

CITY OF CHARLOTTE
DEPARTMENT OF FINANCE & TREASURE
INTEROFFICE MEMORANDUM

TO: MAYOR LEWIS, CITY COUNCIL AND MANAGER GUETSCHOW
FROM: CHRISTINE K. MOSSNER, FINANCE DIRECTOR
SUBJECT: QUESTIONS REGARDING THE SEPTEMBER 11, 2017 CLAIMS SUBMITTED FOR PAYMENT
DATE: OCTOBER 6, 2017

The following questions were received from Councilmember Bahmer regarding specific items submitted for payment. He requested background information on the following items:

- On page #6 of claims and accounts, there is a \$2,592.00 charge from CMP Distributors for replacement handguns for the police department. The only question on that item is how many weapons were purchased in that transaction?
 - This charge covers the purchase of six weapons..
- On page #10, there is a \$984.54 payment to Dubric Industries for fabrication of a new thrust bearing housing. Council's adopted Resolution 2017-75 stated that staff had found parts through another vendor that would have been cheaper than having Dubric make this component. The question, then, is what happened to this alternative?
 - As presented, the city ordered the thrust bearing housing from PECO because it was cheaper than Dubric by approximately \$94. They were given the part number and serial number, but they didn't cross check them. The housing was fabricated and sent, but it was wrong. The cost for the correct housing from PECO would be \$1,100 and take 4 weeks to get, and Dubric could get the correct housing for \$984 in two weeks. Not being able to install the pump without the housing, we went with the cheaper and faster option.
- And my last question will tie three unrelated items together, as the underlying query is similar across the group. On page #2, there is a \$27,277.32 purchase of aviation fuel from AvFuel Corporation. On page #12, a \$10,197.89 bill from First Due Fire Supply. Finally, \$8,250.00 due to Plante and Moran on page #22. Although the reasons no doubt will be different in each instance, what is the rationale for abstaining from the bidding process on these items?
 - At one point, the airport board did consider going 'branded' with fuel exclusively from AvFuel, as there are some benefits associated with that, but decided to keep our flexibility to buy fuel from anyone. The Airport Manager checks wholesale prices before ordering. In almost every case, when it's been time to buy fuel, AvFuel has had the best price from the three or four vendors in this area. However, when we bought fuel last

December AvFuel was not the lowest price, so we did not purchase it from them.

- Per Fire Chief Fullerton, the \$10,197.89 invoice from First Due Fire Supply is for 5 sets (Pants & Coat) of fire gear and 2 pairs of fire gloves. We normally only need to purchase 2 sets of fire gear at a time but during gear inspection by our officers, we found 5 sets that needed to be replaced. Any cut or tear to the fire gear is a MIOSHA violation so we have to watch the shape of the fire gear closely.

Every 5 years we evaluate multiple different brands of fire gear to see which brand the volunteer firefighters feel is the best fit for them. In the last 10 years Globe has been the best gear that we could find. Fire gear companies are very territorial, meaning that there is only one dealer assigned to each area and other dealers are not allowed to sell in that area. First Due Fire Supply is the Globe dealer for our area and we have to purchase through them.

The fire gear is custom tailored to each firefighter because it must fit properly in order to function correctly. Additionally, you cannot mix brands of fire gear as it will not be NFPA compliant. For example we cannot have a Globe coat with Morning Pride pants so we cannot mix and match sets of gear. Fire gear is similar to air packs and radios in that we want all of our firefighters outfitted in the same type gear, just like we would not want them to use 3 different types of air packs.

Therefore, because this type of gear is what our volunteers prefer and are most comfortable with and the gear has proven to be the best gear we've had in the last 15 years and we needed 5 sets all at one time and the dealer for this gear is the only dealer we can purchase from, we chose to order it all at the same time.

- Plante & Moran's performance of the audit is a professional service and therefore, under our purchasing policy, not required to be competitively bid annually.