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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 1555

02/09/2023 Authored by Nelson, M.; Jordan and Huot
The bill was read for the first time and referred to the Committee on State and Local Government Finance and Policy
03/08/2023 Adoption of Report: Placed on the General Register
Read for the Second Time

1.1 A bill for an act
1.2 relating to local government; clarifying construction manager at risk contract
1.3 procedures for municipalities; amending Minnesota Statutes 2022, section 471.345,
1.4 by adding a subdivision; proposing coding for new law in Minnesota Statutes,
1.5 chapter 471.

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

1.7 Section 1. Minnesota Statutes 2022, section 471.345, is amended by adding a subdivision
1.8 to read:

1.9 Subd. 3b. Contracts over \$175,000; construction manager at risk alternative. As an
1.10 alternative to the procurement methods described in subdivisions 3 and 3a, municipalities
1.11 may award a contract for construction, alteration, repair, or maintenance work to a
1.12 construction manager at risk as provided in section 471.463.

1.13 Sec. 2. [471.463] CONSTRUCTION MANAGER AT RISK.

1.14 Subdivision 1. Definitions. (a) For purposes of this section, the definitions in this
1.15 subdivision have the meanings given them unless the context indicates otherwise.

1.16 (b) "Construction manager at risk" means a person who is selected by a municipality to
1.17 act as a construction manager to manage the construction process, including but not limited
1.18 to responsibility for the price, schedule, and workmanship of the construction performed
1.19 according to the procedures in this section.

1.20 (c) "Construction manager at risk contract" means a contract for construction of a project
1.21 between a construction manager at risk and a municipality, which shall include a guaranteed
1.22 maximum price, construction schedule, and workmanship of the construction performed.

2.1 Subd. 2. Solicitation of qualifications. (a) A municipality may accept written requests  
2.2 for proposals for a construction manager at risk for its project. The written request for  
2.3 proposals must include:

2.4 (1) a description of the project;

2.5 (2) the estimated cost of completing the project;

2.6 (3) a description of any special requirements or unique features of the proposed project;  
2.7 and

2.8 (4) other information which will assist the municipality in carrying out its duties and  
2.9 responsibilities set forth in this section.

2.10 (b) A municipality may include in the request for qualifications criteria a requirement  
2.11 that the proposer include the overhead and fee that the construction manager at risk proposes  
2.12 to charge for its services.

2.13 (c) A municipality shall prepare a request for qualifications for each construction manager  
2.14 at risk contract as provided in this section. The request for qualifications shall contain, at a  
2.15 minimum, the information described in section 16C.34, subdivision 1, paragraph (c), clauses  
2.16 (2) to (7) and (9), and any other information the municipality determines is material.

2.17 (d) Notice of requests for qualifications must be advertised in a manner designated by  
2.18 the municipality.

2.19 Subd. 3. Construction manager at risk contract. A municipality shall comply with  
2.20 the same procedures as the commissioner of administration under section 16C.34, subdivision  
2.21 3, in construction manager at risk contracts.

2.22 EFFECTIVE DATE. This section is effective the day following final enactment and  
2.23 applies to municipal construction manager at risk contracts solicited on or after that date.