



## COUNTY OF HUMBOLDT

For the meeting of: June 13, 2017

Date: June 8, 2017

To: Board of Supervisors

From: Supervisor Virginia Bass

Subject: Letter of opposition regarding Assembly Bill 1250 (Jones-Sawyer)

RECOMMENDATION(S): That the Board of Supervisors authorize the Chair to sign a letter opposing Assembly Bill (AB) 1250 regarding county contracts for personal services.

SOURCE OF FUNDING: N/A

DISCUSSION: Existing law authorizes the board of supervisors of a county to contract for special services on behalf of various public entities with persons who are specially trained, experienced, expert, and competent to perform the special services. These services include financial, economic, accounting, engineering, legal, and other specified services.

This bill would establish specific standards for the use of personal services contracts by counties and cities. Beginning January 1, 2018, the bill would require a county or county agency, to meet specified conditions when contracting for personal services currently or customarily performed by employees. Among other things, the bill would:

- require the county to clearly demonstrate that the proposed contract will result in actual overall costs savings, and
- require the county to show that the contract does not cause the displacement of county workers
- specify that a contract may be terminated upon material breach, if notice is provided
- require the county to conduct an audit of the contract to determine whether cost savings have been realized, and would require the contractor to reimburse the cost of the audit, and
- impose significant disclosure requirements for contracts exceeding \$100,000 annually.

Prepared by Sean Quincey

Signature

Virginia Bass

REVIEW:

Auditor \_\_\_\_\_ County Counsel \_\_\_\_\_ Human Resources \_\_\_\_\_ Other \_\_\_\_\_

TYPE OF ITEM:

☒ Consent

☐ Departmental

☐ Public Hearing

☐ Other \_\_\_\_\_

PREVIOUS ACTION/REFERRAL:

Board Order No. \_\_\_\_\_

Meeting of: \_\_\_\_\_

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor Wilson Seconded by Supervisor Sundberg

Ayes Sundberg, Fennell, Bass, Bohn, Wilson

Nays

Abstain

Absent

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: June 13, 2017

By: Kathy Hayes, Clerk of the Board

FINANCIAL IMPACT: N/A

OTHER AGENCY INVOLVEMENT: N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS: Board discretion

ATTACHMENTS: Support letter



BOARD OF SUPERVISORS  
**COUNTY OF HUMBOLDT**  
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June 13, 2017

The Honorable Mike McGuire  
State Capitol  
Room 5064  
Sacramento, CA 95814

**RE: Assembly Bill 1250 (Jones-Sawyer) – County Contracts for Personal Services –  
OPPOSE**

Dear Senator McGuire:

On behalf of the Humboldt County Board of Supervisors, I am writing to express our respectful opposition to your Assembly Bill 1250 because it would severely restrict our ability to contract for services by placing hurdles that will increase costs and reduce opportunities to meet delivery needs for our residents. Regrettably, AB 1250 will mean a reduction in services offered to fewer residents, if they can still be offered at all.

AB 1250 would restrict a county's ability to contract for personal services, an undefined term in the bill, unless specific steps are taken by the county and a current or prospective contracted service provider. The service provider could be a non-profit organization, a corporation, partnership or sole proprietorship offering a broad scope of services including but not limited to prehospital EMS care, legal representation, landscaping, information technology support, and senior support services. In Humboldt County, this would hinder services provided to our most vulnerable citizens by non-profit organizations, including medical, dental and behavioral health services, homeless housing, food and nutrition benefit outreach and enrollment, and children and family services.

AB 1250 provides that counties may only enter into a personal service contract that is valued at more than \$100,000 if the Board of Supervisors "clearly demonstrates" that the contract will result in actual cost savings according to specific cost-benefit analysis standards. However, counties are expressly prohibited from taking into account savings that could result from the contract through equipment, like specialty vehicles, or materials provided. AB 1250 could restrict contracting based on an incomplete analysis.

In addition, while counties are not responsible for the cost of conducting the analysis it will still hurt our ability to maximize services because contractors will pass on new costs to counties in other ways. Counties will also likely see a smaller pool of providers to choose from if AB 1250 cost-benefit analysis proves to be too costly, time consuming, or burdensome.



Contracted service providers are also required to provide extensive information about their private employees to counties and counties in turn must make that information subject to the California Public Records Act. This information includes contractors disclose a description of all charges, claims or complaints filed against the contractor within the last 10 years, to total compensation the contractor provides to workers under the contract, and the total compensation of the five highest-compensated officers. This is a significant overreach, and could provide disincentive for contractors to apply. It also opens to the door to major new administrative burdens and new, non-reimbursable administrative costs for records request compliance. It should go without saying that we would expect an increase in litigation over personal privacy violations brought forward by private employees.

For these reasons, the Humboldt County Board of Supervisors is opposed to AB 1250.

Sincerely,

*Virginia Bass*

Virginia Bass, Chair  
Humboldt County Board of Supervisors

cc: Assemblymember Reginald Byron Jones-Sawyer, Sr.  
Assemblymember Jim Wood  
Board of Supervisors  
Members, Senate Governance and Finance Committee  
Shaw/Yoder/Antwith, Inc.  
Rural County Representatives of California  
California State Association of Counties

*Thanks for all you do!*