



CITY OF NOVI CITY COUNCIL
FEBRUARY 23, 2026

SUBJECT: Consideration of Ordinance 26-184.01 to amend the City of Novi Code of Ordinances, Chapter 16, "Garbage and Refuse", to allow for rates to be set by user fee. **SECOND READING**

SUBMITTING DEPARTMENT: City Clerk

KEY HIGHLIGHTS:

- Increases in recycling costs and additional tipping (also known as the gate fee at landfills) fees are impacting the General Fund
- Amended language allows for flexibility in adjusting garbage and refuse rates
- First reading was approved on February 9, 2026

BACKGROUND INFORMATION:

The City has participated in RRRASOC since the early 2000s and currently sends all curbside recycling collected in Novi to the facility for processing. Rising processing expenses, reflected in market values for recyclable materials, have shifted fluctuating costs to member communities. As a result, recycling expenses have increased as forecasted below.

	2023-24 ACTIVITY	2024-25 ACTIVITY	2025-26 ESTIMATES	2026-27 ESTIMATES
R.R.R.A.S.O.C. Consortium/ Member Contribution	88,980	92,275	131,822	140,000
Recycling center/ HHW Costs	132,461	150,414	160,000	175,000
R.R.R.A.S.O.C Tip Fees			86,700	173,400
Total	221,441	242,689	378,522	488,400

An amendment to the ordinance provides flexibility for recovering costs that exceed bid prices. Under the existing ordinance, the City may charge only the bid prices for trash hauling, which caps the annual service fee at \$145 per household in the current fiscal year. The proposed amendment would allow the City to recover increased recycling processing costs and other service-related expenses, such as hazardous waste collection days or debris collection and removal associated with unforeseen

weather events.

This information was presented at the Ordinance Review Committee (ORC) on January 21, 2026. ORC recommended the attached amendment to the ordinance language included in the packet.

RECOMMENDED ACTION: Approval of Ordinance 26-184.01 to amend the City of Novi Code of Ordinances, Chapter 16, "Garbage and Refuse", Article IV, "Collection, Recycling and Disposal," section 16-71, "Rates and Payment to Waste Hauler," and section 16-72, "Rate to be Adopted by Resolution," to allow for rates to be set by user fee. **SECOND READING**