



**BID EXEMPTION PURCHASING RECOMMENDATION**

**Date: May 25, 2017**  
**Buyer: Yvette Albarran**

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Company Address: Atlas Copco CTS  
 2501 Landmeier Road  
 Elk Grove Village, IL 60007

Contact: Justin Barrett  
 Phone: 224-217-0041  
 Email: Justin.barrett@us.atlascopco.com  
 Account #: 610-4854399-73170-000-000-48230  
 Department: Public Works  
 Department Contact: Austin McFarland

Total Award: \$36,432.02

Contract Start Date: Upon execution  
 Initial Term: One Year  
 PO #: Renewal Options  
 Contract Type: Preventative Maintenance

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**DESCRIPTION OF PURCHASE: Total Responsibility Service Plan for the Department of Public Works**

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<b>BOARD APPROVAL</b>	<b>Yes, 6/13/17</b>			
<b>ISSUE AWARD WITH A ONE-TIME PURCHASE ORDER</b>	<b>YES</b>	<b>X</b>	<b>NO</b>	
<b>SEND AN AWARD LETTER</b>	<b>YES</b>		<b>NO</b>	<b>X</b>
<b>INSURANCE CERTIFICATE RECEIVED</b>	<b>YES</b>		<b>NO</b>	<b>X</b>

**REQUEST FROM DEPARTMENT:**

Department submitted a request for a sole source purchasing procurement as detailed below:  
 The County currently owns and operates two HSI Blowers at our Des Plaines River Water Reclamation Facility. Atlas Copco (who recently bought HSI) is the sole provider for maintenance services for the HSI blowers. Public Works requests approval to proceed with the sole source purchase of the Total Responsibility Service Plan offered by Atlas Copco for the HIS blowers.

**SCOPE OF WORK:**

We have two high efficiency blowers (HIS) at the Des Plaines River Treatment Plant. Our energy cost is reduced by approximately 30% when these units are in operation. The warranty on these units have expired. Atlas Copco is the company that manufactures and provides service to these blowers. Recently, they provided us with a quote for a service plan – 5yr Preventative Maintenance. The cost for the Preventative Maintenance plan was \$28,194.92. The PM plan includes:

- 2 visits per year
- Routine inspection/visit
- Priority service
- Fixed yearly price for the contract

- Owner would have to pay for repair if discovered upon inspection

We are averaging \$10,000 – 14,000 per repair. We were hoping to have an inclusive service plan that would eliminate the repair cost. Atlas Copco provided us with such a plan – 5yr Total Responsibility. The cost of this plan is \$36,432.02.

The Total Responsibility plan includes:

- All the items listed under the PM plan plus
- Bumper to bumper warranty
- Breakdown parts and lubricants
- Scheduled overhaul is included
- Breakdown travel and mileage
- Breakdown labor

The 5yr Total Responsibility is the better plan and more cost effective. Currently, our high efficiency blowers are off line. Blower #6 needs repair – cost: \$14,000.

**BID EXEMPTION RECOMMENDATION:**

Pursuant to Article 6, Section 102, the Purchasing Agent convened an ad hoc review group that approved bid exemption on the basis there is only one source for the required services with Atlas Copco CTS, Elk Grove Village, IL for the purchase of an Total Responsibility Service Plan in the amount of \$36,432.02.