

An act to add and repeal Article 6.5 (commencing with Section 217) of Chapter 1 of Division 1 of the Streets and Highways Code, relating to transportation.

SECURED
COPY



231537690735BILL

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Article 6.5 (commencing with Section 217) is added to Chapter 1 of Division 1 of the Streets and Highways Code, to read:

Article 6.5. Job Order Contracting

217. (a) It is the intent of the Legislature to enable the use of job order contracting as an option for constructing transportation and public works projects when it is anticipated that the use of this method will reduce procurement costs or expedite project completion in a manner that is not achievable through the design-bid-build method. It is the intent of the Legislature that this contracting method will improve the efficiency and efficacy of contracted work and not supplant work completed by the department's field maintenance employees.

(b) (1) The department may use the procurement method outlined in this article for job order contracts.

(2) A job order contract of the department shall be competitively bid and awarded to the lowest bidder providing a qualified responsive bid.

(c) (1) The department may use job order contracting, consistent with this article, when undertaking the following projects:

(A) Highway maintenance or safety projects, including, but not limited to, bridge deck sealing, bridge and asphalt pavement overlays, concrete pavement slab work, repair and replacement of active transportation and complete streets facilities, joint seals, installation of new traffic safety devices, rumble strips, and traffic control devices, and other safety, bridge repair, or highway repair projects that are basic and repetitive.

(B) Traffic management and detection system installation, replacement, and repair.

(C) Tree removal.

(D) Clearing and grubbing.

(E) Culvert installation and repairs.

(F) Improvements to, removal of, and installation of facilities, systems, and traffic control devices needed to comply with the federal Americans with Disabilities Act of 1990 (Public Law 101-336).

(G) Facility repairs, including, but not limited to, building maintenance.

(H) Installation of stormwater pollution control devices.

(I) Safety barriers.

(2) The department shall, when undertaking job order contracting for the projects specified in paragraph (1), establish a procedure to prequalify job order contractors for projects and shall prepare a set of documents for each job order contract. The documents shall include all of the following:

(A) A unit book of construction tasks with preestablished unit prices.

(B) Job order contract specifications.

(C) Any other information deemed necessary to adequately describe the department's needs.

(3) Based on the documents prepared under paragraph (2), the department shall develop a system for evaluating job order contract bids for the award of job order contracts. The award of a job order contract shall progress as follows:



(A) The department shall prepare a request for bids for job order contracts based on the documents prepared under paragraph (2) that invites prospective contractors to submit sealed bids in the manner prescribed by the department.

(B) Each bidding contractor shall include in its bid one or more adjustment factors to the established unit prices provided in the request for bids based on the advertised technical specifications.

(C) Each bidding job order contractor shall identify any subcontractors to be used for the job orders performed pursuant to the awarded job order contract pursuant to Chapter 4 (commencing with Section 4100) of Part 1 of Division 2 of the Public Contract Code.

(D) The award of job order contracts, if any, shall be made to one or more job order contractors that the department determines to be qualified and responsive based upon preestablished criteria to be determined by the department.

(4) Any job order contractor that is selected for a project pursuant to this article shall possess or obtain sufficient bonding to cover the contract amount for construction services and risk and liability insurance as the department may require.

(5) Nothing in this article is intended to affect, expand, alter, or limit any rights or remedies otherwise available at law.

(d) Notwithstanding paragraph (2) of subdivision (c) and subparagraph (B) of paragraph (3) of subdivision (c), the department may, in accordance with the requirements of Section 14838.7 of the Government Code, award a job order contract pursuant to this article with an estimated value of greater than five thousand dollars (\$5,000) but less than the cost limit, as specified in subdivision (b) of Section 10105 of the Public Contract Code, after obtaining written bid submittals from two or more certified small businesses, including microbusinesses, or from two or more disabled veteran business enterprises.

(e) Job order contracts may be executed for an initial contract term of no more than 12 months with the option of extending or renewing the job order contract for two 12-month periods. All extensions or renewals shall be priced as provided in the request for bids. An extension or renewal shall be mutually agreed to by the department and the job order contractor.

(f) On or before July 1 of each year, until July 1, 2027, the department shall publish a report on its internet website regarding the status of all active job order contracts and those job order contracts that expired in the previous year. The report shall include, but is not limited to, all of the following information:

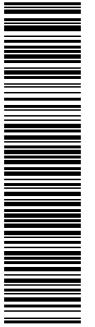
- (1) A listing of all projects completed under each job order contract.
- (2) The name of each job order contractor awarded a contract.
- (3) The estimated and actual project costs.
- (4) The estimated procurement time savings.
- (5) A description of any written protests concerning any aspect of the solicitation, bid, proposal, or award of the job order contract, including, but not limited to, the resolution of the protests.
- (6) A summary of small business usage.
- (7) A summary of Labor Code violations, including, but not limited to, prevailing wage, apprenticeship, and health and safety statutes to the extent information is readily available.



(g) Job order contracts shall be monitored by the department's labor compliance program for compliance with federal and state labor laws.

- 0 -

SECURED
COPY



231537690735BILL

LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, _____.

General Subject: Department of Transportation: job order contracting.

Existing law establishes the Department of Transportation and vests the department with full possession and control of all state highways and all property and rights in property acquired for state highway purposes. Existing law requires the department to improve and maintain state highways.

The State Contract Act generally provides for a contracting process by state agencies for public works of improvement pursuant to a competitive bidding process, under which bids are awarded to the lowest responsible bidder, with specified alternative procurement procedures authorized in certain cases. Other existing law authorizes certain state and local agencies to engage in job order contracting, as prescribed.

This bill would authorize the Department of Transportation to use job order contracting for certain transportation and public works projects, including, among others, those related to highway maintenance, installation of stormwater pollution control devices, and for facilities, systems, and traffic control devices needed to comply with the federal Americans with Disabilities Act of 1990, as provided. The bill would require the department to establish a procedure to prequalify job order contractors and to prepare a set of documents for each job order contract, as provided. The bill would require the department to prepare a request for bids for job order contracts that invites job order contractors to submit sealed bids in the manner prescribed by the department. The bill would also authorize the department, notwithstanding those other procedures, to award job order contracts for contracts within a specified cost range after obtaining written bid submittals from 2 or more certified small businesses or from 2 or more disabled veteran business enterprises, as provided.

This bill would authorize job order contracts to be executed for an initial contract term of no more than 12 months, with the option of extending or renewing the job order contract for 2 additional 12-month periods, as provided. The bill would require job order contractors to possess or obtain sufficient bonding and risk and liability insurance, as provided. The bill would require the department to publish, on or before July 1 of each year, until July 1, 2027, a report of certain information on its internet website regarding the status of all active job order contracts and those job order contracts that expired in the previous year, and to monitor job order contracts for compliance with federal and state labor laws.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

