

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1857**

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**Introduced by Assembly Member Frazier**

February 19, 2014

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An act to add and repeal Section 140.2 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1857, as amended, Frazier. Department of Transportation: vehicle and equipment procurement.

Existing law generally requires public contracts to be awarded by competitive bidding pursuant to procedures set forth in the Public Contract Code, subject to certain exceptions.

Until January 1, 2019, this bill would authorize the Department of Transportation to purchase and equip heavy mobile fleet vehicles and special equipment by means of best value procurement, as defined, subject to an annual limitation of \$20,000,000. The bill would require ~~the department to report to the Legislature~~ *Department of General Services to prepare an evaluation* with regard to this process, as specified.

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

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

- 1 SECTION 1. Section 140.2 is added to the Streets and
- 2 Highways Code, to read:

1 140.2. (a) Notwithstanding any other law, except Section  
2 13332.09 of the Government Code, the department may purchase  
3 and equip heavy mobile fleet vehicles and special equipment by  
4 means of best value procurement. As used in this section, “best  
5 value procurement” means a method of selecting a proposal based  
6 on an evaluation of the following factors in addition to price:

7 (1) Total cost of ownership, including warranty, under which  
8 all repair costs are borne solely by the warranty provider, repair  
9 costs, maintenance costs, fuel consumption, and salvage value.

10 (2) Product performance, productivity, and safety standards.

11 (3) The supplier’s ability to perform to the contract requirements.

12 (4) Environmental benefits, including reduction of greenhouse  
13 gas emissions, reduction of air pollutant emissions, or reduction  
14 of toxic or hazardous materials.

15 (b) In addition to disclosure of the minimum requirements for  
16 qualification, the solicitation document provided to a prospective  
17 bidder shall specify that one or more of the factors described in  
18 subdivision (a), as applicable to the bidder’s product, shall be given  
19 a weighted value. The department shall then utilize a scoring  
20 method based on those factors and price in determining the  
21 successful bid.

22 (c) Best value procurements shall be limited to twenty million  
23 dollars (\$20,000,000) annually.

24 ~~(d) On or before October 1, 2018, the department shall submit~~  
25 ~~a report to the Legislature that includes an evaluation of the best~~  
26 ~~value procurement bidding process June 1, 2018, the Department~~  
27 ~~of General Services shall prepare an evaluation of the best value~~  
28 ~~procurement pilot authorized by this section, including a~~  
29 ~~recommendation on whether or not the process should be continued~~  
30 ~~at the Department of Transportation. The evaluation shall be~~  
31 ~~posted on the Department of Transportation’s Internet Web site~~  
32 ~~on or before June 30, 2018.~~

33 (e) This section shall remain in effect only until January 1, 2019,  
34 and as of that date is repealed, unless a later enacted statute, that  
35 is enacted before January 1, 2019, deletes or extends that date.