



Recommendation for Action

File #: 21-2422, **Agenda Item #:** 4.

7/29/2021

Posting Language

Authorize negotiation and execution of amended service schedules, including revised pricing and revenue to the City, to the single-stream recycling contracts with Texas Disposal Systems and Balcones Resources.

Lead Department

Austin Resource Recovery.

Fiscal Note

Funding is available in the Fiscal Year 2020-2021 Operating Budget of Austin Resource Recovery. Funding for the remaining contract term is contingent upon available funding in future budgets.

Prior Council Action:

April 21, 2011 - Council approved the execution of a master recycling services agreement and service schedule with Balcones Resources, item 44, on a 7-0 vote.

April 28, 2011 - Council approved the execution of a master recycling services agreement and service schedule with Texas Disposal Systems, item 39, on a 6-0 vote.

For More Information:

Ken Snipes, Director, Austin Resource Recovery, 512-974-1926; Victoria Rieger, Finance Division Manager, 512-974-1960

Additional Backup Information:

Austin Resource Recovery (ARR) provides collection of garbage, recycling, yard-trimmings, and compost as part of the Residential Curbside Collection Services. In addition to these services, ARR is responsible for the periodic collection of large brush and bulky items, street sweeping, dead animal collection, and litter abatement services. These services are funded by fees charged to ARR customers.

The current Residential Recycling Master Agreements are 20-year contracts. Each Master Agreement allows for a "Reset" to periodically negotiate new terms & conditions outlined in Exhibit A of the Master Agreement, otherwise known as the SFR Recyclable Materials Service Schedule. The department seeks Council approval to negotiate and execute the terms of the second reset scheduled in 2021.

Texas Disposal Systems currently receives 40% of the City's curbside recycling stream while Balcones Resources receives 60%. The percentage of recycling may be reapportioned between the vendors at the Second Reset Date based on certain criteria provided in the existing Service Schedule. As required by the contract, the vendors are responsible for operating materials recovery facilities for the purposes of accepting, sorting, processing, storing, and marketing the City's residential single-stream recyclable material.

The department intends to begin good-faith negotiations with the vendors regarding the terms of the Service Schedules with the goal of creating shared risk and reward.

Strategic Outcome(s):

Health and Environment