



Rochester Hills Master Report

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File Number: 2004-0626

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Version: 2 **Reference:** **Controlling Body:** City Council
Requester: Building Department **Cost:** \$25,000.00 **Introduced:** 07/19/2004
File Name: Oakland County's commitment to NoHaz consortium **Final Action:**

Title: Approval of North Oakland County Household Hazardous Waste (No-Haz) Interlocal Agreement between Oakland County and the City of Rochester Hills

Notes: Oakland County

Code Sections: **Agenda Date:** 01/19/2005

Indexes: Blanket Purchase, Hazards, Purchase Authorization **Agenda Number:**

Sponsors: **Enactment Date:**

Attachments: Agenda Summary.pdf, No-haz agenda 1-19-05.pdf, 0626 Agreement.pdf, nohaz2003-2005budget.pdf, nohaz2005projectedcosts-exhibita.pdf, 072104 Agenda Summary.pdf, Letter Oak Cty 20040618.pdf, Consortium Succession Plan.pdf, PowerPoint Presentation.pdf, 20032004budgetsummar.pdf, 072104 budgetsummary.pdf, 072104 Resolution.pdf **Enactment Number:**

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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1	City Council	07/28/2004	Referred by Resolution	Community Development & Viability Committee			Pass
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Notes: *Mr. John Sage, Ordinance Inspector, explained that, in anticipation of the difficult transition of succession, Oakland County has extended its commitment to the NO-HAZ program until January 2006, one year longer than originally planned. To that end, Oakland County has requested that all participating communities identify their organizational plan and level of participation following Oakland County's eventual departure from the program. Mr. Sage stressed that City staff does not know how many communities will continue their involvement in the plan, thus the finances are unknown as well, and recommended that the issue be referred to the Community Development & Viability Committee for further evaluation. He presented the following information in a PowerPoint presentation:*

NO-HAZ Succession Planning

Why Succession Planning?

** NO-HAZ organized with the understanding that the consortium would form a group independent of Oakland County.*

** To begin the process of identifying the best options now.*

- * *Alternative governance options provide new opportunities.*

NO-HAZ Function Areas:

- * *Legal*
 - *Formation of a successor organization*
 - *Contract management*
- * *Operational*
 - *Site selection*
 - *Collection event management*
- * *Administrative*
 - *Appointment taking / report preparation*
 - *Billing and record keeping*
 - *Hotline & website maintenance*
- * *Education & Outreach*
 - *Design and production of marketing materials*
 - *Distribution of materials to membership / media*
 - *Communication with media outlets for press releases, interviews, etc.*

Level of Service:

- * *As Is - Household Hazardous Waste only*
- * *Household Hazardous Waste PLUS electronics*
- * *Add other services (i.e. recycling, waste, yard waste, composting, etc.)*

The Options:

- * *Do Nothing - Disband*
- * *Continue NO-HAZ Consortium*
 - *Interlocal Approach or Authority Formation*
 - * *One municipality takes the lead*
 - * *Several municipalities split function areas*
 - * *Hire consulting or management firm to handle function areas*

Options: Do Nothing - Disband

- * *Determine end date*
- * *Fulfill all contract obligations*
- * *Pull all education / outreach materials from public areas*
- * *Finalize administrative / operational responsibilities*
- * *Finalize invoice / reimbursement process*

Options: Interlocal Agreement

- * *One municipality takes the lead to handle duties performed by Oakland County now*
- * *Several municipalities split responsibilities according to strongest assets available*
- * *Hire consulting / management firm to handle operational, administrative and education duties*

Pros of Interlocal Agreement:

- * *Use framework of existing agreement*

Cons of Interlocal Agreement:

- * *Cumbersome*
- * *Costs incurred without value (i.e. annual legal costs for review of agreement)*
- * *Potential for control issues*

Options: Authority Formation:

- * *Authority formation allowable under Act 179 & Act 223*
 - *Act 233 allows authority to handle multi-county service areas*
- * *Must have minimum of two (2) units of government*
- * *All participating units of government approve and sign final documents*
- * *Creation of Board of Directors*
- * *Non-voting or expert advisory input allowed*

Pros of Authority Formation:

- * *Allocates power and responsibility*
- * *Bylaws clearly detail administrative procedures*
- * *Long-term stability*
- * *Insulated from political legislative process*
- * *Create own identity, mission, momentum*
- * *Act 233 allows authority to handle multi-county service areas*
- * *Access to bond financing*
- * *Use of member units own public sector funding mechanism*
- * *Access to private sector finance and funding methods through public/private sector agreements*

Cons of Authority Formation:

- * *Potential for authority to grow too independent of local units of government*
- * *Representation challenges*
- * *Lack of experience or expertise*

Community Resource Identification: NO-HAZ Function Areas

- * *Legal*
 - *Formation of a successor organization*
 - *Contract management*
- * *Operational*
 - *Site selection*
 - *Collection event management*
- * *Administrative*
 - *Appointment taking / report preparation*
 - *Billing and record keeping*
 - *Hotline & website maintenance*
- * *Education & Outreach*
 - *Design and production of marketing materials*
 - *Distribution of materials to membership / media*
 - *Communication with media outlets for press releases, interviews, etc.*

Oakland County Assistance - Similar to NO-HAZ Formation Process:

- * *Assist in decision making process to determine in what direction Consortium wants to go*
- * *Facilitate informational meetings*
- * *Provide models / case studies*
- * *Serve as advisor to Management Subcommittee*

Succession Timeline:

- * *June-July 2004*
 - *Consortium members complete Memo of Intent*

- * August 2004
 - Management Subcommittee drafts legal documents
- * September 2004
 - Presentation of legal documents to Consortium
- * October 2004
 - Place legal documents before community boards for approval
- * January 2005
 - Finalize legal documents for successor organization

Net Steps:

- * Review Memo of Intent
- * Timeline for Decision Making
 - June 18th - RSVP of Memo of Intent review date
 - July 23rd - Deadline for return of Memo of Intent
 - August 4th - Next Meeting (Memo of Intent results)

Ms. Hill noted that this program was originally to be paid for via the single waste hauler plan, however, since that plan was rejected by Council, she questioned how this program would be funded in the future. She stressed that she would be very hesitant to continue paying for the NO-HAZ program from the City's General Fund.

Aye: Dalton, Barnett, Duistermars, Hill, Holder, Raschke and Robbins

- 1 Community Development 10/28/2004 Referred City Council
& Viability Committee

Notes: Committee commenced with discussion regarding Oakland County's commitment to the NO-HAZ Consortium as follows:

- * No-Haz is our hazardous waste collection program.
- * Rochester Hills has completed its second year of participation.
- * Oakland County will remain in program through 2005.
- * Currently, fifteen (15) communities participate in No-Haz Program.
- * City of Pontiac, Groveland and Lake Angelus are considering withdrawing from program.
 - * Pontiac has a large population with zero or little participation.
 - * Rochester Hills cost for 2005 with Pontiac and others participating \$9,700.
 - * Rochester Hills cost for 2005 without Pontiac and others participating \$12,000.

Jack Sage, Ordinance Inspector, reviewed the No-Haz budget.

- * There are two (2) events for 2005, Spring and Fall, down from six (6) events in 2004.
- * Actual 2004 budget was \$35,000.
- * Total Cost for 2004 was \$27,532 as follows:
 - * 280 cars participating at \$30 per car plus Administrative costs.
- * When the average cost per car decreases, the program cost decreases.

- * Budget is based on projected cars.
- * Actual 2005 budget is one-half of 2004 budget as follows:
 - * Amounts to \$12,000 based on average 254 cars.
 - * Fifty (50%) percent Administration costs.
 - * Fifty (50%) percent variable costs.
- * Appointment schedule discussion commenced as follows:
 - * Appointments are from 8:00 am - 12:00 noon.
 - * Open from 12:00 nonn - 3:00 pm
- * After 2005, Oakland County will not be involved in No-Haz program.
- * Committee discussed having a managment company come in and run No-Haz program.
- * Oakland County has agreed to cover the legal fees, draft legal documents with managment company that will be collecting the hazzardous material.
- * Chairperson Bryan Barnett agrees the City of Rochester Hills should commit to No-Haz program for one (1) more year.
- * Chairperson Barnett would like Jack Sage to present final cost numbers at future CDV meeting.

Text of Legislative File 2004-0626

..Title

Approval of North Oakland County Household Hazardous Waste (No-Haz) Interlocal Agreement between Oakland County and the City of Rochester Hills

..Body

Whereas, the Rochester Hills City Council recognizes the continual need and is committed to the protection of the natural environment and the prevention of toxic materials from entering our waterways and landfills; and

Whereas, a No-Haz Inter-local agreement has been drafted setting forth the administrative duties and obligations of the County, participating communities and the City of Rochester Hills under the No-Haz program.

Now Therefore It Be Resolved that the Rochester Hills city Council hereby approves the attached Inter-local Agreement and authorizes the Mayor to execute it.

Be It Further Resolved that the Rochester Hills City Council authorizes a blanket purchase order to Oakland County in the amount not-to-exceed \$25,000.00 for administration and collection costs of participation in the household hazardous waste program.

