

AMENDED IN SENATE MARCH 31, 2016

**SENATE BILL**

**No. 1214**

---

---

**Introduced by Senator Allen**

February 18, 2016

---

---

An act to ~~add Section 712.5 to the Military and Veterans Code, relating to veterans; amend Sections 10506.4 and 10506.5 of, to amend the heading of Article 1.5 (commencing with Section 10506.4) of Chapter 2.1 of Part 2 of Division 2 of, and to repeal Sections 10506.8 and 10506.9 of, the Public Contract Code, relating to public contracts.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1214, as amended, Allen. ~~Veterans: Internet resources: University of California: Best Value Construction Contracting Program.~~

(1) Existing law authorizes, through January 1, 2017, a pilot program for the Regents of the University of California to contract for certain types of projects on the university of the University of California based on the best value procedures, as specified. Existing law defines the term "university" to mean the campuses of the University of California, including the medical centers. The law requires, on or before January 1, 2016, the Regents of the University of California to report to specific committees of the Legislature regarding the pilot program, including, among other information, a description of the projects awarded using the best value procedures.

This bill would make the provisions of pilot program effective indefinitely as the Best Value Construction Contracting Program and would make conforming changes by repealing the reporting requirement and references to a pilot program. This bill would modify the definition of the term "university" to mean all locations of the University of California.

(2) *By extending the requirement that bidders verify specified information under oath, this bill would impose a state-mandated local program by expanding the scope of an existing crime.*

*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 no reimbursement is required by this act for a specified reason.*

~~Existing law establishes the Department of Veterans Affairs within state government and sets forth its powers and duties, including, but not limited to, the administration of veterans benefits programs. Existing law requires the department to make available to family members of veterans returning from active duty user-friendly Internet resources that provide information on the signs of pertinent ailments from various conflicts, as specified, and printed material regarding those ailments at any public function of the department. Existing law requires the department to post information pertaining to benefit programs that are available to qualified homeless veterans on its Internet Web site.~~

~~This bill would require the Department of Veterans Affairs to develop and implement a plan, by January 1, 2018, to routinely analyze myCalVet data, as defined, to identify trends in the services veterans and their families indicate they are most interested in, and to incorporate the results of those analyses into its outreach efforts, as specified.~~

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

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

- 1     *SECTION 1. The heading of Article 1.5 (commencing with*
- 2     *Section 10506.4) of Chapter 2.1 of Part 2 of Division 2 of the*
- 3     *Public Contract Code is amended to read:*
- 4
- 5     Article 1.5. Best Value Construction Contracting ~~Pilot~~ Program
- 6
- 7     *SEC. 2. Section 10506.4 of the Public Contract Code is*
- 8     *amended to read:*
- 9     10506.4. (a) This article provides for a pilot program *the Best*
- 10    *Value Construction Contracting Program* for the Regents of the

1 University of California for projects over one million dollars  
2 (\$1,000,000).

3 (b) The Regents of the University of California shall let any  
4 contract for a project pursuant to this article to the lowest  
5 responsible bidder or else reject all bids.

6 (c) The lowest responsible bidder may be selected on the basis  
7 of the best value to the university, as defined in Section 10506.5.  
8 In order to implement this method of selection, the Regents of the  
9 University of California shall adopt and publish procedures and  
10 required guidelines for evaluating the qualifications of the bidders  
11 that ensure that best value selections by the university are  
12 conducted in a fair and impartial manner. These procedures and  
13 guidelines shall conform to the requirements of Sections 10506.6  
14 and 10506.7 and shall be mandatory for the university when using  
15 best value selection.

16 (d) If one or more of the bids is substantially equal to the lowest  
17 bid, and at least one of those bidders is a disadvantaged business  
18 enterprise, a women business enterprise, or a disabled veteran  
19 business enterprise, the regents may award the contract in  
20 accordance with the policies and procedures adopted pursuant to  
21 Section 10500.5.

22 (e) If the regents deem it to be for the best interest of the  
23 university, the regents may, on the refusal or failure of the  
24 successful bidder for a project to execute a tendered contract, award  
25 it to the second lowest responsible bidder. If the second lowest  
26 bidder fails or refuses to execute the contract, the regents may  
27 likewise award it to the third lowest responsible bidder.

28 *SEC. 3. Section 10506.5 of the Public Contract Code is*  
29 *amended to read:*

30 10506.5. For purposes of this article, the following definitions  
31 apply:

32 (a) “Best value” means a procurement process whereby the  
33 lowest responsible bidder may be selected on the basis of objective  
34 criteria for evaluating the qualifications of bidders with the  
35 resulting selection representing the best combination of price and  
36 qualifications.

37 (b) “Best value contract” means a contract entered into pursuant  
38 to the provisions of this article.

1 (c) “Best value contractor” means a properly licensed person,  
2 firm, or corporation that submits a bid for, or is awarded, a best  
3 value contract.

4 (d) “Demonstrated management competency” means the  
5 experience, competency, capability, and capacity of the proposed  
6 management staffing to complete projects of similar size, scope,  
7 or complexity.

8 (e) “Financial condition” means the financial resources needed  
9 to perform the contract. The criteria used to evaluate a bidder’s  
10 financial condition shall include, at a minimum, capacity to obtain  
11 all required payment bonds, performance bonds, and liability  
12 insurance.

13 (f) “Labor compliance” means the ability to comply with, and  
14 past performance with, contract and statutory requirements for the  
15 payment of wages and qualifications of the workforce. The criteria  
16 used to evaluate a bidder’s labor compliance shall include, as a  
17 minimum, the bidder’s ability to comply with the apprenticeship  
18 requirements of the California Apprenticeship Council and the  
19 Department of Industrial Relations, its past conformance with such  
20 requirements, and its past conformance with requirements to pay  
21 prevailing wages on public works projects.

22 (g) “Qualifications” means financial condition, relevant  
23 experience, demonstrated management competency, labor  
24 compliance, the safety record of the bidder, and, if required by the  
25 bidding documents, some or all of the preceding qualifications as  
26 they pertain to subcontractors proposed to be used by the bidder  
27 for designated portions of the work.

28 (h) “Relevant experience” means the experience, competency,  
29 capability, and capacity to complete projects of similar size, scope,  
30 or complexity.

31 (i) “Safety record” means the prior history concerning the safe  
32 performance of construction contracts. The criteria used to evaluate  
33 a bidder’s safety record shall include, as a minimum, its experience  
34 modification rate for the most recent three-year period, and its  
35 average total recordable injury or illness rate and average lost work  
36 rate for the most recent three-year period.

37 (j) “University” means all ~~campuses~~ *locations* of the University  
38 of California, ~~including the medical centers.~~ *California.*

39 *SEC. 4. Section 10506.8 of the Public Contract Code is*  
40 *repealed.*

1 ~~10506.8.— On or before January 1, 2016, the Regents of the~~  
2 ~~University of California shall submit a report to the appropriate~~  
3 ~~policy committees of the Legislature and the Joint Legislative~~  
4 ~~Budget Committee. The report shall include, but is not limited to,~~  
5 ~~the following information:~~

6 ~~(a) A description of the projects awarded using the best value~~  
7 ~~procedures.~~

8 ~~(b) The contract award amounts.~~

9 ~~(c) The best value contractors awarded the projects.~~

10 ~~(d) A description of any written protests concerning any aspect~~  
11 ~~of the solicitation, bid, or award of the best value contracts,~~  
12 ~~including the resolution of the protests.~~

13 ~~(e) A description of the prequalification process.~~

14 ~~(f) The criteria used to evaluate the bids, including the weighting~~  
15 ~~of the criteria and an assessment of the effectiveness of the~~  
16 ~~methodology.~~

17 ~~(g) If a project awarded under this article has been completed,~~  
18 ~~an assessment of the project performance, to include a summary~~  
19 ~~of any delays or cost increases.~~

20 *SEC. 5. Section 10506.9 of the Public Contract Code is*  
21 *repealed.*

22 ~~10506.9.— This article shall remain in effect only until January~~  
23 ~~1, 2017, and as of that date is repealed, unless a later enacted~~  
24 ~~statute, that is enacted before January 1, 2017, deletes or extends~~  
25 ~~that date.~~

26 *SEC. 6. No reimbursement is required by this act pursuant to*  
27 *Section 6 of Article XIII B of the California Constitution because*  
28 *the only costs that may be incurred by a local agency or school*  
29 *district will be incurred because this act creates a new crime or*  
30 *infraction, eliminates a crime or infraction, or changes the penalty*  
31 *for a crime or infraction, within the meaning of Section 17556 of*  
32 *the Government Code, or changes the definition of a crime within*  
33 *the meaning of Section 6 of Article XIII B of the California*  
34 *Constitution.*

35 ~~SECTION 1.— Section 712.5 is added to the Military and~~  
36 ~~Veterans Code, to read:~~

37 ~~712.5.— (a) By January 1, 2018, the department shall develop~~  
38 ~~and implement a plan to routinely analyze and use myCalVet data~~  
39 ~~to identify trends in the services veterans and their families indicate~~

1 they are most interested in, and to incorporate the results of that  
2 analyses into its outreach efforts:

3 (b) ~~To determine the most successful methods for informing~~  
4 ~~veterans and their families about the myCalVet Internet Web site,~~  
5 ~~and to increase the number of registered users, the department~~  
6 ~~shall evaluate myCalVet data to identify which outreach methods~~  
7 ~~were most effective in informing registered users about the~~  
8 ~~myCalVet Internet Web site.~~

9 (e) ~~For purposes of this section:~~

10 (1) ~~“MyCalVet data” means the data collected or accessed~~  
11 ~~through the myCalVet Internet Web site.~~

12 (2) ~~“MyCalVet Internet Web site” means the Internet Web site~~  
13 ~~maintained by the department that allows veterans and family~~  
14 ~~members to connect to veterans benefits and services through the~~  
15 ~~creation of online profiles that provide access to information related~~  
16 ~~to, among others, health care, education, housing, employment,~~  
17 ~~advocacy, claims assistance, and service providers.~~