



City to Consider Litigation With Republic Over Old Trash Contract

by Joe Hyde

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The City of San Angelo's Tuesday Council meeting will include a discussion on possible litigation with Republic Services, the City's current waste disposal and landfill contractor, with whom the City is negotiating a new contract to start Aug. 1.

The Council agenda published on cosatx.us Friday contained the following to be discussed in executive session:

"Section 551.071(1) to consult with attorney on pending or contemplated litigation relating to 1) alleged non-compliance with Agreement for Waste Collection and Disposal and Landfill Lease and Operation between City of San Angelo and Republic Waste Services of Texas effective August 1, 2004 and 2) pending litigation involving one or more water rights owned by the City of San Angelo.



A future trash contract with the City of San Angelo will include automated carts like the one pictured and a recycling program. (LIVE! Photo by Chelsea Schmid)

City Public Information Officer Anthony Wilson could not release any further details because the agenda item is slated for the executive session.

At Wednesday's special press conference on the trash controversy, City Manager Daniel Valenzuela praised the working relationship that the City enjoyed with Republic. When asked whether the city manager's stated opinion expressing a general mood of goodwill and friendship with Republic had changed in the City Manager's mind since Wednesday, Wilson said "no."

Texas Disposal Systems President Bob Gregory called the agenda item "very interesting."

"The topic is so broad that it could refer to litigation involving several different entities with different causes of action. While the City certainly could be looking at litigation against Republic related to their management of the City's landfill or their charging local businesses an estimated millions of dollars in surcharge fees not authorized by City ordinance, the City Manager's supportive statements about Republic at his Wednesday press conference suggest a pep rally

to justify the award of a new contract, rather than a serious litigation discussion,” Gregory wrote from his iPhone.

TDS lost the RFP selection to Republic Services.

Republic Services declined to comment on the story, though several attempts were made to contact local officials.

Analysis

Valenzuela’s stated strategy Wednesday was to direct his staff to pave two pathways through the trash controversy up and until the time a decision will need to be made by Council. The first tack is to finish negotiations on the new contract from the RFP selection with Republic, and the second is to fully investigate the suspect Environmental Recovery Fees (ERF), equal to approximately 32% extra on commercial trash collection bills, that Republic has been charging for at least a decade. To date, the City has announced no finding of specific legal authorization for Republic to charge San Angelo’s commercial customers the ERF.

Since the 2004 contract is involved in the executive session description, this may be related to the ERF issue. City staff may be poised to offer Council options on how to proceed with the second pathway described above.

Wednesday, the City said the contract negotiations would not be completed in time for the May 6 council meeting.

Valenzuela is distancing himself from being involved in the actual trash decision by assuming the role of researcher and facilitator for Council. Once his staff has completed their negotiations and research, the decision on how to proceed will rest almost completely upon Council’s shoulders.

How much of the fallout of the trash controversy will reach the fourth floor of City Hall is an open question.

Meanwhile, the trash controversy is more political than ever. Council elections are May 10, and it is unlikely that a negotiated contract will be presented to Council for a vote before new Council members are sitting on the dais. How this election turns out could significantly impact the trash decision.

Trinidad Aguirre, who is running against incumbent Councilman Rodney Fleming, has spoken out against the process. Fleming sat on the RFP selection committee and has defended his vote to select Republic. Councilman Johnny Silvas is also up for re-election. Although Silvas voted to approve the selection of Republic and to proceed with negotiations, he has been less outspoken on the RFP process than Fleming. Silvas is facing two opponents who may split his opposition.

Elizabeth Grindstaff is running against an underfunded candidate in retiring Councilman Winkie Wardlaw’s Santa Rita district and hasn’t taken a public position on the RFP process that we are aware.

The irony of the matter is the City is discussing litigation with a vendor at the same time it's negotiating a long-term, multi-million dollar contract.

In a San Angelo LIVE! poll conducted of a convenience sample of 161 Facebook fans of San Angelo LIVE's and The San Angelo Connection Friday, sentiment is running strongly against the City's handling of the trash RFP process by a margin of 85% against to 15% for. We will keep the survey open through Monday morning's email time, 8 a.m.

You can participate in the one-question survey here. (attached)

San Angelo Trash Controversy

1. Are you comfortable with the Request for Proposal process for the trash collection contract and landfill management as executed by the City of San Angelo?

- Yes
- No

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