

IMPACT STATEMENT

Legislation title: Consent to franchise transfer from LCP Oregon Holdings, LLC to Zenith Energy Terminals Holdings (Ordinance; Transfer Ordinance No. 188554)

Contact name: Jennifer Li

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Presenter name: Jennifer Li, 3-5359

Purpose of proposed legislation and background information:

In 2017, Council approved a franchise agreement to LCP Oregon Holdings, LLC (LCPOH) for its pipeline system to transport petroleum and petroleum products within a limited section of the City right-of-way. The company has notified the City that it intends to sell the facility to Zenith Energy Terminals Holding, who has been operating the facility on behalf of LCP Oregon Holdings since 2014. Staff reviewed the available information and determined that Zenith Energy Terminals Holding appears to have the technical, legal and financial ability to meet the franchise obligations. Staff recommends the City Council consent to the transfer of the franchise (Ordinance No. 188554), as amended, to Zenith Energy Terminals Holding as the franchisee.

Financial and budgetary impacts:

Zenith Energy Terminals Holding will continue to pay franchise fees as required by Ordinance No. 188554, as amended. The fee is currently approximately \$35,000/year.

Community impacts and community involvement:

N/A

100% Renewable Goal:

N/A

Budgetary Impact Worksheet**Does this action change appropriations?**

- ☐ **YES:** Please complete the information below.
☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount