



Republic Services Clams Up After City Demands Answers

By Joe Hyde | Jan. 25, 2017 4:11 pm

SAN ANGELO, TX - After San Angelo LIVE! blew the whistle on the City of San Angelo's lax accounting of refunds supposedly issued by the city's incumbent trash hauler, this week City Manager Daniel Valenzuela took action and asked Republic Services to provide the City with information about to whom and what amount refunds were made.



Republic Services trash truck in San Angelo. (LIVE! Photo)

Republic responded, 'Nuts!' And hid behind ongoing litigation.

"In communications with Republic's attorney, the City has requested that information. The City was advised that the information is confidential and the subject of pending litigation," City Attorney Brandon Dyson stated in an email this afternoon.

Republic Services is accused of overcharging thousands of San Angelo businesses over more than a decade for "Fuel Charges/Environmental Recovery Fees." The accusation was leveled by the losing competitor for the trash contract contest in 2014, Texas Disposal Systems, in the cover letter to its RFP response and from the podium at the April 1, 2014 city council meeting. Despite the allegations, the city council voted 6-0 to proceed with Republic anyway.

Internal emails revealed sincere promises made by City Manager Daniel Valenzuela to then-President of the San Angelo Chamber of Commerce Phil Neighbors that there would be a full accounting of the alleged overcharges before city officially inked a \$260 million, 10-year exclusive deal with Republic.

Now, 2.5 years later, San Angelo LIVE! discovered, in an expansive open records request, that the full accounting Valenzuela promised was a sham. The City of San Angelo could only produce a one-page report with "DRAFT" inked atop it in light gray ink (view it here in *pdf - ATTACHED).

Even so, the draft report admitted that the city believed Republic Services had been ripping off San Angelo businesses for years.

“Republic had been overcharging commercial customers for many years. The total amount that had been overcharged is too great and spanned too many years to be determined,” the City of San Angelo’s draft audit concluded. It was never signed or presented formally to council, though Councilwoman Charlotte Farmer, an advocate for making the deal with Republic, said she had studied the details of an audit.

The City also admitted today that it cannot account for approximately \$80,000 of \$100,000 in refunds it said Republic Services owed it for dumpsters on city property.

“I believe refunds to the City were only made by check. As you know, we have provided you with all check copies that we have. We are now attempting to identify and compile alternative records that reflect refunds made to the City,” Dyson stated today in an email.

What pending litigation is Republic Services using to hide behind? This one, likely:

A lawsuit was filed in 2014 against Republic Services by TDS-affiliated Acme Iron and Metal and Mayfield Paper over the alleged overcharges. The civil lawsuit is stalled in court. The last movement on the case was Dec. 2015 in the 119th District Court in San Angelo.