



City of Austin

Recommendation for Action

File #: 26-2018, **Agenda Item #:** 74.

7/23/2026

Posting Language

Authorize negotiation and execution of amended and restated service schedules, including revised pricing and revenue shares to the City, to the Master Recycling, Processing and Marketing Services Agreements, with Texas Disposal Systems and Balcones Resources. Funding: This is a revenue-generating contract. Funding for any cost overruns is available in the 2025-2026 Operating Budget Austin Resource Recovery. Funding for the remaining contract term is contingent upon available funding in future budgets.

Lead Department

Austin Resource Recovery

Fiscal Note

This is a revenue-generating contract. Funding for any cost overruns is available in the 2025-2026 Operating Budget Austin Resource Recovery. Funding for the remaining contract term is contingent upon available funding in future budgets.

Prior Council Action:

July 29, 2021 - Council approved negotiation and execution of amended service schedules, including revised pricing and revenue to the City, to the single-stream recycling contracts with Texas Disposal Systems and Balcones Resources on a 11-0 vote.

April 28, 2011 - Council approved the execution of a Master Recycling, Processing and Marketing Services Agreement, including a service schedule, with Texas Disposal Systems on a 6-0 vote.

April 21, 2011 - Council approved the execution of a Master Recycling, Processing and Marketing Services Agreement, including a service schedule, with Balcones Resources on a 7-0 vote.

For More Information:

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Additional Backup Information:

Austin Resource Recovery (ARR) collects garbage, recycling, yard trimmings, and compost as part of its Residential Curbside Collection Services. In addition to these services, ARR is responsible for the on-demand collection of large brush and bulky items, household hazardous waste, and clothing and textiles, as well as street sweeping, dead animal collection, and litter abatement services. These services are funded by fees charged to ARR customers.

In 2011, the City entered into the current Master Recycling, Processing and Marketing Services Agreements (Agreements) with Texas Disposal Systems and Balcones Resources to accept, sort, process, store, and market the City's residential single-stream recyclable material. Both Agreements have 20-year terms and the specific terms and conditions are set out in the Service Schedules, which are attached as exhibits to the Agreements. The Agreements allow for periodic "resets" to negotiate new Service Schedule terms and conditions and as part of that process, Council approved amended and restated Service Schedules for both

vendors in 2015 and 2022. This item seeks Council approval to negotiate and execute the terms and conditions of the third reset, which will be the final one prior to expiration of the Agreements.

Texas Disposal Systems currently receives 40 percent of the City's curbside recycling stream and Balcones Resources receives 60 percent, but the parties may negotiate a reapportionment of these percentages during this third reset.

The department has begun good-faith negotiations with the vendors regarding amendments to the current Service Schedules to establish a more equitable allocation of risk and benefits among the parties.