

AUSTIN MONITOR

Friday, June 23, 2017 by Jack Craver

RESOURCES

Council approves composting contract despite Texas Disposal Systems objections

City Council approved a contract Thursday to dramatically expand the city's curbside organics collection and composting program.



The new contract builds upon the pilot program that has been in place for nearly four years. Under that program, Organics By Gosh, a local composting firm run by a husband-and-wife duo, collected organic waste from the curbs in front of 14,300 homes at no cost to the city. It would then process the waste and sell it for profit.

Under the new contract, the same company will gradually expand its service to roughly 200,000 homes by the end of the three-year contract, for which the city is paying \$1.51 million.

The contract was approved unanimously, but not after a lengthy debate over whether Council should delay approval to get additional feedback from a working group that was formed in April to evaluate how waste contracts are awarded.

Leading the charge for a postponement was Michael Whellan, an attorney representing Texas Disposal Systems, who argued that Organics By Gosh had yet to answer a number of important questions about its plans for processing the massive amounts of waste it would now be responsible for.

Texas Disposal Systems did not bid on the contract itself. The company has refused to enter bids that would require it to submit to the city's anti-lobbying ordinance, which a company official told the *Austin Monitor* Thursday it is working to change. It has, however, opposed other companies' bids on waste contracts.

Whellan began by ridiculing Organics By Gosh's current 2.79-acre processing site in eastern Travis County as far too small to accommodate all of the anticipated waste, likening it to

“hosting ACL in a pocket park.” Plus, he noted, part of the site is located within a 100-year floodplain, in violation of a Travis County ordinance.

Whellan then noted that the company has acquired a second, much larger site in Bastrop County and wondered aloud whether the company was going to be charging the city extra to haul the waste a longer distance. Finally, he noted that Organics By Gosh had said it was pursuing a third site but would not disclose its location.

The contract, said Whellan, presented “numerous unanswered questions.”

Whellan’s testimony prompted a vociferous rebuke from Donna Gosh, one of the company’s namesakes, who accused Texas Disposal Systems of “sowing fear and spreading incomplete information” and repeatedly dismissed the potential competitor’s objections as “nonsense.”

The Travis County ordinance prohibiting composting in floodplains is a national anomaly, she said, adding that the county has granted her business an exemption. Nor, she said, did the company plan to charge the city more for the cost of hauling waste to the new site in Bastrop.

Later, Phil Gosh, the other half of company ownership, explained that he wasn’t quite ready to disclose the location of a new composting site that the company is in the process of acquiring north of Austin.

“This waste industry is kind of ruthless,” he said. “Competition has been known to buy property right next to you and then make things difficult for you in terms of permitting.”

While Council members appeared satisfied with the Gosh’s explanations, there was some initial division about whether they should authorize city staff to negotiate and execute the contract right away.

Mayor Steve Adler said he had hoped that an expected report from the working group would inform his decision on the contract. Council Member Leslie Pool thus offered an amendment to authorize staff to negotiate the contract but come back to Council in August to receive approval before executing it.

After debate among Council members – and a plea from Donna Gosh to “end this nonsense” – Council instead approved a substitute amendment by Council Member Jimmy Flannigan that gave staff the OK to negotiate and execute the three-year contract. However, in contrast to what was proposed by staff, the contract cannot be automatically renewed for three subsequent years without Council approval.

Ultimately, Adler was the only one who voted against Flannigan’s amendment. Council Member Ann Kitchen abstained.

Outside Council chambers after the vote, Adam Gregory, son of Texas Disposal Systems founder Bob Gregory, said that he was disappointed that Council voted “without knowing a lot of facts behind it.”

“I think it would have been more appropriate to finish the policy discussion that we’ve been having and adopt changes to the purchasing process before we approve a contract like this,” he said.

Donna Gosh kept it simple when asked for comment on the big win for her company.

“Go God!” she said. “This was all God’s doing.”