

AGENDA



Thursday, August 5, 2010

**Solid Waste Services
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 25

Subject: Authorize the execution of a short-term contract with Texas Disposal Systems for the provision of recycling services for a one-year term with two additional 6-month extension options.

Amount and Source of Funding: Funding is available in the Fiscal Year 2010-2011 Operating Budget of the Solid Waste Services Department. Funding for the remaining months of the original contract period and extension options is contingent upon available funding in future budgets.

For More Information: For more information contact Bob Gedert, 512-974-1926.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). Firm MBE/WBE participation will be negotiated as part of the final contract.

Boards and Commission Action: Reviewed by the Solid Waste Advisory Commission.

The City's Solid Waste Services Department (SWS) is responsible for providing weekly collection of garbage, recycling, and yard-trimmings as part of the Pay-As-You-Throw Program (PAYT). In addition to these services, SWS is responsible for the semi-annual collection of large brush and bulky items, street sweeping, dead animal collection, and litter abatement services. The Solid Waste Services Department is funded by monthly fees for the PAYT program and Anti-Litter Fees.

The City implemented Single-Stream Recycling Collection citywide in October 2008. Participation is voluntary and is available to all residential and commercial customers who subscribe to the City's garbage collection program. Currently, the Single-Stream Recycling Program has 177,170 residential accounts and 543 commercial accounts. Collection is provided by City crews and City-owned and City-operated equipment. The City utilizes 96-gallon carts for both residential and commercial accounts. FY 09/10 tonnage is projected to be approximately 55,000 tons. Approximately 65% of this tonnage is paper, 28% of this tonnage is containers (plastic, steel cans, aluminum, and glass), and the remaining 7% is residuals.

The Single-Stream Recycling Collection program operates on a bi-weekly schedule with every other week being an A-week or a B-week. This means that there are collection routes on a daily basis five days per week including holidays with the exception of Thanksgiving Day, Christmas Day, and New Year's Day when the latter two fall on a weekday. There are eighteen regular daily routes and three specialty routes. Eleven of the regular routes are serviced with automated collection trucks and operate on a ten hour schedule. Seven of the regular routes are serviced with semi-automated collection trucks and operate on an eight-hour schedule. Specialty routes operate on an eight hour schedule. The automated trucks and the specialty trucks are full-eject bodies and the semi-automated trucks are tip-to-dump bodies. The regular routes are currently bringing in two to three loads per day.

On June 24, 2010, the City Council identified three firms as candidates for handling the City's Single-Stream Recycling needs picking up where the current City contractor's recycling contract ends. The City Council directed the City Manager to negotiate with the three firms and determine which would be the most advantageous to the City for handling its short-term recycling needs until a long-term resolution could be reached. Negotiations commenced and have concluded and Texas Disposal System (TDS) is the recommended short-term contractor. The contract negotiated with TDS includes an initial one-year term, with two additional 6-month extension options, and gives the City an 80% revenue share for the

recycled materials deducting a per-ton tipping fee. Although the contract is revenue generating for the City, because the revenue is market based there is the potential, although unlikely, that the City would incur costs.