



MEMORANDUM

TO: Mayor and City Council

FROM: Sam Angoori, P.E., Interim Director
Austin Resource Recovery Department

DATE: March 15, 2018

SUBJECT: **Trash and Recycling Collection for City Owned or Operated Facilities and Parks
Contract Extension Request (Item 26 – March 22 Council Agenda)**

The purpose of this memo is to provide background information related to Item 26 on the March 22 Council agenda, which requests authorization for an amendment to an existing contract with Republic Services, Inc., dba BFI Waste Services of Texas, LP, contract no. MA- 1500 – NA110000024, for trash and recycling collection for City owned or operated facilities and parks. The procurement to obtain a replacement contract is currently on hold awaiting policy decisions on the Anti-Lobbying Ordinance and landfill matrix. Austin Resource Recovery (ARR) does not have the equipment necessary to perform these services.

We certainly understand the direction given by Council to address all the waste management issues per the Council's working group. We are working on all the issues identified and would not be suggesting a new waste management contract without addressing all those issues. However, we also need to continue to provide trash and recycling collection for City owned facilities and the contract to provide those services is expiring. The current contract with Republic Services expires on July 31, 2018. Therefore, in order to continue to pick up trash and recyclables from our facilities, we need to either extend the current contract until the remaining waste management policy issues are resolved, or enter into an emergency procurement which may result in an increase in prices and limit the services that are provided. We are bringing forward an amendment to extend the current contract.

The amendment allows for an increase in the amount of \$1,511,385 and to add 19 months, for a revised contract amount not to exceed \$7,556,925 to the current contract for the continuation of refuse and recycling collection services for City departments. Based on current and projected spending, the requested \$1,511,385 will cover the City's needs for approximately 19 months. This requested amount is 25% of the total current contract amount allowable by the State law, which is equivalent to the cost of service for 19 months. With the controversy surrounding these waste management policy issues and the extensive involvement of the Zero Waste Advisory Commission, landfill operators and stakeholders, we simply can't predict how much longer it will take to prepare recommendations for Council's consideration. Therefore, we have conservatively allowed for 19 additional months in this extension with the

understanding that if the issues are resolved prior to that time (including issuing a new solicitation with the new landfill criteria matrix and bringing the resulting contract to Council for your consideration - that process by itself will take several months) that the extension contract will then be terminated. So, in other words, upon securing a new contract, staff would not have to continue with this contract extension for the entire 19 months.

If a contract extension is not secured, City facilities and parks will be without trash and/or recycling collection services. This interruption of services may lead to hazardous health conditions and compliance issues with State law.

The request to amend this contract by increasing the contract authority in the amount of \$1,511,385 and adding 19 months to the term of the contract was presented to the Zero Waste Advisory Commission. ZWAC approved the staff recommendation by a unanimous vote.

Staff is working to address the recommendations of the Council Waste Management Working Group so that a new solicitation for these services, as well as others, can move forward for consideration.

Status Updates:

Anti-Lobbying Ordinance

The Purchasing Office is working to revise the Anti-Lobbying Ordinance based on recommendations from the Working Group as well as feedback from the Ethics Commission, stakeholders and members of the Audit and Finance Committee. Staff presented Version 2 and a summary of stakeholder feedback to the Audit and Finance Committee on March 5. Staff plans to present Version 3 at the next Audit and Finance Committee meeting and seek committee approval to bring the revised Ordinance to Council in April.

Landfill Matrix Criteria

ARR presented an initial draft of the Landfill Criteria Matrix at the Nov. 8, 2017 meeting of the Zero Waste Advisory Commission and invited stakeholders to submit comments. ARR presented an updated draft landfill criteria and staff response to public comments at the Jan. 10, 2018 meeting of the Zero Waste Advisory Commission.

Based on feedback at the Feb. 14 meeting of the Zero Waste Advisory Commission, ARR agreed to schedule a series of stakeholder meetings to facilitate more discussions between stakeholders and Commissioners. ARR has scheduled a series of four stakeholder meetings during March and April; each meeting will focus on specific sections of the Landfill Criteria Matrix and will be facilitated by an outside facilitator.

ARR staff plans to present Draft 3 of the Landfill Criteria Matrix at the May meeting of the Zero Waste Advisory Commission and seek their recommendation for approval.

cc: Spencer Cronk, City Manager
Robert D. Goode, P.E., Assistant City Manager
James Scarboro, Purchasing Officer