



## AGENDA

Regular Meeting – Wednesday, September 14, 2016 – 9:30 a.m.

**City of Lathrup Village, 27400 Southfield Rd.**

1. Meeting Called to Order
2. A. Roll Call & Recognition of Visitors  
B. Public Comments
3. Approval of Agenda
4. Consent Agenda  
All items listed on the Consent Agenda are considered to be routine by the Board of Trustees, will be enacted by one motion and approved by a roll call vote. There will be no separate discussion of these items unless a Board Member or visitor so requests, in which event the item will be removed from the consent agenda and considered as the last item of business.
  - A. Approval of Minutes – Regular Meeting – August 10, 2016 and Special Meeting – August 30, 2016
  - B. Approval of Warrants – No. RA 765
  - C. Rental Property
  - D. Information Reports
    - 1) Tonnage Analysis – August 2016
    - 2) Tonnage Percentages – August 2016
    - 3) Budget Analysis – August 2016
    - 4) Budget Analysis – July 2016 – August 2016
    - 5) Financial Status Summary – August 2015 – August 2016
    - 6) Compost Delivered to Members
  - E. Purchase of Baler Wire

5. Administrative Reports (No Board Action Requested)
  - A. Summary of 2015/16 Operations
  - B. Community Recycling Rebates
  - C. Single Stream Recycling Status Update
6. Future Business (Communication from Board Members)
7. Items for Decision (Board Action Requested)
  - A. Compensation Study
  - B. Trucking Services from Madison Heights
8. Adjournment

*Notice: The Southeastern Oakland County Resource Recovery Authority will provide necessary, reasonable auxiliary aids and services, such as signers, for the hearing impaired, or audiotapes of printed materials being considered at the meeting to individuals with disabilities. All such requests must be made at least five days prior to said meeting. Individuals with disabilities requiring auxiliary aids or services should contact the Southeastern Oakland County Resource Recovery Authority by writing or calling: General Manager's Office, 3910 W. Webster Road, Royal Oak, MI 48073; (248) 288-5150.*

# SOCRRA

Regular Meeting – August 10, 2016

## Table of Contents

Chair Recognized Visitors –	12608
Agenda Approved as Amended –	12609
<u>APPROVAL OF CONSENT AGENDA</u>	12610
July 13, 2016 – Regular Meeting Minutes – Approved –	
Warrant No. RA-764 – Approved –	
Quarterly Legal Report – Received and Filed –	
Annual Actuarial Valuation Report – MERS – Received and Filed –	
Investments – April 1, 2016 – June 30, 2016 – Received and Filed –	
MERS Annual Meeting – Adopted –	
Recycling Committee Minutes – Received and Filed –	
Information Reports – Received and Filed –	
<u>ADMINISTRATIVE REPORTS</u>	
2015/16 Audit – Received and Filed –	12611
Financing Single Stream Recycling – Received and Filed –	12612
Financial Analysis of Single Stream Recycling – Received and Filed –	12613
Contract with Machinex for MRF Construction – Tabled –	12614
Adjourned –	12615

SOCRRA  
REGULAR MEETING MINUTES

Wednesday, August 10, 2016 – Royal Oak Senior Center

The meeting was called to order at 9:30 a.m. by Mr. G. Rassel, Chair

<u>Present</u>	<u>Votes</u>	<u>Municipality</u>
M. Baumgarten	4	Berkley
C. Wilson	3	Beverly Hills
J. Valentine	6	Birmingham
M. Pollock	3	Clawson
A. LeCureaux	3	Hazel Park
*A. Sullivan	2	Huntington Woods
K. Marten	2	Lathrup Village
R. Fortura	5	Oak Park
S. Pietrzak	1	Pleasant Ridge
G. Rassel	13	Royal Oak
K. Bovensiep	<u>15</u>	Troy
Total	57	

Absent

L. Cureton	5	Ferndale
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\* Mrs. A. Sullivan, representative from Huntington Woods arrived at 9:31 a.m.

Also Present

J. A. McKeen, General Manager  
 R. Jackovich, Operations Manager  
 K. Bever, Executive Assistant  
 R. Davis, General Counsel  
 L. Wood, City of Birmingham  
 T. Jones, City of Hazel Park  
 S. Caramagno-Rupkus, Car Trucking  
 M. Vannatter, Rizzo Services

-12608-

The Chair recognized visitors and called for public comment. There being no persons present who wished to be heard, the Chair closed the public comment segment.

-12609-

Motion by Mr. A. LeCureaux, supported by Mr. M. Pollock:

That the Agenda be approved as amended.

Yeas: Baumgarten, Wilson, Valentine, Pollock, Cureton, Sullivan, LeCureaux,  
Marten, Fortura, Pietrzak, Rassel, Bovensiep (57 votes)  
Nays: None  
Absent: Cureton (5 votes)

**Motion carried.**

-12610-

#### **APPROVAL OF CONSENT AGENDA**

Motion by Mr. S. Pietrzak, supported by Mr. M. Baumgarten:

That the Consent Agenda be approved.

#### **APPROVAL OF MEETING MINUTES – JULY 13, 2016**

That the July 13, 2016 Regular Meeting Minutes be approved.

#### **APPROVAL OF WARRANTS – NO. RA-764**

That Warrant No. RA-764 in the amount of \$2,215,612.21 be approved and payments authorized.

#### **QUARTERLY LEGAL REPORT**

That the Quarterly Legal Report be received and filed.

#### **ANNUAL ACTUARIAL VALUATION REPORT – MERS**

That the Annual Actuarial Valuation Report, covering SOCRRA's participation in the Michigan Municipal Employees Retirement System (MERS), be received and filed.

#### **INVESTMENTS**

That the report on investments made by the Authority during the period April 1, 2016 through June 30, 2016 be received and filed and made a part of the Board record.

### **MERS – ANNUAL MEETING**

That the attached resolution appointing a representative and alternate to the MERS annual meeting be adopted.

### **RECYCLE COMMITTEE MINUTES – JULY**

That the report on the July Recycle Committee Meeting Minutes be received and filed.

### **INFORMATION REPORTS**

That the monthly information reports be received and filed.

### **ROLL CALL VOTE**

Yeas: Baumgarten, Wilson, Valentine, Pollock, Cureton, Sullivan, LeCureaux,  
Marten, Fortura, Pietrzak, Rassel, Bovensiep (57 votes)  
Nays: None  
Absent: Cureton (5 votes)

**Motion carried.**

-12611-

Motion by Mr. A. LeCureaux, supported by Mr. J. Valentine:

That the report on the 2015/16 audit be received and filed.

Yeas: Baumgarten, Wilson, Valentine, Pollock, Cureton, Sullivan, LeCureaux,  
Marten, Fortura, Pietrzak, Rassel, Bovensiep (57 votes)  
Nays: None  
Absent: Cureton (5 votes)

**Motion carried.**

-12612-

Motion by Mr. M. Pollock, supported by Mr. A. LeCureaux:

That the Board approve the following:

1. Bond counsel Agreement with Dickinson Wright,
2. Resolution Declaring Official Intent and Approving Form and Publication of Notice of Intent to Issue Revenue Bonds,
3. Resolution Authorizing the Issuance of Revenue Bond, and

That the report on Financing Single Stream Recycling be received and filed.

Yeas: Baumgarten, Wilson, Valentine, Pollock, Cureton, Sullivan, LeCureaux,  
Marten, Fortura, Pietrzak, Rassel, Frontera (57 votes)

Nays: None

Absent: Cureton (5 votes)

**Motion carried.**

-12613-

Motion by Mrs. A. Sullivan, supported by Mr. A. LeCureaux:

That the report on Financial Analysis of Single Stream Recycling be received and filed.

Yeas: Baumgarten, Wilson, Valentine, Pollock, Cureton, Sullivan, LeCureaux,  
Marten, Fortura, Pietrzak, Rassel, Bovensiep (57 votes)

Nays: None

Absent: Cureton (5 votes)

**Motion carried.**

-12614-

Motion by Mr. A. LeCureaux, supported by Mr. M. Pollock:

That the Construction Services Contract with Machinex at a cost of \$7.479 million is approved.

After extensive discussion, Mr. LeCureaux withdrew his motion.

**Motion withdrawn.**

-12615-

Motion by Mr. A. LeCureaux, supported by Mr. M. Baumgarten:

That the meeting be adjourned.

Yeas: Baumgarten, Wilson, Valentine, Pollock, Cureton, Sullivan, LeCureaux,  
Marten, Fortura, Pietrzak, Rassel, Bovensiep (57 votes)

Nays: None

Absent: Cureton (5 votes)

**Motion carried.**

The Chair ordered the meeting adjourned at 10:51 a.m.

APPROVED: \_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary



# SOCRRA

Special Meeting – August 30, 2016

## Table of Contents

Chair Recognized Visitors –	12616
Agenda Approved –	12617
<u>ADMINISTRATIVE REPORTS</u>	
Financing Single Stream Recycling – Approved –	12618
Contract with Machinex for MRF Construction – Approved –	12619
Adjourned –	12620

SOCRRA  
SPECIAL MEETING MINUTES

Tuesday, August 30, 2016 – Berkley Public Safety Building

The meeting was called to order at 9:32 a.m. by Mr. G. Rassel, Chair

<u>Present</u>	<u>Votes</u>	<u>Municipality</u>
M. Baumgarten	4	Berkley
E. Marshall	3	Beverly Hills
J. Valentine	6	Birmingham
M. Pollock	3	Clawson
L. Cureton	5	Ferndale
A. LeCureaux	3	Hazel Park
A. Sullivan	2	Huntington Woods
K. Marten	2	Lathrup Village
R. Fortura	5	Oak Park
*S. Pietrzak	1	Pleasant Ridge
G. Rassel	13	Royal Oak
K. Bovensiep	<u>15</u>	Troy
Total	62	

Absent

\* Mr. S. Pietrzak, representative from Pleasant Ridge arrived at 9:41 a.m.

Also Present

J. A. McKeen, General Manager  
 R. Jackovich, Operations Manager  
 K. Bever, Executive Assistant  
 R. Davis, General Counsel  
 D. Schueller, City of Berkley  
 B. Zee, Tringali Sanitation  
 P. Greve, Waste Management

-12616-

The Chair recognized visitors and called for public comment. There being no persons present who wished to be heard, the Chair closed the public comment segment.

-12617-

Motion by Mrs. A. Sullivan, supported by Mr. L. Cureton:

That the Agenda be approved as submitted.

Yeas: Baumgarten, Wilson, Valentine, Pollock, Cureton, Sullivan, LeCureaux,  
Marten, Fortura, Rassel, Bovensiep (61 votes)  
Nays: None  
Absent: Pietrzak (1 votes)

**Motion carried.**

-12618-

Motion by Mr. K. Bovensiep, supported by Mr. A. LeCureaux:

That the Board approve the Resolution to Authorize Issuance of Revenue Bonds.

Yeas: Baumgarten, Wilson, Valentine, Pollock, Cureton, Sullivan, LeCureaux,  
Marten, Fortura, Pietrzak, Rassel, Bovensiep (62 votes)  
Nays: None  
Absent: None

**Motion carried.**

-12619-

Motion by Mr. M. Baumgarten, supported by Mr. A. LeCureaux:

That the Construction Services Contract be amended to reflect “amount not to exceed” and otherwise be consistent with the Resolution to Authorize Issuance of Revenue Bonds.

Yeas: Baumgarten, Wilson, Valentine, Pollock, Cureton, Sullivan, LeCureaux,  
Marten, Fortura, Pietrzak, Rassel, Bovensiep (62 votes)  
Nays: None  
Absent: None

**Motion carried.**

-12620-

Motion by Mr. L. Cureton, supported by Mr. A. LeCureaux:

That the meeting be adjourned.

Yeas: Baumgarten, Wilson, Valentine, Pollock, Cureton, Sullivan, LeCureaux,  
Marten, Fortura, Pietrzak, Rassel, Bovensiep (62 votes)

Nays: None

Absent: None

**Motion carried.**

The Chair ordered the meeting adjourned at 9:58 a.m.

APPROVED: \_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary

**SOCRRA  
CHECKS CUT FOR THE MONTH OF:  
AUGUST 2016**

<b>RRA-765</b>							<b>PAYEE</b>	<b>AMOUNT</b>	<b>PURPOSE</b>
<b>Account 1009</b>									
068150	VC	W820	Wright Tool Company					-237.00	Void Check
068151	VC		Void Check					0.00	Void Check
068152	VC	E488	The Environmental Quality Co.					-42,632.00	Void Check
068153-068157	VC		Void Check					0.00	Void Check
068158	CK	D290	Detroit Edison					38.98	Electric Service
68159	CK	D291	Detroit Edison					734.37	Electric Service
068160	CK	J871	JVS					500.00	Clawson Electronics Event
068161	CK	M496	Michigan Municipal Risk					5,827.48	Electric Service
068162	CK	C716	Comcast Cable					200.03	Internet Security
068163	CK	R882	Roeda Signs & Screentech					107.33	Recycle Stickers
068164	CK	D218	D P Brown of Detroit Inc					563.53	Maintenance of Equipment-CS
068165	CK	L214	Latigo Transport					4,865.00	Hauling Compost
068166	CK	W177	Waste Management of Michigan					4,464.99	Disposal of Reject Compost
068167	CK	A430	Alta Construction Equipment					3,076.35	Maintenance of Equipment-CS
068168	CK	D218	D P Brown of Detroit Inc					982.83	Maintenance of Equipment-CS
068169	CK	L925	Lyden Oil Company					1,169.85	Maintenance of Equipment-CS
068170	CK	M181	Macomb County Reimburse Dept					34.88	Employee Court
068171	CK	M490	Michigan Municipal Risk					38,281.00	Property and Liability Insurance
068172	CK	M895	William Munroe					79.35	Retiree Health Care Reimbursement
068173	CK	P732	The Print Stop					524.99	Supplies-Compost Site
068174	CK	R550	RISI					450.00	Current Pricing of Recycling Commodities
068175	CK	R650	RKA Petroleum Cos., Inc.					1,777.89	Fuel-MRF/TS
068176	CK	S761	Smoracy, LLC					2,111.38	Maintenance of Equipment-CS
068177	CK	S765	S O C W A					9,117.03	Reimburse SOCWA Payroll
068178	CK	S833	Standard Insurance Company					529.72	Employee Life Insurance
068179	CK	T290	Teamsters Local #214					819.00	Union Dues
068180	CK	A208	Advanced Disposal Service					344,952.61	Refuse Disposal
068181	CK	A209	Advance Payroll Funding, Ltd					2,464.57	Temporary MRF Labor
068182	CK	J257	Jay's Septic Tank Service					180.00	Septic Service-TS
068183	CK	R880	The City of Rochester Hills					18,142.48	Landfill Sewer-May - June 2016
68184	VC		Void Check					0.00	Void Check
068185	CK	C760	Consumers Energy					27.45	Gas Service
068186	CK	D700	Doetsch Industrial Services					2,120.00	Cleaning of Pit-MRF
068187	CK	M190	The City of Madison Heights					457.85	Water and Sewer Service
068188	CK	E488	The Environmental Quality Co.					42,532.00	Household Hazardous Waste Program
068189	CK	A209	Advance Payroll Funding, Ltd					3,439.88	Temporary MRF Labor

**SOCRRA  
CHECKS CUT FOR THE MONTH OF:  
AUGUST 2016**

068190	CK	A430	Alta Construction Equipment	1,475.00	Maintenance of Equipment-CS
068191	CK	B290	Bearing Service Inc	85.29	Maintenance of Equipment-MRF
068192	CK	C243	Cintas Corporation	200.88	Maintenance of Building-MRF
068193	CK	C717	Comcast Cable	174.34	Internet Security
068194	CK	D238	Davis Listman PLLC	4,456.69	Legal Counsel
068195	CK	G760	Grainger	755.72	Maintenance of Equipment-MRF
068196	CK	H775	The Home Depot	344.58	Maintenance of Equipment-MRF/TS/CS
068197	CK	J140	J & J Ace Hardware	56.07	Supplies-Compost Site
068198	CK	J257	Jay's Septic Tank Service	180.00	Septic Service-TS
068199	CK	L214	Latigo Transport	3,735.00	Hauling Compost
068200	CK	M450	Michigan Cat	878.01	Maintenance of Equipment-CS
068201	CK	M505	Michigan Recycling Coalition	500.00	Annual Dues
068202	CK	N334	Nesco	8,653.82	Temporary MRF Labor
068203	CK	O790	Oscar W Larson Company	25.52	Maintenance of Equipment-MRF/TS
068204	CK	P812	Propane Services	250.00	Equipment Fuel-MRF
068205	CK	R375	Reliable Compactor Service	320.70	Maintenance of Equipment-MRF
068206	CK	R600	Rizzo Services	962.50	Cardboard Recycling
068207	CK	R600	Rizzo Services	962.50	Cardboard Recycling
068208	CK	R600	Rizzo Services	962.50	Cardboard Recycling
068209	CK	R600	Rizzo Services	935.00	Cardboard Recycling
068210	CK	R650	RKA Petroleum Cos., Inc.	2,745.47	Fuel-MRF/TS
068211	CK	S415	Sentech Skilled Trade Services, Inc.	22,001.25	Temporary MRF Labor
068212	CK	S761	Smoracy, LLC	245.78	Maintenance of Equipment-CS
068213	CK	S765	S O C W A	10,276.08	Reimburse SOCWA Payroll
068214	CK	S873	Supply Den	274.33	Supplies-MRF
068215	CK	T821	Total Lawn Care	190.00	Lawn Service-TS
068216	CK	T824	Total Packaging Concepts	720.00	Supplies-Electronics Drop Off Program
068217	CK	U010	Uline	185.57	Supplies-Electronics Drop Off Program
068218-06219	VC		Void Check	0.00	Void Check
068220	CK	D290	Detroit Edison	186.27	Electric Service
068221	CK	H775	The Home Depot	99.26	Maintenance of Equipment-MRF/TS
068222	CK	J129	J.H. Hart Urban Forestry	1,687.50	Three Trimming
068223	CK	P126	Pac-Van Inc	2,295.00	Storage Container-TS
068224	VC	W820	Wright Tool Company	0.00	Void Check
068225	CK	H775	The Home Depot	274.15	Maintenance of Equipment-TS
068226	CK	S275	S.D.M. Enterprises, Inc.	245.00	Maintenance of Equipment-TS
068227	CK	L214	Latigo Transport	4,905.00	Hauling Compost
068228	CK	A350	Airgas	194.77	Supplies-MRF/CS
068229	CK	A390	AIS	408.72	Maintenance of Equipment-MRF
068230	CK	A536	Amos Mfg., Inc.	80.85	Maintenance of Equipment-MRF
068231	CK	C115	CDW Government, Inc.	275.74	Supplies-MRF

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068232	CK	C243	Cintas Corporation	66.96	Maintenance of Building-MRF
068233	CK	C760	Consumers Energy	40.02	Gas Service
068234	CK	E850	Exotic Automation & Supply	103.33	Maintenance of Equipment-CS
068235	CK	F190	Fairbanks Scale	2,859.00	Maintenance of Equipment-MRF
068236	CK	F730	Fraza/Forklifts	21.52	Maintenance of Equipment-MRF
068237	CK	G800	Guardian Alarm	385.75	Security Cameras-John R
068238	CK	H775	The Home Depot	228.58	Maintenance of Equipment-MRF
068239	CK	K525	Kansas State Bank	6,547.46	Progress Payment of Equipment Purchase
068240	CK	L214	Latigo Transport	1,500.00	Hauling Compost
068241	CK	M353	Metal Mart U.S.A.	221.44	Maintenance of Equipment-MRF
068242	CK	M450	Michigan Cat	3,246.13	Maintenance of Equipment-TS/MRF
068243	CK	N334	Nesco	2,301.43	Temporary MRF Labor
068244	CK	O300	Office Depot	142.13	Supplies-MRF
068245	CK	P812	Propane Services	62.50	Equipment Fuel-MRF
068246	CK	R650	RKA Petroleum Cos., Inc.	990.31	Fuel-MRF/TS
068247	CK	R920	Rose Pest Solutions	90.00	Pest Control-MRF/TS
068248	CK	R930	Rubberedge LLC	1,432.46	Maintenance of Equipment-MRF
068249	CK	S170	SALUS GROUP	18,169.64	Employee Healthcare
068250	CK	S415	Sentech Skilled Trade Services, Inc.	7,101.40	Temporary MRF Labor
068251	CK	T390	Terminal Supply Co.	54.94	Supplies-MRF
068252	CK	T824	Total Packaging Concepts	1,113.00	Supplies-Electronics Drop Off Program
068253	CK	T935	Tringali Sanitation	60.00	Refuse Disposal-CS
068254	CK	U185	The Utmost Group	10,000.00	Communications Consulting
068255	CK	W177	Waste Management of Michigan	5,077.02	Disposal of Reject Compost
068256	CK	M462	Michigan First Credit Union	79.98	Retirement Cake-Richnak/Supplies-MRF
068257	CK	M462	Michigan First Credit Union	2,731.87	Maintenance of Equipment-MRF/TS
068258	CK	A220	Advance Temperature Solutions LLC	3,600.00	A/C-1770 School Rd. Rental
068259	CK	A430	Alta Construction Equipment	103.00	Maintenance of Equipment-CS
068260	CK	C139	Car Trucking	78,577.71	Collection Contract
068261	CK	C139	Car Trucking	62.50	Recycling Collection
068262	CK	C760	Consumers Energy	27.02	Gas Service
068263	CK	E199	Electronic Recyclers of America, LLC	6,153.50	Electronics Recycling
068264	CK	G765	Grand Traverse Resort and Spa	344.90	MERS Conference
068265	CK	H775	The Home Depot	242.21	Maintenance of Equipment-TS
068266	CK	J129	J.H. Hart Urban Forestry	26,916.00	Brush Chipping
068267	CK	K719	KLM Scape & Snow LLC	470.00	Lawn Service-CS
068268	CK	L214	Latigo Transport	1,515.00	Hauling Compost
068269	CK	M181	Macomb County Reimburse Dept	34.88	Employee Court
068270	CK	M340	MERS of Michigan	15,465.78	Defined Benefit
068271	CK	M340	MERS of Michigan	1,212.61	Defined Contribution
068272	CK	M342	MERS HCSP	1,173.74	Employee Health Care Savings Plan

**SOCRRA  
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068273	CK	M342	MERS HCSP	1,173.74	Employee Health Care Savings Plan
068274	CK	M450	Michigan Cat	944.10	Maintenance of Equipment-CS
068275	CK	O560	O'Reilly Auto Parts	103.32	Maintenance of Vehicles
068276	CK	R380	Republic Services	1,568.94	Trash Service-School Rd. Rental Homes
068277	CK	R400	Resource Recycling	3,910.00	Recycling Consulting
068278	CK	R600	Rizzo Services	84,000.00	Collection Contract
068279	CK	R650	RKA Petroleum Cos., Inc.	2,788.61	Fuel-MRF/TS
068280	CK	S761	Smoracy, LLC	1,665.52	Maintenance of Equipment-CS
068281	CK	S765	S O C W A	9,693.68	Reimburse SOCWA Payroll
068282	CK	T935	Tringali Sanitation	79,210.43	Collection Contract
068283	CK	T935	Tringali Sanitation	9,669.98	Collection Contract
068284	CK	T935	Tringali Sanitation	5,650.00	Collection Contract
068285	CK	C716	Comcast Cable	209.55	Internet Security
068286	CK	D290	Detroit Edison	178.05	Electric Service
068287	CK	D291	Detroit Edison	769.34	Electric Service
068288	CK	H840	Hunt Sign Co., LTD	148.00	Recycling Signage for Clawson Municipal Lot
068289	CK	M255	Maple Press LLC	687.25	Composting Posters/Recycling Posters
068290	CK	M496	Michigan Municipal Risk	5,154.49	Electric Service
068291	CK	R378	Repros Inc.	288.06	Supplies-MRF
068292	CK	A536	Amos Mfg., Inc.	25.39	Maintenance of Equipment-MRF
068293	CK	B308	Karen Bever	371.36	Petty Cash
068294	CK	C139	Car Trucking	94,371.78	Collection Contract
068295	CK	G760	Grainger	1,140.10	Supplies-MRF
068296	CK	J140	J & J Ace Hardware	37.24	Supplies-CS
068297	CK	L214	Latiqo Transport	165.00	Hauling Compost
068298	CK	M185	Madison Generator Service	816.72	Maintenance of Equipment-CS
068299	CK	M189	Madison Electric Company	176.10	Maintenance of Building-MRF
068300	CK	M252	Mannik & Smith	8,800.00	Landfill Monitoring
068301	CK	M507	Midwest Laboratories, Inc.	385.00	Compost Testing
068302	CK	R600	Rizzo Services	84,000.00	Collection Contract
068303	CK	S764	S O C W A	197.77	Reimburse SOCWA
068304	CK	S765	S O C W A	9,238.81	Reimburse SOCWA Payroll
068305	CK	S833	Standard Insurance Company	529.72	Employee Life Insurance
068306	CK	T935	Tringali Sanitation	52,811.10	Collection Contract
068307	CK	T935	Tringali Sanitation	43,091.62	Collection Contract
068308	CK	T935	Tringali Sanitation	2,200.00	Commercial Recycling
068309	CK	T935	Tringali Sanitation	1,320.00	Commercial Recycling
			<b>Account Total</b>	<b>\$ 1,228,925.17</b>	





August 26, 2016

Board of Trustees  
SOCRRA

Subject: Rental Property Report

Board Members:

Attached is the rental property report for the fiscal years 2014/15 and 2015/16. This report covers the ten homes that were purchased by the Authority under the terms of the Consent Judgment. The 2015/16 report shows an overall rate of return of 3.0% on the initial investment, which is about the same as the 3.3% return obtained for 2014/15. In comparing the two fiscal years:

- Revenues increased by \$12,044 (14%) due to higher rents for all properties, as recommended by our property manager. As of the end of August, all properties are rented.
- Expenses increased by \$16,644 (98%). Expenses were significantly higher than normal because extensive repairs were required due to a high level of tenant turnover. We have also begun to conduct routine maintenance at all the homes.
- Taxes decreased by \$1,232 (-4%).

During the year, we demolished the home at 1774 School Road rather than incur the extensive renovations that would have been required in order to rent the home. We are continuing to rent the garage located at this address. The property manager that we hired in August of 2015 has worked out very well. He has rented three of our homes at market prices, which were significantly higher than the rents that we were charging. Our manager is in the process of moving our existing tenants to market priced leases over a 2-3 year period. Our property manager has maximized the revenue generated by our properties and has largely removed SOCRRA and SOCWA personnel from the administration and maintenance of these properties.

I am recommending that this report be received and filed.

Respectfully Submitted,

---

Jeffrey A. McKeen, P.E.  
General Manager

Suggested Resolution: "That the Rental Property Report be received and filed."

<b>2014/2015</b>		<b>ADDRESSES</b>										<b>Totals:</b>
<b>Parcel ID#</b>	<b>1430 Parke 70-15-24-401-057</b>	<b>1650 School 70-15-24-401-010</b>	<b>1750 School 70-15-24-401-083</b>	<b>1770 School 70-15-24-401-026</b>	<b>1790 School 70-15-24-401-029</b>	<b>1690 School 70-15-24-401-080</b>	<b>1670 School 70-15-24-401-011</b>	<b>1774 School 70-15-24-401-075</b>	<b>1730 School 70-15-24-401-082</b>	<b>1401 School 70-15-24-100-025</b>		
Purchase Price	110,285.07	64,208.66	180,932.65	83,524.71	70,518.49	205,846.99	170,672.12	91,566.86	183,997.31	295,077.00		1,161,552.86
Revenue	11,702.00	5,775.00	15,600.00	8,315.00	8,700.00	11,700.00	10,000.00	900.00	11,475.00	0.00		84,167.00
Expense	496.02	655.03	3,169.04	4,534.89	44.42	1,184.17	1,941.33	2,292.54	1,592.15	1,131.39		17,040.98
Taxes	2,615.30	1,778.56	4,692.44	2,112.23	1,657.58	4,355.69	3,652.57	1,546.89	3,467.39	3,129.09		29,007.74
NET	8,590.68	3,341.41	7,738.52	1,667.88	6,998.00	6,160.14	4,406.10	-2,939.43	6,415.46	-4,260.48		38,118.28
Percentage of purchased price	7.79%	5.20%	4.28%	2.00%	9.92%	2.99%	2.58%	-3.21%	3.49%	-1.44%		3.28%
<b>2015/2016</b>		<b>ADDRESSES</b>										<b>Totals:</b>
<b>Parcel ID#</b>	<b>1430 Parke 70-15-24-401-057</b>	<b>1650 School 70-15-24-401-010</b>	<b>1750 School 70-15-24-401-083</b>	<b>1770 School 70-15-24-401-026</b>	<b>1790 School 70-15-24-401-029</b>	<b>1690 School 70-15-24-401-080</b>	<b>1670 School 70-15-24-401-011</b>	<b>1774 School 70-15-24-401-075</b>	<b>1730 School 70-15-24-401-082</b>	<b>1401 School 70-15-24-100-025</b>		
Purchase Price	110,285.07	64,208.66	180,932.65	83,524.71	70,518.49	205,846.99	170,672.12	91,566.86	183,997.31	295,077.00		1,161,552.86
Revenue	11,994.00	6,878.00	15,690.00	5,480.00	9,075.00	12,969.00	12,250.00	1,075.00	12,300.00	8,500.00		96,211.00
Expense	4,499.72	4,154.42	8,283.46	4,136.48	-37.26	684.85	4,081.05	223.29	1,280.01	6,378.54		33,684.56
Taxes	2,627.34	1,940.39	4,714.00	2,121.82	1,664.77	4,375.48	2,151.59	1,553.78	3,483.02	3,143.47		27,775.66
NET	4,866.94	783.19	2,692.54	-778.30	7,447.49	7,908.67	6,017.36	-702.07	7,536.97	-1,022.01		34,750.78
Percentage of purchased price	4.41%	1.22%	1.49%	-0.93%	10.56%	3.84%	3.53%	-0.77%	4.10%	-0.35%		2.99%

**TONNAGE ANALYSIS**

AUGUST												
	MSW			Compost			Recyclables			Total		
	2014	2015	2016	2014	2015	2016	2014	2015	2016	2014	2015	2016
<u>Municipality</u>												
Berkley	3,003.69	439.22	496.35	31.28	68.60	76.40	73.36	72.17	97.39	3,108.33	579.99	670.14
Beverly Hills	358.80	345.42	364.08	117.50	197.50	128.75	62.88	99.42	115.26	539.18	642.34	608.09
Birmingham	893.41	781.40	863.73	117.50	190.03	116.25	175.25	152.99	180.31	1,186.16	1,124.42	1,160.29
Clawson	1,613.16	425.61	500.29	23.80	119.75	107.50	37.26	49.89	72.36	1,674.22	595.25	680.15
Ferndale	2,463.57	848.44	1,021.37	96.25	205.00	150.25	116.11	130.50	159.89	2,675.93	1,183.94	1,331.51
Hazel Park	1,750.42	678.79	728.76	50.00	112.50	130.00	22.57	55.38	59.98	1,822.99	846.67	918.74
Huntington Woods	3,305.59	168.99	211.07	19.22	62.45	78.08	75.72	77.80	100.33	3,400.53	309.24	389.48
Lathrup Village	206.20	158.41	153.52	20.00	40.00	30.00	11.49	24.34	18.35	237.69	222.75	201.87
Oak Park	4,328.83	798.74	831.28	53.73	138.90	147.50	53.59	71.61	61.96	4,436.15	1,009.25	1,040.74
Pleasant Ridge	225.55	70.87	74.83	15.00	29.12	41.27	14.40	25.23	23.24	254.95	125.22	139.34
Royal Oak	7,183.59	1,961.50	2,309.95	494.00	539.50	495.00	238.16	323.36	382.05	7,915.75	2,824.36	3,187.00
Troy	3,235.85	2,348.18	2,708.66	393.70	762.80	687.64	209.92	411.80	461.61	3,839.47	3,522.78	3,857.91
	28,568.66	9,025.57	10,263.89	1,431.98	2,466.15	2,188.64	1,090.71	1,494.49	1,732.73	31,091.35	12,986.21	14,185.26
Other Customers	3,545.26	3,398.39	4,858.90	69.71	138.55	126.38	53.62	44.56	45.34	3,668.59	3,581.50	5,030.62
Authority	32,113.92	12,423.96	15,122.79	1,501.69	2,604.70	2,315.02	1,144.33	1,539.05	1,778.07	34,759.94	16,567.71	19,215.88

**SOCRRRA  
TONNAGE PERCENTAGES  
AUGUST 2016**

	<b>MSW</b>		<b>Compost</b>		<b>Recyclables</b>	
	Percentage of City's Total Waste Stream	Percentage of City's Total Waste Stream	Percentage of City's Total Waste Stream	Percentage of City's Total Waste Stream	Percentage of City's Total Waste Stream	Percentage of City's Total Waste Stream
<u>Municipality</u>						
Berkley	74%	11%	15%			
Beverly Hills	60%	21%	19%			
Birmingham	74%	10%	16%			
Clawson	74%	16%	10%			
Ferndale	77%	11%	12%			
Hazel Park	79%	14%	7%			
Huntington Woods	54%	20%	26%			
Lathrup Village	76%	15%	9%			
Oak Park	80%	14%	6%			
Pleasant Ridge	54%	29%	17%			
Royal Oak	72%	16%	12%			
Troy	70%	18%	12%			

**S O C R R A**  
**BUDGET ANALYSIS**  
**August-16**

<u>REVENUES</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCES</u>
MUNICIPAL SOLID WASTE MEMBERS	\$1,477,610.00	\$1,499,179.01	\$21,569.01
MEMBERS SURCHARGE	\$0.00	\$109,679.00	\$109,679.00
MUNICIPAL SOLID WASTE OTHERS	55,000.00	192,573.20	137,573.20
YARD WASTE OTHERS	4,000.00	11,577.00	7,577.00
	<u>\$1,536,610.00</u>	<u>\$1,813,008.21</u>	<u>\$276,398.21</u>

**SALE OF RECYCLABLE MATERIALS**

PAPER	\$48,000.00	\$40,872.47	(\$7,127.53)
BOXBOARD	18,000.00	27,370.40	\$9,370.40
CARDBOARD	5,000.00	0.00	(5,000.00)
PLASTIC	33,000.00	20,001.96	(12,998.04)
SCRAP METAL	2,500.00	4,989.98	2,489.98
TIN CANS	3,500.00	1,783.87	(1,716.13)
NON-FERROUS METAL	1,000.00	1,956.36	956.36
GLASS	1,000.00	0.00	(1,000.00)
BATTERIES	200.00	0.00	(200.00)
USED ELECTRONICS	0.00	0.00	0.00
	<u>\$112,200.00</u>	<u>\$96,975.04</u>	<u>(\$15,224.96)</u>

**OTHER INCOME**

COMPOST SALES	\$7,500.00	\$19,431.00	\$11,931.00
INTEREST ON INVESTMENTS	1,700.00	1,749.57	49.57
RENTAL OF HOMES	9,000.00	9,426.00	426.00
GRANTS	0.00	0.00	0.00
MISC INCOME	2,000.00	1,490.00	(510.00)
	<u>\$20,200.00</u>	<u>\$32,096.57</u>	<u>\$11,896.57</u>

**TOTAL REVENUES**

<u>\$1,669,010.00</u>	<u>\$1,942,079.82</u>	<u>\$273,069.82</u>
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<u>EXPENSES</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCES</u>
MADISON HEIGHTS FACILITY	\$4,650.00	\$2,696.49	(\$1,953.51)
TROY TRANSFER FACILITY	49,300.00	55,364.94	6,064.94
MATERIAL RECOVERY FACILITY	103,800.00	97,026.50	(6,773.50)
HOUSEHOLD HAZARDOUS WASTE	29,200.00	11,778.40	(17,421.60)
COMPOST FACILITY	43,050.00	37,661.08	(5,388.92)
ADMINISTRATIVE & GENERAL	99,000.00	128,909.79	29,909.79
COLLECTION CONTRACT EXPENSES	600,000.00	561,622.56	(38,377.44)
	<u>\$929,000.00</u>	<u>\$895,059.76</u>	<u>(\$33,940.24)</u>
<b>REVENUES OVER EXPENSES</b>	<u>\$740,010.00</u>	<u>\$1,047,020.06</u>	<u>\$307,010.06</u>

**S O C R R A**  
**BUDGET ANALYSIS**  
**JULY 1, 2016 THROUGH AUGUST 31, 2016**

<u>REVENUES</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCES</u>
MUNICIPAL SOLID WASTE MEMBERS	\$2,955,220.00	\$3,010,157.09	\$54,937.09
MEMBERS SURCHARGE	\$0.00	\$219,358.00	\$219,358.00
MUNICIPAL SOLID WASTE OTHERS	110,000.00	366,132.61	256,132.61
YARD WASTE OTHERS	8,000.00	22,824.20	14,824.20
	<u>\$3,073,220.00</u>	<u>\$3,618,471.90</u>	<u>\$545,251.90</u>
<b>SALE OF RECYCLABLE MATERIALS</b>			
PAPER	\$48,000.00	\$41,415.87	(\$6,584.13)
BOXBOARD	18,000.00	27,370.40	9,370.40
CARDBOARD	5,000.00	0.00	(5,000.00)
PLASTIC	33,000.00	20,001.96	(12,998.04)
SCRAP METAL	2,500.00	4,989.98	2,489.98
TIN CANS	3,500.00	1,783.87	(1,716.13)
NON-FERROUS METAL	1,000.00	1,956.36	956.36
GLASS	1,000.00	0.00	(1,000.00)
BATTERIES	200.00	1,058.00	858.00
ELECTRONICS	0.00	0.00	0.00
	<u>\$112,200.00</u>	<u>\$98,576.44</u>	<u>(\$13,623.56)</u>
<b>OTHER INCOME</b>			
COMPOST SALES	\$15,000.00	\$26,261.00	\$11,261.00
INTEREST ON INVESTMENTS	3,400.00	2,209.95	(1,190.05)
RENTAL OF HOMES	18,000.00	19,430.00	1,430.00
GRANTS	0.00	0.00	0.00
MISC INCOME	4,000.00	1,634.00	(2,366.00)
	<u>\$40,400.00</u>	<u>\$49,534.95</u>	<u>\$9,134.95</u>
<b>TOTAL REVENUES</b>	<u><u>\$3,225,820.00</u></u>	<u><u>\$3,766,583.29</u></u>	<u><u>\$540,763.29</u></u>
<b>EXPENSES</b>			
MADISON HEIGHTS FACILITY	\$9,300.00	\$2,841.49	(\$6,458.51)
TROY TRANSFER FACILITY	100,500.00	76,875.32	(23,624.68)
MATERIAL RECOVERY FACILITY	217,500.00	128,568.86	(88,931.14)
HOUSEHOLD HAZARDOUS WASTE	59,400.00	13,616.93	(45,783.07)
COMPOST FACILITY	85,100.00	52,774.52	(32,325.48)
ADMINISTRATIVE & GENERAL	252,700.00	200,104.08	(52,595.92)
COLLECTION CONTRACT EXPENSES	600,000.00	561,772.56	(38,227.44)
COLLECTION & DISPOSAL FEES IN TRANSIT	1,880,834.00	1,983,751.96	102,917.96
	<u>\$3,205,334.00</u>	<u>\$3,020,305.72</u>	<u>(\$185,028.28)</u>
<b>REVENUES OVER EXPENSES</b>	<u><u>\$20,486.00</u></u>	<u><u>\$746,277.57</u></u>	<u><u>\$725,791.57</u></u>

SOCRRRA  
 FINANCIAL STATUS SUMMARY  
 AUGUST 2015 - AUGUST 2016

<u>Date</u>	<u>Unrestricted Cash</u>	<u>Working Capital</u>	<u>% of Goal</u>
8/31/2015	2,375,460	2,285,655	162.6%
9/23/2015	2,184,268	2,420,683	172.3%
10/30/2015	2,379,689	2,267,971	161.4%
11/30/2015	2,600,508	2,197,988	156.4%
12/31/2015	2,300,905	1,951,283	138.9%
1/28/2016	1,931,814	1,980,309	140.9%
2/29/2016	2,209,121	2,116,986	150.6%
3/31/2016	2,571,156	2,054,779	146.2%
4/28/2016	2,163,831	2,145,994	152.7%
5/31/2016	2,562,250	2,253,137	160.3%
6/30/2016	2,141,665	2,248,945	160.0%
7/28/2016	2,275,102	2,208,294	156.0%
8/31/2016	2,638,705	2,400,998	169.5%



**COMPOST PRODUCED & DELIVERED**  
*October 1, 2015 to August 27, 2016*

<b>Community</b>	<b>Finished Compost Received (cu. yds.)</b>	<b>Estimated Value</b>
Berkley	660	\$6,600
Beverly Hills	120	\$1,200
Birmingham	480	\$4,800
Clawson	540	\$5,400
Ferndale	960	\$9,600
Hazel Park	1,020	\$10,200
Huntington Woods	210	\$2,100
Lathrup Village	120	\$1,200
Oak Park	840	\$8,400
Pleasant Ridge	240	\$2,400
Royal Oak	2,340	\$23,400
Troy	<u>1,320</u>	<u>\$13,200</u>
	8,850	\$88,500
SOCRRA activities	0	\$0
Rochester Hills residents	1,083	\$10,830
Cash Customers	8,893	\$44,467
Account Customers	21,901	\$175,208
Donations	175	\$1,750
<b>TOTAL YARDS</b>	<b>40,902</b>	

August 30, 2016

Board of Trustees  
SOCRRA

Subject: Purchase of Baler Wire

Board Members:

The baler at the MRF uses about 5,000 pounds of wire each month to tie the bales of recycled material together. To receive the lowest price on this wire, we buy a half truckload (20,000± pounds), which will last about five months. Since we are almost out of wire, we solicited bids on August 22, 2016. We received the following bids:

VENDOR	\$ PER POUND	TOTAL COST
Accent Wire	.5025	\$10,050
Cavert Wire Company	.5050	\$10,100

The low bid, from Accent Wire, is 5.2% higher than their previous bid five months ago. The product from Accent Wire has also resulted in superior performance at the MRF and has minimized the number of maintenance issues we have with our bale wire tie machine. In accordance with our Purchasing Policy, it is recommended that purchase of a half load of baling wire be procured through the lowest qualified bidder, Accent Wire Products, at a cost of \$0.5025/pound.

Respectfully submitted,

Jeffrey A. McKeen, P.E.  
General Manager

Suggested Resolution: “That, in accordance with the Authority’s Purchasing Policy and bids received on August 26, 2016, the Board authorize purchase of a half truck load of baling wire (approximately 20,000 pounds) to Accent Wire Products, at a cost of \$0.5025 per pound.”

September 8, 2016

Board of Trustees  
SOCRRA

Subject: Summary of 2015/16 Operations

Board Members:

This report summarizes the results from the 2015/16 fiscal year. The financial information included in this report is preliminary, with a few additional cost and revenue items still not received and a few accounting adjustments to be made. The financial information also remains subject to our annual audit.

**MATERIAL HANDLED**

The Authority processed 213,370 tons of material in 2015/16. This was 17,274 tons (7.5%) less than the amount of material processed in 2014/15. The total amount of refuse received from the member communities decreased by 20,783 tons (16%). This was largely due to the huge amount of debris generated by the August 2014 flood disaster that is included in the 2014/15 total. Refuse received from non-members increased by 3,196 tons (8%) due to increased non-member tonnage from Advanced Disposal, Car Trucking, Dinverno, Rizzo Services and Tringali Sanitation. The amount of recyclables received from the member communities increased by 1,575 tons (8.8%). This was also due to the lower tonnage of recyclables that were collected during the August 2014 flood. The amount of yard waste received from the member communities decreased by 1,186 tons (2.8%). The material processed is summarized below:

	Actual 2015/16	Budget 2015/16	Actual 2014/15
MSW			
Member	108,868	105,478	129,654
Non-member	41,837	16,506	38,638
Yard Waste			
Member	41,097	41,300	42,532
Non-member	1,663	1,157	1,490
Recyclables			
Member	19,424	18,103	17,849
Non-member	<u>481</u>	<u>542</u>	<u>482</u>
TOTAL	213,370	183,086	230,644
% recycled	9.3%	10.2%	8.0%
% composted	20.0%	23.2%	19.1%

## FINANCIAL STATEMENT

For the 2014/15 fiscal year, we recorded a net operating income of \$642,205. This is a significant improvement from the operating loss of -\$30,042 reported last year but less than the planned net income of \$904,750. The net income funded our capital expenditures and a small increase in our working capital. The revenue and expense results are summarized below:

	Actual	Compared to Budget
Revenue	\$20,519,054	+ \$877,354
Expenses	<u>19,817,190</u>	<u>+ 1,080,240</u>
Net Operating Income	\$ 701,864	- \$ 202,886

	Actual 2015/16	Budget 2015/16	Actual 2014/15
<b>REVENUE</b>			
Member refuse	\$17,276,835	\$17,067,700	\$19,884,790
Non-member refuse	1,664,030	660,000	1,500,467
Yard waste non-member	137,486	70,000	126,043
Sale of Recyclables	1,100,048	1,649,000	1,248,283
Compost Sales	197,928	60,000	118,191
Interest	21,468	20,000	23,483
Rental Homes	97,471	90,000	84,167
Miscellaneous	<u>23,788</u>	<u>25,000</u>	<u>20,983</u>
<b>TOTAL</b>	<b>\$20,519,054</b>	<b>\$19,641,700</b>	<b>\$23,006,407</b>

### REVENUE, ACTUAL vs. BUDGET

Actual revenue was \$877,354 above budget. This increase is primarily due to increases in:

- Non-member refuse (+\$1,004,000), due to higher than planned tonnage from Tringali Sanitation, Rizzo Services, Car Trucking, Dinverno and Advanced Disposal.
- Member revenue (+\$209,000) due to additional services for the member communities.
- Sale of compost (+\$138,000) due to the sales efforts of our compost site staff and an increase in our price for compost.
- Non-member yard waste revenue (+\$67,000) due to higher than budgeted yard waste tonnage, and
- Rental income (+\$8,000) due to increases in our monthly rental rates.

These increases were partially offset by decreases in:

- Revenue from the sale of our recycled materials (-\$549,000, due to significantly lower than budgeted prices for paper, plastic and metals for the entire fiscal year)

The total revenue received from non-member sources was \$3,242,000 in 2015/16 and was 15.8% of total revenue.

## REVENUE, ACTUAL 2015/16 vs. ACTUAL 2014/15

Revenue in 2015/16 was \$2,597,000 lower than revenue in 2014/15. This decrease was primarily due to increases in:

- member revenue (-\$2,608,000) due to the costs of the August 2014 flood disaster
- non-member refuse (+\$163,000) due to increased tonnage from Car Trucking, Rizzo Services, Tringali Sanitation, Dinverno and Advanced Disposal,
- compost sales (+\$80,000), and
- rental income (+\$13,000)
- non-member yard waste (+\$11,000)

These increases were partially offset by decreases in

- revenue from the sale of recycled materials (-\$148,000) due to lower commodity prices.

<b>OPERATING EXPENSES</b>	Actual 2015/16	Budget 2014/15	Actual 2014/15
Madison Heights Transfer Station	\$112,268	\$96,000	\$396,151
Troy Transfer Station	3,894,068	3,148,600	4,479,871
MRF & HHW	1,833,371	1,462,250	1,642,233
Compost Site	436,329	428,900	438,603
Administrative & General	1,346,376	1,256,800	1,219,805
Collection Contract Expenses	<u>12,186,778</u>	<u>12,528,000</u>	<u>14,146,367</u>
Total	\$19,817,190	\$18,920,550	\$22,323,030

## EXPENSES, ACTUAL vs. BUDGET

Operating expenses for 2015/16 were \$1,080,240 higher than budget. This increase was due primarily to: higher costs for contract services (+\$920,000 due to higher than budgeted non-member tonnage) labor (+\$234,000) and supplies (+\$7,000), non-labor administrative and general costs (+\$21,000) which were partially offset by lower costs for maintenance (-\$102,000).

## CAPITAL EXPENSES

Capital expenditures for 2015/16 totaled \$628,000 and were for the payments for the Scarab compost turner for the compost site (\$74,000), for a new loader at the MRF (\$50,000) and for a new loader for the Troy Transfer Station (\$70,000), major renovations to one of our rental houses in Rochester Hills that was severely damaged by a fire (\$149,000, most of which was covered by insurance), replacement of a large amount of concrete paving at the Troy Transfer Station that was damaged by the flood debris in August 2014 (\$121,000), the initial expenses for the conversion of the MRF to single stream operation (\$75,000), and the parts to reline the MRF baler (\$33,000) and miscellaneous construction at the Troy Transfer Station (\$34,000) and at the rental homes in Rochester Hills (\$22,000).

## RECYCLING REBATES

During 2015/16, SOCRRA paid a total of \$485,610 to the member communities for the recyclables generated from the curbside recycling program in their community. This was a 23% decrease from the amount paid in 2014/15 due to lower prices that SOCRRA received for our

recycled commodities. The amount of money paid to the member communities for recycling in 2015/16 will be reduced by about 20% due to the continued low commodity prices.

**RECYCLING REBATES PAID TO SOCRRA COMMUNITIES**

COMMUNITY	REBATE PAID
Berkley	\$26,802
Beverly Hills	30,910
Birmingham	56,504
Clawson	18,600
Ferndale	44,240
Hazel Park	14,930
Huntington Woods	25,943
Lathrup Village	7,169
Oak Park	22,371
Pleasant Ridge	7,687
Royal Oak	100,889
Troy	129,568
TOTAL	\$485,613

Respectfully Submitted,

\_\_\_\_\_  
Jeffrey A. McKeen, P.E.  
General Manager

Suggested Resolution: “That the Summary of 2015/16 operations be received and filed.”

August 19, 2016

Board of Trustees  
SOCRRA

Subject: Community Recycling Rebates

Board Members:

For the past several years, I have presented some information about the financial benefits of recycling for the member communities. I have updated this information to reflect the recycling tonnages and rates for 2015/16. I have also added a column that compares the recycling benefits to the total cost of collection of recycling and trash.

COMMUNITY	REBATE PAID	AVOIDED DISPOSAL COSTS	TOTAL BENEFIT	BENEFIT AS % OF RECYCLING COSTS	BENEFIT AS % OF COLLECTION COSTS
Berkley	\$26,802	\$28,946	\$55,747	40.1%	8.8%
Beverly Hills	30,910	33,383	\$64,293	54.3%	14.3%
Birmingham	56,504	61,025	\$117,529	49.4%	12.5%
Clawson	18,600	20,088	\$38,688	32.4%	8.1%
Ferndale	44,240	47,779	\$92,018	35.7%	8.8%
Hazel Park	14,930	16,124	\$31,053	21.7%	6.3%
Huntington Woods	25,943	28,018	\$53,960	100.2%	22.5%
Lathrup Village	7,169	7,743	\$14,912	41.0%	9.0%
Oak Park	22,371	24,161	\$46,532	21.6%	4.8%
Pleasant Ridge	7,687	8,302	\$15,988	61.9%	13.9%
Royal Oak	100,889	108,960	\$209,848	35.4%	6.7%
<u>Troy</u>	<u>129,568</u>	<u>139,933</u>	<u>\$269,501</u>	<u>44.6%</u>	<u>9.5%</u>
TOTAL	\$485,613	\$524,460	\$1,010,070	39.1%	8.7%

Overall, the recycling rebate paid and the avoided disposal costs comprise 39.1% of the cost of performing the collection of recycling and 8.7% of the total cost of collection of recycling and trash. These percentages were slightly smaller than last year due to the lower level of recycled commodity prices. For the individual communities, the percentage ranges from a high of 100.2% for Huntington Woods to a low of 21.6% for Oak Park. For 2016/17, the recycling rebate that SOCRRA pays to the member communities was reduced to \$20 per ton so the benefit of recycling will be reduced.

Respectfully submitted,

Jeffrey A. McKeen, P.E.  
General Manager

Suggested Resolution: "That the report on the Recycling Rebate be received and filed."

September 7, 2016

Board of Trustees  
SOCRRA

Subject: Single Stream Recycling Status Update

Board Members:

We conducted a conference call on September 2, 2016 to provide Moody's with additional information about SOCRRA and about our single stream project. Bob Davis, Bob Schwartz, our bond counsel, Chris Perlitz from MCM capital and I participated along with 2 Moody's analysts. Moody's had provided a set of questions before the call. We reviewed the answers to Moody's questions and provided some additional information requested by Moody's. The call seemed to go very well.

Moody's plans to provide SOCRRA with an "indicative rating" about September 15. If we are satisfied with this rating, Moody's will do some additional reviews before publishing a final rating. If we are not satisfied with the Moody's rating, it will not be published. MCM Capital is confident that they will be able to market the revenue bond without a rating but they believe that a Moody's rating may provide a lower interest rate. The ratings issue will be resolved well before the September 28, 2016 bond sale.

I will provide an email update to the members of the Board shortly after the bond sale takes place and I will provide a more in depth report on the results of the revenue bond sale at the October 12, 2016 Board meeting.

Respectfully submitted,

Jeffrey A. McKeen, P.E.  
General Manager

Suggested Resolution: "That the Single Stream Recycling Status Update report be received and filed."



August 26, 2016

Board of Trustees  
Southeastern Oakland County Water Authority  
SOCRRA

Subject: Compensation Study

Board Members:

We last performed a compensation study for our salaried positions in 2006. This study was performed by Mark Nottley, who was employed by Rehmann Robson at that time. Since 2006, there have been massive changes in the number and responsibilities of the SOCWA/SOCRRA salaried staff members and with the external market. At the joint meeting of both Boards in May, I recommended that we perform a compensation study during the current fiscal year.

I have requested a proposal from Mark Nottley, who is now employed by Municipal Consulting Services. The proposal from Mr. Nottley is attached. In addition to performing our 2006 compensation study, Mark also has extensive experience with our member communities, having done similar studies for 11 of our member communities (Berkley, Beverly Hills, Bingham Farms, Birmingham, Ferndale, Hazel Park, Huntington Woods, Lathrup Village, Oak Park, Royal Oak and Southfield Twp.) in recent years.

Mr. Nottley is proposing to perform a comprehensive review of the compensation and benefits provided by SOCRRA and SOCWA at a cost not to exceed \$8,100. New job descriptions could be completed at an additional cost of \$1,400. I am asking for Board approval of a cost not to exceed \$9,500 in case we determine that new job descriptions are required. The cost of this study would be split equally between the two Authorities.

I am recommending that this work be performed by Mr. Nottley due to his extensive experience with both the Authorities and the member communities. Mr. Nottley's experience is described in Section IV and Appendix A of the attached proposal.

Respectfully submitted,

Jeffrey A. McKeen, P.E.  
General Manager

Suggested Resolution: "That in accordance with the Professional Services provision of our Purchasing Policy, the General Manager is authorized to use the services of Mark Nottley of Municipal Consulting Services to perform a compensation study for the salaried staff of the Authorities at a cost not to exceed \$9,500."

# SOUTHEASTERN OAKLAND COUNTY RESOURCE RECOVERY AND WATER AUTHORITIES



**SOCRRA**

Community Partners in Recycling & Waste



## PROPOSAL TO CONDUCT A CLASSIFICATION AND COMPENSATION STUDY

**MUNICIPAL CONSULTING SERVICES LLC**

# MUNICIPAL CONSULTING SERVICES LLC

August 19, 2016

Jeff McKeen  
General Manager  
SOCRRA/SOCWA  
3910 W. Webster  
Royal Oak, MI 48073

Dear Mr. McKeen,

We are pleased to submit this proposal to perform a classification and compensation study for the Southeastern Oakland County Resource Recovery Authority and Southeastern Oakland County Water Authority (SOCRRA/SOCWA). We have performed numerous studies of this type for Michigan's public entities, and we look forward to working with you to develop a pay system that is both internally equitable and externally competitive.

Our proposal, contained in the following pages, is organized as follows:

- Project objectives
- Our approach and work plan
- Our organization and project consultant
- Our qualifications for conducting the study
- Project timing and fees.

We appreciate the opportunity to be of assistance to you. Should you have questions or desire additional information, please do not hesitate to contact me at 734.904.4632.

Very truly yours,



Mark W. Nottley, Principal  
Municipal Consulting Services LLC

# **SOUTHEASTERN OAKLAND COUNTY RESOURCE RECOVERY AND WATER AUTHORITIES**

## **PROPOSAL TO CONDUCT A COMPENSATION AND CLASSIFICATION STUDY**

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**SECTION I**  
**PROJECT OBJECTIVES**

## SECTION I

### PROJECT OBJECTIVES

SOCRRA/SOCWA has expressed an interest in utilizing an experienced compensation consultant in conducting a classification and compensation study encompassing seven non-union classifications. In regard to project objectives, it will be our intent to develop a compensation system that will enhance SOCRRA/SOCWA's ability to recruit, retain and motivate quality employees. To accomplish this, we will:

- Develop a solid understanding of the specific duties and responsibilities of each position included in the study.
- (OPTIONAL) Develop new job descriptions that clearly state responsibilities and reporting relationships, and the required knowledge, skills and abilities for each position.
- Establish a competitive labor market and conduct a market survey of wages and employee benefits.
- Develop a comprehensive pay grade structure and pay ranges based on job evaluation and a thorough evaluation of the established labor market.
- Develop and include methodologies for evaluating current pay status and the impact of modifying current pay levels and moving employees through the pay ranges over time.
- Recommend procedures for ongoing system maintenance including pay system administration and compensation system upkeep.
- Provide the administrative documentation necessary for ongoing pay system maintenance.

\* \* \* \* \*

*In the following section, we present our approach to conducting the study.*

## **SECTION II**

### **OUR APPROACH AND WORK PLAN**

## SECTION II

### OUR APPROACH AND WORK PLAN

#### *Our Approach*

Our approach for achieving your objectives will incorporate several important overall rationales. Specifically:

- ***Client-consultant communications will be a paramount consideration.*** We will work closely with you to assure concurrence on the conduct, and progress of the engagement, as it relates to thoroughness, scope and applicability.
- ***Employee participation will be emphasized,*** thus assuring that positional duties are clearly understood and opportunity for input is provided. To accomplish this, we will interview all employees included in the study.
- ***The labor market survey will be customized,*** to reflect your actual labor market(s). Related:
  - We will develop a custom survey instrument that clearly specifies the duties of the SOCRRA/SOCWA's positions.
  - We will define the most appropriate labor markets and particular employers.
  - We will survey both base wages and cash-based benefits, thus providing a more accurate appraisal of employee compensation.

#### *Project Work Plan*

In developing the classification and compensation system we will structure the project into specific tasks, as follows:

#### ***Task 1: Meet with SOCRRA/SOCWA General Manager and Refine Work Plan***

It will be our intention to work closely with SOCRRA/SOCWA to develop the classification and compensation system. As a first step in the study process, we will meet with the General Manager to:

- Further define, and logistically plan, our approach and work schedule.
- Determine an approach for ongoing feedback and project communications.



### ***Task 2: Collect and Review Compensation-Related Documentation***

Additionally, at this time we will also collect and review relevant compensation information, including existing job descriptions, benefits data, compensation-related personnel policies and all other information that will provide us with an understanding of classification and compensation issues.

### ***Task 3: Task 3: Develop and Provide Job Questionnaire Forms.***

At this time, we will also develop a job questionnaire form to be completed by each employee regarding their specific job duties, reporting relationships and other aspects of their job pertaining to compensation.

### ***Task 4: Review Job Questionnaires and Interview Each Employee***

The completed job questionnaires, in conjunction with your existing job descriptions, will provide our consultant with a good overview of job duties and reporting relationships. However, we do not feel that the questionnaire is sufficient for fully understanding the function of each position within the larger organization. Consequently, we consider it important that additional information be gathered through a subsequent interview process. After reviewing the completed questionnaires, we will schedule interviews which focus on:

- Obtaining a broader definition of duties and responsibilities for each job for purposes of determining relative grade positioning.
- Assuring that all job description information is accurately reflected and job questionnaire information is accurately stated.
- Clearly defining key duties to be used to compare the position to the labor market.

Our goal will be to fully understand each job. At the completion of the supervisory interview process, we will determine if any additional interviews need to be performed.

### ***Task 5: Create New Job Descriptions (OPTIONAL)***

Having gained a full understanding of each job, we will develop new job descriptions specifying job duties and required knowledge, skills and abilities. We will return the draft job descriptions to you for review prior to finalization. Any suggested modifications will be reviewed and, as warranted, incorporated in the final job descriptions.

### ***Task 6: Determine Labor Market Comparables***

To establish compensation parameters for SOCRRA/SOCWA's labor force, we must first define the labor market. Ideally, the defined market will be comprised of a mix of local area public employers.

In Task 6, we will work with you to define a representative labor market. To accomplish this, we will:

- Present SOCRRA/SOCWA with a listing of potential comparable public sector employers. We will develop and present profile data on each entity to support this process – comprised of a mix of financial and demographic data. The final survey group will include up to 12 employers.
- With input from you, we will also identify those positions that are amenable to private sector labor market comparisons. For these wage comparisons, we have several sources from which regional and possibly localized data can be extracted.

### ***Task 7: Develop Survey Instrument***

We will then proceed to collect wage data for the seven positions. In addition to salary, we will survey other relevant information such as:

- Incumbent's years in the position
- Key duties that differ from the SOCRRA/SOCWA positional duties
- Wage components not reflected in base wage.
- Off-time provisions, including sick, personal, vacation, holiday and other.
- Sick-time bank policies, accrual limits and payout provisions.
- Health care coverage including PA 152 compliance, employee premium sharing requirements, prescription drug co-pay levels, payment-in-lieu of insurance options and other health care issues.
- Disability coverages including short-term disability, all purpose day programs, long-term disability – as well as life insurance levels.
- Retirement benefits including defined benefit (DB) or defined contribution (DC) retirement program usage. As appropriate, DB employee contribution, final average multiplier and program type (and/or) employer DC contribution and required match, plus any supplemental employer-paid contributions.

- Employer-paid retiree health care provision including percentage paid, spousal coverage, Medicare supplemental provision and/or any Retirement Savings Account benefits.
- Work hours, work week and related conditions.

The data will be arrayed in easy to read schedules accompanied by a narrative presentation. This will assist in determining the most appropriate level for base wages, within the larger context of actual compensation. It must be noted that the benefit portion of the survey is not intended as a “costing exercise”. Rather, the data will be presented separately as a supplement to the pay grade structure.

### ***Task 8: Conduct Survey Process and Finalize Results***

Having developed the survey instrument, we will mail the survey, and tabulate the incoming results. Follow-up calls will be made to clarify particular points, and supplementary surveys will be developed for any positions that are not adequately represented in our survey results.

### ***Task 9: Conduct Job/Point-Factor Evaluation and Develop Pay Grades***

Point-factoring is a process in which each position is point-ranked relative to all other positions in the organization or group. Ideally, point-factoring is considered as a means of establishing internal equity, and in turn, pay grade placement.

In Task 9, we will perform a point-factor analysis encompassing all positions included in the study. In this process, each position will be ranked in relation to ten factors. The results will be used to develop a grade structure, and establish grade placement for each individual position. The point factor results will be reviewed with SOCRRA/SOCWA prior to finalization.

As an option to the point factor process, each position could have an individual pay range. With a small group this might be a viable option. We will discuss both approaches with you to determine which would best meet your system needs.

### ***Task 10: Apply Survey Results and Develop Pay Ranges for Each Pay Grade***

In Task 10, we will use the results of the survey process to develop a pay range for each applicable pay grade. The result will be a comprehensive pay grade structure that includes all of the studied positions.

### ***Task 11: Analyze Each Position within the Confines of the New Pay Grade Structure***

We will then proceed to evaluate the wage levels of each position relative to the newly established pay ranges. We will first determine any “red circled” positions that are paid at a level higher than the recommended range maximum and any “green circled” positions that are below the range minimum. All positions will be evaluated using a compa-ratio analysis to illustrate their specific positions within their respective recommended ranges. In performing this task, it will be our intention to clearly illustrate the financial impact of the new pay system.

### ***Task 12: Develop Pay Progression Options***

There are various methods for implementing a pay system. Many clients prefer a multi-year methodology for advancing employees through the pay range. This may depend on performance evaluation results or be more structured (such as a step system with progressive pay increases linked to performance evaluation). Related to this, we will also:

- Revisit and discuss SOCRRA/SOCWA’s current compensation adjustment process with you.
- Introduce several examples of pay progression systems that are currently used in the public sector.
- Provide cost data to illustrate the impact of different approaches – and adjustments based on the study results.

### ***Task 13: Develop and Submit Final Report Document***

At the conclusion of Task 12, we will develop and submit a comprehensive final report document. This will include:

- Written summation of all project methodologies.
- All schedules and summary results developed in Tasks 1-12.
- The recommended pay grade structure including all classifications.
- Identification of any positions that fall below or above the range parameters specified for their respective classifications.
- Pay progression options and cost analysis intended to facilitate implementation of the study’s results.
- Specification of annual procedures required to update the system for ongoing use.

- Specification of administrative processes for insertion of new jobs into the pay structure, reclassification requests and other systemic requirements.
- Final job descriptions if this option is selected.

\* \* \* \* \*

*In the following section, we discuss our organization and project consultant.*

## **SECTION III**

### **OUR ORGANIZATION AND PROJECT TEAM**

## SECTION III

### OUR ORGANIZATION AND PROJECT TEAM

Municipal Consulting Services LLC is a management consulting firm incorporated in and licensed by the State of Michigan. The firm was established to provide human resources and operational-based consulting to public sector clients, including cities, townships, counties, school districts, institutions of higher education and other not-for-profit organizations. With more than 50 years of combined experience with Michigan's public sector and the completion of hundreds of management studies, we are able to provide our clients with a vast array of products, covering a broad spectrum of organizational and human resources consulting services.

*This project, for the SOCRRA/SOCWA, will be conducted by Mark Nottley, Principal for Municipal Consulting Services LLC.* Mr. Nottley has performed over 200 compensation and human resource-related projects for public sector clients. Clients have included cities, townships, road commissions, not-for-profits, county governments and other public sector entities.

Mr. Nottley is certified as a Senior Professional in Human Resources by the Society for Human Resources Management (SHRM) and holds a Master degree in Public Administration from Wayne State University. His biography is included in Appendix A and a listing of client entities is included in the following section.

\* \* \* \* \*

*A résumé for our project consultant is included in Appendix A. In the following section we discuss our specific experience.*

## **SECTION IV**

### **OUR QUALIFICATIONS FOR CONDUCTING THE STUDY**



## SECTION IV

### OUR QUALIFICATIONS FOR CONDUCTING THE STUDY

As noted, our proposed project consultant has conducted numerous classification and compensation studies of public entities. We have listed below a number of project references, followed by a more complete listing of experience. We will be pleased to provide client references for any of these engagements upon request.

#### SELECT REFERENCES FOR MARK NOTTLEY

- Client:*** ***State of Michigan (completed in 2015)***  
**Project:** 2011 State-wide Survey of Wages and Benefits  
**Contact:** Ms. Jan Winters, Director of the Office of the State Employer  
**Phone:** 517.335.2579
- Client:*** ***Marquette County Road Commission (just completed)***  
**Project:** Classification and Compensation System  
**Contact:** Ms. Mary Herman, Finance Director  
**Phone:** 906.486.4491
- Client:*** ***City of Monroe (just completed including Public Works and Engineering)***  
**Project:** Classification and Compensation System  
**Contact:** George Brown, City Manager  
**Phone:** 734.384.9156
- Client:*** ***Eaton County Road Commission (just completed)***  
**Project:** Classification and Compensation System  
**Contact:** Ms. Lori Friedlis, Finance Director  
**Phone:** 517.543.1630
- Client:*** ***Osceola County (completed in 2015)***  
**Project:** Classification and Compensation System  
**Contact:** Ms. Susan Vander Pol, County Coordinator  
**Phone:** 231.832.6196
- Client:*** ***Jackson County (including Transportation Department- just completed)***  
**Project:** Classification and Compensation System  
**Contact:** Richard M. Martonchik, Director of Human Resources and Labor Relations  
**Phone:** 517.768.6606
- Client:*** ***Kent County Road Commission (just completed)***  
**Project:** Classification and Compensation System  
**Contact:** Michael Dennis, Director of Human Resources  
**Phone:** 616.242.6937

***Client: Traverse City Light and Power (completed in 2015)***

Project: Classification and Compensation System  
Contact: Tim Arends, Executive Director  
Phone: 231.932.4558

***Client: Livingston County (completed in 2015)***

Project: Classification and Compensation System  
Contact: Jennifer Palmbo, Director of Human Resources and Labor Relations  
Phone: 517.540.8790

***Client: Eaton County (completed in 2014)***

Project: Classification and Compensation System  
Contact: Mr. John Fuentes, County Administrator  
Phone: 517.543.3331

***Client: St. Joseph County (completed in 2013)***

Project: Classification and Compensation System  
Contact: J. Patrick Yoder, County Administrator  
Phone: 269.467.5675

***Client: Ottawa County and Road Commission (completed in 2016)***

Project: Biennial Elected Officials and Road Commissioners Survey  
Contact: Keith Van Beek, Assistant County Administrator  
Phone: 616.738.4642

***Client: City of Eastpointe (including Roads/Public Works)***

Project: Classification and Compensation System  
Contact: Mr. Randy Altimus, Assistant City Manager  
Phone: 586.445.5016

***Client: Michigan Municipal Risk Management Authority (MMRMA)***

Project: Classification and Compensation System  
Contact: Mr. Michael Rhyner, Executive Director  
Phone: 734.513.0300

***Client: Monroe County CMH (current project)***

Project: Classification and Compensation System  
Contact: Jim Brown, Director of Human Resources  
Phone: 734.384.0283

***Client: Southern Clinton County Municipal Utilities Authority***

Project: Classification and Compensation Study  
Contact: Mr. Glenn Chinavare, Director  
Phone: 517. 668.0270

**PAST CLIENTS FOR  
CLASSIFICATION AND COMPENSATION STUDIES  
NOTTLEY - RYE**

Alger-Marquette Community Action Board  
Alpena Community College  
Antrim County  
Barry County  
Barry County Road Commission  
Bay County  
Bay County Water & Sewer  
Bloomfield Charter Township  
Branch County  
Calhoun County  
Capital Area Negotiators Association  
    [36 school districts]  
Cass County  
City of Albion  
City of Allen Park  
City of Alpena  
City of Bad Axe  
City of Berkley  
City of Birmingham  
City of Charlotte  
City of Clio  
City of Crystal Falls  
City of Durand  
City of East Lansing  
City of Ecorse  
City of Fenton  
City of Flint  
City of Fremont  
City of Gaylord  
City of Grand Haven  
City of Grandville  
City of Harrison  
City of Hazel Park Library  
City of Huntington Woods  
City of Jackson

Allegan County  
Alpena County  
Arenac County  
Barry County Commission on Aging  
Barry-Eaton Health Department  
Bay County Road Commission  
Benzie County  
Bloomfield Hills Schools  
Brighton District Library  
Calhoun County Probate Court  
  
Capital Region Airport Authority  
  
Chippewa County  
City of Allegan  
City of Alma  
City of Auburn Hills  
City of Benton Harbor  
City of Big Rapids  
City of Brighton  
City of Cheboygan  
City of Corunna  
City of Dowagiac  
City of East Jordan  
City of Eastpointe  
City of Fennville  
City of Ferndale  
City of Frankenmuth  
City of Galesburg  
City of Grand Blanc  
City of Grand Ledge  
City of Harper Woods  
City of Hazel Park  
City of Hudsonville  
City of Ironwood  
City of Keego Harbor

City of Kentwood  
City of Lapeer  
City of Lincoln Park  
City of Madison Heights  
City of Marlette  
City of Menominee  
City of Milan  
City of Montague  
City of Muskegon  
City of Niles  
City of Norton Shores  
City of Owosso  
City of Plainwell  
City of Potterville  
City of Riverview  
City of Rogers City  
City of Roseville  
City of Saline  
City of Springfield  
City of St. Joseph  
City of Sturgis  
City of Taylor  
City of Three Rivers  
City of Warren  
City of West Branch  
City of Wyoming  
City of Zeeland  
Clinton County  
  
Community Action Agency of Jackson  
Copper Country Mental Health Services  
Delta Township  
DeWitt Public Schools  
Eaton County  
Emmett Charter Township  
Grand Rapids Community College  
Grand Valley Metro Council  
Gratiot County Community Mental Health  
Ingham County  
Ingham County Road Commission

City of Lansing  
City of Lathrup Village  
City of Lowell  
City of Manistee  
City of Mason  
City of Midland  
City of Monroe  
City of Mt. Morris  
City of New Haven  
City of North Muskegon  
City of Oak Park  
City of Perry  
City of Portland  
City of River Rouge  
City of Rochester Hills  
City of Romulus  
City of Royal Oak  
City of Southgate  
City of St. Clair Shores  
City of St. Louis  
City of Swartz Creek  
City of Tecumseh  
City of Traverse City  
City of Wayland  
City of Woodhaven  
City of Ypsilanti  
Clare-Gladwin Probate Court  
Clinton-Eaton-Ingham Community Mental Health  
Community Action Agency of South Central MI  
Delhi Township  
Detroit Public Schools  
District Health Department No. 2  
Eighth District Court  
Grand Haven Charter Township  
Grand Traverse County  
Gratiot County  
Holt Public Schools  
Ingham County Medical Care Facility  
Ionia County Community Mental Health

Ionia County Road Commission  
Jackson County  
Kent County  
Lake County  
Lansing Board of Water & Light  
Lansing Township  
Leelanau County  
Mackinac County  
Manistee County  
Marquette County  
Mecosta County  
Michigan Catastrophic Claims Association  
Michigan Sheriffs Association  
Midland County Central Dispatch Authority  
Monroe County  
Monroe County Community Mental Health  
Montcalm County  
Municipal Employers' Retirement System  
North Central Community Mental Health  
Oakland County  
Osceola County  
Otsego County  
Oxford Charter Township  
Pittsfield Charter Township  
Region VII Area Agency on Aging  
Saginaw County  
Shiawassee County  
Southeastern Berrien County Landfill  
Authority  
Southfield Township  
St. Joseph County  
State of Michigan-Department of State Police  
State of Michigan-Legislative Council  
State of Michigan-Senate Fiscal Agency  
State of Michigan-Supreme Court

Isabella County  
Kalamazoo County Road Commission  
Kent County Road Commission  
Lake Township  
Lansing Housing Commission  
Lapeer County  
Livingston County  
Macomb County  
Manistee County Library  
Marquette County Health Department  
Meridian Charter Township  
Michigan Municipal Risk Management  
Association  
Midland County  
Mid-South Substance Abuse Commission  
Monroe County Community College  
Monroe County Opportunity Program  
Montmorency County  
Newaygo County  
Oakland Community College  
Orion Charter Township  
Oscoda Charter Township  
Ottawa County  
Pathways  
[formerly Alger-Marquette CMH]  
Redford Township  
Saginaw Charter Township  
Shelby Charter Township  
Shiawassee County Community Mental  
Health  
Southeastern Oakland County Water  
Authority  
St. Joseph Commission on Aging  
State of Michigan-Department of Civil  
Service  
State of Michigan-Department of  
Transportation  
State of Michigan-Office of the State  
Employer  
State of Michigan-State Senate  
Tuscola County

Union Township  
Village of Almont  
Village of Bingham Farms  
Village of Dexter  
Village of Franklin  
Village of Milford  
Washtenaw County  
Waterford Charter Township  
White Lake Charter Township

Van Buren County  
Village of Beverly Hills  
Village of Chelsea  
Village of Fowlerville  
Village of Grosse Pointe Shores  
Village of Vicksburg  
Washtenaw County Road Commission  
West Bloomfield Charter Township

\* \* \* \* \*

*Additional references will be provided on request. In the next section we discuss project timing and fees.*

**SECTION V**  
**PROJECT TIMING AND FEES**

## SECTION V

### PROJECT TIMING AND FEES

#### **Project Timing:**

We are currently fully engaged and anticipate that we cannot start the project until October, 2016. We anticipate completing the project within 90 days of the day we begin work, barring circumstances that are beyond our control.

#### **Professional Fees- Without Job Descriptions:**

Professional fees to complete the project will be at a not-to-exceed amount of \$8,100

#### **Professional Fees- With Job Descriptions:**

If SOCRRA/SOCWA desires new job descriptions (per Task 5), professional fees would at a not-to-exceed amount of \$9,500 (\$200 per job description).

#### **Project Expenses:**

SOCRRA/SOCWA will also be billed for out-of-pocket expenses associated with travel. This will include:

- Mileage expense at the prevailing IRS rate.
- No other expenses will be charged.

#### **Additional Costs That Could be Incurred:**

If the total number of classifications exceeds 7 at project completion (i.e. additional classifications are added), SOCRRA/SOCWA would be charged an additional \$1,000 per classification.

#### **Other Conditions:**

This proposal will remain effective for 120 days from the date of submittal.

SOCRRA/SOCWA will be billed on a calendar monthly basis for work completed in the previous period. All invoices will be due within thirty days of submittal.



**Project Deliverables:**

SOCRRA/SOCWA will receive five bound copies of the final report document that includes all analytic data and an electronic file of the final report from which additional copies can be printed or source data can be extracted for future use.



**APPENDIX A**

**PROJECT CONSULTANT RÉSUMÉ**

# MARK W. NOTTLEY

## PRESENT POSITION:

**Principal, Municipal Consulting Services LLC**

## AREAS OF CONSULTING EXPERTISE:

**Personnel Issues, Compensation and Employee Benefits Evaluation** - Conducted classification and compensation studies and employee benefit analyses for municipalities and other public entities to determine appropriate salary, retirement and benefit levels. Developed personnel policies, manuals and performance evaluation systems as components of comprehensive personnel systems.

**Organizational and Operational Analysis** - Conducted operations analyses for most areas of government service provision including police and fire services, vehicle and building maintenance, community development, public works, recreation, transportation and health and human services. In this capacity, identified specific opportunities for improved performance and increased operational cost-effectiveness.

**Financial Models** - Prepared comprehensive spreadsheet-based financial models for a number of municipalities, estimating future years' conditions for each of the various revenue and expenditure sources and categories. Following development of the models, frequently worked with the particular municipality in defining long-range fiscal strategies.

**Executive Search Services** – Conducted or oversaw the conduct of more than 100 executive searches focusing on City and Village Managers, Department Heads and various other municipal professional classifications.

**Tax Policies** - Reviewed tax policies for a number of local governments, ranging from the analyses of specific millages and service charges to comprehensive city-wide evaluations of user fees. Recommendations resulting from these reviews have resulted in more equitable tax assignment and increased revenue generation through more competitive fee structuring.

**Privatization** - Assessed privatization options for a number of local governments including the potential cost-saving and/or service improvement associated with sole source and competitive private contracting and combination public/private service provision. Areas of review have included golf course operation, turf mowing, forestry services, landfill operation, vehicle maintenance, emergency medical services, transportation, sanitation, water and wastewater operations, and the use of auxiliary paid-on-call firefighters.

**Productivity Improvement** - Performed ongoing research related to operational performance and productivity improvement. Conducted several major productivity studies including an eight-city comparative analysis of police and fire services effectiveness in the Detroit Metropolitan Area.

**Municipal Improvement and Growth Strategies** - Assisted numerous municipal clients in defining strategies for urban development and infrastructure upgrade as well as strategies for maintaining existing municipal and community assets.

**Market Analysis** - Prepared and assisted in the preparation of market analyses/feasibility studies designed to facilitate future planning and development, including downtown office/commercial development, reuse of historic structures, housing development, and the construction of a major marina/hotel complex.

**PRIOR ORGANIZATIONAL AFFILIATIONS:**

**Rehmann, Public Accountants and Management Consultants**

Principal and Director of Public Sector Consulting Services with responsibility for managing or conducting consulting projects focusing on financial analysis, operational performance, future planning, human resource issues and other areas of relevance to municipal management.

**Michigan Municipal League**

Founder and Director of the League's Municipal Consulting Services Division with responsibility for managing and performing a full range of management consulting projects, focusing on municipal operations and finance, and human resources management.

**Plante & Moran, Public Accountants and Management Consultants**

Manager in local government consulting practice with responsibility for managing or conducting consulting projects focusing on financial analysis, operational performance, future planning, human resource issues and other areas of relevance to municipal management.

**Coopers & Lybrand, Public Accountants and Management Consultants (now Pricewaterhouse Coopers)**

Senior consultant in the firm's national practice for local government consulting specializing in financial and operational consulting and municipal productivity assessment and improvement.

**EDUCATION:**

Wayne State University - Master of Public Administration (Summa cum Laude)

Wayne State University - Bachelor of Arts (with distinction)

Certification as a Senior Professional in Human Resources

**PROFESSIONAL AFFILIATIONS:**

International Personnel Management Association

Society for Human Resources Management

International City/County Management Association

Government Finance Officers Association

American Public Works Association

Pi Alpha Alpha, National Honor Society for Public Administration

September 8, 2016

Board of Trustees  
SOCRRA

Subject: Trucking Services from Madison Heights

Board Members:

SOCRRA is obtaining quotes for hauling leaves from the Madison Heights facility to the Compost Site in Rochester Hills. As of the date of this letter, we have quotes from 2 firms and we are waiting on 2 additional quotes. At the September 14 Board Meeting, I will provide the Board with a summary of the quotes obtained and a recommendation regarding which contract to select.

At the moment, we plan to open the Madison Heights facility for receiving leaves from the member communities on Monday, October 24, 2016. We will reassess that date based on the weather conditions in October. If your community needs to deliver leaves prior to October 24, please let me know.

Respectfully submitted,

Jeffrey A. McKeen, P.E.  
General Manager

Suggested Resolution: "None"