

## SF2038 - 0 - Met. Council Contract Requirements Modified

Chief Author: **Susan Pha**  
 Committee: **Transportation**  
 Date Completed: **3/19/2025 8:35:38 AM**  
 Agency: **Metropolitan Council**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.  
 Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Dollars in Thousands					
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
<b>Total</b>	-	-	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Laura Cecko    **Date:** 3/19/2025 8:35:38 AM  
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**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
Dollars in Thousands		<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-
<b>2 - Revenues, Transfers In*</b>						
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-

**Bill Description**

S.F. 2038 expands the application of small business programs currently applicable to state agencies to the Metropolitan Council ("the Council") and authorizes the direct negotiation of certain types of contracts.

Section 1 authorizes the Council to directly negotiate construction or maintenance contracts up to \$250,000 by obtaining two or more quotes for work without advertising for bids or otherwise complying with the requirements for competitive bidding in statute.

Section 2 authorizes the Council to award the 12 percent preference used by the Department of Administration for the amount bid for specific goods and services to small targeted-group businesses and veteran-owned small businesses. Authorizes the Council to award specified construction work to small, targeted-group businesses and veteran-owned small businesses using the preference percentage of 12 percent used by the Minnesota Department of Transportation (MnDOT).

Section 2 also permits the Council to set subcontracting goals for targeted-group businesses on all types of contracts, consistent with MnDOT's statutory authority to do likewise and federal disadvantaged business enterprise regulations. Authorizes the Council and the Metropolitan Parks and Open Space Commission, the Metropolitan Airports Commission, the Metropolitan Sports Facilities Commission, and Minnesota Management and Budget to purchase from small and targeted-group businesses and veteran-owned small businesses when making purchases that are not subject to competitive bidding procedures.

Section 3 makes a technical change to incorporate the correct reference to the Code of Federal Regulations, title 49.

**Assumptions**

Projects awarded within independent cost estimates and engineer estimates. No budget impact anticipated.

**Expenditure and/or Revenue Formula**

N/A

**Long-Term Fiscal Considerations**

N/A

**Local Fiscal Impact**

N/A

**References/Sources**

Jody Jacoby, Chief Procurement Officer, 651-491-8356

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