



City of Austin

Recommendation for Action

File #: 26-1499, **Agenda Item #:** 28.

4/23/2026

Posting Language

Approve an ordinance amending Exhibit A of the Fiscal Year 2025-2026 Fees, Fines, and Other Charges ordinance (Ordinance No. 20250813-004) to amend Austin Resource Recovery fees for garbage collection in the Central Business District to eliminate the organics fee and increase the base customer charges and dumpster service and fee per cubic yard fees. Funding: This item is projected to result in additional revenue of \$235,978 in the Fiscal Year 2025-2026 Austin Resource Recovery Fund.

Lead Department

Austin Resource Recovery

Fiscal Note

This item is projected to result in additional revenue of \$235,978 in the Fiscal Year 2025-2026 Austin Resource Recovery Fund. A revised fee schedule is attached.

Prior Council Action:

March 26, 2026 - Council approved agenda item no. 23 to authorize a contract for Central Business District collection services with Texas Disposal Systems.

For More Information:

Richard McHale, Director, Austin Resource Recovery, 512-974-4301; Gena McKinley, Deputy Director, Austin Resource Recovery, 512-974-1915.

Additional Backup Information:

City Code Section 15-16-4 requires the City to contract with a private collection company to provide solid waste services within the Central Business District (CBD). In Fiscal Year 2025-2026, Austin Resource Recovery (ARR) implemented rate increases in the CBD based on recommendations from a professional cost-of-service study.

The current contract provides daily collection, transport, processing, and disposal of trash and recycling, as well as daily litter abatement services within the CBD. This contract expired in April 2026. ARR issued a solicitation in October 2025 and Council approved the new contract on March 26, 2026. Under the new contract, trash collection services prices increased by approximately 80 percent and recycling collection prices increased by approximately 30 percent compared to the previous contract. Additionally, ARR will begin providing compost collection services in the CBD, resulting in new collection costs not previously incurred.

Approval of this action will allow ARR to recover the cost of providing solid waste services in the CBD. Without the proposed rate adjustments, ARR is projected to incur a revenue shortfall of approximately \$431,817.