



MEMORANDUM

TO: Mayor and City Council

THRU: Elaine Hart, Interim City Manager
Robert Goode, P.E., Assistant City Manager

FROM: Sam Angoori, P.E., Interim Director
Austin Resource Recovery (ARR)

DATE: Sept. 6, 2017

SUBJECT: Response to Resolution 20170202-045, Simple Recycling – Final Update

This memo serves as the final response to [Resolution 20170202-045](#) regarding the curbside textile recycling service and related contract with Great Lakes Recycling (doing business as Simple Recycling).

Stakeholder Engagement Summary

Austin Resource Recovery hosted three stakeholder meetings regarding this service on December 14, 2016, January 31, 2017, and March 8, 2017 and met individually with Goodwill, Salvation Army, Assistance League of Austin, and Easter Seals during April 2017.

Summary of Initiatives to Increase Reuse and Resale of Household Items & Textiles

Between February and July 2017, Austin Resource Recovery has completed the following:

- Executed a contract with Austin EcoNetwork to create an online reuse directory
- Created and promoted the "[Don't Trash Those Textiles, Austin](#)" explainer video
- Updated communications to clarify that Simple Recycling is a for-profit company that sells material outside of Austin. This updated message was promoted in a [CityView segment](#) in February, on the [City's website](#), through ARR's February e-newsletter, on social media, on the City's combined utility bill, to Zero Waste Block Leaders, and on "Donate First" stickers
- Printed "Donate First" stickers that will be applied to new Simple Recycling bags and welcome packets to be distributed to customers beginning this month

Going forward, ARR will continue our efforts to promote reuse and resale of clothing and household goods, including:

- A reuse market research project to better understand Austinites' reuse behaviors, modeled on the recent [Design, Technology, and Innovations Fellows recycling research](#)
- Completion and promotion of the Austin EcoNetwork online reuse directory

- A pilot initiative with reuse organizations to divert the large volume of material typically discarded by apartment residents in the UT West Campus area during move-in/move-out to reuse
- Hiring an independent marketing contractor to develop and implement a comprehensive reuse marketing campaign
- Continuing to promote shopping at thrift and reuse operations through the [Shop Zero Waste directory](#) on LocallyAustin.org
- Supporting the collaborative effort between multiple area reuse organizations to conduct quarterly drop-off donation drives

A stakeholder meeting will take place this month to present these initiatives, receive stakeholders' feedback, and discuss opportunities for their involvement.

Local Markets Amendment

Simple Recycling has agreed to a contract amendment that establishes goals for selling 40% of the material they collect to local markets. The executed amendment is attached.

Data Collection

The contract with Simple Recycling was always intended to supplement, rather than replace private donations in order to lessen the amount of textiles going to the landfill. Based on a [2015 study](#), an estimated 6.6 million pounds of textiles are going to the landfill each year from ARR's curbside customers. Simple Recycling has reported 427,410 pounds of material collected between December 2016 and June 2017. Based on the trend of collection volume to date, staff projects that there will be about 500,000 pounds collected at the conclusion of the first year (November 2017) of the service. This will represent about 8% of the volume of textiles previously estimated to have been sent to landfills per year by ARR curbside customers. Up to 10% of ARR customers have participated in the program.¹

Simple Recycling Collections

Month	Number of Customers	Material Collected
December 2016	5,530	132,334 pounds
January 2017	4,318	96,706 pounds
February 2017	2,710	52,119 pounds
March 2017	2,386	44,493 pounds
April 2017	1,579	35,536 pounds
May 2017	1,501	34,745 pounds
June 2017	1,357	31,477 pounds
TOTAL	19,381	427,410

Recommendation

Simple Recycling and ARR have taken significant steps to clarify misconceptions about the program, promote local donations first, and ensure that local markets have access to the material collected. In spite of requests to the non-profit organizations, ARR has not received any data. At this point, we have increased and clarified communications to promote reuse and resale of clothing and household goods,

¹This figure represents the number of customers that the program has served if each customer has used the program once.

and we have no data supporting the claim that the service is negatively impacting donations to local reuse organizations. Therefore, ARR recommends continuation of the Simple Recycling contract with the aforementioned local markets amendment and continuation of the reuse collaboration efforts in partnership with area reuse organizations.

Next Steps

The Simple Recycling contract is in effect for an initial term of 36 months with up to three 12-month extension options. ARR will continue gathering input and data from customers, stakeholders, and the Zero Waste Advisory Commission (ZWAC) to determine if a new Request for Proposals for diversion of textiles and household goods should be issued well before enacting any extension options. The initial 36 month contract term ends in June 2019. Below is an estimated schedule of events:

- Ongoing: Continue work with stakeholders on initiatives to increase reuse and resale of household items & textiles
- Spring 2018: Residential waste audit to measure volume of textiles in curbside customers' landfill carts
- Spring - Summer 2018: Stakeholder engagement and ZWAC input
- Summer 2018: Assess data and feedback to determine if a new RFP should be issued

If you have any questions, please contact me at 512-974-4313 or Emlea Chanslor at 512-974-1898.



Amendment No. 2
of
Contract No. NR160000006
for
Curbside Textile Recycling Services
between
Great Lakes Recycling, Inc. dba Simple Recycling
and the
City of Austin

1.0 The City hereby amends the referenced contract as follows:

1.1 Section 5 in the Scope of Work (0500) of the Contract shall be amended to include the following:

5.A The following goals for selling material collected under this Contract to local markets (defined as operations within the Austin Metropolitan Statistical Area) are established:

1. At least 40% of the material by volume by June 2018
2. By June 2018, the City and Contractor will establish a mutually agreeable local market sales percentage goal for June 2019 with the same good faith effort parameters

5.B If the Contractor is unable to meet the above goals, good faith efforts to do so must be demonstrated. The City shall have the right to conduct desk audits of the Contractor's documented good faith efforts, at the City's discretion, throughout the Contract term. The City shall have the right to contact any local market firms contacted by the Contractor to inquire why the firms declined to purchase material from Contractor or to obtain other relevant information about the negotiation. The following activities shall be completed to meet the good faith efforts requirement:

1. Sending written notices to thrift stores, second hand stores, or other reuse end markets, including, at a minimum, all MBE/WBE certified firms and all firms listed in the Austin Resource Recovery Reuse Directory.
2. Providing adequate information about volume, quality, and price of the material as well as how to respond.
3. Allowing the firms contacted at least 5 business days to respond.
4. Taking appropriate steps to follow up with interested firms.
5. Negotiating in good faith with interested firms at comparable and global market prices.
6. Making material of equivalent quality available to local markets as that is available to non-local firms.

2.0 The total Contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term: 6/23/2016 – 6/22/2019	\$0.00	\$0.00
Amendment No. 1: Amend Contract language	\$0.00	\$0.00
Amendment No. 2: Amend Contract language	\$0.00	\$0.00

3.0 MBE/WBE goals were not established for this contract.

4.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

5.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

**GREAT LAKES RECYCLING, INC. dba SIMPLE
RECYCLING**



Signature

Adam Winfield

Printed Name of Authorized Person

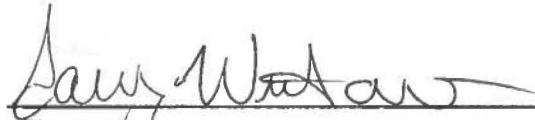
PRESIDENT

Title

9/5/17

Date

CITY OF AUSTIN



Signature

Sandy Wirtanen

Printed Name of Authorized Person

Procurement Specialist III

Title

9/5/17

Date