

Transportation Committee

Meeting date: December 11, 2017

For the Metropolitan Council meeting of December 13, 2017

Subject: Contract for Diesel Exhaust Fluid (DEF) Procurement

District(s), Member(s): All

Policy/Legal Reference: Council Procurement Policy

Staff Prepared/Presented: Brian Lamb, General Manager, 612-349-7510

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Division/Department: Metro Transit Bus Maintenance

Proposed Action

For the Metropolitan Council to authorize the Regional Administrator to execute a three-year diesel exhaust fluid (DEF) contract with Western Petroleum Company in accordance with the Council's specifications and Western Petroleum Company proposal dated November 14, 2017 for an amount not to exceed \$527,452.50.

Background

To meet 2010 federal emissions regulations, diesel engine builders use selective catalytic reduction (SCR) to lower nitrogen oxide (NOx) emissions. SCR is an exhaust aftertreatment technology that injects DEF, a water-based solution containing urea, into an engine's hot exhaust stream to reduce nitrogen oxides (NOx) emissions. Metro Transit has 678 and newer SCR equipped buses. The DEF estimated usage rate is approximately 2% per gallon of diesel fuel used and costs \$1.25 a gallon.

An Invitation for Bid (IFB) was issued on October 17, 2017 and four proposals were received. The Procurement Department finds Western Petroleum to be the lowest responsive and responsible bidder.

Rationale

The DEF current contract expires on June 19, 2018, a new contract is required to continue operation of Metro Transit SCR equipped buses.

Thrive Lens Analysis

A DEF contract advances Thrive through the Lens of promoting regional prosperity for everyone, by continuing to serve residents who depend on transit.

Funding

Funds are budgeted for the purchase and delivery of DEF in Metro Transit's operating Budget.

Known Support / Opposition

There is no known opposition to the proposed action.