



Trash dispute headed to court

Suit planned over Republic surcharges

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SAN ANGELO, Texas —The dispute over who will collect and dispose of San Angelo's garbage will go to a new level next week.

One of the two firms competing for the multimillion-dollar contract for residential and commercial trash collection, Texas Disposal Systems, began circulating a petition among businesses in the city calling on the San Angelo City Council to delay making a decision until questions about the current contractor's practice of adding surcharges to its commercial disposal bills are resolved.

Republic Services has had the contract for several years, which gives it a monopoly on garbage collection in the city. The firm also operates the city landfill. Its commercial collection fees are set by city ordinance and by the terms of its contract, but Republic has added fuel surcharges and environmental fees to bills for commercial customers.

On Thursday, Acme Iron and Metal, a San Angelo metal recycling business whose ownership is affiliated with Texas Disposal, announced it is planning to file a lawsuit against Republic seeking to recover damages for any customers overcharged by Republic. Austin attorney Gary Newton said the lawsuit is still being prepared.

The lawsuit does not name the city of San Angelo.

Newton said he will ask the court to certify it as a class-action lawsuit "for the 2,000 or so commercial customers who may have been overcharged."

The basis of the lawsuit, he said, includes "breach of contract, unjust enrichment, deceptive trade practice violation, and discriminatory treatment by a public utility."

Rick Fraumann, director of sales for Texas Disposal, said the petition being circulated this week also calls on the county and district attorneys to conduct a "formal criminal investigation into the systematic overcharging of commercial businesses by Republic."

Texas Disposal claims the overcharges since 2000 could amount to \$9 million or more, an estimate the company calculated by examining bills provided by Republic's commercial customers in San Angelo and extrapolating the surcharge amounts over a period of time.

Fraumann said the petition will be presented at the City Council meeting Tuesday when council will consider a contract with Republic.

The city's current contract with Republic expires in July.

Republic Services could not be reached for comment Wednesday afternoon.

Texas Disposal expects to hold a news conference Monday afternoon at the Cactus Hotel depending on what the city releases in its council agenda, said Bob Gregory, the company's president and chief executive officer.

The city is auditing Republic's surcharges.

"There is no actual audit report," said Anthony Wilson, the city's public information officer. "The internal auditor has at one point at least briefed council on how its research was going, but there has been no final report drafted."

Steve Mahaffey, internal auditor for the city, has said the report will not be published or released publicly. Wilson said it is the council's prerogative on how they want to receive that information — a written report or verbal briefing.



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