

HOUSE RESEARCH

Bill Summary

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Overview

H.F. 571 defines "best value" for the purposes of contracts for construction, building, alteration, improvement, or repair services. The bill then authorizes the use best value contracting for state and local projects.

Section

- 1 Best value; construction (state procurement).** Defines "best value" for the purposes of contracts for construction, building, alteration, improvement, or repair services, in the chapter of statutes that governs state government procurement. States that the definition does not apply to provisions governing design-build.

This definition is applied in all the other construction contracting statutes included in this bill.
- 2 Vendor (state procurement).** Defines "vendor" for the purposes of the chapter of statutes governing state procurement.
- 3 Acquisition authority (state procurement).** Technical.
- 4 Acquisition authority; construction contracts (state procurement).** Requires the commissioner of administration to award contracts for building and construction projects under section 12.
- 5 Contracting authority (state procurement).** Technical.
- 6 Delegation of duties (state procurement).** Permits the commissioner of administration to delegate duties under the state procurement chapter to a technical review committee appointed by the commissioner.
- 7 Application (state procurement).** Conforming amendment.

- 8 **Publication of notice; expenditures over \$25,000 (state procurement).** Conforming amendment.
- 9 **Building and construction contracts; \$50,000 or less (state procurement).** Authorizes use of best value for contracts of \$50,000 or less.
- 10 **Standard specifications, security (state procurement).** Conforming amendment.
- 11 **Single source of supply (state procurement).** Conforming amendment.
- 12 **Award requirements (state procurement).** (a) Strikes language requiring all state building and construction contracts to be awarded to the lowest responsible bidder and provides that a contract may be awarded to (1) the lowest responsible bidder or (2) the vendor or contractor offering the best value.
- (b) Requires the vendor or contractor under either approach to secure bonding, commercial general insurance, and workers' compensation insurance.
- 13 **Special circumstances (state procurement).** Conforming amendment.
- 14 **Record (state procurement).** Conforming amendment.
- 15 **Awarding of contract (watershed districts).** Authorizes use of best value.
- 16 **How contract may be awarded (drainage authorities).** Authorizes use of best value.
- 17 **How job may be let (public water and sewer systems).** Authorizes use of best value.
- 18 **Contracts (school districts).** Technical.
- 19 **Best value alternative (school districts).** Authorizes use of best value.
- 20 **Best value alternative (county or town road construction).** Authorizes use of best value.
- 21 **Best value alternative (pedestrian and nonmotorized vehicle bridge projects).** Authorizes use of best value.
- 22 **Best value alternative (trunk highway projects).** Authorizes MnDOT to award construction contracts based on best value.
- 23 **Best value selection (design-build highway projects).** Inserts cross-reference to definition of best value.
- 24 **Effects on other law of public contract with commissioner.** Conforming amendment.
- 25 **Best value alternative (towns).** Authorizes towns to award construction projects based on best value.
- 26 **Best value alternative (city hall - county courthouse projects).** Authorizes use of best value.
- 27 **Best value alternative (counties).** Authorizes counties to award construction contracts based on best value.
- 28 **Contracts in excess of \$500; best value alternative (St. Louis County ditch repair).** Authorizes use of best value.
- 29 **Contracts; best value alternative (statutory cities).** Authorizes use of best value.
- 30 **deleted by the amendment**
- 31 **Best value alternative (local improvements, special assessments).** Authorizes municipalities to award construction contracts for local improvement projects based on best value.
- 32 **Contracts in excess of \$5,000; best value alternative (Western Lake Superior Sanitary District).** Authorizes use of best value.
- 33 **Best value alternative (HRAs).** Authorizes use of best value.
- 34 **Contracts; bids; bonds (port authorities).** Conforming amendment.
- 35 **Contracts; best value alternative (port authorities).** Authorizes use best value.
- 36 to 38 **Uniform municipal contracting law.** Authorizes a municipality to award a construction contract based on best value for projects.

"Municipality" is defined under the uniform municipal contracting law to mean a county, town, city, school district or other municipal corporation or political subdivision of the state

authorized by law to enter into contracts.

- 39 Contracts over \$50,000; best value alternative (Metropolitan Council).** Authorizes the Metropolitan Council to award a construction contract for the metropolitan disposal system (regional wastewater collection and treatment) based on best value.
- 40 Contracts (Minnesota Ballpark Authority).** Clarifies "best value" by inserting a cross reference to the definition.