

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # *B-5

Urgent

Routine

AGENDA DATE March 15, 2011

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Adopt Official County Position to Oppose Legislative Bill AB 720 (Hall)

STAFF RECOMMENDATIONS:

Adopt official County position opposing the passage of AB 720 (Hall) which amends the Public Contract Code (PCC) Section 22031 which would prohibit a county under the Uniform Construction Cost Account (Act) from being able to use Road Commissioner authority granted under Public Contract Code Section 20395.

FISCAL IMPACT:

There is no fiscal impact associated with this item.

BOARD ACTION AS FOLLOWS:

No. 2011-155

On motion of Supervisor DeMartini, Seconded by Supervisor Withrow
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None


1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

DISCUSSION:

The State and Federal legislatures have introduced numerous bills that could, if enacted, impact local government programs. Each year, the Board of Supervisors adopts a legislative platform which establishes the Board's position in numerous program areas. County Departments, the County's Lobbyist and CEO staff track legislative activities to determine if legislation is being considered that either fits into one of the groupings identified in the County's Legislative Platform or could otherwise affect County Programs.

If the proposed position of opposition is approved, correspondence will be drafted for the signature of the Chairman of the Board of Supervisors reflecting the Board's position and forwarded to the appropriate individuals and Committees.

POLICY ISSUES:

This action is consistent with the Board's priority of efficient delivery of public services and supports program areas and individual departmental priorities.

STAFFING IMPACT:

There is no staffing impact associated with this item.

CONTACT:

David Jones, Chief Executive Office, 652-1177



CHIEF EXECUTIVE OFFICE

Richard W. Robinson
Chief Executive Officer

Patricia Hill Thomas
Chief Operating Officer/
Assistant Executive Officer

Monica Nino-Reid
Assistant Executive Officer

Stan Risen
Assistant Executive Officer

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March 7, 2011

Legislative Position Paper

Bill Number: AB 720 (Hall)

Proposed Position: *Oppose*

Bill Summary: AB 720, by Assembly Member Isadore Hall, a reintroduction of AB 1409 (Perez, 2009-10), would once again threaten Road Commissioner Authority. More specifically, the bill would amend Public Contract Code (PCC), Section 22031 to prohibit a county under the Uniform Construction Cost Account Act (Act) from being able to use Road Commissioner authority granted under Public Contract Code, Section 20395. It would also increase from \$30,000 to \$45,000 the total cost of a project that is allowed to be performed by public agency employees.

Pertinent Issues/Analysis: The Act, created in 1983, allows among other things, local agencies to perform public project work up to \$30,000 with its own work force if the agency elects to follow specific cost accounting procedures. In exchange for following these specific accounting procedures that provide greater accountability and transparency, local agencies have additional contracting flexibility, higher thresholds, and provides an alternative bidding procedure when an agency performs public project work by contract.

Recognizing that decades old county Road Commissioner authority (since 1935) provides county transportation departments the necessary flexibility to address local issues such as natural disasters or emergencies as well as routine maintenance, the Act allows counties to retain critical flexibility and authority as granted under Public Contract Code, Section 20395 (c) while a part of the Act.

AB 720, would tie the hands of county transportation departments that are a part of the Act. Essentially, the proposed amendments would require the 32 counties currently under the Act to choose between their overall county authority under the Act or Road Commissioner authority. As proposed in the measure, county transportation departments would be restricted to the \$45,000 force account limit under the Act or be faced with convincing all other departments to give up their flexibility under the Act in order to exercise Road Commissioner authority under PCC 20395 (c).

The current authority provided for in existing law is working well and there is no proven reason necessitating such legislative proposals. Most counties already put large construction projects out to bid and use Road Commissioner authority for basic maintenance activities and responding to emergencies and natural disasters. The proposed changes in AB 720 would require a county to choose between two proven effective programs at the expense of more efficient and effective public works projects.

Stanislaus County Approved Position: _____

Date of BOS Action: _____



BOARD OF SUPERVISORS

William O'Brien, 1st District
Vito Chiesa, 2nd District
Terry Withrow, 3rd District
Dick Monteith, 4th District
Jim DeMartini, 5th District

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March 15, 2011

The Honorable Isadore Hall
Member, California State Assembly
State Capitol, Room 3123
Sacramento, CA 95814

**Re: Oppose - AB 720 (Hall): Public Contracts: Uniform Construction Cost Accounting Act
As Introduced on February 17, 2011**

Dear Assembly Member Hall:

Stanislaus County is in strong opposition to AB 720 (Hall) as introduced on February 17, 2011.

The Act, created in 1983, allows among other things, local agencies to perform public project work up to \$30,000 with its own work force if the agency elects to follow specific cost accounting procedures. In exchange for following these specific accounting procedures, local agencies have additional contracting flexibility, higher thresholds, and provides an alternative bidding procedure when an agency performs public project work by contract.

The Act provides many benefits to counties, mainly the informal bid process, which is used to keep projects costs to a minimum. However, Road Commissioner authority as provided for in PCC, Section 20935 is still necessary to ensure our ability to perform work on county highways in a timely, efficient, and cost-effective manner. Implementation of AB 720, would mean a county would have to give up the benefits of the Act, in order to retain critical Road Commissioner authority for transportation-related purposes.

The current authority provided for in existing law is working well and there is no proven reason necessitating such legislative proposals. Most counties already put large construction projects out to bid and use Road Commissioner authority for basic maintenance activities and responding to emergencies and natural disasters.

Given the State budget situation and sagging economy, we should be encouraging more efficient and effective uses for valuable transportation funds, not adding costly requirements that will result in fewer transportation projects at higher costs, increased backlogs and deferred maintenance, and ultimately a less safe transportation network for the constituents we all serve.

Sincerely,

Dick Monteith, Chairman
Stanislaus County Board of Supervisors

DM:DTJ:bb