



October 8, 2014

Exhibit A
Resolution No 2014-77

Mr. David Parker, P.E.
Engineering / Capital Improvements
109 3rd Avenue South
Franklin, TN 37064

**Re: Recommendation of Membrane System Manufacturer
Water Treatment Facility Improvements
SSR No. 12-41-013.0**

Dear David,

On September 23, 2014, Smith Seckman Reid, Inc. received four (4) proposals in response to the Hollow Fiber Membrane Filtration System Request for Proposals issued by the City of Franklin on August 31, 2014. Of the four responses received, three (3) of the proposals met the minimum quality assurance requirements and were deemed responsive. The fourth proposal submitted by ECONITY, Co., Ltd. did not meet the U.S. marketplace experience requirement and was not evaluated or ranked. The three responsive proposals that were evaluated by the selection committee were submitted by GE, Pall Corporation, and Tonka Water.

Non-Cost Evaluation:

The selection committee first evaluated each proposal based on twenty (20) non-cost criteria. The non-cost evaluation considered previous experience, company stability, system design, post-construction services, and reliability. A maximum of 100 points could be awarded. Each of the non-cost criteria was individually weighted.

The table below shows the individual non-cost criteria, the relative point values, and the awarded points by the selection committee for each of the three evaluated systems.

Criteria	Points	Points Awarded		
	Available	GE	Pall	Tonka
US Marketplace Experience and Past Performance	6	4.60	5.40	2.80
Stability of Company	6	4.80	4.60	2.80
System Reliability	6	4.80	4.00	4.40
Operational Strategy	6	5.20	5.60	5.20
Flux Adjustment Capacity	2	1.93	1.20	1.60
System Performance	6	3.60	4.00	4.80
Equipment Layout	4	2.67	2.40	3.20
Module Servicing	2	1.47	1.47	1.40
Manufacturer Services	6	4.80	4.40	4.00
Manufacturer Support	6	5.60	4.00	3.00
System Configuration	4	3.20	2.13	2.53
System Production and Flow Rates	6	3.60	4.00	4.40
System Design	6	4.00	4.16	4.32
Operational Parameters	4	2.67	2.80	2.80
Chemical Compatibility	4	2.93	2.27	3.20

Criteria	Points Available	Points Awarded		
		GE	Pall	Tonka
Cleaning Protocol	6	3.60	4.60	4.40
Exceptions Taken	6	4.00	1.60	4.60
Process Guarantee	6	5.20	5.60	1.20
Warranty	6	4.40	3.60	5.80
Schedule	2	1.53	1.87	1.40
Total	100	74.6	69.7	67.9
Non-Cost Rank		1	2	3

Cost Evaluation:

Cost scoring was based upon a 20-year net present value (NPV). The cost evaluation considered equipment capital cost, annual operating costs (electrical, chemical, water, neutralization of cleaning solutions, etc.), membrane replacement costs (annualized), construction cost, finance burden and estimated taxes. A maximum score of 100 points could be achieved.

The table below shows the initial equipment cost, evaluated net present value, the individual NPV ratio (ratio of individual NPV relative to lowest overall NPV), and the score awarded for the cost evaluation. Individual scores were calculated using the following formula:

$$S_{Cost} = [1 / (NPV / NPV_{low})] \times 100$$

Criteria	GE	Pall	Tonka
Equipment Capital Cost	\$1,318,000	\$2,114,858	\$1,451,299
Net Present Value	\$4,419,847	\$6,386,323	\$5,270,522
NPV Ratio	1.00	1.44	1.19
Points Awarded	100.0	69.3	83.9
Cost Rank	1	3	2

Combined Scoring:

The non-cost evaluation was weighed twice the value of the cost evaluation. As such, the total score was calculated using the following formula:

$$S_{final} = (2 \times S_{Non-Cost}) + S_{Cost}$$

The table below summarizes the scoring breakdown, final combined scoring, and evaluated rank for each of the three membrane systems.

Criteria	GE	Pall	Tonka
Weighted Non-Cost Score	149.2	139.4	135.8
Cost Score	100.0	69.3	83.9
Total Score	249.2	208.7	219.7
Combined Rank	1	3	2

Recommendation:

The selection committee believes that the City of Franklin received three responsive proposals from reputable hollow fiber membrane manufacturers. The three companies evaluated all have the experience, technical expertise, and system reliability that would serve the needs of the City at the water treatment facility. Given that GE scored the highest on both the non-cost evaluation and the cost evaluation, we believe the proposal submitted by GE is in the best interest of the City of Franklin and recommends the City enter into contract negotiations with GE for the hollow-fiber membrane filtration system.

If you have any questions in this regard, please do not hesitate to contact me.

Sincerely,

SMITH SECKMAN REID, INC.

A handwritten signature in black ink that reads "Joseph Griffey". The signature is written in a cursive, flowing style.

Joseph Griffey, P.E.
Project Engineer

cc: Mark Hilty – City of Franklin
JHB, MLB, ATJ, LBB
File (1)