



Item Brief

Meeting Date

August 26, 2025

Agenda Item

Discuss and consider action: Resolution No. R2025-66: K. McBurnett

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, APPROVING AMENDMENT #001 TO THE EXCLUSIVE FRANCHISE AGREEMENT FOR THE COLLECTION, HAULING, AND DISPOSAL OF SOLID WASTE AND RECYCLABLE MATERIALS IN THE CITY OF BURNET, TEXAS, WITH AL CLAWSON DISPOSAL, INC., AND AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT

Information

ACDI currently provides residential and commercial solid waste and recycling services under an Exclusive Franchise Agreement with the City of Burnet. The agreement includes specific insurance coverage levels that the provider is required to maintain.

ACDI has submitted a formal written request to amend the agreement to reduce the insurance coverage requirements as follows:

- Decrease Aggregate Minimum for Comprehensive and General Public Liability from \$2,000,000 to \$1,000,000;
- Decrease Aggregate Minimum for Property Damage from \$2,000,000 to \$1,000,000;
- Decrease Aggregate Minimum for Comprehensive Auto Liability Bodily Injury from \$2,000,000 to \$1,000,000;
- Decrease Aggregate Minimum for Umbrella Liability/Each Occurrence from \$5,000,000 to \$2,000,000; and
- Decrease Aggregate Minimum for Excess Liability Aggregate from \$5,000,000 to \$2,000,000.

Reasons cited by ACDI for this request include:

- Escalating insurance premiums.
- Increased liability exposure and commercial vehicle insurance costs industry-wide.
- Disparity between Burnet's insurance requirements and those of other cities ACDI serves, including Leander and Hutto, both of which have significantly larger customer bases but lower insurance thresholds.

According to ACDI, aligning Burnet's requirements with regional norms would help control cost pressures and minimize the scale an anticipated rate increase (due to overall operational costs) ACDI will request.

Fiscal Impact

None.

Recommendation

Staff recommends approval of Resolution No. R2025-66 as presented.

RESOLUTION NO. R2025-66

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, APPROVING AMENDMENT #001 TO THE EXCLUSIVE FRANCHISE AGREEMENT FOR THE COLLECTION, HAULING, AND DISPOSAL OF SOLID WASTE AND RECYCLABLE MATERIALS IN THE CITY OF BURNET, TEXAS, WITH AL CLAWSON DISPOSAL, INC., AND AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT

WHEREAS, the City of Burnet entered into an Exclusive Franchise Agreement with Al Clawson Disposal, Inc. on October 26, 2021, for the collection, hauling, and disposal of solid waste and recyclable materials within the city limits, with said agreement set to expire on October 31, 2026; and

WHEREAS, the contractor has requested a revision to the insurance coverage requirements outlined in Section 18 of the original agreement, citing changes in the insurance market and a desire to align the City's requirements with regional norms; and

WHEREAS, both parties have mutually agreed to revise the insurance requirements through Amendment #001, which modifies the minimum aggregate coverage limits for various liability categories while maintaining appropriate protections for the City to include:

- Decrease Aggregate Minimum for Comprehensive and General Public Liability from \$2,000,000 to \$1,000,000;
- Decrease Aggregate Minimum for Property Damage from \$2,000,000 to \$1,000,000;
- Decrease Aggregate Minimum for Comprehensive Auto Liability Bodily Injury from \$2,000,000 to \$1,000,000;
- Decrease Aggregate Minimum for Umbrella Liability/Each Occurrence from \$5,000,000 to \$2,000,000; and
- Decrease Aggregate Minimum for Excess Liability Aggregate from \$5,000,000 to \$2,000,000.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, AS FOLLOWS:

Section One. Findings. The recitals set out above are hereby approved and incorporated herein for all purposes.

Section Two. Approval. That the City Council hereby approves Amendment #001 to the Exclusive Franchise Agreement with Al Clawson Disposal, Inc., as attached hereto and incorporated by reference.

Section Three. Authorization. The Mayor is authorized and directed to take those actions that are reasonably necessary to facilitate the purpose of this Resolution.

Section Four. Open Meetings. It is hereby officially found and determined that the meeting at which this resolution was passed was open to the public and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

Section Five. Effective Date. That this resolution shall take effect immediately upon its passage, and approval as prescribed by law.

PASSED AND APPROVED on this the 26th day of August 2025.

CITY OF BURNET, TEXAS

Gary Wideman, Mayor

ATTEST:

Maria Gonzales, City Secretary