

Attachment A

AB 1250 (Jones-Sawyer) Detailed Summary

For more details regarding the requirements, exemptions and exemptions of AB 1250, please see below:

All contracts that are “currently or customarily performed” by the county’s employees (Core Services) must:

1. Demonstrate that the proposed contract will result in cost savings to the County for the duration of the contract as compared with the County’s actual costs of providing the same services.
 - a. County’s additional cost of providing the same service as proposed by a contractor, including salaries and benefits of additional staff, cost of additional space, equipment and materials needed to perform the function.
 - b. County’s indirect overhead costs must not be counted unless they can be solely attributed to the function in question (i.e. existing administrative salaries and benefits, rent, equipment costs, utilities, materials, etc.).
 - c. Continuing County costs associated with the contracted function shall be included such as inspection, supervision, and monitoring.
2. Contractor’s pay rates must be at industry level and cannot severely undercut County pay rates.
3. Contract cannot cause displacement of County employees: layoff, demotion, involuntary transfer, time base reductions.
4. Contract does not cause vacant positions to remain unfilled.
5. Savings must be large enough to justify size and duration of contract.
6. Contract must be awarded through publicized, competitive bidding process (including contract renewals).
7. The potential economic advantage of contracting is not outweighed by the public’s interest in having a particular function performed directly by the County government.

If a contract exceeds \$100,000 annually, the following would be required of the personal services contract:

1. Contractor must disclose following information as part of its bid, all of which are subject to the Public Records Act:
 - a. Description of all charges, claims, or complaints filed against the contractor with any federal, state, or local agency in last 10 years.
 - b. Description of all civil complaints filed against contractor in last 10 years.
 - c. Description of all criminal complaints, at any time.
 - d. Description of debarments at any time.
 - e. Total compensation including salaries and benefits that the contractor will provide to workers.

- f. Total compensation including salaries, benefits, options, etc. provided to the five highest compensated officers, directors, executives, or employees of the contractor.
2. Contractor must provide monthly:
 - a. Names of subcontractors providing services.
 - b. Names of employees of contractors, subcontractors, and independent contractors and their hourly rates.
3. Performance Audit: County shall include measurable performance standards for performance audit by the County prior to renewing or extending the contract.
4. Savings Audit: County must audit whether and to what extent the anticipated cost savings have been realized prior to renewing or extending the contract, and the contractor shall reimburse the County for the cost of the audit unless the cost of the audit cannot be included in contract costs with the County per applicable regulation.

AB 1250 does provide for exceptions if any of the following conditions are met:

1. New County functions where legislature specifically mandates or authorizes the performance of the work by independent contractors.
2. Contract is between county and other government entity (such as contracts with Placer County or El Dorado County).
3. Services contracted cannot be performed satisfactorily by County employees, or are of such a highly specialized or technical nature that the necessary expert knowledge is not available among county employees.
4. Services are incidental to a contract for the purchase or lease of property (i.e. maintaining or servicing office equipment or computers).
5. If the contract protects against a conflict of interest or ensure independent and unbiased findings.
6. In the need of emergency appointments.
7. Where public entities/officials need private counsel due to conflict of interest on part of county counsel's office, with written consent of county counsel.
8. Contractor provides legal services to County solely on contingency fee basis.
9. The contractor will provide equipment materials, facilities or support services that could not feasibly be provided by the county in the location where the services are to be performed.
10. Contractor will conduct training courses for which qualified county employee instructors are not available (i.e. UC Davis trainings).
11. Services are of such an urgent, temporary, or occasional nature that the delay imposed by their implementation by county employees would frustrate their very purpose (seasonal, special projects, emergency situations).

AB 1250 also provide for several exemptions where the new requirements would not apply to any of the following contracts:

1. Services described in Section 4525 or 4529.10 of the government code such as contracts with private architects, engineering, land surveying, and construction project management firms.
2. Contracts subject to Division 2, Part 7, Chapter 1 of the Labor Code such as contracts in public works.
3. Public transit services if County's transit services are fully funded by Federal Transit Administration assistance.
4. Street sweeping services.
5. Solid waste handling services authorized by or made pursuant to Section 40059 of the Public Resources Code, meaning the collection, transportation, storage, transfer, conversion, processing, recycling, composting, or disposal of solid wastes.
6. Fire protection services.