



Home Page

About The
Controller

Audit
Reports

Annual Financial
Reports

City of Houston
Web Pages

Contact
Controller

Controller
History

Frequently
Asked Questions

Investment
Policy & Reports

Monthly
Financial Reports

Newsletter

**News
Releases**

Report
Fraud

Unclaimed
Property

Vendor
Liaison

Annise D. Parker Controller

[Click here to view articles from our online press release archive](#)



Annise D. Parker

City of Houston
News Release
Office of the City Controller

CONTACT: Janice Evans

FOR IMMEDIATE RELEASE
April 11, 2006

713-247-
3152

Controller's audit confirms overcharges by city trash hauler

Armed with the findings of a just completed audit, Houston City Controller Annise Parker is calling for the city's solid waste department to exercise better oversight of garbage collection operations by Republic Waste Services of Texas.

"Whether it's garbage collectors or any other city contractor, we have a responsibility to hold them accountable," said Controller Parker. "We didn't do that. As a result, the city was scammed."

The audit confirms Republic billed the city for the collection and disposal of tons of garbage collected in other cities. In February, Republic agreed to a \$2 million settlement with the city. Controller Parker says this was a prudent move because so many of Republic's records were missing auditors were unable to conclusively identify the extent of the fraudulent activity. "We will never know exactly how much money was ripped off from taxpayers," Parker said. "The records were in such terrible shape it was impossible to put a paper trail back together. The \$2 million was an extrapolation that we believe covers the upper limit of what was owed."

[Click here to view other news releases](#)



Visitors:

Auditors also cited BFI for failing to calibrate its scales as often as required by its contract with the city.

The audit includes four recommendations for improved oversight by the city's solid waste department.

- Require Republic to maintain complete documentation of all records.
- Require Republic to periodically supply updated weights for its trucks delivering to the BFI landfill.
- Require semi-annual calibrations of the scales at the landfill.
- Incorporate a more thorough monitoring program of garbage collection and disposal services, including regular reviews for compliance with contractual obligations.

This was the first-phase of a two-phase audit of the city's solid waste operations. The second-phase, which began at the end of March, will entail a complete performance audit of the city solid waste management department and its organizational structure, internal controls, policies and procedures. Jefferson Wells International has been hired to perform both phases of the audit. Republic is reimbursing the controller's office approximately \$140,000 for the first phase of the audit.

Republic provides trash pick-up for 86,000 Houston households and has in excess of \$50 million worth of contracts with the city.

901 BAGBY, 8TH FLOOR · P.O. BOX 1562 · HOUSTON, TEXAS 77251-1562
PHONE: 713-247-1440 · FAX: 713-247-3181
e-mail: Controllers@cityofhouston.net