

Senate Bill No. 502

Passed the Senate August 20, 2014

Secretary of the Senate

Passed the Assembly August 19, 2014

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2014, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

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

LEGISLATIVE COUNSEL'S DIGEST

SB 502, 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 \$640,000.

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 \$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.

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

SECTION 1. Section 10504.5 of the Public Contract Code is amended to read:

10504.5. (a) Where the nature of the work, in the opinion of the Regents of the University of California, is such that the application of all of the provisions of this chapter in connection with that work is not required, and the cost of the project does not exceed six hundred forty thousand dollars (\$640,000), the regents shall solicit bids in writing and shall award the work to the lowest responsible bidder or reject all bids.

(b) (1) The Regents of the University of California shall establish a procedure to qualify and rate a bidder for work to be awarded pursuant to subdivision (a) when the cost of the project exceeds three hundred thousand dollars (\$300,000) but does not exceed six hundred forty thousand dollars (\$640,000).

(2) The procedures shall require a bidder to complete and submit a qualification questionnaire. The qualification questionnaire shall cover, at a minimum, the issues covered by the Model Pre-qualification Questionnaire developed in 1999 by the Department of Industrial Relations pursuant to subdivision (a) of Section 20101. The procedures shall also require a bidder to complete and submit a financial statement, unless the bidder is a contractor who has qualified as a Small Business Administration entity pursuant to paragraph (1) of subdivision (d) of Section 14837 of the Government Code. A bidder who is required to complete and submit a qualification questionnaire shall include the general contractor and, if utilized, the electrical, mechanical, and plumbing subcontractor, except that the nonqualification of a subcontractor shall not disqualify an otherwise qualified contractor.

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

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

Approved _____, 2014

Governor