

# Trash talk transformed into triumph at City Hall

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Three years ago, it was a crisis. Two years ago, the rescue plan suffered an embarrassing collapse. Today, it's considered a City Hall success story.

The topic: trash.

San Antonio produces loads of it - about 310,000 tons last year - and has to find a place to bury what it doesn't recycle.

Things were gloomy on the garbage front in 1993, when a tough new federal environmental law forced officials to close the problem-plagued city-owned landfill.

The City Council was obliged to raise residential collection fees and sign short-term contracts with two private landfills.

Then it got worse. A scheme to truck San Antonio's garbage to a government-built regional landfill in Frio County flopped in 1994, after the city spent \$1.5 million in engineering fees.

Frio residents decided the deal wasn't attractive enough for them to play dumpster to the nation's ninth-largest city.

Much hand-wringing ensued as San Antonians - "at the mercy of private entrepreneurs," in the words of one city report - braced for still-higher garbage bills.

Yet that hasn't happened.

San Antonio enjoys three 30-year contracts with private landfill operators, a growing recycling program that has reduced disposal tonnage and a residential monthly pickup rate of \$12.60, which officials say is among the lowest of any major city in the country.

The city recovered from its failure to plan, waste-watchers say, by deftly leveraging the private market while working to make its own collections program more efficient.

“John German has done a masterful job keeping rates low because of a three-prong strategy of playing the firms against each other,” said Frank Burney, a lawyer-lobbyist for Browning-Ferris Industries (BFI), the national waste giant. Its Tessman Road landfill takes a third of the city's trash.

German, the city's public works director, will seek to strengthen that three-prong strategy today when he offers the City Council his recommendations to sign two contracts that will further the city's relationship with BFI's two private competitors.

The agreements are with Waste Management, which buries city trash at its Covel Gardens landfill on the far Southwest Side, and Texas Disposal Systems (TDS), which trucks San Antonio waste 61 miles to its landfill in Buda, south of Austin.

Both measures, which stemmed from a staff review of competitive proposals by each of the three landfill operators, are expected to pass.

One would designate Covel Gardens as a Regional Environmental Enterprise Zone (REEZ), laying the groundwork for a recycling center and industrial park for firms that could reuse or process waste.

The other would privatize a trash “transfer station” near the airport by leasing it to TDS, saving the city money and helping the independent Austin company compete with two international conglomerates notorious for swallowing smaller firms.

The transfer station, built by the city in 1983, is essentially a large building where trash from garbage trucks is loaded into 18-wheelers for trucking to its final resting place.

By operating the transfer station, TDS would gain a larger foothold in the San Antonio market, fostering competition that is good for the consumer, city officials say.

San Antonio's commercial market is served by private haulers, but most of the city's residential garbage is picked up by city employees even though it is deposited into private landfills.

Yet even as city professionals were congratulating themselves on their trash triumphs in recent weeks, a City Council dispute with apparent political overtones threatened to upset their carefully laid plans, underscoring the perilous foundation on which their strategy rests.

In the end, observers say, it comes down to local politicians doling out pieces of an \$8 million-a-year disposal market to hardball-playing corporations with a penchant for hiring lobbyists and making political contributions.

“It's a clash of the titans,” City Manager Alex Briseno acknowledged.

The problem: The two international giants don't like the TDS deal because the city would double the amount of trash it sends to the Buda landfill from 50,000 to 100,000 tons.

BFI and Waste Management would continue to be guaranteed 50,000 tons each of what the city picks up. The fate of the other 100,000 tons of city-collected trash would depend on what the city decides is the cheapest and most efficient disposal method.

The city and TDS say the arrangement makes sense because TDS needs the guaranteed income from that extra trash to offset the \$1.5 million it will spend modernizing the trash transfer station, plus the \$100,000 annual lease payments it will make to the city.

But Waste Management isn't happy.

“I find it disappointing that the city isn't doing more to help the local business,” said Larry Cohn, manager of the company's Covell Gardens landfill. “Why should his guarantee increase while mine stays the same?”

Cohn's complaints apparently have been heard.

At an October council work session, three council members and Mayor Bill Thornton, who have been consistent Waste Management backers, tried to erect what other council members believed was a procedural roadblock to the TDS transfer station proposal.

Rejecting the staff recommendation, Thornton, Henry Avila, Juan Solis and Robert Herrera voted against placing the TDS proposal on the council agenda for final approval, saying they wanted a formal public hearing on the transfer station even though the law doesn't require one.

All have received political contributions from Waste Management's political action committees or from its chief lobbyist Bill Kaufman.

Kaufman did not return phone calls requesting an interview.

People associated with BFI and TDS also have donated money to various council members who have supported actions that benefited those firms, city records show.

The dispute ended in a rare defeat for Thornton, after a council majority, including mayoral candidate Howard Peak, voted to put the TDS proposal on the agenda.

At Peak's request, TDS later distributed fliers around the neighborhood and hosted a community meeting.

Thornton, who says political contributions play no role in his decision-making process, said Monday he voted for a public hearing because "I never have a problem with public hearings."

Despite that vote, he said he favors the TDS proposal because it create more options for the city.

Solis said he remains opposed to the TDS proposal because he believes it will be more expensive for the city, even though the staff says it will be cheaper.

Herrera said this week he hadn't yet decided how he would vote.

Avila, known on the City Council as Waste Management's biggest supporter, didn't return phone calls seeking comment.

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