



San Angelo City Council Hear Spirited Comments; Approve Negotiations With Republic

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In Brief:

The City Council approved allowing staff to begin negotiations with Republic Services

Several citizens objected to short window of consideration

The San Angelo City Council voted 6-0 on Tuesday to allow city staff to begin negotiations with Republic Waste Services for trash pickup and landfill operation services.

About half of the attendees at the meeting on came to hear about Item #18: Consideration of authorizing City staff to negotiate two separate contracts regarding Request for Proposal OP-01-14 with Republic Waste Services of Texas, Ltd for (1) the Lease and Operation of the San



Angelo Sanitary Landfill and for (2) Waste Collection Services for the City of San Angelo.

With some of the day's business behind them, Mayor Dwain Morrison announced he was moving the main event up the schedule to discuss the City's waste management situation before lunch.

The Council had six for the meeting **as** member Marty Self was not in attendance.

Bob Gregory asks the San Angelo City Council to let his company make their presentation. (LIVE! Photo/Matt McDaniel)



City Operations Director Shane Kelton briefed the Council on RFP process and said:

“We got the responses in and distributed them to the evaluation committee, who looked through them, and we met to score the proposals based on criteria listed in the RFP...the ranking for the landfill management put Republic in first place and Texas Disposal Systems second, and the ranking for solid waste put Republic first and Texas Disposal Systems second.

Former City Council member Paul Alexander said Texas Disposal Systems are very easy to work with and have great ideas.(LIVE! Photo/Matt McDaniel)

“The committee that reviewed these is recommending that [Council] allow staff to begin negotiations with

Republic Systems for the sanitary landfill and for solid waste collection services”

Kelton explained that they were looking to begin negotiations with the high-scoring company, and if for any reason they failed to reach terms successfully, there would be nothing to preclude them from entering into fresh talks with TDS.

“This is just an authorization to negotiate; it is not the final contract,” Kelton added.

That point was reiterated several times during the ensuing hour of discussion and public comment that followed.

Council member Charlotte Farmer asked about setting a time period for negotiations and Mayor Morrison pointed out that the current contract expires in July.

While this was still being discussed Farmer made a motion to approve the agenda item as well as the timeframe for negotiations.

They talked about the deadline a little more putting the May 6th date on it to coincide with Council’s schedule, and after getting a second the Mayor asked for any further Council comments.

Council member Winkie Wardlaw took a minute to talk about his feelings regarding the RFP process.

“I would just like to complement everybody that was on that committee...it was apparent to me that everyone had done their homework and spent many, many hours--and days--going through it...more pages than you could count...and they were able to distill it down to the relevant parts, and focus in on what was best for the citizens of this town.

“This is one of the most important things that this council will have to decide, and I’m real comfortable with what we did...there is no doubt in my mind that the scoring was appropriate, and I’m willing to talk to my constituents at the appropriate time as to the reasons for the decision.”

Council member Rodney Fleming complimented both companies on their submissions calling them “outstanding.”

He also talked about the “crazy” amount documents they had to wade through in vetting the proposals and said he feels either choice would be a good company to work with.

“One company just stood out more than the other,” he explained.

Farmer took a minute to compliment Kelton and other city staff and said they helped the process go very smoothly.

With comments from Council concluded the mayor opened the floor to the public and Charles Young wasted no time making his way to the podium, introducing himself, and telling the Council he was alarmed by the swiftness of their action on the RFP.

Young broke his concerns down by the numbers.

“I don’t have a vested interest one way or the other,” Young said. “The last time an RFP went out for this was 37-years ago—that’s 13,541 days.

“The letters I have seen that expressed an intent to negotiate with Republic were dated March 25th; So that’s 13,541 days [to call for an] RFP, and 97 days creating an RFP, 40 days getting it back and one working day deciding on which one we’re going with.

“The appearance of this as a fait accompli makes me nervous,” he added.

Young went on to talk about Council members who were against the RFP, and said he felt the body had issued the RFP “grudgingly,” singling out Wardlaw who had talked about “changing horses midstream” during the November meeting. He said it seemed like things were being hurried along against the public’s best interest.

“My concern is the timeframe,” Young continued. “You got the proposal on Friday and the letters were sent on Tuesday; that does not give you “many, many, many days to thoroughly vet this-- when you take one-ninetieth of the time to review the RFPs as you spent preparing it in the first place — it frightens me.”

Young said he is very active in the community and talks to many people who share concerns about recycling and the environment, and he does not feel like the short time frame could allow their voices to be heard.

As Young went on to question the Council members about negotiations, find out who was on the committee and how often they met, Fleming took exception to his suggestion that the Council was not keeping the city’s best interest at heart.

As tempers began to flare, the mayor interrupted to keep control of the meeting, and shed some light on the RFP process for the public.

"If you have any questions they need to be sent to Kelton," Morrison said. "The reason we didn't make this public is because this is a negotiation that we have with two entities and it's secret. It is not public information."

Young pressed on saying he had not yet received answers to his questions and moved through some of his points again when the mayor called time.

Next up was local business owner Stanley Mayfield and he had some questions about the money.

"I saw the article in the paper and was very confused by it, because you seem to have run through this entire process very quickly. I was puzzled by the fact that there would be negotiations after a vendor was chosen, which to me seems tough to do... how do you negotiate after the competition issue is no longer in the discussion?"

Mayfield wanted to know about the value of the contract citing figures from LIVE!'s report, and was told there were no dollar figures available to the public at this point.

Mayfield then asked about the historical value of the contracts and silence overtook the room as city employees consulted their laptops looking for an answer.

Michael Dane said he would have to get back to him on that point, and explained that he could figure out what the city's share of waste operations came to.

Ballpark figures were requested by Mayfield and again no answer was forthcoming.

"Really?" Mayfield asked. "Nobody has a ballpark figure for what the contract is worth?"

Former Council member Paul Alexander tried to help Mayfield come up with an estimate and Farmer allowed that the figure would be "multi-million dollar."

Mayfield expressed displeasure that the whole thing was not done with greater transparency and Council members, along with the city attorney, informed him everything was strictly above board.

Morrison then took a minute to explain the Council's position on divulging bid numbers.

"We do have prices Mr. Mayfield," he said. "We know what [both companies] propose to charge us because it's part of the package, but until we have a chance to negotiate and reach a final decision we are not going to show our cards."

After being warned on time by the mayor, Mayfield continued on to say he had saved money on a dumpster outside of town by going with someone other than Republic.

Paul Alexander stepped up next and began with questions about recycling.

"I haven't heard about recycling," he said. "Are we going after recycling?"

Morrison informed him that both companies had recycling components in their proposals and repeated that they are just trying to enter into talks with the company that ranked first in the contest and if things didn't work out, they would be moving on to talks with TDS.

Alexander said he speaks often with the public at large and reported that recycling is high-up on their list of priorities.

"They overwhelmingly want recycling," he said. "I think they will revolt if you don't have the recycling, so I think you've got to do it."

He moved on to endorse TDS and said he has talked extensively with them and finds them very easy to work with.

"Texas Disposal has never said 'no' to anything," He said. "They are very bright people."

Alexander said in questioning them on several points, some as mundane as receptacle color, he found them positive and enthusiastic about doing business.

Alexander said he when he asked if they could get green cans, because he feels they are less of an eyesore, they said 'yes.'

When he asked about pickup times TDS told him their trucks are on GPS and they can pretty much guarantee that his location will be serviced during the same 20-minute window every time. He said his experience with Republic was sub-par.

"Today is trash pick-up day," he said. "If it's a windy day and I stick my trash can out in the morning, the lid can pop up and trash goes out...I don't know what time Republic is coming by and I've told them over and over and over again 'you've got to be predictable.' They come at eight o'clock and I don't have my trash can out so I put my trash can out at eight and they don't come by until four o'clock, and on a windy day the trash goes everywhere.

"At TDS if somebody calls in, because their trash wasn't picked up, they will send you a picture of the car that's parked in front of your trash can."

Alexander said he was surprised by the short consideration period for the RPF bids and also was confused by the lack of presentations by both sides.

"I thought both entities were going to get to stand up here and present to the entire council, a summary at least, so you guys would get to have a fair shot at hearing what they have to say, and I think that was skipped over."

As time was called on Alexander he took a final minute to mention that TDS is "a really amazing company...it's two San Angelo boys who made this company and they are as local as you are going to get."

Tony Villarreal came up and commended the Council for initiating the RFP process and said he agrees with the committee's recommendation.

“From my experience as a customer, as a citizen and also as a public servant, Republic has been outstanding. What I appreciate the most about them is that they adjust to the situations at hand and are always conscious of the customer.

“We had a quick response anytime we had a situation they were always there to assist us and make sure the citizens were completely satisfied, and their customer service is outstanding—their professionalism.

“And they involve themselves in the community—you see them all over the place; serving on different boards and civic groups... they are always there to lend a helping hand.”

Jim Turner came up to say that the factors used by the committee needed to be made public, so people could see what criteria influenced the choice, and he talked about the level of impact a decision like this would have on the community.

“It’s not just a dollar-amount figure that goes into a contract like this,” he continued. “The impact is not just economic, it’s social and cultural.”

“Those factors that you looked beyond just the numerical, monetary bottom-line, need to be made public.”

Assistant City Manager Michael Dane informed him that the Standard-Times had made them public in Monday’s edition and Taylor cut him short.

“It needs to be part of this meeting!” Turner emphasized. “Right now not everybody reads the Standard-Times paper for a number of reasons...the City of San Angelo needs to do that as part of this deliberation.”

At that time Shane Kelton went to the front to read off the list of criteria, which included: Financial Impact of the Proposal; Operational Experience of the Respondent; Financial Qualifications / Stability of the Respondent; Adherence to the Specifications; and lastly, Additional Beneficial Criteria.

He did not have weighting information available at the meeting.

At this point City Manager Daniel Valenzuela took a moment to say that everyone involved in the process took both proposals seriously and tried to select the best choice for the City, adding that they were moving ahead “very cautiously.”

That is when Bob Gregory, president of TDS, got a chance to say his peace.

He thanked the Council for inviting his proposal and went right to the point.

“Last Friday when we received the letter it said the selection committee had completed its review of the RFP and would request authorization to enter into negotiations with Republic Services at today’s meeting.”

“The move to negotiate without public consideration of TDS’s proposal raises significant concerns; first, it ignores the fact that Republic already has the environmental responsibility and

liability related to the operation of the city landfill for 37 years, and from being the primary hauler of waste from the city and the numerous communities in the area.

“Secondly, it fails to publicly answer questions TDS has asked about in our RFP response about fees Republic has been collecting from its customers for years, apparently without authorization, and overcharges to commercial accounts within the city beyond what is allowed.”

He said TDS estimates that Republic’s San Angelo customers have been overcharged by about \$1 million per year, for many years.

He said that Republic’s overcharges come from extra fuel charges and environmental fees they are not authorized to collect.

He also talked about his concerns that TDS was not allowed to make a presentation to the full Council, contrary to his understanding of the process.

“Several Council members who were not on that committee said they were fine with that because they would get to hear all of our presentations, and if you approve [the agenda item] you will cut off an opportunity to hear TDS’s presentation because we will not be in the hunt.”

Mayor Morrison gave Gregory the one-minute warning and he used the time to spell out an alternative motion.

“TDS requests that the City Council not approve Agenda Item 18, and thereby not direct city staff to negotiate exclusively with Republic. Instead TDS requests that City Council and staff post a separate agenda item for City Council for consideration at its next meeting to direct city staff to negotiate contracts with both Republic and TDS for both landfill and solid waste services and allow both respondents to make presentations to the Council prior to moving forward with any contract negotiations.”

Marty Behrens came to the podium next and talked about his relationship with Republic; Behrens is on the board of the San Angelo Blues Society and said the company works with them, and several other organizations around town, to help raise money for scholarships.

Charlotte Farmer had left the room briefly and there being no further public comment Wardlaw had a few final thoughts to share while they waited for her return.

“I think it’s a little unfortunate, the way it worked out, that things were so compressed with time; I would have liked to have had more too, and I always like more transparency...its just the way the municipal bidding process is doesn’t allow us to have more transparency...and we’re running up against the expiration of the other contract.

He said Kelton’s RFP was very comprehensive and designed to protect the citizens of San Angelo.

Del Velasquez with Downtown San Angelo, Inc. took the opportunity to put in a good word about the help Republic gave his organization with a Chadbourne Street project at the Roosevelt Hotel.

Farmer returned and the mayor had the motion reiterated before the vote.

The council voted 6-0 in favor of allowing staff to begin negotiations with Republic for both areas of the waste collection RFP.

Bob Gregory said he was disappointed but not surprised.

“This will open the door for us to go and talk to the business community and the media; folks who care about recycling, composting, the landfill and whether or not Republic has overcharged their customers.

“I think I will be received very well by the people and businesses in this city who are interested in doing something different.

“I am particularly frustrated because I am still in the RFP process and that prevents me from communicating with city officials outside of a public meeting unless they ask me a question...but they need more information and I can't give it to them unless they ask me for it because I play by the rules.

“So we can't talk to the city officials or the staff, but we can talk to the community—and we will.”