



New San Angelo Trash Contract Increases Rates 48%

by Joe Hyde

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The draft of the new trash contract between the City and Republic Services will have a substantial rate hike. The current ordinance rate for residential trash pickup is \$9.81. That includes twice per week trash pickup.

In the draft contract published in the packet of information for Tuesday's city council meeting, the proposed contract incorporates single-family residential rate increases to \$13.97 with an

additional 50 cents tacked on when recycling is implemented by Republic. The new contract picks up trash one time per week, and recyclables pickup one time per week. That brings the total trash bill to \$14.47 per month, or a 48% increase.

Republic proposes to pay a one-time royalty fee of \$3.6 million for landfill operations, and will make an initial payment of \$4.735 million to cover closure obligations when the current landfill site is full.

The contract has two extensions. One is for an eight-year term, and additional term for two years. But if the landfill is expanded during the term of the contract, the term can be renegotiated to recoup Republic's costs in building and permitting additional landfill land.

"If Landfill is expanded, Provider will be granted an extension to the term of this Agreement commensurate with such expansion, and the parties agree to negotiate any rate adjustments and/or additional royalty payments that will be due to City and Provider," the contract reads.

Usually, city council agendas are posted late Friday afternoon. This agenda for the July 1st regular city council meeting did not get posted until just before 9 a.m. Saturday, just in time to meet the 72-hour advance posting as required by the Texas Open Meetings Act.

The San Angelo City Council will vote on the new contract Tuesday.



San Angelo's landfill at dusk. This is the entrance. (LIVE! Photo/Joe Hyde)

The City Council chose to negotiate the new contract alone with Republic after choosing Republic as the sole winner of a Request for Proposals process. There were two bidders. The City chose to negotiate with just Republic for the final contract. The existing contract expires July 31. Texas law does not require the City to put the trash contract out for RFP.

Today at 1:30 p.m., competing bidder for the contract, Texas Disposal Systems CEO Bob Gregory, will hold a press conference at the Cactus Hotel. He is expected to outline the provisions of a class action lawsuit he is spearheading against Republic Services for allegedly overcharging commercial dumpster customers over 14 years. The amount of the alleged overcharges is \$9.2 million.

Update 11:19 a.m.

City Public Information Officer Anthony Wilson asked to clarify the 50-cent surcharge on the residential rates.

"The 50-cent charge you mentioned would take effect only if, six months after recyclable collection is implemented, the citywide recyclable collections do not amount to at least 500 tons per month. If that were the case, once recyclable collections rose to the 500-ton level, the 50 cent charge would be eliminated," Wilson said.