



# City of San Antonio

## Legislation Details (With Text)

**File #:** 18-3694  
**Type:** Miscellaneous Item  
**In control:** City Council A Session  
**On agenda:** 6/21/2018  
**Title:** Ordinance approving a Consumer Price Index tip fee adjustment to the contract for recycling processing with ReCommunity Recycling in the amount of 1.63%, and allows for future CPI tip fee adjustments to the ReCommunity contract be approved by the City Manager or her designee. [Roderick J. Sanchez, Assistant City Manager; David W. McCary, Director, Solid Waste Management Department]

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. BFI\_CPI\_Adjust\_Recycling\_2018, 2. Draft Ordinance, 3. Ordinance 2018-06-21-0509, 4. Staff Presentation

Date	Ver.	Action By	Action	Result
6/21/2018	1	City Council A Session	adopted	Pass

**DEPARTMENT:** Solid Waste Management Department

**DEPARTMENT HEAD:** David W. McCary

**COUNCIL DISTRICTS IMPACTED:** City-wide

**SUBJECT:** CPI Adjustment to Tip Fee for Recycling Processing Contract

### SUMMARY:

The City of San Antonio currently has a contract with ReCommunity Recycling (“ReCommunity”) to provide recycling services to the city at a rate of \$34.98 per ton, plus an additional \$17.50 per ton for transfer station costs when applicable (together the “tip fee”). The contract allows ReCommunity to request an increase in this fee every August based on the current Consumer Price Index. Based on the current Consumer Price Index ReCommunity has requested an increase of 1.63% which, if approved, would increase the cost per ton to \$35.55, plus an additional \$17.79 for transfer station costs when applicable.

### BACKGROUND INFORMATION:

The City of San Antonio entered into a contract with ReCommunity Recycling for recycling processing via

Ordinance 2013-06-06-0399 on June 6, 2013. The approved contract allows for ReCommunity to request an annual CPI tip fee adjustment beginning on August 1, 2017 and every August 1 thereafter (terminating on July 31, 2024).

### **ISSUE:**

ReCommunity has requested a tip fee adjustment this year in the amount of 1.63%, which is within allowable CPI limits. The Solid Waste Management Department (SWMD) agrees with this request. The current tip fee paid by SWMD is \$34.98 per ton, plus an additional \$17.50 per ton for transfer station costs when applicable. The new tip fee will be \$35.55 per ton, plus an additional \$17.79 for transfer station costs when applicable. As there are currently no transfer station costs applicable under the contract, the annual impact will be a total of \$46,100.00 increase over fiscal year 2017. If approved, the new tip fee will become effective on August 1, 2018.

This ordinance will also authorize the City Manager or her designee to approve future CPI tip fee adjustments to the contract with ReCommunity.

### **ALTERNATIVES:**

Should City Council not approve this ordinance, no CPI tip fee adjustment will be awarded to ReCommunity and the current tip fee of \$34.98 per ton plus \$17.50 for transfer station costs when applicable will remain.

### **FISCAL IMPACT:**

This ordinance would authorize a CPI tip fee adjustment to the contract for recycling processing with ReCommunity Recycling. The existing contract allows for ReCommunity to request an annual CPI tip fee adjustment beginning on August 1, 2017 and every August 1 thereafter (terminating on July 31, 2024). The increase in the tip fee would cost approximately \$46,100.00 more than fees paid in FY 2017. Funding is available through the FY 2018 Solid Waste Operating and Maintenance Fund. Future year CPI increases will be funded through the Solid Waste Operating and Maintenance Fund, subject to council appropriation as part of the annual budget process.

### **RECOMMENDATION:**

Staff recommends approval of this ordinance authorizing a Consumer Price Index (CPI) tip fee adjustment to the contract for recycling processing with ReCommunity Recycling in the amount of 1.63%, and allowing approval of future CPI tip fee adjustments to the ReCommunity contract by the City Manager or her designee.