

Agenda Report

April 15, 2019

TO: Honorable Mayor and City Council

FROM: Fire Department

SUBJECT: AUTHORIZATION TO ENTER INTO CONTRACT WITH IPC (USA), INC. TO PROVIDE RENEWABLE DIESEL FUEL FOR AN AMOUNT NOT TO EXCEED \$800,000

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project; and
2. i) Accept the bid dated February 26, 2019 submitted by IPC (USA), Inc. in response to specifications for renewable diesel fuel, ii) reject all other bids received, and iii) authorize the issuance of a five-year contract with IPC (USA), Inc. for an amount not-to-exceed \$800,000 for purchases of renewable diesel fuel.

BACKGROUND:

The Fire Department currently operates two (2) front-line trucks, eight (8) engines and five (5) rescue ambulances (RAs), and additional reserve and specialty apparatus. These vehicles are necessary to ensure public safety. Prior to December 2017 all fire apparatus used unleaded and diesel fuel, which is purchased and managed by the Public Works Department. The Fire Department requested to use renewable diesel fuel as it can have many beneficial contributions including reducing the City's carbon footprint, and minimizing fuel emissions that can be harmful to employees and to the environment.

In fiscal year (FY) 2018, the Fire Department initiated a pilot program for renewable diesel fuel in select apparatus. Following a formal bid process, the City Manager authorized a purchase order contract with IPC (USA), Inc. with an optional one-year extension to transition all fire apparatus to renewable diesel fuel. To date, the use of renewable diesel in fire apparatus has received positive feedback from fire personnel,

with no apparatus issues reported. The Department would like to continue to use renewable diesel fuel in all fire apparatus and initiate a multi-year contract.

On February 5, 2019 the City published a Notice Inviting Bids to provide renewable diesel fuel as required by the Fire Department on the City's online bidding site, Planet Bids. On February 14, 2019 notices were advertised in the Pasadena Journal and the Pasadena Weekly in accordance with City Charter and Municipal Code provisions. Staff requested for vendors to bid on estimated quantities of fuel and number of deliveries based on annual needs. A total of 188 vendors were notified, of which 19 prospective vendors downloaded the bid. None of the prospective bidders were local to Pasadena.

Three bids were received and publicly opened on February 26, 2019. The three responsive bid results were as follows:

<u>Bidders</u>	<u>Total Weighted Annual Bid Price</u>
IPC (USA), Inc., Santa Ana, CA	\$151,475
Southern Counties Oil Co., Orange, CA	\$161,879
Musket Corporation, Houston, TX	\$191,322

The bids were evaluated by Fire Department staff and IPC (USA), Inc. was found to be the lowest responsive and responsible bidder and is able to provide all specified goods and meet all indicated requirements. Based on prior years' actual expenditures on fuel for all fire apparatus, the Fire Department recommends the City Council to authorize a contract with IPC (USA), Inc. for a five year period in an amount not-to-exceed \$800,000.

COUNCIL POLICY CONSIDERATION:

The proposed contract furthers the City Council's strategic planning goals to ensure public safety and to increase conservation and sustainability.

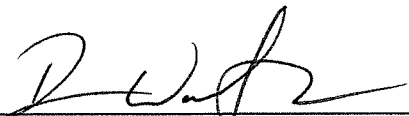
ENVIRONMENTAL ANALYSIS:

The action proposed herein is not subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Section 15378. The authorization to enter into a contract with a vendor to provide renewable diesel fuel is a continuing administrative activity (i.e., purchasing of supplies). This action would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:


The total cost of this action will be \$800,000 for the five-year term. Funding will be addressed by the utilization of existing budgeted appropriations in the Fire Department's General Fund operating budget account for Fire and Rescue Services Gas/Fuel (10131015-813800). There are no anticipated impacts to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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Approved by:



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