

Agenda Report

January 13, 2020

TO: Honorable Mayor and City Council

FROM: Fire Department

SUBJECT: APPROVAL OF CONSENT TO ASSIGNMENT AGREEMENT BETWEEN THE CITY OF PASADENA, IPC (USA) INC., AND TRUMAN ARNOLD COMPANIES FOR PURCHASES OF RENEWABLE DIESEL FUEL

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed contract is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3); and
2. Approve and authorize the City Manager to execute the Consent to Assignment Agreement between the City of Pasadena, IPC (USA) Inc., and Truman Arnold Companies for Purchases of Renewable Diesel Fuel.

BACKGROUND:

On April 15, 2019, City Council accepted the bid submitted by IPC (USA), Inc. in response to specifications for renewable diesel fuel, and authorized the issuance of a five-year contract with IPC (USA), Inc. for an amount not-to-exceed \$800,000. The City entered into Services Contract No. 31446 with IPC (USA) Inc on July 9, 2019 for purchases of renewable diesel fuel as needed by the Fire Department. On August 27, 2019, IPC (USA), Inc. and Truman Arnold Companies (TAC) entered into an Asset Purchase Agreement. Under the terms of the Asset Purchase Agreement, IPC (USA), Inc. is selling to TAC substantially all of its wholesale petroleum distribution business, including the supply of gas and diesel products. On November 1, 2019, IPC officially transitioned all administrative and field operations to TAC, with all personnel and levels of service remaining the same under the existing agreement with the City.

Pursuant to Section 9.7 of Contract No. 31446, "Contractor shall not assign or transfer this Contract or any rights here under without the prior written consent of the City and approval by the City Attorney, which may be withheld in the City's sole discretion." In accordance with the provision, both IPC and TAC wish to obtain the City's consent to the assignment. The action would not result in any changes to the City in that the terms of the services agreement would remain the same.

COUNCIL POLICY CONSIDERATION:

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

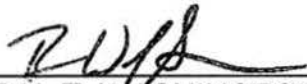
ENVIRONMENTAL ANALYSIS:

The proposed contract is exempt from CEQA per section 15061(b)(3), the General Rule. The General Rule can be applied when it can be seen with certainty that the activity will not have a significant effect on the environment. The proposed action for the execution of the proposed consent to assignment agreement will not result in any physical changes to the environment.

FISCAL IMPACT:


There are no anticipated impacts to operational programs or capital projects as a result of this action.

Respectfully submitted,



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Approved by:



STEVE MERMELL
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