

**SENATE**  
**STATE OF MINNESOTA**  
**NINETIETH SESSION**

**H.F. No. 1975**

(SENATE AUTHORS: VOGEL, Masin, Halverson, Pugh and West)

DATE	D-PG	OFFICIAL STATUS
03/21/2018	6809	Received from House
	6809	Introduction and first reading
		Referred to Local Government
03/27/2018	7016a	Comm report: To pass as amended
	7021	Second reading
05/01/2018	8486	Special Order
	8486	Third reading Passed
05/02/2018		House concurred and repassed bill
		Presentment date 05/04/18
		Governor's action Approval 05/08/18

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 contract for the sale or purchase of supplies, materials, equipment or  
2.2 the rental thereof, or the construction, alteration, repair, or maintenance of real or personal  
2.3 property entered into under this subdivision is estimated to meet the costs specified under  
2.4 subdivisions 3 and 3a, paragraph (a) applies but the municipality must use the procurement  
2.5 methods specified in subdivision 3 or 3a to contract for that portion of the work.

2.6 **EFFECTIVE DATE.** This section is effective September 1, 2018, and applies to  
2.7 contracts entered into on or after that date.