

RESOLUTION 24-25-*

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUTTER CREEK
CONSENTING TO THE ASSIGNMENT OF A SOLID WASTE FRANCHISE
FROM ACES WASTE SERVICES, INC. TO DELTA CONTAINER
CORPORATION AND AUTHORIZING THE CITY MANAGER TO EXECUTE
AN AMENDMENT TO THE SOLID WASTE FRANCHISE AGREEMENT
BETWEEN THE CITY AND ACES**

WHEREAS, the City of Sutter Creek (“City”) and ACES Waste Services, Inc. (“ACES”) are parties to the Amended and Restated Franchise Agreement for Solid Waste Collection, Disposal, and Recycling Services, effective January 1, 2023 (“Agreement”);

WHEREAS, the Agreement provides ACES an exclusive franchise to collect solid waste and recycled materials from within City limits through an initial term ending on December 31, 2037 and an additional five-year extended term;

WHEREAS, Article N of the Agreement provides for an assignment of the Agreement from ACES to a qualified successor;

WHEREAS, ACES has entered into an asset purchase agreement with the Delta Container Corporation, a California Corporation that is part of Republic Services (“Republic”), a publicly traded national solid waste collection company;

WHEREAS, ACES and Republic seek the City’s consent for an assignment of the Agreement from ACES to Republic under Article N of the Agreement;

WHEREAS, In accordance with Article N of the Agreement, the City Council finds:

1. Republic has the capacity, financial competency, performance and service record, and equipment inventory necessary to perform the covenants of the Agreement;
2. Republic has provided an adequate guarantee and has the financial security and bonding capability necessary to perform the covenants of the Agreement; and
3. The proposed transaction does not involve an agreement between affiliated parties;

WHEREAS, ACES and Republic have presented to the City, and jointly request that the City Council authorize the execution of, an Amendment to the Amended and Restated Franchise Agreement and Consent to Assignment (“Amendment and Consent”) in the form attached as Exhibit A to this Resolution; and

WHEREAS, the California Environmental Quality Act (“CEQA”) is not applicable to the execution of the Amendment and Consent because such action is not a “project,” as defined

by California Code of Regulations, Title 14, section 15378(a), and because the action would qualify for the “Common Sense Exemption” (14 Cal. Code Regs., § 15061(b)(3)) to the extent any project were involved.

NOW THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Sutter Creek that the City Manager is authorized to execute the Amendment and Consent on behalf of the City.

BE IT FURTHER RESOLVED that in accordance with Article N of the Agreement, the City Council imposes a transfer fee of **\$2,500** and directs the City Manager to collect this sum as a condition for executing the Amendment and Consent.

The foregoing resolution was duly passed and adopted at a regular meeting of the City Council of the City of Sutter Creek on the 16th day of September 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Claire Gunselman, Mayor

Karen Darrow, City Clerk