



Request for City Council Committee Action from the Department of Intergovernmental Relations

Date: January 22, 2013

To: Council Member Robert Lilligren and Council Member Elizabeth Glidden

Referral to: Committee of the Whole/IGR Subcommittee

Subject: 2013 Legislative Agenda

Recommendation: Amend the Municipal Governance section to add as a bullet in the Priority issues for Minneapolis the following language:

- **Legislation that retains the Municipal Building Commission (MBC), and permits the implementation of modern administrative procedures and oversight.**

Department Information

Prepared by: IGR Staff

Approved by: _____

Presenters in Committee:

Supporting Information

Supporting Information: The Municipal Building Commission (MBC) was established by legislation enacted in 1903. The MBC was empowered to operate and maintain what is now the Minneapolis City Hall. The county board chair and one other commissioner as well as the Mayor of Minneapolis and a city council member serve on the MBC. The MBC has an annual operating budget of \$8.0 million and has approximately 54 full time positions.

In 2011 a consultant's report sponsored by the MBC offered several options including a restructuring of the MBC, contracting for facility management services with either the city or county and establishing a nonprofit (501c3) organization that would be responsible for historic preservation of the building and revenue raising events.

The management of the building in the 21st century with a 20th century governance structure and enabling law has been a challenge. The MBC has attempted to provide services in a coordinated manner with the county and the city. For example, the MBC recognized that security services have evolved over the years and the MBC has attempted to coordinate its security services with those of the county. The County has provided to the MBC such services as monitoring and security dispatch and communications services. In an effort to provide a more efficient service between the city hall and county building the MBC began using county security in the city hall. However, a federal lawsuit brought by

employees who were laid off from the MBC resulted in a judicial ruling that the MBC was not authorized to lay off the existing workforce or contract with the county for security services. The judge ruled that the existing MBC statutes precluded the MBC from removing or discharging an employee for any reason other than just cause. The judge further opined that if the MBC did not agree with her decision it should seek the necessary changes from the legislature.

The proposed legislation would permit the MBC to operate and maintain the building with similar authorities granted to the city and county and further allow it to manage its workforce.