

Pipe Purchase Plan Defended

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Waterworks Director Defends Pipe Buying

By FRANK RITTER

Robert L. Lawrence Jr., Metro waterworks director, said yesterday he can "find no fault" with purchase practices which have resulted in one company supplying practically all Metro's iron water pipe the past five years.

When asked by a member of Metro Council's purchasing committee why the James B. Clow & Sons Co. consistently bids low on iron pipe in Nashville, Lawrence replied:

"I SAY THAT is a good question. But when I make comparisons, looking at what other cities are paying, I see nothing wrong—unless there is widespread collusion over the whole country."

"There is nothing to indicate to me that collusion exists between the pipe suppliers. There is nothing we could dispute or find fault with at all."

The waterworks director added that if anyone suspects collusion in patterns of bidding on municipal iron pipe, he should consult with the U.S. district attorney general about it.

DURING A lengthy and frequently heated session before the council committee, headed by Councilman James J. La Penna, Lawrence made these disclosures:

• Metro is paying more for iron water pipe than such cities as Memphis, Clarksville, Louisville, Cookeville, Cleveland, Tenn., and Columbus. This, however, is because

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Metro buys a superior grade of pipe, Lawrence said.

• Only about 20% of the cities and other pipe-users across the nation use the so-called "superior" type of pipe now used in Nashville. The other 80% have turned to another, cheaper grade of pipe.

• He knows of no way, Lawrence said, that the city can save money on its water pipe purchases. "If there was any way," he said, "I would already have done it."

Lawrence spoke at length about why he thinks the type of pipe purchased by Metro is superior, explaining that it is thicker and meets federal specifications.

FIGURES released last night by the waterworks director, however, show that the eight-inch pipe (in diameter) purchased by Metro is only one-hundredth of an inch thicker than cheaper brands.

"This one-hundredth of an inch is important," Lawrence said. "We have rocky soil here in Nashville and it can make quite a bit of difference."

A few minutes later, Councilman Paul Blankenship pointed out that Lawrence's figures show that Metro is buying six-inch pipe which is one hundredth of an inch "smaller" in thickness than the cheaper brand.

"HOW CAN you argue," Blankenship asked, "that it's better to buy the more expensive brand of pipe because it's stronger and then turn around and buy another brand that's not as thick as the cheaper brand, but costs more?"

"The thing is," Lawrence replied, "that it's not an exact thing."

According to information uncovered last August by THE NASHVILLE TENNESSEAN, the Clow company, of Birmingham, has received more than \$2 million in business from Metro in the past five years. In 1966, for example, Clow bid on 49 different contracts and was awarded 39. In August, it was reported that Metro had awarded 12 bids for \$600,000 in iron water pipe. Clow was low bidder on all 12.

But although Clow consistently is low bidder on iron pipe contracts in Nashville and Knoxville, the U.S. Pipe and Foundry Co.—Clow's competitor—regularly is low bidder on the same pipe in Chattanooga and Memphis.

"IF THERE'S any collusion," Lawrence told the committee, "then it's something for the federal government to look into. They have a responsibility in this area."

Councilman Frank Griffin replied that he thinks collusion may exist and added:

"There's something wrong with this cast iron business. I'm not saying it's wrong from your (Lawrence's) standpoint, but something is wrong."

"I say that if this purchasing committee can save the taxpayers a million dollars over a 10-year period in pipe purchases, then we ought to do it."

LAWRENCE replied: "I'd be perfectly willing to save."

"I think we ought to go to the district attorney," Griffin added, "and ask him to investigate this. I don't understand this."

"Well," Lawrence replied, "I don't understand a lot of things myself. I don't understand why my son is still a prisoner of war in North Vietnam and why I haven't heard from him."

(Lawrence's son, Commander William Porter Lawrence, was shot down in June while leading a combat mission of planes from the aircraft carrier Constellation. He was listed as missing and presumed captured.)

AT THE beginning of last night's meeting, Lawrence was asked by Councilman Martin Garrett why Metro is criticized for paying more for pipe than other southern cities.

"It's just not true," Lawrence replied. "I have a tabulation here. I went to considerable trouble to get it.

It shows we're not paying more."

The "tabulations," however, showed that Metro was paying more in 19 out of 20 instances, involving figure Lawrence said he collected from six cities.

The director explained the Metro purchases superior grade pipe—the type which "we have been using for the past 40 years." He added:

"IT'S BETTER to be more cautious with something you've had success with than go another type of pipe. We might change later, but I'm not convinced the other pipe would do the job."

"We are just a little more conservative, perhaps, but we're not quick to change everytime somebody comes along and says they've got a better product."

"It's just a question of judgment and I'm exercising my judgment."

Griffin replied that he can understand why Lawrence would defend purchase of the more expensive brand of pipe, but added:

"If you've been doing this one way for 40 years, there is about a 98% chance you're doing it wrong."

After hearing from Lawrence the committee voted unanimously to write to other pipe suppliers throughout the country to determine if Metro could purchase the water pipe cheaper elsewhere.