



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: April 11, 2017

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

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

Contract Discussions Update

Austin Resource Recovery (ARR) Executive staff are meeting with stakeholders to investigate options regarding the contract with Simple Recycling. Staff recently met with Assistance League of Austin, Easter Seals, Salvation Army and Simple Recycling. A previously scheduled meeting with Goodwill was rescheduled at their request. Most stakeholders continue to question the validity of the contract with Simple Recycling and have repeated their requests to cancel the contract. Stakeholders have not proposed alternative contract arrangements for consideration by the City at this time, but express a willingness to develop programs to collect textiles and housewares if the contract were to be cancelled.

Simple Recycling has met with three local organizations (St. Vincent de Paul, Hope Family Thrift Store and Assistance League of Austin) to begin discussions about potential partnerships.

Stakeholder Meeting

ARR held a stakeholder meeting on Wednesday, March 8 at the Asian American Resource Center. Invitations were sent via email to our full list of stakeholders and 15 people attended representing the following organizations: Assistance League of Austin, Goodwill Central Texas, Hope Family Thrift Store, JOSCO Products, American Textile Recycling Service (ATRS), Austin Creative Reuse, The Salvation Army, Treasure City Thrift and one Zero Waste Block Leader.

ARR partnered with community engagement staff from the Communications and Public Information Office to facilitate the meeting. The meeting agenda included a brief staff update on the Marketing

Plan, Reuse Directory, and Data Collection. Stakeholders were split into small groups to gather input on those three topics. Some stakeholders expressed concerns about the format of the meeting and some stakeholders opted not to participate in the small group discussions which included:

- **Marketing Plan.** ARR is working with a contractor, LDRK Media, to develop a promotional video to educate residents about the volume of textiles going to the landfill and the options available for handling unwanted items. The video will encourage donations to local organizations first and explain the benefits of donating; curbside collection will be mentioned as a secondary option. The video will also present the benefits of shopping at local charities and thrift stores. The video is estimated to be completed by the end of April.

ARR also intends to hire an independent marketing contractor to work with ARR, the reuse community and Simple Recycling to develop and implement a comprehensive marketing campaign. The campaign is intended to promote Austin's reuse community and educate residents about options for handling unwanted clothing and housewares with the goal of reducing material going to the landfill. Feedback from the stakeholders at the meeting is being used to create the scope of work for the contractor.

- **Reuse Directory.** ARR staff asked for stakeholder feedback about plans to develop a local directory of reuse organizations. ARR staff is exploring opportunities to partner with a local organization to develop this directory. The goals of the directory will be to help residents find local organizations where they can donate used items. The directory will be free to use and open to the public. Listings will include information such as a description of the organization, contact information, the organization's mission, acceptable items and how to donate items. Stakeholder feedback was generally positive about this endeavor, and stakeholders largely agreed with the approach ARR plans to take with the directory.
- **Data Collection.** ARR staff suggested hiring a third-party firm to assist with data collection and address any concerns about proprietary information. At the stakeholder meeting, staff posed questions regarding the type of data the stakeholders collect and the nature of any concerns regarding the sharing of data with the City or a third-party firm. The Salvation Army submitted a written statement that, in part, stated they respectfully decline to provide data. A copy of the statement is attached. Goodwill expressed similar concerns that data is proprietary and could be used by competitors if shared. While some of the smaller organizations agreed with these concerns, several other organizations expressed a willingness to share information.

Stakeholder input indicates that if the City hired a third-party firm for data collection, it would be challenging to collect data from enough stakeholders to create a full or accurate picture. ARR will continue to collect monthly data from Simple Recycling and explore other publically available data that could be collected.

As for data collected from the vendor, Simple Recycling tonnage collection has declined since December 2016 from 66 tons to approximately 17 tons in March 2017.

Missing Addresses

Approximately 2,500 customer addresses (approximately 1.3 percent of ARR customers) were missing from the initial mailing announcing the Simple Recycling program. An interdepartmental miscommunication about the purpose of the list caused an outdated list to be used for the initial mailing. The missing addresses have been identified and provided to Simple Recycling. Simple Recycling will deliver a welcome packet and bags to these customers, which will include updated messaging that encourages customers to donate to local organizations first.

Next Steps

ARR will continue to provide monthly updates to Council throughout this six month process and will report on continued stakeholder discussions. If you have any questions, please contact me at 512-974-4313 or Emlea Chanslor at 512-974-1898.

The Salvation Army Statement to Austin Resource Recovery

March 8, 2017

It continues to be the position of The Salvation Army that the contract between the City of Austin and Simple Recycling is inherently flawed and invalidated by the inevitable competition it creates. The Salvation Army has maintained this position since we were initially approached. We are now even more firmly committed to this conclusion.

You have asked us for further data. We respectfully decline to provide that data because the contract violates its own fundamental prohibition against creating competition. It would be detrimental to both our position in opposition to the contract as well as the critical work we are doing in the community to provide you this proprietary information.

Once the contract is voided, we will sit down with the City to discuss alternative ways we can help the City achieve its target of substantially reducing the amount of refuse that goes to the landfill. The Salvation Army has been and continues to be a key player in keeping textiles and many other items out of the landfill, and we welcome the opportunity to further collaborate with the City and our non-profit partners once this untenable contract is voided.

We have no suggestions to improve the promotion and marketing of the Austin Resource Recovery at this time due to the continuation of the contractual relationship between the City and Simple Recycle. We have reviewed the video the City produced, and it is our position that this attempt to clarify donation options further contributes to the confusion and competition inherent in the contract by sending mixed messages to the community. Again, be assured that the Salvation Army enthusiastically looks forward to the opportunity to work in partnership with the City and other non-profits to improve all outreach, marketing and other promotional measures to achieve our mutual goal of substantially reducing landfill refuse once the contract is voided.