

Assembly Bill No. 2030

Passed the Assembly August 4, 2016

Chief Clerk of the Assembly

Passed the Senate June 30, 2016

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 20221 of the Public Contract Code, and to amend Section 103222 of the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL’S DIGEST

AB 2030, Mullin. Transportation districts: contracts.

(1) Existing law requires contracts of the San Francisco Bay Area Rapid Transit District for the purchase of supplies, equipment, and materials to be let to the lowest responsible bidder or to the bidder who submits a proposal that provides best value, as defined, if the amount of the contract exceeds \$100,000 and requires the district to obtain a minimum of 3 quotations for those contracts between \$2,500 and \$100,000. Existing law requires the district, if the contract is for the construction of facilities and works, to let the contract to the lowest responsible bidder if the amount of the contract exceeds \$10,000 and to obtain a minimum of 3 quotations for those contracts between \$2,500 and \$10,000.

This bill would instead impose those bidding requirements with respect to district contracts for the purchase of supplies, equipment, and materials if the amount of the contract exceeds \$150,000 and would require a minimum of 3 quotations for those contracts between \$5,000 and \$150,000. The bill would also require, with respect to district contracts for the construction of facilities and works, a minimum of 3 quotations for those contracts between \$5,000 and \$10,000.

(2) Existing law requires contracts of the San Mateo County Transit District for the purchase of supplies, equipment, and materials to be let to the lowest responsible bidder or to the bidder who submits a proposal that provides best value, as defined, if the amount of the contract exceeds \$100,000 and requires the district, to the extent practicable, to obtain a minimum of 3 quotations for those contracts between \$2,500 and \$100,000.

This bill would instead impose those bidding requirements if the amount of the contracts exceeds \$150,000 and would require a minimum of 3 quotations for contracts between \$5,000 and \$150,000.

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

SECTION 1. Section 20221 of the Public Contract Code is amended to read:

20221. (a) The purchase of all supplies, equipment, and materials when the expenditure required exceeds one hundred fifty thousand dollars (\$150,000) shall be by contract let to the lowest responsible bidder or, in the district's discretion, to the responsible bidder who submitted a proposal that provides the best value to the district on the basis of the factors identified in the solicitation. "Best value" means the overall combination of quality, price, and other elements of a proposal that, when considered together, provide the greatest overall benefit in response to requirements described in the solicitation documents. The construction of facilities and works when the expenditure required exceeds ten thousand dollars (\$10,000) shall be by contract let to the lowest responsible bidder. Notice requesting bids shall be published at least once in a newspaper of general circulation. This publication shall be made at least 10 days before the bids are received. The board may reject any and all bids and readvertise in its discretion.

(b) Whenever the expected procurement required exceeds five thousand dollars (\$5,000) and, in the case of the construction of facilities and works, does not exceed ten thousand dollars (\$10,000) or, in the case of the purchase of supplies, equipment, or materials, does not exceed one hundred fifty thousand dollars (\$150,000), the district shall obtain a minimum of three quotations, either written or oral, that permit prices and terms to be compared.

(c) Where the expenditure required by the bid price is less than one hundred thousand dollars (\$100,000), the general manager may act for the board. When acting pursuant to this subdivision, the general manager shall, in each instance, promptly notify the board of the action taken.

SEC. 2. Section 103222 of the Public Utilities Code is amended to read:

103222. (a) The purchase of all supplies, equipment, and materials, when the expenditure required exceeds one hundred fifty thousand dollars (\$150,000), shall be by contract let to the lowest responsible bidder, or, in the district's discretion, to the responsible bidder who submitted a proposal that provides the best value to the district on the basis of the factors identified in the

solicitation. “Best value” means the overall combination of quality, price, and other elements of a proposal that, when considered together, provide the greatest overall benefit in response to the requirements described in the solicitation documents.

(b) To the extent practicable, the district shall obtain a minimum of three quotations, either written or oral, that permit prices and terms to be compared whenever the expected expenditure required for the purchase of supplies, equipment, or materials exceeds five thousand dollars (\$5,000), but does not exceed one hundred fifty thousand dollars (\$150,000).

(c) Notice requesting bids required by this section shall be published at least once in a newspaper of general circulation and on the district’s procurement Internet Web site. These publications shall be made at least 10 days before the bids are received. The board may reject any and all bids and readvertise at its discretion.

(d) This section applies solely to the procurement of supplies, equipment, and materials, and shall not apply to construction contracts.

Approved _____, 2016

Governor