CIP
EXPENSE DETAIL

DATE OF COUNCIL CONSIDERATION: 11/7/13
CONTACT DEPARTMENT(S):   Fleet

SUBJECT: Authorize award and execution of a contract with PUREGREEN EQUIPMENT SERVICES, LLC, to provide self-contained, diesel exhaust fluid (DEF) bulk storage tanks for the Fleet Services Department, in an amount not to exceed $128,185.

Department:	**Fleet Services Department**
Project Name:	Environmental Assessment/Comp
Fund/Department/Unit:	8870-7807-0264
Funding Source:	2013-2014 Capital Budget
Current Appropriation:	344,000.00
Unencumbered Balance:	222,575.00
Amount of This Action:	(128,135.00)
Remaining Balance:	94,440.00
Total Amount of this Action	128,135.00

ANALYSIS / ADDITIONAL INFORMATION: This contract is for the purchase and installation of five (5) 1,000 gallon, self-contained Diesel Exhaust Fluid (DEF) bulk storage tanks equipped with dispensing systems that include the storage tank, pump system, metering device, hose, and nozzle. These tanks will provide a completely closed system in order to maintain DEF purity for the proper storage and bulk dispensing of DEF for the City's fleet of trucks that are powered by diesel engines. The five tanks will be strategically distributed around the City at locations that are currently equipped to dispense diesel fuel in order to reduce travel time and distance when the trucks are refueled. Trucks powered by diesel fuel that were purchased after January 2010 are equipped with a small storage tank, in addition to the normal fuel tank, that stores DEF onboard as this product is required for proper engine operation.

Beginning in January 2010, no new on-road vehicles can be sold without meeting the Environmental Protection Agency's more stringent Tier 2 Emission Standards for Light Duty and Heavy Duty Vehicles. DEF is used in diesel-powered vehicles to reduce nitrogen oxide (NOx) emissions, a major air pollutant that contributes to smog, asthma, and other respiratory and heart diseases. Small quantities of DEF are injected into the engine exhaust system upstream of a catalyst, where it vaporizes and decomposes to form ammonia and carbon dioxide. The technology most vehicle and engine manufacturers rely on is Selective Catalytic Reduction, which uses a urea-based DEF and a catalytic converter to change smog-forming nitrogen oxides into harmless nitrogen and water vapor that exits the exhaust pipe. These emission standards reduce allowable NOx levels by approximately 90% and DEF consumption is expected to be approximately 2 to 3% of diesel fuel consumption.

DEF is a non-toxic , non-polluting, non-hazardous, and non-flammable solution. It is stable, colorless, and meets accepted international standards for purity and composition. DEF is safe to handle and store and poses no serious risk to humans, animals, equipment, or the environment when stored properly.

MBE/WBE solicited: 7/0
MBE/WBE bid: 0/0

BID TABULATION
IFB No. PAX0045
Self-Contained, Diesel Exhaust Fluid Bulk Storage Tanks with Dispensing Systems
2 line items

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<u>Vendor</u>
                  <u>Total Price</u>

Puregreen Equipment Services, LLC.
                       $128,185

Dba. BLUE1USA
Duluth, GA

Excell Environmental
                       $162,000

Austin, TX

Tecalemit, Inc.
                           *

Humble, TX

*Tecalemit bid did not meet minimum specification requirement; therefore, was considered non-responsive and cannot be considered for award.

A copy of complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

<u>PRICE ANALYSIS</u>

     Adequate competition
Eighty-two notices were sent, including 7 MBEs. Three bids were received with no response from the MBE. There are no known WBEs for this commodity code.
This is the first purchase of its type; therefore, there is no pricing history available.

<u>APPROVAL JUSTIFICATION</u>

     Lowest bid meeting specifications.
     The Purchasing Office concurs with the Fleet Services Department's recommended award.
     Advertised in the Austin American-Statesman and on the Internet.