

## **RESOLUTION NO. 2009-402**

Adopted by the Sacramento City Council

June 16, 2009

### **CONSENT TO ASSIGNMENT OF CITY AGREEMENT NOS. 98-131 and 2007-1285 BETWEEN THE CITY AND BLT ENTERPRISES OF SACRAMENTO, INC.**

#### **BACKGROUND**

- A. In 1998, the City and BLT Enterprises of Sacramento, Inc. ("BLT Inc.") entered into a Service Agreement for Municipal Solid Waste Transfer, Disposal, Processing and Recovered Materials Diversion, designated as City Agreement No. 98-131 ("Service Agreement"). The Service Agreement expires in 2019.
- B. In 2007, the City and BLT Enterprises of Sacramento, Inc. entered into an Agreement for Purchase of Recyclables, designated as City Agreement No. 2007-1285 ("Recyclables Agreement"). The Recyclables Agreement expires in 2013.
- C. BLT Inc. desires to modify its ownership through a restructuring that involves the transfer of all BLT Inc.'s assets and liabilities, including assignment of the Service Agreement and the Recyclables Agreement, to its wholly owned subsidiary BLT Enterprises of Sacramento, LLC ("BLT LLC").
- D. The Service Agreement and the Recyclables Agreement cannot be assigned by BLT Inc. without the express written consent of the City. BLT Inc. has requested the consent of the City to assign these agreements to BLT LLC.
- E. As a condition of the City's Consent to the Assignment of the Service Agreement, BLT Enterprises of Oxnard ("BLT Oxnard") will execute, for the benefit of the City, a guaranty for the performance of BLT LLC's obligations under the assigned Service Agreement, similar to the guaranty executed by BLT Oxnard for the performance of BLT Inc.'s obligations when the Service Agreement was originally entered into in 1998.

#### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Manager or designee is authorized to execute the Consent to Assignment of City Agreement No. 98-131 and City Agreement No. 2007-1285 from BLT Enterprises of Sacramento, Inc. to BLT Enterprises of Sacramento, LLC, attached hereto as Exhibit A, provided the City receives an executed Guaranty Agreement from BLT Enterprises of Oxnard in the same form as the Guaranty Agreement on file in the Office of the City Clerk and the Consent is approved as to form by the City Attorney.

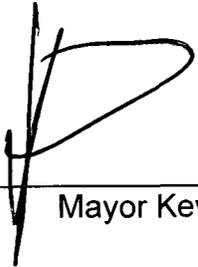
Adopted by the City of Sacramento City Council on June 16, 2009 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.



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Mayor Kevin Johnson

Attest:

  
Shirley Concolino, City Clerk