

AMENDED IN ASSEMBLY JUNE 25, 2014  
AMENDED IN ASSEMBLY JUNE 11, 2014  
AMENDED IN ASSEMBLY AUGUST 7, 2013

**SENATE BILL**

**No. 502**

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**Introduced by Senator Block**

February 21, 2013

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An act to amend Section 10504.5 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 502, as amended, Block. University of California: bidding requirements.

Existing law requires the Regents of the University of California, except as specified, to let any contract for a project to the lowest responsible bidder. Existing law also provides that where the Regents of the University of California are of the view that a project of \$100,000 or less does not require the application of all provisions of law relating to competitive bidding by the university, the regents shall solicit bids in writing and award the work to the lowest responsible bidder or reject all bids.

This bill would raise this dollar threshold for the cost of a project to ~~\$750,000~~ \$640,000.

Existing law, until January 1, 2017, establishes a pilot program to authorize all campuses of the University of California, including the medical centers, to award best value contracts based on best value procedures, as specified, for projects over \$1,000,000. Existing law requires the University of California, for purposes of this pilot program, to establish a procedure for the prequalification of bidders, invite

prequalified bidders to submit sealed bids as part of a solicitation for bids, and to award the contract to the bidder whose bid is determined to be the best value to the university.

The bill would require the Regents of the University of California, with respect to projects that do not require the application of all competitive bidding provisions, to establish a procedure to qualify and rate a bidder for work to be awarded when the cost of the project exceeds \$300,000 but does not exceed ~~\$750,000~~, \$640,000, as specified. The bill would also require each campus or facility to publicly post a brief description of the project, the awarded amount, and contractor's name.

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 10504.5 of the Public Contract Code is  
2 amended to read:  
3 10504.5. (a) Where the nature of the work, in the opinion of  
4 the Regents of the University of California, is such that the  
5 application of all of the provisions of this chapter in connection  
6 with that work is not required, and the cost of the project does not  
7 exceed ~~seven hundred fifty~~ *six hundred forty* thousand dollars  
8 (~~\$750,000~~), (*\$640,000*), the regents shall solicit bids in writing  
9 and shall award the work to the lowest responsible bidder or reject  
10 all bids.  
11 (b) (1) The Regents of the University of California shall  
12 establish a procedure to qualify and rate a bidder for work to be  
13 awarded pursuant to subdivision (a) when the cost of the project  
14 exceeds three hundred thousand dollars (\$300,000) but does not  
15 exceed ~~seven hundred fifty~~ *six hundred forty* thousand dollars  
16 (~~\$750,000~~) (*\$640,000*).  
17 (2) The procedures shall require a bidder to complete and submit  
18 a qualification questionnaire. The qualification questionnaire shall  
19 cover, at a minimum, the issues covered by the Model  
20 Pre-qualification Questionnaire developed in 1999 by the  
21 Department of Industrial Relations pursuant to subdivision (a) of  
22 Section 20101. The procedures shall also require a bidder to  
23 complete and submit a financial statement, unless the bidder is a  
24 contractor who has qualified as a Small Business Administration  
25 entity pursuant to paragraph (1) of subdivision (d) of Section 14837

1 of the Government Code. A bidder who is required to complete  
2 and submit a qualification questionnaire shall include the general  
3 contractor and, if utilized, the electrical, mechanical, and plumbing  
4 subcontractor, except that the nonqualification of a subcontractor  
5 shall not disqualify an otherwise qualified contractor.

6 (3) Each campus or facility shall adopt and apply a uniform  
7 system of rating a bidder on the basis of the completed qualification  
8 questionnaire and, if available, financial statements to determine  
9 the minimum requirements permitted for qualification to submit  
10 a bid. Each campus or facility may process qualification  
11 questionnaires and financial statements on a quarterly basis to  
12 qualify a prospective bidder for a period of one calendar year from  
13 the date of qualification.

14 (4) Upon award to the lowest responsible bidder, each campus  
15 or facility shall publicly post on its Internet Web site a brief  
16 description of the project and the awarded amount along with the  
17 name of the contractor who is the lowest responsible bidder.

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