

SENATE

STATE OF MINNESOTA

EIGHTY-NINTH SESSION

S.F. No. 2420

(SENATE AUTHORS: DAHLE)

| DATE | D-PG | OFFICIAL STATUS |
|------------|------|----------------------------------------------------------------------|
| 03/10/2016 | 4938 | Introduction and first reading Referred to Environment and Energy |

A bill for an act
relating to municipal contracting; narrowing a bidding exception for certain
water tank service contracts; amending Minnesota Statutes 2014, section
471.345, subdivision 5b.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2014, section 471.345, subdivision 5b, is amended to read:

Subd. 5b. **Water tank service contracts.** (a) A municipality may, by direct
negotiation or through the solicitation of requests for proposals, enter into a multiyear
professional service contract for the engineering, repair, and maintenance of a water
storage tank and appurtenant facilities owned, controlled, or operated by the municipality,
if the contract contains:

(1) a provision that the municipality is not required to make total payments in a
single year that exceed the water utility charges received by the municipality for that year;

(2) a provision requiring that the work performed be done under the review of a
professional engineer licensed in the state of Minnesota attesting that the work will be
performed in compliance with all applicable codes and engineering standards; and

(3) a provision that if, at the commencement of the contract, the water tank or
appurtenant facilities require engineering, repair, or service in order to bring the water
tank or facilities into compliance with federal, state, or local requirements, the party
contracting with the municipality is responsible for providing the engineering, repair, or
service. The costs to bring the water tank or facilities into compliance must be itemized
separately and charged to the municipality in payments spread over a period of not less
than three years from the commencement of the contract.

2.1 (b) This subdivision does not apply to a contract for repair, maintenance, or the
2.2 acquisition of materials or services other than professional engineering services, if the
2.3 total estimated value of the contract for repair, maintenance, materials, or services exceeds
2.4 \$25,000.

2.5 **EFFECTIVE DATE.** This section is effective August 1, 2016, and applies to
2.6 contracts entered into on or after that date.