AB 707 (Kalra, 2019) Valley Water Contracting – AS AMENDS THE LAW
Enrolled Text Signed by Governor

SECTION 1.

Section 21160.5 is added to the Public Contract Code, to read:

21160.5.

As used in this article:

(a) "Board" means the board of directors of the Santa Clara Valley Water District.

(b) "District" means the Santa Clara Valley Water District.

SEC. 2.

Section 21161 of the Public Contract Code is amended to read:

21161.

(a) For any improvement or unit of work done by district personnel, the estimated cost of the work shall not exceed fifty thousand dollars ($50,000), except under the following circumstances:

(1) The work consists of channel protection.

(2) The work consists of maintenance work as defined in subdivision (d) of Section 22002.

(3) The work consists of environmental preservation or habitat management.

(4) The work consists of emergency work.

(b) With the approval of the board, in accordance with board policy that has been adopted in an open meeting, any improvement or unit of work not performed by district personnel and estimated by the engineer to cost in excess of fifty thousand dollars ($50,000) shall be done by contract and shall comply with the following formal competitive bidding process:

(1) All contracts shall be let to the lowest responsible bidder or bidders in the manner provided in this article. The board shall first determine whether the contract shall be let as a single unit for the whole of the work, or shall be divided into severable parts, or both, according to the best interests of the district.

~~(a)~~ *(2)* ~~Any improvement or unit of work not performed by district personnel and estimated by the engineer to cost in excess of twenty-five thousand dollars ($25,000) shall be done by contract. All contracts shall be let to the lowest responsible bidder or bidders in the manner provided in this article.~~ The board shall ~~first determine whether the contract shall be let as a single unit for the whole of the work, or shall be divided into severable parts, or both, according to the best interests of the district. The board shall~~ call for bids and advertise the call by three insertions in a daily newspaper of general circulation or by two insertions in a weekly newspaper of general circulation printed and published in the district inviting sealed proposals for the construction or performance of the improvement or work before any contract is made. The call for bids shall state whether the work is to be performed as a unit for the whole thereof or shall be divided into severable specific parts, or both, as stated in the call. The board may let the work by single contract or it may divide the work into severable parts by separate contracts, as stated in the call, according to the best interests of the district. ~~The board shall require the successful bidder or bidders to file with the board good and sufficient bonds to be approved by the board conditioned upon the faithful performance of the contract and upon the payment of their claims for labor and material, the bonds to contain the terms and conditions set forth in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code and to be subject to the provisions of that title. The board shall also have the right to reject any bid. In the event all proposals are rejected or no proposals are received pursuant to advertisement, or the estimated cost of the work does not exceed five thousand dollars ($5,000), or the work consists~~

~~of channel protection, maintenance work, or emergency work, the board may, without advertising for bids, have the work done by force account. In case of an emergency, if notice for bids to let contracts will not be given, the board shall comply with Chapter 2.5 (commencing with Section 22050). The district may purchase in the open market, without advertising for bids, materials and supplies for use in any work either under contract or by force account.~~

(3) The board shall require the successful bidder or bidders to file with the board good and sufficient bonds to be approved by the board conditioned upon the faithful performance of the contract and upon the payment of their claims for labor and material, the bonds to contain the terms and conditions set forth in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code and to be subject to that title.

(4) The board may reject any bid. If all proposals are rejected or no proposals are received pursuant to advertisement, or the work consists of channel protection, maintenance work, environmental preservation or habitat management, or emergency work, the board may, without advertising for bids, have the work done by force account.

(c) In case of an emergency, if notice for bids to let contracts will not be given, the board shall comply with Chapter 2.5 (commencing with Section 22050).

(d) The district may purchase in the open market, without advertising for bids, materials and supplies for use in any work either under contract or by force account.

~~(b)~~ *(e)* The provisions of this section requiring competitive bidding and the award of contracts to the lowest responsible bidder are inapplicable to the extent the improvement or unit of work is to be performed on its own facilities by a public utility subject to the jurisdiction of the California Public Utilities Commission.

(f) Notwithstanding any other law, the district may elect to participate in the Uniform Public Construction Cost Accounting Act (Chapter 2 (commencing with Section 22000)).