



CITY COUNCIL AGENDA ITEM BRIEFING SHEET

Meeting Date: April 11, 2023	Department: Administration	Presented By: Bryan Grimes
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AGENDA ITEM

Discussion/Action: to authorize the Mayor to renew and amend the current Joint Solid Waste Agreement with Republic Waste Services, entered into with the City of Hudson Oaks, City of Aledo, Town of Annetta, Town of Annetta North, City of Annetta South, and the City of Willow Park effective through April 30, 2026.

BACKGROUND:

The existing joint solid waste agreement between the cities and Republic Services expires April 30, 2023. In preparation for this, city staff has been negotiating with Republic on a renewal of the joint solid waste agreement with the cities.

Republic's intent was to establish a long term partnership with the cities to support their required investment in assets and infrastructure to support the new agreement. The proposal as set forth in the attached documents is that beginning May 1, 2026, Republic's garbage, trash, and recycling collections will all be by polycarts, and Republic agrees to utilize an entirely new fleet of automated side loader (ASL) trucks to service all the cities for garbage, trash, and recyclable materials; however, Republic may utilize its existing fleet for brush and debris collection and disposal.

Additionally, the cities' existing disposal agreement with Waste Management expires April 30, 2026. Because of these changes in structure to begin May 1, 2026, it was decided to enter into a renewal of the existing solid waste agreement beginning May 1, 2023 through April 30, 2026, when the disposal agreement will end, and then enter into a new joint solid waste agreement to begin May 1, 2026 detailing the use of the new ASL trucks by Republic and changing the disposal terms since the disposal agreement with Waste Management will no longer exist.

Attached you will find both a proposed renewal and amendment to the existing solid waste agreement to begin May 1, 2023, and a proposed new joint solid waste agreement to begin May 1, 2026.

Renewal and Amendment Agreement (2023-2026)

- The terms and conditions of the current joint solid waste agreement remain in effect, except to the extent modified in the renewal document. There are no further renewals of the current agreement permitted. Services continue during the renewal term as curbside "take all" services.
- The required minimum tons per year of solid waste to be disposed of was amended from 35,000 tons to 19,000 tons annually.
- Aledo was added to the table of collection schedules to change from their existing once a week solid waste service to twice a week service as with the other cities.
- The base rate schedules are increasing slightly for 2023 from \$16.79 to \$17.63. A fixed 4% annual increase to the base rates is built in each year of the renewal, on May 1, 2024, and May 1, 2025.
- Aledo was added to the provisions regarding billing and franchise fees as exist for the other cities.
- The provision requiring Republic to pay an outside disposal fee into an escrow account for the benefit of the cities [relating to Republic disposal of solid waste from customers outside the city limits of the cities utilizing the reduced municipal disposal rate negotiated with Waste Management] was amended to require quarterly payments by Republic into an escrow account maintained at the depository institution of Hudson Oaks for the benefit of all the cities jointly, and such deposit shall

be accompanied by a reconciliation and accounting by Republic of the monthly tonnage reports to verify the amount being deposited. This should help with the issues encountered with this provision under the existing solid waste agreement. Additionally, Republic has confirmed that the escrow balance as of October, 2022, is \$86,978.33, and they have paid such amount into the escrow account being maintained by Hudson Oaks.

Proposed Motion: to authorize the Mayor to renew and amend the current Joint Solid Waste Agreement with Republic Waste Services, entered into with the City of Hudson Oaks, City of Aledo, Town of Annetta, Town of Annetta North, City of Annetta South, and the City of Willow Park effective through April 30, 2026.

STAFF/BOARD/COMMISSION RECOMMENDATION:

EXHIBITS:

Existing solid waste agreement to begin May 1, 2023

ADDITIONAL INFO:	FINANCIAL INFO:	
	Cost	
	Source of Funding	General