

Assembly Bill No. 1444

CHAPTER 295

An act to add Section 11011.27 to the Government Code, relating to state property.

[Approved by Governor October 11, 2009. Filed with
Secretary of State October 11, 2009.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1444, Garrick. Disposition of state property: services contracts.

Existing law authorizes the Director of General Services to take various actions with respect to the sale, lease, and disposition of state properties, including entering into lease purchase agreements with state agencies for specified state properties, as provided.

This bill would authorize the Department of General Services to advertise and award contracts for services related to the disposition of real properties, as provided. The bill would further authorize the department to establish prequalified lists, as defined, of qualified firms, as defined, that may enter into contracts with the department to perform specific types of services needed by the department with respect to the disposition of those real properties in accordance with specified requirements, as provided.

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

SECTION 1. Section 11011.27 is added to the Government Code, to read:

11011.27. (a) Notwithstanding any other law, the department may advertise and award contracts for services related to the disposition of real property, in accordance with this section.

(b) For purposes of this section, the following definitions shall apply:

(1) "Qualified firm" means an individual, firm, or combination of firms and individuals having appropriate expertise and knowledge related to due diligence investigations, land use planning, real estate development, entitlement, appraisals, real estate economics and valuation, marketing, public relations, auctioning, and other related matters involved in the disposal, reuse, leasing, and sale of real property.

(2) "Prequalified list" means a list of firms that possess the qualifications established by the department to perform specific types of services needed by the department pursuant to this section.

(c) The department may establish prequalified lists in accordance with the following process:

(1) For each type of work for which the department elects to use this process for the advertising and awarding of contracts, the department may request statements of qualifications from interested firms. The request for statements of qualifications shall be announced statewide through the State Contracts Register and any applicable publications of appropriate professional societies. Each announcement shall describe the general scope of services to be provided within each category for contracts for services that the department anticipates may be awarded during the period covered by the announcement.

(2) The department shall evaluate the statements of qualifications, and create a list of the most qualified firms that meet the criteria established and published by the department. Discussions may be held regarding each firm's qualifications with all listed firms. The department shall maintain lists of prequalified firms, which shall be updated at least every two years from the date the lists are established to allow for additional firms to be added. The department may, at its discretion, add qualified firms more frequently than every two years.

(3) As specific real properties are identified by the department as being eligible for contracting during the time period that the prequalified lists are valid, the department shall contact at least three qualified firms in each category of services desired by the department for the real property disposition, to determine if those qualified firms have sufficient staff and are available for performance of a specific project. If the qualified firm that is contacted is not available, the department shall continue to contact qualified firms on the prequalified list, in the order the firms appear on the list, until at least three available qualified firms are identified. If a category on the prequalified list has less than three qualified firms, the department may utilize other firms on the prequalified list that are included in a different category on the list, if those firms are able to provide the desired services.

(4) Once the department has identified interested firms from the prequalified list, it shall solicit cost proposals from those prequalified firms. The department shall negotiate a contract for the services with the best qualified firm at compensation the department deems fair and reasonable to the state.

(5) If the department is unable to negotiate a satisfactory contract with the identified qualified firm, negotiations with that qualified firm shall be terminated and negotiations shall be undertaken with the next qualified firm on the prequalified list that is available to perform the contract. If a satisfactory contract cannot be negotiated with the second identified qualified firm, negotiations may be terminated and the negotiation process shall be continued with the remaining qualified firms. If the department is unable to negotiate a satisfactory contract with a qualified firm on three separate occasions, the department may remove that qualified firm from the prequalified list.

(d) Contracts for services that the department elects to advertise and award in accordance with this section are not subject to Article 4 (commencing with Section 10335) of Chapter 2 of Part 2 of Division 2 of

the Public Contract Code and shall not include services defined in Chapter 10 (commencing with Section 4525) of Division 5 of Title 1 of the Government Code.

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