

METRO & STATE

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Section B

City dumps proposal to privatize its landfill

Citing environmental, financial questions, council backs off deal

By Kate Alexander

AMERICAN-STATESMAN STAFF

The Austin City Council has effectively scuttled a contract to turn over operations of the city's landfill to a private company.

It caught many observers off guard Thursday when the council voted to postpone indefinitely a vote on the contract with an IESI Corp. subsidiary.

Jeff Peckham, IESI regional vice president, said he was a "little surprised" by the unanimous decision, which came quickly with scant public discussion.

The council move got a more effusive response from the contract's opponents.

"What a shock," said Robin Schneider, executive director of the Texas Campaign for the Environment. Her group had been preparing to seek a referendum to overturn the contract if the council had approved it. "I think they finally came to their senses."

IESI currently runs a landfill on FM 812 next to the city's, near Austin-Bergstrom International Airport. The proposed contract, with a minimum term of 65 years, called for the city and IESI to jointly seek state approval to combine and expand the adjacent facilities.

The company would have paid an estimated \$16.6 million over the life of the contract and would have received most of the future revenue.

See **LANDFILL, B3**

Other council action, **B6**.



Sung Park AMERICAN-STATESMAN

The Austin City Council didn't act on a plan to let a contractor combine this city landfill near Austin-Bergstrom International Airport with its own.



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Environmentalists did not want the city landfill near Austin-Bergstrom International Airport combined with a nearby private one and expanded. They said birds drawn to the landfill could imperil planes.

LANDFILL: Contractor says he still hopes to do business with Austin

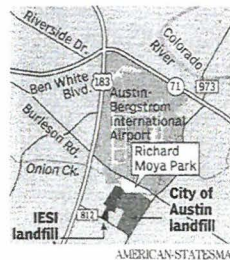
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Both the city landfill and IESI's next door accept only debris from construction and demolition sites.

Opponents argued that the landfill expansion threatened the environment and public safety because birds, which are attracted to landfills, can jeopardize passing planes. Several former members of the City Council, including Gus Garcia, Brigid Shea and Bill Spelman, lent their voices to the opposition in a letter sent to the council Wednesday.

"The proposed long-term contract with a private company to combine our city's asset with a private landfill into a much-expanded 'integrated facility' may not be in the best interests of the city, the taxpayers, or the hundreds of thousands of people who use Austin-Bergstrom International Airport every year," the letter reads.

In their brief remarks, council members said they didn't sign the contract because there were too many unanswered questions, particularly about the environmental and financial implications.



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Council Member Jackie Goodman recommended a more open and deliberative process to draw up a contract to manage the city's old, money-losing

landfill.

"This one presented to us is not it," Goodman said.

The vote means that the council is not likely to revisit this proposal, at least in its present form.

"We have no plans to bring it back at this point," said acting Assistant City Manager Michael McDonald.

He added that the next step is to develop a comprehensive, long-range plan for solid waste. Peckham said his company would continue to seek opportunities to work with the city, including assisting in the development of that plan.

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