

Introduced by Senator RubioFebruary 13, 2012

An act to amend Section 20311 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 1068, as introduced, Rubio. Local Agency Public Construction Act: Golden Empire Transit District.

Existing law, the Local Agency Public Construction Act, with respect to the purchase by the Golden Empire Transit District of supplies, equipment, and materials that exceed \$10,000 or any single purchase of fuels exceeding \$15,000, requires the contract to be let to the lowest responsible bidder. Existing law requires the Golden Empire Transit District to publish a notice requesting bids to be published in a newspaper of general circulation, as provided.

This bill instead would require contracts of the Golden Empire Transit District for the purchase of supplies, equipment, and materials that exceed \$100,000 to be let to the lowest responsible bidder or, in the district's discretion, to the responsible bidder that submits a proposal that provides the best value, as defined. This bill would remove the requirement that a single purchase of fuels exceeding \$15,000 be let to the lowest responsible bidder. This bill would revise the notice requirement to require that notice requesting bids be published at least once in a newspaper of general circulation and on the district's procurement Internet Web site, as provided. This bill also would require the 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 expected expenditure required for the purchase of supplies, equipment, or materials exceeds \$2,500, but does not exceed

\$100,000. By expanding the duties of a local agency, this bill would impose a state-mandated local program.

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 20311 of the Public Contract Code is
2 amended to read:

3 ~~20311. The purchase of all supplies, equipment, and materials,~~
4 ~~and the~~

5 *20311. (a) (1) The construction of facilities and works, when*
6 *the expenditure required exceeds ten thousand dollars (\$10,000),*
7 *or any single purchase of fuels exceeding fifteen thousand dollars*
8 *(\$15,000); shall be by contract let to the lowest responsible bidder.*
9 *Notice*

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

14 ~~When~~

15 *(3) When* the expected procurement required exceeds one
16 thousand dollars (\$1,000), the board shall seek a minimum of three
17 quotations, either written or oral, which permit prices and other
18 terms to be compared.

19 *(b) (1) The purchase of all supplies, equipment, and materials,*
20 *when the expenditure required exceeds one hundred thousand*
21 *dollars (\$100,000), shall be by contract let to the lowest*
22 *responsible bidder or, in the district's discretion, to the responsible*
23 *bidder that submitted a proposal that provides the best value, as*
24 *defined in paragraph (2), to the district on the basis of the factors*
25 *identified in the solicitation.*

1 (2) *For the purposes of this section, “best value” means the*
2 *overall combination of quality, price, and other elements of a*
3 *proposal that, when considered together, provide the greatest*
4 *overall benefit in response to the requirements described in the*
5 *solicitation documents.*

6 (3) *Notice requesting bids shall be published at least once in a*
7 *newspaper of general circulation and on the district’s procurement*
8 *Internet Web site, which publication shall be made at least 10 days*
9 *before bids are received. The board may reject any and all bids*
10 *and readvertise in its discretion.*

11 (4) *To the extent practicable, when the expected procurement*
12 *required exceeds two thousand five hundred dollars (\$2,500) but*
13 *does not exceed one hundred thousand dollars (\$100,000), the*
14 *board shall seek a minimum of three quotations, either written or*
15 *oral, which permit prices and other terms to be compared.*

16 (5) *This subdivision applies solely to the procurement of*
17 *supplies, equipment, and materials and shall not apply to*
18 *construction contracts.*

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