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BOARD OF SUPERVISORS



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June 13, 2017

[Applicable Committee Chair]  
[Applicable Committee Address]

**RE: AB 1250 (Jones-Sawyer) – OPPOSE**

The Nevada County Board of Supervisors respectfully submits this Letter of Opposition to Assembly Bill (AB) 1250 (Jones-Sawyer), which would impose new requirements and restrictions on counties' ability to contract for personal services. These new requirements will lead to significant increases in administrative costs for the County, place additional burdens on contractors which would likely reduce the pool of contractors willing to participate with our County, and will almost certainly reduce the number and quality of services that the County can provide to its residents.

Nevada County is a small rural county consisting of just under 100,000 residents, with one of the lowest unemployment rates in its surrounding region of 4.4% as of March 2017. This combination of a small population and low unemployment rates results in regular staffing challenges for Nevada County, particularly in more specialized areas of employment. Contracting with local agencies and non-profit organizations is crucial to our residents in order to provide the most comprehensive and efficient delivery of services.

With limited exceptions, AB 1250 would mandate counties to meet a significant number of new requirements prior to entering into, renewing, or extending contracts, including mandating that all contracts be awarded through a publicized, competitive bidding process. Such mandates would place a large administrative burden on the County, and could require many new full-time equivalent employees; thereby creating significant delays in the contracting process, increasing costs, exacerbating existing hiring challenges and negatively impacting the County's efforts to mitigate against long term unfunded liability of pension obligations over time. In addition, AB 1250 would require the County to include a termination clause for material breach of a contract that is significantly less favorable to the County than our existing termination clause.

Moreover, AB 1250 would place unprecedented burdens on the contractors themselves, several of which would likely deter the many smaller local contractors on which we rely from partnering with local government which in turn, would decrease the availability of local services, increase service delivery time to our clients and constituents, and increase costs to the

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County and local taxpayers. For example, in the case of contracts larger than \$100,000 annually, the County would be required to perform both performance standard audits and financial audits prior to any extension or renewal. Contractors would also be required to reimburse the county for the cost of the savings audit out of pocket, as the legislature prohibits contractors from factoring the costs of the audit into the contract terms with the county. Furthermore, contractors would be obligated to provide the names and hourly rates of all employees and their hourly rates to counties on a monthly basis, not including several other data sharing requirements which would be subject to the Public Records Act and raise significant privacy concerns for those contractors and their employees. And while the authors of AB 1250 claim it brings greater transparency to local government, it instead imposes another layer of bureaucracy and administrative red tape on local government's ability to partner with community service providers. The requirements and burdens imposed by AB 1250 would likely reduce and eliminate some of the most effective and beneficial services currently provided to our residents through contract service providers.

As such, we urge you to oppose AB 1250 and its misguided attempt to increase transparency by imposing many provisions that are extremely costly to the County and its constituents and potentially increasing demand on local resources by limiting opportunities to seek service contracts where overall cost savings would otherwise be achieved.

Respectfully Submitted,

Hank Weston  
Chair, Board of Supervisors

Copied to:

Honorable Assembly Member Brian Dahle  
Honorable Senator Ted Gaines  
California State Association of Counties  
Rural Counties Representatives of California