



City Manager: City "Anticipates" Trash Contract to be Approved by Council Tuesday

by Joe Hyde

Jun 30, 2014

City of San Angelo staff still "anticipates" approval of the new trash contract with Republic Tuesday morning, said City Manager Daniel Valenzuela Monday afternoon.

Competing bidder Texas Disposal Systems held a press conference at 1:30 p.m. today and outlined in detail how their allegations that Republic Services overcharged commercial customers over 14 years were computed. TDS CEO also owns Acme Iron and Metal, a San Angelo business.



Acme is the primary plaintiff on a lawsuit filed against Republic to recoup the overcharges. Stanley Mayfield, CEO of Mayfield Paper Co., another San Angelo business, said his company is also a plaintiff on the lawsuit. The lawsuit was officially filed just after noon today, said TDS' lawyer Gary Newton.

TDS CEO Bob Gregory used the remaining time in the one hour and 15 minute press conference to break down the contract that will be voted upon Tuesday morning at the regular San Angelo City Council Meeting.

City Manager Daniel Valenzuela issued the following statement following the TDS press conference:

The City of San Angelo greatly appreciates Republic Services working with us to resolve questions regarding charges commercial customers have paid. That process has resulted in Republic agreeing to refund in full all excess fees charged to its approximately 2,000 commercial customers beyond those reflected in the waste collection fee schedule. It is important to note this situation has not touched any of our more than 30,000 residential customers.

A question has been publicly raised as to the findings of the City's internal auditor regarding unauthorized charges. Working with Republic, the internal auditor found environmental recovery fees and some fuel surcharges were not supported by City Council action. But because of the sheer volume of the billing records involved, there is no way for us to know precisely how much money is involved. That's why the City endorsed Republic's hiring of a third-party, external auditing firm that will independently determine the amounts owed to each of the commercial customers touched by unauthorized fees.

Moving forward, the City anticipates approval of a solid waste contract that will very shortly result in an increased level of service at the lowest possible cost for customers and the least financial risk for their municipal government.