

**SENATE  
STATE OF MINNESOTA  
NINETIETH SESSION**

**S.F. No. 2393**

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DATE	D-PG	OFFICIAL STATUS
05/15/2017	4556	Introduction and first reading
		Referred to Local Government
03/27/2018		HF substituted in committee HF1975

1.1 A bill for an act

1.2 relating to municipal contracting; narrowing a bidding exception for certain water

1.3 tank service contracts; amending Minnesota Statutes 2016, section 471.345,

1.4 subdivision 5b.

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

1.6 Section 1. Minnesota Statutes 2016, section 471.345, subdivision 5b, is amended to read:

1.7 Subd. 5b. **Water tank service contracts.** (a) A municipality may, by direct negotiation

1.8 or through the solicitation of requests for proposals, enter into a multiyear professional

1.9 service contract for the engineering, repair, and maintenance of a water storage tank and

1.10 appurtenant facilities owned, controlled, or operated by the municipality, if the contract

1.11 contains:

1.12 (1) a provision that the municipality is not required to make total payments in a single

1.13 year that exceed the water utility charges received by the municipality for that year;

1.14 (2) a provision requiring that the work performed be done under the review of a

1.15 professional engineer licensed in the state of Minnesota attesting that the work will be

1.16 performed in compliance with all applicable codes and engineering standards; and

1.17 (3) a provision that if, at the commencement of the contract, the water tank or appurtenant

1.18 facilities require engineering, repair, or service in order to bring the water tank or facilities

1.19 into compliance with federal, state, or local requirements, the party contracting with the

1.20 municipality is responsible for providing the engineering, repair, or service. The costs to

1.21 bring the water tank or facilities into compliance must be itemized separately and charged

1.22 to the municipality in payments spread over a period of not less than three years from the

1.23 commencement of the contract.

2.1 (b) If the cost of a multiyear professional service contract entered into under this  
2.2 subdivision is estimated to exceed \$100,000, paragraph (a) applies, but the municipality  
2.3 must use the procurement methods specified in subdivision 3 or 3a to contract for those  
2.4 services.

2.5 **EFFECTIVE DATE.** This section is effective September 1, 2017, and applies to  
2.6 contracts entered into on or after that date.