MINUTES OF THE MEETING STATE ADMINISTRATION COMMITTEE MONTANA STATE SENATE

March 4, 1987

The thirty-first meeting of the State Administration Committee was called to order by Chairman Jack Haffey on March 4, 1987 at 10:05 a.m. in Room 331 of the State Capitol.

ROLL CALL: All committee members were present.

The hearing was opened on House Joint Resolution 11.

CONSIDERATION OF HOUSE JOINT RESOLUTION 11: Representative Ron Miller, House District 34, Great Falls, was sponsor for this resolution entitled, "A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA AUTHORIZING THE PERMANENT DISPLAY OF A MEMORIAL PAINTING IN THE LOBBY OF THE MONTANA/JUSTICE LIBRARY BUILDING HONORING MR. BARRY R. ROWE, THE PRINCIPAL ARCHITECT OF THE BUILDING. This resolution would authorize a permanent display of a painting to honor Mr. Barry Rowe in the Justice Building. In order for a display to be permanent he noted it must first have legislative approval. Mr. Rowe was the principal architect of the building as well as many other buildings in the state. The painting is not a portrait but a painting of the Justice Building and was done by his uncle, Mr. Charles It would have a small brass plaque beneath the painting with his name inscribed on it.

PROPONENTS: Susan Hansen, Administrative Officer for the Attorney General's office, gave a brief background of Mr. Rowe and his accomplishments. She noted the painting was done by Mr. Charles Rowe, who is a Professor of Art at the University of Delaware and has a well known reputation in the art field. She felt it would symbolize the building and the importance of seeking excellence in all that we do. The artwork would be hung above the entrance to the State Library in the main lobby. (EXHIBIT 1)

Sara Parker, State Librarian, noted Mr. Rowe was a very fine designer of libraries in the state.

Mr. R. D. Rowe, Barry Rowe's father, stated he lost his son on December 9, 1985 in an automobile accident and that he was very proud of his son and all his accomplishments. He felt this would be a very fitting tribute to his memory. He noted too that his brother, Charles Rowe, had discussed this with Governor Schwinden and planned to donate this work to the state.

Mr. Roger Young, President of the Great Falls Area Chamber of Commerce, stated Mr. Rowe had been a leader in the community

Senate State Administration March 4, 1987 Page Two

who had given unselfishly of his time and should be so honored.

Mr. Jim Oppedahl, Administrator of the Supreme Court, noted they were also in support of this resolution.

OPPONENTS: There were none.

QUESTIONS ON HOUSE JOINT RESOLUTION 11: There were none.

Rep. Miller CLOSED on House Joint Resolution 11.

EXECUTIVE ACTION ON HOUSE JOINT RESOLUTION 11: Senator Lynch MOVED THAT HOUSE JOINT RESOLUTION 11 BE CONCURRED IN. Senator Harding seconded the motion. The motion passed unanimously. Senator Walker will carry the bill on the Senate floor.

The hearing was opened on House Bill 706.

CONSIDERATION OF HOUSE BILL 706: Representative Dave Brown, House District 72, Butte-Silver Bow, was sponsor for this bill entitled, "AN ACT REQUIRING PUBLIC NOTICE OF VACANCIES ON CERTAIN COUNCILS, BOARDS, COMMISSIONS, AND COMMITTEES; AND AMENDING SECTIONS 2-15-201 AND 5-16-104, MCA." He stated some public interest groups had expressed interest in finding out more about vacancies on various boards and commissions when the openings do occur. He noted this information is not easily accessible at the moment and this measure would just have a notice posted in the capitol by the Governor's office and also have it published in the Clearinghouse Report put out by the Lt. Governor's office whenever it is distributed several times a year.

PROPONENTS: Mr. Lloyd Ericksen, Citizen Representative for the American Association of Retired People, AARP, stated they have many members who might wish to volunteer their expertise in many fields of public business. He felt the language in the proposal did not provide for a time lag when a vacancy occurred. He noted a record is kept in the Secretary of State's office but it is not published anywhere. He noted that some publications are not published but once a year. Currently 41 states publish these types of vacancies in their periodic publications and Montana is one that does not. (EXHIBIT 2)

Sara Parker, State Librarian, noted they were in support of this proposal.

Riley Johnson, representing the Small Business Federation and the Homebuilder's Association, was unable to be present but had supported the measure in the House hearing Rep. Brown stated. Senate State Administration March 4, 1987 Page Three

Mr. Jim Jensen, from the Montana Environmental Information Center, felt the proposal would just make the Governor's office post the notice of vacancies that have occurred or will be occurring so that more people would be able to have this information.

OPPONENTS: There were none.

QUESTIONS ON HOUSE BILL 706: Senator Lynch stated he did not see anything in the language that indicated it would be an annual publication. Rep. Brown clarified that it meant whenever the Clearinghouse Report is published the notices would be printed. This is done 6 or 7 times a year or more he stated. Senator Hirsch asked if the Governor's office had testified in the House hearing and was told they had not but that Terry Cohea had been notified. He wondered if it might encroach on the Governor's ability to appoint people he wanted on the boards. Rep. Brown felt it would be an advantage because it might spur more interest and give the Governor more names to select from. Senator Haffey was concerned about the timeliness of the availability of openings and was told this would be taken care of by the newsletter.

The hearing was CLOSED by Rep. Brown on House Bill 706.

EXECUTIVE ACTION ON HOUSE BILL 706: Senator Lynch felt the bill should be acted on in its present form without amending language. He noted the fiscal impact is none at present and he felt it should remain that way. Senator Lynch then MOVED THAT HOUSE BILL 706 BE CONCURRED IN. Senator Harding seconded the motion. The motion carried unanimously. Senator Lynch will carry the bill on the Senate floor.

The hearing was opened on House Bill 450.

CONSIDERATION OF HOUSE BILL 450: Representative Paul Pistoria, House District 36, Great Falls, was sponsor for the bill entitled, "AN ACT TO LIMIT THE USE OF PROFESSIONAL SERVICE CONTRACTS BY MUNCIPALITIES BY SPECIFYING THAT THE OPERATION OF A PLANT PROVIDING WATER, SEWER, OR POWER DOES NOT CONSTITUTE SUCH A SERVICE; AMENDING SECTION 7-5-4301, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE." He stated this bill originally came before the 1983 session. He then distributed copies of the law passed in 1983. (EXHIBIT 3) Rep. Pistoria stated that a project over \$10,000 must be put out for public bid and the water treatment plant in Great Falls had bypassed this law by using a statute that states that if professional services are involved then they are excluded and did not have to be put out for public bid. He added there were no opponents in the House hearing. He then distributed copies of the bill from the 1983 session. (EXHIBIT 4) Senator Jean Turnage had drafted language to provide that if a majority of the services were professional then they would not have to come under the bidding process.

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In 1982 the City of Great Falls let out a contract to Envirotech for \$102,000 a month to operate the water treatment plant. had discovered this past fall the city planned to renew the contract and also provided for an increase six months prior to the expiration of the current contract from \$102,000 per month The contract would be renewed until 1992. to \$130,000. fought against this. He then distributed remarks about his actions in the commission hearings. (EXHIBIT 5) He noted that the city had amended the old contract effective October 2, 1986 which was six months prior to the old five-year contract expiring. He felt this was very sneaky. He wondered if this could happen in any city in our state and that was the reason he was introducing the proposal. He noted that a majority of Envirotech's employees belong to unions and were not even licensed engineers. Envirotech does not furnish an annual financial report which he felt they should be required to do. He stated he was protecting The day the city the interests of the citizens of the state. was going to take action on the renewal of the contract, he was able to obtain a copy of a secret letter addressed to the city manager from Envirotech's National Sales Director, William Wardwell which stated the firm felt the issue had been put to The letter stated it should be passed on to the city attorney but should be kept closely guarded. (EXHIBIT 6) He had written a letter to the city commissioners on March 1, 1987 so that he could have this put on the agenda of the regular commission meeting. (EXHIBIT 7) He wondered why the city commission approved the extended contract for an increased amount when they had already signed a legal binding contract for less. He felt it was just a way to get around the bidding Rep. Pistoria felt the city had operated the old procedure. water plant with no problems without the expertise required now. He distributed a handout of prices that must be maintained in order to obtain a 10% profit on a \$1,000,000 contract. 8) He gave the committee copies of the old and new contracts that the city had signed also. (EXHIBITS 9 & 10)

PROPONENTS: There were none.

OPPONENTS: David Brown, Plant Manager of Envirotech Operating Services, distributed a copy of his testimony to the committee members. (EXHIBIT 11) He stated they provide professional services in waste management services across the nation. He stated ever since Great Falls had contracted with their firm to operate the newer water treatment plant that Rep. Pistoria had spent a great deal of time lobbying for the cancellation of their contract. He felt it was just a "hate legislation" effort to go against Envirotech. He wondered if Rep. Pistoria was using his authority as a Representative to serve his own needs. He noted they are a professional organization and that their records of management prove this to be true. He felt the bill as written was very discriminatory against one firm and if this were to pass felt the firm might be forced to seek court litigation. He noted that contract operation and maintenance

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of wastewater plants is becoming increasingly popular as a cost effective manner in which cities can have this type of expertise available to meet the federal regulations for certification. He noted their firm is a leader in this field.

Bob Duty, Director of Public Works for the City of Great Falls, stated he felt the bill was unjust because it excludes water and sewer service facilities operations as a professional and technical service. He felt this should be judged on its merits and according to the type of operation that is being performed. He noted water treatment is a very highly complex and technical operation and does require much expertise to operate. time the new plant was constructed the city did not feel they had the expertise within their staff to operate such a facility. Failure to meet the federal standards results in severe penalties he noted and they have not had a violation in ten years of operation. He feared if they were to have to go through a bidding procedure they would be forced to look at low bids and noted there are many who might want to take over such a plant but lacked the necessary skills to do so. The city had done periodic evaluations to determine if it was being run in a cost effective manner. A recent study by Black & Weach explained how the plant operates and give them very high marks. (EXHIBIT 12) He urged the measure do not pass.

Al Johnson, City Manager of Great Falls, noted they did not testify in the House as they felt the measure would receive opposition from groups representing engineers and professional technical services. The bill was amended extensively and they were unaware of this until after the hearing. He felt the bill as it reads presently would be very discriminatory towards one professional service group. If the intent of the legislature is to exempt professional services from their present status, he felt the law should specifically state this. This measure is being directed at an individual service he felt. He noted that Rep. Pistoria has been a very vocal opponent against having a private sector operate the sewer treatment plant. Everything the city had done had been according to state law and had been held in a public forum. He noted when the legislature passed the professional services portion of the bill in 1983, that the city had sought a legal opinion as to whether or not their operation was still within the interpretation of a professional service. He felt this was just bringing a local feud before the legislature when it should have been handled locally.

Roger Young, President of the Great Falls Chamber of Commerce, distributed a copy of the resolution which stated their position opposing passage of this legislation. (EXHIBIT 13) He stated he too felt it should have been resolved at a local level.

QUESTIONS ON HOUSE BILL 450: Senator Lynch stated he resented the allegation that Rep. Pistoria had misused his powers as a Representative. He asked if the 25 other plants Envirotech

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operates across the country had gone through a bid process and was told some were and some were not. Senator Lynch was surprised there had been no opposition before in the House hearing. Mr. Duty stated they did not feel their contract would be affected at the time. Senator Farrell asked Dave Brown if when a cost analysis is done the city would have to hire professional type of people to operate the plant. Brown stated a city might operate the plant themselves and then not realize until they were in violation of federal standards that there were problems that needed to be corrected. He noted there have been some cities that have had problems such as in Missoula. The plants are very complex to operate he noted. Senator Lynch wondered if it was normal procedure to raise the price of a contract prior to the expiration of a present contract. Mr. Duty noted the old contract contained a clause for adding costs if the prices of chemicals or the costs of operations when up and this was evaluated every three months. When the contract was renegotiated they changed this to a totally open book policy so that the city could go in at any time and evaluate their costs. Senator Harding asked Mr. Duty to explain some of the background of why they had decided to go with a contracted service. Mr. Duty noted at the time their plant opened there were very few such services available and they most likely would not have had many bids anyway. Senator Lynch wondered if the city looks at costs annually to compare with other cities and how their plants are managed. Mr. Duty noted they have done some comparisons and feel they could not run their plant as efficiently without Envirotech's services. Senator Harding asked if the public can get information about the costs of the system and was told it is an open book policy to the public. Senator Farrell wondered if other bid contracts by Envirotech were also open book and was told 90% of them were. Senator Hofman noted Rep. Pistoria had stated the city was in violation of breaking two laws and wondered why this was not in court. Rep. Pistoria noted it is expensive to go to court and he was representing the taxpayer's concerns.

Rep. Pistoria stated he felt the answers that had been received from the city representatives were not completely accurate. He noted that as a taxpayer and a Representative he was out to protect the interests of the taxpayers. He wondered why Envirotech did not want to bid their work. He did not feel it was being discriminatory against one firm. The hearing was CLOSED on House Bill 450.

The meeting was adjourned at 11:30 a.m.

SENATOR JACK HAFFEY, Chairman

ROLL CALL

SENATE STATE ADMINISTRATION

COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 3/4/87

NAME	PRESENT	ABSENT	EXCUSED
SENATOR JACK HAFFEY	X		
SENATOR WILLIAM FARRELL	X		
SENATOR LES HIRSCH	X		
SENATOR JOHN ANDERSON	X		
SENATOR J. D. LYNCH	X	·	
ENATOR ETHEL HARDING	X		
ENATOR ELEANOR VAUGHN	X		
ENATOR SAM HOFMAN	X		
ENATOR HUBERT ABRAMS	- X		
ENATOR TOM RASMUSSEN	Х		
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Each day attach to minutes.

COMMITTEE ON SENATE STATE ADMINISTRATION

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SENATE STATE ADMIN.

CMISH NO. 1

DATE 3-4-87

BILL NO. H 3 R II

STATEMENT BY SUSAN M. HANSEN, ADMINISTRATIVE OFFICER
OFFICE OF THE ATTORNEY GENERAL
TO THE SENATE STATE ADMINISTRATION COMMITTEE

Marky
PROPERTY 24, 1987

House Joint Resolution 11 would authorize the permanent display of a memorial painting in the lobby of the Montana Justice/State Library Building honoring Mr. Barry Rowe, principal architect of the building.

Barry Rowe was a resident of Great Falls and a partner in the architectural and engineering firm of Page-Werner & Partners at the time of his death on December 9, 1985. He was the victim of an automobile accident. Mr. Rowe was a graduate of the Montana State University School of Architecture and was the designer of many public buildings in Montana. Perhaps his two most notable contributions to architecture in Montana are the jail complex in Fort Benton which has been selected as a model jail by the United States Penal Commission and the Montana Justice/State Library Building which is recognized as a distinctive and functional public building.

In the spring of 1986 the Attorney General received a proposal from Mr. Charles R. Rowe to create a memorial painting for display in the Justice/State Library Building to honor his nephew, Barry Rowe. Mr. Rowe proposes to create and donate the painting at no cost to the State. Costs associated with the production and transportation of the painting would be covered by friends, relatives, and associates of Barry. Charles Rowe is a professor of art at the University of Delaware and enjoys a creditable reputation for his work in the United States and Europe. His work has been the subject of many one-man exhibitions, including three such exhibitions at the C. M. Russell Museum in Great Falls. He won the 1981 Delaware Duck Stamp Design and his works are represented in private and institutional collections throughout the United States and Europe. I have a for Charles Rowe which details accomplishments which I will submit for the Committee's review.

Since the Justice/State Library Building houses three independent agencies--the Supreme Court, the State Library, and the Department of Justice--the Attorney General believes that placement of a piece of art in the

common area of the building should require the consent of all three agencies prior to pursuing legislative authorization. To that end, the Attorney General presented Mr. Rowe's offer to the Chief Justice and the State Librarian who both agreed that acceptance of Mr. Rowe's proposal was an appropriate use of space in the lobby of the building. The agencies in the building established an informal committee to pursue Mr. Rowe's proposal with representatives from each agency meeting with him in November 1986 to discuss his proposal and determine a location for the proposed painting.

Mr. Rowe's proposal is to create a painting which symbolizes the building, the importance of striving for excellence in all that we do, and the need to be concerned with the human element. It would not be a portrait. The painting would be displayed on the wall above the entrance to the State Library in the main lobby.

Once agreement was reached among the agencies housed in the building, the next step in this project is to receive legislative authorization to place such a painting in the building. Section 5-17-102(2), MCA, provides that no busts, memorials, or art displays may be permanently displayed in the capitol complex unless authorized by the Legislature. House Joint Resolution 11 would provide the necessary authorization for the display of a memorial painting honoring Barry Rowe in the lobby of the Justice/State Library Building.

CHARLES ROWE

133 Aronimink Drive Newark, Delaware 19711 (302) 738-0641

SEMATE	STATE	ADMIN.	
EXHIBIT	110	$\frac{1}{\alpha}$	THE PERSON NAMED IN
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BILL NO) <i></i>	2-1	

EDUCATION

Tyler School of Art, Temple University, Philadelphia, Pennsylvania. Degree: MFA, 1968 School of the Art Institute, Chicago, Illinois. Degree, BFA, 1960 University of Chicago, Chicago, Illinois, 1959-1960 Southern Methodist University, Dallas, Texas, 1956-1957 Montana State University, Bozeman, Montana, 1952-1953

EXPERIENCE—PROFESSIONAL AND TEACHING

University of Delaware, Art Department, Newark, Delaware, 1964-present Professor. Areas of instruction: Drawing, Painting and Graphic Design, undergraduate and graduate levels.

Design Consulting: Galleon Fabrics, Inc. and First Run Fabrics, Inc., New York City; T.A.G.S., Los Angeles, California and New York City, 1974-present

Artist-in-Residence, leave of absence, Great Falls, Montana, 1972-1973

Appointment and grant by the National Endowment for the Arts & Humanities.

Abrams-Bannister Engraving, Inc., Greenville, South Carolina, 1962-1964 Graphic Designers, Artists and Engravers. Head designer for flexible packaging lines.

Greenville Museum of Art, Greenville, South Carolina, 1962-1964 Initiated life drawing program for museum.

American Can Company, Bellwood, Illinois, 1960-1962 Graphic Designer.

Graphic Design and Consulting, Chicago, Illinois, 1957-1960

ONE-MAN EXHIBITIONS

C.M. Russell Museum, Great Falls, Montana, 1972, 1973, 1981
West of Soho, Pleiades Gallery, New York City, 1981
Eggs Over Soho, Pleiades Gallery, New York City, 1977
Mickelson Gallery, Washington, D.C., 1970, 1974
C.M. Russell Museum, Great Falls, Montana, 1972, 1973
Newark Gallery, Newark, Delaware, 1967, 1968, 1969
Tyler School of Art, Temple University, Philadelphia, Pennsylvania 1968
Stephen Jackson Gallery, Centerville, Delaware, 1965

Drawings, paintings and prints are represented in private and institutional collections in the United States and Europe.

Represented by: Pleiades Gallery, New York City

Mickelson Gallery, Washington, D.C. Premier Arts, Inc., Washington, D.C.

C.M. Russell Museum, Great Falls, Montana Smithsonian Institution, Washington, D.C.

T.A.G.S., Los Angeles, California and New York City

Art World Unlimited, El Cajon, California

Sport-En Art, Sullivan, Illinois

AWARD

1981 Delaware Duck Stamp Design Second of State Edition, Migratory Waterfowl Conservation Stamp.



Easton Waterfowl Festival, Easton, Maryland, 1982, 1981

Pleiades Gallery Exhibition, New York City, 1981, 1980, 1979, 1978

C.M. Russell Annual Western Art Auction, Great Falls, Montana, 1982, 1980, 1978, 1976, 1974 Gallery 10, Washington, D.C., 1980

World Trade Center, New York City, 1979

Western Art Exhibition Museum of Native American Cultures, Spokane, Washington, 1978, 1977

New York City Summer Arts Festival, Pleiades Gallery, New York City, 1976

Forum Gallery, Washington, D.C., 1976

American Painters in Paris, Bicentennial Exhibition, Paris, France, 1976

Fifth Street Gallery, Faculty Exhibition, Wilmington, Delaware, 1975

Millersville Group Show, Millersville College, Millersville, Pennsylvania, 1975

Drawings '75, Images Gallery, Wilmington, Delaware, 1975

Mid-Winter Group Exhibition, Pleiades Gallery, New York City, 1975

Ball State National Drawing and Small Sculpture Show, Ball State University, Muncie, Indiana, 1974

Salon '74 Exhibition, Fifth Street Gallery, Wilmington, Delaware, 1974

60th Annual Delaware Art Museum Exhibition, Wilmington, Delaware, 1974

New Talent Exhibition, Marian Locks Gallery, Philadelphia, Pennsylvania, 1974

Twenty Contemporary Montana Artists, Senator John Melcher Exhibition, Washington, D.C., 1973

Copper Kettle Arts Festival, Butte, Montana, 1973

Missoula Arts Festival, Missoula, Montana, 1973

Montana Institute of Arts Annual Exhibition, Great Falls, Montana, 1973

37th Mid-Year Show, Butler Institute of Art, Youngstown, Ohio, 1973

Mickelson Gallery Group Show, Washington, D.C., 1969

Mid-Year Show, Butler Institute of Art, Youngstown, Ohio, 1969

Vanderlip Gallery Group Show, Philadelphia, Pennsylvania, 1968

Miami Museum of Modern Art, Miami, Florida, 1966

Fine Arts Gallery of San Diego, San Diego, California, 1966

Dayton Institute of Art, Dayton, Ohio, 1966

Cheney Crowles Memorial Museum, Spokane, Washington, 1966

New Center of Continuing Education, University of Chicago, Chicago, Illinois, 1966

The Little Gallery, Philadelphia, Pennsylvania, 1965

Smithsonian Institution, Washington, D.C., 1965

Kansas City Art Institute, Kansas City, Missouri, 1965

Cleveland Institute of Art, Cleveland, Ohio, 1965

Los Angeles County Museum, Los Angeles, California, 1965

Toledo Museum of Art, Toledo, Ohio, 1965

Denver Art Gallery, Denver, Colorado, 1965

Norton Gallery, West Palm Beach, Florida, 1965

51st Delaware Drawing and Watercolor Exhibition, Delaware Art Museum, Wilmington, Delaware, 1965

Delaware, 1965 51st Delaware Painting Exhibition, Delaware Art Museum, Wilmington, Delaware, 1964

Southeastern Art Exhibition, Atlanta Museum of Fine Art, Atlanta, Georgia, 1964

Mismi National Exhibition Mismi Florida 1004

Miami National Exhibition, Miami, Florida, 1964

Everson Museum of Art, Syracuse, New York, 1964

Clemson University Invitational, Clemson, South Carolina, 1964

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Mead Painting Exhibition, Atlanta Museum of Fine Art, Atlanta, Georgia, 1964

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Art Institute of Chicago, Chicago, Illinois, 1959

Dallas Museum of Art, Dallas, Texas, 1957

Over 40 other group exhibitions not listed.

FELLOWSHIPS OR GRANTS AWARDED

Center for Advanced Study, September 1981—August 1982, \$32,000

Special Aid Faculty Research Grant, September 1979-May 1980, \$250

Faculty Summer Research Grant, June-August 1979, \$2,500

Special Aid Faculty Research Grant, September 1978-May 1979, \$250

Special Aid Faculty Research Grant, September 1976—February 1977, \$500

Bicentennial Grant No. 33, January 1976, \$850

Special Aid Faculty Research Grant, November 1973—January 1974, \$500

National Endowment for the Arts and Humanitites, Artist-in-Residence Program,

September 1972—June 1973, \$17,000

Special Aid Faculty Research Grant, January-June 1972, \$500

Special Aid Faculty Research Grant, May—July 1971, \$300

Special Aid Faculty Research Grant, January—April 1970, \$650

Special Aid Faculty Research Grant, January—May 1968, \$490

Special Aid Faculty Research Grant, \$400

Faculty Summer Research Grant, June—August 1967, \$2,100

Special Aid Faculty Research Grant, January-May 1966, \$475

All Faculty Grants awarded by the University of Delaware

TRAVEL

Director of the College Art Program in Europe for the World Academy of Cincinnati.

Florence Campus, Summer 1968: Travel in Italy, France, Spain, Switzerland and England. Rome Campus, Summer 1969: Travel in Italy, France, Switzerland and England.

Appointed member of the National Academy Advisory Committee for the World Academy of Cincinnati.

Winter Session Study Tour: San Miguel, Mexico, co-director, University of Delaware.

PUBLICATION LISTINGS

Who's Who in American Art, 1976-present
Who's Who in the East, 17th Edition-present
Archives, Albert Victoria Museum, London, England
American Artists of Renown, First Edition
Noel Goldblatt Collection, "Famous People of Our Century, 1982"

PUBLICATIONS, ARTICLES AND LECTURES

The Morning News, Wilmington, Delaware, February 27, 1981. "Rowe's Art to Grace Waterfowl Stamp", by Molly Murray, staff reporter.

The Morning News, Wilmington, Delaware, March 10, 1981. "A Portrait of a Winning Artist", by Molly Murray, staff reporter.

University of Delaware News, spring edition, 1976. "American Painters in Paris, a Bicentennial Exhibition by Julio DaCunha and Charles Rowe."

University of Delaware News, February 1975.

Delaware Today, January 1973. "Charles Rowe the Creator of a New Art Form", by Mary Hemple Gallery Talk. Montana Institute of Arts Exhibition, Great Falls, Montana, 1973.

Great Falls Tribune, Montana on Parade, October 8, 1972. "Artist Employs Original Method and Style".

Montana Arts. Volume 25, No. 1, 1972.

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Delta Kappa Gamma Society-Delta Chapter—Lecture on "An Interpretation of the Graphic Arts", C.M. Russell Museum, Great Falls, Montana, 1972.

3-4-87

TELEVISION INTERVIEWS AND PROGRAMS

Interviewed by TV Video in Paris, France, "American Painters in Paris". Program released in U.S.A. (New York City, etc.), 1976.

Channel 12 WHYY, Wilmington, Delaware. Personal Interview by Commentator Don Dunwell, "An Artist and His Work—Metaphysical Surrealism", 1974.

Channel 3 KRTV, Great Falls, Montana. "Today in Montana", a two part program "An Artist and His Work", interviewer, Leroy Stahl, 1973.

Channel 5 KFBBTV, Great Falls, Montana. "Audrey Show", "Visiting Artist Program", Interviewer, Audrey Creecy, 1973.

Channel 3 KRTV, Great Falls, Montana. "Today in Montana", interviewer, Norma Ashby, subject: Artist-in-Residence Program, 1972.

(This sheet to be used by those testifying on a bill.)

ME: Lloyd M. Erickson	DATE: 3/4/87
DRESS: #170-5-27 Ave So Great	Falls MT 59405
ONE: 727-2851	
PRESENTING WHOM? Citizen Regrescatalies	- QaRP
PPEARING ON WHICH PROPOSAL: HB 106	CEMANE STATE ADMIN.
O YOU: SUPPORT? X AMEND?	1 12 0 N/a
OMMENT:	
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3-4-87

(c) sections of Title 7, chapter 5, part 1, that address procedures or effects which are neither addressed by this part nor in conflict with any provision of this part.

History: En. Sec. 1, Ch. 315, L. 1981.

Compiler's Comments

Erroneous Reference: The reference in (1) which suggests that this part has provisions governing initiative and referendum procedures is erroneous. Those provisions were repealed by sec. 407, Chr. 571, L. 1979. For the current provisions governing initiative and referendum

procedures, see Title 7, chapter 5, part 1, as referred to in (2).

Codification Instruction: Section 2. Ch. 315. L. 1981, provided: "Section 1 is intended to be codified as an integral part of Title 7, chapter 5, part 42, and the provisions of section 1 apply to Title 7, chapter 5, part 42."

7-5-4209 and 7-5-4210 reserved.

7-5-4211 through 7-5-4225. Repealed. Sec. 407, Ch. 571, L. 1979.

Compiler's Comments

Histories of Repealed Sections:

7-5-4211 through 7-5-4216. En. Ch. 167, L. 1907; Sec. 3266, Rev. C. 1907; re-en. Sec. 5058, R.C.M. 1921; re-en. Sec. 5058, R.C.M. 1935; amd. Sec. 1, Ch. 24, L. 1951; amd. Sec. 1, Ch. 126, L. 1967; R.C.M. 1947, 11-1104.

7-5-4217. (1)En. Ch. 167, L. 1907; Sec. 3269, Rev. C. 1907; re-en. Sec. 5061, R.C.M. 1921; re-en. Sec. 5061, R.C.M. 1935; amd. Sec. 1, Ch. 94, L. 1967; Sec. 11-1107, R.C.M. 1947; (2)En. Ch. 167, L. 1907; Sec. 3276, Rev. C. 1907; re-en. Sec. 5068, R.C.M. 1921; re-en. Sec. 5068, R.C.M. 1935; Sec. 11-1114, R.C.M. 1947; R.C.M. 1947, 11-1107, 11-1114.

7-5-4218. En. Ch. 167, L. 1907; Sec. 3275, Rev. C. 1907; re-en. Sec. 5067, R.C.M. 1921; re-en. Sec. 5067, R.C.M. 1935; R.C.M. 1947, 11-1113.

7-5-4219. En. Ch. 167, L. 1907; Sec. 3274, Rev. C. 1907; re-en. Sec. 5066, R.C.M. 1921; re-en. Sec. 5066, R.C.M. 1935; R.C.M. 1947, 11-1112(part).

7-5-4220. En. Ch. 167, L. 1907; Secs. 3267, 3270, 3271, Rev. C. 1907; re-en. Secs. 5059, 5062, 5063, R.C.M. 1921; re-en. Secs. 5059, 5062, 5063, R.C.M. 1935; R.C.M. 1947, 11-1105, 11-1108, 11-1109.

7-5-4221. En. Ch. 167, L. 1907; Sec. 3272, Rev. C. 1907; re-en. Sec. 5064, R.C.M. 1921; re-en. Sec. 5064, R.C.M. 1935; R.C.M. 1947, 11-1110.

7-5-4222. En. Ch. 167, L. 1907; Sec. 3273, Rev. C. 1907; re-en. Sec. 5065, R.C.M. 1921; re-en. Sec. 5065, R.C.M. 1935; R.C.M. 1947, 11-1111(part).

7-5-4223. En. Ch. 167, L. 1907; Sec. 3274, Rev. C. 1907; re-en. Sec. 5066, R.C.M. 1921; re-en. Sec. 5066, R.C.M. 1935; R.C.M. 1947, 11-1112(part).

7-5-4224 and 7-5-4225. En. Ch. 167, L. 1907; Sec. 3273, Rev. C. 1907; re-en. Sec. 5065, R.C.M. 1921; re-en. Sec. 5065, R.C.M. 1935; R.C.M. 1947, 11-1111(part).

UR 193

1983 Session

Part 43

Municipal Contracts and Franchises

7-5-4301. Power to enter and execute contracts. (1) The city or town council has power to make any and all contracts necessary to carry into effect the powers granted by this code and to provide for the manner of executing the same.

(2) All necessary contracts for professional, technical, engineering, and legal services are excluded from the provisions of 7-5-4302 through 7-5-4304, 7-5-4306, and 7-5-4307.

History: (1)En. Subd. 63, Sec. 5039, R.C.M. 1921; amd. Sec. 1, Ch. 115, L. 1925; and. Sec. 1, Ch. 20, L. 1927; re-en. Sec. 5039.62, R.C.M. 1935; Sec. 11-965, R.C.M. 1947; (2)En. Sec. 1, Ch. 48, L. 1907; Sec. 3278, Rev. C. 1907; re-en. Sec. 5070, R.C.M. 1921; amd. Sec. 1, Ch. 22, L. 1927; re-en. Sec. 5070, R.C.M. 1935; amd. Sec. 1, Ch. 18, L. 1939; amd. Sec. 1, Ch. 59, L. 1941; amd. Sec. 1, Ch. 153, L. 1947; amd. Sec. 1, Ch. 139, L. 1949; amd. Sec. 1, Ch. 220, L. 1959; amd. Sec. 1, Ch. 26, L. 1963; amd. Sec. 1, Ch. 121, L. 1969 amd. Sec. 1, Ch. 371, L. 1971; Sec. 11-1202, R.C.M. 1947; R.C.M. 1947, 11-965, 11-1202(part).

7-5-4302

LOCAL GOVERNMENT

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7-5-4302. Competitive, advertised bidding required for certain purchase and construction contracts. (1) Except as provided in 7-5-4303, all contracts for the purchase of any automobile, truck, other rehicle, road machinery, other machinery, apparatus, appliances, or equipment, for any materials or supplies of any kind, or for construction, repair, or maintenance for which must be paid a sum exceeding \$10,000 must be let to the lowest responsible bidder after advertisement for bids.

(2) Such advertisement shall be made in the official newspaper of the city or town if there be such official newspaper, and if not, it shall be made in a daily newspaper of general circulation published in the city or town if there be such and, otherwise, by posting in three of the most public places in the city or town. Such advertisement, if by publication in a newspaper, 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 the consideration of bids. If such advertisement is made by posting, 15 days must elapse, including the day of posting, between the time of the posting of such advertisement and the day set for considering bids.

(3) The council may postpone action as to any such contract until the next regular meeting after bids are received in response to such advertisement and may reject any and all bids and readvertise as provided herein.

History: En. Sec. 1, Ch. 48, L. 1907; Sec. 3278, Rev. C. 1907; re-en. Sec. 5070, R.C.M. 1921; amd. Sec. 1, Ch. 22, L. 1927; re-en. Sec. 5070, R.C.M. 1935; amd. Sec. 1, Ch. 18, L. 1939; amd. Sec. 1, Ch. 59, L. 1941; amd. Sec. 1, Ch. 153, L. 1947; amd. Sec. 1, Ch. 139, L. 1949; amd. Sec. 1, Ch. 220, L. 1959; amd. Sec. 1, Ch. 26, L. 1963; amd. Sec. 1, Ch. 121, L. 1969; amd. Sec. 1, Ch. 371, L. 1971; R.C.M. 1947, 11-1202(part); amd. Sec. 1, Ch. 429, L. 1981.

Compiler's Comments

1981 Amendment: Extended the coverage of the types of contracts to include repair and

maintenance; increased the minimum contract amount requiring bids from \$4,000 to \$10,000 in (1).

7-5-4303. Exemptions from bidding or advertising requirements for certain contracts. (1) The provisions of 7-5-4302 as to advertisement for bids shall not apply upon the happening of any emergency caused by fire, flood, explosion, storm, earthquake, riot, insurrection, or other similar emergency, but in such case the council may proceed in any manner which, in the judgment of three-fourths of the members of the council present at the meeting, duly recorded in the minutes of the proceedings of the council by aye and nay vote, will best meet the emergency and serve the public interest. Such emergency shall be declared and recorded at length in the minutes of the proceedings of the council at the time the vote thereon is taken and recorded.

(2) When there are sufficient funds in the budget for supplies or equipment, a city or town may, without bid, purchase such supplies or equipment from government agencies available to cities or towns when the same can be purchased by such city or town at a substantial saving to such city or town.

History: En. Sec. 1, Ch. 48, L. 1907; Sec. 3278, Rev. C. 1907; re-en. Sec. 5070, R.C.M. 1921; amd. Sec. 1, Ch. 22, L. 1927; re-en. Sec. 5070, R.C.M. 1935; amd. Sec. 1, Ch. 18, L. 1939; amd. Sec. 1, Ch. 59, L. 1941; amd. Sec. 1, Ch. 153, L. 1947; amd. Sec. 1, Ch. 139, L. 1949; amd. Sec. 1, Ch. 220, L. 1959; amd. Sec. 1, Ch. 26, L. 1963; amd. Sec. 1, Ch. 121, L. 1969; amd. Sec. 1, Ch. 371, L. 1971; R.C.M. 1947, 11-1202(part).

7-5-4304. Certain contracts to be submitted to voters. No contract may be let extending over a period of 5 years or more without first submitting the question to a vote of the electors of the city or town.

History: En. Sec. 1, Ch. 48, L. 1907; Sec. 3278, Rev. C. 1907; re-en. Sec. 5070, R.C.M. 1921; amd. Sec. 1, Ch. 22, L. 1927; re-en. Sec. 5070, R.C.M. 1935; amd. Sec. 1, Ch. 18, L. 1939; amd. Sec. 1,

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HOUSE BILL NO. 193

INTRODUCED BY PISTORIA, R. MANNING, MCCOPMICK

A BILL FOR AN ACT ENTITLED: "AN ACT DELINEATING SPECIFIE PROFESSIONS EXCLUDED FROM MUNICIPAL CONTRACT RESTRICTIONS; AN EFFECTIVE AMENDING SECTION 7-5-4301, MCA; AND PROVIDING DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MUNTANA,

"7-5-4301. Power to enter and execute contracts. (1)

The city or town council has power to make any and all contracts necessary to carry into effect the powers granted by this code and to provide for the manner of executing the

PROFESSIONAL LECHUICAL engineering, and legal services are 7-5-4306, and 7-5-4307. PROXIDED. UDACKER. CONICACIS MHEREIN INE_YALUE_OE_INE_HAJORIIX_OE_INE_SERVICES_IO_BE_RENDERED professionati excluded from the provisions of 7-5-4302 through 7-5-4304, ENGINEEBING. __AND__LEGAL__SERVICES_MUST_BE_AWARDED_UNDER_IHE CUNSILIUIE...SENVICES...OIBER..IHAN...RBOEESSIUNAL...IECHNICAL. BIUDING-PROCEDURE PROXIDED EOR IN 1=5=5302 IBROUGH 1=5=5394± necessary contracts for

Z-5-53061-AND_Z-5-530Z1

ABE---INTENDED---TO---INCLUDE---ONLY-INGSE-SERVIEES--INAT-BEQUIBE NEW_SECIIONA Section 2. Effective date. This act is talistustustuseesisuussississeesiseesiseesen eesiseeses JUDGUENTETTTSVEHTTTSEBXTEESTTBBTTTNBITTTBAEFHBETTTSEBXTEES 18% ang Graspegga aa 1226 baa 1456 baa 1456 baa 146 ba <u>kydiitoalutugiiahuliituatiiituktiitukekkiiseioeibiserettuuu</u> effective July 1, 1983. HEEHAN LEALE"

REFERENCE

SECOND PRINTING with amendments dated 3/29

Section 1. Section 7-5-4301, MCA, is amended to read:

48th Leqislature

March 29, 1983

SENATE COMMITTEE OF THE WHOLE AMENDMENT

That House Bill No. 193 be amended as follows:

Page 1, line 21.
 Strike: subsection 3 in its entirety

other than professional, technical, engineering, and legal services must be awarded under the bidding procedure provided for in 7-5-4402 through 7-5-4304, 7-5-4306 and 7-5-4307." 2. Page 1, line 20.
Following: line 20
Insert: "Provided however, contracts wherein the value of the majority of the services to be rendered constitute services

- EFFECTIVE DATE JULY 1,1983

COMMITTEE OF THE WHOLE AMENDMENT

MR. CHAIRMAN: I MOVE TO AMEND House Bill No. 193, reference copy, as follows:

Page 1, line 21.

Strike: subsection 3 in its entirety

3-4-87

2. Page 1, line 20.

Following: line 20

Insert: "Provided however, contracts wherein the value of the majority of the services to be rendered constitute services other than professional, technical, engineering, and legal services must be awarded under the bidding procedure provided for in 7-5-4302 through 7-5-4304, 7-5-4306 and 7-5-4307."

tues. mas. 29,198 The Man Sand Assimilation of the contents Turnage

Remarks against the City handing over the Operation of the 20 100,000 services the a silver plant to environt Perdain Process in 7-5-4302.

This issue has were going on with E.T.T. Since april 1977. Un april 1982 The City assis revenued the contract 12 102,000 the Whith 021,224,000 per 42 or 6,120,000 for 5 Then in 1983 Thurrowel H.B. 193 to Chrife PROFESSIONAL which welly rused and became a by amending the now they came alow and contract effective act 2, 1986. 6 minors before the 5, year contract expires april 1,1987 & extending the contract 5 more years to as ament contract before expiration date of apolt, For This is the The old contrast is for 102,000 per month 1,224,000 per Yea 2-6,120,800 for 5 years- with The new amouded critical is in 130,000 per minth (g. 28,000 per 18,580,000 per 5/2 444 (5 44,86 minth) of 28,000 per 108,000 EXTRA- WHY would the City do I has? This is TERRIBLE. MOW, how can they use MAJORITY PROFESS. IONAL when of the 2/ EMPLOYESS. 15 bellery to

s with contracts (2-Electriciane-2 mixes-plumblers etc labors). Trons labors), Trong at the plant are Liberal Engineer in they satisfy the tape of and, 5.) . Just making their agon W. (B.S.) pinin took Environens downsel advice. while sten of its the same velf they don't had me or any alistho. for reuse that pursuan corner that call east but it is nothing only A FIMACIAL REPORT. WE yould have to goto count to get the talk u by by pe 1 the new i of this in the wor Come to perfect our Citizens & Mu Connective the City whing that & believing them. This must not Agel & L'estora

UN JON H. P. 450



May 14, 1986

Mr. G. Allen Johnson
City Manager
City of Great Falls
City Hall
Civic Center Building
Park Drive & Central Avenue
Great Falls, MT 59403

Dear Al,

Attached is the updated legal brief by our legal counsel concerning competitive bidding ala Pistoria's legislation. I believe this brief puts the issue to rest. In addition, since we're doing this renewal as an amendment to the existing contract, the whole issue is a moot point anyway.

Feel free to pass this document on to your City Attorney, but insure it is kept under close guard. Hopefully, the document will never be needed.

As always, I enjoyed getting together with you last week! I hope to have a full proposal back to you by June 6 for your review and finalization.

Thanks again for your continued support of EOS.

Sincerely,

William S. Wardwell
Director, National Sales
EOS

WSW:mc

Enclosure cc: Ed Becker

CITY OF STEAT FALLS

MAY 16

CHY MANAGER

Environech Operating Services thro Millers Pirk Drice Sun Millero Compania 94403 441 (2004) 2291



3-4-87 The Big Sky Country H & 450

MONTANA STATE HOUSE OF REPRESENTATIVES

REPRESENTATIVE PAUL G. PISTORIA HOUSE DISTRICT 36

HOME ADDRESS: 2421 CENTRAL AVE. GREAT FALLS, MONTANA 59401

March 1, 1987

COMMITTEES:

LOCAL GOVERNMENT

Great Falls City Manager Al Johnson & City Commissioners

Civic Center

Great Falls, Montana

Re: "Amendment" to Envirotech Contract

Dear Mr. Johnson & City Commissioners:

On September 16th, 1986, the Commission approved an amendment to the. City's Contract with Envirotech, effective October 1, 1986, which increased the amount due monthly to Envirotech \$28,000. The original contract had an expiration date of April 1, 1987. This increase cost the taxpayers \$168,000 over this six month period. Why did the commissioners approve this amendment when it had a binding legal contract with Envirotech to furnish their services for the original contract price?

Therefore, how can you state that it is done at less the cost each year?

In addition thereto, and as a part of the purported amendment, the contract was extended for an additional five years until April 7, 1992. Anyone knows that an amendment to an existing contract can only be made up to the expiration date of the contract, any agreements after the contract's expiration date constitutes a new contract.

It therefore becomes obvious that this purported amendment was an artiface to get around the submission of bids when the new contract was to be made. No wonder, the letter from Envirotach citing a California Attorney's legal advice "must be closely guarded". No court would tolerate this kind of deceit and manipulation.

I would appreciate an answer as soon as possible. My address in Helena is Sherwood Apts. #105. 301 West Lawrence, Helena, Montana, 59601.

Thank you.

Sincerely yours,

Paul G. Pistoria

State Representative

TOO MIDA FRANCION

AN EXAMPLE: HERE IS A CLEAR CUT EXPLANATION WHY CERTAIN SERVICES SHOULD NOT BE CONTRACTED OUT AND THE CITIZENS SHOULD VOTE ON THIS ISSUE.

IF PRIVATE BUSINESS TAKES ON SUCH AN OPERATION TO MAKE A NET PROFIT, IT MUST GROSS AN IN-COME ABOVE THE AMOUNT IT NOW COSTS FOR A MUNICIPALITY TO OPERATE. IT MUST PAY.46% FEDERAL CORPORATE INCOME TAX, .06 3/4 STATE CORPORATE INCOME TAX AND .05% OTHER TAXES ON THE GROSS IN-COME.

ALSO, IF THE MUNICIPALITY IS NOW A NON-PROFIT OPERATION AND BECOMES A CONTRACTED OPERATION, IT THEN MIGHT BE QUESTIONABLE WHETHER IT WOULD HAVE TO PAY OTHER TAXES ON THE EQUIPMENT.

NOW, BY USING A \$1,000,000 OPERATION BY MUNICIPALITIES VERSUS THE SAME OPERATION BY PRIVATE BUSINESS. IT MUST EARN A GROSS NET INCOME OF \$248,447.20 ABOVE THE \$1,000,000 OPERATION IN ORDER TO EARN A NET PROFIT OF 10% AS SHOWN BELOW.

THESE ARE THE PERCENTAGE OF TAXES AS FOLLOWS:

AVERAGE -.48% FEDERAL CORPORATE INCOME TAX

AVERAGE -. 06 3/4% STATE CORPORATE INCOME TAX

AVERAGE - .05% OTHER TAXES (WHICH IS A LOW FIGURE)

.59 3/4%

TOTAL .59 3/4% TAXES OF GROSS INCOME TO EARN ABOVE A \$1,000,000 OR WOULD BE APPROXIMATE-LY AN ADDITIONAL \$248,447.20 ABOVE THE \$1,000,000 TO NET A 10% NET PROFIT AS SHOWN BELOW.

ASSUMING TAX RATES OF:

FEDERAL CORPORATE RATE .48%

STATE CORPORATE RATE ..06 3/4

OTHER MISC. TAX RATE .05%

.59 3/4% TOTAL

(1 - TAX) = AFTER TAX TAKE HOME

(1 - .5975 = .4025)

X.4025 = \$100.000

X = .4025/\$100.000

X = \$248.447.20 -\$248.447.20 BEFORE TAX DEDUCTION

X .4925 INCOME AFTER TATES

.5975 - \$148,447.21 TAX PD \$99,999.998 INCOME AFTER TAXES

+.4025 - \$ 99,999.998 INCOME AFTER TAX

1.0000 - \$248,447.20 TOTAL - THIS EXTRA AMOUNT WILL HAVE TO BE PASSED ON TO THE TAXPAYER WHO RECEIVE THE SERVICE.

THE PURPOSE OF LOCAL, COUNTY AND STATE GOVERNMENTS IS TO PROVIDE CHEAPER SERVICES THAN THE PUBLIC MAY RECEIVE OTHERWISE.

REP. PAUL G. PISTORIA, DISTRICT #39

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THIS ACREEMENT is made and entered into this day o

. 1982, by and between the CITY of GREAT FALLS, a municipal corporation of the State of Montana, herein referred to as the "LITY." and the ENVIROTECH CORPORATION, herein referred to as "ENVIROTECH," in the manner following.

WITNESSETH

WHEREAS, the CITY is the owner of a WASTEWATER TREATMENT PLANT which is located at 16th Avenue N.E. and the end of 6th Street N.E. at the Missouri River in the City of Great Falls, Montana; and

WHEREAS, ENVIROTECH is a corporation specializing in the management of water and wastewater treatment plants throughout the United States;

NOW, THEREFORE, in consideration of the mutual agreements herein contained, and subject to the terms and conditions herein stated, it is hereby understood and agreed by the parties hereto as follows:

I - AGREEMENT

NOTE - X ENVIROTECH agrees to furnish services of its various employees,

SAL , associates and staff in the management, maintenance and operation of the following facilities:

★1) All equipment and facilities located within the fenced property at the 16th Avenue N.E. and the end of 6th Street N.E. at the Missouri River.

\$2) Those lift stations presently on-line. - THIS IS MAINTENANCE

II - TERM

NOTE - NO WHERE IN THIS
AGREEMENT DOES IT MENTION
PROFESSIONAL.

THIS IS

- The services shall commence on April 1, 1982, and expire five (5) years from the commencement date.

SEE PAGE 1 - XIV OPERATION
DUE TO MAINTENANCE ELAUSE

HAS TO BE PUT ON BLD. EVEN BGREEMEN TO MAINTENANCE.



III - COMPENSATION

- 1) The CITY shall pay ENVIROTECH, as compensation for the services to be performed for the operation, maintenance and laboratory analyses of the existing treatment facilities, the sum of \$101,667.00 per month with additional adjustments as specified hereafter. Monthly payments are due the last of each month during which services are rendered.
- 2) From commencement of the contract until the contract expires, compensation shall be increased or decreased semi-annually according to the following rate schedules and U.S. Department of Labor, Bureau of Labor Statistics indices: Employment Cost Index All Private Non-Farm, Western Region; Montana Power Rate Schedule; Producer Price Index for Industrial Chemicals (061); and Great Falls Gas Company Schedule.

 Increase or decrease in service costs shall be based on the sum total using the following formula:

WEIGHT		INDEX CHANGE		WEIGHTED % CHANGE
0.3	χ	(% Change in ECI)	=	Wt. % Change ECI
0.3	Χ	(% Change in M.P. Rate)	=	Wt. % Change M.P.
0.1	У,	(% Change in 061)	=	Wt. % Change 061
0.3	Χ	(% Change in G.F. Gas		
		Co. Rate)	=	Wt. % Change G.F. Gas

The first increase or decrease in compensation shall be effective October 1, 1982, and shall be based on the weighted Bureau of Labor Statistics Indices as specified above between March, 1982, and September, 1982.

Each subsequent increase or decrease in compensation shall be effective each April 1st and October 1st and shall be based on the prior six-month change in the indices. The percent change in compensation shall be applied to the previous month's compensation to determine the amount of increase or decrease.



IV - SCOPE OF SERVICES

3-4-89 HB 450

ENVIROTECH will control, maintain and operate the CITY's facilities so that effluent discharged therefrom meets the weighted monthly average of effluent characteristics as stated in NPDES Permit No. MT-0021920, dated July 14, 1977, provided that at all times, the plant influent is free from abnormal or biologically toxic substances which cannot be treated or removed in the CITY's Treatment Plant using the existing process and facilities.

It is recognized by both parties that abnormal or biologically toxic substances which cannot be treated or removed in the CITY's Treatment Plant may enter the influent stream of the Treatment Plant. As soon as such substances are recognized, ENVIROTECH or the CITY will notify each other of this condition and work with each other to reduce or eliminate such substances to the best ability of each party. The CITY agrees that such cooperation in no way obligates ENVIROTECH beyond the stated responsibility in the above paragraph.

2) Process operations that will be covered by ENVIROTECH under this Agreement will only include:

Raw Sewage Pumps

Mechanical Bar Screen/Shredder

Primary Treatment

Activated Sludge

Secondary Settling

Gravity Thickening

Heat Treatment (Zimpro)

Sludge Blending and Storage Tanks

Vacuum Filtration

Disinfection (Chlorination)

Sludge Pumping Associated with Process Above

Flotation Thickening

All vehicles and equipment presently assigned to the wastewater treatment plant will be provided for ENVIROTECH's use.

ENVIROTECH agrees to use vehicles solely for operation and maintenance.

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Also, Maintein of the wastewater treatment facility. Usage of these vehicles for any public service projects unrelated to operation and maintenance of the wastewater facility shall receive prior approval by the City Manager or his designate. Those vehicles and equipment which shall remain in CITY's ownership include, but are not limited to, those listed in Attachment A. CITY agrees to provide ENVIROTECH vehicles which are in good serviceable condition for the job requirements as specified in this contract agreement.

- MAINTANANCE 4) Routine maintenance will be provided by ENVIROTECH for all process equipment and vehicles assigned by the CITY to ENVIROTECH. ENVIROTECH will pay for repair parts necessary during the term of services, provided that the aggregate amount which it shall be required to pay shall not exceed \$2,000.00 for each equipment item/vehicle less than ten years old or \$1,000.00 for each equipment item/vehicle more than ten years old. This aggregate amount shall be adjusted annually by the percentage change in the Employment Cost Index - All Private Non-Farm, Western Region Index. Inventory of equipment and vehicles and the documentation of routine maintenance will be maintained through the ENVIROTECH "Maintenance and Repair Control System." The City Manager or his designate shall have the right to inspect these maintenance performance and cost records during normal business hours. ENVIROTECH will submit a monthly "Maintenance Status Report to the CITY," outlining the maintenance actions accomplished during the previous month. parties agree that the CITY shall have the right to hire a qualified independent firm to review the maintenance program being conducted by Envirotech at the facility. Any such maintenance reviews shall be at the sole expense of the CITY, and the independent firm shall make no unreasonable requests of the CITY or ENVIROTECH.
 - 5) An item of equipment is defined to include all of the "wire to water" components of any mechanical function hardware. For example, an item of equipment such as a positive displacement pump would include, but is not limited to, electrical starter, motor, pump shaft, impeller or piston and enclosure. It is estimated that the CITY's facilities contain 210 items of equipment. Such maintenance shall not include



costs associated with flood, fire, explosion or any other extraordinary occurrences not within the control of ENVIROTECH.

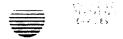
- 6) ENVIROTECH will pay all expenses incurred in <u>usual</u> treatment plant operations including, but not limited to, wages, salaries, utilities, consumables such as chemicals, fuel, lubricants and contracted services, if any.
- employees experienced in wastewater treatment process control and maintenance procedures. Additional staff will be assigned to the facility during the service period in order to establish operation and maintenance procedures and train the permanent staff in process control and equipment maintenance.
- 8) ENVIROTECH will prepare all operating reports according to the State of Montana requirements and will prepare all process data reports, operation and maintenance reports and submit a copy of them to the CITY.
- 9) Should additional grit collection equipment prove to be a prudent addition to extend equipment life and usefulness, such additions will be made at the expense of the CITY.
- 10) Both parties agree that the CITY shall limit new industry flows and wastewater characteristics to the WASTEWATER TREATMENT PLANT to those limits established in the CITY Industrial Wastes Ordinance.
- 11) The CITY shall maintain all existing warranties, guarantees, and licenses that have been granted to the CITY as owner of the WASTEWATER TREATMENT PLANT for the benefit of ENVIROTECH during the ENVIROTECH operation of the WASTEWATER TREATMENT PLANT.
- above is for the operation of the WASTEWATER TREATMENT PLANT at the existing waste flow and characteristics and that a 20 percent increase or decrease in flow or total solids shall give either party the option to renegotiate such compensation upon written notification to the other party. The increase or decrease in flow or total solids shall be based on the daily average for a minimum of 12 months. The present rate of flow is 9.08 million gallons per day based on a 12 month average and the rate of total solids handled is currently 27,000 lbs. of solids per day.

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EVALUATE STATE RAMEN.

EVALUATE 3-4-87

EVALUATE HB 450



Total solids are calculated as follows:

TOTAL SOLIDS = BOD_SOLIDS + SUSPENDED SOLIDS

BOD SOLIDS (12 month average daily plant influent BOD

 $mg/1) \times (12 month average influent flow in$

million gallons per day) x (8.34 lbs/gallon)

SUSPENDED SOLIDS (12 month average influent suspended solids

mg/1) x (12 month average influent flow in

million gallons per day) x (8.34 lbs/gallon)

13) ENVIROTECH will perform laboratory analyses for BOD and suspended solids on samples to be provided by the CITY for the purpose of Industrial Cost Recovery Monitoring at no additional expense to the CITY provided that such additional testing is limited to 20 percent of current testing volume.

V - CHANGE IN SERVICE SCOPE OR SERVICE TYPE

- 1) Any change in treatment plant operation, reporting requirements or personnel qualifications required by a governmental agency having jurisdiction to order such change may be authorized by the CITY. In such event, ENVIROTECH shall be paid such increased costs (in addition to the compensation stated in Article III above) as determined by a 30-day cost monitoring period. The increased costs shall include a reasonable amount for general administration and overhead expenses to ENVIROTECH. For such changes, ENVIROTECH will also be entitled to a reasonable profit.
- 2) The CITY may authorize and fund capital changes to the facilities which may result in decreased or increased operating costs at the treatment plant. In such event, both parties will mutually agree on the amount of cost savings or increase as determined by a 30-day cost monitoring period. Such decreased or increased costs will be realized by amendment to contract.

ENVIROTECH agrees to furnish detailed cost estimates to the CITY's consulting engineer for the purpose of determining the feasibility, savings or increased costs of capital changes proposed by the CITY.



VI - HOLD HARMLESS AGREEMENT

ENVIROTECH hereby agrees to, and shall, hold the CITY, its elective and appointive boards, officers, agents and employees harmless from any liability for damage or claims for damage for personal injury, including death, as well as from claims for property damage which may arise from operations under this Agreement, whether such operations be by ENVIROTECH or by any subcontractor of ENVIROTECH, provided, however, that it is understood that this Agreement does not apply to bodily injury or property damage arising out of the discharge, dispersal, release or escape of the WASTEWATER TREATMENT PLANT effluent into or upon land, the atmosphere or any water course or body of water unless as a result of the negligence of ENVIROTECH and provided such discharge, dispersal, release or escape is sudden and accidental. The CITY agrees to undertake the defense of the parties in such suits which are not sudden and accidental and shall pay any judgments rendered. However, ENVIROTECH will provide the necessary technical assistance in support of the CITY in such a suit at no charge to the CITY. The CITY shall purchase and maintain standard fire insurance policies including extended coverage to the full insurable value of the WASTEWATER TREATMENT PLANT and lift stations and ENVIROTECH will be named as an additional insured according to its insurable interest under these policies during the life of this contract and ENVIROTECH shall have no liability to the CITY with respect to loss, damage and destruction covered by such policies.

VII - INSURANCE

ENVIROTECH shall obtain all insurance required under this article and such insurance shall be approved by the CITY as to form, amount and carrier.

1) Compensation Insurance - ENVIROTECH shall take out and maintain, during the life of this Agreement, workers' compensation insurance for all its employees at the site of the WASTEWATER TREATMENT

3-4-81



PLANT, and in case any work is sublet, ENVIROTECH shall require its subcontractor similarly to provide workers' compensation insurance for all of the latter's employees, unless such employees are covered by the protection afforded by ENVIROTECH. In case any class of employees engaged in work under this Agreement at the WASTEWATER TREATMENT PLANT is not protected under any workers' compensation law, ENVIROTECH shall provide, and shall cause each subcontractor to provide, adequate protection of employees not otherwise protected. ENVIROTECH indemnifies CITY for any damages resulting to it from failure of either ENVIROTECH or any subcontractor to take out or maintain such insurance.

Public Liability and Property Damage Insurance - ENVIROTECH shall take out and maintain during the life of this Agreement such public liability and property damage insurance as shall protect CITY, its elective and appointive boards, officers, agents and employees, ENVIROTECH and any subcontractor performing work covered by this Agreement from claims for damages for personal injury, including death, as well as from claims for property damages which may arise from ENVIROTECH's or any subcontractor's operations under this Agreement, whether such operations be by ENVIROTECH or by an ENVIROTECH subcontractor, and the amounts of such insurance shall be as follows:

Public Liability Insurance in an amount not less than \$1,000,000 combined single limits for personal injury and/or property damage.

3) Proof of Carriage of Insurance - ENVIROTECH shall furnish the CITY through the Public Works Director, concurrently with the execution thereof, with satisfactory proof of carriage of the insurance required, and each carrier shall give CITY at least thirty days prior notice of the cancellation of any policy during the effective period of this Agreement. The CITY shall be named as an insured on the insurance certificate.

VIII - RENEWAL

1) This Agreement may be renewed for successive terms of three (3) years as herein provided.



- 2) If ENVIROTECH desires to renew this Agreement, it shall give written notice to CITY ninety (90) days prior to the termination date. If ENVIROTECH's notice is conditional upon an increase in compensation, over and above the price adjustments in Article III, it shall include a statement to that effect, together with the amount of compensation in its notice, which shall also be accompanied by a written justification of its requested increase.
- the operation of the WASTEWATER TREATMENT PLANT available for inspection by CITY, its agents, servants, employees or independent accountants for the specific purpose of determining the validity of any requested increase for compensation and for the general purpose of ascertaining compliance with the provisions of this Agreement. Such inspections shall be made during usual business hours. ENVIROTECH agrees to keep such books and records and will identify costs of operation of the WASTEWATER TREATMENT PLANT as distinguished from ENVIROTECH's other activities and that such books and records will be retained at its Divisional headquarters.
- 4) In the event that the laws or regulations of the State of Montana require, the CITY shall have the right to audit the financial records of ENVIROTECH in connection with this Agreement as required by Montana laws or regulations, but only to the extent and frequency required by such laws and regulations. ENVIROTECH agrees to make limited quantities (ten pages or less) of such records required above available in Great Falls at no additional cost to the CITY.
- 5) ENVIROTECH will work with the CITY and provide the information legally required by the CITY and Board of Underwriters for the express purpose of issuing new bonds for the Sewage Treatment Systems.

 Additional costs incurred by ENVIROTECH for this special effort will be reimbursed by the CITY.

9 3-4-89 HB 450



IX - TERMINATION

- 1) This Agreement may be terminated by either the CITY or ENVIROTECH upon ninety (90) days written notice to the other party.
- 2) If this Agreement is terminated, ENVIROTECH shall furnish the services of a qualified superintendent of the WASTEWATER TREATMENT PLAN to the CITY for a period not to exceed ninety (90) days after the termination date, at CITY's request, for the purpose of continued supervision and of assisting in the placement and training of WASTEWATER TREATMENT PLANT personnel to be furnished by CITY. In such event, CITY shall pay to ENVIROTECH the salary, plus normal fringe benefits of the superintendent, plus \$50 per day, for such period.

X - AMENDMENTS

This Agreement may be modified only by written amendment signed by both parties and failure on the part of either party to enforce any provision of the Agreement shall not be construed as a waiver of the rights to compel enforcement of such provision or provisions.

XI - RELATIONSHIP

It is understood that the relationship of ENVIROTECH to CITY is that of an independent contractor; however, the CITY, its employees, servants and guests shall be allowed upon the premises at all times as long as they do not interfere with the operation of the Plant.

XII - ASSIGNMENT

➤ ENVIROTECH binds itself, its successors and assigns to perform all provisions of this Agreement. Except for the foregoing, neither CITY nor ENVIROTECH shall assign, subcontract or transfer their interests in this Agreement without the written consent of the other.



XIII - NOTICES

All notices shall be in writing and delivered in person or transmitted by certified mail, return receipt requested, postage prepaid. Notices required to be given to ENVIROTECH shall be addressed as follows:

Envirotech Operating Services One Waters Park Drive San Mateo, CA 94403

or to such other address as may be specified by written notice.

XIV - OPERATION



The operation and maintenance of the WASTEWATER TREATMENT PLANT shall be done in a first class manner at all times in accordance with generally accepted practices for municipal wastewater treatment plants and shall comply will all Federal, State and local laws and regulations.

XV - PRESIDENT'S COUNCIL ON WAGE AND PRICE STABILITY REGULATIONS AND PROCEDURES AS ADOPTED JANUARY, 1979

ENVIROTECH will comply with the regulations and procedures of the President's Council on Wage and Price Stability as adopted January, 1979.

XVI - EQUAL EMPLOYMENT OPPORTUNITY

In accordance with the CITY of Great Falls affirmative action policy, the contractor agrees during the life of this contract not to discriminate against any employee or applicant for employment with respect to compensation, terms, conditions of other privileges of employment because of race, color, religion, sex, national origin, physical condition, age, creed, marital status or public assistance status. The contractor will include a similar provision in all subcontracts entered into for the performance of this contract. This

SENATE STATE ALMIN.

7 3-4-57



contract may be cancelled or terminated by the CITY of Great Falls and money due or to become due hereunder may be forfeited for a second or subsequent violation of the terms or conditions of this paragraph.

IN WITNESS WHEREOF, the CITY of GREAT FALLS, MONTANA, and the EOS DIVISION of ENVIROTECH CORPORATION have caused this Agreement to be duly executed as of the day and year first above written.

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Clerk	of	Commission	

By: (SEAL)

Paul Eisenhardt

Vice President & General Manager Envirotech Operating Services William S. Wardwell

Director of O&M Marketing & Sales Envirotech Operating Services



ATTACHMENT A

Vehicle Equipment List

<u>Quantity</u>	Vehicle Description
X - 2	⅓-ton Pickup Truck*
X - 1	Dumptruck
X - 1	Load Lugger

*One }-ton Pickup Truck may be replaced with one }-ton Pickup Truck

3-4-5"

full phatheritage In

Proposal No.: 886-85-1012.09

Date: August 27, 1986

Page 1 of 8

reck-Sept. 2,1986

AMENDMENT #1

THIS AMENIMENT is made and entered into this day of September, 1986 by and between the CITY OF GREAT FALLS, MONTANA, herein referred to as "CITY", and ENVIROTECH CORPORATION, a Delaware Corporation, herein referred to as "ENVIROTECH".

The original Operations and Maintenance Agreement between the CITY and ENVIROTECH dated April 20, 1982 (the "Original Agreement"), is hereby amended, effective October 1, 1986, as follows:

Article II, Term, on Page 1 of 13, is amended to read, in full, as I. follows:

> The term of the Original Agreement as amended shall commence on October 1, 1986 and expire on March 31, 1992, and shall be renewable in accordance with Article VIII of the Original Agreement as amended below.

> Article III, Compensation, Page 2 of 13 is amended to read, in full, as

include total direct costs, indirect support program costs (21.5% of Direct costs) and profit fee (10% on total costs). The CITY shall pay ENVIROTECH promptly, as compensation for the services to be performed, the sum of \$130,000.00 per month for the first year (october 1, 1986 through September 30, 1987, hereinafter "FY86/87" or "Year 1") with adjustments as described hereinafter. Monthly payments will invoiced on the first of each month for which services to be performed, the sum of \$130,000.00 per month for which services to be performed, the sum of \$130,000.00 per month for the first year (october 1, 1986 through September 30, 1987, hereinafter "FY86/87" or "Year 1") with adjustments as described hereinafter. Monthly payments will invoiced on the first of each month for which services to be performed.

The Incentive Tames \$1,560,000 subsequent years will be the current year's Target Price divided by 12.

ROTECH shall be incentivized to beat the Incentive Target Price and shall share annual savings (i.e., Incentive Target Price less Documented Cost Price) on a 50:50 basis. The Documented Cost Price shall consist of actual documented direct costs plus indirect support program costs plus profit fee. A Documented Cost Price during a year which is in excess of the Incentive Target Price shall be equally shared between ENVIROIECH and the CITY except that the maximum financial exposure to the CITY in any year shall not exceed \$50,000.

The Incentive Target Price during Year 2 and similarly derived for subsequent years shall be calculated for each cost category as follows:

- <u>Personnel</u> The actual annual salaries and benefits of the budget 1. year for the current direct labor, taking into consideration the prior year's actual allocations to and from the City's wastewater treatment facility.
- Overtime The actual overtime hours worked during the prior year 2. at 150% of the actual average union wage rate and any applicable incremental benefit costs for the contract year.

3-4-87

Date: August 27, 1986

Page 2 of 8

3. Chemicals - The actual consumption of chlorine, sodium hydroxide and activated carbon during the prior year at the actual rate for the contract year plus the dollar amount for other miscellaneous chemicals during the prior year adjusted by the change in the Employment Cost Index (ECI) All Private Non-Farm, Western Region Index during the contract year.

Utilities -

Electricity - The actual consumption of electricity at the Wastewater Treatment Plant and all pump stations during the prior year at the actual applicable rate schedule for the contract year.

Natural Gas - The actual consumption of Natural Gas at the Wastewater Treatment Plant and pump stations during the prior year at the actual applicable rate schedule for the contract year.

Misc. - The dollar amount for all other utilities (telephone. water) during the prior year adjusted by the Employment Cost Index (ECI)-All Private Non-Farm, Western Region Index during the contract year.

5. Outside Services

Landfill - The actual tonnage delivered to the landfill during the prior year at the actual landfill cost for the contract year.

Other - The dollar amount for all other outside services during the prior year adjusted for the change in the Employment Cost Index (ECI) - All Private Non-Farm, Western Region Index during the contract year.

Repairs & Maintenance - The maximum aggregate amount ENVIROTECH shall be required to pay during the first year shall be \$80,000. For each subsequent year the Repair and Maintenance budget shall equal the actual expenditure for the year just ended. All unused maintenance funds for each contract year shall be 100% refunded to the CTTY at the end of each contract year in conjunction with the Incentive Target Price calculation. ENVIROTECH shall meet with the City quarterly to review expenditures made under this budget. >

Other - The dollar amount for all other costs (excluding depreciation) during the prior year adjusted for the change in the Employment Cost Index during the contract year. Depreciation amount shall be the dollar amount during the previous year adjusted for the annual incremental change in ENVIROTECH assets during the contract year.

Indirect Support Program Cost - The indirect support program costs shall be 21.5% of the total direct costs for the first year. each subsequent year the indirect percentage shall equal the actual percentage experienced for the year just ended.

Profit Fee - The Profit Fee shall be 10% of total costs.



Date: August 27, 1986

Page 3 of 8



The following format will be utilized to identify the Incentive Target Price each year:

FY 86/87 INCENTIVE TARGET PRICE

UNITS

\$000's

PERSONNEL ONSITE DIRECT LABOR

- SALARIES AND WAGES

- OVERTIME
- BENEFITS

TOTAL PERSONNEL

genteit to seo,

CHEMICALS

UTILITIES

- ELECTRICITY - WWTP & MAIN P.S. OTHER P.S.'s

- FUEL OIL
- NATURAL GAS
- OTHER

TOTAL UTILITIES

OUTSIDE SERVICES

REPAIR & MAINTENANCE

INDIRECT SUPPORT PROGRAM COSTS (21.5% of Direct Costs) - 14 70 Without graph manying TOTAL COST (10% of Total Costs) syntage yet town _ W

INCENTIVE TARGET PRICE

\$1,560

A comparison between year-to-date actual costs experienced and the Incentive Farget Price will be provided to the CITY by ENVIROTECH on a monthly basis.

The CITY, at it's own expense, shall have the right to audit ENVIROIECH costs at any time during the life of this Agreement. To facilitate this, ENVIROTECH will keep operation and maintenance financial records onsite for CITY inspection.

Article IV, Scope of Services, Paragraph 3, Page 3 of 13, is amended to III. read, in full, as follows:

ENVIROTECH shall supply three (3) pickup trucks for use in discharging the work requirements set forth in this Agreement. The pickup trucks furnished

> 3-4-87 110 1160

Date: August 27, 1986

by the City under the original Agreement dated April 20, 1982 shall be returned to the City on or before ______ in a condition equal to or better than that when received by ENVIROTECH (less normal wear and tear). The City agrees to continue furnishing the other vehicles listed in Attachment A of the original Agreement. Should the City elect to remove any of said remaining vehicles in Attachment A, City agrees to immediately replace said vehicle with one comparable. The cost to operate and maintain the assigned vehicles and equipment shall be paid by ENVIROTECH.

Page 4 of 1

IV. Article IV. Scope of Services, Paragraph 4, Page 4 of 13, is amended to read, in full, as follows:

A. A maintenance program for the facilities shall be employed which provides for systematic coverage of routine items and programming of larger repair items. A schedule of maintenance activities shall be available to operation personnel for coordination and to the City for review.

ENVIROTECH will utilize a computer-assisted maintenance management system for the facilities. The City representative shall have the right to inspect maintenance performance and cost records during normal business hours.

ENVIROTECH shall maintain and repair all equipment, machinery, vehicles, instrumentation, structures, and plant furnishings to a fully operational condition in accordance with industry standards, manufacturer's recommendations or design specifications. Maintenance and operation activities shall protect the CITY's warranties on new or existing equipment. ENVIROTECH shall, at its sole cost and expense, pay for all such repairs and maintenance, exclusive of capital items as defined herein, to the limits defined below.

B. An annual budget of maintenance and repair activities is required to be submitted by ENVIROTECH by _____ and approved by the CITY in advance of the budget year. The objective of this budget is to discuss and agree on maintenance program priorities and allocation of the limited funds earmarked for these purposes. Reporting shall be as set forth in Section C below.

Maintenance and repair expenses for the facility incurred by ENVIROTECH under this Article IV shall not exceed \$80,000 for the CITY fiscal year 1986/87. The maintenance and repair annual budget shall be prepared in an amount equal to this ceiling. Budget decisions necessary to achieve this objective must give priority to operational readiness and safety. CITY authorization and/or unpredictable circumstances or events which cause maintenance and repair expenses to exceed the annual ceiling will be paid by the CITY. Any portion of this \$80,000 budget allowance, or that adjusted amount, which is not expended by the end of the budget year shall be 100% applied as a credit to the CITY.

Maintenance responsibilities also include grounds care. Lawns, landscaping, fencing, signs, site drainage, walkways, building paint, and similar structural and non-structural features shall be kept in first-class condition both functionally and aesthetically.

Inventory shall be kept of spare parts, standard lubricants, long lead



Date: August 27, 1986

Page 5 of 8



time replace items, and similar use items to promote continuity of operations.

- C. Maintenance and repair reports shall be provided quarterly and submitted to the CITY by the 30th day of the first month of each quarter. The report shall cover the following minimum information:
 - o Progress report toward completion of annual budget items.
 - o Identification of new problems.
 - o Accumulative total of maintenance and repair to date.
 - o Work plan for next quarter.

A summary Annual Report (10 copies) shall be prepared at year end to describe the maintenance standing and significant occurrences of the previous year. Reports shall be submitted to the CITY by ______, and comparisons to work plans and budget figures shall be included.

Both parties agree that the CTTY shall have the right to hire a qualified independent firm to-review the maintenance program being conducted by ENVIROIECH at the facilities. Any such maintenance reviews shall be at the sole expense of the CTTY, and the independent firm shall make no unreasonable requests of the CTTY or ENVIROIECH.

D. Capital expenditures are not included within the scope of services. Requests for new capital equipment, machinery, or vehicles will be reviewed by the CITY for funding. Capital expenditures for new equipment will not be funded by CITY when repair costs are less than 30% of replacement cost. Capital expenditures which will improve productivity or other savings to the operator will not be approved unless the CITY will receive a satisfactory portion of the economic benefit. Capital expenditures related to personnel and public safety, facility protection, compliance with new permit requirements, expanded capacities, or product quality enhancement shall be evaluated on their particular merits and purchased in accordance with available funds.

Capital expenditures are defined, for purposes of this Agreement, as non-routine expenditures for the purchase of new equipment, major repairs to existing equipment, or facility items, usually preplanned, which significantly extend service life, and which are determined to be capital expenditures in accordance with generally accepted accounting principles. To be considered a capital expenditure, the item, or repair, will cost \$2,500 or more. The CITY shall purchase said capital improvement items where reasonable justification is provided by ENVIROTECH. ENVIROTECH will submit, upon request, documentation of the cost effectiveness of "repair vs. replace" capital expenditure decisions made by ENVIROTECH. In the event the CITY and ENVIROTECH are unable to reach agreement on the necessity for the required improvement, the CTTY shall retain its engineering consultant to decide the necessity of the improvement. ENVIROTECH shall have the right to make emergency capital expenditures if such expenditures are necessary to continue operation of the facilities in order to provide for public safety and environmental protection and shall notify the CITY immediately of its actions. The CITY will reimburse ENVIROTECH for $/\theta$



34-81 HB 450

Date: August 27, 1986 Page 6 of 8

Proposal No.: 886-85-1012.09



these emergency capital expenditures.

- E. ENVIROTECH shall perform a value engineering analysis of anaerobic digestion for the CITY at no additional charge. The study shall commence upon entering into this Agreement and shall be completed within an eighteen (18) month time period. The purpose of this study will be to provide the CITY with operational knowledge to help assess requirements for growth, odor control, capital investment and cost effectiveness.
- F. ENVIROTECH shall evaluate alternate methods of sludge disposal at no additional charge to the CITY. This study shall assess the landfill program currently in use and will review other options, including composting, for feasibility plus cost effectiveness.
- G. ENVIROTECH, acting as an agent for the CTTY, shall be responsible for payment of landfill tipping fees. ENVIROTECH shall be reimbursed by the CTTY on an actual cost basis.
- V. Article IV. Scope of Services, Paragraph 12, Page 5 of 13:

 This paragraph is deleted.
- VI. Article VIII, Renewal, Paragraph 1, Page 8 of 13, is amended to read, in full, as follows:

The Original Agreement as amended may be renewed for successive terms of five (5) years as herein provided.

VII. Article IX, Termination, Page 10 of 13, is amended to read, in full, as follows:

Either party to the Agreement may terminate this Agreement upon material breach by the other party providing that such terminating party first provide written notice of such breach to the other party and such breach is not corrected within ninety (90) days. In this event ENVIROTECH will, if desired by the CITY, continue to provide the current operations staff for a period of at least ninety (90) days beyond the set date of termination at a cost plus overhead plus 10 percent profit.



Proposal No.: 886-85-1012.09 Date: August 27, 1986 Page 7 of 8

IN WITNESS WHEREOF CITY AND ENVIROTECH CORPORATION have caused the Amendment to be duly executed as of the day and year first above written.

City of Great Falls	Envirocech Corporation
· · · · · · · · · · · · · · · · · · ·	Sdwal Ridah
Mayor	Edward R. Becker
	President
	Gelliam S. Fardwell
G. Allen Johnson	William S. Wardwell
City Manager	Director, National Sales
Approved as to Form:	Approved as to Form:
	Five Fichardson
City Attorney	

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Date: August 27, 1986

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APPENDIX A

COMPENSATION EXAMPLE

Year #1 Compensation

During Year #1, the CTTY would pay ENVIROTECH equal amounts, once per month, equivalent to the Incentive Target Price of, in this example, \$1,000,000. These payments would be \$1,000,000/12 or \$83,333 per month.

At the end of Year #1, when the Documented Cost Price can be calculated, assume it is \$900,000. Since the Documented Cost Price of \$900,000 would be less than the Incentive Target Price of \$1,000,000, a saving of \$100,000 would be realized. This savings would be split between the CITY and ENVIROTECH on a 50/50 basis with each receiving \$50,000. In this example the Year #1 compensation for ENVIROTECH would be the Documented Cost Price of \$900,000 plus Incentive Savings of \$50,000 for a total of \$950,000. Since, in fact, ENVIROTECH had already received in payment \$1,000,000, ENVIROTECH would refund \$50,000 to the CITY.

The Incentive Target Price would be calculated for Year 2 and subsequent years as previously described. ENVIROTECH will provide the CITY complete documentation on the calculation of the Incentive Target Price each year.



SENATE STATE AFFAIRS COMMITTEE HEARING HOUSE BILL #450

3-4-87

Testimony against the passage of HB# 450

- Later

Presented by: David F. Brown, Plant Manager, Enviroted

Operating Services

Date: 3/4/87, 10:00 am

Page 1 of 3

Good Morning, my name is David Brown. I'm Plant Manager for Envirotech Operating Services. Envirotech Operating Services (EOS) is a division of a large national company that provides a wide range of professional waste management services. The services we provide range from hazardous waste treatment and disposal to contract operation of wastewater treatment plants. For the last ten years EOS has operated the Great Falls Wastewater Treatment Plant under a full operation and maintenance contract.

Ever since the City of Great Falls decided to contract the operation and maintenance of its wastewater plant to EOS in 1977, the author of HB #450, Representative Pistoria, has spent a great deal of time lobbying for the cancellation of EOS' contract. This latest bill is just another attempt by Representative Pistoria to carry out his personal vendetta against EOS. It is merely "hate legislation" that solves no problems and has no real purpose other than to serve his own needs. Futhermore, we view this legislation as a gross misuse and abuse of the power granted to him by the voters. He has tried to have EOS' contract cancelled through every means available to him on the local level. This is a frantic attempt to use State government to solve what he feels is a local problem. Its not a problem. Its an obsession with Mr. Pistoria.

House Bill #193, which was passed in 1983, was Representative Pistoria's first "anti-EOS" legislation. It was even reported by the news media as being an "anti-EOS" bill. House Bill #193 required cities to competatively bid their private service contracts. at the same time the bill specifically However, exempted contracts for "professional, technical, engineering and legal services" from the bidding requirement. Representative Pistoria apparently felt that the service EOS provides does not qualify as a professional, engineering service. Subsequently, EOS services were proven to be professional in nature and EOS' contract with the City of Great Falls was extended without a bidding process in 1986. Therefore House Bill #193 failed to attain a cancellation of EOS' contract, and Pistoria has reworded the bill in the form of House Bill which specifically prohibits cities from awarding plant operation



SENATE STATE AFFAIRS COMMITTEE HEARING HOUSE BILL #450

Testimony against the passage of HB# 450

Presented by: David F. Brown, Plant Manager, Envirotech

Operating Services

Date: 3/4/87, 10:00 am

Page 2 of 3

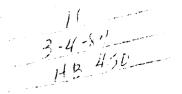
and maintenance contracts without first going through a bidding process. He is again attempting to exclude our services from the professional category. This bill, therefore, is very discriminatory against firms that provide plant operation and maintenance contracts. Because it is considered to be so discriminatory, it will no doubt result in some form of litigation if it is passed.

The services that EOS provides are professional. currently operating and maintaining over 25 wastewater and water plants all across the U.S. Whenever a city contracts with EOS for operation and maintenance of its wastewater treatment plant, is purchasing the technical, professional city engineering services of an integrated organization with expertise in numerous areas, capable of running a complex facility. operation is assisted by a main office support staff consisting of registered professional engineers, personnel with degrees in civil and sanitary enigneering, bachelors degrees engineering, chemistry, biology and computer science. Furthermore our operators in Great Falls must be certified by the State of Montana, and many have degrees in wastewater treatment, and microbiology. I hold a degree in Chemistry from Montana Proof of our professional expertise can be State University. derived from the fact that the Great Falls plant for the past ten years has not had a major effluent quality violation. This record of excellence is unique in the State of Montana for a plant of this size and complexity.

Contract operation and maintenance of wastewater and water plants is becoming an increasingly popular way for cities to provide these services in a cost effective manner. Every day more and more firms are advertising that they provide this service. Some are qualified; most are not. Passage of this bill will severely limit the cities' ablity to select the best possible operation and maintenance contractor. House Bill #450 will exert unnecessary pressure on cities to contract with the lowest bidder without regard to the professional capabilities of the individual contractors.



SENATE STATE AFFAIRS COMMITTEE HEARING HOUSE BILL #450



Testimony against the passage of HB# 450

David F. Brown. Operating Services Plant Manager. Envirotech

Date: 3/4/87, 10:00 am

Page 3 of 3

Presented by:

A wastewater plant represents a very sizable capital investment Great Falls' wastewater plant, for example, would for a City. cost \$35 million in today's dollars to replace. Ιt technically complex and sophisticated plant that cannot be turned over to just anyone.

Please vote no on HB#450.

FRANK ADAMS une Capitol Bureau

IELENA - A minor bill that has ed into a drama of parliamenmaneuvering between two at Falls legislators was miraculy resurrected Monday after havbeen "killed" Saturday.

'he bill is House Bill 193, Rep. I Pistoria's attempt to force the of Great Falls to put its sewer ract out for bid rather than simhanding it to Envirotech as it has

en. Pat Goodover, R-Great Falls. the bill indefinitely postponed irday on a 23-22 vote, after having the bill to the Senate.

Tuesday, March 29, 1983

Great Falls Tribune

ll revived virotech

failed to dead-end it in a committee earlier in the week.

But the Senate agreed Monday to reconsider its action. The vote was 25-22 on a motion by Sen. Dick Manning, D-Great Falls.

The House subsequently agreed on a voice vote to return the bill to the Senate for another go-around.

The Senate had planned to debate the bill again yet Monday, and senators cooled their heels for more than half an hour at the end of a long day awaiting action by the House. But Pistoria was ruled out of order in attempting to make a motion to return

The delay irritated Senate Presi- Tuesday. dent Stan Stephens, R-Havre, who called it a discourtesy to Pistoria and to the Senate.

Stephens finally declared that the bill would be debated Tuesday and adjourned for the night. Minutes later the House recognized Pistoria and approved his motion on a voice vote with no audible dissent.

The bill easily passed the House earlier in the session, and then was approved by the Senate Local Government Committee with no opposition. It passed the second reading debate stage in the Senate on a voice vote with no audible opposition last technique for reviving the bill.

But the next day, Goodover pulled from third reading, whi dinarily would have been its vote before going to the govern sidetracked it into the Senate ness and Industry committe "clarification" of the bill's lang

But Goodover got only two in Business and Industry for h tion to table the bill, and it wa back to the Senate floor. He his fellow Republicans on the and defeated the bill Saturday one-vote margin.

Pistoria declined to disclo

(This sheet to be used by those testifying on a bill.)

NAME :	Paril	T. 3	nom		DATE:	3/4/87
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APPEARING	ON WHICH I	PROPOSAL:	HP A	45t)	
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PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

I. EXISTING FACILITIES AND OPERATION

ii

The wastewater flow which averages about 10 mgd, is screened and pumped to two primary clarifiers where solids settle to the bottom of the basins. These settled solids are called sludge. Sludge from the primary clarifiers is continuously pumped through cyclone degritters for grit removal and then discharged to gravity thickeners. Overflow from the gravity thickener passes into the raw wastewater pumping station wetwell and the thickened sludge is pumped to the sludge holding tank. Primary basin effluent passes through a control structure into two aeration basins where it is mixed with return sludge from the final clarifiers.

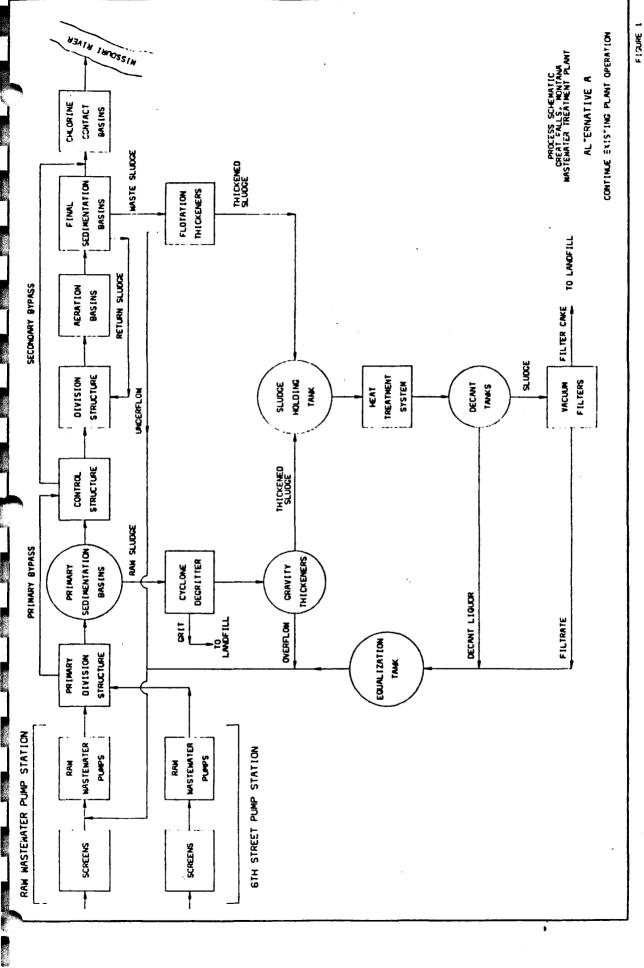
The mixture in the aeration basin, called mixed liquor, is aerated and mixed by four 100 hp mechanical surface aerators. To minimize power consumption, three of the aerators are operated on low speed and the fourth is operated on high speed. The aerator selected for operating on high speed is changed daily to keep sludge from accumulating in the basin. The tilting weirs which control the liquid level in the the aeration basin are turned down for minimum aerator submergence to conserve power. Mixed liquor from the aeration basins passes into two final clarifiers. The clarifier effluent flows then into chlorine contact basins prior to discharge to the Missouri River. Waste sludge which is not returned from the final clarifiers to the aeration basin is pumped to one of two dissolved air flotation (DAF) units. Underflow, the liquid effluent from the DAF unit, is returned to the plant raw wastewater pumping station wetwell. The thickened sludge skimmed from the DAF unit is pumped to the sludge holding tank.

Thickened primary and secondary sludges are mixed in the holding tank before being pumped to the heat treatment system where pathogenic organisms are destroyed and the sludge is conditioned to make it more amenable to dewatering. Following heat treatment, the sludge is discharged to decant tanks where the solids settle to the bottom and the decanted liquid is pumped to an equalization tank. Sludge from the decant tank is pumped to the vacuum filters for dewatering. Sludge cake from the vacuum filters containing about 40 percent solids is hauled by truck to the City landfill. The vacuum filter filtrate flows into the equalization tank and is subsequently returned to the raw wastewater pumping station wetwell.

The current operations are effective as indicated by the plant effluent BOD and SS of about 10 mg/l each, well below the discharge permit limit of 30 mg/l. The dissolved oxygen (DO) concentration in the aeration basins is very low (approximately zero) compared to industry accepted values. Because of this, the total power cost for aeration is low compared with other wastewater treatment plants using mechanical surface aerators. Maintaining the DO at essentially zero may cause the sludge to not settle as well as if the DO were maintained at 1 mg/l or more. Mixing in the aeration basins is the controlling factor rather than waste loading. Therefore, any reduction in BOD discharged to the aeration basin will have a minimal effect on the cost of aeration at the plant. Sudden increases in plant flow can cause a poor settling sludge to be washed out into the effluent. However, the careful operation of the plant by EOS appears to overcome this problem as is indicated by the low operating

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effluent suspended solids concentration. The fuel cost for the heat treatment system is also low when compared to similar facilities. Fuel costs can increase substantially when heat exchangers are not kept clean; thus, it is apparent that the Great Falls heat exchangers are well maintained. Overall, the plant is being operated very efficiently. A process schematic for the existing plant operation is shown on Figure 1.



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(This sheet to be used by those testifying on a bill.)
NAME: [Object Duty DATE: 3/4/87]
ADDRESS: P.O BOX 5071 Colifolls
PHONE: 777-588/-
REPRESENTING WHOM? City of Great Falls
APPEARING ON WHICH PROPOSAL: HB 450
DO YOU: SUPPORT? AMEND? OPPOSE?
COMMENT:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.



JELATE STATE ADMIN. EXEISIT NO.__ /3 EATE 3-4-87 Man HB 450

CHAMBER OF COMMERCE

P.O. BOX 2127 926 CENTRAL AVENUE GREAT FALLS, MONTANA 59403 (406) 761-4434

March 3, 1987

OT: Senate State Administration Committee

Cascade County Senators

FROM: Roger W. Young, President

SUBJECT: MUNICIPAL PROFESSIONAL SERVICE CONTRACTS

The Great Falls Area Chamber of Commerce opposes the passage of HB-450 (Pistoria) which would essentially require that municipal contracts with private contractors to provide municipal water, sewer, or power services be publicly bid. As amended, this bill is simply special interest legislation aimed clearly at a single company, Envirotech of Great Falls, which operates the Great Falls sewage treatment plant. To our knowledge, no other municipality in the state uses a firm such as Envirotech for water, sewer or power services. As we have in the past, the Great Falls Area Chamber of Commerce maintains that the professional services performed by companies like Envirotech are no different than the professional services provided by architects, engineers and other similar skills. It ties the hands of city officials if they are unable to negotiate standards of performance in the same manner as with other professionals. They need that flexibility and HB-450 would deny that. HB-450 is unnecessary.

STANDING COMMITTEE REPORT

		H	ARCH 4		87
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MR. PRESIDENT					
We, your committee on SENATE STATE	ADMINI:	STRATIC)M		
having had under consideration	HOUSE	JOINT	RESOLUTI	CON	No11
third reading copy (blue color)				
JOINT RESOLUTION AUTHORIZING LIBRARY Miller (Walker)	DISPLAY	OF BAR	RY ROWE	PAINTING	IN STATE
Respectfully report as follows: That			RESOLUTI	-	11
nespectivity report as follows. That		•••••			140

BE CONCURRED IN

XXXXXXX

29 MONTON CO.

SENATOR JACK HAPPEY

Chairman.

STANDING COMMITTEE REPORT

	MARCH 4	19 37
MR. PRESIDENT		
We, your committee on SENATE STATE AL	MINISTRATION	
having had under consideration	HOUSE BILL	No706
REQUIRING PUBLIC NOTICE OF VACANO Brown, Dave (Lynch)	CIES ON CERTAIN COUNCILS	, boards, etc
Respectfully report as follows: That	HOUSE BILL	705 No
	N.	
BE CONCURRED IN		
XDX AKSS		
DO NOT PASS		

SENATOR JACK HAFFEY Chairman.