



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

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Legislative File No: 2026-0265

TO: Mayor and City Council Members

FROM: Nathan Mueller, Chief of Communications
Mike Viazanko, Director Building/Facilities/Ordinance

DATE: June 22, 2026

SUBJECT: Consideration of Consent to Assignment and Change of Control for Solid Waste, Yard Waste, and Recycling Contract with Priority

REQUEST:

It is requested that City Council consider a motion regarding a requested “Consent to Change of Control and Consent to Assignment” with Priority Waste LLC and TPG. Representatives from Priority Waste LLC have been asked to be in attendance to present their restructuring plan and address City Council inquiries directly.

BACKGROUND:

Priority Waste LLC., has requested that the City execute a “Consent to Change of Control” due to an equity transaction where global asset manager TPG has acquired a controlling equity interest. To assist City Council in its review, the administration has compiled the following timeline surrounding this agreement:

1. The City entered into the original Solid Waste, Yard Waste and Recycling Collection, Transportation and Disposal Services Contract on April 18, 2019.
2. On March 11, 2024, the City and the Contractor executed Contract Amendment #1, extending the term of the agreement for five (5) years through March 31, 2029.
3. Following operational, customer service, and billing transitions from GFL Environmental USA Inc., to Priority Waste LLC., the City issued a formal “Notice to Cure” in August 2024. Final consideration of the contract assignment under Paragraph 23 was deferred, and Priority Waste LLC has continued to operate within the City under a limited authorization framework.
4. Last month, Priority Waste LLC notified the City of an upcoming transaction with TPG. Priority has disclosed that TPG is acquiring a controlling interest in its parent company by infusing \$190 million into the company to stabilize operations and provide liquidity. As such, the consideration of the change of control requires City Council approval in accordance with our Contract.
5. Under Paragraph 23 of the City’s Agreement, an “Assignment” is defined as any transfer of more than 10% of company stock or interest, requiring written consent from the City. Per correspondence from Priority Waste, TPG is acquiring a "controlling interest," which satisfies this threshold and brings the transaction under Council's purview.

Over the past several weeks, the City has monitored a rise in service complaints, specifically regarding missed pickups, delayed compost/yard waste collections, and extended delivery timelines for resident cart replacement requests. City administration will continue to work with the Priority Waste team to improve services provided to our residents and hold them accountable to current contractual terms.

Priority Waste has told administration the \$190M in capital is already being used to modernize their fleet and improve overall service reliability. They have purchased 198 rental trucks, ordered 91 new side load trucks, hired 28 drivers in training, added a third-party entity to handle customer service calls, and plan to have outstanding cart deliveries completed by the end of the month.

RECOMMENDATION:

It is recommended that City Council review the data presented, receive the presentation from Priority Waste LLC, and approve the Consent to Assignment and Change of Control.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
City Clerk		

Contract Reviewed by City Attorney Yes N/A