



AGENDA MEMORANDUM

Action Item for the City Council Meeting May 29, 2019

DATE: May 8, 2019

TO: Peter Zaroni, 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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<p>Settlement Agreement with BFI/Republic and Amendments to Landfill Services Agreement to Terminate Contract Before December 31, 2019</p>
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CAPTION:

Resolution approving agreements with Cefe Landfill TX, LP, and BFI Waste Services of Texas, LP; authorizing execution of a settlement agreement with operator and BFI/Republic; and authorizing amendments to the landfill services agreement with operator and to the waste disposal agreement with BFI/Republic in order to terminate the contracts on or before December 31, 2019.

PURPOSE:

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

BACKGROUND AND FINDINGS:

Following negotiations with BFI/Republic Services it was agreed to terminate the Landfill Operations 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