



Republic Services' Suspect Extra Fees to School District May Exceed \$50,000 Annually

by Joe Hyde

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Through an Open Records Request, we found that Republic Services may have billed the San Angelo ISD over \$50,000 annually in suspect fees.

They are suspect fees because no one at the City of San Angelo or Republic Services will explain how or when the “Environmental Recovery Fee” was authorized or for how long the fee has been imposed on commercial trash collection customers of the City’s monopoly trash collections vendor, Republic Services.

On several commercial invoices San Angelo LIVE! has seen, the suspect “Environmental Recovery Fee” totals around 32-33% of the invoice.

Through an Open Records Request, San Angelo LIVE! obtained the

Republic invoices to the San Angelo Independent School District for March 2014. The District, considered a commercial trash collection customer by Republic, was charged over \$4,300 per month, or approximately 33% extra, in the suspect fees.

The District is a large customer with 42 trash pickup locations.

We have requested all of the District’s Republic Services (or previous Republic company entities for trash collection) invoices dated as far back as 2010. The request, District officials said, will take some time to gather the information from the District’s archives.



Republic Services Roll-off Trash container at one of the new hotel construction sites at Houston-Harte and Sunset Dr. (LIVE! Photo/Joe Hyde)

Assuming that the District pays the suspect charges monthly, and we assume that they are, the Republic surcharges can pay for more than one teacher's salary. The suspect charges to the District, labeled "Total Fuel/Environmental Recovery Fee" if paid annually total \$51,705.

An entry-level teacher is paid approximately \$32,000 per year salary according to District officials. If the charges are universal for an entire 12 months, the suspect fees are equal to 1.62 new teachers.

Republic competitor, Texas Disposal Systems CEO Bob Gregory pointed out that commercial trash bills include the fee, but not residential fees. Republic directly bills the commercial trash collection fees to the customer; residential fees are attached to City water bills.

TDS spokesman Ryan Beard said that when the City awards an exclusivity contract, it is the City's duty to protect the citizens and businesses under its jurisdiction by monitoring that the terms and conditions of the contract are enforced.

Gregory nor his team could find authorization from Council for Republic to tack on an "Environmental Recovery Fee," The fee is equal to approximately 32-33% of the total trash collection charges on the invoices that we have seen.

Republic does not answer our calls or emails. The city attorney was not available for comment Monday afternoon at 5:30 p.m. City of San Angelo Public Information Officer Anthony Wilson said that the City is investigating the Environmental Recovery Fees.

City officials apparently became aware of the suspect fees when they opened the TDS bid at the end of March. TDS' Bob Gregory enumerated the suspect commercial surcharges in an open letter then.

The City chose Republic as the winner of the trash collection and landfill management RFP process at the Apr. 1 City Council meeting, and announced that the City will begin negotiations on a new contract with Republic immediately.

Republic Services spokesmen told the San Angelo Standard-Times that they would not comment on the Environmental Recovery Fee because they are in secret contract negotiations with the city. Every Council member we have asked said that they would defer comment until negotiations with Republic are complete.

TDS' Gregory asks how can the RFP process be fair if the incumbent competitor vendor is allowed to directly bill the City's commercial customers 32% extra without the City knowing about it?