

2009-08-13-0650

AN ORDINANCE

AMENDING THE CONTRACT WITH GREENSTAR, NA (FORMERLY VISTA FIBERS) TO PROVIDE RESIDENTIAL RECYCLING PROCESSING SERVICES, INCREASING THE RATE FROM \$30.00 PER TON TO \$35.25 PER TON, AND AUTHORIZING PAYMENT AT THE AMENDED RATE, FUNDED BY THE SOLID WASTE MANAGEMENT OPERATING FUND.

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WHEREAS, the City began a voluntary curbside recycling program in 1993; in 2004, the City entered into a long-term recycling contract with Greenstar NA (formerly Vista Fibers); in 2006 the City began a three-and-a-half year conversion from a manual garbage and recycling collection system to an automated collection system with the result that the volume of recyclables has tripled from 24,000 tons in 2005 to approximately 72,000 tons in 2009, with an increase in the amount of by-product; and

WHEREAS, these changes to the City's program have affected Greenstar NA's processing costs but, due to the strong partnership with Greenstar NA, the City is not abandoning recycling but is increasing tonnage and participation; Greenstar NA has invested in a new, state of the art recycling processing facility on the City's east side which has five times the processing capacity of the old plant, and this will allow for the continued growth and success of the City's recycling program; and

WHEREAS, on June 24, 2004, City Council approved Ordinance 99386, authorizing the City Manager or her designee to execute the current residential recycling contract with Greenstar NA and the contract allows for adjustments to fees paid by the City of San Antonio as necessary; and

WHEREAS, the Solid Waste Management Department negotiated with Greenstar NA and determined that the \$5.25 increase is reasonable and appropriate and this ordinance will amend the current residential recycling contract between the City of San Antonio and Greenstar NA, adjusting the contract for inflation by increasing the processing fee by \$5.25, from \$30.00 per ton to \$35.25 per ton, effective October 1, 2008; **NOW THEREFORE:**

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

SECTION 1. The City Manager, or her designee, is authorized to negotiate and execute an amendment to the 2004 residential recycling processing services agreement with Greenstar NA, adjusting the contract for inflation by increasing the processing fee by \$5.25, from \$30.00 per ton to \$35.25 per ton, with an effective date of October 1, 2008.

SECTION 2. The total fiscal impact of the adjustment to the processing fee will result in a higher processing cost and less recycling revenue for the Solid Waste Operating Fund. Based on the estimated tonnages for FY 2009, the increased processing fee will decrease revenue from recycling by approximately \$378,000.00. For FY 2010, it is estimated that these adjustments will decrease revenue from recycling by approximately \$475,000.00 as recycling participation increases.

SECTION 3. The effective date for this adjustment is October 1, 2008 to coincide with the beginning of the 2009 fiscal year. The retroactive payment to Greenstar is authorized in the amount of approximately \$378,000.00 based on the estimated 72,000 tons of recycling processed during FY 2009. This retroactive amount will be deducted in equal amounts from the future net payments due monthly to the City.

SECTION 4. This ordinance shall take effect ten days from the date of passage hereof.

PASSED AND APPROVED this 13th day of August, 2009.



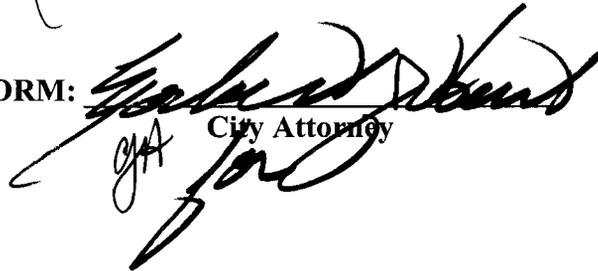
M A Y O R
JULIÁN CASTRO

ATTEST:



City Clerk

APPROVED AS TO FORM:



City Attorney