



AGENDA MEMORANDUM

Action Item for the City Council Meeting May 14, 2019

DATE: May 8, 2019

TO: Keith Selman, Interim City Manager

THRU: Mark Van Vleck, Assistant City Manager
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FROM: Lawrence Mikolajczyk, Director of Solid Waste Services
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Settlement Agreement with BFI/Republic and Amendments to Landfill Services
Agreement to Terminate Contracts on December 31, 2019

CAPTION:

Resolution approving contracts with Cefe Landfill TX, LP ("Operator"), and BFI Waste Services of Texas, LP ("BFI/Republic"); authorizing execution of a settlement agreement between City, Operator, and BFI/Republic; and authorizing amendments to the landfill services agreement with operator and to the waste disposal agreement with BFI/Republic to provide for termination of both agreements.

PURPOSE:

The purpose of this agenda item is to obtain authority to approve amendments to the agreements with Cefe Landfill TX, LP and BFI Waste Services of Texas, LP, and authorizing execution of a settlement agreement with operator and BFI/Republic.

BACKGROUND AND FINDINGS:

Following negotiations with BFI/Republic, it was agreed to terminate the Landfill Services and Waste Disposal Agreements.

ALTERNATIVES:

1. Authorize approval of resolution. (Recommended)
2. Do not authorize approval of resolution. (Not Recommended)

OTHER CONSIDERATIONS:

CONFORMITY TO CITY POLICY:

Complies with statutory requirements.

EMERGENCY / NON-EMERGENCY:

Not applicable

DEPARTMENTAL CLEARANCES:

Solid Waste Department

FINANCIAL IMPACT:

X Operating

X Revenue

☐ Capital

☐ Not applicable

Fiscal Year: 2018-2019	Current Year	Future Years	TOTALS
Line Item Budget	0	0	0
Encumbered / Expended Amount	0	(30,069,523)	(30,069,375)
Revenue	0	20,366,375	20,366,375
This item	0	0	0
BALANCE	0	(9,733,148)	(9,733,148)

Comments: Future year estimated impact on revenues and expenses is for initial 20-year term of contracts ending February 23, 2025.

Funding Detail:

Fund: 1020 General Fund

Organization/Activity: 12506 Cefe Valenzuela Landfill Operations

Mission Element: 033 Landfills

Project # (CIP Only):

Account: 530000 Professional Services

RECOMMENDATION:

City staff recommends approval of the resolution as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution

Landfill Service Agreement

Waste Disposal Agreement