

THIS IS A PROPOSED DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED ORDINANCE OR RESOLUTION ADOPTED BY THE CITY COUNCIL.

ORDINANCE

AUTHORIZING AN AMENDMENT TO THE AGREEMENT WITH ATLAS ORGANICS DEVELOPMENT, LLC FOR THE ORGANICS PROCESSING FACILITY DEVELOPMENT FOR THE SOLID WASTE MANAGEMENT DEPARTMENT'S ORGANICS PROGRAM WITH AN INCREASE IN AN AMOUNT OF \$300,000.00, FOR A TOTAL PAYMENT OF \$5,828,749.00, FOR ELECTRICAL INFRASTRUCTURE IMPROVEMENTS TO BE CONSTRUCTED AT THE NELSON GARDENS LANDFILL. FUNDING FOR THIS AMENDMENT IS AVAILABLE IN THE SOLID WASTE OPERATING AND MAINTENANCE FUND.

* * * * *

WHEREAS, the SWMD began the organics program in 2011 as a major strategy to divert waste from the landfill and increase recycling in the community; the organic materials are collected by SWMD crews using automated equipment and delivered to a contractor to process the material into compost; the program has grown very popular city-wide; in FY2019, the SWMD sent approximately 68,000 tons of material to its organic processor and it is anticipated that this program may grow to over 80,000 tons annually within the next ten years; and

WHEREAS, Ordinance No. 2020-04-09-0250 authorized an agreement with Atlas Organics Development, LLC, (Atlas) and authorized payment of \$5,528,749.00 to design and construct an organic material processing facility, and install the equipment to run the facility, at the City's Nelson Gardens Landfill; and

WHEREAS, in the FY2020 Annual Budget, the City Council approved \$300,000.00 for electrical infrastructure improvements at the Nelson Gardens landfill. As part of the facility development, Atlas is installing additional electrical infrastructure and has agreed to design and install the previously approved electrical infrastructure using the FY2020 budget funds; and

WHEREAS, this ordinance will reallocate the previously approved FY2020 funds to Atlas for the design and installation of the electrical infrastructure improvements required for the Nelson Gardens Organics Processing Facility and approves the amendment to the Facility Development Agreement with an increase of \$300,000.00; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The Amendment to the Agreement for the Nelson Gardens Organics Processing Facility Development with Atlas Organics Development, LLC, is hereby approved and the previously approved FY2020 budgeted sum of \$300,000.00 for electrical infrastructure improvements is authorized to be transferred to Atlas thereby increasing the total compensation for the development of the facility to \$5,828,749.00.

SECTION 2. The City Manager, or designee, or the Director, Solid Waste Management Department, or designee, is hereby authorized to take all actions necessary to negotiate and execute an Amendment to the Organics Processing Facility Development Agreement with Atlas Organics Development, LLC, for the electrical infrastructure improvements at the Nelson Gardens Landfill facility. A copy of the Amendment, in substantially final form, is attached and incorporated herein for all purposes as **Attachment I**. The execution authority granted by this ordinance shall expire 60 days from the effective date.

SECTION 3. Funding in the amount of \$300,000.00 for this ordinance is available in Fund 55001000, Cost Center 5556060001 and General Ledger 5201140 as part of the Fiscal Year 2021 Adopted Budget approved by City Council.

SECTION 4. Payment in the amount up to \$300,000.00 is authorized to Atlas Organics Development, LLC and should be encumbered with a purchase order.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 6. This ordinance shall be effective immediately upon passage by eight affirmative votes; otherwise it shall be effective on the tenth day after passage hereof.

PASSED and APPROVED this ____th day of _____, 2020.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Tina J. Flores, City Clerk

Andrew Segovia, City Attorney