

COUNCIL COMMUNICATION

From: The City Manager

Subject: Optimization Solutions Environmental, L.L.C., Maintenance Agreement

Manager's Recommendation:

I recommend approval of a Maintenance Agreement ("Agreement") with Optimization Solutions Environmental, L.L.C. ("Optimization Solutions"), formerly known as A.Y. Consulting. The term of the Agreement is for three years and the total amount is \$24,000.00. The City will pay \$2,000.00 quarterly in fiscal years 2010, 2011 and 2012. The Agreement has been approved by me as to substance and the City Attorney as to form.

This vendor meets all requirements of §14.23, "Vendors", of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing, of "Title 1, "General Provisions" of the Saginaw Code of Ordinances O-1.

Funds are budgeted in the Water Treatment Operations, Engineering Services Account, No. 591-4730-861-8002.

Justification:

On January 10, 2007, the City received an Agreement from A.Y. Consulting for the development of a customized computer model to assist the Water Treatment Plant in controlling coagulant chemical feed rates. Council subsequently approved the Agreement on February 19, 2007. Recently, Optimization Solutions submitted an Agreement maintenance including data base management and upgrades to the customized coagulation computer model.

The model continues to help detect and rectify various operational challenges, optimize process operations and increase the operators' awareness of factors affecting

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plant performance. The optimization of chemical feed rates and plant performance continues to be important. Chemical costs fluctuate, process changes are being made, regulatory requirements and source water quality are changing. This tool and the consulting services provided are very effective in helping the City deal with these challenges for a reasonable cost.

Since this model was created specifically for the City's Water Treatment Plant source water and associated processes, it was not bid out because Optimization Solutions is the sole source vendor.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.