

## RESOLUTION NO. 7066

### **A RESOLUTION APPROVING CONSENT TO ASSIGN THE FRANCHISE FOR RESIDENTIAL, COMMERCIAL, INDUSTRIAL, AND MULTI-FAMILY RESIDENTIAL SOLID WASTE COLLECTION TO ATHENS PURSUANT TO SANTA PAULA MUNICIPAL CODE § 50.102**

The City Council for the City of Santa Paula does resolve as follows:

SECTION 1: The City Council finds and declares as follows:

- A. On April 18, 2011, the City and Crown entered into a non-exclusive solid waste franchise agreement relative to the collecting, transferring, recycling, composting, and disposing of solid waste from residential, commercial and industrial premises within CITY's jurisdiction (the "Agreement"). ;
- B. On November 4, 2013 the Santa Paula City Council, approved the first Amendment to the Franchise Agreement with CROWN Disposal Company extending the initial term of the Agreement through May, 2018, and delaying any escalation in solid waste fees until July 1, 2015;
- C. On November 24, 2014, Crown notified the City of its intention to sell its assets to Recology, a Northern California-based waste hauler, and that RECOLOGY would continue Crown's operations under the Agreement;
- D. On February 2, 2015, the Santa Paula City Council approved and consented to assignment of the agreement from CROWN to RECOLOGY, subject to the provisions of the Second Amendment.
- E. On April 18, 2017 Recology notified the City of its intention to sell its assets to Athens, a Los Angeles-based waste hauler, and that ATHENS would continue Recology's operations under the Agreement;
- F. Section 26.01 of the Agreement prohibits the transfer of the Agreement without the consent of the City as expressed by written resolution of its City Council. Section 26.02 of the Agreement authorizes the City to impose conditions on the transfer, including requiring an amendment to the Agreement;
- G. CITY, in order to assess whether Athens possesses the financial and technical ability to provide the services required by the Agreement, requested from Athens and Recology information regarding the proposed transfer and the qualifications of the proposed Transferee.

- H. The CITY has reviewed the information submitted by Recology and ATHENS and determined that ATHENS possesses financial, operational, and technical ability to provide required services;
- I. City is willing to consent to the assignment of the Agreement to Athenonly if Athens, Inc. guaranties the timely and full performance by ATHENS of its obligations, including the payment of money, required by the Agreement; and
- J. The City Council believes that it is in the best interest of the City to consent to the assignment of the Agreement, subject to the conditions contained in the Consent to Assignment and Third Amendment to the Agreement.

SECTION 2: CONSENT TO ASSIGNMENT. The Santa Paula City Council approves and consents to the assignment of the Agreement from Recolgy to Athens, subject to the provisions of the Consent to Assignment and Third Amendment to the Agreement, which is attached hereto as Exhibit A and incorporated by the reference.

SECTION 3: The City Clerk is directed to certify the adoption of this Resolution.

SECTION 4: This Resolution will become effective immediately upon adoption.

**PASSED AND ADOPTED** this 17<sup>th</sup> day of July, 2017

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Jenny Crosswhite, Mayor

ATTEST:

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Lucy Blanco, City Clerk

APPROVED AS TO FORM:

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John C. Cotti, City Attorney

APPROVED AS TO CONTENT:

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Michael Rock, City Manager