15.411 PUBLIC WORKS CONTRACTS; NO DAMAGES FOR DELAY CLAUSES.

Subdivision 1. **Definition.** As used in this section, the term "public works contract" means a contract of the state, or a county, city, town, school district, special district, or any other political subdivision of the state, for the construction, alteration, repair, addition to, subtraction from, improvement to, or maintenance of any building, structure, highway, bridge, viaduct, pipeline, railway, public works, or any other works dealing with construction. The term includes, but is not limited to, moving, demolition, or excavation performed in conjunction with the work specified in this subdivision.

Subd. 2. **Unenforceability.** Any clause in a public works contract that waives, releases, or extinguishes the rights of a contractor to seek recovery for costs or damages, or seek an equitable adjustment, for delays, disruption, or acceleration in performing the contract is void and unenforceable if the delay, disruption, or acceleration is caused by acts of the contracting public entity or persons acting on behalf of the public entity for which the public entity is legally responsible.

Subd. 3. **Severability.** When a contract contains a provision that is void and unenforceable under subdivision 2, that provision must be severed from the other provisions of the contract to the extent that it is void and unenforceable. The fact that the provision is void and unenforceable does not affect the other provisions of the contract.

Subd. 4. **Scope and effect.** Subdivision 2 does not make void and unenforceable any contract provision of a public works contract that:

(1) requires notice of any delay, disruption, or acceleration by the party affected thereby;

(2) provides for reasonable liquidated damages; or

(3) provides for arbitration or any other procedure designed to settle contract disputes.

History: *2002 c 299 s 1*