

---

**CHAPTER 85—S.F.No.876**

*An act relating to local government; permitting units in Fillmore County to spend money to assist blood collection.*

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

Section 1. A statutory or home rule charter city or town located in whole or part in Fillmore County may appropriate not more than \$1 per capita to assist a nonprofit corporation to obtain human blood for medical purposes. A city may appropriate the money by action of its governing body. A town may do so by a majority vote of the town electors at the annual town meeting or special meeting called for that purpose.

Approved May 14, 1979.

---

**CHAPTER 86—S.F.No.935**

*An act relating to the University of Minnesota; requiring establishment of a small business set aside program for certain university procurements.*

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

Section 1. [137.31] **PROCUREMENT FROM SMALL BUSINESSES.** Subdivision 1. **SMALL BUSINESS SET ASIDES.** Prior to the beginning of each fiscal year, the regents of the University of Minnesota shall designate and set aside for awarding to small businesses approximately 20 percent of the value of procurement contracts which are to be awarded during that fiscal year and which are to be paid in total or in part from funds appropriated to the university by the legislature. The regents shall designate specific procurement contracts to be set aside, or may authorize the university administration to divide the amount set aside into procurement contracts of economically feasible size, in order to facilitate offers or bids from small businesses. In making the annual designation, the regents shall attempt to vary the procurement contracts included in the set aside program so that a variety of goods and services produced by different small businesses can be included in the university set aside program over a period of years. For the purposes of this section, (a) "procurement contract" means any agreement, written or oral, by which the university obtains needed goods or services, including the construction of capital improvements; and (b) "small business" has the meaning given that term by state law. Nothing in this section shall be construed to prevent small businesses from seeking awards of procurement contracts not included in the set aside program.

Subd. 2. **PROCUREMENT RULES.** The regents shall establish procurement rules to govern the university set aside program. The rules shall include guidelines and procedures for negotiating price or securing bids, reasonable limitations on the amount by which a contract price under the set aside program may exceed the estimated cost of

Changes or additions indicated by underline deletions by ~~strikeout~~

obtaining comparable goods or services on the open market, uniform procedures for providing security for performance under procurement contracts, criteria for evaluating the financial and technical capabilities of participating small businesses, and any other matter deemed necessary or desirable for the proper operation of the university small business set aside program.

Subd. 3. **SET ASIDE FOR DISADVANTAGED.** At least 15 percent of the value of the procurement contracts designated for the set aside program shall be awarded, if possible, to small businesses owned and operated by socially or economically disadvantaged persons, as defined by state law. If small businesses owned and operated by socially or economically disadvantaged persons are unable to perform at least 15 percent of the value of the set aside contracts, the university may award the balance of the designated set aside procurement contracts to other small businesses.

Subd. 4. **REPLACEMENT CONTRACTS.** If a procurement contract designated for the set aside program cannot be awarded to a small business under the conditions prescribed in subdivisions 1 to 3, the award shall be placed in accordance with the regular procurement policies of the university. In this event, the university shall designate as a replacement a procurement contract of comparable value to be included in the university set aside program during that fiscal year if practicable.

Subd. 5. **PUBLICITY.** The regents and the administration of the University of Minnesota shall publicize the provisions of the university small business set aside program, attempt to locate small businesses able to perform set aside procurement contracts, and encourage participation by small businesses in the University of Minnesota small business set aside program.

Subd. 6. **ANNUAL REPORT.** The University of Minnesota shall submit an annual report as provided in Minnesota Statutes, Section 3.195, to the governor and the legislature, with a copy to the commissioner of economic development, indicating the progress being made toward the objectives and goals of this section. The report shall include the following information:

(a) The total dollar value and number of procurement contracts identified and set aside during this period and the percentage of total value of university procurements that this figure reflects;

(b) The number of small businesses identified by and responding to the university set aside program, the total dollar value and number of procurement contracts actually awarded to small businesses with appropriate designation as to the total number and value of procurement contracts awarded to each small business, and the total number of small businesses that were awarded procurement contracts;

(c) The total dollar value and number of procurement contracts awarded to small businesses owned and operated by economically or socially disadvantaged persons with appropriate designation as to the total number and value of procurement contracts awarded to each small business, and the percentages of the total value of university procurements the figures of total dollar value and the number of procurement contracts

Changes or additions indicated by underline deletions by ~~strikeout~~

reflect: and

(d) The number of procurement contracts which were designated and set aside pursuant to this section but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest offer or bid on each of these awards made by the small business and the price at which these contracts were awarded pursuant to regular procurement procedures.

Sec. 2. **EFFECTIVE DATE.** This act is effective for fiscal years commencing after June 30, 1979.

Approved May 14, 1979.

---

**CHAPTER 87—S.F.No.1245**

*An act relating to city of Duluth; providing for the management and operation of the Spirit Mountain recreation area authority; amending Laws 1973, Chapter 327, Sections 2, Subdivision 2; 5, Subdivision 4; 7, as amended; and 8.*

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

Section 1. Laws 1973, Chapter 327, Section 2, Subdivision 2, is amended to read:

Subd. 2. ~~The management of~~ Policy direction for the authority is hereby vested in seven directors appointed, after consultation with the planning commission and the park and recreation board, by the mayor of the city of Duluth. Directors must be approved by resolution of the city council. In selection of directors preference shall be given to persons having knowledge and background in business, finance and management. They shall serve without compensation, but may be reimbursed for necessary expenses incurred in the fulfillment of their duties. The term of three of the original directors shall be two years each and the term of four of the original directors shall be three years each, and until their successors are appointed and qualify. Thereafter, terms of directors shall be three years and until their successors are appointed and qualify. All terms shall expire on June 30. Vacancies occurring by reason of resignation, death, or removal for neglect or failure to perform the duties of a director shall be filled for the unexpired term by the mayor of Duluth following the same procedure as in the original appointments. Every appointee who fails within ten days after notification of his appointment to file with the city clerk his oath or affirmation to perform faithfully, honestly, and impartially the duties of his office, shall be deemed to have refused such appointment, and thereupon another person shall be appointed in the manner prescribed herein. Directors shall not have any personal financial interest, direct or indirect, in any contract with the authority, or be engaged in any capacity where a conflict of interest may arise.

Sec. 2. Laws 1973, Chapter 327, Section 5, Subdivision 4, is amended to read:

Subd. 4. The directors of the authority shall have the power:

**Changes or additions indicated by underline deletions by strikeout**