



City of Austin

Recommendation for Action

File #: 26-1260, **Agenda Item #:** 23.

3/26/2026

Posting Language

Authorize a contract for Central Business District collection services for Austin Resource Recovery with Texas Disposal Systems, Inc. d/b/a Texas Disposal Systems, for an initial term of three years with up to two one-year extension options in an amount not to exceed \$20,000,000. Funding: \$2,333,333 is available in the Fiscal Year 2025-2026 Operating Budget of Austin Resource Recovery. Funding for the remaining contract term is contingent upon available funding in future budgets.

Lead Department

Austin Financial Services.

Client Department(s)

Austin Resource Recovery.

Fiscal Note

Funding in the amount of \$2,333,333 is available in the Fiscal Year 2025-2026 Operating Budget of Austin Resource Recovery.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Procurement Language:

Austin Financial Services issued an Invitation for Bids solicitation IFB 1500 RGW1030 for these services. The solicitation was published on October 13, 2025, and closed on December 02, 2025. Of the two offers received, the bid submitted by the recommended contractor was the lowest responsive bid received. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's website. This information can currently be found at https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=142394.

MBE/WBE:

This contract will be awarded in compliance with the City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program). For the service required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

For More Information:

Direct questions regarding this Recommendation for Council Action to Austin Financial Services - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Council Committee, Boards and Commission Action:

February 11, 2026 - Recommended by the Zero Waste Advisory Commission on a 6-0 vote.

Additional Backup Information:

The contract will provide daily collection, transporting, processing, and disposal of trash, recycling, compost, and daily litter cleanups within the Central Business District of Austin, Texas.

This recommendation is in accordance with Local Government Code 271.905 and Resolution Number 20140807-113 to invoke local preference. This local bidder is offering the best combination of contract price and additional economic development opportunities for the City created by the contract award, including the employment of residents and increased tax revenues.

The contract will replace an existing contract which expires April 14, 2026. The requested authorization is based on departmental estimates, historical spend, and forecasted usage. The recommended contractor is the current provider for these services.

A delay in contract approval could impact the City's ability to provide trash collection for the Central Business District.

Contract Details:		
Contract Term	Length of Term	Contract Authorization
Initial Term	3 years	\$12,000,000
Optional Extension 1	1 year	\$4,000,000
Optional Extension 2	1 year	\$4,000,000
Total	5 years	\$20,000,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.