



Legislation Text

File #: DIS 21-086, **Version:** 1

Discussion of issues relating to commercial waste collection services provided by Waste Management of Texas, Inc.

Summary:

In 2013, the City of Deer Park and Waste Management of Texas, Inc. entered into a five-year agreement that provided Waste Management of Texas, Inc. the exclusive right to provide commercial waste collection, transportation, and disposal services within the City commencing on December 1, 2013. As part of the agreement, Waste Management of Texas, Inc. services the dumpsters at all City facilities, including the recycling dumpsters, at no cost to the City and provides up to four dumpsters for up to six City events annually. The agreement was amended in October 2018 and the term of the agreement was extended for three years through November 30, 2021. Note: In July 2019, the agreement was amended a second time to include the provision of services for mobile home parks with more than 20 permanent mobile homes.

With the termination date approaching, Waste Management of Texas, Inc. offered to continue the agreement for an additional three-year term with annual rate increases of 12.35% in the first year and 5.00% in each of the next two years. There would be no additional provisions for increases related to the Consumer Price Index (CPI) and no additions for fuel surcharges. City staff contacted nearby cities to obtain comparative data and determined that all things considered, this offer is of value to the City.

Shanna Lopez with Waste Management of Texas, Inc. will be present to discuss the commercial waste collection services provided to the City and the proposed three-year extension to the agreement and to answer any questions. Based on the discussion, consideration and action on extending the termination date of the agreement would be scheduled at a future City Council Meeting.

Fiscal/Budgetary Impact:

Extension of the agreement for commercial waste collection services provided by Waste Management of Texas, Inc. to November 30, 2024 with rate increases of 12.35% effective December 1, 2021, 5.00% effective December 1, 2022, and 5.00% effective December 1, 2023.

Discussion only.