

C O U N T Y   A D M I N I S T R A T O R



SUSAN S. MURANISHI  
COUNTY ADMINISTRATOR

April 28, 2021

Honorable Board of Supervisors  
County Administration Building  
1221 Oak St., Suite 536  
Oakland, CA 94612

**SUBJECT: TAX EQUITY AND FISCAL RESPONSIBILITY ACT (TEFRA) PUBLIC HEARING FOR THE ISSUANCE OF TAX-EXEMPT BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY IN AN AMOUNT NOT TO EXCEED \$703,700,000, OF WHICH, \$27,200,000 WILL BE USED TO FINANCE AND REFINANCE CERTAIN CAPITAL PROJECTS FOR THE BENEFIT OF REPUBLIC SERVICES VASCO ROAD, LLC. LOCATED WITHIN THE COUNTY AT VASCO ROAD LANDFILL, 4001 N. VASCO ROAD, LIVERMORE, CA 94551**

Dear Board Members:

**RECOMMENDATION:**

- A. Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing for the issuance of tax-exempt obligations by the California Municipal Finance Authority in an aggregate principal amount not to exceed \$703,700,000 to finance solid waste disposal facility projects throughout the State of California with a portion of the proceeds, in an amount not expected to exceed \$27,200,000, used to finance and/or refinance capital projects for the benefit of Republic Services Vasco Road, LLC located at 4001 N. Vasco Road, Livermore, CA; and
- B. Adopt the attached Resolution.

**DISCUSSION/SUMMARY:**

Republic Services, Inc., (borrower) a corporation organized and existing under the laws of the State of Delaware, and/or affiliates thereof has requested that the California Municipal Finance Authority (CMFA) issue exempt facility bonds for qualified solid waste disposal facility projects pursuant to section 142(a)(6) of the Internal Revenue Code of 1986 in one or more series in an aggregate principal amount not to exceed \$703,700,000.

A portion of the proceeds, in a principal amount not expected to exceed \$27,200,000 (including up to \$17,700,000 in new money bonds), will be used to finance and/or refinance certain capital projects at a facility located in the unincorporated portion of the County at Vasco Road Landfill, 4001 N. Vasco Road, Livermore, CA 94551, currently owned and operated by Republic Services Vasco Road, LLC, an affiliate of Republic Services, Inc.

The CMFA is a Joint Powers Authority established in 2004 in conformance with Article 1 (section 6500 et seq.) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (JPA Law) for the purpose of issuing conduit debt to support local economic development. Alameda County became a member of the CMFA JPA in 2006.

Internal Revenue Code (IRS) section 147(f) provides for the issuance of tax-exempt "private activity" obligations by a conduit governmental issuer on behalf of a 501(c)(3) corporation, to finance facilities used, owned and/or operated by such entity. For interest on such private activity obligations to be tax-exempt, among other requirements, the obligations and the facilities financed thereby must be approved by both the governmental unit which will issue the obligations (in this case, CMFA) and the governmental unit in which the obligation-financed facilities are located (Alameda County). Further, a public hearing, for which reasonable notice has been given, must be held. This hearing and process is referred to as TEFRA, after the Tax Equity and Fiscal Responsibility Act of 1983. The assets for which the bonds are to be issued are located within Alameda County. Therefore, the County has been asked to conduct the public hearing, and to approve the bonds as the host governmental unit. CMFA has effectuated proper notice of the hearing via publication at least 7 days in advance.

The bonds will be payable solely from amounts received pursuant to the terms and provisions of the financing agreement to be executed by the borrower or an affiliate. The County will not be a party to the financing agreement. The bonds will not be secured by any form of taxation or by any obligation of either the County or CMFA. Neither would the bonds represent or constitute a general obligation of either the County or CMFA.

As announced in the published notice, the hearing is an opportunity for all interested persons to speak or to submit written comments concerning the proposal to issue the bonds. There is no requirement that either the borrower or the Board of Supervisors respond to any specific comments made or submitted at the hearing.

#### **FINANCING:**

Approval of this financing bears with it no cost or other financial obligation, but serves as a public acknowledgement of the financing and refinancing of facilities by the host jurisdiction. Revenue in the amount of \$2,700 will be deposited into the County Administrator's Office for cost recovery purposes per the Alameda County TEFRA policy adopted on September 17, 2019.

**VISION 2026:**

This public hearing is in support of the Shared Vision of **Safe and Livable Communities.**

Very truly yours,



Susan S. Muranishi  
County Administrator

SSM:JR:bl

Attachments

c: Anthony Stubbs, Financial Advisor, California Municipal Finance Authority  
Andrea L. Weddle, Chief Assistant County Counsel

**RESOLUTION NO. R-2021-274**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA APPROVING A PLAN OF FINANCE FOR THE ISSUANCE OF CALIFORNIA MUNICIPAL FINANCE AUTHORITY SOLID WASTE DISPOSAL REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$703,700,000 FOR THE PURPOSE OF FINANCING AND REFINANCING THE ACQUISITION, CONSTRUCTION, INSTALLATION, REHABILITATION, IMPROVEMENT AND/OR EQUIPPING OF SOLID WASTE DISPOSAL FACILITIES BY REPUBLIC SERVICES, INC. AND CERTAIN AFFILIATES THEREOF, AND CERTAIN OTHER MATTERS RELATING THERETO**

**WHEREAS**, Republic Services, Inc., a corporation duly organized and existing under the laws of the State of Delaware, and/or affiliates thereof (collectively, the “Borrower”), has requested that the California Municipal Finance Authority (the “Authority”) issue exempt facility bonds for qualified solid waste disposal facility projects pursuant to section 142(a)(6) of the Internal Revenue Code of 1986 (the “Code”) in one or more series from time to time in an aggregate principal amount not to exceed \$703,700,000 (the “Bonds”); and

**WHEREAS**, a portion of the proceeds of the Bonds, in a principal amount not expected to exceed \$27,200,000 (including up to \$17,700,000 in new money bonds), will be used to finance and/or refinance certain capital projects at a facility located in the unincorporated portion of the County of Alameda (the “County”) at Vasco Road Landfill, 4001 North Vasco Road, Livermore, CA 94551, currently owned and operated by Republic Services Vasco Road, LLC, an affiliate of Republic Services, Inc.; and

**WHEREAS**, the projects to be financed and/or refinanced at such facility (collectively, the “Project”) include: (a) improvements to existing landfill facilities, including construction of new disposal cells and liners within currently permitted acreage, (b) additions and improvements to the leachate collection and treatment system, including leachate trenching, (c) additions and improvements to the methane gas systems, (d) installation of new liners for intermittent and final closure of completed sections of the landfill facilities, (e) site improvements, (f) acquisition of equipment to be used at the landfill facilities, and (g) acquisition of other equipment and assets necessary to support the foregoing improvements and to place them into service; and

**WHEREAS**, pursuant to Section 147(f) of Code, the issuance of the Bonds by the Authority must be approved by an “applicable elected representative” of the governmental unit in which the Project is situated; and

**WHEREAS**, the Board of Supervisors of the County (the “Board”) is the elected legislative body of the County and is an “applicable elected representative” for purposes of approving the issuance of the Bonds under Section 147(f) of the Code; and

**WHEREAS**, the Authority has requested that the Board approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the "Agreement"), among certain local agencies, including the County; and

**WHEREAS**, the Authority has advised that the Bonds may be issued pursuant to a "plan of finance" and that, for purposes of this resolution, the plan of finance consists of a general plan of the Authority and the Borrower to monitor capital markets and the capital needs of the Borrower within the County and, if market conditions warrant, issue one or more additional series of Bonds in an aggregate principal amount not to exceed \$703,700,000 to finance and/or refinance the Project within the three-year period commencing on the date of the issuance of the first series of Bonds pursuant to this resolution; and

**WHEREAS**, the Bonds may also finance and/or refinance projects of the Borrower located outside of the County but any such projects outside of the County would be required to be approved by the applicable elected representatives of the governmental units in which such projects are situated, pursuant to Section 147(f) of the Code; and

**WHEREAS**, pursuant to Section 147(f) of the Code and Section 6586.5 of the Government Code of the State of California, the Board has, following notice duly given, held a public hearing regarding the Project and the plan of finance for the issuance of the Bonds, and now desires to approve the Project and the plan of finance for the issuance of the Bonds by the Authority;

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Supervisors of the County of Alameda as follows:

Section 1. The Board hereby approves the plan of finance for the issuance of the Bonds by the Authority. It is the purpose and intent of the Board that this resolution constitute approval of the issuance of the Bonds by the Authority, for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with said Section 147(f) and (b) Section 4 of the Agreement.

Section 2. The adoption of this Resolution shall not obligate the County or any agency or department thereof to (i) provide any financing to acquire or construct the Project or any refinancing of the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, construction, rehabilitation, installation or operation of the Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its membership therein.

Section 3. The County finds that the actions authorized hereby regarding the financing of the Project will result in more efficient delivery of County services to residential and commercial development to produce significant public benefits.

Section 4. The officers of the County are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing transaction approved hereby.


Section 5. This resolution shall take effect immediately upon its adoption.

**THE FOREGOING** was **PASSED** and **ADOPTED** by a majority vote of the Board of Supervisors of the County of Alameda this 18<sup>th</sup> day of May, 2021, to wit:


**AYES:** Supervisors Chan, Miley, Valle & President Carson - 4

**NOES:** None

**EXCUSED:** Supervisor Haubert - 1

  
\_\_\_\_\_  
President of the Board of Supervisors  
County of Alameda, State of California

APPROVED AS TO FORM:  
DONNA R. ZIEGLER, COUNTY COUNSEL

By:   
\_\_\_\_\_  
Andrea L. Weddle  
Chief Assistant County Counsel

Attest:

ANIKA CAMPBELL-BELTON

By:   
\_\_\_\_\_  
Clerk of the Board of Supervisors



# Alameda Times-Star

1101 Marina Village Pkwy., Ste. 253  
Alameda, CA 94501  
510-723-2850

2003193

CALIF. NEWSPAPER SVC.  
BILLING DEPT.  
PO BOX 60460  
LOS ANGELES, CA 90060

## PROOF OF PUBLICATION

**FILE NO. 3469570**

In the matter of

**Alameda Times-Star**

The Alameda Times-Star

I am a citizen of the United States; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the Legal Advertising Clerk of the printer and publisher of The Alameda Times-Star, a newspaper published in the English language in the City of Alameda, County of Alameda, State of California.

I declare that The Alameda Times-Star is a newspaper of general circulation as defined by the laws of the State of California as determined by this court's order, dated September, 17, 1951, in the action entitled In the Matter of the Ascertainment and Establishment of the Standing of The Alameda Times-Star as a Newspaper of General Circulation, Case Number 236092. Said order states that "The Alameda Times-Star is a newspaper of general circulation within the City of Alameda, and the County of Alameda, and the State of California, within the meaning and intent of Chapter 1, Division 7, Title 1 [§§ 6000 et seq.] of the Government Code of the State of California." Said order has not been revoked, vacated or set aside.

I declare that the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

**05/11/2021**

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated: May 11, 2021



Public Notice Advertising Clerk

Legal No.

**0006574785**

### NOTICE OF PUBLIC HEARING

**NOTICE IS HEREBY GIVEN** that, on May 18, 2021, the Board of Supervisors of the County of Alameda (the "County") will conduct a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), at which it will hear and consider information concerning the proposed issuance by the California Municipal Finance Authority (the "Authority") of qualified solid waste disposal facility bonds pursuant to section 142(a)(6) of the Code in an aggregate principal amount not to exceed \$703,700,000 (the "Bonds"). The Bonds will be part of a plan of finance, and may be issued in one or more series from time to time over a period of multiple years.

A portion of the proceeds of the Bonds, in an amount not expected to exceed \$27,200,000 (including up to \$17,700,000 in new money bonds), is intended to finance and/or refinance certain capital projects located in the unincorporated portion of the County at the Vasco Road Landfill, 4001 N. Vasco Road, Livermore, CA 94551. The current owner and/or operator of the above facility is Republic Services Vasco Road, LLC, an affiliate of Republic Services, Inc. (the "Borrower").

The projects to be financed and/or refinanced at such location (collectively, the "Project") include: (a) improvements to existing landfill facilities, including construction of new disposal cells and liners within currently permitted acreage, (b) additions and improvements to the leachate collection and treatment system, including leachate trenching, (c) additions and improvements to the methane gas systems, (d) installation of new liners for intermittent and final closure of completed sections of the landfill facilities, (e) site improvements, (f) acquisition of equipment to be used at the landfill facilities, and (g) acquisition of other equipment and assets necessary to support the foregoing improvements and to place them in-to service.

The Bonds and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto do not constitute indebtedness or an obligation of the County, the Authority, the State of California or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them. The Bonds shall be a limited obligation of the Authority, payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower.

The hearing will commence at 1:00 p.m. or as soon thereafter as the matter can be heard. As a public health and safety precaution, no physical location will be available for the hearing. The hearing will be conducted by toll-free teleconference only. Interested persons wishing to express their views on the issuance of the Bonds or on the nature and location of the facilities proposed to be financed and/or refinanced may provide public comments during the hearing by dialing (888) 475-4499 (Toll Free) or (877) 853-5257 (Toll Free); then, following the prompt, dialing Webinar ID 982 7149 1041#. Public comments may also be submitted by mail to the Clerk of the Board, County of Alameda, 1221 Oak Street, Suite 536, Oakland, California 94612, if received at least 24 hours in advance of the hearing. All timely public comments will be provided to the Board of Supervisors and will become part of the public record.

Additional information concerning the above matter may be obtained from the Clerk of the Board, at the address above.

Dated: May 11, 2021

5/11/21

**CNS-3469570#**

**ALAMEDA TIMES-STAR**

**ATS 6574785 May 11, 2021**