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County Administrative Office Governmental & Legislative Affairs Josh Candelaria Director

June 26, 2017

The Honorable Mike McGuire Chair, Senate Governance and Finance Committee State Capitol Building Sacramento, CA 95814

Re: AB 1250 (Jones-Sawyer) - As Amended June 21, 2017 - OPPOSE

Dear Chairman McGuire:

The County of San Bernardino must respectfully oppose AB 1250, legislation that will increase costs and reduce opportunities for the County to meet critical service delivery needs in the most cost-effective manner. AB 1250 has the potential to impede the efficient procurement of services and potentially result in fiscal unpredictability in budgeting for services. Examples of requirements in AB 1250, which will impede the County's timely access to needed services, are the following:

- "Personal services contracts" are not defined leading to the potential for increased costs and challenges when awarding contracts.
- Contains extensive disincentives for contractors to contract with the County. This will increase the cost and limit the quality and quantity of potential contractors available to provide services to the County.
- Potential contractors, especially large, privately held corporations will be unwilling to provide the compensation information for "workers performing work similar to that provided under the contract" or the five highest compensated officers. Again reducing competition for required services.
- It is unclear what is meant by a "publicized, competitive bidding process." This language appears similar to a traditional construction bid awarded to the lowest bidder; however, evaluations for services consider numerous factors beyond cost including contractor experience, qualifications and availability.
- The contract must be with a "firm," as defined, and potentially does not allow for contracts with individuals.

The audit requirements are extensive and the County does not have sufficient staff to perform all of the required audits, and cannot hire auditors without complying with AB 1250 requirements. Further, a contract cannot be renewed without the audit report.

For these reasons, the County of San Bernardino opposes AB 1250 and requests a no vote when the bill comes before your committee. If you have questions or need additional information

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regarding the County's position, please do not hesitate to contact Josh Candelaria, Director of Governmental and Legislative Affairs at (909) 387-4821 or <u>icandelaria@sbcounty.gov</u>.

Sincerely,

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Robert A. Lovingood First District Supervisor Chairman, San Bernardino County Board of Supervisors

c: Honorable Reginald Jones-Sawyer Members and Consultants, Senate Governance and Finance Committee San Bernardino County Legislative Delegation