

MINUTES of a rescheduled **Regular Rochester Hills City Council Work Session** held at 1700 W. Hamlin Road, Rochester Hills, Michigan, on Wednesday, May 14, 2003 at 7:30 PM.

1. CALL TO ORDER

President Dalton called the rescheduled Regular Rochester Hills City Council Work Session to order at 7:36 PM.

2. ROLL CALL

Present: President John Dalton; Members Bryan Barnett, Jim Duistermars, Lois Golden, Melinda Hill, Barbara Holder

Absent: Member Gerald Robbins

QUORUM PRESENT

Others Present: Pat Somerville, Mayor
Jane Leslie, Deputy Clerk
Lawrence R. Ternan, City Attorney
Scott Cope, Director, Building Department
Kurt Dawson, Assessor/Treasurer
Roger Rouse, Director, Public Service Department
Bob Spaman, Finance Director
Jean Farris, Supervisor of Procurement
Pam Lee, Accounting Dept.

President Dalton stated Member Robbins had left word he could not attend tonight's meeting due to illness and was excused.

No Resolutions were adopted.

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENTS - (Non Agenda Items)

Paarul Chandra, 2008 Avonstoke, stated she was a student at the University of Michigan, and requested support for a volunteer cultural exchange program in Africa she had been invited to participate in by a private organization. The organization focused on internal development and cultural exchange. She stated she would be involved in raising awareness of HIV and its prevention. She indicated all donations were tax deductible and questions could be directed to telephone number 248-396-8367.

Steven Long, 1686 Foresthill Drive, stated he resides in the North Fairview Farms Subdivision, and wanted to speak about the deterioration of Grandview Road. He indicated he had been informed that some patching would be done to repair the road this year. He did not feel patching

was an acceptable solution, noting the temporary cold patch used to repair the road did not last. He noted Grandview was a main thoroughfare for many of the neighboring subdivisions. He explained he was President of the Homeowners Association and had received many telephone calls from the homeowners regarding the condition of Grandview.

Mayor Somerville stated the cold patching had been a temporary measure. She indicated once the asphalt plants reopen, the asphalt section of Grandview would be redone. She explained funds had been reallocated to allow for all of Grandview to be redone next year. She noted there was also an issue with water from sump pumps along Grandview that would have to be addressed with the homeowners at the same time the road is redone.

Mr. Long verified the asphalt section would be replaced or repaired. Mayor Somerville stated the asphalt would be replaced.

Member Holder stated she was the Council Representative on the Planning Commission, and noted the Planning Commission held a discussion at its May 13, 2003 meeting regarding Grandview in connection with the Capital Improvement Plan (CIP). She indicated although the project was included in the 2004 CIP, the Planning Commission had requested the Administration to determine if it was possible for that project could be included with the 2003 projects.

Member Golden noted the City did not have a road funding plan for 2004, and there were many roads in the City in similar condition. She encouraged Council to address a road funding policy as soon as possible.

5. ADMINISTRATION

5a. Assessing Department

- 1. Request to extend** the Property Tax Exemption for Cliffview Apartments (A0631) (Members received a copy of an Agenda Summary Sheet dated April 9, 2003 from Kurt Dawson, City Assessor/Treasurer, with attachments)

Mr. Dawson stated a request had been received from Bradley E. Froling, of Schwartz Bradley LLC, to extend the property tax exemption on the Cliffview Apartment complex, should the applicant (Cliffview Limited Dividend Housing Association Limited Partnership) purchase the project.

Mr. Dawson explained the Rochester Retirement Residence, also known as the Cliffview Apartment complex, is currently tax-exempt. He indicated the complex was approximately thirty (30) years old, and had been Michigan State Housing Development Authority (MSHDA) financed in the past. He stated MSHDA had agreed to provide financing for the new owners to renovate the buildings, should the purchase transaction be completed. He indicated the renovations would include a new physical plant, and re-equipping the complex for the next thirty (30) years.

Mr. Dawson explained the exemption on the property could remain on the existing facility for up to fifty (50) years. He indicated the exemption would become effective on December 31st of the

year in which the transfer of ownership occurs. He noted the transfer of ownership is currently expected to take place this year.

Mr. Dawson stated the Statute provides for an exemption of ad valorem property taxes with the MSHDA financing, and also provides a Ten (10%) Percent annual shelter rents. He explained the local unit, by Ordinance, can charge from zero (0) up to a tax equal to, but not to exceed, what would be paid if the exemption were not in place. He stated the exemption was being recommended, noting the applicant was seeking a thirty (30) year mortgage with the MSHDA financing.

Mr. Dawson stated other facilities in the community are paying Four (4%) Percent of annual shelter rents, with the caveat that if they fail to achieve Eighty (80%) Percent of low-income housing in any given tax year, an additional service charge would be paid each year for that portion of the development that is excess of those units occupied by other than low-income persons or families. He suggested that same caveat be included with the proposed project.

Member Hill requested an explanation of the renovations proposed by the applicant for the complex.

Mr. Froling stated the property was over thirty (30) years old and the proposal was for a comprehensive renovation. He explained every unit would have all kitchen cabinets, countertops and flooring, carpeting and bathroom vanities replaced. He stated the exterior needed repair work, and sidewalk railings would be added for the benefit of the senior citizens. He indicated the pole lighting would be replaced, and the mechanical systems would be upgraded or replaced. He explained energy-saving features would be installed, such as changing the lighting to fluorescent, installing water-saving showerheads and toilets, and setback thermostats.

Member Hill clarified the subject complex did not currently include the Eighty (80%) Percent low-income housing caveat. Mr. Dawson indicated it was a method of protecting the City's interest and to help achieve low-income housing for the senior population.

President Dalton requested Mr. Dawson to prepare the necessary documentation, including the provision for the Eighty (80%) Percent low-income housing.

Attorney Ternan noted an Ordinance amendment would be necessary with respect to the Eighty (80%) Percent low-income housing. Mr. Dawson stated Attorney Staran had indicated an Ordinance amendment would be prepared.

5b. Planning Department

- 1. Country Club Village Site Condominium Development**, a 256-lot development on 118 acres, currently known as Rochester Golf Course, located north of M-59 and east of Rochester Road (A0643) (Members received a copy of an Agenda Summary Sheet dated May 5, 2003 from Derek Delacourt, Planner, Planning Department, with attachments)

President Dalton noted that Agenda Item **5b(1)** had been removed prior to the start of the meeting due to the lengthy items scheduled for this meeting. He indicated this matter would be rescheduled at a future City Council Meeting.

(Recess: 8:00 PM – 8:04 PM)

6. CITY COUNCIL COMMUNICATION COMMITTEES

- 6a. Community Development and Viability - Solid Waste Report and Recommendation (A0648)** (Members received a copy of an Agenda Summary Sheet dated May 8, 2003 from Susan Koliba-Galeczka, City Council Liaison, with attachments)

Member Barnett stated the Community Development & Viability (CDV) Committee had been charged with reviewing the issue of solid waste. He indicated a PowerPoint presentation would be made, followed by citizen input and Council discussion. He explained this was a Work Session and no vote would be taken by Council at this meeting.

Member Barnett noted this was the first formal presentation on this issue, and stated citizen input had been an integral part of the issue. He referred to a flyer that had been circulated throughout the City recently, which resulted in a volume of telephone calls and e-mails to the Council Members and the Administration. He indicated responses to the questions posed in the flyer would be addressed at this Work Session. He stated copies of the flyer, along with responses to the questions in the flyer and other frequently asked questions had been provided to the Council Members, and would be provided to anyone requesting them. (Copies of those documents have been placed on file in the Clerk's Office).

Member Barnett provided a brief history of the issue, noting the matter had been given a high priority during the Speak Up process. He stated City Council requested citizen input on the issue by directing the matter to the CDV Committee. He indicated the CDV Committee formed an Ad Hoc Citizens Committee to review and investigate the many solid waste issues facing the City. He noted several members of the Ad Hoc Committee were in attendance at this meeting.

Member Barnett stated the Ad Hoc Committee presented a report to the CDV Committee, and the CDV Committee then utilized the services of a consultant to gather additional information and determine the advantages, disadvantages and cost projections of any proposed plan.

Mr. Cope provided a brief overview of the work conducted by the Ad Hoc Committee, and introduced the members of the Solid Waste Committee. He stated the Solid Waste Committee was charged with determining the cost of a single hauler system. He noted the committee reviewed and evaluated the information provided by the consultant, Resource Recycling Systems, Inc.

Mr. Jim Frey, Resource Recycling Systems, Inc., thanked all those who participated in the various committees. He stated the recommendation standard of service for solid waste was similar to that used by many communities in Southeast Michigan and Oakland County.

Mr. Frey stated the goals for the project were to identify real costs for services; identify the housing counts, and to evaluate funding options. He explained the goals also included reducing the wear and tear on the road system, improving public safety, and minimizing the impact on government size. He stated long-term goals of environmental responsibility; preparing for the imminent decrease in landfills and resultant increases in disposal costs, and assisting Oakland County with solid waste planning issues were also discussed.

Mr. Frey discussed the procurement strategy utilized by the Committee, which included utilizing the City's established purchasing process to take proposals. He stated the proposal included services identical to those currently received by the residents. He indicated, in order to increase competition, separate bids were taken for disposal and recycling. He noted those companies that had landfills provided "bundled" services, i.e., everything in one (1) package. He stated because a multi-year contract was important for good pricing, three (3) year contract periods were considered, with two (2) one-year options. He indicated the option of out-sourcing was also reviewed.

Mr. Frey reviewed the following phases of the review and assessment, which included:

- Phase I Disposal and Processing (Late 2002)
 - Landfill Disposal RFP
 - Recycling Processing RFP
 - Yard Waste Composting RFP

- Phase II Collection (January, 2003)
 - Base Proposal to Selected Facilities
 - Alternate for Bundled (to Vendor's own facilities)

- Phase III Outsourced Services (Early 2003)
 - Billing RFP
 - Leaf Collection RFP
 - Project Management RFP

Mr. Frey discussed how the proposals for landfill disposal (regular and bulky waste); recycling processing (paper and bottles/cans or single stream), and yard waste (green waste, fall leaf and Christmas trees) were reviewed by the committee.

Mr. Frey described the collection services that were reviewed during the bid process, including curbside solid waste, curbside recycling, curbside yard waste (bagged), bulky waste/white goods, Christmas trees, handicap/senior "back door" service, municipal dumpsters, and municipal "on call" services.

Mr. Frey indicated outsource services such as billing, bulk leaf collection in the fall, and project management were also reviewed.

Mr. Frey indicated the following companies had responded to the various RFP's:

Disposal	Waste Management (WMI) Allied/Great Lakes
Recycling Processing	Waste Management (WMI)
Compost Processing	Waste Management (WMI)
Collection	Waste Management (WMI) Allied/Great Lakes Five Star

Mr. Frey indicated various companies had responded to the following RFP's:

Billing	LaserTech, Inc. LPD and Associates, P.L.C. 360 Services, Inc. Wolverine Mail, Inc. MP Billing- Plus
Bulk Leaf Collection	E.R. Exteriors, Inc.
Project Management	Shaw-EMCON/OWT, Inc.

Mr. Frey described the evaluation process utilized, which included organizational, technical and financial criteria. He explained the technical proposals were reviewed; references were contacted and the results summarized; each committee member independently reviewed and scored the proposals; the technical scores were averaged, and the financial analysis scores were added.

Mr. Frey stated the top proposals were then determined as follows:

Disposal	WMI
Recycling Processing	WMI
Compost Processing	WMI
Collection	WMI
Billing	Wolverine Services
Bulk Leaf	E.R. Exteriors, Inc.
Project Management	Shaw-EMCON/OWT

Mr. Frey explained these vendors were not being recommended, but rather these vendors would be recommended if chosen.

Mr. Frey stated the collection vendors were allowed to “bundle” services together in a single contract, resulting in proposals from Waste Management and Great Lakes Waste (Allied). He indicated the best “bundled” proposal, from a price point of view, beat the best “unbundled” proposal as follows:

WMI Unbundled	\$11.18 per household per month
WMI Bundled	\$10.94 per household per month

Mr. Frey explained the services identified in both the bundled and unbundled packages, including weekly curbside solid waste, weekly curbside recycling, weekly curbside yard waste (April through November), Fall leaf (bagged), bulky waste/white goods, Christmas trees, handicap/senior “back door” service, household hazardous waste (through the No-Haz Program), education and complaints (joint between the hauler and the City), and a curb-cart option.

Mr. Frey stated the committee developed funding system goals, including low start-up costs, low administration burden, easy implementation, easy administration, and the least complicated to maintain. He indicated the following funding options were explored:

Public Act 238 (Millage)	Permits cities to levy up to 3 mills tax Tax deductible Can be used for refuse, recycling, household hazardous waste, and similar services Requires action by City Council Vote of residents not required Primary funding method in SE Michigan Spreads cost across all parcels Higher value parcel pays more Business pays (often not served) Multi-family pays Lowers costs to residents Low cost to collect Non-pays become lien on property
Fee for Service – Billing System	Type of User Fee Fees match level of service Parcel must benefit from the service (by State Law) Generally voluntary (household could self-haul) Ordinance used to limit to one (1) hauler Fee variation of PAYT Is not widely used in SE Michigan All pay same fees No incentive to reduce or recycle Higher value parcels pay same as lower value parcel Business/Multi-family do not pay Charges full cost to residential sector Fee collection more costly to administer Need to define collection process for no-pays
Pay-as-you-throw (PAYT)	Residents pay for level of service requested May combine flat fee w/unit based fee

- Imprinted bags
 - Stickers
 - Carts
- Flat fee approach often used with Millage
- Millage pays a portion/also pay per bag
- Equitable system
Higher generators pay more
Encourage recycling
Higher collection cost than Millage
Need to define collection process for no-pays

Hauler Franchise

Hauler is licensed to operate in the City
May license more than one (1) hauler
Hauler establishes own fees
Hauler bills residents
No clear legislative authority in Michigan
Limits ability to restrict other haulers
No clear source of savings for residents
Not used much in Michigan

Mr. Frey indicated nearly Sixty (60%) Percent of the communities in Oakland County utilize the Millage funding option.

Mr. Frey stated the committee reviewed the option of a separate bulk leaf collection in the Fall. He stated proposals for a separate leaf collection were taken, and the Administration had calculated the cost to use a municipal crew to provide the service. He indicated many of the vendors had included a Fall leaf collection in their proposals, which did not change their original bid proposals.

Mr. Frey reviewed the program management options, noting one (1) vendor had provided a proposal. He indicated the cost of in-house management was also reviewed. He discussed the billing operation options, if a Millage was not used, noting five (5) vendors had submitted proposals. He indicated the cost of an in-house option, building on the current utility billing system, was reviewed.

Mr. Frey stated the recommendation being made was to move ahead with a single hauler system; to have bundled services with a single hauler under one (1) contract including Fall leaf collection; the City would provide contract management; a Millage funding system; service would begin January 1, 2004; hauler prices would be guaranteed through 2008, and the current price proposals would be guaranteed to Fall, 2003.

Mr. Frey discussed the cost of the proposed system, which included residential services, municipal dumpsters, contract management, and the household hazardous waste program, which amounted to yearly cost of Three Million, One Hundred Eighty-nine Thousand, Six Hundred Twenty (\$3,189,620.00) Dollars. He explained the cost was applied to a One Hundred Thousand (\$100,000.00) Dollar taxable value, resulting in an annual cost of One Hundred Five (\$105.00)

Dollars, based on a 1.05 mill. He noted a Millage could be deducted on an itemized tax return. He explained if a Millage was not used, billing costs would be higher.

Mr. Frey noted the community currently had other types of service-type Millages that were not used by everyone, such as RARA, Bike Path, OPC, Library, County Parks and Schools.

Mr. Frey concluded the committee recommendation would reduce costs to the residents, increase services, improved quality control, reduce wear and tear on the roads, improve public safety, reduce Ordinance enforcement, and minimize impact on government size. He stated the proposed contract would provide five (5) years of guaranteed pricing.

Mr. Frey stated if the recommendation was to proceed, Council would have to review the policy and implementation; an Ordinance Amendment would be necessary; the contract for the selected hauler would have to be approved, and the Millage and associated budget approved. He explained the vendor would have to complete negotiations with the City, including confirmation of every household, defining the routes, and educating the residents, prior to implementation of the program.

Mr. Cope reviewed a map on the easel, which depicted an annual subscription rate of Two Hundred Fifty-two (\$252.00) Dollars a year, which was determined to be the median rate of the current three (3) haulers operating in the City. The map also depicted the homesteads in the City with a taxable value equal to or greater than Two Hundred Thirty Thousand (\$230,000.00) Dollars, and the homesteads in the City with a taxable value of less than Two Hundred Thirty Thousand (\$230,000.00) Dollars. He indicated approximately Ninety-seven (97%) Percent of the City's residents would realize lower costs for solid waste services under the proposed program.

Mr. Cope referred to the comments contained in a recently distributed flyer, and indicated he and Mr. Frey would like to respond to those comments. (A copy of the flyer and the May 14, 2003 Memorandum prepared by City Staff and Resource Recycling Systems, Inc. have been placed on file in the Clerk's Office and made a part hereof by reference).

Mr. Cope and Mr. Frey then reviewed a May 14, 2003 Memorandum prepared by City Staff and Resource Recycling Systems, Inc., addressing "Frequently Asked Questions" about the proposed City of Rochester Single Hauler System. (A copy of the memorandum has been placed on file in the Clerk's Office and made a part hereof by reference).

Mr. Cope introduced Mike Csapo, the General Manager of Resource Recovery and Recycling Authority of Southwest Oakland County (RRRASOC).

Mr. Csapo stated RRRASOC represented eight (8) Southwest Oakland County Communities, including Southfield, Farmington, Farmington Hills, Novi, Walled Lake, Wixom, and Brandon Township. He explained he had been requested to provide a brief explanation of how the RRRASOC communities handled their waste hauling services.

Mr. Csapo stated six (6) of the communities provide full-service curbside collection including garbage, yard waste and recyclables, and two (2) of the communities utilized subscription based services. He referred to excerpts from a study conducted by RRRASOC indicating current service providers and the cost of the service in 2000. He stated the rural townships in the outlying areas primarily utilized the subscription-based service, which is the type of service currently used in Rochester Hills.

Mr. Csapo stated Waste Management and Great Lakes/Allied Waste provided the majority of the service for the Communities, although the Cities of Detroit and Pontiac utilized a municipal work force.

Mr. Csapo stated four (4) of the communities were currently two-thirds (2/3) of the way through a fifteen (15) year contract with Waste Management, which included locked-in prices through 2008. He noted the contracts included a “quit without cause” provision that allowed the communities to give notice, cancel the contract, and go out for bids. He indicated service complaints were tracked, and for the last quarter, there were less than one (1) complaint per one thousand (1,000) households, on the average.

Mr. Csapo stated another reason to break a contract would be if it was determined that services could be provided at a lower rate. He noted not all communities included this cancellation provision in their contracts.

Mr. Csapo stated the range of contract rates per household per year ran from a low of One Hundred Seven (\$107.00) Dollars to a high of One Hundred Seventy-one (\$171.00) Dollars. He noted the rate indicated with the proposed program for Rochester Hills was below the median rate for the RRRASOC communities.

Recess - 9:23 PM to 9:37 PM

Lee Zendel, 1575 Dutton Road, stated he had prepared a short PowerPoint presentation regarding the issue of a single waste hauler. He stated the consultant’s report included a current estimated cost of service that did not accurately reflect the total number of households, because it was based on census figures, which included both apartments and condominiums. He stated the consultant later revised his total number of households, which would reduce the projected five (5) year savings by Thirty-two (32%) Percent.

Mr. Zendel stated approximately half of the condominium complexes in the City used dumpsters, which increases the projected figures of households with no service, and reduced the number of households paying a full service price. He noted he had increased the number of subdivision subscribers to Forty (40%) Percent, rather than the Thirty-five (35%) Percent utilized in the consultant’s report.

Mr. Zendel stated the proposed contract included a Two and one-half (2.5%) Percent escalation price per year. He indicated his figures resulted in an annual savings to the residents of Four Hundred Sixty-five Thousand, Sixteen (\$465,016.00) Dollars, or an average daily savings per householder of Six (\$.06) Cents per day.

Mr. Zendel noted the RFP's had not received as many responses as originally expected. He discussed the proposed Millage to pay for trash service, which did not require voter approval and would not qualify under the Headlee exemption. He indicated the Millage would only be tax deductible if taxable income is over Forty-six Thousand, Seven Hundred (\$46,700.00) Dollars, and only if deductions were itemized. He stated if the average Millage charge was One Hundred Thirty-two (\$132.00) Dollars, a taxpayer would save Nineteen and 50/100 (\$19.50) Dollars on Federal Taxes.

Mr. Zendel stated although the Millage rate might not increase, the taxable value of the homes would increase Two and one-half (2.5%) Percent each year. He indicated he felt as many as Thirty (30%) to Forty (40%) Percent of the residents would pay more for trash services at the beginning of the program, either because of their home's taxable value, or because they reside in a subdivision currently paying a special rate.

Mr. Zendel stated most residents considered the amount of their garbage bill to be less important than other household bills. He noted most residents only wanted to be assured when they put their garbage out, someone took it away.

Mr. Zendel stated many states and some local governments had enacted "bad boy" or "good conduct" laws to avoid doing business with companies that show a lack of integrity. He stated the RFP required a company to disclose a five (5) year history of all claims, settlements, arbitrations, litigation proceedings, and all criminal legal actions for the company, its parent company, subsidiaries or partners. He indicated the RFP also required disclosure of all enforcements actions taken against it by any regulatory agency for the past five (5) years.

Mr. Zendel stated Waste Management (WMI) only provided information about matters in Michigan in its response to the RFP. He stated WMI had thirty-six (36) subsidiaries registered in Michigan. He reviewed the data he had discovered regarding WMI and some of its subsidiaries in other communities, including California, New York, Virginia, Indiana, and Florida.

Mr. Zendel stated WMI had indicated in its response to the RFP that its Eagle Valley Landfill had a life expectancy of more than five (5) years. He indicated WMI later told the Michigan Department of Environmental Quality (MDEQ) that if its application to expand was not granted, the remaining capacity life was 2.4 years.

Mr. Zendel stated WMI indicated in quarterly reports to the City that recyclables were taken to Recycle America and WMI received no payment from them. He indicated the parent company of Recycle America was WMI.

Mr. Zendel stated he had researched the complaint figures provided with the consultant's report, and the number provided for Sterling Heights was not accurate.

Mr. Zendel stated the City's Purchasing Ordinance spoke to dealing with the lowest, responsive, responsible bidder. He indicated he did not feel WMI fully responded to the RFP and their record did not reflect a responsible company.

Mr. Zendel concluded the proposed program would result in only minor cost savings initially to perhaps Sixty (60%) Percent of the residents; it was likely those residents who itemize would pay more than they currently pay, and tax deductibility was a non-issue for the majority of the residents. He indicated he had weighed the proposed program and found it wanting.

Judy Daggett, 6600 Orion Road, stated she did not want to pay more taxes for waste hauling service. She indicated she was happy with the company she was using, and she preferred to have a choice. She stated she had all the enhanced services mentioned with the proposed program. She stated she had seen how other services operated in the City, and would not want to utilize the services of those companies. She stated she would not want to pay for garbage service for an entire year if she wintered in another state. She stated the size of a home had nothing to do with the amount of garbage generated, rather this was determined by the size of the family.

Rea Siffring, 971 Dutton Road, stated currently the residents can chose to participate, and the proposed program would not allow the residents to handle garbage pickup on their own. She noted there would not be a vacation relief option, and the residents could not opt out of the plan. She did not feel the promised benefits and service could be delivered, and she felt complaints would increase with the proposed program. She indicated the residents should be allowed to handle their own garbage pickup, and Council should focus on roads, planning, zoning, parks, water and sewer. She felt Council was trying to fix something that was not broken, and such a sweeping change should not be made without voter approval.

Mary Jo Dinha, 851 Dressler Lane, stated she was a fifty-nine (59) year resident, and was the Chairperson of the Zero New Taxes committee. She felt the residents preferred to negotiate for their own trash hauling services, and the proposed plan would escalate costs. She indicated the fee would be discriminatory because it would be based on the value of the home rather than the amount of trash generated. She stated the residents had considered this issue in the past, and had rejected it.

Rev. Dr. Pamela Whateley, 1600 N. Livernois, stated Council Members were supposed to represent the residents and carry out their wishes. She indicated the residents had repeatedly voted not to have a single trash hauler, and the issue should be closed. She felt the voters were being bypassed with special subcommittees and studies, which cost the voters money. She stated the residents wanted to pick and choose their own trash haulers to meet their own needs; to be able to change trash haulers when their needs were not being met; to change trash haulers whenever they find a hauler with more reasonable rates; to change trash haulers if they feel recycling is not being done, and to make complaints to a person not an answering machine. She stated if the residents chose their own trash hauler, they would not be affected by a single trash hauler strike, or by having to pay higher collection rates based on the whim of a single trash hauler. She noted the City could levy up to three (3) mills to cover trash hauling expenses, and stated that amount would increase as the value of the homes increased. She felt this issue should be placed on the November Ballot to allow the voters to decide.

Robert Kelley, 185 Nawakwa, stated he was in the solid waste removal business because he hired a company to pick up his trash each week and he paid them quarterly. He stated this

allowed him to be the boss, and if he was not happy with the service, he could choose another hauler. He felt it was his right to continue with this practice. He stated the discussion had centered around providing this service in the cheapest manner, and noted “you get what you pay for”. He did not agree with basing the fee on the value of the home. He felt voter approval should be received on this issue.

Tom Stevenson, 708 River Bend Drive, stated he was a member of the citizen’s Ad Hoc Committee, noting at the time the committee was formed, he did not believe a single hauler would work. He indicated after a year’s worth of study by the committee, he became convinced this was the way to handle the matter. He stated as former president of his homeowner’s association, he negotiated three (3) separate contracts for his subdivision. He noted although the cost was great, the service was awful. He felt the key to the whole situation was not the cost or the savings, but rather he wanted to be able to put his trash out on the curb and have it disappear. He stated he had interviewed other cities about their trash hauling programs, and the communities where a single hauler did not work indicated the reason it did not work was because they selected the wrong trash hauler. He stated a consortium had been formed in the Saginaw Valley, comprised of sixteen (16) communities that contracted their solid waste together, and provided a considerable cost savings to those communities. He felt having the City control the service would provide the clout necessary to force complaints to be dealt with. He indicated he did not agree with putting the charge on the tax bill, and suggested the service be billed as an additional item on the water bills.

Herbert Morawe, 850 Dickson Lane, stated he was a thirty (30) year resident. He stated this issue had been rejected by the residents, and questioned why a proposal was being considered again. He indicated he resided out of state for several months during the year, and it was his normal practice to cancel the newspaper, cable television, telephone and the trash pickup. He stated that saved him money, and the proposed Millage increase would not save him money. He suggested Council consider the retirees and seniors in the City.

Karen Bickle, 735 Sandstone, stated she was a member of the citizen’s Ad Hoc Committee and the committee had spent a considerable amount of time reviewing this issue. She noted this was not a simple issue, nor was it a single issue. She stated a process for waste disposal needed to be provided for the entire community, which included environmental issues, the number of days trash sits out on the curb, cost, and wear and tear on the roads. She noted wear and tear on the roads was the reason the residents kept bringing this issue up. She stated many roads had been redone and the residents wanted to maintain them. She indicated many of her neighbors put rocks along the edge of the road to prevent the trucks from running over the lawns. She felt accountability was an issue, and she felt the City should investigate the companies prior to choosing a hauler. She indicated her present hauler was charging her ninety-five (\$.95) cents as a service charge to send her a bill. She discussed her frustration in dealing with billing and other service problems with her current waste hauler, and indicated she felt the clout of the City would make a difference.

Gerard Gray, 755 Baylor Road, stated he had heard the Millage was not limited to Waste Management. He noted once service was in effect, the quantity of waste allowed the residents could be reduced, without costs going down. He suggested consideration be given to non-

resident status to allow those who reside out of state not to pay for the months they are out of town. He did not feel the proposed program was equitable to empty nesters. He expressed concern about empty trashcans being left in the street after the hauler goes through the neighborhoods. He questioned why more bids had not been received for the proposed program. He stated he did not see a need for change at this time, although he felt that hazardous waste should be addressed. He believed the issue should be put to a vote of the people, without incurring a special election cost.

Ethel Cenkner, 2609 Stonebury, stated she was a thirty (30) year resident, and noted the presentation had been hard to hear due to the inadequate public address system. She indicated due to the lateness of the hour, many residents who had been in attendance and wanted to speak had left. She complimented the presentation made by Mr. Zendel because it provided an opposing point of view. She stated she did not want to give up her right to choose a waste hauler. She stated she understood Waste Management had been involved in a scandal in Warren, Michigan, several years ago. She indicated she felt the issue should be reconsidered and should be placed on the ballot. She stated she felt the proposed program would not benefit those who owned vacant land, and those who lived in condominiums, mobile homes and apartments.

Member Golden stated she had received some citizen comments via e-mail from **Susan Marino, 500 Allston Drive**, which she read for the record (a copy of which has been placed on file). Ms. Marino indicated she was unable to attend the meeting, and wanted to make her objection to a single hauler known. She stated she owns several pieces of property in the City; she only requires one (1) pickup, and is satisfied with her current hauler. She felt the current proposal would be expensive and would not be beneficial to her.

President Dalton thanked the residents for their comments, and noted this was a Work Session and no City Council decision would be made at this time.

Member Holder stated this issue should be placed on a ballot to allow the residents the opportunity to vote. She referred to the comments about the public address system in the building. She explained this meeting area was a temporary setting during construction and renovation at the City Hall Building. She did not feel it would be cost effective to spend money on this temporary area. She thanked the residents for being patient during the construction process.

Member Golden stated Council Members had received a tremendous volume of telephone calls and e-mail correspondence regarding this issue. She indicated she would request Mr. Zendel to allow her to put his presentation on her website (loisgolden.com), and noted it had been put on the City's website as well. She thanked the Ad Hoc Committee for their hard work, noting this issue was being addressed at the request of the residents. She indicated approximately Seventy-five (75%) to Eighty (80%) Percent of the telephone calls and e-mails she received were opposed to a single hauler. She stated some residents had expressed concern about the additional truck traffic on the roads, and noted their complaints with their current hauler. She indicated additional concerns expressed were about creating a monopoly, inequities, no choice in service, snowbirds, and the fact that government should stay out of trash. She thanked Mrs. Dinha for creating an awareness of this issue within the community. She noted the prior City Council

Work Session held in 2002 and the Ad Hoc Committee meetings had not been televised to allow the residents an opportunity to learn about the issue.

Member Hill stated it was the responsibility of the legislative body to help provide the best service possible for the least amount of cost that would benefit the greatest number of people in the community. She noted if the private sector could do a better job, then government should not do it. She referred to the comments about competition and monopolies, and noted three (3) licensed haulers were currently operating in the City, and two (2) of those haulers had bid on the proposal. She noted the difference in rates among the various haulers, and stated she would prefer to receive more services at a cheaper rate. She explained some residents would also receive a benefit of an itemized or homestead deduction. She noted there were other major issues for the City to consider, such as storm water and roads, which would be costly. She stated Council had previously committed to a fifteen (15) year bond to pay for a five (5) year road program. She explained the residents did not all pay the same amount for the road bond because it depended on taxes, and noted not all residents used the roads that have been repaired. She stated the residents did not currently pay for the amount of trash put out at the curbside, noting they were being charged a flat fee no matter what was put out. She indicated if the taxable assessment increased, the Millage rate required to pay for trash removal service would be reduced. She stated Millage rates had been reduced previously, and explained the water bills had been subsidized for many years.

Member Duisternars stated he had reviewed the matter thoroughly, and indicated he did not agree with the Millage proposal due to the inequities related to condominium owners, businesses, etc., who would be charged for a service they would not receive, and would be charged again by the hauler they utilized. He noted any additional cost to a business would be offset by increased charges to the consumer.

Member Holder stated this issue had been discussed many times over the years. She stated she had not voted to hire a consultant for this matter because she did not feel there was enough of an issue to merit the expense. She noted a “Grade Your Government” meeting was being held at the City Hall Municipal Building on Thursday, May 15, 2003 at 7:00 PM. She indicated this was an opportunity for the residents to meet with the Mayor, City Council and the Administration to discuss their issues.

Member Barnett noted the late hour and thanked the residents who had remained to provide their comments and input on this issue. He stated he appreciated the turnout at this meeting because the best thing a City could have was an informed resident. He indicated one (1) of the goals of this Work Session was to get the information out, and to ensure the residents understood the benefits, as well as the positives and negatives of the issue. He agreed the most important part of this issue was that the trash put out at the curb went away, followed by the cost of that service. He stated a balance would have to be found between any cost savings associated with the proposed program, and the rights of the residents to make a choice. He felt it was prudent for the City to review realistic opportunities to keep more of the residents’ money in their pockets. He noted the funds generated by the proposed Millage would be strictly used for the solid waste program.

Member Golden referred to a comment by a resident about hazardous waste, and noted the No-Haz Program was beginning. Mr. Cope stated a schedule had been printed in the Hills Herald, and posted on Channel 55 and the City's website. He explained the City was participating in a consortium formed by Oakland County and several other communities to provide the No-Haz Program to the residents.

7. COMMENTS & ANNOUNCEMENTS

- 7a. City Council Members**
- 7b. Mayor**
- 7c. Attorney**

No comments or announcements were made.

8. ANY OTHER BUSINESS

Member Holder stated she had received a telephone call from a postal carrier who indicated that flyers had been put on mailboxes. She was informed that the postal carriers removed the flyers from the mailboxes and turned them over to the Postmaster. She stated the Postmaster would contact the party responsible for the flyer, and could charge the responsible party the amount of regular postage due for each flyer collected. She suggested flyers not be distributed on mailboxes or on the flags on the mailboxes.

9. NEXT MEETING DATE

- 9a. Wednesday, May 21, 2003 - Regular Meeting - 7:30 PM**

10. ADJOURNMENT

There being no further business to discuss before Council, President Dalton adjourned the meeting at 10:53 PM

JOHN L. DALTON, President
Rochester Hills City Council

JUDY A. BIALK,
Administrative Assistant to the City Clerk

BEVERLY A. JASINSKI, Clerk
City of Rochester Hills