



## Item No. 13 Town of Atherton

### **CITY COUNCIL STAFF REPORT – CONSENT AGENDA**

**TO: HONORABLE MAYOR AND CITY COUNCIL**

**FROM: GEORGE RODERICKS, CITY MANAGER**

**DATE: OCTOBER 20, 2021**

**SUBJECT: APPROVAL OF THE CONSENT AND FIRST AMENDMENT TO THE FRANCHISE AGREEMENT BETWEEN THE TOWN AND GREENWASTE RECOVERY, INC. FOR COLLECTION AND PROCESSING OF WASTE, MIXED COMPOSTABLE MATERIALS, RECYCLABLE MATERIALS AND YARD TRIMMINGS APPROVING THE CHANGE OF CONTROL FROM GREENWASTE RECOVERY, INC. TO MIP V WASTE, LLC**

#### **RECOMMENDATION**

Staff recommends that the City Council approve the attached Consent and Amendment to consent to a change in control in response to MIP V Waste, LLC's acquisition of Greenwaste.

#### **BACKGROUND/ANALYSIS**

In November 2020, the Town entered into a Franchise Agreement with Greenwaste Recovery, Inc. for solid waste disposal services with a term of 20 years, January 2021 through December 31, 2040.

On September 8, 2021 Greenwaste informed the Town that it had entered into an agreement through which its outstanding capital stock would be acquired by MIP V Waste, LLC, an indirect subsidiary of a fund managed by Macquarie Infrastructure Partners, Inc. Information regarding the transaction is included as Exhibit A. This transaction is a voluntary assignment under Section 18.3 of the Franchise Agreement. The Town may deny or approve any such request in its sole discretion; provided that such approval shall not be unreasonably withheld or delayed.

Greenwaste will retain its existing management team, staff, and branding as well as remain a San Jose-based company. Greenwaste has provided a separate letter advising that it is their intent to provide consistency in their management team to the Town and assured the Town that day-to-day operations will not change and that customers will notice no changes in service due to this change of control. If any of Greenwaste's duties or obligations are to be altered or assigned to an affiliate company, it will require additional authorization from the Town.

**POLICY FOCUS**

Policy discussion should focus on continuity of service delivery and the management team of Greenwaste.

**FISCAL IMPACT**

None.

**GOAL ALIGNMENT**

This Report and its contents are in alignment with the following Council Policy Goals:

- Goal A – Maintain Fiscal Responsibility
- Goal E – Strengthen Community Engagement and Transparency

**PUBLIC NOTICE**

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town’s electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town’s electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but be not limited to, media outlets, school districts, Menlo Park Fire District, service providers (water, power, and sewer), and regional elected officials.

**COMMISSION/COMMITTEE FEEDBACK/REFERRAL**

This item \_\_\_ has or X has not been before a Town Committee or Commission.

- \_\_\_ Audit/Finance Committee (meets every other month)
- \_\_\_ Bicycle/Pedestrian Committee (meets as needed)
- \_\_\_ Civic Center Advisory Committee (meets as needed)
- \_\_\_ Environmental Programs Committee (meets every other month)
- \_\_\_ Park and Recreation Committee (meets each month)
- \_\_\_ Planning Commission (meets each month)
- \_\_\_ Rail Committee (meets every other month)
- \_\_\_ Transportation Committee (meets every other month)

**ATTACHMENTS**

- Exhibit A – Letter of Request from Greenwaste
- Exhibit B – Introduction to MIRA for Municipalities
- Exhibit C – Consent and Amendment Agreement
- Exhibit D – Management Team Letter



September 10, 2021

Town of Atherton  
George Rodericks, City Manager  
150 Watkins Avenue  
Atherton, CA 94027

**Subject: Notification in Change in Control and Request for Consent**

Dear Mr. Rodericks,

Thank you for responding promptly to our request to meet and for your time on September 8, 2021. As discussed, GreenWaste Recovery, Inc. ("GreenWaste") is excited to have entered into an agreement on August 28, 2021 to recapitalize GreenWaste and our sister company Zanker Road Resource Management, Ltd. ("Zanker"), inclusive of our related affiliates/joint ventures (collectively, the GreenWaste family of companies). We truly could not have found a stronger and more well-suited partner that embodies our core values that is deeply committed to the exceptional service delivery you have come to know and expect, while also offering support for our future growth.

The proposed transaction will result in a change in control ("COC"), wherein the current stockholders of GreenWaste and the current limited and general partners of Zanker will transfer their respective stock or partnership interests, as applicable, to MIP V Waste, LLC, a subsidiary of MIP V Waste (ECI) AIV, L.P. (together with Macquarie Infrastructure Partners V, L.P., Macquarie Infrastructure Partners V SCSp and any special purpose vehicles thereof, "MIP V").

**Section 18.3 of the Franchise Agreement requires the Town's written consent prior to a COC; please let this letter serve as our formal request for such consent.**

GreenWaste is expected to remain a stand-alone business entity with no anticipated change to staff or operations and no assignment of your herein-defined Franchise Agreement is being considered at this time. Post-transaction, we expect no changes to the management team and we will continue to perform all the services and provide all the assurances pursuant to the terms of the Franchise Agreement Between the Town of Atherton and GreenWaste Recovery, Inc. for Collection and Processing of Waste, Mixed Compostable Materials, Recyclable Materials and Yard Trimmings dated November 19, 2021 ("Franchise Agreement"). We are confident the Town and its residents and businesses will not notice or observe any change to the services they are accustomed to receiving.

While we do not intend to make a public announcement, we have enclosed for your review a confidential introductory deck that provides background on MIP V and its manager, including background on financial strength, experience in and commitment to our industry, and provides an overview of the transaction structure. The confidential deck should answer many, if not most of the questions you may have, and we can provide additional information upon request.

Time is of the essence. With your Council only meeting once monthly, we deeply appreciate your commitment to bring this to your Council on October 20, 2021 as discussed, ideally on the consent calendar. We will do everything we can to support you in preparation of the staff report, and we will provide a draft amendment for the Council's consideration early next week. A hard copy of this letter will be mailed on Monday, September 13, 2021.

GreenWaste is proud of our long-term partnership with the Town and we look forward to continuing to provide an exceptional suite of innovative service offerings to your residents and businesses and support the Town in achieving regulatory compliance well into the future.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tracy M. Adams".

Tracy M. Adams  
Chief Executive Officer

Encl. (*confidential*)

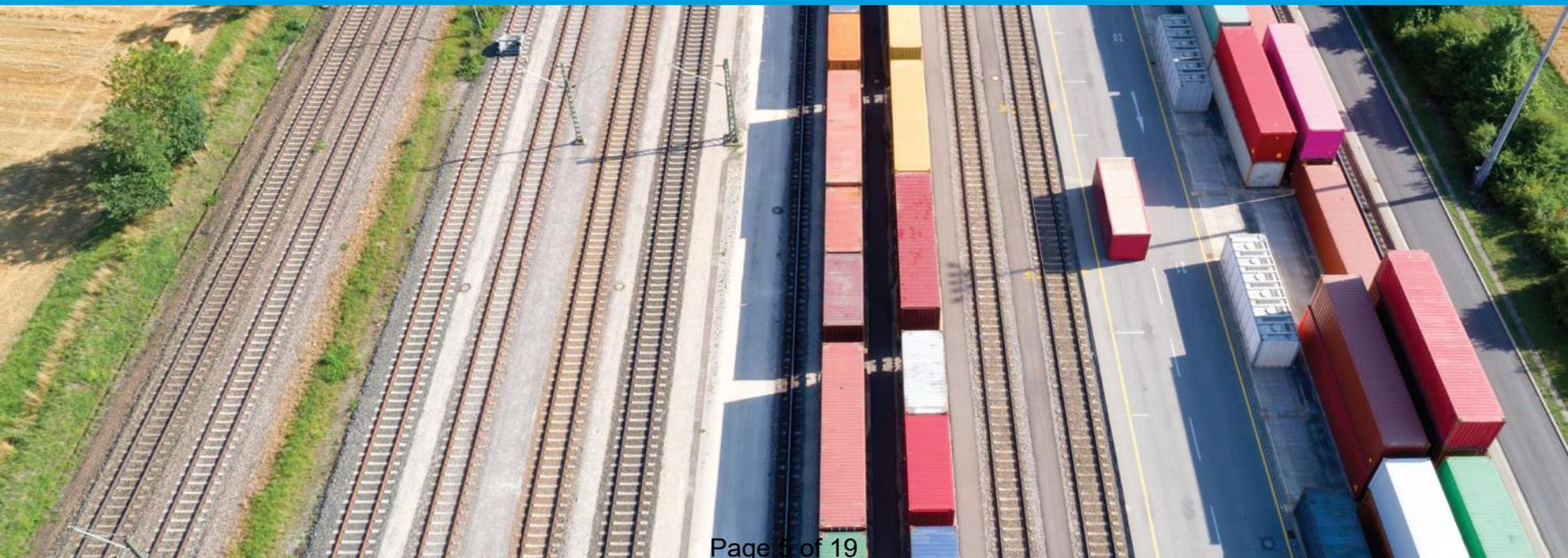


Macquarie Infrastructure and Real Assets (MIRA)  
Macquarie Infrastructure Partners V (MIP V)  
GreenWaste Recovery and Zanker Road Resource Management (collectively, GWZ)

# Proposed Transaction with GWZ

Introduction to MIRA and MIP V

October 2021





# Important Notice and Disclaimer

This document has been prepared for you ("you") and is being delivered to you on a confidential basis by Macquarie Infrastructure and Real Assets ("MIRA"), a division of the Macquarie Asset Management ("MAM") operating group of Macquarie (as defined herein). References to "we", "us" and "our" are to Macquarie Infrastructure and Real Assets Inc. ("MIRA Inc."). "Macquarie" refers to Macquarie Group Limited and its worldwide subsidiaries (including MIRA Inc.), affiliates and the funds that they manage.

Macquarie disclaims and does not accept any and all liability whatsoever relating or resulting from the use of or communication related to this document (whether direct, indirect, consequential or otherwise) and you should not rely on its contents. Macquarie owns the copyright material herein unless otherwise specified.

This document has been prepared for discussion purposes only. It is not an offer capable of acceptance and shall not otherwise give rise to a binding contract. It does not constitute a commitment by MIRA Inc. or any other Macquarie entity to acquire, underwrite, place and/or distribute any assets, securities or financing with respect to any matter and does not create in favor of any person or entity a right to seek any remedy against MIRA Inc. or any other Macquarie entity for failure to pursue or consummate any transaction.

**Confidentiality.** This document is strictly confidential and is provided on the basis that it, including its existence, or any of its terms and contents may not be disclosed to anyone other than your employees and advisors on a need to know basis, without first obtaining MIRA Inc.'s prior written consent and should not be disclosed by any recipient under the Freedom of Information Act or any similar state, local or foreign laws (collectively "Disclosure Laws"), in reliance upon exceptions available for material of this type. By accepting and maintaining these materials, you agree to notify MIRA Inc. in advance of any disclosure of these materials in response to a request pursuant to any Disclosure Laws, to cooperate with MIRA to prevent such disclosure in such manner as MIRA may reasonably determine and to use commercially reasonable efforts to obtain confidential treatment for any records to be disclosed.

**Source of Information.** Sources are believed to be reliable based on present circumstances, market conditions and beliefs, however, Macquarie assumes no responsibility for the accuracy or completeness of such information nor has independently verified such information and cannot assure you that it is accurate or complete. Such information has not been updated through the date hereof.

**Securities Law and Related Matters.** This document does not constitute an offer to sell or a solicitation of an offer to buy any securities.

**Limitations on Information.** Unless otherwise noted, information in this document is presented as of its date and does not reflect any facts, events or circumstances that may have arisen after that date, is subject to discussion, completion and amendment and does not contain all information necessary to fully evaluate any transaction or investment. We have no obligation to update this document (including forward-looking statements herein) or correct inaccuracies or omissions in it. Any financial projection has been prepared and set out for illustrative purposes only and does not in any manner constitute a forecast.

**Forward-Looking Statements.** This document includes forward-looking statements that represent our opinions, expectations, beliefs, intentions, estimates or strategies regarding the future, which may not be realized. These statements may be identified by the use of words like "estimate," "expect," "may," "will," "should," "seek," and similar expressions. The forward-looking statements reflect our views and assumptions with respect to future events as of the date of this document and are subject to risks and uncertainties. Actual and future results and trends could differ materially from those described by forward-looking statements due to various factors, including those beyond our ability to control or predict and you should not place reliance on the forward-looking statements. Statements contained herein (including those relating to current and future market conditions and trends in respect thereof) that are not historical facts are based on our current expectations, estimates, projections, opinions and/or beliefs.

**Performance information.** Past performance is not an indication of future performance. MIRA does not guarantee any particular rate of return or performance, nor does MIRA guarantee the repayment of any amounts invested.

**Circular 230 Disclosure.** Internal Revenue Service regulations generally provide that, for the purpose of avoiding federal tax penalties, a taxpayer may rely only on formal written advice meeting specific requirements. Any tax advice in this message does not meet those requirements. Accordingly, any such tax advice was not intended or written to be used, and it cannot be used, for the purpose of avoiding federal tax penalties that may be imposed on you or for the purpose of promoting, marketing or recommending to another party any tax-related matters.

**None of the entities noted in this document is an authorized deposit-taking institution for the purposes of Banking Act 1959 (Commonwealth of Australia). The obligations of these entities do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46008583542 ("MBL"). MBL does not guarantee or otherwise provide assurance in respect of the obligations of these entities.**

The recipient acknowledges and agrees that it is receiving this document only for the purposes stated above and subject to all applicable confidentiality obligations, as well as the United States securities laws prohibiting any person who has received material, non-public information from purchasing or selling securities of the applicable issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.



# Executive Summary

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On August 28, 2021, a subsidiary of Macquarie Infrastructure Partners V (“MIP V”) entered into agreements to acquire a 100% interest in GreenWaste Recovery, Inc. and Zanker Road Resource Management, Ltd. (together, “GWZ”) from their respective existing shareholders.

## Transaction Overview

- MIP V, a fund managed by Macquarie Infrastructure Partners Inc., part of the Macquarie Infrastructure and Real Assets division of Macquarie Group (“MIRA”), has reached agreement to acquire GWZ. MIRA has over 15 years experience of investing in the waste sector and plans to support the existing management team with the continued growth of the company.
- GWZ will remain a San Jose based, locally managed, privately-owned company. The existing management team and staff will remain in place, and the board of directors will be comprised of experienced MIRA managers, several Independent Directors and the CEO of GWZ (Tracy Adams).
- Subject to customary closing conditions, including DoJ “antitrust” approvals, MIP V expects to close the acquisition of GWZ in the fourth quarter of 2021.

## MIP V Investment Thesis and Approach

- **GWZ is a leading, diversion-focused, locally based waste services provider servicing Northern and Central California with an environmentally sustainable business model and a track record of delivering high quality service to over 300,000 of its existing customers.**
- MIP V is a \$6.9 billion infrastructure fund managed by MIRA. MIRA has **significant experience of supporting waste businesses like GWZ and invests in people, processes and systems** to strengthen existing platforms, support future growth and improve performance.
- MIRA has a dedicated waste sector investment team that focuses on partnering with management teams like GWZ’s to improve the operations of waste businesses, with a focus on delivering improved safety outcomes, sustainable operational improvements and organic and inorganic growth that provides opportunities for career advancement for all staff.
- MIRA is part of the Macquarie Asset Management (“MAM”) group of Macquarie. Headquartered in Sydney Australia, Macquarie is a responsible, sustainable investor and MAM has committed to manage its portfolio in line with “net zero” emissions by 2040. Investing in GWZ, a leading ESG focused waste company, is consistent with that thesis.
- MIRA and MIP V look forward to supporting GWZ’s continued growth as a leading regional provider of high-quality diversion-focused waste management services to its customers.



# Macquarie Infrastructure and Real Assets (MIRA)

MIRA is one of the world's leading alternative asset managers.

For more than 25 years, we've partnered with investors, governments and communities to manage, develop and enhance assets relied on by more than 100 million people each day. Today, we are trusted to manage **\$US146.1b** in assets and **\$US100.1b** in equity on behalf of clients.

Our team of **947** people across **39** offices in **32 countries** invests in businesses that underpin economies and communities – aiming to add real and lasting value for our clients and the people our assets serve.

 **147**  
businesses

 **12.5GW**  
green energy

 **504**  
properties

 **4.8m**  
hectares  
of farmland

 **307**  
aircraft, rotorcraft  
and rolling stock

 **\$US9.6b**  
real asset debt  
investments



Information current as at 30 September 2020. 1. MIRA defines AUM as proportionate enterprise value, calculated as proportionate net debt and equity value. MIRA defines EUM as market capitalisation, plus fully underwritten or committed future capital raisings for listed funds and committed capital, less any called capital returned to investors for unlisted (private) funds. This includes capital invested in other MIRA-managed businesses. For jointly managed funds, the amount is representative of MIRA's economic ownership of the joint-venture manager. Adjustments are made when MIRA-managed funds invest in other MIRA-managed funds.



# Trusted by communities

MIRA is trusted by communities around the world to manage investments in essential services used by ~100 million people each day.



## Airports

~20.7 million passengers per annum



## Roads

~1 million vehicles per day



## Rail

~120 million passengers per annum



## Electricity

~1 million households



## Sea ports

~10 million standard container units handled per annum



## Power generation

~40,000GWh power generated per annum



## Water

~6 billion litres of water treated per day



## Gas

~13 million households



## Employees / Contractors

~99,739 / 52,485 employed directly by our assets

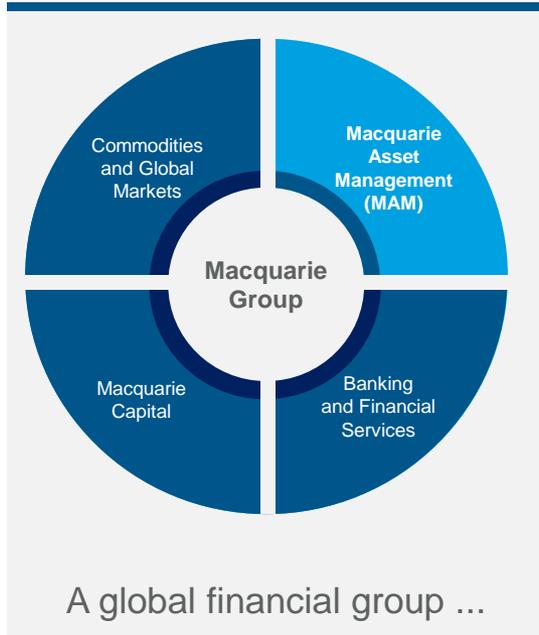


## Communications

~111 million people reached



# Macquarie Group and MIRA



### Macquarie Group

- \* Operating since 1969, listed on ASX<sup>4</sup> in 1996
- \* Strong funding and capital position<sup>5</sup>
- \* 16,450+ staff<sup>3</sup>

### Macquarie Asset Management (MAM)

- \* Operating since 1980
- \* AUM<sup>1</sup> of \$427b
- \* 1,860+ staff<sup>3</sup>

### Macquarie Infrastructure and Real Assets (MIRA)

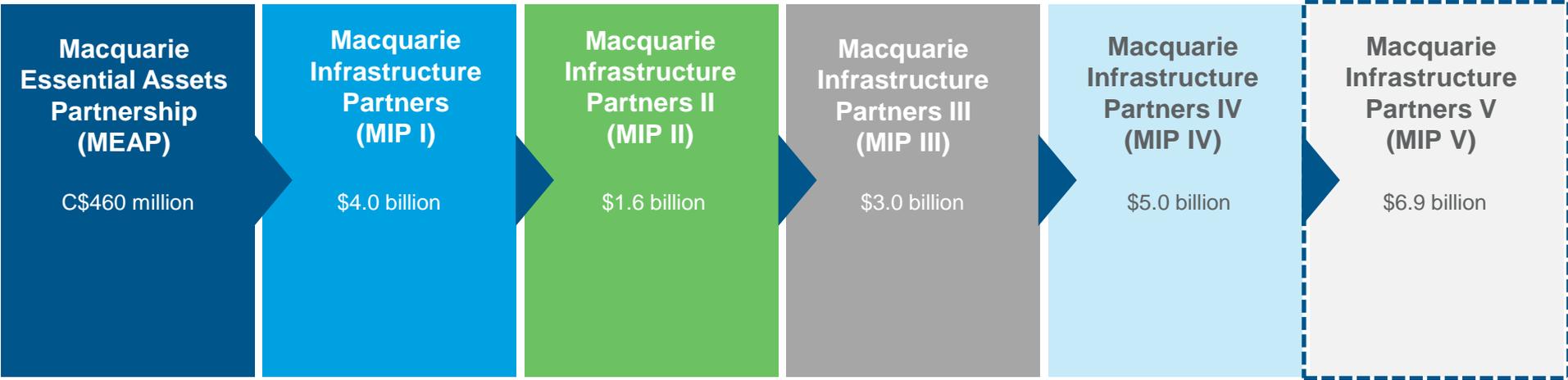
- \* Operating since 1994; joined MAM in 2010
- \* AUM<sup>1</sup> of \$148b
- \* EUM<sup>2</sup> of \$108b
- \* 39 offices / 890+ experienced professionals<sup>6</sup>

1. Assets under management (AUM) based on proportionate enterprise value calculated as proportionate net debt and equity value, as at 31 March 2021 for the majority of assets, based on 31 March 2021 FX rates. 2. Equity under management (EUM) is defined as market capitalization, plus fully underwritten or committed future capital raisings for listed funds and committed capital less any called capital returned to investor for unlisted (private) funds and mandates, as at 31 March 2021, based on 31 March 2021 FX rates. 3. Staff data is provided as at 31 March 2021. 4. Australian Securities Exchange. 5. Refers to Macquarie Group financial results. 6. Office and staff data as of 31 March 2021.



# Macquarie Infrastructure Partners

MIP V is the latest vintage of MIRA’s Americas private equity platform (MIP) and has a strategy consistent with previous funds.



**Note:** As of June 30, 2021. 1. Total count of distinct infrastructure businesses (realized and unrealized) owned by 10 private infrastructure funds investing in the U.S. and Canada. 2. MIP I and MIP II's realization of Global Tower Partners, and Puget Energy and MEAP and MIP I's realization of Aquarion are each treated as one realization.



# MIRA's Waste Experience

## Industry-Leading Experience

- MIRA-managed funds have invested over \$2.9 billion in the waste industry in the Americas since 2007 through the MIP series of funds
- History of partnering with best-in-class management teams through take-private transactions, structured investments and growth capital investments
- Experienced waste sector team led by Paul Mitchener, who has over 40 years of experience in waste management industry and is a member of the NWRRA Hall of Fame.

## MIRA Approach

- Leverage strong and long-established industry relationships to find and partner with management teams
- Focus on identifying strong platforms that are well positioned to grow both organically and through M&A
- Emphasis on internalization of waste volumes enabled through strategically located asset base
- Willing to commit resources to improving a platform's existing asset base as well as in accretive acquisitions and projects
- Methodical approach to due diligence
  - Thorough environmental and technical reviews (including Phase 1s)
  - Leverage insights and best practices from past and currently invested in waste companies
- Strong focus on safety and risk management
  - Currently managed waste companies exceed industry safety benchmarks<sup>1</sup>

## MIRA's Controlled Waste Company Investments in the U.S.

Fund	Company	Description
MIP I	 WASTE INDUSTRIES	<ul style="list-style-type: none"> <li>• Non-hazardous solid waste company, focused on the SE US</li> <li>• Acquired through a take-private in May 2008, improving operations over approximately 9-years<sup>2</sup></li> </ul>
MIP II	 WCA	<ul style="list-style-type: none"> <li>• Non-hazardous solid waste company in SE and South-central U.S.</li> <li>• Acquired through a take-private in March 2012, improving operations over approximately 9-years<sup>2</sup></li> </ul>
MIP IV	 WIN WASTE INNOVATIONS	<ul style="list-style-type: none"> <li>• Vertically-integrated solid waste business focused on the NE US formed through the merger of Wheelabrator Technologies and Tunnel Hill Partners</li> <li>• Tunnel Hill Partners and Wheelabrator acquired in February 2019</li> </ul>
MIP V	 LRS	<ul style="list-style-type: none"> <li>• Non-hazardous solid waste company, focused on the Midwest US</li> <li>• Acquired in August 2021</li> </ul>

**Note:** Past performance is no guarantee of future results or returns. This is a sample list of MIP Portfolio Companies and is not meant to be a complete representation of initiatives across the portfolio. **1.** Lost Time Injury Frequency Rate (LTIFR) of Wheelabrator and Tunnel Hill compare favorably to Bureau of Labor Statistics industry benchmarks. LTIFR information is derived internally through MIRA Analysis. **2.** MIP I closed the sale of WI on 9/29/2017; MIP II closed the sale of WCA on 10/1/2020.



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APPENDIX

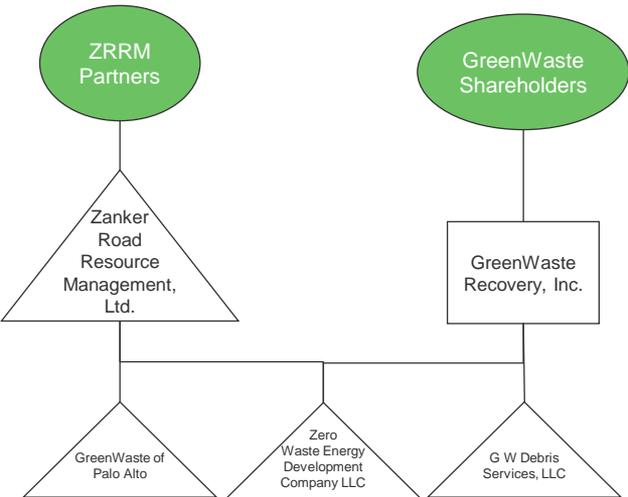
# Transaction Structure



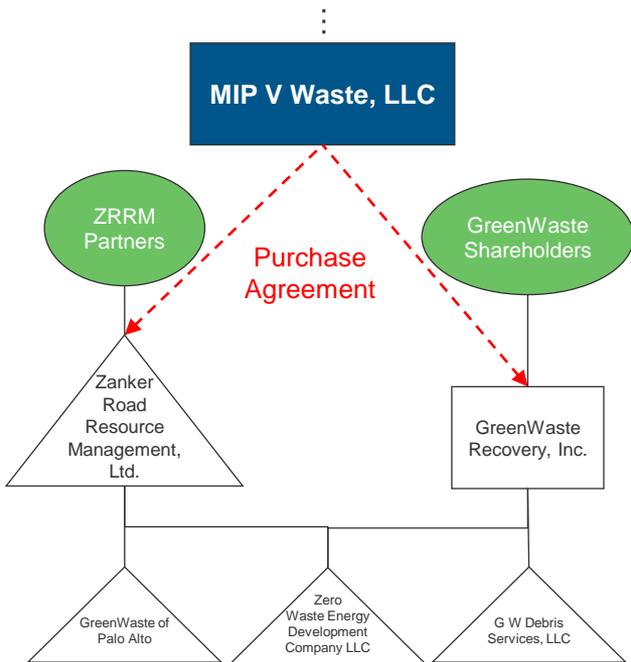
# Transaction Structure (Simplified)

MIP V will acquire<sup>1</sup> a 100% interest in GreenWaste Recovery, Inc. and Zanker Road Resource Management Ltd. from their respective existing shareholders, **with all subsidiary entities expected to remain unchanged**

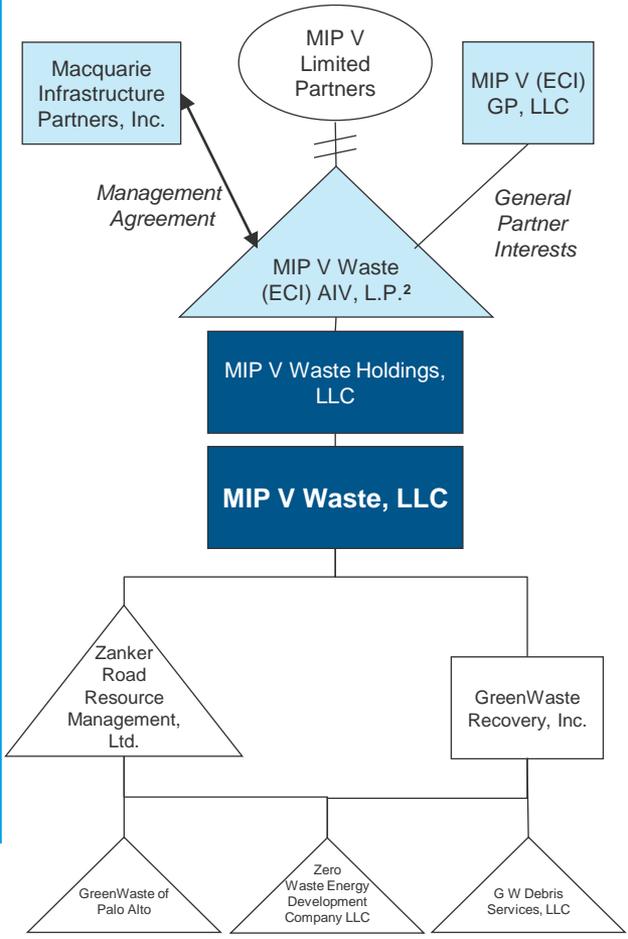
## GWZ – Existing Structure



## Proposed Transaction



## Go-forward Holding Structure



1. Closing is expected to occur in the fourth quarter of 2021, and is subject to customary closing conditions, which includes antitrust approval. 2. MIP V Waste (ECI) AIV, L.P. is a MIP V fund entity that holds passive third party capital managed by Macquarie Infrastructure Partners Inc. (an affiliate of Macquarie)

**CONSENT AND FIRST AMENDMENT TO FRANCHISE AGREEMENT FOR  
PROCESSING OF WASTE, MIXED COMPOSTABLE MATERIALS, RECYCLABLE  
MATERIALS AND YARD TRIMMINGS**

This Consent and First Amendment (“Consent and Amendment”) dated for reference October 20, 2021 is entered into by and among the Town of Atherton, a municipal corporation organized and existing under the laws of the State of California (“Town”), MIP V Waste, LLC, a Delaware limited liability company (“Company”) and GreenWaste Recovery, Inc., a California corporation (“Contractor”).

**RECITALS**

WHEREAS, Town and Contractor entered into that certain Franchise Agreement for Collection and Processing of Waste, Mixed Compostable Materials, Recyclable Materials and Yard Trimmings dated November 19, 2021, including any duly executed amendments thereto (“Agreement”); and

WHEREAS, on September 8, 2021, Contractor notified Town that Contractor had entered into an agreement dated as of August 28, 2021 to sell all or substantially all of its outstanding capital stock to Company, which would result in a change of control of Contractor (“Transaction”); and

WHEREAS, pursuant to Section 18.3 of the Agreement, no assignment or other transfer, including a change of control of Contractor, is permitted under the Agreement without the prior consent of Town; and

WHEREAS, Contractor has requested that Town approve the change of control of Contractor to Company; and

WHEREAS, pursuant to Section 18.3 of the Agreement, Town requested and/or Contractor provided information regarding the proposed change of control from Contractor and Company and its affiliates, Contractor and Company or its affiliates complied with such requests, and Town reviewed the information submitted by Contractor and Company and its affiliates; and

WHEREAS, Town has considered the proposed change of control, including but not limited to the qualifications of the Company, and is willing to approve the change of control of Contractor to Company pursuant to the terms of this Consent and Amendment; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals; Definitions. The foregoing recitals are true and correct, and incorporated into this Consent and Amendment by this reference. Capitalized terms used in this Consent and Amendment and not otherwise defined herein shall have the meaning assigned to them in the Agreement.

2. Approval of Change of Control. The City Council of the Town of Atherton approves and consents to the change of control of Contractor to Company pursuant to Section 18.3

of the Agreement (“COC Approval”) and shall in no event be deemed an “event of default” or cause or result in any default or violation under, termination of, or any other effect on the Agreement. The COC Approval shall become effective immediately upon execution by Town of this Consent and Amendment (“Approval Date”) unless Contractor furnishes written notice to Town that it will not consummate the Transaction, at which time the COC Approval shall be deemed null and void.

3. Consent to Future Assignment or Transfer. Town acknowledges that Company may cause Contractor and its affiliates to undergo a reorganization and, in connection therewith, Contractor may assign the Agreement to an affiliate of the Company (“Proposed Assignee”) in a manner that would otherwise constitute an assignment pursuant to Section 18.3 of the Agreement (“Future Assignment”). In the case of the Company, “affiliate” shall only include MIP V Waste (ECI) AIV, L.P. (together with Macquarie Infrastructure Partners V, L.P., Macquarie Infrastructure Partners V SCSp and any special purpose vehicles, portfolio companies or subsidiaries thereof). Effective upon the COC Approval, the City Council of the Town of Atherton approves and consents to any Future Assignment, and such assignment shall in no event be deemed an “event of default” or cause or result in any default or violation under, termination of, or any other effect on the Agreement, upon the satisfaction of the following:

a. Contractor furnishes thirty (30) calendar days written notice to Town following the closing of any Future Assignment or Transfer (“Notice”). The Notice shall describe the assignment or transfer in general terms, and identify the Proposed Assignee, as that term is defined herein below.

b. The closing of Future Assignment or Transfer must occur no later than December 31, 2022.

c. By furnishing Notice to Town, Proposed Assignee represents and warrants to Town that it accepts the assignment of the Agreement from Contractor, and that it assumes all of the rights, interests, and obligations of the Contractor under the Agreement.

4. Due Execution. The person(s) executing this Consent and Amendment on behalf of a party hereto warrant(s) that (i) such party is duly organized and existing; (ii) such person(s) are duly authorized to execute and deliver this Consent and Amendment on behalf of said party; (iii) by so executing this Consent and Amendment, such party is formally bound to the provisions of this Consent and Amendment; and (iv) entering into this Consent and Amendment does not violate any provision of any other agreement to which said party is bound.

5. Entire Amendment. This Consent and Amendment contains the entire agreement and understanding between the parties with respect to the subject matter of this Consent and Amendment and supersedes any and all prior or contemporaneous oral and written representations, warranties, agreements, and understandings between the parties concerning the subject matter of this Consent and Amendment.

6. Full Force and Effect. Other than as set forth in this Consent and Amendment, the terms of the Agreement shall remain unchanged and in full force and effect. In the event of any conflict between the Agreement and this Consent and Amendment, this Consent and Amendment

shall apply.

7. Counterparts. This Consent and Amendment may be executed in counterparts, each of which shall be considered an original.

TO EFFECTUATE THIS CONSENT AND AMENDMENT, each of the parties has caused this Consent and Amendment to be executed by its authorized representative as of the date set forth below the authorized signature.

*[signatures begin on next page]*

**TOWN:**

TOWN OF ATHERTON,  
a municipal corporation

By: \_\_\_\_\_

Its: Mayor  
Date: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_

Its: City Clerk  
Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

By: \_\_\_\_\_

Its: City Attorney  
Date: \_\_\_\_\_

**CONTRACTOR:**

GreenWaste Recovery, Inc.,  
a California corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**COMPANY:**

MIP V Waste, LLC,  
a Delaware limited liability company

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_



10/15/21

George Rodericks  
City Manager  
Town of Atherton  
150 Watkins Ave.  
Atherton, CA 94027

George,

We appreciate you and the Town taking the time to review and ask questions regarding the Change in Control process. You have asked us to clarify the roles of our existing staff after the transition, so I will try to do so here. As you have stated, the Town, in part, chose GreenWaste for the leadership team in place. We believe in our team, and appreciate that the Town agrees with this assessment.

As you know, we cannot force employees to stay with the company. What we can and will do is continue to provide, among other things, competitive compensation packages, a positive and healthy work environment, and a strong commitment to safety and innovation, along with ample opportunities for advancement. This combination has resulted in high retention and low attrition historically, and we anticipate that this will continue. We have no indication that any of our employees have their sights set on leaving and every indication that our staff are confident in their continued employment and excitement as to what the future holds.

Most of the team serving the Town of Atherton remains in place, though at the very senior level we do have the following changes taking place:

- Frank Weigel, the current Co-CEO of GreenWaste (as well as partial owner of the company), will be stepping away from his role as Co-CEO. Frank will continue to be involved in a lesser role and remains committed to the success of the company he helped to build throughout his career.
- I will be transitioning my role and taking the reins as the CEO of the entire GWZ family of companies. I remain committed to the relationship that we have, and remain a call away in the event there is anything the Town needs.
- Greg Ryan, the current CEO of Zanker, will become the Chief Operating Officer for the GWZ family of companies. With 28 years in the industry, Greg will bring a valuable presence to the Town and an amazing team from the Zanker side of the business.

The other main team members that the Town interfaces with: Omar Lopez (Operations Manager), Victor Torres (Route Supervisor), and Ereida Atayde (Office Manager) all will remain in their roles. Ereida is also actively working to replace Kevin Martinez. As we spoke about, Kevin has left his Outreach Role to take on a senior reporting role – one of the opportunities for advancement I spoke about above.

Ultimately, it is my goal to keep those team members who have been serving the Town in their roles with the town, and only anticipate adjustments that would have happened in the normal course of business. MIP V Waste also shares this goal – as they say they didn't invest in trucks and equipment, they invested in the people who make those objects work.

Sincerely,

Tracy M. Adams  
Chief Executive Officer