



Napa County

1195 THIRD STREET
SUITE 310
NAPA, CA 94559
www.countyofnapa.org

Main: (707) 253-4580

Legislation Text

File #: 22-1955, **Version:** 1

TO: Board of Directors

FROM: Steven Lederer - Manager Upper Valley Waste Management Agency

REPORT BY: Alice Ramirez, Secretary/Clerk

SUBJECT: Resolution Consenting to the Assignment of the Franchise Agreement with Clover Flat Land Fill Inc. to a company owned by Waste Connections, Inc.

RECOMMENDATION

REQUESTED ACTION: Adoption of and authorization for the Chair to sign Resolution 22-07 consenting to the Assignment of the Franchise Agreement with Clover Flat Land Fill Inc. to a company owned by Waste Connections, Inc.

EXECUTIVE SUMMARY

On October 19, 2020, the Agency entered into the most recent franchise agreement ("CFLF Franchise Agreement"). Section 12.6 "Assignment" of the CFLF Franchise Agreement prohibits CFLF from assigning the Agreement without the consent of the Agency. This section defines "Assignment" as including transfers or sales of 10% or more of stocks or ownership.

Upper Valley Disposal Holdings, Inc., a Delaware company owned or controlled by Waste Connections, Inc. (WCI) is acquiring the stock of Whitehall Corporation which owns CFLF. CFLF has requested the Agency consent to the assignment of CFLF Franchise Agreement. If approved by the Board of Directors, all provisions of the franchise agreement would remain unchanged. The attached resolution imposes, among others, the following conditions: (1) that the consent is valid for 90 days, and (2) that the companies must notify the Agency in writing of the effective date of the assignment.

Whether to adopt the resolution and thereby consent to the assignment is a business decision for the Board of Directors. The Agency Manager considers this proposal to be fair and balanced for both the companies and recommends adoption of this Resolution.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: ENVIRONMENTAL DETERMINATION: Exempt from the California

Environmental Quality Act (CEQA) (CEQA) pursuant to CEQA Guidelines 15061(b)(3) (CEQA only applies to projects which have potential for causing a significant effect on the environment). This consent to assignment merely approves the legal assignment of the CFLF Franchise Agreement from one party to another and makes no changes whatsoever to the CFLF Franchise Agreement itself. To the extent this assignment is a project under CEQA, it is exempt under CEQA Guidelines 15301, 15306, 15307, 15308, 15273, and 15183.

BACKGROUND AND DISCUSSION

Additional information about the purchasing company is attached.