
CITY OF ROCHESTER HILLS



Susan Galeczka, Deputy Clerk

DATE: March 29, 2006

TO: City Council Members

RE: Single Solid Waste Hauler

A gentleman by the name of Harry contacted the Clerk's Office on Tuesday, March 28th expressing his concern that the City is getting involved in garbage pick. He indicated that he feels it is wrong for the City to undertake garbage pick-up when it can't take care of its roads. He stated that he couldn't believe that Council would take on this expanded responsibility when it is not merited. He concluded by saying Rochester Hills should stay out of garbage pickup.

Rochester Hills city council

March 29, 2006

To me, the single hauler concept makes a lot of sense for two simple reasons:

- 1) I seem to recall from previous council meetings the statements that the vast majority of residents would save money with a single hauler. In our case, one proposal would have saved us a LOT of money!
- 2) We would tend to save wear and tear on our streets, without quantifiable numbers.

There seem to have been several iterations by the city, with exact details unknown to me as to the pros and cons of each . However, the various options seem to have been thoroughly wrung out by the solid waste committee, council and city staff, with all aspects fully addressed. You should now know almost all that you need to know, from today through the years ahead.

So, my vote is for the city to revisit this subject again, fine tune as desired, and put your best proposal and the reasons behind it before the public for their final vote. As this would be a case of the city's requiring its residents to fund something , I feel strongly that the people should be the ones to settle the issue .

As in the case of wear and tear on our streets, there is another intangible - negative perception of government in general . The ongoing shenanigans by Oakland schools and Rochester schools are two obvious cases which come to mind. A city ballot proposal which would be well thought out and clearly explained , such as single hauler , would help to remind folks that you are a different entity , and worthy of the public's trust.

Bottom line- please refine this package the best that you can , present to your voters, and let them be the final judge - isn't that the way that the democratic process is supposed to work? Please do your job, and trust your residents to respond accordingly.

Respectfully,



Carl Wellenkotter
184 Shagbark Drive, 48309

cc: Mayor's office

per Email today, hopefully to be read into tonight's record - Thank You!

Summary of Rochester Hills History
Relevant to the Issue of Solid Waste

Reference: the city council minutes given to our committee
organized by year

1993

- I. April 7 – council discusses the recommendation of the SW committee headed by Mildred Knudsen. These insist on the city contracting with one hauler and mandatory recycling.

Pg. 13 – Mr. Beaton – “Not mandatory but voluntary, will give 85% compliance – we do not want a police squad”.

Pg. 19 - without city involvement, residents can have the flexibility to opt. out of pickup entirely.

Pg. 21 - Mr. Jones – “people choosing a hauler and volunteering to recycle would be right.

Under citizen’s comments: 150 - 250 came to protest against the city contracting with one hauler.

150 spoke against the plan.

- II. Sept. 22

Pg. 12 – Pat Roberts remarked, “in addition to those who spoke on April 7, each council member received about 150 calls which were in the negative”.

Pg. 16 – Mr. Beaton said, “Mrs. Knudson did not follow council’s wishes and that has created the controversy”.

1994

- I. Aug. 17

Pg. 20 – The Solid Waste Management Committee is Disbanded.

1995

- I. Feb. 1 - Council says no to a one hauler plan stating, “a monopoly removes competition”.

- II. Feb. 22 – Many spoke in support of voluntary recycling. Pat Somerville said, “the SWMC should have represented both sides”.

- III. July 26 – Cumberland subdivision hires a hauler.
Mr Beaton states, “a curb side voluntary plan should be considered”.
- IV. Oct 4 – SWMC deleted

1998

- I. Feb. 4 – Discussion of Solid Waste Concerns
 - 1. Saving money.
 - 2. Decrease number of trucks.
 - 3. Leaf burning.
 - 4. Safety.
 - 5. Aesthetics.
 - 6. Roads.
- II. May 19 – Ms. Somerville “our ordinances do not require the hauler to separate the recyclables at the curb”.
Mayor Snell “agree, but residents must separate at curb.”
- III. Sept. 1 – Pg. 11, Mr. Gaber “since we have less haulers, we do not need a single hauler”.
- IV. Aug. 25 - Vicky Selva suggested and Ms. Somerville agreed that appointing a committee, rather than hiring a consultant would save money.
- V. Dec. 15 – Ms. Hill alludes to “many solid waste problems”.

1999 – 60% of voters elected Pat Somerville to the office of Mayor. She ran on a platform of less government and more citizen participation.

2000

- I. Jan. 5 – Johannes Buiteweg wonders if our licensing ordinance is responsible for the small number of approved haulers.
- II. Feb. 16 – Pg. 4 – Tom Burch stated, “the fee for a consultant is too high”. Ms Golden stated, “the calls she receives as a member of council, are inquiries concerning what should be done with hazardous waste, lawn debris, and construction materials”.
- III. March 22 – Pg. 12 – a resident is concerned about the money to be spent for a consultant.
Lee Zendel notes “the residents are not in favor of a city run waste program.”

IV. April 19 – Pg. 19 – Tom Stevenson spoke against hiring a consultant. He said “issues that need to be address are; fines, service, education, leaf disposal, large items, paint, batteries, and construction materials”.

Pg. 20 – Mayor Somerville stated, “citizens want individual garbage haulers that they hire”.

Pg. 20 – Motion to hire a consultant fails due to lack of support.

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Rea Siffing
Ad Hoc committee

I reviewed the general summary by Susan Brown and the solid waste plan of Oakland Co. -1999 update- and I found that the following specific facts and recommendations are relevant to the Ad Hoc committee.

Part I-Forward

"The term, solid waste, includes all non-hazardous components of the waste stream prior to source reduction, reuse, composting and recycling."

Part II-Executive Summary

Oakland Co. has sufficient disposal capacity for our needs beyond the 10 year period. Solid waste services and facilities are provided by the private sector at the present time. It is recommended that the free-market continue.

Part IV-Existing Solid Waste Service

Two-thirds of the county waste stream is handled by individual waste generators having an individual agreement with private sector entrepreneurs. This is the prevalent practice, state-wide. Some municipalities choose to manage these services by contract with a hauler, also handling billing and complaints. Others, such as West Bloomfield Township, designate a preferred hauler who, in turn, offers a reduced rate. Most local governments deal only with health and safety. Complaints by the public mostly deal with those items not removed by their hauler such as ; hazardous waste, oil, oil-based paint, pesticides, large tree limbs, etc. The cost of service is generally stable and reasonable. Competition is still operating even with recent mergers by 2 or 3 large companies.

Part V-Conclusion

"The free-market approach is the most cost effective, environmentally sound and has sufficient facilities to meet Oakland County's needs."

Part VI-Goals and Management

All citizens need to reduce solid waste by resource conservation, pollution prevention and waste reduction. Apartments, condos, and commercial endeavors have the lowest percentage of recycling participation and should work to improve this with practical solutions. Municipalities are urged to consider collection programs for the items not accepted curbside. Basic education and information should be provided periodically on the local level , including all local options for reuse and waste reduction.

Report-Dec. 30, 1997

1. Rochester Hills: By ordinance, all approved haulers must provide a minimum of services.
2. West Bloomfield: A particular hauler is designated with a fixed price yearly.
3. Oakland Township: The number of haulers to choose from is limited.
4. Other cities: Some have no curbside pickup but offer a drop-off program.
Some license haulers and /or vehicles.
Some have hazardous waste drop-off.
Most have educational programs.

Page 9-Summary

"The stable pricing is due to intense competition for the waste stream by service providers and high availability of landfill capacity within the region."

Back page-Anne Hobart 1993

The threat of increased incineration in 1990-1991 has led to increased citizen interest in volume reduction by recycling and yard waste separation.

Complaints by residents-----a summary

Mayor's office 3/10/99 to 7/12/00 87 different people

City council from the clerk's office 1998 and 1999

Hazardous waste---16 calls

Batteries, oil paint, aerosol cans, pesticides, etc.

Recycling---5 calls

Information for apartment owner, ordinance confusion, plastic bag drop-off? City facility?

Tree limbs---1 call

Burning---2 calls against it

Large items---1 call

Rate increases---2 calls

Other---3 calls General dissatisfaction

Submitted by Rea Siffring

West Bloomfield Township Solid Waste Policies

Report from Jeddy Hood, Waste Management Supervisor

West Bloomfield residents have a choice of two haulers, Great Lakes and Washington Disposal.

The Township licenses and inspects their trucks yearly.

Trash pick-up is not mandatory.

The Township has a recommended, but not exclusive hauler selected by a bid process and contract.

For \$9.90 per month, this company picks up weekly: yard waste, large items and unlimited trash.

All billing and complaints are handled by the recommended hauler.

Choice is retained and cost lowered.

About 16,000 home owners out of possible 18,00 are now customers of this company.

Submitted July 2000

Rea Siffring

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Waterford Township

Size 36 sq. miles (same as Rochester Hills)

Contact person Ruth Marie – Supervisor's office 248-6473111 *248-6476201

Present Solid waste status

Not regulated

All residents choose their own hauler

Cost: \$49 - \$60 / Qtr. – determined by services desired

History

1996 and 1997 City contract with United Resources

1998 – Ballot issue

Contract with one hauler?

Any city involvement?

NO to BOTH 4 to 1

Pros for one hauler: Lower cost possible but questionable.

- Cons for one hauler:
1. One company now has 97% of Rochester Hills.
 2. Additional staff salary would be necessary.
 3. Legal aid to draw up contract costly.
 4. Procedures to deal with complaints time consuming and costly.
 5. Changing markets, changing status of companies and land fills.
 6. Citizen frustrations because of :
 - a. Dealing with the city middle man.
 - b. Lack of choice "Loss of clout".
 - c. Lack of flexibility such as;
 1. Vacation relief.
 2. Loss of options such as, no service or service without composting.
 7. Lack of incentive to reduce, reuse and recycle, (human nature)
 8. One shoe fits all approach (never well received)
 9. Strikes – City can't switch haulers.
 10. Companies want three to five year contracts.

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Policy Analysis – Peter VanDoren – 1999
Summary

There is no economic rationale for government intervention in garbage collection. If a natural monopoly exists, and prices are raised above an average cost, then another competitor will be able to enter the market with a lower price. Therefore, free enterprise accomplishes the same as bids or government control.

As density of homes increases, some economy can be realized, but is limited by other factors such as traffic. As density of homes decreases, distances increase, but with open competition, haulers fill different niches. In either case, the free market works best. Haulers do not tend to charge a lower, marginal cost because of not being able to make a profit.

Recycling policies change the above scenario and must be continually evaluated for market value and practical end use. Therefore, market review is better than governmental decree and pressure.

From Cato Institute

"Time to trash government intervention
in garbage service"

20 pages + 54 references of published
materials

Complete copies available from
Rea Siffing
651-6785

Loren Siffring

From: "Loren Siffring" <loren@eesc.com>
To: <robbins@rochesterhills.org>
Cc: "Loren Siffring" <loren@eesc.com>
Sent: Wednesday, October 06, 2004 10:10 AM
Subject: Trash Vote

Dear Mr. Robbins,

Thank you for returning my call early in the summer. My husband received a knee replacement in Duluth MN, and we were there when the trash proposal vote occurred. My friend, Judy Daggett, sent me the press clipping, however, and I appreciate your "no" vote. This issue has been nearly an obsession with some on council. When I served on the ad hoc committee, data gathered by our group showed lack of support by our community and negative experiences of neighboring cities. There are known problems when government takes over private enterprise and promises benefits. Finally we should be concerned with failure of the consultant to produce a plan "tailored to the wishes of the residents." When I asked James Frey why his plan did not include what our residents wanted; choice of services and vacation relief, he admitted that he did not and would not design the plan to include those options.

Many areas of city life are the rightful jurisdiction of government. I believe trash service is best left in the private sector.

Sincerely, Rea Siffring 248-651-6785

Summary of findings of Ad Hoc Committee

I believe that Rochester Hills city council acted wisely in appointing a citizen committee rather than hiring a consultant. We were able to use our experiences as residents and to consider the issues historically in our city. Also we were able to move at our own pace, investigating all aspects of solid waste management and share pertinent information with each other. I feel we have studied the data carefully and thoroughly.

Some important considerations:

Most complaints are about items not regularly picked up at curbside.

Oakland County report, 1999, stated that the free enterprise system works best to insure customer satisfaction and competitive prices.

The "one hauler-city bill" idea was soundly rejected by our citizens previously.

Last year voters chose a mayor and council members who ran on platforms of citizen involvement and less government.

The garbage industry is complex, involving factors that cannot be successfully micro-managed by municipalities.

Citizens are not pleased with the city-managed trash plans in many nearby communities such as Waterford, Shelby, and Rochester City, and consider choice of hauler very important.

Subdivisions

can contract with a hauler and receive a reduced rate if they choose to do so with the three haulers now approved by the city.

Keeping the above in mind, I recommend that the city of Rochester Hills continue the present policies, leaving residents free to choose their own hauler. The city Newsletter should include periodic articles on options for reuse and recycling, advising residents of the materials available at the city offices. I would also be in favor of the city investigating the possibility of a special hazardous waste site day. Finally, I would like to see the recycling ordinance changed to a voluntary plan instead of a mandatory order with fines and penalties.

The city could limit the number of haulers to three at any one time, but this would be difficult, considering the frequent changes in the collection business such as mergers.

The city could consider having a recommended hauler plus two additional approved haulers. The hauler would still bill the customer and take complaints.

Rea Siffring