



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2024-0031

TO: Mayor and City Council Members

FROM: Lisa Cummins, CPPB, Procurement Manager
Mike Viazanko, Director Building/Facilities/Ordinance

DATE: January 22, 2024

SUBJECT: Inter-Local Agreement Designating SOCRRA as the City's MRF Site

REQUEST:

City Council is requested to approve the extension of the Inter-Local Agreement between the City of Rochester Hills and the Southeastern Oakland County Resource Recovery Authority (SOCRRA) which identifies SOCRRA as the City's Designated Recycling Processing Site for a five (5) year contract term to expire March 31, 2029 and further authorize the Mayor to execute a contract on behalf of the City.

City Council is requested to waive Section 2-273(b) the 3-year requirement for long term contracts, under Section 2-281, which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City to allow a 5-year contract.

REASON FOR PURCHASE:

In 2018, the City solicited through an RFP process services required for the City's Solid Waste Program. As part of that solicitation process, the City established their proposal to allow for alternate pricing options. One of the options, included delivery of the City's recyclables to a City designated MRF site. The City in doing this, was able to provide and build in stability to our contract as it relates to the volatility of the recycling market. The City, in working with our consultant, entered into an Agreement in which the City's recyclables are delivered to their processing site, along with additional value added services, such as No Haz program participation, access to their drop-off recycling center at no additional costs, and educational engagement as it relates to recycling that is shared out to our residents in an effort to educate on recycling and ensure a better acceptance rate of our materials being delivered to the MRF facility.

City Council, at their March 11, 2019 meeting, authorized the award of the Inter-Local Agreement between the City and SOCRRA for a five (5) year contract term with the option for the city to renew for an additional 5-year contract term should the City and GFL, through negotiations, arrive at an agreement that was mutually agreed to by both parties.

The Solid Waste Committee consisting of staff from the Mayor's Office, Building, Fiscal, Ordinance and the Purchasing Department have been meeting over the past several months and considered re-negotiation of the City's current contract, as well as soliciting for a new Request for Proposal. The committee with the help of an industry expert reviewed programs in other communities and market trends in the industry and determined that negotiation with SOCRRA for an extension of the City's agreement was in the best interest of the community. Through negotiations, and consultation with our market expert it was deemed that the rate and market escalations being proposed by SOCRRA was less than that of what most are paying for these services and that the rate was fair and reasonable.

The City recommends City Council authorize the extension of the City's Inter-Local Agreement with SOCRRA and award a five-year contract for the continuation of SOCRRA as the City's designated MRF site.

PROCESS:

Vendor Name and Address:

Southeastern Oakland County Resource Recovery Authority (SOCRRA)
995 Coolidge Highway
Troy, MI 48084

Reason for Selection:

Best Value/Contract Extension

Method of Purchase:

Contract

RECOMMENDATION:

It is recommended that City Council approve the extension of the Inter-Local Agreement between the City of Rochester Hills and the Southeastern Oakland County Resource Recovery Authority (SOCRRA) which identifies SOCRRA as the City's Designated Recycling Processing Site for a five (5) year contract term to expire March 31, 2029 and further authorize the Mayor to execute a contract on behalf of the City.

It is also recommended that City Council is requested to waive Section 2-273(b) the 3-year requirement for long term contracts, under Section 2-281, which allows City Council the authority to waive any regulation or procedure pertaining to purchasing, deeming it to be in the best interest of the City to allow a 5-year contract.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Procurement Manager		
Mayor		
City Clerk		

Contract Reviewed by City Attorney Yes N/A