

RESOLUTION 22-93

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF MAMMOTH LAKES, STATE OF CALIFORNIA, APPROVING THE FIRST AMENDMENT TO THE SOLID WASTE FRANCHISE AGREEMENT WITH MAMMOTH DISPOSAL

WHEREAS, the Town is responsible for providing solid waste handling services to its citizens, including source reduction, recycling, composting activities and the collection, transfer and disposal of solid waste within the Town boundaries subject to solid waste handling jurisdiction, as provided in Public Resources Code Section 40057, part of the California Integrated Waste Management Act (Act or AB 939); and

WHEREAS, the Town Council has a Franchise Agreement (Agreement) with Mammoth Disposal Company to provide solid waste and recycling services on its behalf within the Town of Mammoth Lakes; and

WHEREAS, the Agreement provides the method and means of setting rates and charges for solid wastes services including the cost of disposal and processing of solid waste and recycled materials; and

WHEREAS, the Town Council adopted solid waste rates that are in effect until December 31, 2026, which includes a 2.5% inflationary increase each year; and

WHEREAS, pursuant to the Agreement, beginning in January 2027, the solid waste rates are scheduled to increase by 1-4% each year based on the Consumer Price Index (CPI); and

WHEREAS, since the current rate structure was adopted, Mammoth Disposal has seen substantial cost increases across all categories of its operations including services, infrastructure investment (including construction of the new transfer station), new operating costs, and ongoing expenses; and

WHEREAS, Mammoth Disposal has requested the ability to incorporate CPI increase into its rates beginning January 1, 2023; and

WHEREAS, Town staff have reviewed the information provided by Mammoth Disposal, along with the Consumer Price Index (CPI) data and agree that the allowance for an additional CPI increase at this time is appropriate to ensure that Mammoth Disposal is able to provide efficient and effective solid waste services on the Town's behalf; and

WHEREAS, the proposed amendment to the Agreement would allow for a CPI increase to the solid waste rates each year of between 1-4%, based on actual CPI (Los Angeles-Long

Beach-Anaheim area published by the Bureau of Labor Statistics of the U.S, Department of Labor) in August of the previous year.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Mammoth Lakes as follows:

Section 1.

The foregoing recitals are true and correct and incorporated herein by reference.

Section 2.

The Town Council has fully considered this matter and has:

- A. Reviewed the agenda bill and draft First Amendment to the Franchise Agreement attached hereto as Exhibit A and all information submitted herewith regarding the proposed agreement;
- B. Heard and received all support, objections and/or protests, or other written communications regarding the proposed agreement;
- C. Taken and received oral and documentary evidence pertaining to the approval of the proposed agreement; and
- D. Been fully informed of this matter.

Section 3.

The Town Council of the Town of Mammoth Lakes explicitly and expressly adopts all findings contained herein this resolution.


Section 4.

The Town Council hereby approves and authorizes the Mayor or Town Manager of the Town of Mammoth Lakes to execute, the First Amendment to the Solid Waste Services Agreement between the Town of Mammoth Lakes and Mammoth Disposal Company attached hereto.

Section 5.

The Town Clerk shall certify as to the adoption of this Resolution.

APPROVED AND ADOPTED this 16th day of November 2022.


LYNDA SALCIDO, Mayor

ATTEST:



JAMIE GRAY, Town Clerk

Exhibit A

FIRST AMENDMENT TO SOLID WASTE SERVICES AGREEMENT

THIS FIRST AMENDMENT TO SOLID WASTE SERVICES AGREEMENT (this "Amendment"), by and between the TOWN OF MAMMOTH LAKES, a municipal corporation of the state of California (the "Town"), and MAMMOTH DISPOSAL COMPANY, a California corporation ("Contractor"), is entered into as of November 16, 2022. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in that certain Solid Waste Services Agreement, dated October 1, 2020 (the "Agreement"), by and between the Town and Contractor.

RECITALS

WHEREAS, the Town and Contractor entered into the Agreement, whereby the Town and Contractor agreed that Contractor would provide for the Collection, transportation, Processing, and Disposal of Solid Waste generated within the incorporate limits of the Town, upon the terms and conditions set forth in the Agreement;

WHEREAS, for the first six (6) years of the Initial Term, the rate adjustments contemplated by Section 22.B. of the Agreement are fixed at 5.6%;

WHEREAS, since the execution of the Agreement, the CPI-U has materially increased in excess of what the Parties ever anticipated;

WHEREAS, the Parties agree and acknowledge that the fixed 5.6% rate adjustment set by Section 22.B. is not adequate to cover the increased costs experienced by Contractor since the effective date of the Agreement; and

WHEREAS, the parties desire to amend the Agreement to revise the terms of Section 22.B. to address the increase in the CPI-U starting on January 1, 2023, through January 1, 2026.

AMENDMENT

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES AGREE TO AMEND THE AGREEMENT, AS FOLLOWS:

1. **Incorporation of Recitals.** The foregoing recitals are agreed to, accepted and incorporated herein by reference.

2. **Amendment to Section 22.B. (Rate Adjustments).** The Town and Contractor hereby agree to amend Section 22.B (Rate Adjustments) of the Agreement to provide that, from January 1, 2023, through January 1, 2026, in addition to the fixed 5.60% rate adjustment contemplated by Section 22.B., the rates to be paid to Contractor for Bins, Multi-Family Containers, Yard Waste Containers, Recycling Containers, and Single Family Containers and Transfer Station rates set forth in **Exhibit B** shall also be increased by an amount equal to one hundred percent (100%) of the percentage change in the Consumer Price Index, series CPI-U for the Los Angeles-Long Beach-Anaheim area published by the Bureau of Labor Statistics of the U.S., Department of Labor; provided, however, that (i) such additional increase shall be subject to

compliance with the notice and protest requirements of Article XIID, Section 6, of the California Constitution; (ii) no such additional rate increase shall be less than one percent (1%) or more than four percent (4%); and (iii) no such additional rate increase shall be granted if a majority protest has occurred, pursuant to Article XIID, Section 6, of the California Constitution.

3. **Counterparts.** This Amendment may be executed in one or more facsimile or original counterparts, each of which shall be deemed an original and both of which together shall constitute one and the same instrument.

4. **Ratification.** All terms and provisions of the Agreement not amended hereby, either expressly or by necessary implication, shall remain in full force and effect. From and after the date of this Amendment, all references to the term "Agreement" in this Amendment and in the original Agreement shall include the terms contained in this Amendment.

5. **Conflicting Provisions.** In the event of any conflict between the original terms of the Agreement and this Amendment, the terms of this Amendment shall prevail.


6. **Authorization.** Each party executing this Amendment represents and warrants that it is duly authorized to cause this Amendment to be executed and delivered.

*[Remainder of page intentionally left blank;
Signature page immediately follows.]*

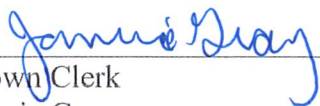
IN WITNESS THEREOF, the Town and Contractor have executed this First Amendment to Solid Waste Services Agreement this 16th day of November 2022.

TOWN:

TOWN OF MAMMOTH LAKES

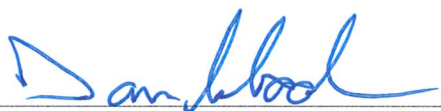
By: 
Town Manager
Daniel C. Holler

ATTEST:

By: 
Town Clerk
Jamie Gray

CONTRACTOR:

MAMMOTH DISPOSAL COMPANY

By: 
Regional Vice President
Daniel Schooler

By: 
Its: Assistant Secretary

STATE OF CALIFORNIA)
COUNTY OF MONO)
TOWN OF MAMMOTH LAKES) ss.

I, JAMIE GRAY, Town Clerk of the Town of Mammoth Lakes, DO HEREBY CERTIFY under penalty of perjury that the foregoing is a true and correct copy of Resolution No. 22-93 adopted by the Town Council of the Town of Mammoth Lakes, California, at a meeting thereof held on the 16th day of November 2022, by the following vote:

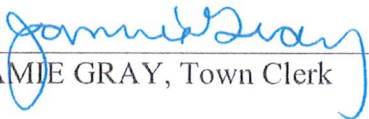
AYES: Councilmembers Rea, Sauser, Stapp, Mayor Pro Tem Wentworth, and Mayor Salcido

NOES: None

ABSENT: None

ABSTAIN: None

DISQUALIFICATION: None



JAMIE GRAY, Town Clerk