

All the above figures are taken from the records of the City Commission of Tuscaloosa, Ala., and can be verified upon inquiry.

Best Check on Operation

From a standpoint of efficiency, and in order to check the operations of the plant, it is essential that the operator account for, so far as is possible, all the water that is pumped; and it is unquestionable that the meter system provides the best method for this. However, notwithstanding all the benefits derived from the employment of meters, even where the meter system is employed, certain conditions arise in which it is not practicable to use meters. It will be noted that while employing the meter system almost entirely, we still have 190 consumers receiving water on a flat rate. This condition arises from the fact that these 190 consumers live outside the sewer zone and have each only one opening on the premises, and twenty meters placed on consumers under identically the same conditions show that 50% of the minimum allowed under the flat rate is never reached.

With the meter system in operation during the year 1916 we were enabled to account for 85.8% of all the water pumped during the year. These figures would be higher but for the fact that we had no way of accounting for the water used in fighting fires, and the amount used in street flushing, sprinkling, etc., is purely an estimate based upon the capacity of the tank, and the estimate is in fact considerably below the amount of water actually used for these purposes. The figures in substantiation of this are as follows:—

Where the Water was Used

Total meter reading for domestic consumers ..	114,186,477
Total meter reading for manufacturers, etc.	59,144,425
Total meter reading for filter wash water	9,552,660
Total meter reading for schools	2,920,460
Estimated amount used in street sprinkling, etc.	11,182,000

Total amount of water accounted for by records	196,986,022
Total amount of water pumped during year ..	230,779,985

Water unaccounted for	33,793,963
Representing a percentage of only 14.2% of the total amount pumped as being unaccounted for.	

Lockwood, Greene & Co. of Canada, Ltd., industrial engineers, have opened an office in Montreal. E. G. Horne, formerly of Grant & Horne, contractors, of St. John, N.B., is the manager. The head office of the parent company, Lockwood, Greene & Co., is in Boston.

The Association of Canadian Building and Construction Industries called a meeting of its national council to be held last Monday in Ottawa in order to meet representatives of the government and of organized labor, for a general discussion of the labor situation. About seventy-five labor delegates and approximately an equal number of employers were expected to be in attendance.

The question of a general sewerage system for the municipalities of St. Lambert, Lougaveil, Greenfield Park and Montreal South, has been before the Quebec Public Utilities Commission. Messrs. Lea and Duchastel, engineers appointed to prepare plans, reported that there was a difference of opinion between the municipalities as to the location of the outlet and the engineers recommended that it be placed about 1,600 ft. out in the river, just below the government wharf, at a point known as St. Antoine's Creek. F. W. Cowie, engineer for the Harbor Commission, objected to this location on the ground that it might interfere with the future plans of the Commission, and that the situation is one where the outlet would be menaced by ice. Objections to the site proposed were also made by representatives of the municipalities interested. The engineers were instructed to continue making tests as to the current and ice conditions, whether the outlet should be temporary or permanent, and also as to whether it would be advisable to construct the sewer of greater strength than was at first proposed.

BOND PREMIUMS ON GOVERNMENT CONTRACTS*

THE form of "cost-plus" contract used by the construction division of the United States War Department during the war provided under the heading of "Cost of Work" for reimbursement of the contractor's actual net expenditures. Among the various items was the following:

"(h) Such bonds, fire, public liability, employer's liability, workmen's compensation and other insurance as the contracting officer may approve or require."

Article IX. provided that:

"The contractor shall, prior to commencing said work, furnish a bond with sureties satisfactory to the contracting officer."

Notwithstanding these provisions, the comptroller of the treasury has recently held that the form of cost-plus contract in use by the construction division does not authorize the reimbursement to contractors of the cost of premiums on their bonds. This ruling has been adhered to in the face of strong objections by the chiefs of the construction division.

Association Secures Legal Assistance

Upon inquiry of representatives of the construction division, it is ascertained that it is quite certain that all contractors having unsettled contracts for work under that division and money due them under such contracts will now have deducted from any balance due them the sum of all payments heretofore made to them covering reimbursement of premium on bonds. This will probably include not only their unsettled contracts but such payments made upon other contracts of this class upon which settlements have already been made. It is not possible to say whether those who have no current construction contracts will be called upon to refund all such sums heretofore reimbursed to them. This will depend upon the discretion of the disbursing officers of the war department and the orders of the accounting officers of the treasury.

This matter is one of wide importance to contractors and accordingly the officers of the Associated General Contractors of America have taken up the subject for conference with King & King, attorneys, Washington, D.C. As a result of very careful consideration, the following suggestions are made:—

If the amount of premium bonds already is deducted from moneys otherwise due upon current contracts, the contractors should accompany the voucher covering any such payment and showing such deduction with a letter containing substantially the following language:—

"It is to be understood that in accepting payment evidenced by the attached voucher under our contract of for constructing we do so without in any wise waiving our legal rights to full reimbursement under the terms of our contract of all sums paid by us as premium on bonds. We expressly reserve our rights to reimbursement of all sums paid by us on such account."

This letter should be pasted to the voucher.

Refuse Demands for Refunds

Those who are called upon to refund any payments of the kind noted should decline to do so absolutely and leave the government to take such action as it may deem advisable looking to a recovery.

The attorneys named have given us their opinion that the contracts entitle the contractors to reimbursement of these premiums, that the deduction is unlawful, and that it can be recovered by future proceedings in the treasury department or before the court of claims.

The opinion of the comptroller above referred to was given as an advance opinion to several disbursing officers. This will govern the action of all disbursing officers for the future, but it is not conclusive even in the comptroller's office. The matter can be brought before the comptroller again upon a claim duly presented by any contractor. This claim must be filed with the auditor for the war department and will

*A circular letter mailed to members of the Associated General Contractors of America.