

MINITES OF MEETING
STATE ADMINISTRATION COMMITTEE
MONTANA STATE SENATE

February 5, 1979

The seventeenth meeting of the Senate State Administration Committee was called to order by Senator George Roskie, Vice Chairman, on the above date in Room 442 of the State Capitol Building at 10:00 a.m.

ROLLCALL: All members were present, except Senator Pete Story who was late from a previous committee meeting.

CONSIDERATION OF SENATE BILL No. 224: The Acting Chairman called on Senator Allen Kolstad, sponsor of the bill to present his testimony on Senate Bill No. 224.

Senator Kolstad advised this was merely a repealer to correct a problem in our school districts which require the districts to go through a very complicated procedure to select an architect; it can take up to 16 weeks and the board can still select any architect they choose at the end of this time without any restriction as to staying with those interviewed. Some schools say the cost of complying with this law exceeds \$120,000.00. Senator Kolstad then called on Wayne Buchanan for further testimony.

Wayne Buchanan, Director of Special Services of the School Boards Association, supporting the bill, handed out copies of letters from George Zellick, Superintendent of Missoula County High School, and Claude Lackner, Chairman of the Board of Trustees of School District #40, along with copies of the pertinent law, starting with Sec. 20-6-631 and 20-9-204. Reading from the requirements of 20-6-632 through the following sections regarding public notices and reasonable notice requirements, Mr. Buchanan demonstrated the lengthy process a school board undertakes in selection of an architect while complying with each step. If several different bids were received on a project, the law does state interviews may be held together or separately; however, knowing school board members have other businesses to look after and that these presentations take time, most of them are considered separately, requiring more processing time. After all this procedure, there is nothing in the law requiring a board to select an interviewed architect. Another consideration is the amount of money spent in complying with the present law and the effect inflation has on original cost estimates of construction. Another section of the law, Sec. 20-9-204 and following sections, already covers this procedure regarding school districts being required by the law to comply with certain sections when making contracts. This law says when a contract is let for over \$4,000.00, the school district must go through a bidding procedure and also requires that the school select an architect from those interviewed. He stressed

that this repealer was not a means of getting around the law in calling for bids as this is adequately covered by another section of the law.

Chad Smith, representing the School Boards Association, stated his support for the bill and that he would be happy to answer any questions the committee might have.

Acting Chairman Roskie called for further proponents of the bill; hearing none, opponents were called for.

Representative John Vincent, District 78, from Bozeman, testified that he had supported similar legislation in 1975, but that upon study, found that the two laws referred to by Mr. Buchanan do not have nearly as much in common as suggested. He stated that Sec. 20-9-204 refers to erection of new school buildings which has nothing to do with the architectural services contracted for under Sec. 20-6-634 calling for public hearing, but only after the selection of the architect. He felt that job competition results on lower costs rather than higher costs in the long run, and that front-end costs are very small in comparison to the results that may be gained in taking a good look at alternative proposals and structurally sound ideas. In addition, he stated some schools had been contracting on a continuing basis with one architectural firm, rather than allowing competitors in, which he felt did not best accommodate the needs of that community which pays the bill for these services. There are great differences in the work of different professionals, and he felt that all facts should be considered in deciding what is in the best interests for the school, community and the students. The costs referred to are not just on the front-end as these services are very expensive. Professionals vary from firm to firm, but 6% to 7% of the total cost of construction is usual. The fee can go up as much as \$300,000.00. Because the people in the community are supporting the cost of construction, I feel they have the right to participate in the selection process and feel they have a right of selection to some extent in the earlier stages. I would be willing to work on some amendments to try to speed this procedure up as that was not done here. In subsection A of 20-6-632, it says that all these architects can be interviewed at once rather than singly. As far as reasonable notice, you can always question what constitutes that, but think this process can work more quickly if that is desired and may save money in the long run. To stress this point, he cited a case where a flat roof was being designed for a Montana school rather than a pitched roof where the results would have been future maintenance costs. He concluded by stating this process should be kept open to the public and open for competition; that it is a workable statute and that he would be happy to attempt to make the present law less cumbersome if that needs to be done.

No other opponents appearing, Vice Chairman Roskie asked for comments. No one responded. The closing statement was called for.

Senator Kolstad stated that Representative Vincent mentioned this didn't cut down on costs but would add to the costs, although he didn't give any examples. We did have examples where the cost is much greater under this law. The public should have ample input into these decisions, and he thought they still do. The school board will still make the ultimate decision on what architect they will hire. It was his opinion the taxpayers were interested in the bill because of the money saved.

The hearing was opened for questions.

Senator Roskie expressed interest in the time frames mentioned; going through those sections, he commented there seems to be a series of efforts requiring some notice. Mr. Buchanan replied that it takes 3 to 4 weeks in the preliminary portion and then reasonable time period after notice is received from the architect firms of their interest. "Reasonable time" would probably be less than a week. The statute is quite specific on the procedure to be followed. Most school districts use 10 days as a rule, although some districts give two weeks. Sec. 20-6-632 required at least two weeks public notice. Giving a minimum notice time, 7 weeks would be one, a one-week notice in each step. Giving the maximum notice, the amount of time could be up to 16 weeks.

Senator Jergeson referred to the letter from School District 40, how many years are there on these bond issues, to which Mr. Buchanan responded that the usual is 20 years. Senator Jergeson then questioned if Mr. Buchanan was requesting eliminating 7 weeks on the front-end of that, and was answered in the affirmative.

Senator Ryan, addressing Representative Vincent, asked when he first got involved in this and did he try to tie it down to a time limit rather than just "reasonable notice". Representative Vincent responded he had not because they felt there should be a certain amount of flexibility and they saw no abuse of the reasonable notice requirement.

Senator Roskie questioned if all school board meetings were usually open and in situations like this, there would be a sort of procedure followed, even if they weren't mandated. Chad Smith replied they have to be open meetings under the present laws governing meetings. The time matter is important from the standpoint that costs are fixed. If it takes additional time to select an architect, the delay will change the cost figures and they can't build for what they originally estimated.

Senator Roskie, referring to Sec. 20-6-633 and 634, stated it seemed this is a very extended system to select a firm. Representative Vincent said that this does allow public input but only after the selection process has been completed. He stressed there was more that should be considered in selecting a firm. If you have only one architect firm being considered, usually they have one idea to propose. If there is no other input from a different firm, then you wouldn't have any expert testimony on the first idea and no counter proposals regarding design and cost. Alternative methods should be considered in order to figure the lower costs and get the best services.

Senator Roskie again questioned that the public was brought in at a period of time when they didn't know what kind of building they required. Architects should be capable of doing what the client desired and that he should be asked to design a building to fit the school needs and its budget. Representative Vincent stated the disagreement is the time in which to do this, but there should be time for a counter approach by a different architect when selecting process was being done; that the free exchange of ideas would more than be worth the cost.

Senator Ryan questioned if the public actually participated in such activities, to which Mr. Buchanan replied they showed little interest unless it pertained to the design.

There being no further questions, the hearing was closed on SB 224.

CONSIDERATION OF SENATE BILL NO. 287: Senator Roskie, Acting Chairman, called on Senator Tom Towe, Billings, sponsor of the bill to present his testimony on Senate Bill #287.

Senator Towe stated the subject at hand is paperwork and is very frustrating to a large number of citizens. There is a large amount of paperwork required to be filled out every year and submitted to the government by both business and individual persons. He cited several forms, such as workers compensation forms, industrial accident forms and license applications as a few of these. Also, many of the state departments require a great number of very similar reports. The National Federation of Independent Business conducted a survey which indicated 156,000 man-hours a year in Montana were expended by business preparing government forms. This amounts to \$1.4 million annually to comply with state paperwork, according to the reports of their Montana members which number 5,000 small, independent businesses. The average figure determined by the group was that it cost \$274.00 per member a year just filling out government forms. That results in a total cost of \$4.9 million a year, projecting it to all state business alone, not counting the citizens who are required to fill out government forms. There should be quite some savings to the state government if the duplication of forms could be eliminated. I think the same job could be done more efficiently by consolidation of certain types of forms for use by several agencies. Section 2 states that all state agencies will be required to review its forms and sets out how these forms or paperwork could be eliminated. A committee is set up in this bill to consider how this could be done. The interim committee would study the recommendations of the agencies. I feel that when this review is being done, the agencies will discover on their own if there is duplication which could be eliminated or that the same form could be utilized by several agencies and departments. The committee set up under this bill expires and would be sunsetted on January 1, 1981 when its work is completed.

Barry Stephenson, governmental affairs representative of the National Federation of Independent Business, presented written testimony, copy of which is attached to these original minutes, and summarized his testimony favoring Senate Bill No. 287. He stated in the survey of their 5,000 owners and operators of businesses within the state, 89% said they would like to see legislation passed to simplify the paperwork they are required by state agencies to handle. He also mentioned that government agencies may save considerable money by consolidating forms as was done in Washington and Oregon. He handed out copies of reports of progress and costs relative to a similar project in those states. Washington found it was spending about \$80 million on paper work alone.

Chad Smith, representing the Montana Hospital Association, also testified in support of the bill, stating this was very dear to the heart of the hospitals as they have an extremely large number of forms to comply with. At St. Peter's alone, the accounting department used to be very small, one person could handle it; now it takes 15 to 18 people to handle that department's work load because of increased paperwork. Form consolidation should be considered to alleviate this problem.

Vice Chairman Roskie called for further proponents. There being none, opponents were asked to come forth. None appeared.

Closing statement was called for.

In closing, Senator Towe stated that the co-sponsor of the bill, Senator Goodover, suggested that it may not be necessary to establish a new interim committee to handle this; that it could be assigned to one of the other committees already existing. He proposed the following amendment:

Page 1, line 13. Following "means", strike "the" and insert "an". Following "committee", strike "on" and insert "of the legislature designated by the legislative council to deal with".

Page 1, line 14. Following "paperwork", insert "and perform the duties and exercise the powers set forth in Sections 4 and 5 herein."

Strike sections 3, 4, 5, 6 and 7, and renumber all subsequent sections.

Acting Chairman Roskie reminded the committee that there was a caucus in a few minutes, so questions would have to be very brief, or they would have to question the sponsor later.

Senator Ryan, addressing his comment to Senator Towe, stated he thought the idea of assigning this to another committee is demeaning of the bill. Senator Towe responded that he would prefer to keep the bill the way it is, but submitted the amendment at the suggestion of Senator Goodover for the committee to consider.

Senator Ryan questioned if Montana had a forms control officer now, to which Mr. Stephenson replied that he was not aware of any.

ADJOURNMENT:

There being no further business, the meeting was adjourned by Acting Chairman Roskie at 11:05 a.m.

Pete Story, Chairman

Date Feb 5, 1979

ROLL CALL.

STATE ADMINISTRATION COMMITTEE

46th LEGISLATIVE SESSION - 1979

Each Day Attach to Minutes.

DATE FEBRUARY 5, 1979

COMMITTEE ON

STATE ADMINISTRATION

SENATE BILLS 224 & 287

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppo
Mr. Stogren	Montana Fish Game and Parks	287	✓	
Mr. Smith	Montana Fish Game and Parks	224	✓	
Mr. Smith	Montana Fish Game and Parks	287	✓	
Wayne Buchanan	Mont. School Board Assn	224	✓	
John Allen Kicktrid		224		
Tom Tolle		287	✓	
John Lincoln	Montana Fish Game and Parks	224		
Rosemarie Strope	Montana Chamber	287	✓	

MONTANA

Testimony given by: National Federation of Independent Business (NFIB)

Committee: State Administration

Date: February 5, 1979

Issue: State Required Paper Work, S.B. 287

Mr. Chairman...and members of the committee. I am Barry Stephenson, a governmental affairs representative for the National Federation of Independent Business...NFIB. We represent more than 5,000 owners and operators of small, independent businesses in the state.

State government required paper work is a significant problem for small business owners. Eighty-nine percent of our members in a statewide survey said they would like to see legislation passed or an Executive Order issued that would assign an existing agency the responsibility of eliminating, consolidating or simplifying the forms and other paper work required of business.

We also found that seventy-two percent of our members are spending up to two hours a week on state required paper work. Another twenty-three percent said they spent from three to ten hours a week on such paper work.

Based upon these figures, we estimate our members are spending 156,000 man-hours a year "working" for state government. This is time spent apart from productive business activities.

We asked our members to estimate their cost in preparing these state required reports and forms. Costs such as clerical time, accountant and attorney fees. According to our returns, we estimate on a conservative basis, they are spending \$1.4 million annually to comply with state required paper work. This averages out to \$274.00 a member.

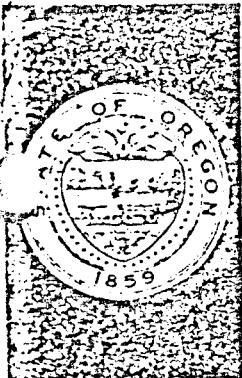
If you apply that cost to all non-farm businesses in Montana in 1975, of which our members represent twenty-seven percent, you find that state required paper work accounts for a \$4.9 million drag on the state's economy. Something needs to be done to get control of the paper work problem.

We have worked with the State of Oregon over the past several years as they gained control over their proliferating paper work. At the direction of the Governor, a Forms Management System was instituted in 1976. It used existing personnel. Within one year, the system eliminated or consolidated 900 forms out of the 4,500 reviewed. The estimated savings in printing and processing costs amounted to more than \$500,000.

As an example of what can be done, the Oregon Department of Agriculture consolidated into one master application form, the information needed for more than 50 licenses and permits the department issued. This eliminated 50 or more individual application forms.

I'm not saying that Montana can realize such savings, but any savings that can be realized in this era of government spending limitations will be welcomed. State agencies benefit in lower costs, small business benefits with less work to do on non-productive functions and the tax-payer benefits.

I believe the mandate contained in S. B.387 will start the necessary actions for the state to come to grips with the paper work problem that faces small business in Montana. We ask that you give S. B.387 a DO PASS recommendation.



EXECUTIVE DEPARTMENT

240 COTTAGE STREET S.E.

SALEM, OREGON 97310

March 25, 1976

ROBERT W. STRAUB
GOVERNORSTAFFORD HANSELL
Director

MEMORANDUM

To: All State Agency Administrators
From: Stafford Hansell *SH*
Subject: Forms Management Program

Definition: "Forms Affecting the Public" include any form or record requiring the fill-in of data by or for individual citizens, businesses or organizations, or local governments. This includes handwritten, typed, printed, and data processing forms. Excluded are forms used only within a State Agency or between State Agencies.

1. By April 1, 1976, each agency head will appoint a Forms Officer from existing staff to review forms for clarity, content, length, cost and consideration of alternate methods.
2. By May 1, 1976, each agency will establish either a Forms Review Committee or comparable capacity to review all agency forms affecting the public. This work will be directed by the Forms Officer.
3. The agency head or deputy will have final review approval of all forms affecting the public.
4. Agency forms management will include, but not be limited to, the following:
 - a. A standard method will be adopted to request and develop forms within the agency.
 - b. All forms will bear a number and the date of adoption or revision. A forms register will be maintained by the Forms Officer.
 - c. All forms will be field tested, before adoption or revision, with the public for whom the form is intended.

- d. Forms will be designed with clarity of purpose in mind.
 - e. Major forms will include or be accompanied by clear instructions for the public.
 - f. A review of the original reason for a form, i.e., federal law or regulation, state statute, new agency program, etc., will be made to determine if the form itself, or any of its content, can be eliminated.
 - g. Unused obsolete forms will be purged and destroyed or recycled.
5. By July 1, 1976, all agencies will have field tested the most frequently used existing major forms, including all forms of two pages or more of 8-1/2 x 11 inch size.
 6. By July 1, 1976, all agency heads will report to the Governor the results of their forms management system to date, including examples of forms simplification or elimination.
 7. The Department of General Services, in coordination with the Executive Department, will survey all agencies' forms management systems to identify total number of forms affecting the public, possible duplication and overall impact of federal and legislative actions upon state forms management.

The Department of General Services will subsequently develop a Forms Management Manual outlining areas of responsibility, forms management principles and techniques and uniform procedures for all forms including intra-agency and inter-agency forms.

Executive Department
Budget and Management Division
March 25, 1976
Contact: Chuck Crump (378-4833)

Ken Johnson
Robert W. Smith

DATE: February 10, 1977

FROM: Chuck Crump

SUBJECT: Forms Savings to the State

Progress Report after One Year

Assumptions

- (a) Cost per average forms order = \$135 (per State Printer)
- (b) Administrative Costs are 21 times for each one dollar of forms printing cost (per Business Forms Management Association)

Therefore:

664 forms eliminated x \$135 = \$89,640 - dollars saved to the state; and
\$89,640 x 21 = \$1,882,440 - which would be a cost avoidance to all the
various state agencies who eliminated those forms.

These figures do not include the savings information presented in July,
1976 as a result of the initial efforts in eliminating, reducing and/or
simplifying forms. At that time the following figures were submitted:

Total forms reviewed = 1,235

Total forms revised = 199

Total forms eliminated = 128

Total forms field tested = 421

Cost Savings

Saved in printing costs = \$ 17,298

Avoided in processing costs = 363,258
Total \$380,556

Public Impact Savings

As is indicated, the foregoing costs represent savings only to the state
agencies and do not reflect any direct dollar or time savings to the public,
businesses or local government. The next stage in our overall forms improvement
process will be to attempt to assess direct savings to the public.

CLC:dld

Missoula County High School

1/14 1979

ADMINISTRATION BUILDING
2101 BOW STREET
MISSOULA, MONTANA 59801
TELEPHONE: 406/728-2400

GEORGE M. ZELICK
SUPERINTENDENT

DONALD E. DELANEY
ASST SUPERINTENDENT

January 16, 1979

SB 224

2-5-79

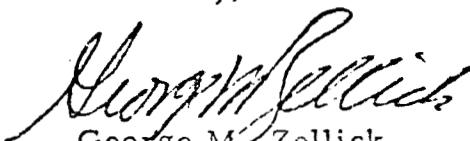
Mr. Wayne Buchanan
Montana School Boards Association
501 North Sanders
Helena, Montana 59601

Dear Wayne:

I am submitting the following data as you requested regarding 75-6815:

1. By following the architect selection procedures as outlined in Section 75-6815 we normally anticipate an eight week delay on a construction project.
2. Our bond issue of June 1978 totaled \$11,527,100.00. Of this amount \$10,150,000.00 was for construction purposes.
3. Construction cost inflation during this period was estimated at 10% per annum or .0083 per month.
4. Based on these figures procrastination due to the architect selection procedures reduced the purchasing power on the project by approximately \$169,000.00.
5. In addition to the inflation factor, there were additional costs associated with the procedures which included increased use of advertisement, supplies, utilities and travel.
6. Finally, our district feels that accomplishment in proportion to time consumed by Board and staff members is negligible.

Sincerely,


George M. Zellick
Superintendent

GMZ/ij

SB 224

2-5-79

December 13, 1978

Mr. George Lippert
P. O. Box 1255
Fort Benton, Montana 59442

Dear Mr. Lippert:

After following Section 75,6816 of the School Code, as revised in 1977, in selection of an architect as prescribed, we advertised our intent to select an architect December 20th, 27th, of 1977, and January 3rd of 1978. After reasonable time, January 17, 1978, we notified the architectural applicants we would interview for the tentative selection on January 23rd, 24th, and 25th of 1978. After adequate notice, a public meeting was held on February 9, of 1978. Architectural contracts were accepted on February 14, 1978, for approval. This total time was 57 days.

An estimated inflationary rate during this period was \$1000.00/day on an approximate \$4,000,000,000.00 bond issuance. This was an approximate of \$57,000.00 lost time to us.

After advertising, we went through the evaluation process with the candidates. The 8 candidates presented similiar slide shows. The projection of percentage cost bounded somewhat like a broken record due to the fact that all architectural firms used the same percentage schedule. Also, this makes it very difficult for anyone to meet the election deadline required on any bond issue being presented to the public. In other words, to present a bond issue to the electorates, you must be started at least in six months in advance of the time, and even then advertising is difficult.

Sincerely,

CLAUDE LACKNER,
Chairman Board of Trustees
School District #40

CL/kp

(3) As a service to districts, the superintendent of public instruction may review the plans and specifications submitted to the department of administration to assist the districts in designing facilities for optimum utilization.

History: En. 75-8206 by Sec. 478, Ch. 5, L. 1971; amd. Sec. 11, Ch. 504, L. 1977; R.C.M. 1947, 75-8206.

20-6-623. Department of administration to coordinate review of construction plans. All school construction plans requiring state review and approval shall be submitted to the department of administration for approval. The department shall be responsible for coordination of school construction plan review and approval required by any other state agency.

History: En. Sec. 1, Ch. 49, L. 1973; R.C.M. 1947, 75-8206.1.

20-6-624. School building plans and specifications approval before payment. (1) The trustees of a district shall not make any payment under any contract for the construction of school facilities until the plans and specifications for such construction have been approved under the provisions of 20-6-622.

(2) Any contractor, architect, trustee, or any other person, firm, or corporation who shall violate the provisions of 20-6-622, this section, or any regulation promulgated by the state board of health and environmental sciences or the state fire marshal shall be deemed guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not less than \$100 or more than \$500.

History: En. 75-8208 by Sec. 480, Ch. 5, L. 1971; R.C.M. 1947, 75-8208.

20-6-625. Authorization to lease buildings or land for school purposes. The trustees of any district may lease buildings or land suitable for school purposes when it is within the best interests of the district to lease such building or land from the county, municipality, another district, or any person. The lease may be for a term of not more than 3 years unless prior approval of the qualified electors of the district is obtained in the manner prescribed by law for school elections, in which case the lease may be for a term of not more than 99 years. Whenever the lease is for a period of time that is longer than the current school fiscal year, the lease requirements for the succeeding school fiscal years shall be an obligation of the final budgets for such years.

History: En. 75-8209 by Sec. 481, Ch. 5, L. 1971; amd. Sec. 2, Ch. 424, L. 1977; R.C.M. 1947, 75-8209.

20-6-626 through 20-6-630 reserved.

20-6-631. When contracts for architectural services required. Whenever the estimated cost of any building, furnishing, repairing, or other work for the benefit of a school district exceeds \$50,000 and requires architectural services, such services shall be by contract.

History: En. 75-6815 by Sec. 1, Ch. 370, L. 1975; R.C.M. 1947, 75-6815.

20-6-632. Procedures pursuant to awarding a contract for architectural services. (1) The trustees of a school district shall adhere to the following procedure in awarding a contract for architectural services when such services are required:

(a) Interview representatives of at least three certified architectural firms, provided that at least three such firms apply, after advertising that interviews will be conducted for the purpose of procuring architectural services. The advertisements shall be published in a newspaper of general statewide circulation at least twice

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2-5-79

each week for 3 consecutive weeks. The publication of the statewide announcements shall include the names and addresses of the firms, as provided in the contracts. The trustees are notified of the scheduled date and time of the interview.

(b) The trustees shall interview the trustees of the firm, as provided in the contracts.

(i) review current financial condition of the firm, as provided in the contracts.

(ii) conduct discussions to determine the relative merits of all firms.

(iii) consider qualifications of the firm.

(iv) consider or dismiss the firm, as provided in the contracts.

(c) Upon completion of the interview, the trustees shall give the firm a written notice.

(d) The trustee shall give notice to the trustees of the firm.

(e) The trustees shall give notice to the trustees of the firm.

(f) For the purpose of this section, "reasonable public notice" means a notice or advertisement given notice to the trustees of the firm.

(g) The trustees shall give notice to the trustees of the firm.

(h) The trustees shall give notice to the trustees of the firm.

(i) The trustees shall give notice to the trustees of the firm.

(j) The trustees shall give notice to the trustees of the firm.

(k) The trustees shall give notice to the trustees of the firm.

(l) The trustees shall give notice to the trustees of the firm.

(m) The trustees shall give notice to the trustees of the firm.

(n) The trustees shall give notice to the trustees of the firm.

(o) The trustees shall give notice to the trustees of the firm.

(p) The trustees shall give notice to the trustees of the firm.

(q) The trustees shall give notice to the trustees of the firm.

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(t) The trustees shall give notice to the trustees of the firm.

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(v) The trustees shall give notice to the trustees of the firm.

(w) The trustees shall give notice to the trustees of the firm.

(x) The trustees shall give notice to the trustees of the firm.

(y) The trustees shall give notice to the trustees of the firm.

(z) The trustees shall give notice to the trustees of the firm.

each week for 3 consecutive weeks or no less than two times in the semimonthly publication of the Montana department of administration that provides for the statewide announcement of projects requiring professional services. The advertisements shall include a description of the proposed work for which architectural services are needed. Following a reasonable time period after all interested firms have notified the trustees of their interest, the trustees shall give reasonable public notice of the schedule of interviews. These interviews shall be open to the public.

(b) The trustees may interview all firms together or separately. During each interview the trustees shall:

(i) review current statements of the qualifications and past performance records of the firm, as provided by the firm;

(ii) conduct discussions with the firm regarding anticipated concepts and the relative merits of alternative methods for furnishing the required services;

(iii) consider questions and testimony from the public;

(iv) consider or request any other information of the firm which they, the trustees, deem relevant.

(c) Upon completion of the interviews and after a reasonable time period, the trustees shall give reasonable public notice of their tentative selection of a firm.

(d) The trustees shall select one firm from those interviewed and shall give reasonable public notice of their final selection.

(e) The trustees shall give reasonable public notice of and hold a public meeting to consider any questions and testimony from the public regarding the architectural services to be performed.

(2) For the purposes of 20-6-631 through 20-6-636, "reasonable public notice" means a notice or advertisement published in a newspaper or newspapers that will give notice to the largest number of people in the district as determined by the trustees, and "reasonable time period" means a time between public meetings and public notices sufficient to allow the public to be cognizant of such events as determined by the trustees.

History: En. 75-6816 by Sec. 2, Ch. 370, L. 1975; R.C.M. 1947, 75-6816.

20-6-633. Negotiation of fees. After selecting a firm, the trustees shall negotiate with the selected firm a fair and reasonable fee for the architectural services as described by the school district's scope of the work. In the event the trustees and the firm are unable to negotiate a fair and reasonable fee, the trustees may select another firm, provided the trustees again give reasonable public notice of their selection.

History: En. 75-6817 by Sec. 3, Ch. 370, L. 1975; R.C.M. 1947, 75-6817.

20-6-634. Tentative and final proposals — public meetings. Following the awarding of the contract, the trustees shall meet as often as necessary with the architectural firm to review the firm's plans and proposals. At least two of these meetings, one to review the firm's preliminary plans and one to review the firm's final proposals, shall be public meetings held after the trustees have given reasonable public notice. At these meetings the trustees shall consider any questions and testimony from the public.

History: En. 75-6818 by Sec. 4, Ch. 370, L. 1975; R.C.M. 1947, 75-6818.

20-6-635. Contracts with Montana firms encouraged. The trustees are encouraged but not required to award architectural contracts to firms based or operating in Montana.

History: En. 75-6819 by Sec. 5, Ch. 370, L. 1975; R.C.M. 1947, 75-6819.

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2-5-7

20-9-204. Pecuniary interests, letting contracts, and calling for bids.

(1) It is unlawful for any trustee to:

(a) have any pecuniary interest, either directly or indirectly, in any contract for the erection of any school building or for warming, ventilating, furnishing, or repairing the same;

(b) be in any manner connected with the furnishing of supplies for the maintenance and operation of the schools; or

(c) be employed in any capacity by the school district of which he is trustee.

(2) Whenever the estimated cost of any building, furnishing, repairing, or other work for the benefit of the district or purchasing of supplies for the district exceeds the sum of \$4,000, the work done or the purchase made shall be by contract. Each such contract must be let to the lowest responsible bidder after advertisement for bids. Such advertisement shall be published in the newspaper which will give notice to the largest number of people of the district as determined by the trustees. Such advertisement shall be made once each week for 2 consecutive weeks and the second publication shall be made not less than 5 days or more than 12 days before consideration of bids. A contract not let pursuant to this section shall be void.

(3) Whenever bidding is required, the trustees shall award the contract to the lowest responsible bidder, except that the trustees may reject any or all bids.

(4) With regard to contracting for work or supplies, the board of trustees of a community college district are subject to 20-15-104.

History: En. 75-6808 by Sec. 244, Ch. 5, L. 1971; amd. Sec. 1, Ch. 42, L. 1971; amd. Sec. 1, Ch. 149, L. 1973; amd. Sec. 18, Ch. 266, L. 1977; R.C.M. 1947, 75-6808.

20-9-205. Prohibition on division of contracts to circumvent bid requirements. (1) Whenever any law of this state provides a limitation upon the amount of money that a school district can expend upon any public work or construction project without letting such public work or construction project to contract under competitive bidding procedures, a school district shall not circumvent such provision by dividing a public work or construction project or quantum of work to be performed thereunder which by its nature or character is integral to such public work or construction project, or serves to accomplish one of the basic purposes or functions thereof, into several contracts, separate work orders, or by any similar device.

(2) This section shall apply not only where the public work or construction project is divided into several projects which are constructed at approximately the same period of time but also where the public work or construction project is divided into several projects which are constructed in different time periods or over an extended period of time.

History: En. Sec. 2, Ch. 149, L. 1973; R.C.M. 1947, 75-6808.1.

20-9-206. Entering appropriations on accounting records of county treasurer. (1) When the county treasurer receives the final budgets of the districts from the county superintendent, he shall open a fund for each budgeted fund included on the final budget of each district by entering the amount appropriated for the fund on his accounting record.

(2) Whenever the county treasurer receives a final emergency budget for a district from the county superintendent, he shall increase the amount of the regularly adopted final budget by the amount of the emergency budgeted fund included on the final emergency budget.

History: En. 75-6809 by Sec. 245, Ch. 5, L. 1971; amd. Sec. 1, Ch. 241, L. 1973; R.C.M. 1947, 75-6809.

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