

Transportation Committee

For the Metropolitan Council meeting of December 23, 2020

Subject: Diesel Exhaust Fluid (DEF) Procurement-2020, Contract 20P226

Proposed Action

That the Metropolitan Council authorizes award and execution of contract 20P226 with Lube Tech and Partners, LLC, in the amount of \$507,386 to supply Diesel Exhaust Fluid (DEF) in accordance with Council specifications for a three-year term

Summary of Committee Discussion/Questions

Chamblis asked how much of effect does the fluid have on reducing emissions. Mumbi responded that as the engine runs it burns the exhaust downstream in a catalyst, so it reduces the exhaust emissions which helps control the pollution. Chamblis questioned how often the Council's Underutilized Business list was updated. Ferguson (who is the Chair of the Management Committee) responded that the list is self reported, therefore it's hard to know if there is a business that goes out business. Ferguson continued that businesses are contacted on an annual basis to reconfirm their status and products/services offered but if responses are not received, we wouldn't automatically pull them off the list.

Motion by Sterner, seconded by Ferguson. Motion carried. CONSENT to Council.

Transportation Committee

Meeting date: December, 14, 2020

For the Metropolitan Council meeting of December 23, 2020

Subject: Diesel Exhaust Fluid (DEF) Procurement-2020, Contract 20P226

District(s), Member(s): All

Policy/Legal Reference: Council Expenditure Policy 3-3, Procurement of Goods and Services

Staff Prepared/Presented: Wes Kooistra, General Manager, Metro Transit 612-349-7510
Vince Pellegrin, Deputy General Manager, Metro Transit 612-349-7511
Brian Funk, Deputy Chief Operations Officer, Bus, 612-349-7514
Matt Dake, Director, Maintenance, 612-349-5000
Abel Mumbi, Manager, Warranty, Contracts and Analysis, 612-349-5006

Division/Department: Metro Transit

Proposed Action

That the Metropolitan Council authorizes award and execution of contract 20P226 with Lube Tech and Partners, LLC, in the amount of \$507,386 to supply Diesel Exhaust Fluid (DEF) in accordance with Council specifications for a three-year term.

Background

Metro Transit has 875 diesel powered buses. Diesel Exhaust Fluid (DEF) is a liquid comprised of water and urea that treats engine exhaust before it leaves the vehicle to reduce NOx emissions. Metro Transit Bus Maintenance staff refill the DEF much like other fluids carried onboard including fuel and engine coolant.

DEF used to operate Metro Transit buses is purchased by the Council through a contracted supplier and delivered to Metro Transit garages. The price is based on an estimated delivery of 153,753 gallons annually.

The Invitation for bid (IFB) was advertised on September 29, 2020. There were five (5) suppliers that registered as plan holders for the project. Procurement facilitated a public bid opening on October 28, 2020 when four (4) bids were received. The Office of Equal Opportunity (OEO) did not set a Disadvantaged Business Enterprise (DBE) or Metropolitan Council Underutilized Business (MCUB) goal for this project as it was for Diesel Exhaust Fluid only. Lube-Tech and Partners, LLC was the lowest, responsive, and responsible bidder.

Rationale

Four (4) bids were received and Lube-Tech and Partners, LLC submitted the low bid with an estimated three-year cost of \$507,386. The remaining 3 bids were competitive, ranging from \$530,449 to \$601,483.04.

The award and execution of this contract, for goods and delivery services, in excess of \$500,000 requires Council approval.

Thrive Lens Analysis

A DEF contract advances Thrive through the lens of promoting regional Livability, Sustainability and Prosperity for everyone, by continuing to serve residents who

depend on transit as well as all residents of the region in an environmentally responsible manner.

Funding

Funding is available in the Metro Transit annual operating budget.

Known Support / Opposition

There is no known opposition to the proposed action.