~This bill would instead require that all of those types of contracts for port districts be let by the board by competitive bidding if the cost of the contract exceeds \$35,000.~~

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

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

1 SECTION 1. Section 22032 of the Public Contract Code is
2 amended to read:

3 22032. (a) Public projects of thirty thousand dollars (\$30,000)
4 or less may be performed by the employees of a public agency by
5 force account, by negotiated contract, or by purchase order.

6 (b) Public projects of one hundred ~~twenty-five thousand dollars~~
7 (\$125,000) *seventy-five thousand dollars (\$175,000)* or less may
8 be let to contract by informal procedures as set forth in this article.

9 (c) Public projects of more than one hundred ~~twenty-five~~
10 ~~thousand dollars~~ *(\$125,000 seventy-five thousand dollars*
11 *(\$175,000)* shall, except as otherwise provided in this article, be
12 let to contract by formal bidding procedure.

13 SEC. 2. Section 22034 of the Public Contract Code is amended
14 to read:

15 22034. Each public agency that elects to become subject to the
16 uniform construction accounting procedures set forth in Article 2
17 (commencing with Section 22010) shall enact an informal bidding
18 ordinance to govern the selection of contractors to perform public
19 projects pursuant to subdivision (b) of Section 22032. The
20 ordinance shall include all of the following:

21 (a) The public agency shall maintain a list of qualified
22 contractors, identified according to categories of work. Minimum

1 criteria for development and maintenance of the contractors list
2 shall be determined by the commission.

3 (b) All contractors on the list for the category of work being bid
4 or all construction trade journals specified in Section 22036, or
5 both all contractors on the list for the category of work being bid
6 and all construction trade journals specified in Section 22036, shall
7 be mailed a notice inviting informal bids unless the product or
8 service is proprietary.

9 (c) All mailing of notices to contractors and construction trade
10 journals pursuant to subdivision (b) shall be completed not less
11 than 10 calendar days before bids are due.

12 (d) The notice inviting informal bids shall describe the project
13 in general terms and how to obtain more detailed information about
14 the project, and state the time and place for the submission of bids.

15 (e) The governing body of the public agency may delegate the
16 authority to award informal contracts to the public works director,
17 general manager, purchasing agent, or other appropriate person.

18 (f) If all bids received are in excess of one hundred ~~twenty-five~~
19 ~~thousand dollars (\$125,000)~~ *seventy-five thousand dollars*
20 *(\$175,000)*, the governing body of the public agency may, by
21 adoption of a resolution by a four-fifths vote, award the contract,
22 at one hundred ~~thirty-seven thousand five hundred dollars~~
23 ~~(\$137,500)~~ *eighty-seven thousand five hundred dollars (\$187,500)*
24 or less, to the lowest responsible bidder, if it determines the cost
25 estimate of the public agency was reasonable.

26 ~~SECTION 1. Section 20723 of the Public Contract Code is~~
27 ~~amended to read:~~

28 ~~20723. All work authorized to be done under this article,~~
29 ~~exceeding in cost the sum of thirty-five thousand dollars (\$35,000)~~
30 ~~shall be awarded upon competitive bidding. Notice of the proposed~~
31 ~~letting of such a contract shall be given by advertisement for a~~
32 ~~period of two weeks or published pursuant to Section 6066 of the~~
33 ~~Government Code, in a newspaper of general circulation,~~
34 ~~published, printed, and circulated, in the district. The board may~~
35 ~~authorize additional publication in other newspapers of general~~
36 ~~circulation in the district when it deems that such publication would~~
37 ~~best serve the public interest. The contract shall be awarded to the~~
38 ~~lowest responsible bidder.~~

39 ~~The board may, without advertising for bids, negotiate with the~~
40 ~~government of the United States for the purpose of assisting the~~

1 ~~board in the performance of any of the work authorized by this~~
2 ~~article, and the board may contribute to the United States all or~~
3 ~~any portion of the estimated cost of any work authorized by this~~
4 ~~part which is to be done by or under contract with the United States.~~

5 SEC. 2. ~~Section 20751 of the Public Contract Code is amended~~
6 ~~to read:~~

7 ~~20751. Contracts for the doing of new construction work, the~~
8 ~~purchasing of materials or supplies, or projects involving~~
9 ~~maintenance of buildings and improvements, the cost of which~~
10 ~~exceeds thirty-five thousand dollars (\$35,000), shall be let by the~~
11 ~~board upon competitive bidding.~~

12 ~~Notice of the proposed letting of contract shall be given by~~
13 ~~publication pursuant to Section 6061 of the Government Code in~~
14 ~~the county in which the district is located, at least five days before~~
15 ~~the time fixed for opening bids. Bidding shall be by sealed~~
16 ~~proposals filed with the district, upon forms furnished by it, and~~
17 ~~under such rules and regulations as the board may prescribe. All~~
18 ~~bids shall be publicly opened and declared under procedures~~
19 ~~established by the board, and the award of the contract shall be~~
20 ~~made in open session of the board to the lowest and best~~
21 ~~responsible bidder.~~