THIRD READING

Bill No: AB 2188
Author: Pellerin (D), et al.
Amended: 6/24/26 in Senate
Vote: 21

SENATE LOCAL GOVERNMENT COMMITTEE: 7-0, 7/1/26
AYES: Durazo, Choi, Arreguín, Ashby, Cervantes, Laird, Seyarto

ASSEMBLY FLOOR: 71-1, 5/11/26 - See last page for vote

SUBJECT: Regional park and open-space districts: Midpeninsula Regional Open Space District

SOURCE: Midpeninsula Regional Open Space District

DIGEST: This bill allows the general manager of the Midpeninsula Regional Open Space District (Midpen) to bind the district for the payment of equipment, supplies, materials, labor, or other value consideration for any purpose without advertising in amounts not exceeding $72,000.

ANALYSIS:

Existing law:

1) Allows the general manager of a regional park and open space district (RPOSD), with the approval of its board, to bind the district, in accordance with board policy that has been adopted in an open meeting, and without advertising, for the payment for supplies, materials, labor, or other valuable consideration for any purpose, including new construction of a building, structure, or improvement, in amounts not exceeding $50,000. All expenditures shall be reported to the board of directors at its next regular meeting.

2) Allows a RPOSD, by action of the board in an open meeting, to increase the amount by which the general manager may bind the district above the $50,000 limit established pursuant to 1), above. Such an increase shall not exceed an

amount equal to 2%, for each fiscal year following the operative date of the last adjustment, of the amount in effect when the board's action is adopted.

3) Allows, in a RPOSD with a population of 200,000 or more, and with the approval of the board, the general manager to bind the district, in accordance with board policy that has been adopted in an open meeting, for the payment for equipment, supplies, and materials for any purpose, including new construction of a building, structure, or improvement, excluding labor and services, when the annual aggregate cost does not exceed $150,000.

4) Specifies that 2), above, applies only to the procurement of tangible equipment, supplies, and materials and shall not be interpreted to authorize the general manager to bind the district for labor or services, in an amount not exceeding $150,000, that are customarily or historically performed by district employees.

This bill:

1) Allows the general manager of Midpen, with the approval of the board, to bind the district, in accordance to board policy adopted at an open meeting, for the payment of equipment, supplies, materials, labor, or other valuable consideration for any purpose, including new construction of a building, structure, or improvement, in amounts not exceeding $72,000.

2) Requires that all expenditures must be reported to the board of directors at its next regular meeting.

3) Requires, if the board delegates authority in the manner specified in 1), above, for a contract for the construction, completion, maintenance, or repair of any building, structure, or improvement, the decision by Midpen's general manager shall be binding on the district. Nothing in this provision invalidates any existing protest and grievance procedures regarding that decision.

4) Allows Midpen, by action of the board in an open meeting, to increase the amount by which the general manager may bind the district above the $72,000 limit. The increase must not exceed an amount equal to 2% for each fiscal year following the operative date of the last adjustment.

5) Provides that if the estimate amount of a contract exceeds $50,000, the district must solicit a minimum of three informal bids that permit prices and other terms to be compared. The district must award the contract to the lowest responsible bidder or the district can reject all bids and resolicit new bids to perform the work by force account. All solicitations and results must be memorialized in writing and all awarded contracts must be included in the report to the board.

6) Sunsets on January 1, 2032.

Background

Regional park and open space districts. The Legislature first authorized the creation of regional park districts in 1933 for the purpose of acquiring improving, and maintaining parks, playgrounds, beaches, parkways, scenic drives, boulevards, and other facilities for public recreation (AB 1114, Roland). State law governs the formation, powers, and governance, of regional park and open space districts. The principal act for these districts allows them to acquire and preserve regional greenbelts of open space land, as well as protect and restore the natural environment. Regional park and open space districts can be governed by a directly-elected board, or the county supervisors, or a board appointed by the county board of supervisors.

Regional parks and open space can acquire and preserve regional open space land, protect and restore the natural environment, and provide opportunities for ecologically sensitive public enjoyment and education. To provide these services, districts can use special taxes, benefit assessments, and general obligation bonds to acquire property by purchase or eminent domain.

Some regional park and open space districts are independent special districts, meaning they are a separate autonomous form of government outside of the control of the city or county, and have their own directly-elected boards of directors with fixed terms. Other special districts are dependent special districts, meaning the relevant governing body serves as the district's board of directors, and the district acts more like a county or city department.

Contracting. Regional park and open space districts must advertise contracts for supplies, materials, labor, and construction and award them to the lowest responsible bidder. With the board of directors' approval, a district's general manager can award smaller jobs without advertising and without written contracts. The manager must report this spending at the board's next regular meeting.

When the Legislature created open space districts in 1933, the threshold for advertising bids was $500. In 2014, the Legislature approved an increase to nearly to all open space districts can spend up to $25,000 for non-construction supplies, materials, and labor, and up to $25,000 on new construction projects without going through a formal bidding process (AB 745, Levine, Chapter 42, Statutes of 2014). Then in 2015, AB 495 (Gordon, Chapter 149, Statutes of 2015) allowed East Bay Regional Park District and Midpeninsula Regional Open Space District (Midpen) to sign contracts for any purpose of up to $50,000 without bidding. In addition to requiring board approval, AB 495 also required the district's general manager to report any expenditures in this manner to the board. The Legislature subsequently increased the bid threshold to $50,000 for an additional open space district in 2016: the Sonoma County Agricultural Preservation and Open Space District. Then in 2018, the Legislature approved AB 2137 (Mayes, Chapter 278, Statutes of 2018) which allowed all regional park districts to raise their threshold to $50,000 and included automatic adjustments to reflect increases in construction costs up to 2% each fiscal year.

AB 769 (Wilson, 2025). AB 769 (Wilson, Chapter 166, Statutes of 2025) made many changes to the Regional Park and Open Space Districts act including allowing the general manager of any regional park and open space district with a population of 200,000 or more to bind the district for the payment for equipment, supplies, and materials for any purpose, including new construction of a building, structure, or improvement, when the annual aggregate cost does not exceed $150,000. This authorization required board approval and was required to be in in accordance with board policy adopted in an open meeting. AB 769 contained language specifying that its delegated authority explicitly excluded labor and services, and that the bill applied to tangible equipment, supplies, and materials. This provision applies to East Bay Regional Park District and Midpen only.

Midpen. Midpen has permanently preserved nearly 62,000 acres of mountainous, foothill, and bay land open space, creating 26 open space preserves (24 of which are open to the public). Midpen covers an area of 550 square miles and includes 17 cities, covering parts of Santa Clara County, San Mateo County, and a small portion of Santa Cruz County. In June 2014, more than 2/3 of the district's voters approved a $300 million general obligation bond measure. Proceeds from bonds, which will be sold in a series over approximately the next 20-30 years, will be used to protect natural open space lands, open preserves or areas of preserves that are currently closed, construct public access improvements such as new trails and staging areas, and restore and enhance open space land, which includes forests, streams, watersheds, and coastal ranch areas.

Comments

According to the author, "The Midpeninsula Regional Open Space District (Midpen) protects more than 73,000 acres of mountainous, foothill, and bayland open space across 27 preserves, featuring more than 265 miles of trails making it an integral conservation district in the bay area. Caring and protecting this beautiful region is expensive, both because of complexity of the projects and the vastness of the area. Under current law, the General Manager is not allowed to enter into contracts valued at more than $50,000 without board approval. The requirement for board approval for these contracts that revolve around specialized professional services and maintenance of infrastructure and vegetation can often delay the projects by several weeks to over a year. AB 2188 increases the cap that the Midpen General Manager is able to enter into before needing to obtain board approval, ensuring timely completion of projects that protect, preserve, and maintain Midpen's ecosystem."

Accountability and efficiency. State law regulating local contracting attempts to balance the goals of accountability and efficiency. Accountability asks public officials to spend the public's money in full view, inviting bids and awarding contracts to the lowest possible bidder is an effective method of ensuring transparency for the expenditures of public funds. At the same time, requiring formal bidding for smaller contracts can delay projects, increase administrative costs, and divert staff resources from other work. Delegating authority to the general manager to procure lower cost goods and services without a formal bidding process allows districts to respond more quickly to operational needs and make more efficient use of public resources. While increasing the limits on the amount for which districts may contract allows for greater efficiency in local government spending, it may also result in a loss of accountability and transparency on the use of public funds.

Next in line. Last year, AB 769 increased the equipment, supplies, and materials contract bid threshold for two park and open space districts: East Bay Regional Park District and Midpen. While AB 769 established an annual aggregate threshold of $150,000, it also provided additional flexibility for the district's general manager to expediate the procurement of equipment, supplies and materials. However, the last time the general authority was increased for all parks and open space districts was in 2015, when the threshold was raised to $50,000. Although existing law authorizes the district to increase this amount by up to 2% annually, that adjustment mechanism has not kept pace with inflationary increases in costs over time. This bill adjusts the bid threshold to reflect current CPI adjustment for Midpen, not subject to the annual cap under AB 769. This bill raises the issue as to whether there are other park and open space districts facing similar comparable purchasing and procurement challenges that may benefit from similar authority.

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

SUPPORT: (Verified 7/25/26)

Midpeninsula Regional Open Space District (Source)
California Association of Recreation & Park Districts
California Special Districts Association

OPPOSITION: (Verified 7/25/26)

Mrosd Field Employees Association

ASSEMBLY FLOOR: 71-1, 5/11/26
AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Ramos, Ransom, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
NOES: DeMaio
NO VOTE RECORDED: Arambula, Gallagher, Lowenthal, Quirk-Silva, Celeste Rodriguez, Michelle Rodriguez, Solache, Soria

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8/3/26 17:24:34

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