

AMENDED IN SENATE APRIL 13, 2011

**SENATE BILL**

**No. 693**

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**Introduced by Senator Dutton**

February 18, 2011

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An act to ~~amend Section 5956.1 of the Government Code, and to~~ amend Section 116 of the Streets and Highways Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 693, as amended, Dutton. Public contracts: local agencies.

Existing law sets forth requirements for the solicitation and evaluation of bids and the awarding of contracts by public entities for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement. Existing law also authorizes specified state agencies, cities, and counties to implement alternative procedures for the awarding of contracts on a design-build basis. Existing law authorizes the Department of Transportation and regional transportation agencies to enter into public-private partnerships for transportation projects under certain conditions. Existing law authorizes the department to delegate to any city or county any part of its powers and jurisdiction, except the power of approval, with respect to any portion of any state highway within the city or county, and to withdraw the delegation.

This bill would specify that the delegation authority includes the authority to utilize private-public partnership agreements for transportation projects. ~~The bill would also make findings and declarations related to local agency contracting.~~

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.~~ The Legislature hereby finds and declares the  
2 following:

3     ~~(a) It is the intent of the Legislature to provide local jurisdictions~~  
4 ~~with more flexibility for job creation and expedited transportation~~  
5 ~~infrastructure project completion by authorizing public-private~~  
6 ~~partnerships and alternative procedures for bidding and building~~  
7 ~~transportation projects.~~

8     ~~(b) The Legislature has recognized the merits of alternative~~  
9 ~~project delivery methods such as public-private partnerships and~~  
10 ~~the design-build procurement process in the past by authorizing~~  
11 ~~its use for projects undertaken by school districts, the University~~  
12 ~~of California, specified local government projects, state office~~  
13 ~~buildings, and public transit projects.~~

14     ~~SEC. 2.~~ Section 5956.1 of the Government Code is amended  
15 to read:

16     ~~5956.1. (a) It is the intent of the Legislature that local~~  
17 ~~governmental agencies have the authority and flexibility to utilize~~  
18 ~~private investment capital to study, plan, design, construct, develop,~~  
19 ~~finance, maintain, rebuild, improve, repair, or operate, or any~~  
20 ~~combination thereof, fee-producing infrastructure facilities.~~  
21 ~~Without the ability to utilize private sector investment capital to~~  
22 ~~study, plan, design, construct, develop, finance, maintain, rebuild,~~  
23 ~~improve, repair, or operate, or any combination thereof,~~  
24 ~~fee-producing infrastructure facilities, the Legislature finds that~~  
25 ~~some local governmental agencies will not be able to adequately,~~  
26 ~~competently, or satisfactorily retrofit, reconstruct, repair, or replace~~  
27 ~~existing infrastructure and will not be able to adequately,~~  
28 ~~competently, or satisfactorily design and construct new~~  
29 ~~infrastructure.~~

30     ~~(b) It is further the intent of the Legislature that infrastructure~~  
31 ~~projects may be financed by a combination of public funding,~~  
32 ~~including federal, state, and local funds, and private sector~~  
33 ~~financing under this chapter.~~

34     ~~SEC. 3.~~

35     ~~SECTION 1.~~ Section 116 of the Streets and Highways Code is  
36 amended to read:

37     ~~116.~~ The department may delegate to any such city or county  
38 any part of the powers and jurisdiction vested by law in the

1 department, including authority to utilize private-public partnership  
2 agreements pursuant to Section 143 for transportation projects,  
3 except the power of approval, with respect to any portion of any  
4 such state highway within such city or county, and may withdraw  
5 such delegation.

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