



City of Denton

City Hall
215 E. McKinney
Street
Denton, Texas

AGENDA INFORMATION SHEET

DEPARTMENT: Solid Waste & Recycling Department

CM/ DCM/ ACM: Mario Canizares

DATE: May 8, 2018

SUBJECT

Consider adoption of an ordinance authorizing the execution of a settlement agreement between the City of Denton and the Board of Regents of the University of Texas System on behalf of the University of Texas at Arlington ("UTA") related to monies paid by Denton to UTA for solid waste research and related activities at Denton's ECO-W.E.R.C.S. resource recovery facility and including Denton's membership in UTA's Solid Waste Institute of Sustainability; authorizing the City Manager and City Attorney to effectuate the settlement; and, providing for an effective date.

BACKGROUND

Since 2009, the City of Denton has been involved in a series of four interagency agreements with UTA in which the University performed research projects at the City's landfill. The subject matter of these projects focused on the performance monitoring of various landfill systems. In 2015, the City entered into a \$400,000 agreement with UTA to provide research and consulting services related to Solid Waste's landfill mining program. Also in 2015, the City's Solid Waste department began participating as a charter member of UTA's Solid Waste Institute of Sustainability (SWIS).

During the past year, there has been a concentrated effort by City staff to review the business practices, programs, and budgeting methodology at the Solid Waste Department. As part of these efforts, the staff briefed the City Council on September 19, 2017 regarding the feasibility and financial impact of the department's landfill mining operation. The Council elected to discontinue the mining program to avoid projected annual losses in the range of \$1 to \$1.5 million.

Following the discontinuation of the mining program, staff performed an audit of the UTA agreement as part of an effort to eliminate all mining program costs from the Solid Waste budget. During this review, it was determined that payments had been remitted to UTA for work that could not have been completed, as the landfill mining program had yet to be implemented. Shortly thereafter, City staff engaged UTA to negotiate the return of unexpended funds from the agreements, projects, and SWIS membership.

The settlement agreement attached for Council's consideration provides for the immediate return of unexpended funds totaling \$600,000 along with the potential return of an additional \$26,000 following the financial closeout of the final agreement. As part of this settlement, the City of Denton and UTA release one another from any disputes, claims, or demands related strictly to these agreements, projects, and/or SWIS membership.

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Organizational Excellence

Related Goal: 1.1 Manage financial resources in a responsible manner

EXHIBITS

1. Agenda Information Sheet
2. Presentation
3. Ordinance

Respectfully submitted:
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Director of Solid Waste