

## Assembly Bill No. 616

### CHAPTER 55

An act to amend Section 12751 of, and to add and repeal Section 12751.5 of, the Public Utilities Code, relating to public utilities.

[Approved by Governor July 6, 1999. Filed with  
Secretary of State July 6, 1999.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 616, Oller. Municipal utility districts: bid requirements.

The Municipal Utility District Act requires the purchase of supplies and materials by a municipal utility district to be let by contract to the lowest responsible bidder when the expenditure is in excess of \$20,000, or, in any district with a population of 250,000 or more, in excess of \$50,000, as prescribed, with annual adjustments to those dollar limits.

This bill, with respect to a district with a population below 250,000, would generally increase that \$20,000 figure to \$25,000. The bill, until January 1, 2003, with respect to all districts, would require the purchase of a vehicle to be by contract let to the lowest responsible bidder if the expenditure required exceeds \$50,000.

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

SECTION 1. Section 12751 of the Public Utilities Code is amended to read:

12751. (a) Except as specified in Section 12751.5, the purchase of all supplies and materials, when the expenditure required exceeds twenty-five thousand dollars (\$25,000), or in a district that has a population of 250,000 or more, when the expenditure required exceeds fifty thousand dollars (\$50,000), shall be by contract let to the lowest responsible bidder. Notice requesting bids shall be published pursuant to Section 6061 of the Government Code at least 10 days before bids are received. The district may reject any and all bids and readvertise in its discretion. The board may authorize the general manager to determine, in the discretion of the general manager, whether to reject all bids and whether, after the bids have been rejected, to readvertise.

(b) The dollar limit identified in subdivision (a) shall annually be adjusted upward or downward to reflect the percentage change in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the U.S. Department of Commerce. The annual adjustments shall be rounded to the nearest one thousand dollars (\$1,000).

SEC. 2. Section 12751.5 is added to the Public Utilities Code, to read:

12751.5. (a) Notwithstanding Section 12751, the purchase of a vehicle shall be by contract let to the lowest responsible bidder if the expenditure required exceeds fifty thousand dollars (\$50,000).

(b) This section shall remain in effect only until January 1, 2003, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2003, deletes or extends that date.

