



MEMORANDUM

To: Larry Weis, General Manager, Austin Energy
Cheryl Mele, Chief Operating Officer, Austin Energy

CC: Robert D. Goode, Assistant City Manager

From: Bob Gedert, Director
Austin Resource Recovery (ARR)

Subject: Austin Energy Special Waste Hauling/Disposal Contract

Date: April 8, 2013

Re: **AE Industrial Class 2, Municipal and Special Waste Disposal**

The purpose of this memo is to summarize the Austin Resource Recovery review of the AE disposal contract, as requested by City Council, in regards to any possible waste diversion opportunity, a review of the disposal environmental provisions, and determination of the requirement for ZWAC review.

Type of Waste Stream:

Austin Energy generates non-hazardous Special Wastes that are not suitable for dumpster disposal as general plant trash. These wastes include used treated wood utility poles, soil contaminated with <1500ppm TPH, soil contaminated with mineral oil from transformers with >1500ppm TPH soils (as permitted by TCEQ), demolition debris, Class 2 wastewaters, rust, spent desiccants, unused solid chemical products, no-pcb bushings/capacitors and asbestos.

Diversification Opportunities:

Materials identified above are not suitable for recycling, composting, or beneficial reuse. No diversion opportunities were identified through this review.

Environmental safeguards:

The bid documents and the subsequent contract language includes the appropriate waste documentation (through required manifests) and City's right to perform environmental audits. The designated facility has the proper permits from TCEQ to handle this type of Special Wastes.

Austin Energy, as generator of this waste stream, is properly classified as a Conditionally Exempt Small Quantity Generator (CESQG). The expected quantity and types of wastes covered by this contract is within the range permissible by state and federal law.

Zero Waste Advisory Commission (ZWAC) Review:

The waste stream identified is under the purview of the ZWAC as noted in the Commission's by-laws. This contract is scheduled for ZWAC review and recommendation on April 10, 2013.

Consolidation of city waste-hauling contracts:

The City (through ARR) is coordinating existing City generated solid waste contracts to expire in 2015 to support a consolidated city-wide solid waste material contract. The type of waste stream identified in the AE contract cannot be combined with other City general solid waste (dumpster) contracts, due to its special regulatory characteristics.

The City (through ARR) is coordinating existing City hazardous waste contracts to expire in 2015 to support a consolidated city-wide hazardous waste material contract. It is currently uncertain that the Special Waste generated by AE could be combined in the city-wide Hazardous Waste disposal contract. Further research is required to determine if Special Waste streams could be included in a Hazardous Waste contract.

Recommendation

I recommend no changes to the bid documents and subsequent contract. If the special waste streams identified in this contract can be combined in a City-wide consolidated hazardous waste disposal contract (undetermined at this time), then I recommend an expiration of the base contract term of September 30, 2015.