

Senate Bill No. 268

CHAPTER 18

An act to add Section 32132.7 to the Health and Safety Code, relating to health care districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 29, 2014. Filed with
Secretary of State May 29, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

SB 268, Gaines. Health care districts: public contracts: design-build.

The Local Health Care District Law provides for local health care districts which govern certain health care facilities. Each health care district has specific duties and powers respecting the creation, administration, and maintenance of the districts, including to purchase, receive, take, hold, lease, use, and enjoy property of every kind and description within and without the limits of the district.

The Local Agency Public Construction Act establishes bidding procedures for the award of construction contracts by local agencies.

The act authorizes counties, with the approval of the board of supervisors, to use a design-build procedure for building contracts in excess of \$2,500,000.

This bill would authorize the Last Frontier Health Care District to use this design-build process when contracting for the construction of a building and improvements directly related to a hospital or health facility building at the Modoc Medical Center.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Last Frontier Health Care District.

Certain alternative provisions that would authorize the Last Frontier Health Care District to use a different design-build procedure, as specified, would become operative only if SB 785 is enacted and takes effect on or before January 1, 2015, in which case the other authority described above would no longer be operative.

This bill would declare that it is to take effect immediately as an urgency statute.

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

SECTION 1. (a) The Legislature finds and declares both of the following:

(1) Utilizing a design-build contract requires a clear understanding of the roles and responsibilities of each participant in the process.

(2) Cost benefits for health care districts are achieved by shifting the liability and risk for cost containment and project completion to the design-build entity.

(b) It is the intent of the Legislature that the design-build process be used by health care districts solely for buildings associated with hospitals and health care and not for other infrastructure, including, but not limited to, streets, highways, public rail transit, roads, bridges, water resources facilities, and related infrastructure.

SEC. 2. Section 32132.7 is added to the Health and Safety Code, to read:

32132.7. (a) Notwithstanding Section 32132 or any other law, upon approval by the board of directors of the Last Frontier Health Care District, the design-build procedure described in Section 20133 of the Public Contract Code may be used to assign contracts for the construction of a building or improvements directly related to construction of a hospital or health facility building at the Modoc Medical Center.

(b) For purposes of this section, all references in Section 20133 of the Public Contract Code to “county” and “board of supervisors” shall mean the Last Frontier Health Care District and its board of directors.

(c) A hospital building project utilizing the design-build process authorized by subdivision (a) shall be reviewed and inspected in accordance with the standards and requirements of the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983 (Chapter 1 (commencing with Section 129675) of Part 7 of Division 107).

SEC. 2.5. Section 32132.7 is added to the Health and Safety Code, to read:

32132.7. (a) Notwithstanding Section 32132 or any other law, upon approval by the board of directors of the Last Frontier Health Care District, the design-build procedure described in Chapter 4 (commencing with Section 22160) of Part 3 of Division 2 of the Public Contract Code may be used to assign contracts for the construction of a building or improvements directly related to construction of a hospital or health facility building at the Modoc Medical Center.

(b) For purposes of this section, all references in Chapter 4 (commencing with Section 22160) of Part 3 of Division 2 of the Public Contract Code to “local agency” shall mean the Last Frontier Health Care District and its board of directors.

(c) A hospital building project utilizing the design-build process authorized by subdivision (a) shall be reviewed and inspected in accordance with the standards and requirements of the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983 (Chapter 1 (commencing with Section 129675) of Part 7 of Division 107).

SEC. 3. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances of the Last Frontier Health Care District.

SEC. 4. Section 2.5 of this act shall become operative on the date that Senate Bill 785 takes effect if Senate Bill 785 is also enacted and takes

effect on or before January 1, 2015, in which case Section 2 of this bill shall become inoperative on the date that Senate Bill 785 takes effect.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to comply with health regulations and meet increasing demand for health care services, it is necessary that this act take effect immediately.

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