

Add \$8 million more to city squandermania

By Roddy Stinson

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With no fanfare and little notice, City Hall has signed a long-term, \$100 million-plus contract.

As much as \$8 million of the money may be squandered.

I say "may be" because after a month-long investigation, this Gazette has been unable to determine exact squandermania numbers.

These facts are known:

In January, Public Works Director John German informed the City Council that the city had signed a contract with Texas Disposal Systems (TDS).

Under the contract, the city guaranteed that it would pay TDS to dispose of 100,000 tons of garbage every year through Sept. 30, 2025.

The cost per ton will range from \$20.62, the current rate, to \$73.55 in 2024-25.

The contract was signed under authorizing action taken by the previous City Council in December 1996.

Events occurring between the council's authorization and the signing of the contract have created a controversy that will be discussed - and cussed over - for decades.

Here's why:

TDS doesn't have a nearby landfill.

San Antonio garbage is hauled 50 or so miles to a landfill near Buda.

Since the city doesn't want to send a bunch of trucks to Buda, garbage is taken to a "transfer station" north of the airport. There it is loaded into large trailers, and TDS hauls it to Buda.

This is an expensive process.

Fortunately for taxpayers, not all of the city's garbage is shipped to Buda. There are two landfills in South Bexar County, one operated by BFI, the other - Covell Gardens - by Waste Management.

The cost per ton for dumping garbage at the BFI landfill is \$14.25.

At Covell Gardens, the cost is \$13.95.

The cost for sending garbage through the transfer station to Buda is \$20.62.

So why do it? Why not save a huge amount of money by taking all of the garbage straight to nearby landfills?

Public Works Director German:

"TDS has over 35 years of life remaining at the Buda landfill, and in 1995 (when the contract was first discussed), the city needed long-term assurance that there would always be a place to dispose waste.

"At that time, BFI had less than three years (of capacity), and Waste Management had not opened Covell Gardens landfill."

So if the contract with TDS had been signed in 1995 or 1996, the matter would be closed. But that didn't happen. The contract wasn't signed until 1998.

Meanwhile, BFI significantly expanded its space, and Waste Management increased its landfill capacity from 1 million to 53 million cubic yards.

Unfortunately, City Hall ignored the new capacities and didn't reconsider its long-term, garbage- disposal plan. And therein lies the controversy.

It doesn't take a number cruncher to figure out the financial advantage of using the BFI/WM landfills. Even a highest-cost case doesn't change that obvious preference.

According to German, the extra "personnel costs" and "truck costs" of hauling North Side garbage straight to South Bexar County landfills are "\$3 per ton." \$3 added to \$14.25 and \$13.95 = \$17.25 and \$16.95. Compared to \$20.62, that is still a ton of savings.

Multiply that savings times 100,000 tons a year through 2025, and you'll have an eye-popping idea of the kind of money that City Hall has just frittered away.

\$8 million is a conservative guess. And the moolah is as good as gone.

During an exchange of letters, I asked German about the cost of garbage disposal without the transfer station/Buda component.

His response:

"This is a non-issue since the city does have a transfer station I see no benefit from an effort that theorizes about non- applicable scenarios. I regret that your questions do not allow for specific answers, nor can I provide calculations."

But there is nothing you and I can do to change the situation.

So that's the end of that ... unless the mayor and City Council decide to take some action in the financial interests of the people.

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Page: 3A

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