

## CHAPTER 380—S.F.No. 1666

*An act relating to local government; authorizing county hospitals to undertake certain projects; amending various laws relating to contracts and conflicts of interest; amending Minnesota Statutes 1990, sections 376.08; 412.311; 412.691; 471.345, subdivisions 3, 4, and by adding a subdivision; and 471.88, subdivision 5; repealing Minnesota Statutes 1990, section 471.88, subdivision 8.*

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

Section 1. Minnesota Statutes 1990, section 376.08, is amended to read:

**376.08 COUNTIES, APPROPRIATIONS FOR HOSPITALS AND NURSING HOMES.**

Subdivision 1. APPROPRIATIONS. Except as provided in subdivision 2, the board of county commissioners in any county with a population of 50,000 or less may appropriate up to \$65,000 annually from the general revenue fund of the county for the acquisition of lands for hospital purposes, and the construction, improvement, alterations, equipment and maintenance of hospitals within the county. The board may also appropriate up to \$25,000 from the general revenue fund of the county for the acquisition of land and construction of municipally owned nursing homes within the county.

Subd. 2. REMODELING OR ADDITIONS. A county hospital may by majority vote of its board of commissioners enter into projects for the construction of an addition or remodeling to its presently existing facility or the acquisition of equipment as described in this subdivision without complying with the dollar limitation of subdivision 1 or the election requirements of section 376.03. This subdivision applies only to projects in which the funds for the project are derived from dedicated, restricted, or other designated accounts or the hospital's depreciation fund and do not require incurring debt by the county through the issuance of bonds or otherwise. An addition to a current hospital under this subdivision may include construction of buildings physically separate from the present hospital building, as well as additions to the present building, if the new buildings are constructed on the hospital's existing premises.

This subdivision does not affect the ability of the hospital board to approve funds for improvements or remodeling of a hospital facility under other law.

Subd. 3. LIMITATION ON HOSPITAL CAPACITY. Section 144.551 applies to any project authorized by subdivision 2. Subdivision 2 does not authorize an increase in the license capacity of the hospital or the licensing, relocation, or redistribution of hospital beds except as provided by section 144.551, subdivision 1, paragraph (b).

Sec. 2. Minnesota Statutes 1990, section 412.311, is amended to read:

**412.311 CONTRACTS.**

New language is indicated by underline, deletions by ~~strikeout~~.

Except as provided in sections 471.87 to 471.89, no member of a council shall be directly or indirectly interested in any contract made by the council. Whenever the amount of a contract for the purchase of merchandise, materials or equipment or for any kind of construction work undertaken by the city is estimated to exceed ~~\$5,000~~ the amount specified by section 471.345, subdivision 3, the contract shall be let to the lowest responsible bidder, after notice has been published once in the official newspaper at least ten days in advance of the last day for the submission of bids. If the amount of the contract exceeds \$1,000, it shall be entered into only after compliance with section 471.345.

Sec. 3. Minnesota Statutes 1990, section 412.691, is amended to read:

**412.691 MANAGER THE CHIEF PURCHASING AGENT; LIMITATION; AUDIT AND APPROVAL.**

The manager shall be the chief purchasing agent of the city. All purchases for the city and all contracts shall be made or let by the manager when the amount of the purchase or contract does not exceed ~~\$1,000~~ \$15,000 unless a lower limit is provided by the city council; but all claims resulting therefrom shall be audited and approved by the council as provided in section 412.271. All other purchases shall be made and all other contracts let by the council after the recommendation of the manager has first been obtained. All contracts, bonds and instruments of every kind to which the city is a party shall be signed by the mayor and the manager on behalf of the city and shall be executed in the name of the city.

Sec. 4. Minnesota Statutes 1990, section 471.345, subdivision 3, is amended to read:

Subd. 3. **CONTRACTS OVER ~~\$15,000~~ \$25,000**. If the amount of the contract is estimated to exceed ~~\$15,000~~ \$25,000, sealed bids shall be solicited by public notice in the manner and subject to the requirements of the law governing contracts by the particular municipality or class thereof provided that with regard to repairs and maintenance of ditches, bids shall not be required if the estimated amount of the contract does not exceed the amount specified in section 103E.705, subdivisions 5, 6, and 7.

Sec. 5. Minnesota Statutes 1990, section 471.345, subdivision 4, is amended to read:

Subd. 4. **CONTRACTS FROM \$10,000 TO ~~\$15,000~~ \$25,000**. If the amount of the contract is estimated to exceed \$10,000 but not to exceed ~~\$15,000~~ \$25,000, the contract may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof.

Sec. 6. Minnesota Statutes 1990, section 471.345, is amended by adding a subdivision to read:

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Subd. 14. DAMAGE AWARDS. In any action brought challenging the validity of a municipal contract under this section, the court shall not award, as any part of its judgment, damages, or attorney's fees, but may award an unsuccessful bidder the costs of preparing an unsuccessful bid.

Sec. 7. Minnesota Statutes 1990, section 471.88, subdivision 5, is amended to read:

Subd. 5. A contract for which competitive bids are not required by law and where the amount does not exceed \$5,000.

Sec. 8. **REPEALER.**

Minnesota Statutes 1990, section 471.88, subdivision 8, is repealed.

Presented to the governor March 30, 1992

Signed by the governor March 31, 1992, 6:02 p.m.

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#### CHAPTER 381—S.F.No. 1300

*An act relating to agriculture; allowing exemption of certain garbage from requirements for feeding to livestock or poultry; providing for certain farm loans; regulating excavations; regulating livestock tests; amending Minnesota Statutes 1990, sections 35.73, subdivision 4; 41.55; 41.57, subdivision 3; 41B.036; 41B.039; and 216D.01, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 35.*

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

Section 1. Minnesota Statutes 1990, section 35.73, subdivision 4, is amended to read:

Subd. 4. **GARBAGE.** "Garbage" means animal or vegetable refuse, including all waste material, by-products of a kitchen, restaurant, or slaughter house, and refuse accumulation of animal, fruit, or vegetable matter, liquid or solid, but does not mean vegetable waste or by-products resulting from the manufacture or processing of canned or frozen vegetables or materials exempted under section 2.

Sec. 2. **[35.751] EXEMPT MATERIALS PERMIT.**

Subdivision 1. PERMIT REQUIRED. If it is considered by the board to be in the best interest of the livestock industry of the state and not detrimental to the public health, safety, or general welfare, the board may adopt rules authorizing an exempt materials permit for specified materials of a nonmeat nature. No person may feed material exempted under section 35.73, subdivision 4, to livestock or poultry without first securing a permit from the board, and no person

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